TT TEXTBOOK TESTBANKS

Test Bank for Human Resource Management 4th Phillips

TEST BANK SAMPLE PREVIEW

PUBLISHER
Sage

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2026

RESOURCE TYPE
Test Bank

ISBN
9781071931332

Test Bank for Human Resource Management 4th Edition by Phillips

ISBN: 9781071931332

Human Resource Management (4th)

ISBN 9781071931332 | Chapter 1: Strategic Human Resource Management

Total Questions: 130

Easy

Multiple Choice (29)

Q1. *[Multiple Choice]*

A benefit of using HR chatbots and virtual assistants is that this allows the HR team to focus on more ______ tasks.

- **a)** profitable
- **b) strategic ✓ correct**
- **c)** technical
- **d)** international

Q2. *[Multiple Choice]*

A professional employer organization is a company that ______.

- **a) leases employees to companies who need them ✓ correct**
- **b)** uses outside vendors to perform administrative tasks
- **c)** only hires employees who belong to professional organizations
- **d)** only hires people with advanced degrees

Q3. *[Multiple Choice]*

According to business expert Michael Porter, for a company to have a competitive advantage it must ultimately provide a combination of great quality, service, and ______.

- **a)** branding
- **b)** ethics
- **c) price ✓ correct**

Q4. *[Multiple Choice]*

An organization’s talent philosophy is its beliefs about how to ______.

- **a)** grow market share
- **b) treat employees ✓ correct**
- **c)** source employees
- **d)** manage financial risk

Q5. *[Multiple Choice]*

Because most employees’ knowledge of HRM is minimal, to ensure that employees have the HR knowledge, they need companies to create ______.

- **a)** union contracts
- **b)** values statements
- **c)** codes of ethics
- **d) employee handbooks ✓ correct**

Q6. *[Multiple Choice]*

Each of the functional areas of HRM must be consistent in what they ______.

- **a)** cost
- **b)** cross–train
- **c) reinforce ✓ correct**
- **d)** reimburse

Q7. [Multiple Choice]

Employee–management relations ultimately determine the employment rights of ______.

- **a) employees and employers ✓ correct**
- **b)** employees only
- **c)** employers only
- **d)** labor unions

Q8. [Multiple Choice]

In most cases, talent philosophy is shaped by ______.

- **a)** government regulations
- **b)** the employees
- **c) company founders ✓ correct**
- **d)** HR managers

Q9. [Multiple Choice]

Labor unions and unionization rates have been ______ for years.

- **a)** rising
- **b)** stagnating
- **c)** fluctuating
- **d) declining ✓ correct**

Q10. [Multiple Choice]

Mergers and acquisitions often fail because of ______.

- **a) cultural issues ✓ correct**
- **b)** financial issues
- **c)** compliance issues
- **d)** technical issues

Q11. [Multiple Choice]

Occupational forecasts suggest that the income and opportunity prospects in HRM in the near future are ______.

- **a)** unfavorable
- **b)** mediocre
- **c) favorable ✓ correct**
- **d)** stagnant

Q12. [Multiple Choice]

One reason HRM departments are using artificial intelligence (AI) is to ______.

- **a)** generate revenue
- **b) increase productivity ✓ correct**
- **c)** reduce strategic risk
- **d)** define business strategy

Q13. [Multiple Choice]

Talent is often considered the most critical element in building a ______ company.

- **a)** production–oriented
- **b) customer–oriented ✓ correct**
- **c)** product–oriented
- **d)** sales–oriented

Q14. *[Multiple Choice]*

The field of ______ focuses on unionized employment situations.

- **a)** rewards and benefits
- **b) employment relations ✓ correct**
- **c)** healthy and safety
- **d)** performance management

Q15. *[Multiple Choice]*

The foundation of effective HRM is ______ because these activities are responsible for an organization's talent capabilities.

- **a) staffing and development activities ✓ correct**
- **b)** programming and payroll activities
- **c)** legal and ethical activities
- **d)** recruiting and compensation activities

Q16. *[Multiple Choice]*

The most effective HRM practices are based on ______.

- **a) solid research ✓ correct**
- **b)** gut instinct
- **c)** personal philosophy
- **d)** global company models

Q17. *[Multiple Choice]*

The sum of all the rewards an employee receives in exchange for their time, efforts, and performance is referred to as ______.

- **a)** indirect financial compensation
- **b)** direct financial compensation
- **c) total rewards ✓ correct**
- **d)** nonfinancial compensation

Q18. *[Multiple Choice]*

What is outsourcing?

- **a)** expanding a business into a different country
- **b) hiring an external vendor to do a task rather than doing it internally ✓ correct**
- **c)** hiring an external candidate rather than promoting from within
- **d)** leasing workers to another company

Q19. *[Multiple Choice]*

What is sourcing?

- **a) identifying potential recruits ✓ correct**
- **b)** getting individuals to apply for jobs
- **c)** identifying skills and competencies employees lack
- **d)** filling open positions

Q20. *[Multiple Choice]*

What is the primary purpose of a firm's human resource strategy?

- **a)** to ensure high levels of employee satisfaction
- **b)** to establish independent strategic goals for the HR division
- **c)** to centralize business strategy decisions in HR
- **d) to link the HR function with the company's business strategy ✓ correct**

Q21. [Multiple Choice]

Which HRM factors influence Moody’s bond ratings and subsequent corporate interest rates?

- **a)** global mindset, talent philosophy, and carbon footprint
- **b)** total number of employees and average total rewards package
- **c)** size of the board and diversity of board members
- **d) recruiting, retention, leadership development, and training ✓ correct**

Q22. [Multiple Choice]

Which change enabled the HRM department to become more strategic in its focus?

- **a) increased use of HR–focused technology ✓ correct**
- **b)** more women entering the workforce
- **c)** development of labor unions
- **d)** development of the assembly line

Q23. [Multiple Choice]

Which function within HRM involves aligning individual employees’ goals and behaviors with organizational goals and strategies?

- **a) performance management ✓ correct**
- **b)** employee–management relations
- **c)** rewards and benefits
- **d)** staffing

Q24. [Multiple Choice]

Which outcome is associated with using a shared service center?

- **a)** improved ability to attract talent
- **b)** decentralization of HRM activities
- **c) cost savings ✓ correct**
- **d)** increased employee responsibility for their own career management

Q25. [Multiple Choice]

Which was a key function of the first HRM department, called “Personnel”?

- **a)** performance management
- **b)** hiring
- **c) legal compliance ✓ correct**
- **d)** revenue generation

Q26. [Multiple Choice]

Who is responsible for executing HRM policies?

- **a) managers ✓ correct**
- **b)** HR managers
- **c)** founders
- **d)** employees

Q27. [Multiple Choice]

Who is responsible for managing organizational change?

- **a)** frontline managers
- **b)** executive resource managers
- **c)** executive managers
- **d) human resource managers ✓ correct**

Q28. [Multiple Choice]

______ is the world's largest professional association devoted to HRM.

a) SHRM ✓ correct
b) OSHA
c) HRMS
d) EEOC

Q29. [Multiple Choice]

______ refers to the process of planning, acquiring, deploying, and retaining employees that enables the organization to meet its talent needs and execute its business strategy.

a) Training and development
b) Staffing ✓ correct
c) Performance management
d) Health and safety

True/False (7)

Q30. [True/False]

A firm pays a salary higher than its competitors. This allows it to focus on identifying and attracting the most qualified candidates.

a) True ✓ correct
b) False

Correct answer: True

Q31. [True/False]

Although HRMS are becoming more popular, one drawback is their inability to be customized.

a) True
b) False ✓ correct

Correct answer: False

Q32. [True/False]

An advantage of posting employee handbooks online is it makes it easy for employees to locate specific information.

a) True ✓ correct
b) False

Correct answer: True

Q33. [True/False]

Many of today's employment laws were created to address employment discrimination.

a) True ✓ correct
b) False

Correct answer: True

Q34. [True/False]

Paying premium wages for talent is always the best strategy.

a) True
b) False ✓ correct

Correct answer: False

Q35. *[True/False]*

Shared service centers can be an effective alternative to outsourcing.

- **a) True ✓ correct**
- **b)** False

Correct answer: True

Q36. *[True/False]*

To ensure employee data is kept secure, it is recommended that companies not use cloud–based systems.

- **a)** True
- **b) False ✓ correct**

Correct answer: False

Medium

Multiple Choice (40)

Q37. *[Multiple Choice]*

A growing tech company is facing challenges in retaining top talent and wants to conduct exit interviews to collect data, identify trends, and implement strategies that improve employee engagement and reduce attrition rates. Is this within HR's purview?

- **a)** No, HR is involved with hiring, but they do not typically interact with departing employees.
- **b)** Only partially; HR may collect the data, but the manager is responsible for analysis and strategies.
- **c)** Only partially; the manager is responsible for collecting data, but HR analyzes it and recommends strategies.
- **d) Yes, all of these tasks fall within HR's purview. ✓ correct**

Q38. *[Multiple Choice]*

A job candidate for a non–HR manager position says, "In my previous HR role, I fostered collaborative environments by actively listening to employees' concerns and facilitating open communication." This statement best reflects ______.

- **a)** alignment of HRM strategy with business strategy
- **b) how HR skills can be a competitive advantage in the job market ✓ correct**
- **c)** adherence to SHRM's code of ethics
- **d)** application of artificial intelligence to the interviewing process

Q39. *[Multiple Choice]*

A manager in a paternalistic and high power–distance culture is more likely to be resistance to policies focused on ______.

- **a)** prevention of workplace accidents
- **b) employee development ✓ correct**
- **c)** performance evaluations
- **d)** security

Q40. *[Multiple Choice]*

A retail store recently reduced its staff, resulting in longer checkout times and unstocked shelves. The staff reduction has also caused lapses in inventory management, increasing the likelihood of theft. These changes have ______.

- **a)** decreased the company's strategic risks
- **b) increased the company's operational risks ✓ correct**
- **c)** not changed the company's risk level
- **d)** decreased all four levels of risk

Q41. *[Multiple Choice]*

Achieving a competitive advantage requires ______.

- **a) providing superior value for the money ✓ correct**
- **b)** offering the lowest price in the market
- **c)** engaging in constant innovation
- **d)** minimizing internal talent costs

Q42. *[Multiple Choice]*

An organization failed to update its payroll system in accordance with new labor laws, resulting in unpaid overtime for several employees. This oversight exposes the company to which type of risk?

- **a)** strategic
- **b)** operational
- **c)** financial
- **d) compliance ✓ correct**

Q43. *[Multiple Choice]*

At First Harvest, some employees in the marketing department have begun exaggerating the benefits of their products in advertisements, claiming they are “100% organic” without proper certification. Although these claims are true for some products, they are misleading for a small number of products. Does this affect the company’s compliance risk?

- **a)** No, because the claims are mostly true.
- **b)** No, because the claims have not been proven to be false.
- **c)** Yes, but only if management is aware of this.
- **d) Yes, unethical behavior, even when only occasional, can increase compliance risk. ✓ correct**

Q44. *[Multiple Choice]*

Business strategies across business units in a diversified corporation are likely to ______.

- **a)** compete with one another
- **b) differ ✓ correct**
- **c)** be dependent on each other
- **d)** be identical

Q45. *[Multiple Choice]*

ChatGPT, Bard, and Grok are new popular ______ tools.

- **a)** PEO
- **b)** outsourcing
- **c) AI ✓ correct**
- **d)** risk management

Q46. *[Multiple Choice]*

Compensation received in the form of salary, wages, commissions, stock options, or bonuses is called ______.

- **a) direct financial compensation ✓ correct**
- **b)** total rewards
- **c)** nonfinancial compensation
- **d)** indirect financial compensation

Q47. *[Multiple Choice]*

Costco pays its employees more than its closest competitor but reports lower turnover and higher employee productivity. This is an example of how ______.

- **a)** pay is unrelated to productivity
- **b) high pay can create a competitive advantage ✓ correct**
- **c)** the company does not need top talent to meet its needs
- **d)** talent is not as important as pay

Q48. *[Multiple Choice]*

Gerron often feels unsure about what tasks are most important and whether his work is meeting expectations. During his performance review, he learns his manager rated him a below average. Based on this information alone, what is the most likely reason for Gerron’s poor performance?

- **a)** lack of advancement opportunities
- **b)** unsafe work environment
- **c) lack of performance goals ✓ correct**
- **d)** unclear talent philosophy

Q49. *[Multiple Choice]*

HRM can help a person be a more effective manager in ______.

- **a)** the HR field only
- **b)** the legal field only
- **c)** the field of finance only
- **d) any field ✓ correct**

Q50. *[Multiple Choice]*

How does the HRM department contribute to the financial health of the organization?

- **a) by ensuring the right people are in the right position ✓ correct**
- **b)** by directly generating revenue
- **c)** by recommending new lines of service or new products
- **d)** by setting budgets for operational departments

Q51. *[Multiple Choice]*

In the context of employee motivation, a reward is best defined as something ______.

- **a)** beyond one’s base compensation
- **b)** given at the manager’s discretion
- **c) valued by the employee ✓ correct**
- **d)** with monetary value

Q52. *[Multiple Choice]*

Job titles such as recruitment specialist and diversity and inclusion specialist would be employed in the area of ______.

- **a)** finance
- **b)** marketing
- **c) human resource management ✓ correct**
- **d)** accounting

Q53. *[Multiple Choice]*

One aspect of workplace safety is protecting employees from ______.

- **a)** company lawsuits
- **b) work–related toxins ✓ correct**
- **c)** downsizing
- **d)** unattainable performance goals

Q54. *[Multiple Choice]*

Outsourcing some HRM activities is particularly attractive to ______.

- **a)** larger companies
- **b) smaller companies ✓ correct**
- **c)** medium size companies
- **d)** publicly traded companies

Q55. *[Multiple Choice]*

Separations due to poor performance, layoffs, or restructuring are part which HRM function?

- **a) staffing ✓ correct**
- **b)** rewards and benefits
- **c)** training and development
- **d)** performance management

Q56. *[Multiple Choice]*

Staffing has the greatest influence on ______.

- **a)** training and development
- **b)** safety and health
- **c) performance management ✓ correct**
- **d)** rewards and benefits

Q57. *[Multiple Choice]*

Technology–based platforms that help HRM professionals securely house sensitive employee information are called ______.

- **a) human resource management systems ✓ correct**
- **b)** professional employer organizations
- **c)** shared service centers
- **d)** employee handbooks

Q58. *[Multiple Choice]*

The core of HRM is best described as ______.

- **a)** identifying competitive risks facing the organization
- **b)** ensuring employees feel seen and valued
- **c)** managing financial risk through compliance efforts
- **d) designing systems to drive organizational efficiency and effectiveness ✓ correct**

Q59. *[Multiple Choice]*

To keep employee data accurate, current, and private, organizations rely on ______.

- **a) human resource management systems ✓ correct**
- **b)** performance management
- **c)** Excel spreadsheets
- **d)** the honor system

Q60. *[Multiple Choice]*

Understanding HRM and having HRM–related skills is useful to ______.

- **a)** new hires only
- **b)** retirees only
- **c) everyone ✓ correct**
- **d)** recruiters only

Q61. *[Multiple Choice]*

When a company creates new HRM initiatives to strengthen employees' ethical awareness and company culture to enhance its competitive advantage, it is managing ______.

- **a) strategic risk ✓ correct**
- **b)** operational risk
- **c)** financial risk
- **d)** compliance risk

Q62. *[Multiple Choice]*

When an organization adopts a new manufacturing process, which HRM function is responsible for improving employees' skills to meet its new talent needs?

- **a)** recruiting
- **b) training ✓ correct**
- **c)** hiring
- **d)** job design

Q63. *[Multiple Choice]*

When creating rewards systems for employees in a multinational organization, it is important to ______.

- **a)** avoid cash incentives
- **b)** base the rewards on the culture where the company is headquartered
- **c)** implement the same approaches throughout the organization
- **d) offer rewards meaningful to each culture ✓ correct**

Q64. *[Multiple Choice]*

When new HRM processes reduce the cost of hiring employees, they have reduced its ______.

- **a)** strategic risk
- **b)** total rewards
- **c) financial risk ✓ correct**
- **d)** compliance risk

Q65. *[Multiple Choice]*

Which HRM function(s) must be aligned with the behaviors and performance motivated by the incentive pay programs?

- **a)** employee–management relations
- **b)** health and safety
- **c)** performance management and employee–management relations
- **d) staffing and training ✓ correct**

Q66. *[Multiple Choice]*

Which HRM position requires strong quantitative and analytics skills?

- **a) compensation analyst ✓ correct**
- **b)** diversity and inclusion specialist
- **c)** recruitment specialist
- **d)** work–life manager

Q67. *[Multiple Choice]*

Which factor directly determines the competitive advantage a company needs to create?

- **a)** compliance risk
- **b) business strategy ✓ correct**
- **c)** company culture
- **d)** labor market

Q68. *[Multiple Choice]*
Which is an example of indirect financial compensation?

- **a)** stock options
- **b)** commission paid on top of a base salary
- **c)** acknowledgment of employee performance on the company’s social media
- **d) free meals in the office ✓ correct**

Q69. *[Multiple Choice]*
Which of the following is a key factor in determining what pay a company offers?

- **a)** the age of the company
- **b) the company’s ability to attract qualified candidates ✓ correct**
- **c)** the number of open positions
- **d)** the size of the company

Q70. *[Multiple Choice]*
Which of the following is critical to pursuing a growth strategy?

- **a) developing current talent and acquiring new talent ✓ correct**
- **b)** focusing on safety and health
- **c)** reducing internal costs
- **d)** adopting a global mindset

Q71. *[Multiple Choice]*
Which of the following is essential to maximizing organizational effectiveness?

- **a)** making sure employees have the highest salaries possible
- **b)** offering signing bonuses to attract top talent
- **c)** ensuring maximum benefits for employees
- **d) understanding how to implement various HRM practices to match different situations ✓ correct**

Q72. *[Multiple Choice]*
Which outcome is associated with taking workplace health and safety seriously?

- **a) reduced compliance risk ✓ correct**
- **b)** reduced operational risk and increased financial risk
- **c)** increased strategic risk
- **d)** increased compliance risk and reduced strategic risk

Q73. *[Multiple Choice]*
Which scenario describes organic growth?

- **a) A retail company opens a second store. ✓ correct**
- **b)** Two corporations merge.
- **c)** A company acquires a competitor.
- **d)** A woman starts a new company.

Q74. *[Multiple Choice]*
Which situation has the greatest potential to result in unethical behavior?

- **a)** A relatively small cash bonus is being offered based on performance.
- **b)** Employees who meet their performance targets are celebrated in the company newsletter.
- **c)** Compensation is tied to customer satisfaction survey results.
- **d) Employment is tied to hitting unrealistic quotas. ✓ correct**

Q75. *[Multiple Choice]*

Which step by managers is critical to aligning business strategy with HRM strategy?

- **a)** encouraging collaboration between all team members
- **b)** enhancing customer service protocols
- **c)** defining the bigger–picture value of the work the company does
- **d) identifying the amount and types of talents the company will need ✓ correct**

Q76. *[Multiple Choice]*

______ is making it easier for organizations to require supervising managers to perform more HRM activities.

- **a)** Unionization
- **b) Technology ✓ correct**
- **c)** Price cutting
- **d)** Globalization

True/False (30)

Q77. *[True/False]*

A global mindset is a set of individual attributes that enable a company to influence individuals, groups, and organizations from diverse socio/cultural/institutional systems.

- **a) True ✓ correct**
- **b)** False

Correct answer: True

Q78. *[True/False]*

A manager does not need to stay abreast of federal, state, and local employment laws, only HRM professionals do.

- **a)** True
- **b) False ✓ correct**

Correct answer: False

Q79. *[True/False]*

After the nature and requirements of the open job are identified, sourcing identifies potential recruits likely to meet or exceed the job’s minimum personal and technical requirements.

- **a) True ✓ correct**
- **b)** False

Correct answer: True

Q80. *[True/False]*

Although informal training may occur in organizations, only formal training programs are considered part of HRM.

- **a)** True
- **b) False ✓ correct**

Correct answer: False

Q81. *[True/False]*

Business strategies are about using a company’s resources and strengths effectively.

- **a) True ✓ correct**
- **b)** False

Correct answer: True

Q82. *[True/False]*

Caribou Coffee found that the most important task for the district manager was to successfully implement AI trainings.

a) True

b) False ✓ correct

Correct answer: False

Q83. *[True/False]*

Centralized employee benefits administration in a company is an example of a shared service center.

a) True ✓ correct

b) False

Correct answer: True

Q84. *[True/False]*

Cesar attends a communications training seminar and begins to apply the new skills to his work. He receives no feedback from his supervisor related to the changes he made. Regardless, because Cesar invested time in the training, he is likely to continue these new behaviors.

a) True

b) False ✓ correct

Correct answer: False

Q85. *[True/False]*

Compensation issues are often a contributing factor in unethical employee behavior.

a) True ✓ correct

b) False

Correct answer: True

Q86. *[True/False]*

Drea receives training on how to use a new project management tool available at work. It is not required for all employees yet, but the company has noted it will be required in the near future. Drea finds she is less efficient when using the tool because she is still learning. It is highly likely that Drea will stop using the tool.

a) True

b) False ✓ correct

Correct answer: False

Q87. *[True/False]*

Effective work processes are influenced by aligning what employees should do, what they can do, and what they will do.

a) True ✓ correct

b) False

Correct answer: True

Q88. *[True/False]*

Employees are rarely held responsible for their own development and career management.

a) True

b) False ✓ correct

Correct answer: False

Q89. *[True/False]*
Employee–management relations reflect societal beliefs about the relationship between employees and the capital owners of an organization.

- **a) True ✓ correct**
- **b)** False

Correct answer: True

Q90. *[True/False]*
Factors including organizational strategy, the competitive environment, and legal requirements all influence what an organization's employees will do.

- **a)** True
- **b) False ✓ correct**

Correct answer: False

Q91. *[True/False]*
Failure to follow the laws and regulations that affect HRM practices and the employment relationship only affects the financial portion of an organization's business.

- **a)** True
- **b) False ✓ correct**

Correct answer: False

Q92. *[True/False]*
Global mindset is learned.

- **a) True ✓ correct**
- **b)** False

Correct answer: True

Q93. *[True/False]*
HRM is critical to any organization because it controls the operating budget.

- **a)** True
- **b) False ✓ correct**

Correct answer: False

Q94. *[True/False]*
HRM is responsible for providing input on what products and services a firm offers.

- **a)** True
- **b) False ✓ correct**

Correct answer: False

Q95. *[True/False]*
HRM practices and the employment relationship are relatively unaffected by laws and regulations.

- **a)** True
- **b) False ✓ correct**

Correct answer: False

Q96. *[True/False]*
How an organization positions itself to compete determines the HRM strategies it needs to pursue to acquire, motivate, and retain the appropriate talent to succeed.

- **a) True ✓ correct**
- **b)** False

Correct answer: True

Q97. [True/False]

It is not necessary to focus on finding the “right” people for a position as long as the organization has a strong training program.

a) True

b) False ✓ correct

Correct answer: False

Q98. [True/False]

Staffing and development activities are the foundation of effective HRM.

a) True ✓ correct

b) False

Correct answer: True

Q99. [True/False]

Staffing is concerned only with hiring new employees.

a) True

b) False ✓ correct

Correct answer: False

Q100. [True/False]

Staffing practices cannot impact a company’s bottom line.

a) True

b) False ✓ correct

Correct answer: False

Q101. [True/False]

Staffing provides the talent foundation for an organization’s effectiveness and competitive advantage.

a) True ✓ correct

b) False

Correct answer: True

Q102. [True/False]

Strategic recruitment and staffing activities are cornerstones of organizational effectiveness.

a) True ✓ correct

b) False

Correct answer: True

Q103. [True/False]

Successful HRM professionals have strong people skills and business acumen.

a) True ✓ correct

b) False

Correct answer: True

Q104. [True/False]

The HRM function of training and development influences both individual employees’ skills and the capabilities of the organization as well.

a) True ✓ correct

b) False

Correct answer: True

Q105. *[True/False]*

The success of incentive pay programs that reward employees for individual, group, or organizational performance is influenced by performance management systems.

- **a) True ✓ correct**
- **b)** False

Correct answer: True

Q106. *[True/False]*

When a company uses Workable to filter resumes, it is leaning into artificial intelligence.

- **a) True ✓ correct**
- **b)** False

Correct answer: True

Essay (9)

Q107. *[Essay]*

Analyze how the six primary functions of HRM interconnect to influence overall organizational effectiveness. In your response, address how a failure to align these functions might impact the organization's strategic goals.

> ***Suggested answer:*** *Sample response: HRM's six core functions are interdependent. For example, effective staffing ensures that the right people are hired, while training and development programs equip employees with the necessary skills to perform their roles effectively and performance management provides feedback to employees. Rewards and benefits work to ensure employees are motivated and to promote retention. Health and safety focus on providing a work environment where employees want to be. And employee-management relations ensure everyone's rights are upheld. If these functions are not aligned, it can negatively affect performance, decrease employee morale, and result in turnover, making it difficult to achieve the organization's strategic goals.*

Q108. *[Essay]*

Company A is on the Fortune 100 Best Companies to Work For list. Company B is not but is a Fortune 500 company. Based on this information alone, what would you expect related to their stock market performance? Support your answer.

> ***Suggested answer:*** *Sample response: Research suggests that Company A will perform better in the stock market than Company B. This is because talent is key to growth and performance, and companies that are on the Fortune 100 Best Companies to Work For list presumably do a good job of attracting and retaining talent.*

Q109. *[Essay]*

Discuss how an organization's talent philosophy influences its approach to recruitment, employee development, and performance management.

> ***Suggested answer:*** *Sample response: A well-defined talent philosophy serves as the foundation for an organization's human resource practices by guiding decisions on recruitment, employee development, and performance management. For instance, an organization that prioritizes a growth mindset in its talent philosophy may focus on recruiting individuals with potential rather than just experience, fostering a culture of continuous learning and adaptability.*

Q110. *[Essay]*

Evaluate artificial intelligence's impact on the field of HRM. State at least two positives and two negatives associated with the integration of AI into HRM.

> ***Suggested answer:*** *Sample response: HRM departments are using AI to improve productivity, collaboration, and profitability. Tools such as Workable use AI to not only evaluate resumes but also to analyze data identified from LinkedIn and other online resources to create a list of candidate leads, even writing the emails used to attract them. ChatGPT can develop a recruiting strategy, include step-by-step instructions, write HR policies, and write job descriptions. Conversely, there are concerns about data privacy and security as it pertains to the use of AI, as well as thinking that AI will decrease the quality of employee experiences.*

Q111. *[Essay]*

Explain why it is a misnomer to say that HRM professionals are the organization’s police.

> ***Suggested answer:*** *Sample response: While HRM professionals are responsible for serving the “people” side of the business, they also aim to help effectively run the business, and they need appropriate business acumen, as well. In essence, HRM professionals seek to align three things: talent philosophy, HRM strategy, and business strategy.*

Q112. *[Essay]*

How has HRM evolved across time?

> ***Suggested answer:*** *Sample response: Historically, human resource management focused on legal compliance, record-keeping, and payroll, safety, and employee grievances. Changes occurred during the Industrial Revolution when labor relations and union issues were added into the mix. After WWII, HRM pushed workplace efficiency and added recruiting, hiring, training, and performance management. HRM evolved again in the 1980s, when it began to focus on technology trends, mergers and acquisitions, organizational culture, and employee motivation. The field of HRM has transformed more during the last 30 years than any other business functional area.*

Q113. *[Essay]*

If HRM does not revenue, why it is necessary?

> ***Suggested answer:*** *Sample response: Effective HRM generates a return on the investments it makes in acquiring, retaining, developing, and motivating employees through higher performance, greater organizational capability, and lower turnover. HRM practices can also generate savings from improved risk management and protection from legal costs and fines.*

Q114. *[Essay]*

Interpret this quote through the lens of HRM: “artificial intelligence is destroying the traditional world of work.”

> ***Suggested answer:*** *Sample response: AI is turning many old HRM systems on its head. Specifically, companies like Workable and ChatGPT aid HRM professionals by evaluating resumes and data and automating and analyzing employee engagement surveys and drafting instant answers to employee questions. A best case scenario is to find a way to work with the AI to streamline procedures and make strategic decisions more efficiently.*

Q115. *[Essay]*

The idea that good pay and interesting work is enough to retain top talent falls short when it comes to doing business globally. Explain why this is the case and how attitudes toward work vary culturally.

> ***Suggested answer:*** *Sample response: People from different cultures have different traditions, are often motivated by different things, and communicate in different ways. For example, some cultures communicate directly, and others are more reserved. Some cultures put a high value on family life, whereas others stress the importance of work. It is important to have HRM policies and practices that are cognizant of the cultural norms of the local area while maintaining guiding principles and core values of the parent company.*

Hard

Multiple Choice (11)

Q116. *[Multiple Choice]*

A company hires a consultant to source executive job candidates on their behalf. This is an example of ______.

- **a)** leasing workers
- **b) outsourcing ✓ correct**
- **c)** violating ethical standards
- **d)** using artificial intelligence

Q117. [Multiple Choice]

A company wants to grow by expanding into a related but new service line. They need to grow quickly to stay competitive in their market. Which strategy would be most effective?

a) acquiring a company that already offers the service ✓ correct

b) immediately investing in news skills training for existing employees

c) launching a recruiting campaign targeting individuals with experience in the service of interest

d) hiring new staff who can be quickly trained in the new service

Q118. [Multiple Choice]

A company wants to move away from annual performance reviews and provide continuous performance feedback instead. Which tool will best aid with this?

a) human resource management systems ✓ correct

b) Workable

c) ChatGTP

d) employee surveys

Q119. [Multiple Choice]

A fast–food company with a reputation for superior customer service is hiring. When evaluating candidates, which characteristic would be a "must have"?

a) embraces change

b) enjoys working with people ✓ correct

c) takes risks

d) is able to solve complex problems

Q120. [Multiple Choice]

A manufacturing company faces high turnover, with most new hires leaving within 6 months, before the company can recoup its $5,000 per employee training costs. Which action should this company take first?

a) redefine the performance goals for the position

b) add more positions to avoid understaffing when employees quit

c) reduce training requirements to shorten the training period

d) reevaluate the hiring criteria to ensure skills match the job needs ✓ correct

Q121. [Multiple Choice]

An organization emphasizes hiring "diverse thinkers" who have high potential. They invest heavily in employee development and provide multiple advancement opportunities. These ideas define the company's ______.

a) agenda

b) business strategy

c) talent philosophy ✓ correct

d) succession plan

Q122. [Multiple Choice]

At New World Technology, employees who exceed performance expectations are recognized with "Employee of the Month" awards and given opportunities to lead high–visibility projects. This is an example of ______.

a) engaging in performance management

b) increasing the organization's financial risk

c) providing nonfinancial compensation ✓ correct

d) using indirect financial compensation as an incentive

Q123. *[Multiple Choice]*

Audrey is interviewing for a management position and is disappointed in the salary she is offered. However, the company has a generous retirement plan and childcare support that helps offset the salary difference. Audrey accepts the position. Which factor most likely convinced Audrey to accept the offer?

- **a)** global mindset
- **b)** talent philosophy
- **c) total rewards package ✓ correct**
- **d)** direct financial compensation

Q124. *[Multiple Choice]*

Hiring managers at a company are required to attend a webinar discussing how to conduct an effective interview. This is an example of ______.

- **a)** a global mindset
- **b)** employee–management relations
- **c) training and development ✓ correct**
- **d)** using artificial intelligence

Q125. *[Multiple Choice]*

One of a company's core values is for employees to take ownership for their work. Which action by the manager is most likely to encourage this behavior in their teams?

- **a)** setting aggressive performance goals for the entire team
- **b) rewarding team members who have low error rates in their work ✓ correct**
- **c)** relaxing team policies to allow for more autonomy
- **d)** praising employees for helping team members who need help

Q126. *[Multiple Choice]*

White Birch Co. is leasing Amanda from PeoplePlus Solutions. Who employs Amanda?

- **a)** White Birch Co.
- **b) PeoplePlus Solutions ✓ correct**
- **c)** Both White Birch Co. and PeoplePlus Solutions
- **d)** Amanda (self–employed)

True/False (3)

Q127. *[True/False]*

A soft drink company decides to add a new sports drink to its product line. This decision is a reflection of the company's business strategy.

- **a) True ✓ correct**
- **b)** False

Correct answer: True

Q128. *[True/False]*

An organization increases the number of paid days off that it offers its employees. This is an example of increasing direct financial compensation.

- **a)** True
- **b) False ✓ correct**

Correct answer: False

Q129. *[True/False]*

Julia decides to hire an outside vendor to manage health and retirement benefits for her company. Although this will allow her to focus her time elsewhere, it is likely she will have to pay more for benefits than if she managed them herself.

a) True

b) False ✓ correct

Correct answer: False

Essay (1)

Q130. *[Essay]*

You are the HRM manager at a mid–sized company that has recently been experiencing a high turnover rate among employees. Upper management has asked you to develop a comprehensive plan to address employee retention. Discuss how you would apply one or more of the core functions of HRM to create an effective strategy for improving retention rates.

Suggested answer: *Sample response: To improve employee retention, I would first address staffing by reviewing the recruitment and selection process to ensure we attract quality candidates who can perform the job. Next, I would review the training and development programs to ensure they are teaching new hires the skills they need to be successful. I would also review the rewards and benefits to see what behaviors are being rewarded and how they align with performance goals. I would then review the systems in place for providing regular feedback to employees (performance management system). For all of these aspects, I would look to strengthen and improve upon existing systems. Finally, I would look for ways to improve employee relations through open communication and addressing concerns proactively will help create a positive work environment, ultimately reducing turnover.*