

HR 6th edition DeNisi Test Bank

SKU: 9780357899380-TEST-BANK

Chapter 01: The Nature of Human Resource Management

1. The use of new technologies by an organization for manufacturing, communication, and human resource management reduces the organization's need for knowledge workers.

- a. True
- b. False

ANSWER: False

2. Unemployment rates in the United States continue to decline, and now the rate is near what is known as functional full employment.

- a. True
- b. False

ANSWER: True

3. Scientists and lawyers are usually considered knowledge workers.

- a. True
- b. False

ANSWER: True

4. Outsourcing has resulted in an increase in the size of HR staffs within companies.

- a. True
- b. False

ANSWER: False

5. The human relations era emerged following the Hawthorne studies.

- a. True
- b. False

ANSWER: True

6. Contemporary HR managers are increasingly regarded as second-class corporate citizens.

- a. True
- b. False

ANSWER: False

7. The view of human resource management (HRM) as part of the legal enforcement arm of an organization is largely applicable only in the United States.

- a. True
- b. False

ANSWER: True

8. The passage of the Taft–Hartley Act made it clear that organizations had to find ways to hire, reward, and manage people effectively within the limits of the law.

- a. True
- b. False

ANSWER: False

9. Computer monitoring is most likely to be used in which of the following jobs?

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- a. Car salesperson
- b. University professor
- c. Customer service representative
- d. Waitress/waiter

ANSWER: c

10. Scientific management was focused on structuring which part of the production process to maximize efficiency and productivity?

- a. Management
- b. Individual jobs
- c. Groups of jobs
- d. Layout of production

ANSWER: b

11. Identify a true statement about outsourcing.

- a. Outsourcing tends to eliminate jobs that are repetitive.
- b. Outsourcing reduces a firm's risk of facing intellectual property theft.
- c. Outsourcing has resulted in larger internal HR staffs.
- d. Outsourcing helps a firm share functions that are of strategic importance.

ANSWER: a

12. Which of the following statements is true of contemporary human resource management (HRM)?

- a. HRM policies are aimed at promoting ethnocentrism in the workplace.
- b. HR managers are considered second-class corporate citizens.
- c. HR managers are solely responsible for carrying out line functions.
- d. HRM practices significantly affect management's ability to formulate and implement strategy in any area.

ANSWER: d

13. Which of the following departments within an organization was usually thought of as a staff function?

- a. The legal department
- b. The operations department
- c. The finance department
- d. The marketing department

ANSWER: a

14. Wrapp Kitchen Inc., a restaurant chain, wants to increase worker productivity and efficiency. To achieve this, the management of the restaurant restructures the jobs of servers and chefs to maximize output and service delivery. The aim is to focus each and every employee activity toward maximizing productivity. This scenario most likely illustrates the concept of _____.

- a. personnel management
- b. outsourcing
- c. licensing
- d. scientific management

ANSWER: d

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15. Which of the following statements is true of contemporary HR executives?

- a. They are regarded as second-class corporate citizens.
- b. They are tasked with developing policies that promote ethnocentrism in the workplace.
- c. They are required to possess general management abilities that reflect conceptual, diagnostic, and analytical skills.
- d. They are concerned exclusively with hiring first-line employees such as blue-collar workers and unskilled labor.

ANSWER: c

16. Which of the following should an organization do to achieve the human resource management goal of facilitating organizational competitiveness?

- a. Organizational objectives should be formulated in such a way that they deal with revenue growth and profitability.
- b. HR practices should focus on promoting ethnocentrism in the workplace.
- c. Organizations should match employee contributions to local charities.
- d. Management should establish charitable foundations and regularly organize fund-raisers.

ANSWER: a

17. Which of the following statements is true of the HR department of large organizations?

- a. Relatively little HR training is provided in large organizations.
- b. Line managers are required to handle basic HR functions in large organizations.
- c. General managers handle the HR duties in large organizations.
- d. HR functions are likely to have specialized subunits in large organizations.

ANSWER: d

18. Undertaking initiatives that help an organization assume an enhanced citizenship role most likely aligns with the human resource management goal of:

- a. complying with and meeting legal and social obligations.
- b. facilitating organizational effectiveness.
- c. enhancing productivity and quality.
- d. promoting individual growth and development.

ANSWER: a

19. Which of the following offers three core certifications: Professional in Human Resources (PHR), Senior Professional in Human Resources (SPHR), and Global Professional in Human Resources (GPHR)?

- a. The American HR Certification Association
- b. The HR Certification Institute
- c. The National Academy of Human Resources
- d. The Institute of Human Resource Capital Consultancy

ANSWER: b

20. Which of the following is a necessary prerequisite for success in human resource management?

- a. A solid educational background
- b. A membership in the Society for Human Resource Management
- c. An inclination toward Theory X style of management

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- d. An ethnocentric attitude

ANSWER: a

21. Envirer Inc., a small independent business, manufactures and sells recycled notebooks. Because of the small size of the company, Adam, the company's owner, decides to assign the HR duties of the company to one person. Who among the following is most likely to handle the HR duties?

- a. Tim, the Business Intelligence Officer of the company
- b. Martha, the Chief Accountant of the company
- c. Jaden, the General Manager of the company
- d. April, the Product Manager of the company

ANSWER: c

22. Xbuzz, a gadget manufacturer, has developed a new gaming platform that enables users to talk to the characters in video games. When the company files a patent for the platform, it discovers that the product has already been wrongfully patented by a competing firm. The company hires a lawyer to get his expert advice on the situation and to find a way to gain rights over the product. In the given scenario, Xbuzz hires a(n) _____.

- a. blue-collar worker
- b. knowledge worker
- c. ancillary worker
- d. free rider

ANSWER: b

23. TechUp Inc., a computer manufacturing firm, hires an external specialist agency to perform background checks on its new employees. By doing this, TechUp Inc. ensures quality service and saves both time and labor costs. In the given scenario, TechUp Inc. uses _____.

- a. crowdsourcing
- b. foreign direct investment
- c. homeshoring
- d. outsourcing

ANSWER: d

24. Which of the following statements is true of human resource management (HRM) in modern organizations?

- a. HRM is exclusively concerned with structuring jobs to maximize efficiency.
- b. HRM is responsible for promoting ethnocentrism in the workplace.
- c. Modern organizations outsource all HR functions.
- d. Line managers often make decisions about pay raises and promotions.

ANSWER: d

25. Which of the following, perhaps, will be the most important challenge for HR in the coming years?

- a. Selection of knowledge workers
- b. Sexual harassment and sexual misconduct at work
- c. Development of personnel departments
- d. Effective performance appraisal and compensation systems

ANSWER: b

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26. Fulfilling the psychological contract between employers and employees aligns with the human resource management goal of _____.

- a. adhering to legal business guidelines
- b. creating an ethnocentric work environment
- c. promoting individual growth and development
- d. complying with social obligations

ANSWER: c

27. Which of the following is the largest professional HR association in the field of human resource management?

- a. The Human Resources Professionals Association
- b. The Institute of Human Resource Capital Consultancy
- c. The Human Resources Management Association
- d. The Society for Human Resource Management

ANSWER: d

28. Which of the following acts made it illegal for employers to consider factors such as gender, religion, race, skin color, or national origin when making employment-related decisions?

- a. The Civil Rights Act of 1964
- b. The Worker Adjustment and Retraining Notification Act of 1988
- c. The Labor Management Relations Act of 1947
- d. The Taft–Hartley Act of 1947

ANSWER: a

29. Which of the following is defined as the overall set of expectations held by an employee with regard to what they will contribute to an organization and held by the organization with regard to what it will provide to the individual in return?

- a. A value proposition
- b. A vision statement
- c. A mission statement
- d. A psychological contract

ANSWER: d

30. To achieve the human resource management goal of promoting individual growth and development, an organization should _____.

- a. provide pro bono services and establish charitable foundations
- b. ensure that its corporate strategies enhance the citizenship role played by the organization
- c. provide stress-management programs to help its employees effectively cope with anxiety
- d. promote ethnocentrism in the workplace

ANSWER: c

31. Wags is a chain of veterinary clinics. As a growing organization, the management of Wags recognizes the need to coordinate various human resource management (HRM) activities. It believes that all staffing activities should be directed at identifying and attracting skilled workers and that appraisals, compensation, and performance management should reflect the nature of its employees. In this scenario, which of the following approaches to HRM most likely explains the management's recognition of the need to coordinate HRM activities?

- a. A systems approach

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- b. The scientific management approach
- c. The open-book management approach
- d. An empirical approach

ANSWER: a

32. Which of the following revealed that individual and group behavior played an important role in organizations and that human behavior at work was something managers really needed to understand more fully?

- a. The Hawthorne studies
- b. Maslow's hierarchy of human needs
- c. McGregor's Theory X framework
- d. The Jevons paradox

ANSWER: a

33. The management of Gilbert Inc., an automobile parts manufacturer, has created a separate department to deal with the company's increasing hiring needs. This department hires skilled employees, administers basic HR activities such as pay and benefits, and ensures that all organizational activities are in compliance with government regulations. In the given scenario, the new department is most likely concerned with _____.

- a. operations management
- b. production management
- c. personnel management
- d. technology management

ANSWER: c

34. The material resources of an organization include _____.

- a. the people employed to do the work of the organization
- b. the sources of information of the organization
- c. patents, trademarks, and copyrights
- d. factories, equipment, raw materials, computers, and offices

ANSWER: d

35. The HR department of Asterix, a large organization, recommends setting up fitness centers and conducting career planning sessions to enhance the overall development of its employees. The management of the company believes that the employees should be happy and personally fulfilled on the job. In the given scenario, the recommendation of the HR department, if executed, will most likely help Asterix achieve the human resource management goal of _____.

- a. adhering to legal business guidelines
- b. complying with social obligations
- c. promoting ethnocentric practices in the workplace
- d. promoting individual growth and development

ANSWER: d

36. Which of the following recognizes that if an organization needs highly skilled, knowledgeable workers to carry out its strategy, then all staffing activities must be coordinated toward identifying and attracting such employees?

- a. The function-oriented view of human resource management
- b. An empirical approach to human resource management
- c. The scientific management approach to human resource management

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- d. A systems-oriented view of human resource management

ANSWER: d

37. Which of the following statements is true of traditional line managers?

- a. They are responsible for the support functions of their organization.
- b. They make indirect bottom-line contributions to their organization.
- c. They include human resource managers.
- d. They are directly responsible for creating goods and services.

ANSWER: d

38. Employees who contribute to an organization by the nature of what they know and how well they can apply what they know are known as _____.

- a. ancillary workers
- b. free riders
- c. blue-collar workers
- d. knowledge workers

ANSWER: d

39. Varo Inc., a pharmaceutical company, plans to develop a drug that would treat the diseases caused by a new strain of virus. To assist the in-house doctors in developing the drug, the company hires a scientist who has previously conducted research on the virus. The company intends to use the scientist's expertise on the subject to create a useful drug. In the given scenario, Varo Inc. has hired a(n) _____.

- a. blue-collar worker
- b. knowledge worker
- c. ancillary worker
- d. free rider

ANSWER: b

40. Which of the following statements is true of the HR department of small organizations?

- a. The HR department of small firms has specialized subunits, each with its own functions.
- b. Small firms usually provide extensive HR training.
- c. HR issues are relatively straightforward in small firms.
- d. Small firms usually have one full-time HR manager and a single secretary to assist the manager.

ANSWER: c

41. Which of the following organizations created the HR Certification Institute (HRCI)?

- a. The Human Resources Professionals Association
- b. The Institute of Human Resource Capital Consultancy
- c. The Society for Human Resource Management
- d. The National Academy of Human Resources

ANSWER: c

42. The management of Finitos, a stationery manufacturer, wanted to cut down its fixed costs to increase the profits of the company. As a result, it drastically reduced its HR staffs and hired an external agency to manage basic HR functions such as payroll and benefits. To achieve Finitos's objective, the management of the company most likely employed _____.

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- a. crowdsourcing
- b. outsourcing
- c. foreign direct investment
- d. homeshoring

ANSWER: b

43. Which of the following is most likely to happen as a small firm grows into a large business?

- a. A separate HR unit will become a necessity.
- b. Specialized HR subunits will be merged to form one large HR department.
- c. The owner or general manager of the firm will start handling HR duties.
- d. The firm will exempt from many legal regulations.

ANSWER: a

44. The management of Futurics, a consultancy firm, regularly introduces various reward programs to maintain motivation and effort among its employees. The management understands the importance of providing incentives to the employees to ensure efficiency and a high level of customer service. In the given scenario, which of the following goals of human resource management is fulfilled by the aforementioned activities of the management?

- a. Adhering to legal business guidelines
- b. Enhancing productivity and quality
- c. Creating an ethnocentric work environment
- d. Complying with and meeting social obligations

ANSWER: b

45. Douglas McGregor's Theory X and Theory Y framework grew from _____.

- a. the Green Revolution
- b. scientific management
- c. the human relations movement
- d. operations management

ANSWER: c

46. Zander, an e-commerce company, hired over 50 workers to handle customer orders. As the company grew in size, the management recognized the need to maximize the productivity and efficiency of its workers. To achieve this, all aspects of the workers' jobs were studied carefully and their jobs were structured to help them work faster. The given scenario most likely illustrates the use of _____.

- a. personnel management
- b. scientific management
- c. licensing
- d. outsourcing

ANSWER: b

47. To better manage its human resources, the management of Bart, a pharmaceutical company, decides to create a separate department that would be responsible for hiring skilled employees, dealing with government regulations, and managing behavioral issues. The given scenario illustrates the concept of _____.

- a. personnel management
- b. scientific management

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- c. outsourcing
- d. licensing

ANSWER: a

48. The management of Rockslide Inc., a sports equipment manufacturing firm, hires an external agency to manage its payroll and insurance functions. It does this to ensure expert services and more efficient operations. In the given scenario, the management of Rockslide Inc. is using _____.

- a. crowdsourcing
- b. foreign direct investment
- c. outsourcing
- d. homeshoring

ANSWER: c

49. Which of the following supplanted scientific management as the dominant approach to management during the 1930s?

- a. The open-book approach to management
- b. Taylorism
- c. The human relations era
- d. The systems-oriented view of human resource management

ANSWER: c

50. Which of the following is the attempt to measure, in objective terms, the impact and effectiveness of human resource management (HRM) practices in terms of metrics such as a firm's financial performance?

- a. Utility analysis
- b. Ethnographic analysis
- c. Market basket analysis
- d. Narrative analysis

ANSWER: a

51. Which of the following terms refers to treating social outcomes and financial outcomes as complementary, rather than competing outcomes?

- a. Astroturfing
- b. Organizational citizenship behavior
- c. Greenwashing
- d. Conscious capitalism

ANSWER: d

52. Which of the following statements is true of scientific management in the 20th century?

- a. It was concerned exclusively with creating an ethnocentric work environment.
- b. It helped augment the concepts of division of labor and economies of scale.
- c. It was primarily based on the belief that employees would work harder if they were happy.
- d. It focused on maximizing job satisfaction and quality rather than efficiency and productivity.

ANSWER: b

53. Which of the following statements is true of the Civil Rights Act of 1964?

- a. It banned labor unions in the United States.

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- b. It made the processes of hiring and promoting employees within the organization far more complex.
- c. It promoted ethnocentrism in the workplace.
- d. It required that organizations provide a 60-day notice before terminating employees or closing a factory.

ANSWER: b

54. The management of Crimson, a cosmetics company, has entrusted its HR department with the responsibility of organizing fund-raisers to create awareness about various issues related to women and children. The management also supports volunteer activities by matching employee contributions to local charities. By engaging in these activities, the management of Crimson is fulfilling the human resource management goal of _____.

- a. complying with and meeting social obligations
- b. adhering to legal guidelines
- c. facilitating organizational competitiveness
- d. enhancing productivity and quality

ANSWER: a

55. Abigail, an HR executive in a company, coordinates with the management to plan and implement a wide range of employee engagement activities for improving the mental and physical health of the employees. These activities include personality enhancement sessions, career development seminars, and annual office trips. She also works with the management to provide employees with a platform where they can share their innovative ideas. In this scenario, Abigail's initiatives fulfill the human resource management goal of _____.

- a. complying with social obligations
- b. promoting individual growth and development
- c. adhering to legal business guidelines
- d. creating an ethnocentric work environment

ANSWER: b

56. Which of the following is true of HR managers in the 1980s and 1990s when firms sought mergers and acquisitions to compete effectively in the global marketplace?

- a. HR managers helped create strategies that promoted ethnocentrism in the workplace.
- b. HR managers helped identify the critical human resources that the firms would need in the future.
- c. HR managers developed strategies that ensured that any knowledge acquired was kept confidential among top executives.
- d. HR managers were involved solely in scheduling working hours and disciplining problem employees.

ANSWER: b

57. The basic premise of the human relations era was that _____.

- a. employees have to be intimidated to be motivated
- b. individuals work best in an ethnocentric environment
- c. satisfied employees work harder and are more productive
- d. union activities are harmful for an organization

ANSWER: c

58. Which of the following activities aligns with the human resource management goal of enhancing productivity and quality?

- a. Promoting ethnocentric practices in the workplace

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- b. Establishing charitable foundations to deal with societal problems
- c. Using new and different types of rewards to help maintain employee motivation
- d. Undertaking corporate social responsibility initiatives

ANSWER: c

59. Which of the following is an economic measure of efficiency that summarizes and reflects the value of the outputs created by an individual, organization, industry, or economic system relative to the value of the inputs used to create them?

- a. Quality
- b. Productivity
- c. Reliability
- d. Sustainability

ANSWER: b

60. The HR department of Woodworkers, a furniture manufacturing firm, takes the time and effort to identify and attract the right type of skilled employees required to manufacture premium furniture. It also trains the employees extensively so that they gain job-related knowledge. Moreover, it has established monthly reward systems so that the employees feel appreciated for their hard work. In this scenario, the activities undertaken by the HR department of Woodworkers most likely align with the human resource management goal of _____.

- a. adhering to legal business guidelines
- b. complying with social obligations
- c. creating an ethnocentric work environment
- d. enhancing productivity and quality

ANSWER: d

61. Briefly explain the human resource management goal of complying with legal and social obligations.

ANSWER: Answers will vary. A fundamental goal of the human resource management (HRM) function of an organization is to ensure that the organization is complying with and meeting its legal and social obligations. The passage of the Civil Rights Act in 1964 really made this goal salient. Subsequent court cases made it clear that organizations that violated this law and discriminated in hiring, promotion, compensation, or other HR decisions could face millions of dollars in fines and penalties. In most organizations, it is the role of the HRM department, along with the legal department, to ensure that business is conducted within the law so that financial penalties and bad press can be avoided.

Beyond the strict legal parameters of compliance, more and more organizations today are assuming some degree of social obligation to the society in which they operate. This obligation goes beyond the minimum activities required to comply with legal regulations and calls for the organization to serve as a contributing *citizen*. Some firms support volunteer activities by employees in the local community either by granting time off or by matching employee contributions to local charities. Others provide pro bono services, and some establish charitable foundations to deal with societal problems. Whatever the choice, it often requires some work by the HRM department that goes above and beyond its usual responsibilities. Refer to 1-3: Goals of Human Resource Management.

62. How do people become HR managers?

ANSWER: Answers will vary. Career opportunities in human resource management (HRM) continue to grow and expand and are expected to continue to do so. One way to enter this profession is to get a degree in HRM (or a related field) and then seek entry-level employment as an HR manager. Alternative job options may be as the HR manager for a small firm or as an HR specialist in a larger organization. Some universities also offer specialized graduate degree programs in human resource management. Another route to HRM is through line

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management. More and more firms are beginning to rotate managers through the HR function as part of their own personal career-development program. Thus, people who go to work in marketing or finance may well have an opportunity at some point to sample central HRM responsibilities. Refer to 1-5: Human Resource Managers.

63. Will sexual misconduct at work pose a challenge to human resource management in the coming years?

ANSWER: Answers will vary. Perhaps the challenge that will be the most important for HR in the coming years stems from the "Me Too" movement and the new spotlight on sexual harassment and sexual misconduct at work. A number of important personalities have been caught in this movement, including Matt Lauer, Kevin Spacey, and Harvey Weinstein. Women are increasingly feeling empowered to speak out against the way they are treated at work, and people are finally taking the claims seriously. Some trace the movement back to the comments of then-candidate Donald Trump about how he treated women, which led to outrage over the fact that someone of his prominence could actually say the things he said. Others, however, suggest that these issues have been long simmering, but women felt afraid to speak out about them—especially when the perpetrator was someone in power such as Harvey Weinstein. This movement has become so big that, in 2017, *TIME* magazine named as their "Person of the Year" the group of women who spoke out about their various episodes of sexual assault and harassment. The movement has also gained momentum as more women speaking out have emboldened yet more women to come forward with problems they have encountered, and CEOs, moguls, and entertainment icons have all toppled as a result. These stories have gone beyond the typical complaint, and many actually deal with sexual assault. But, in any case, it is usually the responsibility of the HR department to deal with complaints of this nature at work. It is clear that the incidence of such complaints will increase and also that the consequences of not dealing with the complaints will also increase in the coming years. Refer to 1-2: Evolution of the Human Resource Function.

64. Explain how human resource management operations are carried out in small organizations.

ANSWER: Answers will vary. Responsibilities for carrying out HR functions may reside in a separate HR department, but many small organizations do not have separate HR departments and must deliver the required services in different ways. Most small organizations require line managers to handle their basic HR functions. A small independent business generally has the owner or general manager handling HR duties. Payroll and other basic administrative activities may be subcontracted to businesses in the local community that specialize in providing such services for other local organizations. Relatively little training is provided in these small organizations, and other HR issues are relatively straightforward. Very small organizations are exempt from many legal regulations. Thus, a single manager can usually handle the HR function in small firms without too much difficulty. Refer to 1-4: The Setting for Human Resource Management.

65. What is the Society for Human Resource Management? What are the certifications offered by the Human Resource Certification Institute?

ANSWER: Answers will vary. Many HR managers belong to the Society for Human Resource Management (SHRM), the field's largest professional HR association. SHRM publishes professional journals that help members stay abreast of the newest developments in the field, sponsors workshops and conferences, and so forth. SHRM has created the Human Resource Certification Institute (HRCI). The HRCI is the recognized symbol of HR certification in much the same way that the accounting profession uses the certified public accountant exam and credential to designate those individuals who have formally achieved basic minimal competencies in prescribed areas.

The HRCI offers three core certifications: Professional in Human Resources (PHR), Senior Professional in Human Resources (SPHR), and Global Professional in Human Resources (GPHR). To be eligible to take the PHR, SPHR, or GPHR exam, an HR professional must have a minimum of 2 years of professional (exempt-level) experience and pass a rigorous examination covering the body of HR knowledge as it relates to the particular certification. Refer to 1-5: Human Resource Managers.