Student name:\_\_\_\_\_\_\_\_\_\_

**TRUE/FALSE - Write 'T' if the statement is true and 'F' if the statement is false.
1)** The digital form of globalization in the modern era is largely confined to advanced economies with large, multinational corporations.

 ⊚ true
 ⊚ false

**2)** Today, as a result of the global flow of digital information, even the smallest firms can compete with the largest multinational corporations.

 ⊚ true
 ⊚ false

**3)** Today, in the increasingly digital era of globalization, companies can find the best person for a job anywhere in the world.

 ⊚ true
 ⊚ false

**4)** Managing change is an ongoing process whose objective is to enhance the ability of an organization to anticipate and respond to developments in only its external environment.

 ⊚ true
 ⊚ false

**5)** Changes in any single part of a human resource management system have a reverberating effect on all other parts of the system.

 ⊚ true
 ⊚ false

**6)** The functional areas of human resource management, such as staffing and retention, are the sole responsibility of the HR department.

 ⊚ true
 ⊚ false

**7)** Recognizing that you have the right people in critical leadership roles is not an HR responsibility but rather a business imperative that must be truly owned by the leaders of a firm.

 ⊚ true
 ⊚ false

**8)** According to a survey of chief HR officers, one of the greatest challenges for chief HR officers is creating a true sense of ownership among senior leaders regarding their roles as Chief Talent Officers.

 ⊚ true
 ⊚ false

**9)** One study found that a 10 percent increase in a measure of goal-setting activity at firms was associated with a 6 percent increase in industry-adjusted stock returns.

 ⊚ true
 ⊚ false

**10)** There is a growing fear among many people that globalization benefits big companies instead of average citizens.

 ⊚ true
 ⊚ false

**11)** As a result of globalization, one of the expected trends is a decrease in automated and outsourced roles and an increased focus on technical skills for successful managers.

 ⊚ true
 ⊚ false

**12)** Globalization is a fact of organizational life, as countries, companies, and workers are interconnected as never before.

 ⊚ true
 ⊚ false

**13)** Cheap labor and plentiful resources, combined with ease of travel and communication, have created global labor markets.

 ⊚ true
 ⊚ false

**14)** A meta-analysis of the three dimensions of human resource systems revealed that there is an indirect correlation between employee motivation and an organization's financial outcomes.

 ⊚ true
 ⊚ false

**15)** People tend to be more involved and committed to their jobs when they have more control and say in their work.

 ⊚ true
 ⊚ false

**16)** Technology combined with creativity and problem-solving skillsmakes nonstandard work less feasible for organizations and workers.

 ⊚ true
 ⊚ false

**17)** Downsizing is the most common form of restructuring.

 ⊚ true
 ⊚ false

**18)** The best way for a company to prosper is to downsize.

 ⊚ true
 ⊚ false

**19)** One of the new competitive realities faced by organizations in the 21 st century is that an employee's pay is tied less to the market value of his or her skills and more to his or her tenure in the organization.

 ⊚ true
 ⊚ false

**20)** A feature of employment in the 21 st century is that there are a growing number of workers who operate outside the traditional confines of regular, full-time employment.

 ⊚ true
 ⊚ false

**21)** A disadvantage of growing digital globalization is that technology-driven job destruction decreases overall employment.

 ⊚ true
 ⊚ false

**22)** When generating sustainability strategies, an organization must give primacy to the expectations and requirements of its financial stakeholders.

 ⊚ true
 ⊚ false

**23)** Flexibility is currently viewed by most managers and employees as a new and effective way of working to achieve business results rather than as an exception or employee accommodation.

 ⊚ true
 ⊚ false

**24)** Widespread use of formal and informal flexibility meets business and individual needs.

 ⊚ true
 ⊚ false

**25)** Increased productivity impedes a high quality of work life.

 ⊚ true
 ⊚ false

**26)** Company X is increasing production by adding more employees to its workforce and scaling up its existing facilities. Company X is essentially increasing its productivity.

 ⊚ true
 ⊚ false

**27)** Quality of work life is defined in terms of an organization's perception of its employees' physical and mental well-being at work.

 ⊚ true
 ⊚ false

**28)** Over the past decade, organizations have become more complex, dynamic, and fast-paced.

 ⊚ true
 ⊚ false

**29)** How the people are selected, trained, and managed does not determine how successful an organization will be.

 ⊚ true
 ⊚ false

**30)** According to the theory of quality of work life (QWL), the productivity of workers decreases when they are given more control over the design of their jobs and workplaces.

 ⊚ true
 ⊚ false

**MULTIPLE CHOICE - Choose the one alternative that best completes the statement or answers the question.
31)** Which of the following permits the workforce to enlarge or shrinkfaster when demand is volatile?

 A) nonstandard work
 B) restructuring
 C) downsizing
 D) building flexibility

**32)** The ability of any individual or company to compete, connect, exchange, or collaborate with other individuals or companies around the world is known as \_\_\_\_\_\_\_\_.

 A) productivity
 B) human resource management
 C) globalization
 D) virtual workforce forecasting

**33)** In the context of globalization, conventional economics in the United States has long held that

 A) free trade and globalization are not good for national labor markets and should be discouraged.
 B) free trade and globalization tend to cause low-skill workers to suffer long periods of unemployment.
 C) workers adjust to the rapidly evolving job market very slowly and tend not to have the skills to successfully adapt.
 D) workers adapt to the loss of jobs in their communities by moving into new, enriching areas of the labor market.

**34)** The challenge, opportunity, and frustration of creating and managing organizations frequently stem from the \_\_\_\_\_\_\_\_ problems that arise within them.

 A) people-related
 B) union
 C) legal
 D) upper management

**35)** \_\_\_\_\_\_\_\_ are the most vital assets in work settings.

 A) People
 B) Technologies
 C) Cultures
 D) Finances

**36)** All of the following are general categories of human resource management activities *except* \_\_\_\_\_\_\_\_.

 A) managing change
 B) development
 C) outplacement
 D) adjustment

**37)** Staffing comprises all of the following activities *except*

 A) identifying work requirements within an organization.
 B) involving employees in business strategy.
 C) recruiting, selecting, and promoting qualified candidates.
 D) determining the numbers of people and the skills necessary to do the work.

**38)** Retention comprises all of the following activities *except*

 A) rewarding employees for performing their jobs effectively.
 B) ensuring harmonious working relations between employees and managers.
 C) maintaining a safe, healthy work environment.
 D) identifying work requirements within an organization.

**39)** The category of human resource management responsibilities aimed at preserving and enhancing employee job competence is \_\_\_\_\_\_\_\_.

 A) development
 B) staffing
 C) retention
 D) managing change

**40)** \_\_\_\_\_\_\_\_ comprises activities intended to maintain compliance with an organization's human resource policies and business strategies.

 A) Staffing
 B) Retention
 C) Development
 D) Adjustment

**41)** A broad objective of human resource management is to \_\_\_\_\_\_\_\_ of all workers in an organization.

 A) minimize the downtime
 B) optimize the usefulness
 C) scrutinize the personnel file
 D) standardize the benefits

**42)** Which of the following is a retention responsibility of line management?

 A) compensation and benefits
 B) performance feedback to subordinates
 C) management and organizational development
 D) face-to-face resolution of conflict

**43)** In terms of staffing, the responsibility of line management is

 A) to make final decisions on entry-level hires and promotions.
 B) to perform a job or competency analysis.
 C) to develop legally sound performance management systems.
 D) to investigate employee complaints.

**44)** When senior managers take true ownership of their responsibility to have the right people in critical leadership roles, they are embracing their roles as \_\_\_\_\_\_\_\_.

 A) morale supervisors
 B) technical training specialists
 C) chief talent officers
 D) applied motivational strategists

**45)** Ron is a line manager at an avionics research and development organization. Which of the following would be part of Ron's responsibility for managing change?

 A) providing a vision of where his unit is going
 B) providing expertise to facilitate the overall process of managing change
 C) developing legally sound performance management systems
 D) respecting the dignity of each individual in his unit

**46)** There is a substantial and growing body of research evidence showing a strong connection between how firms \_\_\_\_\_\_\_\_ and the economic results they achieve.

 A) select board members
 B) educate their management staff
 C) manage their people
 D) diversify their product line

**47)** Which of the following is a feature of globalization?

 A) cheap labor
 B) plentiful resources
 C) ease of travel
 D) All of these choices are correct.

**48)** Which of the following statements is true of how the globalization of companies has affected the global economy?

 A) Open borders have allowed new ideas and technology to flow freely.
 B) Accelerating productivity growth has allowed companies to become more competitive.
 C) There is a growing fear that globalization only benefits big businesses.
 D) All of these choices are correct.

**49)** How do less-developed countries win from globalization?

 A) They can sell sophisticated technologies to emerging economies.
 B) They get jobs making low-cost products for rich countries.
 C) They gain the ability to buy expensive imports.
 D) They can sell services to relatively underdeveloped countries.

**50)** Globalization has been encouraged by

 A) the ease of travel and communication.
 B) a decrease in employees willing to take foreign posts.
 C) the complexity of matrix organizations.
 D) a lack of global resources.

**51)** Coca-Cola earns more than \_\_\_\_\_\_\_\_ percent of its revenues from outside the United States.

 A) 15
 B) 25
 C) 75
 D) 95

**52)** The most important intellectual property in the creative economy is \_\_\_\_\_\_\_\_.

 A) intellectual capital
 B) telemedicine
 C) music
 D) software

**53)** Groove Space Solutions is a Web design firm. The employees of the firm do not work at an office. Instead, they work from their homes. They collaborate with each other and report to their managers in real time through an online communications software. In the context of the new competitive realities of the modern age, this scenario illustrates a \_\_\_\_\_\_\_\_.

 A) virtual workplace
 B) downsized organization
 C) human resources information system
 D) sustainable workplace

**54)** In a \_\_\_\_\_\_\_\_, employees operate remotely from each other and from their managers.

 A) bureaucratic organization
 B) fluid organization
 C) telecommuting center
 D) virtual workplace

**55)** A(n) \_\_\_\_\_\_\_\_ is a modern organizational form in which teams of specialists come together through technology to work on a project and then disband when the project is finished.

 A) virtual organization
 B) offshore organization
 C) modular group
 D) functional group

**56)** In the context of flexibility in work schedules, which of the following is a true statement?

 A) Firms have the flexibility to customize the skill sets they need without hiring.
 B) Companies buy lines of business and alter reporting relationships.
 C) Barriers often include facetime culture and manager skepticism.
 D) Flexibility acts as an emergency strategy and a last resort in a downturn or crisis.

**57)** In the context of the responses of firms to new competitive realities, identify a true statement about downsizing.

 A) It is a popular practice because its direct and indirect costs are often very low.
 B) It is utilized only by firms in advanced economies, as developing nations forbid this practice.
 C) It is only used as the last resort by organizations coping with severe financial constraints.
 D) It is necessary when an organization is overstaffed or if a business no longer fits into a firm's long-term strategy.

**58)** Which of the following competencies are part of theinterpersonalcluster?

 A) human resource expertise in people, organizations, the workplace, and strategy
 B) communication, relationship management, and global and cultural effectiveness
 C) business acumen, critical evaluation, and consultation
 D) leadership and navigation and ethical practice

**59)** How the people are selected, trained, and managed determines to a large extent how \_\_\_\_\_\_\_\_ an organization will be.

 A) profitable
 B) stable
 C) innovative
 D) successful

**60)** In the context of human resource management competencies, the ability to understand and apply information to contribute to an organization's strategic plan is categorized under \_\_\_\_\_\_\_\_.

 A) human resources expertise
 B) critical evaluation
 C) business acumen
 D) relationship management

**61)** Organizations strive to retain talented workers in a hot job market by offering employees \_\_\_\_\_\_\_\_.

 A) coordination of control
 B) flexible work schedules
 C) total quality management
 D) unity of command

**62)** The measure of the output of goods and services relative to the input of labor, capital, and equipment is known as \_\_\_\_\_\_\_\_.

 A) quality enhancement
 B) profits
 C) productivity
 D) resources

**63)** According to the text, quality of work life is defined in terms of

 A) employees' perceptions of their well-being at work.
 B) the level of productivity achieved by employees.
 C) the objective indices of employee well-being at work.
 D) the degree to which an organization adopts Japanese managerial principles.

**64)** \_\_\_\_\_\_\_\_ involves giving workers the opportunity to make decisions about the design of their jobs and workplaces, and what they need to make products or to deliver services most effectively.

 A) International Organization for Standardization
 B) Reengineering
 C) Six Sigma
 D) Quality of work life

**65)** According to the Society for Human Resource Management, the consultation competency of HR success is defined as the ability to

 A) provide guidance to organizational stakeholders.
 B) direct and contribute to initiatives and processes within the organization.
 C) effectively exchange with stakeholders.
 D) understand and apply information to contribute to the organization's strategic plan.

**66)** According to the Society for Human Resource Management, the communication competency of HR success is defined as the ability to

 A) maximize the organization's profits.
 B) effectively exchange with stakeholders.
 C) consider the perspectives and backgrounds of all parties.
 D) manage interactions to provide service and to support the organization.

**67)** According to the Society for Human Resource Management, the critical evaluation competency of HR success is defined as the ability to

 A) effectively exchange with stakeholders.
 B) understand and apply information to contribute to the organization's strategic plan.
 C) direct and contribute to initiatives and processes within the organization.
 D) interpret information to make business decisions and recommendations.

**68)** According to the Society for Human Resource Management, the leadership and navigation competency of HR success is defined as the ability to

 A) interpret information to make business decisions and recommendations.
 B) direct and contribute to initiatives and processes within the organization.
 C) integrate core values, integrity, and accountability throughout all organizational and business practices.
 D) manage interactions to provide service and to support the organization.

**69)** According to the Society for Human Resource Management, the ethical practice competency of HR success is defined as the ability to

 A) integrate core values, integrity, and accountability throughout all organizational and business practices.
 B) interpret information to make business decisions and recommendations.
 C) understand and apply information to contribute to the organization's strategic plan.
 D) provide guidance to organizational stakeholders.

**70)** According to the Society for Human Resource Management, the global and cultural effectiveness competency of HR success is defined as the ability to

 A) integrate core values, integrity, and accountability throughout all organizational and business practices.
 B) value and consider the perspectives and backgrounds of all parties.
 C) provide guidance to organizational stakeholders.
 D) direct and contribute to initiatives and processes within the organization.

**SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.
71)** List and describe the five broad activities encompassed by human resource management.

**72)** List three ways in which sustainability affects an organization's business model, structure, and processes.

**73)** Explain at least two new organizational forms.

**74)** What is downsizing, and what are some advantages and downsides related to its practice?

**75)** Define what is meant by quality of work life, and list some aspects of successful quality of work life programs.

**76)** The human resource management (HRM) practices have an impact on three importantorganizational outcomes. What are the three outcomes?

**77)** List the key steps that a company must take to achieve sustainability gains.

**78)** List at least two jobs ideally suited for virtual workplaces.

**79)** What is productivity?

**80)** What does QWL stand for?

**Answer Key**Test name: chapter 1

1) FALSE

2) TRUE

3) TRUE

4) FALSE

5) TRUE

6) FALSE

7) TRUE

8) TRUE

9) TRUE

10) TRUE

11) FALSE

12) TRUE

13) TRUE

14) TRUE

15) TRUE

16) FALSE

17) TRUE

18) FALSE

19) FALSE

20) TRUE

21) FALSE

22) FALSE

23) FALSE

24) TRUE

25) FALSE

26) FALSE

27) FALSE

28) TRUE

29) FALSE

30) FALSE

31) A

32) C

33) D

34) A

35) A

36) C

37) B

38) D

39) A

40) D

41) B

42) D

43) A

44) C

45) A

46) C

47) D

48) D

49) B

50) A

51) C

52) A

53) A

54) D

55) A

56) C

57) D

58) B

59) D

60) C

61) B

62) C

63) A

64) D

65) A

66) B

67) D

68) B

69) A

70) B

71) Human resource management systems are concerned to some degree with the following five activities: staffing, retention, development, adjustment, and managing change. Staffing comprises the activities of (1) identifying work requirements within an organization; (2) determining the numbers of people and the skills mix necessary to do the work; and (3) recruiting, selecting, and promoting qualified candidates. Retention comprises the activities of (1) rewarding employees for performing their jobs effectively; (2) ensuring harmonious working relations between employees and managers; and (3) maintaining a safe, healthy work environment. Development is a function whose objective is to preserve and enhance employees' competence in their jobs through improving their knowledge, skills, abilities, and other characteristics; HR specialists use the term "competencies" to refer to these items. Adjustment comprises activities intended to maintain compliance with an organization's HR policies (e.g., through discipline) and business strategies (e.g., cost leadership). Managing change is an ongoing process whose objective is to enhance the ability of an organization to anticipate and respond to developments in its external and internal environments, and to enable employees at all levels to cope with the changes.

72) Sustainability affects an organization's business model, structure, and processes in the following ways: 1. Organizations consider a wider set of stakeholders when setting strategy.
 2. Stakeholders help with the implementation of such a strategy, as employers partner with external organizations.
 3. Sustainability affects corporate practices, requires greater involvement and accountability of boards of directors, and requires business transparency.

73) One example of a new organizational form that is evolving from changes is the virtual organization, where teams of specialists come together to work on a project—as in the movie industry—and then disband when the project is finished. Such organizations are already quite popular in consulting, in legal defense, and in sponsored research. More common in the information age, however, is the virtual workplace in which employees operate remotely from each other and from managers. They work anytime, anywhere—in real space or in cyberspace. Compelling business reasons, such as reduced real estate expenses, increased productivity, higher profits, improved customer service, access to global markets, and environmental benefits drive the implementation of the virtual workplace.

74) Downsizing is the planned elimination of positions or jobs in an organization. Today, downsizing is a standard tool for doing business. Downsizing can be helpful when an organization is overstaffed or if a particular business no longer fits into a firm's long-term strategy. It can also help organizations survive turbulent economic times that are not conducive to their areas of business. However, the direct and indirect costs of downsizing tend to be extremely high. Direct costs include items such as severance costs and benefits payouts, while indirect costs include low morale and decreased productivity among employees. An organization's reputation may also be severely damaged as a result of downsizing. Organizations tend to downsize during trying economic periods. However, downsizing leads to people becoming fearful about their jobs even if they have not been laid off. Such low morale among employees is an undesirable consequence of the practice of downsizing.

75) Quality of work life (QWL) refers to employees' perceptions of their physical and psychological well-being at work. It involves providing employees the chance to make decisions about their jobs, the design of their workplaces, and ensuring work–life fit. Its emphasis is on workers and managers operating a business together.

76) The three organizational outcomes are productivity, quality of work life, and profit.

77) For companies that want to achieve sustainability gains, the following key steps should be taken: (1) make a public commitment, (2) the CEO should lead the way, (3) assist employees comprehend the connection between sustainable products and processes and strategic business goals, and (4) ingrain sustainable behaviors and processes throughout the business and offer incentives for line managers to deliver results.

78) Any two of the following: 1) sales, 2) marketing, 3) project engineering, 4) consulting

79) Productivity is a measure of the output of goods and services relative to the input of labor, capital, and equipment. Improving productivity simply means getting more out of what is put in. It does not mean increasing production through the addition of resources, such as time, money, materials, or people. It is doing better with what you have. It is not working harder; it is working smarter. Today's world demands that we do more with less.

80) Quality of work life