Chapter 12 Human Resource Management

TRUE/FALSE QUESTIONS

A MANAGER’S DILEMMA

1. According to the boxed feature, “A Manager’s Dilemma,” management at National Australia Bank Limited (NAB) believes that its greatest strength is its technology.
   (False; moderate; p. 281)

WHY HUMAN RESOURCE MANAGEMENT IS IMPORTANT

2. High performance work practices are those that lead to high individual and high organizational performance.
   (True; moderate; p. 282)

THE HUMAN RESOURCE MANAGEMENT PROCESS

3. Affirmative action programs assure that minorities are given equal opportunities in the workplace.
   (False; difficult; p. 285)

4. High performance work practices involve a commitment by management to improve the knowledge skills and abilities of the organization’s employees, increasing employee motivation, and enhancing the retention of quality employees.
   (True; easy; p. 282)

5. According to the textbook, the human resource management process consists of 10 activities necessary for staffing the organization and sustaining high employee performance.
   (False; moderate; p. 283)
6. A labor union is an organization that represents workers and seeks to protect their interests through collective bargaining.
   (True; easy; p. 284)

7. A community fire department can categorically deny employment to a firefighter applicant who is confined to a wheelchair.
   (True; moderate; p. 285)

8. A police department can deny employment to a dispatcher candidate who is deaf and mute and confined to a wheelchair.
   (True; moderate; p. 285)

9. In the United States, nearly 25 percent of all workers are unionized.
   (False; moderate; p. 284)

HUMAN RESOURCE PLANNING

10. The United States will experience a shortage of 20 million workers over the next 10 years according to statistics from the U.S. Bureau of Labor Statistics.
    (False; moderate; p. 285)

11. Job descriptions focus on the job, while job specifications focus on the person.
    (True; easy; p. 286)

12. Human resources planning can be condensed into two steps: assessing current human resources and assessing and meeting future resource needs.
    (True; easy; p. 285)

13. Candidates referred to by employees generally tend to be better qualified than those referred by outside agencies.
14. One disadvantage to employee referrals as a source of job candidates is that candidates tend to be minimally skilled.
   (False; moderate; p. 287)

15. Firing and early retirements are two recruitment options.
   (True; moderate; p. 288)

16. A selection device is valid if it measures the same thing consistently.
   (False; difficult; p. 289)

17. Work sampling involves presenting applicants with a miniature model of a job and having them perform a task or set of tasks that are central to it.
   (True; moderate; p. 291)

18. A good interviewer will minimize any prior knowledge about the applicants’ background, experience, interests, test scores, or other characteristics.
   (True; difficult; p. 291)

19. According to the textbook, there are three types of orientation: work unit orientation, organization orientation, and procedural orientation.
   (False; moderate; p. 293)

20. Reference checks generally provide useful information for most jobs.
   (False; moderate; p. 292)

21. Job rotation is the implementation of lateral transfers allowing employees to work at different jobs in an organization.
   (True; moderate; p. 295)

22. In a realistic job preview (RJP), an applicant might be told that there are limited opportunities to interact with peers during office hours and that the likelihood for advancement is slim and none.
   (True; moderate; p. 293)
EMPLOYEE PERFORMANCE MANAGEMENT

23. Types of performance appraisal methods include written essays, multiperson comparisons, and graphic rating scales.
   (True; easy; p. 296)

24. The primary determinant of an individual’s pay is their skill at performing their job, not seniority.
   (True; difficult; p. 298)

25. Skill-based pay rewards employees for the job skills and competencies they can demonstrate.
   (True; moderate; p. 298)

26. The idea of increased personal responsibility for one’s career has been described as a boundaryless career in which individuals define their career progression.
   (True; moderate; p. 299)

CURRENT ISSUES IN HUMAN RESOURCES MANAGEMENT

27. Although most sexual harassment complaints are filed against men, the percentage of charges filed against women has steadily risen over the past decade.
   (True; moderate; p. 302)

28. A firm can do little to protect itself from sexual harassment claims. It is usually one employee’s word against another’s.
   (False; moderate; p. 302)

29. Work life conflicts are less relevant for male and single employees as they are for married and female employees.
   (False; easy; p. 304)

30. According to the textbook, a recent Harvard study found that about 80 percent of men between the ages of 20 and 39 said that a “family friendly” work schedule was their number one job criterion.
   (True; easy; p. 304)
MULTIPLE-CHOICE QUESTIONS

For each of the following choose the answer that most completely answers the question.

WHY HUMAN RESOURCE MANAGEMENT IS IMPORTANT

31. High-performance work practices are characterized by ____________.
   a. improving knowledge, skills, and abilities of employees
   b. allowing managers to lead in their own best style
   c. allowing employees to loaf on the job as long as they can produce average daily production levels
   d. all of the above
   (a; moderate; p. 282)

32. High-performance work practices include such activities as ____________.
   a. self-directed teams
   b. coaching and mentoring
   c. job rotation
   d. all of the above
   (d; moderate; p. 282)

HUMAN RESOURCE MANAGEMENT PROCESS

33. Labor unions use ____________ to protect the rights of their members.
   a. functional operations
   b. new product development
   c. collective bargaining
   d. process
   (c; easy; p. 284)

34. Labor agreements affect human resource management activities by limiting ____________.
a. criteria for hiring, promotions, and layoffs
b. directing voting activities in national elections
c. disciplinary practices
d. a and c
(d; difficult; p. 284)

35. In organizations, ____________ programs ensure that protected classes are retained and their opportunities are maintained.
   a. needs-based analysis
   b. functional
   c. global human resource management
   d. affirmative action
(d; moderate; p. 285)

36. Federal laws, the largest environmental factor constraining human resource activities, cover such processes as _______________.
   a. choosing employees to be trained
   b. directing who can be hired
   c. selecting who can be fired
   d. a and b
(d; moderate; p. 284)

37. The beginning point for any human resource planning process is the examination of the current human resource status by making a ____________.
   a. strategic plan
   b. human resource inventory
   c. product evaluation
   d. analysis of customer demands
(b; easy; p. 285)

38. An assessment that defines the jobs and behaviors necessary to perform the job is known as a ____________.
39. A written statement of what a job holder does, how it is done, and why it is done is known as
   \( \text{____________.} \)
   a. job specification
   b. process departmentalization
   c. goal-oriented job definition
   d. job description
   \( \text{(d; moderate; p. 286)} \)

40. A list of the minimum qualifications or requirements needed by an employee to perform a job is known as a
   \( \text{____________.} \)
   a. job analysis
   b. job description
   c. responsibility factor list
   d. job specification
   \( \text{(d; moderate; p. 286)} \)

41. Job analysis is concerned with which of the following human resource planning aspects?
   a. deciding how well someone is performing his or her job
   b. what behaviors are necessary to perform a job
   c. hiring someone to do a job
   d. estimating pay on job level in an organization
   \( \text{(b; easy; p. 286)} \)

42. Which of the following focuses on the qualifications a person must possess to perform a given job successfully?
   a. job analysis
   b. job description
   c. job specification
RECRUITMENT AND DECRUITMENT

43. While ____________ reaches a tremendous number of people, it also generates many unqualified candidates for jobs.
   a. an advertisement
   b. the Internet
   c. a public employment agency
   d. a private employment agency  

   (b; moderate; p. 287)

44. As a decruitment option, ____________ are a temporary involuntary termination that can last from a few weeks to several years.
   a. layoffs
   b. attritions
   c. transfers
   d. early retirements

   (a; moderate; p. 288)

45. As a source of potential job candidates, ____________ generates the best referrals, because a good referral reflects on the source of the recommendation.
   a. advertisements
   b. the Internet
   c. employee referrals
   d. public employment agencies

   (c; moderate; p. 287)

46. Most studies show that the best source of superior job candidates is ____________.
   a. college campuses
   b. newspaper advertisements
   c. executive search firms
   d. employee referrals
47. Recruitment is the process of ____________.
   a. hiring employees from competitors
   b. locating, identifying, and attracting potential employees
   c. measuring the pressure in the local labor market
   d. hiring from outside the organization

   (b; difficult; p. 286)

48. Downsizing is also known as ____________.
   a. authorized increase in demand for employees
   b. redistribution of command elements
   c. the anxiety factor
   d. recruitment

   (d; difficult; p. 287)

49. Which of the following is a disadvantage of recruiting at schools?
   a. limited supply
   b. generates many unqualified candidates
   c. may not increase workforce diversity
   d. limited to entry-level positions

   (d; easy; p. 287)

50. Options for recruitment are ____________.
   a. attrition
   b. reduced workweeks
   c. early retirements
   d. all of the above
51. If human resource planning shows a surplus of employees, management may want to reduce the organization’s workforce through ______________.
   a. recruitment
   b. decruitment
   c. expansion
   d. jobbing
(b; moderate; p. 287)

52. Which of the following recruitment methods is accomplished by not filling openings created by normal retirements?
   a. firing
   b. layoffs
   c. attrition
   d. reduced workweeks
(c; moderate; p. 288)

53. The selection process is ______________.
   a. determining who is best for a job
   b. not related to performance in the job
   c. an exercise in prediction
   d. a and b
(a; moderate; p. 288)

54. If an organization makes an error in the selection process, the organization has ______________.
   a. hired the wrong employee
   b. hired the right employee
   c. not hired a good employee
   d. a and c
(d; difficult; p. 286)

SELECTION
55. ____________ indicates how consistent a selection device measures a criterion.
   a. Operational scoring
   b. Qualification
   c. Reliability
   d. Validity
   (c; moderate; p. 289)

56. ______________ involves presenting applicants with a miniature model of a job and has them perform a task that is central to that job.
   a. An interview
   b. A written test
   c. A vertically integrated interview
   d. A work sampling process
   (d; difficult; p. 291)

57. A good interviewing question would ask ____________.
   a. “What type of work have you done before?”
   b. “Do you own your own home?”
   c. “Do you have a physical disability that would prevent you from doing this job?”
   d. “Have you ever filed a workman’s compensation claim?”
   (a; difficult; p. 291)

58. As selection devices, ___________ are the best predictors for complex nonmanagerial and routine operatives.
   a. work sampling
   b. application forms
   c. reference checks
   d. assessment centers
   (a; moderate; p. 291)

59. As selection devices, ____________ are the best predictors for senior managers.
a. work sampling  
b. application forms  
c. reference checks  
d. interviews  

(d; moderate; p. 291)

60. A(n) _________ that includes both positive and negative aspects about the job and the company provides higher job satisfaction and lower turnover.
   a. structured interview  
b. unstructured interview  
c. realistic job preview  
d. assessment center  

(c; moderate; p. 293)

61. ____________ is the proven relationship between the selection device and some relevant job selection criterion.
   a. Responsibility  
b. Unreliability  
c. Reliability  
d. Validity  

(d; moderate; p. 289)

ORIENTATION

62. __________ brings into the light the goals of the work unit that a new employee is hired into.
   a. Organizational orientation  
b. Work unit orientation  
c. Realistic job preview  
d. Assessment center  

(b; easy; p. 293)
63. An instrument is said to be reliable if it ________________.
   a. measures a criteria the same with everyone
   b. measures validity each time it is used
   c. works well with only certain classes of employees
   d. is deductive in its logical processes
   (a; moderate; p. 289)

64. If a selection device measures the same thing consistently, it demonstrates ________________.
   a. reliability
   b. validity
   c. understandability
   d. relevance
   (a; moderate; p. 289)

65. Which of the following is an accurate statement about selection criteria validity?
   a. The burden of criteria support is on the applicant.
   b. Validity is when there is an expected relationship between the selection device and job performance criteria.
   c. The law is currently unclear about the use of invalid selection devices.
   d. A valid selection device would show a positive relationship between the predictor and criterion.
   (d; difficult; p. 289)

66. Which of the following is an example of selection device reliability?
   a. An applicant’s score on an intelligence test predicted his or her job performance.
   b. A superior job performer was given a low interview score by all five independent interviewers.
   c. The intelligence test significantly predicted the job performance of 250 job applicants.
   d. A protected group individual was given a low selection score and was a poor job performer.
   (b; difficult; p. 289)

67. A strength of using an application form as a selection device is that ________________.
   a. it provides facts that predict job performance
   b. many items on most forms are valid in selecting good employees
   c. weighting the importance of some items helps improve its effectiveness in diverse groups
68. Interviews are valid predictors of success in the workplace if ____________.
   a. some illegal questions are asked
   b. questions are unstructured
   c. questions are structured
   d. all of the above
   (c; moderate; p. 290)

69. A weakness of using a performance-simulation tests is that it is ____________.
   a. typically expensive to create and administer
   b. based on job analysis data
   c. is not a proven predictor of job performance
   d. all of the above
   (a; moderate; p. 290)

70. Written tests are weak predictors of job performance because ____________.
   a. supervisors do not need mechanical abilities to do their jobs
   b. semi-skilled personnel do not need spatial relations to do their jobs
   c. intelligence is somewhat removed from job performance
   d. a and b
   (c; moderate; p. 290)

71. To use a physical exam as a selection device, a company must ____________.
   a. be sure the physical requirements are valid and that they do not discriminate
   b. have an insurance carrier that does not require the testing
   c. prove that supervisors do not need physical abilities to perform their jobs
   d. none of the above
72. Assessment centers are best if they are used to select ____________.
   a. senior management
   b. middle and lower management
   c. routine operatives in the firm
   d. a and b
   (d; moderate; p. 291)

73. Asking a candidate for an automotive mechanic’s position to deconstruct and reconstruct part of an engine motor would be an example of what kind of selection device?
   a. spatial test
   b. simulation
   c. intelligence test
   d. interview
   (b; easy; p. 290)

74. Which of the following is the most valid predictor for complex nonmanagerial positions?
   a. application form
   b. written tests
   c. work samples
   d. interviews
   (c; moderate; p. 290)

75. The interview, as a selection device, is most likely useful for which of the following types of occupations?
   a. janitor
   b. accountants
   c. bank manager
   d. crane operator
   (c; moderate; p. 290)

76. Which of the following is the least-valid predictor for senior management positions?
   a. written tests
   b. application forms
c. assessment centers
d. interviews

(a; moderate; p. 290)

77. Which of the following is the least valid predictor for jobs demanding routine operation?
   a. physical exams
   b. verification of application data
   c. work samples
   d. reference checks

(d; moderate; p. 290)

EMPLOYEE TRAINING

78. If a training event includes learning to be a better listener or learning to interact effectively with coworkers, it is attempting to teach _____________.
   a. technical skills
   b. interpersonal skills
   c. problem-solving skills
   d. observational skills

(b; moderate; p. 294)

79. If a training program attempts to sharpen logic, reasoning, or defining problems, it is most likely teaching _____________.
   a. technical skills
   b. interpersonal skills
   c. problem-solving skills
   d. observational skills

(c; difficult; p. 294)

80. It has been estimated that the dollar amount spent by U.S. firms on formal courses and training programs is _____________.
   a. 553 million
   b. 956 million
   c. 31 billion
EMPLOYEE PERFORMANCE MANAGEMENT

81. The oldest and most popular performance appraisal method allows the evaluator to rate employees on an incremental scale. This is called a ___________.
   a. written essay
   b. critical incident
   c. graphic rating scale
   d. multiperson comparison
   (c; difficult; p. 296)

82. A performance appraisal system that combines a graphic rating scale and a critical incident system into one process is a(n) _______________.
   a. written essay
   b. 360-degree feedback
   c. objective
   d. behaviorally anchored rating scale
   (d; difficult; p. 296)

83. _________ is a process of setting standards and measuring employee performance to arrive at performance standards.
   a. Time and motion study
   b. Benchmarking
   c. Legal influence arrangements
   d. Performance management system
   (d; difficult; p. 296)

84. The use of ____________ focuses the evaluator’s attention on key behaviors that distinguish effective from ineffective work performance.
   a. simple analysis
b. job analysis  
c. critical incidents  
d. graphic rating scales  
(c; difficult; p. 296)

85. __________ is (are) the preferred method for appraising managers and professional employees.  
a. Management by objectives  
b. Job analysis  
c. Critical incidents  
d. Graphic rating scales  
(a; difficult; p. 297)

86. The most thorough performance appraisal method, ___________, utilizes feedback from supervisors, employees, and coworkers.  
a. management by objectives  
b. 360-degree feedback  
c. critical incidents  
d. graphic rating scales  
(b; difficult; p. 297)

87. __________ is a relative, not an absolute, process of comparing one’s performance to others.  
a. Multiperson comparison  
b. Job analysis  
c. Critical incidents  
d. Graphic rating scales  
(a; difficult; p. 297)

COMPENSATION AND BENEFITS

88. Skill-based pay systems rely on the employee’s ___________.  
a. job title to define his or her pay category  
b. job skills to define his/her pay category  
c. skill set to define pay levels based on market value
89. In a boundaryless organization, the best career choice ____________.
   a. matches your interests, abilities, and market opportunities to what you want out of life
   b. does not depend on career progression, organizational loyalty, or marketplace value as it does in a traditional organization
   c. should result in a series of positions that allow you to be a good performer and lead to satisfying work
   d. a and c
   (d; difficult; p. 299)

CURRENT ISSUES IN HUMAN RESOURCE MANAGEMENT

90. Which of the following statements is true of current situations in human resource management?
   a. To improve workforce diversity, managers need to narrow their approach to recruiting.
   b. Once a diverse pool of applicants is defined, a manager does not need to address discrimination as a problem.
   c. Recent research has shown that diversity makes moving into a workforce harder for women and minorities.
   d. none of the above
   (d; difficult; p. 301)

91. Managers can lessen the pain of corporate downsizing by ____________.
   a. communicating openly and honestly with employees who were let go
   b. communicating openly and honestly with survivors
   c. making sure they are following any laws that might affect the length of time pay and benefits must be offered to severed employees
   d. all of the above
   (d; easy; p. 301)

92. To improve workplace diversity, managers should occasionally reassess ____________.
   a. periodically reassess their recruitment, selection and training and orientation procedures
   b. hire fewer employee referrals
   c. hire more employee referrals
d. recruit more minority candidates
   (a; moderate; p. 301)

93. About what percentage of **Fortune 500** companies have been sued for sexual harassment?
   a. one in ten
   b. one in five
   c. one in three
   d. one in two
   (c; moderate; p. 302)

94. “Family friendly benefits” commonly include programs like ___________.
   a. flextime
   b. summer day camps for children
   c. leave for school functions, such as field trips
   d. all of the above
   (d; easy; P. 303)

95. Research has shown that the primary problem underlying work/life conflicts is ____________.
   a. psychological interference of work into the family domain
   b. psychological interference of family into the work domain
   c. time pressures
   d. a and b
   (d; moderate; p. 304)

**SCENARIO QUESTIONS**
For each of the following, choose the answer that *most completely* answers the question.

**WHY HUMAN RESOURCES ARE IMPORTANT**

Human Resource Planning (Scenario)
Steve is hired to manage the human resources department of a local manufacturing company. This company has the reputation of being the firm “where you work until you find your next job.” Employee turnover is high and morale is low. Steve is determined to change the situation and make the organization’s human resources a competitive advantage and source of pride for the firm.

96. As one of his first tasks, Steve’s boss asks him to develop a database of the education, special capabilities, and specialized skills of all the employees. This is known as a ____________.
   a. simple design of the organization
   b. human resource inventory
   c. division of labor
   d. job analysis
   (b; moderate; p. 285)

97. Steve believes that part of the reason for the high turnover is that individual jobs are very poorly defined. Employees are not sure of what is expected of them and that performance standards are unequal between regions and functions. Steve conducts a ________ for each position, defining all the jobs and behaviors necessary to perform them.
   a. job description
   b. job specification
   c. job analysis
   d. none of the above
   (c; moderate; p. 285)
98. As part of restructuring the organization’s human resources, Steve decides that new ___________, which state the minimum job qualifications that a person must possess to successfully perform a given job, must be written for each position.
   a. job description
   b. job specification
   c. job analysis
   d. a and b
   (b; moderate; p. 286)

99. Top management decides that the performance appraisal process is problematic. They ask Steve to make a study of a new appraisal technique, ___________, which rates employees according to items along a numerical scale with examples of actual behaviors on the job.
   a. 360-degree feedback
   b. objectives
   c. behaviorally anchored rating scale
   d. management by objectives
   (c; difficult; p. 296)

100. Steve recommends a (an) __________ pay system that rewards employees for learning more job skills and competencies.
    a. knowledge-based
    b. analyzed
    c. functional stabilization
    d. skills-based
    (d; difficult; p. 298)

101. Steve believes that achieving competitive success in business today requires that managers change how they think about their employees and how they view the work relationship. He hopes to initiate workplace programs geared toward improving organizational commitment to improving the knowledge, skills and abilities of employees, increasing employee motivation, and enhancing retention of quality employees. According to the textbook, these traits have been found to be consistent with ___________.
    a. employee empowerment
    b. high performance work practices
A Sign of the Times (Scenario)

After hearing of the threat for a long time, Aurora’s company had finally decided that it must “right-size,” and this meant coming up with a plan for reducing the current size of the workforce at her manufacturing plant. The job was left to her, and as much as she hated doing this part of her job, it was necessary for the survival of the company and not just an effort to inflate their stock price. She also appreciated that her company was willing to try many different routes to decrease their labor costs, which was consistent with the positive way the company had treated their employees in the past.

102. Aurora suggests to management that by not filling openings created by voluntary resignations or normal retirements, the organization may avoid much of the pain associated with workforce reduction. This option is known as ______________.
   a. transfers  
b. attrition  
c. layoffs  
d. reduced workweeks  
(b; moderate; p. 288)

103. Aurora tells management that another option at their disposal for easing the labor-cost crunch would be ______________, which is a temporary involuntary termination that could last a few days or extend to years.
   a. firing  
b. layoffs  
c. reduced workweeks  
d. early retirements  
(b; moderate; p. 288)

104. Another option that may help would be to have employees share jobs or perform their jobs on a part-time basis, an option known as ______________.
The New Hire (Scenario)

Frances begins her career working in the human resources department of a major corporation. She is asked to help ensure that the organization is following the federal guidelines for employment.

105. Frances reviews the __________ guidelines, which outlines practices that enhance the employment, upgrading, and retention of protected groups.
   a. employment need-based
   b. functional employment
   c. global human resource management
   d. affirmative action
   (d; difficult; p. 285)

106. The company is using __________ selection instruments because once on the job, the employees with high scores on the instrument outperform employees with low scores on the instrument.
   a. reliable
   b. valid
   c. fair
   d. unfair
   (b; difficult; p. 289)

107. As Frances studies management selection processes, she finds that __________ can use trained executives and supervisors to evaluate potential employees. In this process, the potential employees are asked to perform various exercises to simulate real problems they would encounter on the job.
   a. written tests
b. interviews

c. assessment centers

d. work sampling

(c; difficult; p. 291)

108. As part of any assessment of current operations of a job, Frances knows that a ___________ is a basic point of departure. This defines the job and behaviors necessary to perform the job.

a. job description

b. job specification

c. goal-oriented job definition

d. job analysis

(d; difficult; p. 285)

109. To develop a proper selection process, Frances knows she needs a ___________ to provide the minimum qualifications relative to knowledge skills and attitudes needed to perform the job.

a. job description

b. job specification

c. goal-oriented job definition

d. job analysis

(b; difficult; p. 286)

110. To demonstrate its ___________, Frances wants a selection process that measures the same thing consistently.

a. responsibility

b. unreliability

c. reliability

d. validity

(c; moderate; p. 289)

THE HUMAN RESOURCE MANAGEMENT PROCESS

Recruitment (Scenario)
Ken’s company was expanding. After a period of downsizing, the company had decided to increase organizational profitability by gaining market share, which meant a need for more people. As assistant manager of human resources, he was in the process of evaluating what would be the most effective means of gaining new employees who were qualified, were cost efficient, and could help maintain the company’s commitment to a diversified workforce.

111. Another source of employees, ______________, has a large, centralized pool of candidates, but tends to only be good for entry-level positions.
   a. temporary help services
   b. public employment agencies
   c. advertisements
   d. school placement
   (d; moderate; p. 287)

112. ______________, is a positive source because of the knowledge the potential candidate may gain about the employer and it generates strong candidates, but is also negative because it may not increase the diversity and mix of employees.
   a. Employee referrals
   b. Internal search
   c. School placement
   d. Private employment agencies
   (a; difficult; p. 287)

**Human Resources Selection (Scenario)**

Dennis, the manager of selection in the human resources department, had been asked by Stephen, his boss and the vice president of human resources, to review the selection methods their firm had been using and to recommend methods for future use. It seems that recent hires have not been working out, and this caused friction between the human resources group and the front-line managers, who had to utilize the talent sent to them. Additionally, there was also a need to hire executives in the company and due to the responsibility these positions carry, the company wanted to ensure they selected the best possible people. Dennis reviewed written tests as a selection method.

113. Dennis also reviewed ______________, in which applicants are presented with a miniature replica of a job and are asked to perform tasks central to that job.
   a. work sampling
   b. written tests
c. job-related interviews
d. intelligence tests
(a; easy; p. 290)

114. For the executive positions, Dennis considered using ____________, where candidates go through two- to four-day exercises that simulate real problems they would confront on the job.
a. assessment centers
b. realistic job previews
c. work sampling
d. visitation tests
(a; moderate; p. 290)

115. Dennis knew that the company would always utilize some form of candidate interviewing. He discovered that all but one of the following suggestions would help structure a higher-quality interview.
a. structure a fixed set of questions for all applicants
b. have general information about the job for which applicants are interviewing
c. minimize any prior knowledge of applicants’ background, experience, interests, test scores, or other characteristics
d. take notes during the interview
(b; difficult; p. 291)

116. Since the technique provides little valid information, Dennis has decided to spend less energy on ____________.
a. work sampling
b. written testing
c. job-related interviewing
d. reference checking
117. In interviewing candidates for the open account management position, Dennis presented applicants with an imaginary scenario dealing with a customer who is unhappy with a billing discrepancy. He then asked each applicant to participate in a role playing exercise to see how they would resolve the problem. This selection method is known as a ________________.

a. realistic job preview  
b. situational interview  
c. work sampling  
d. performance simulation test  

(b; difficult; p. 291)

EMPLOYEE PERFORMANCE MANAGEMENT

The Internal Hire (Scenario)

Wade McKenzie is a new sales manager for The Potomac Group, a healthcare finance consulting firm, based in the mid-South. Wade was hired from within the firm and he is now supervising many of the people he formerly worked with, including two friends with whom he competed for his new job. Due to this, Wade is especially cognizant of potential problems stemming from the performance evaluation process and is conducting lengthy research on the advantages and disadvantages of the various methods.

118. Upon starting his new job, Wade met with each of his new charges individually. Prior to this meeting, Wade took the time to write out a subjective description of what he perceived as each of his employee’s strengths and weaknesses. He also provided each salesperson with a graph depicting each salesperson’s recent objective performance against their own past performance. Wade is utilizing which of the following technique(s)?

a. graphic rating scales  
b. written essays  
c. multiperson comparison  
d. a and b  

(b; difficult; p. 296)
119. Wade is a little concerned over constant reports that his sales folks are unreasonably demanding upon sales administration and customer service personnel. Although Wade knows that one of his salespeople is very difficult to deal with at times, he believes the rest are being painted with the same brush unfairly. With management’s approval, Wade administers a survey to sales administration and customer service staff, asking them to respond to items that reflect the actual job behaviors of sales employees from all four regions. The surveys are randomized to eliminate potential biases. He then compares his region’s evaluation against that of the others. This is most representative of what performance evaluation method?
   a. critical incident
   b. 360-degree feedback
   c. behaviorally anchored rating scales
   d. multiperson comparison
   (c; difficult; p. 296)

120. Six months into Wade’s tenure as regional sales manager, he hosts his first regional sales meeting. During the course of the meeting, Wade meets individually with each of his employees and shows them a chart of their sales numbers for each month compared to their budgeted quota for the year to date. Additionally, Wade and each employee set mutually agreed upon, off-budget goals for the remaining 6 months of the fiscal year. This is most representative of what performance evaluation method?
   a. 360-degree feedback
   b. critical incident
   c. MBO
   d. none of the above
   (c; difficult; p. 297)

121. After the new year, Wade schedules a day to travel with each of his sales reps. He presents them with their bonus checks from the preceding year. He confidentially shares with each of them a report that he recently received from top management. This report provides a comparison of regional performance, based upon percentage of quota met, for each quarter and the entire year. Additionally, individual salespeople are compared on a bar graph with their peers within the region and corporate-wide, for each quarter and the year. Finally, each employee is ranked on a percentile scale, indicating their relative performance for the year. Wade must provide management with a report offering reasons for poor performance and suggesting corrective actions. This is most representative of which performance evaluation technique?
   a. MBO
   b. critical incident
122. Prior to the start of the national sales meeting at the end of January, Wade has scheduled a video conference with each of his employees in order to conduct their formal performance appraisal. Wade has considered a variety of performance appraisal methods. Since there are wide differences in the size and nature of territories within his region, Wade knows that objective measures of sales performance may not be a fair method of appraisal. He is more interested in maximizing the potential of each employee and each territory than letting employees know where they rank in comparison to their peers. Therefore, he has decided to make up a list of performance factors such as quantity and quality of work, job knowledge, cooperation, and initiative, and has ranked each employee on each factor using a five-point incremental scale. This approach is most consistent with what technique?

a. graphic rating scale.
b. MBO
c. multiperson comparison.
d. none of the above

(a; difficult; p. 296)

123. Over the course of the year, Wade has taken some time to compile and write down a series of anecdotes about his employees. Some reflect particularly superior or ineffective performance, others are just plain funny. All the anecdotes describe specific behaviors of his employees. During the national sales meeting, time is provided for a break out session for each region to meet separately. Wade presents these stories, not
revealing the identity of the salesperson. The salespeople all enjoy the funny stories. Wade makes a point of commending the superior performance behaviors. After each of the anecdotes reflecting ineffective behaviors, he asks the group to suggest ideas for handling the situation differently. This is most reflective of what appraisal technique?

a. critical incident
b. multiperson comparison
c. written essays
d. 360-degree feedback

(a; moderate; p. 296)

ESSAY QUESTIONS

124. In a short essay, discuss job analysis, job description, and job specification.

Answer

Job analysis is an assessment that defines jobs and the behaviors necessary to perform them. Information for a job analysis can be gathered through the following methods: directly observing or filming individuals on the job, interviewing employees individually or in a group, having employees complete a structured questionnaire, having job “experts” identify a job’s specific characteristics, and having employees record their daily activities in a diary or notebook. With information from the job analysis, managers develop or revise job descriptions and job specifications. A job description is a written statement of what a jobholder does, how it is done, and why it is done. It typically describes job content, environment, and conditions of employment. A job specification states the minimum qualifications that a person must possess to perform a given job successfully. It identifies the knowledge, skills, and attitudes needed to do the job effectively. Both the job description and specification are important documents when managers begin recruiting and selecting.

(moderate; pp. 285-286)

125. In a short essay, list five major sources of potential job candidates. Include a discussion of the advantages and disadvantages of each major source to support your answer.

Answer
a. Internal source—advantages include low cost, builds employee morale, and candidates are familiar with the organization. Disadvantages include limited supply and this source may not increase the proportion of employees from protected groups.

b. Advertisements—advantages include wide distribution and this source can be targeted to specific groups. A major disadvantage is that advertisements generate many unqualified candidates.

c. Employee referrals—advantages include knowledge about the organization may be provided by current employee and can generate strong candidates because a good referral reflects on the recommender. A disadvantage is that this source may not increase the diversity and mix of employees.

d. Public employment agencies—advantages include that it’s free or just a nominal cost is involved. A disadvantage is that candidates tend to be unskilled or minimally trained.

e. Private employment agencies—advantages include wide contacts, careful screening, and short-term guarantees are often given. A disadvantage is its high cost.

f. School placement—one advantage is that the source is a large, centralized body of candidates. The disadvantage is this source is limited to entry-level positions.


g. Temporary help—the advantage is that it fills temporary needs. Disadvantages are that it is expensive and that temporary employees may have limited understanding of the organization’s overall goals and activities.

h. Employee leasing and independent contractors—the advantage is that it fills temporary needs, but usually for more-specific, longer-term projects. Disadvantage is little commitment to the organization other than the current project.

i. Internet—the advantage is that this source can reach large numbers of people and can get immediate feedback. Disadvantage is that it generates many unqualified candidates.

(moderate; p. 287)

126. In a short essay, list and discuss five of the best-known selection devices that managers can use to reduce, accept, and reject errors when hiring new employees. Include an analysis of the strengths and weaknesses of each of these selection devices to support your answer.

Answer

a. The application form—almost all organizations require job candidates to fill out an application. It may be only a form on which the person gives his or her name, address, and telephone number. Or it might be a comprehensive personal history profile, detailing the person’s activities, skills, and accomplishments. **Strength:** contains relevant biographical data and facts that can be verified
and have been shown to be valid performance measures for some jobs. **Weakness:** usually only a couple of items on the form prove to be valid predictors of job performance and then only for specific jobs.

b. Written tests—typical types of written tests include tests for intelligence, aptitude, ability, and interest. Such tests have been used for years, although their popularity tends to run in cycles. Today, personality, behavioral, and aptitude assessment tests are popular among businesses. **Strength:** intelligence tests are reasonably good predictors for supervisory positions. **Weakness:** intelligence and other tested characteristics can be somewhat removed from actual job performance, thus reducing their validity.

c. Performance-simulation tests—these tests are made up of actual job behaviors. The best-known performance-simulation tests are work sampling and assessment centers. Work sampling involves presenting applicants with a miniature model of a job and having them perform a task or set of tasks that are central to it. Assessment centers are places in which job candidates undergo performance-simulation tests that evaluate managerial potential. **Strength:** have proven to be valid predictors of job performance. **Weakness:** expensive to create and administer.

d. The interview—like the application form, the interview is an almost universal device. However, the value of the interview as a selection device has been the subject of considerable debate. **Strength:** must be structured and well-organized to be effective predictors. **Weakness:** subject to potential biases, especially if interviews are not well-structured and standardized.

e. Background investigations—these are of two types: verifications of application data and reference checks. The first type has proved to be a valuable source of selection information whereas the latter is essentially worthless as a selection tool because applicants’ references tend to be almost universally positive. **Strength:** verifications of background data are valuable sources of information. **Weakness:** reference checks are essentially worthless as a selection tool.

f. Physical examinations—this device would be useful only for a small number of jobs that have certain physical requirements. Instead, the physical examination is mostly used for insurance purposes, as organizations want to be sure that new hires will not submit insurance claims for injuries or illnesses they had before being hired. **Strength:** has some validity for jobs with certain physical requirements. **Weakness:** must be sure that physical requirements are job related and do not discriminate.

(difficult; pp. 289-292)

127. In a short essay, discuss three of the traditional training methods that managers use to improve employee skill sets.
Answer

- On-the-job—employees learn how to do tasks simply by performing them, typically after an initial introduction to the task.
- Job rotation—employees work at different jobs in a particular area getting exposure to a variety of tasks.
- Mentoring and coaching—employees work with an experienced worker who provides information, support, and encouragement.
- Experiential exercises—employees participate in role playing, simulations, or other face to face types of training.
- Workbooks/manuals—employees refer to training workbooks and manuals for information.
- Classroom lectures—employees attend lectures designed to convey specific information.

(moderate; p. 295)

128. In a short essay, list four of the seven major performance appraisal methods discussed in the textbook.

Answer

a. Written essay—a technique in which an evaluator writes out a description of an employee’s strengths and weaknesses, past performance and potential. The evaluator also makes suggestions for improvement.

b. Critical incidents—focuses the evaluator’s attention on critical or key behaviors that separate effective from ineffective job performance. The appraiser writes down anecdotes that describe what an employee did that was especially effective or ineffective. The advantage to this approach is that only specific behaviors, not vaguely defined personality traits, are cited.

c. Graphic rating scales—this method lists a set of performance factors such as quantity and quality of work, job knowledge, cooperation, initiative, and so forth. The evaluator goes down the list and rates each employee on each factor using an incremental scale.

d. Behaviorally-anchored scales—these scales combine major elements from the critical incident and graphic rating scale approaches. The appraiser rates the employee according to items along a numerical scale, but the items are examples of actual job behaviors rather than general descriptions or traits.

e. Multiperson comparison—this approach compares one person’s performance with that of others.

f. MBO—Management by Objectives is also an effective performance appraisal method. Employees are evaluated on specific goals that were established jointly by them and the manager.
g. 360-degree feedback—a method utilizing feedback from supervisors, employees, and coworkers, utilizing information from the full circle of people with whom the manager interacts. Although it’s effective for career coaching and helping a manager recognize his or her strengths and weaknesses, it’s not appropriate for determining pay, promotions, or terminations.

(moderate; pp. 296-297)