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Chapter 2: Strategy-Driven Human Resource Management

Multiple Choice

1. Which major external business force requires organizations to continually improve their products to create value?
a. Suppliers
b. Labor force
c. Customers
d. Governments
e. Competition
Ans: C
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: The External Environment
Question Type: MC

2. When an organization analyzes the environment better than a competitor and is therefore able to react quicker, what is created?
a. External strategy
b. Sustainable competitive advantage
c. Mission
d. A productivity vortex
e. Differentiation from competitors
Ans: B
Learning Objective: 2-1
Cognitive Domain: Comprehension
Answer Location: What is strategy?
Question Type: MC

3. What major external business force creates both opportunities and threats for organizations through the rules and regulations that it sets?
a. Society
b. Technology
c. Economy
d. Government
e. Society
Ans: D

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Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: The External Environment
Question Type: MC

4. SWOT Analysis is:
a. An analysis of the company's strongest relationships, weakest relationships, overhead costs, and total market share
b. A list made by an independent auditing firm of the company's successes, weaknesses, obligations, and threats of new competition
c. A listing and evaluation of the company's strengths, weaknesses, opportunities, and threats
d. A collection of government required special requirements, working audits, other regulatory fees, and transaction fees
e. An analysis of the company's supplier relationships, worker relationships, overhead costs, and total market share
Ans: C
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: Strategic Analysis
Question Type: MC

5. Holding award dinners for top employees is an example of which artifact?
a. Ceremonies
b. Symbols
c. Stories
d. Slogans
e. Heroes
Ans: A
Learning Objective: 2-5
Cognitive Domain: Comprehension
Answer Location: Artifacts
Question Type: MC

6. What major external business force to a significant extent determines what acceptable business practices for the organization are?
a. Customers
b. Suppliers
c. Governments
d. Shareholders
e. Society

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Ans: e
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: The External Environment
Question Type: MC

7. What is the third level of culture?
a. Values and beliefs
b. Assumptions
c. Behavior
d. Opinions
e. Artifacts
Ans: B
Learning Objective: 2-5
Cognitive Domain: Knowledge
Answer Location: Three Levels of Culture
Question Type: MC

8. Two of the most common strategic HRM measurement tools include:
a. Economic Value Added and Return on Investment
b. Employee Turnover Rate and Recruiting Yield Ratio
c. Economic Value Added and Employee Turnover Rate
d. Return on Investment and Employee Turnover Rate
e. Employee Turnover Rate and Current Ratio
Ans: A
Learning Objective: 2-7
Answer Location: Measurement Tools for Strategic HRM
Question Type: MC

9. Firm performance is not just a function of a company's own actions but must also be understood with relation to the actions of what major external business force?
a. Labor force
b. Customers
c. The economy
d. Competition
e. Society
Ans: D
Learning Objective: 2-1
Cognitive Domain: Comprehension
Answer Location: The External Environment

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Question Type: MC

10. Founders of the organization and others who have made outstanding contributions to the company are considered to be a part of which artifact?
a. Stories
b. Symbols
c. Slogans
d. Ceremonies
e. Heroes
Ans: e
Learning Objective: 2-5
Cognitive Domain: Comprehension
Answer Location: Artifacts
Question Type: MC

11. Kristin is examining a measure of the financial return the human resources department received for its investment in a new performance appraisal system. The new system cost $3,500 and saved more than $5,000 in payroll expenses. Kristin is examining the _____.
a. economic value added
b. return on investment
c. gain from investment
d. balanced scorecard
Ans: B
Learning Objective: 2-7
Cognitive Domain: Application
Answer Location: Return on Investment (ROI)
Question Type: MC

12. Which of the following is the earliest step in designing a strategy?
a. Setting objectives
b. Customer surveys
c. Creating the strategy
d. HR promoting the strategy
e. Implementing, monitoring, and evaluating
Ans: A (p. 52)
Learning Objective: 2-2
Cognitive Domain: Knowledge
Answer Location: Setting objectives
Question Type: MC

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13. Partnerships with which major external business force most affect firm performance?
a. Competition
b. Technology
c. Customers
d. Governments
e. Suppliers
Ans: D
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: The External Environment
Question Type: MC

14. What three components make up organizational structure?
a. Vertical differentiation, horizontal differentiation, and spatial differentiation
b. Centralization, formalization, and complexity
c. Managers, supervisors, and employees
d. Complexity, differentiation, and the mission statement
e. Differentiation, HRM, and centralization
Ans: B
Learning Objective: 2-4
Cognitive Domain: Knowledge
Answer Location: Basics of Organizational Structure
Question Type: MC

15. What strategy is being used when a company chooses to pay attention only to a specific portion of a larger market?
a. Focus or niche
b. Cost leadership
c. Cost differentiation
d. Differentiation
e. Customer selection
Ans: A
Learning Objective: 2-2
Cognitive Domain: Knowledge
Answer Location: Basics of Organizational Structure
Question Type: MC

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16. What major external business force has changed the way and the speed at which an organization conducts and transacts business?
a. Society
b. Economy
c. Government
d. Technology
e. Customers
Ans: D
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: The External Environment
Question Type: MC

17. What four components are required when writing an objective?
a. Singular, specific, trackable performance, realistic
b. Scientific, singular, target date, short
c. Singular, specific, measurable, target date
d. Specific, trackable performance, measurable, achievable
e. Specific, singular, measurable, achievable
Ans: C
Learning Objective: 2-2
Answer Location: Setting objectives
Question Type: MC

18. What measurement tool determines the profits that remain after the cost of capital has been deducted from operating profits?
a. Return on Investment
b. Balanced Scorecard
c. Economic Value Added
d. HRIS
e. HR Scorecard
Ans: C
Learning Objective: 2-7
Cognitive Domain: Knowledge
Answer Location: Economic Value Added (EVA)
Question Type: MC

19. Management of the firm recruits from what major external environmental factor?
a. Suppliers
b. Labor force

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c. Shareholders
d. Competition
e. Customers
Ans: B
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: The External Environment
Question Type: MC

20. Connor is making a list of all the functions his human resource management department provides. The list includes many services to the organization such as recruitment, selection, training, and performance appraisals. Connor is working on the _____ step of the HR Scorecard.
a. identifying HR deliverables
b. identifying HR system alignment
c. aligning the system with company strategy
d. identifying HR efficiency measures
Ans: A
Learning Objective: 2-7
Cognitive Domain: Application
Answer Location: HR Scorecard
Question Type: MC

21. How do Human Resource Information Systems (HRIS) assist HRM and operational management in making decisions?
a. Allows HR deliverables to be defined more easily
b. Allows HR to select individuals that align with the organizational culture
c. Allows the company to track the amount of time employees spend working on their computers
d. Allows the company to maintain control of HR information, and make it available and easy to access for everyday use
e. Allows executives to create a "dashboard" for production/operations milestones
Ans: D
Learning Objective: 2-6
Cognitive Domain: Comprehension
Answer Location: How do HRIS assist in making HR decisions?
Question Type: MC

22. Inflation, interest rates, and foreign exchange rates all are part of which major external business force?
a. Shareholders

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b. Economy
c. Society
d. Customers
e. Technology
Ans: B (p. 44)
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: The External Environment
Question Type: MC

23. What measurement tool would most likely be used when HRM wants to know the financial value of investments in employee training and development?
a. Balanced Scorecard
b. Economic Value Added
c. Return on Investment
d. HRIS
e. HR Scorecard
Ans: C
Learning Objective: 2-7
Cognitive Domain: Comprehension
Answer Location: Return on Investment (ROI)
Question Type: MC

24. The human resources director is entering employee skills and performance appraisal data into a computer. The data will be used in the strategic planning process to determine training needs. The director is using a _____.
a. human resource information system
b. organizational chart
c. balanced scorecard
d. social media
Ans: A
Learning Objective: 2-6
Cognitive Domain: Application
Answer Location: How do HRIS assist in making HR decisions?
Question Type: MC

25. Which major external business force is not involved with the day-to-day operations of the firm, but does vote for the directors of the company?
a. Customers
b. Suppliers

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c. Society
d. Shareholders
e. Government
Ans: D
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: The External Environment
Question Type: MC

26. _____ provide employees to the organization and are therefore considered an external factor.
a. Human Resource departments
b. Job posting websites
c. Suppliers
d. Head-hunting organizations
e. Unions
Ans: e
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: The External Environment
Question Type: MC

27. The way in which a company groups its resources together to accomplish its mission is called _____.
a. strategy
b. organizational objectives
c. mission objectives
d. organizational structure
Ans: D
Learning Objective: 2-4
Cognitive Domain: Knowledge
Answer Location: Structure
Question Type: MC

28. The number of layers there are in an organization from top to bottom is referred to as _____.
a. spatial differentiation
b. horizontal differentiation
c. vertical differentiation
d. formalization

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e. centralization
Ans: C
Learning Objective: 2-4
Cognitive Domain: Knowledge
Answer Location: Complexity
Question Type: MC

29. _____ includes shared values and beliefs, and describes how and why employees do what they do.
a. Organizational culture
b. Organizational structure
c. Organizational design
d. Organizational behavior
e. HRM performance measures
Ans: A
Learning Objective: 2-5
Cognitive Domain: Knowledge
Answer Location: What is Organizational Culture?
Question Type: MC

30. When a company decides to follow a cost leadership strategy, HRM is mostly concerned with _____.
a. hiring individuals based on individual knowledge and skill sets and not on what jobs need filled at that point in time
b. creating cross-functional teams
c. creating broader job descriptions and work planning processes
d. implementing performance appraisals
e. maximum efficiency and effectiveness
Ans: e
Learning Objective: 2-2
Cognitive Domain: Comprehension
Answer Location: HRM and Cost Leadership
Question Type: MC

31. The height, width, and physical location of human resources within an organization is described by the term _____.
a. differentiation
b. complexity
c. capacity
d. formalization

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e. centralization
Ans: B
Learning Objective: 2-4
Cognitive Domain: Knowledge
Answer Location: Complexity
Question Type: MC

32. _____ is a plan of action to achieve a particular set of objectives.
a. Vision
b. Strategic advantage
c. Strategy
d. "Managing Up"
e. "Vision + Mission = FOCUS"
Ans: C
Learning Objective: 2-8
Cognitive Domain: Knowledge
Answer Location: What is strategy?
Question Type: MC

33. The degree to which jobs within a company are standardized is referred to as _____.
a. centralization of jobs
b. job complexity
c. formalization
d. spatial differentiation
e. job differentiation
Ans: C
Learning Objective: 2-4
Cognitive Domain: Knowledge
Answer Location: Formalization
Question Type: MC

34. When hiring individuals based on individual knowledge and skills sets and not necessarily for jobs that need filled, HRM is probably supporting the company's _____.
a. cost leadership strategy
b. differentiation strategy
c. niche or focus strategy
d. competency-based strategy
e. SWOT analysis objectives
Ans: B
Learning Objective: 2-2

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Cognitive Domain: Comprehension
Answer Location: HRM and Differentiation
Question Type: MC

35. The _____ is composed of strategy, structure, and culture.
a. internal environment
b. technological imperative
c. global environment
d. external environment
e. supply chain relationships
Ans: A
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: Strategy and Strategic Planning in the 21st Century: The Organization and the Environment
Question Type: MC

36. Exeter Corp. has decided on a statement that identifies what they expect their business to become within six years. They are identifying their:
a. Goals
b. Mission
c. Vision
d. Environmental awareness
e. Occupational direction
Ans: C
Learning Objective: 2-3
Cognitive Domain: Application
Answer Location: The vision
Question Type: MC

37. Bourne's hotel services corporation is figuring out what they need to do in order to become the company they envisioned. Bourne's is engaged in creating a:
a. Culture
b. Mission
c. Operation
d. Structure
Ans: B
Learning Objective: 2-3
Cognitive Domain: Application
Answer Location: The mission

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Question Type: MC

38. A powerful vision combined with a well-identified mission work together to create:
a. Focus
b. Employability
c. Product analysis
d. Cultural awareness
e. An operand
Ans: A
Learning Objective: 2-3
Cognitive Domain: Knowledge
Answer Location: Putting the vision and mission together
Question Type: MC

39. B & A Steel has endeavored to drive out all unnecessary business expenses in their steel industry operations. B&A is likely following a _____ strategy.
a. Niche
b. Cost leader
c. Focus leader
d. Differentiation
e. Price leader
Ans: B
Learning Objective: 2-2
Answer Location: Cost Leadership
Question Type: MC

40. Ferrari is well-known for following this generic strategy type:
a. Cost leader
b. Price leader
c. Broad differentiation
d. Niche based on differentiation
e. Niche based on low-cost
Ans: D
Learning Objective: 2-2
Cognitive Domain: Application
Answer Location: Focus or niche
Question Type: MC

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41. Computer companies such as Dell may actually fight over the opportunity to purchase limited volumes of Intel CPU chips. This is an example of power from which of Porter's forces?
a. Buyer
b. Substitutes
c. New entrants
d. Competitive rival
e. Supplier
Ans: e
Learning Objective: 2-1
Cognitive Domain: Application
Answer Location: Five-Forces Analysis
Question Type: MC

42. The "implementing, monitoring and evaluating" step in strategic management uses the process of _____, which creates mechanisms to ensure that objectives are achieved.
a. Processing
b. Investigating
c. Controlling
d. Appraising
e. Reviewing
Ans: C
Learning Objective: 2-2
Cognitive Domain: Comprehension
Answer Location: Implementing, Monitoring and Evaluating Strategies
Question Type: MC

43. Dotmar Engineering and many other firms have the ability to replace original metal parts in many manufacturing operations with high strength and/or high thermal capacity plastic parts at a much lower cost. This would illustrate the power of _____ in Porter's Five-Forces model.
a. Buyer
b. Substitutes
c. New entrants
d. Competitive rival
e. Supplier
Ans: B
Learning Objective: 2-1
Cognitive Domain: Application
Answer Location: Five-Forces Analysis
Question Type: MC

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44. An environmental "opportunity" for Newman Corporation, a small manufacturing firm, might be which of the following?
a. Available technological advances that can help the firm work with larger customers.
b. New large competitors in markets they currently serve.
c. Highly trained shop-floor employees.
d. Current competitors entering new markets that Newman cannot compete in.
e. Providing their sales force with detailed training on Newman's product lines.
Ans: A
Learning Objective: 2-1
Cognitive Domain: Application
Answer Location: SWOT analysis
Question Type: MC

45. Centralization of decision-making in an organization tends to create:
a. greater control
b. poor decisions, in general
c. higher operating costs
d. less control
e. higher levels of job satisfaction throughout the company
Ans: A
Learning Objective: 2-4
Cognitive Domain: Comprehension
Answer Location: Centralization
Question Type: MC

46. ARC Consulting is a highly decentralized organization, so if the president of the company (an operations expert) received a request for a Compensation Review from a client, her most likely course of action would be to:
a. tell her "least-busy" employee to handle it
b. decide to work on it herself
c. form a task team of both HR and non-HR consultants
d. ask her leading compensation expert to determine what needed to be done
e. tell the client that she couldn't help them with their request
Ans: D
Learning Objective: 2-4
Cognitive Domain: Application
Answer Location: How Does Structure Affect Employee Behavior?
Question Type: MC

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47. Jane took a job at the local factory as an assembler. Jane is a real go-getter by nature, but the company culture was to work at a slow steady pace. Soon Jane started to get subtle hints from her co-workers that she needed to slow down her work. Jane is getting _____ to modify her performance.
a. Compliance boundaries
b. Group obstinacy
c. Peer pressure
d. Organizational inference
e. Forced mediation
Ans: C
Learning Objective: 2-5
Cognitive Domain: Application
Answer Location: How Culture Controls Employee Behavior in Organizations
Question Type: MC

48. William, the HR director, has begun to review his company's HPWS alignment with the overall company strategy in order to determine what value HR is providing to the firm. William is most likely working on a(n):
a. HR Return on Investment
b HR Economic Value-added
c. HR Scorecard
d. HRIS
e. Incentive system
Ans: C
Learning Objective: 2-7
Cognitive Domain: Application
Answer Location: HR Scorecard
Question Type: MC

49. Employees in companies with a differentiation strategy would need to have all of the following qualities except:
a. Comfortable with change and adaptable
b. Customer-focused
c. Innovative and able to create new processes
d. Comfortable with incentives based on creativity
e. Strongly concerned with maximizing efficiency
Ans: e
Learning Objective: 2-2
Cognitive Domain: Comprehension
Answer Location: HRM and Differentiation.
Question Type: MC

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50. In the early days of Apple, managers would constantly relate to employees how the company was formed in a garage in Cupertino, California to instill a sense of being different from large competitor corporations. This is an example of how culture is transferred through:
a. Stories
b. Symbols
c. Slogans
d. Ceremonies
e Heroes
Ans: A
Learning Objective: 2-5
Cognitive Domain: Application
Answer Location: Artifacts.
Question Type: MC

51. _____ are the resource that gives us a powerful competitive advantage over our rival firms.
a. Finances
b. Specialty
c. Reputation
d. People
Ans: A
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: Strategy and strategic planning in the 21st century
Question Type: MC

52. _____ are needed for businesses to adjust to changes caused by the external environment.
a. Strategic responses
b. Delegations
c. Analysts
d. Competitors
Ans: A
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: The External Environment
Question Type: MC

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53. _____ have more power to affect today's businesses today, partly due to purchasing power.
a. Competitors
b. Customers
c. Managers
d. Investors
Ans: B
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: The External Environment
Question Type: MC

54. Businesses sometimes compete with other businesses for:
a. customers.
b. customers, employees, and suppliers.
c. natural resources in their region.
d. tax incentives
Ans: B
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: The External Environment
Question Type: MC

55. _____ is an example of society pressuring businesses to make changes in the way it conducts its business.
a. Limiting water and air pollution
b. Developing more commercial products.
c. Building additional commercial properties.
d. Setting higher wages
Ans: A
Learning Objective: 2-1
Cognitive Domain: Application
Answer Location: The External Environment
Question Type: MC

56. HRM is an important strategic business function that influences the performance of _____.
a. small firms
b. large firms
c. large and small firms
d. large and small firms during times of economic uncertainty

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Ans: C
Learning Objective: 2-2
Cognitive Domain: Comprehension
Answer Location: What is Strategy
Question Type: MC

57. _____ is a plan of action used to achieve a particular set of objectives.
a. Strategy
b. SWOT analysis
c. A contract
d. An adaptation
Ans: A
Learning Objective: 2-2
Cognitive Domain: Comprehension
Answer Location: What is Strategy
Question Type: MC

58. Strategy involves:
a. adopting a global approach to business.
b. analyzing only the external environment.
c. analyzing only the internal environment.
d. analyzing both the internal and external environment.
Ans: A
Learning Objective: 2-2
Cognitive Domain: Comprehension
Answer Location: What is Strategy
Question Type: MC

59. Two critical components of successful corporate strategy include:
a. vision and mission.
b. profit and loss.
c. customers and suppliers.
d. government regulation and tax obligation.
Ans: A
Learning Objective: 2-3
Cognitive Domain: Comprehension
Answer Location: Visions and Missions
Question Type: MC

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60. Sara and Dan are working on a statement for a start-up organic farm. One statement reads: "To become the southeast region's number one choice for supplying organically-grown fruits and vegetables." Sara and Dan are writing:
a. mission statement.
b. a vision statement.
c. a speech.
d. a business plan.
Ans: B
Learning Objective: 2-3
Cognitive Domain: Comprehension
Answer Location: The Vision
Question Type: MC

61. Analisa and Charlie are writing a statement for a furniture company. It reads: "To provide quality, handmade Amish furniture, using sustainable natural resources, while honoring cultural woodworking traditions." Analisa and Charlie are writing:
a. a mission statement.
b. a vision statement.
c. a Board of Director's speech.
d. a letter to the Division of Natural Resources.
Ans: A
Learning Objective: 2-3
Cognitive Domain: Comprehension
Answer Location: The Mission
Question Type: MC

62. _____ lower organizational costs required to produce their product or service.
a. Differentiators
b. Niche operators
c. Cost leaders
d. Competitors
Ans: C
Learning Objective: 2-3
Cognitive Domain: Knowledge
Answer Location: Cost Leadership
Question Type: MC

63. A company using the differentiation strategy relies upon the _____ to maintain an advantage over its competitors.

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a. real or perceived difference
b. the real difference
c. the perceived difference
d. the naturally-occurring difference
Ans: A
Learning Objective: 2-3
Cognitive Domain: Knowledge
Answer Location: Differentiation
Question Type: MC

64. A company following the _____ strategy approach might focus on hiring flexible and adaptable employees.
a. differentiation
b. cost leader
c. niche
d. customer-driven
Ans: A
Learning Objective: 2-3
Cognitive Domain: Knowledge
Answer Location: HRM and Differentiation
Question Type: MC

65. A company following the _____ strategy approach might use performance appraisals to drive employee development.
a. differentiation
b. cost leader
c. niche
d. market
Ans: A
Learning Objective: 2-3
Cognitive Domain: Application
Answer Location: HRM and Differentiation
Question Type: MC

66. A company following the _____ strategy approach might use performance appraisals to punish employees or weed out poor performers.
a. differentiation
b. cost leader
c. niche
d. market

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Ans: B
Learning Objective: 2-3
Cognitive Domain: Application
Answer Location: HRM and Differentiation
Question Type: MC

67. Which strategy analyzes the external environment for organizations?
a. Five-Forces Analysis
b. SWOT analysis
c. Differentiator
d. Cost Leader
Ans: A
Learning Objective: 2-3
Cognitive Domain: Application
Answer Location: Strategic Analysis
Question Type: MC

68. Which strategy analyzes the external environment for organizations?
a. Five-Forces Analysis
b. SWOT analysis
c. Differentiator
d. Cost Leader
Ans: B
Learning Objective: 2-3
Cognitive Domain: Knowledge
Answer Location: Strategic Analysis
Question Type: MC

69. Rivalry among competitors, such as Coke and Pepsi, is an example of scrambling/jockeying for position in which business strategy?
a. Five-Forces Analysis
b. SWOT analysis
c. Employee-driven
d. Cost Leader
Ans: A
Learning Objective: 2-3
Cognitive Domain: Comprehension
Answer Location: Five Force Analysis
Question Type: MC

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70. An analysis of external business environment should always include a review of the supply chain to determine _____.
a. illegal trading
b. the power of buyers
c. the power of suppliers
d. unethical practices
Ans: C
Learning Objective: 2-3
Cognitive Domain: Comprehension
Answer Location: Five Force Analysis
Question Type: MC

71. The SWOT analysis is a process of _____ a company's strengths and opportunities while _____ a company's weaknesses and threats.
a. balancing / minimizing
b. balancing /eliminating
c. identifying / clarifying
d. practicing / replicating
Ans: A
Learning Objective: 2-3
Cognitive Domain: Comprehension
Answer Location: SWOT Analysis
Question Type: MC

72. _____ state what is to be accomplished in singular, specific, and measurable terms with a target date.
a. Goals
b. Targets
c. Clarifiers
d. Objectives
Ans: D
Learning Objective: 2-3
Cognitive Domain: Knowledge
Answer Location: Setting Objectives
Question Type: MC

73. The written objective "to reduce theft of electronic merchandise by 20 percent" is missing which recommended criteria?

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a. It does not focus on a single result.
b. It is not specific.
c. It is not measurable.
d. It has no target date.
Ans: D
Learning Objective: 2-3
Cognitive Domain: Application
Answer Location: Setting Objectives
Question Type: MC

74. An important part of the controlling process includes all of the following actions, except:
a. buying and selling assets.
b. measuring progress toward achievement of the objective.
c. taking corrective action when needed.
d. staying within the budget.
Ans: A
Learning Objective: 2-3
Cognitive Domain: Knowledge
Answer Location: Implementing, Monitoring, and Evaluating Strategies
Question Type: MC

75. Quality management is part of the controlling process, whereby the company can adjust their _____ to reach a predetermined level of quality control.
a. prices
b. internal processes
c. manager's input.
d. worker's attitude.
Ans: B
Learning Objective: 2-3
Cognitive Domain: Knowledge
Answer Location: Implementing, Monitoring, and Evaluating Strategies
Question Type: MC

76. An organization groups its resources to accomplish its mission by use of:
a. organizational structure.
b. a business plan.
c. budgetary limitations.
d. a board of directors.
Ans: A
Learning Objective: 2-3

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Cognitive Domain: Knowledge
Answer Location: Structure
Question Type: MC

77. _____ has three sub-parts: vertical differentiation, horizontal differentiation, and spatial differentiation.
a. Diversity
b. Complexity
c. Culture
d. Strategy
Ans: B
Learning Objective: 2-4
Cognitive Domain: Knowledge
Answer Location: Complexity
Question Type: MC

78. _____ means how many layers there are in the organization from the top to the bottom.
a. Vertical differentiation
b. Horizontal differentiation
c. Spatial differentiation
d. Global differentiation
Ans: A
Learning Objective: 2-4
Cognitive Domain: Knowledge
Answer Location: Complexity
Question Type: MC

79. _____ means how we break up an organization by departments or other meaningful segments.
a. Vertical differentiation
b. Horizontal differentiation
c. Spatial differentiation
d. Global differentiation
Ans: B
Learning Objective: 2-4
Cognitive Domain: Knowledge
Answer Location: Complexity
Question Type: MC

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80. An employee could look at a(n) _____ to identify a company's chain of command.
a. organization chart
b. employee directory
c. Stockholder's report
d. structure schedule
Ans: A
Learning Objective: 2-4
Cognitive Domain: Knowledge
Answer Location: Complexity

81. _____ means how we physically separate different departments of an organization.
a. Vertical differentiation
b. Horizontal differentiation
c. Spatial differentiation
d. Global differentiation
Ans: C
Learning Objective: 2-4
Cognitive Domain: Knowledge
Answer Location: Complexity
Question Type: MC

82. Standardizing jobs within an organization is known as _____.
a. formalization
b. differentiation
c. equality
d. simplicity
Ans: A
Learning Objective: 2-4
Cognitive Domain: Knowledge
Answer Location: Formalization
Question Type: MC

83. The degree to which decision-making is concentrated within an organization is known as _____.
a. formalization
b. differentiation
c. centralization
d. simplicity
Ans: C

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Learning Objective: 2-4
Cognitive Domain: Knowledge
Answer Location: Centralization
Question Type: MC

84. _____ affects the dispersion of authority for decision-making and the delegation of authority within an organization.
a. Centralization
b. Differentiation
c. Formalization
d. Autonomy
Ans: A
Learning Objective: 2-4
Cognitive Domain: Knowledge
Answer Location: Centralization
Question Type: MC

85. When decision-making is centralized, it causes _____ control within the organization.
a. less
b. greater
c. unstructured
d. detached
Ans: B
Learning Objective: 2-4
Cognitive Domain: Knowledge
Answer Location: Centralization
Question Type: MC

86. When decision-making is centralized, it sometime causes a slow-down of _____ within the organization.
a. processes
b. hiring
c. recruiting
d. retirement
Ans: A
Learning Objective: 2-4
Cognitive Domain: Knowledge
Answer Location: Centralization
Question Type: MC

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87. Organizational culture is primarily learned through _____.
a. observing people and events in the organization
b. reading the company's website
c. doing research in business journals
d. submitting questionnaires
Ans: A
Learning Objective: 2-5
Cognitive Domain: Comprehension
Answer Location: What is organizational culture
Question Type: MC

88. _____is a powerful force in controlling how people behave within its boundaries.
a. Strict policies
b. Volunteerism
c. Reporting
d. Organizational culture
Ans: D
Learning Objective: 2-5
Cognitive Domain: Comprehension
Answer Location: How culture controls employee behavior in organizations
Question Type: MC

89. _____is the process of accessing large amounts of data in order to analyze it to gain insight into trends or patterns within organizations or industries.
a. Computer hacking
b. Managing Information Systems
c. Data Analytics
d. Social media
Ans: C
Learning Objective: 2-5
Cognitive Domain: Knowledge
Answer Location: An Introduction to data analytics for HRM
Question Type: MC

90. _____ can be used for HRM in functions such as talent acquisition, training and development, retention, job analysis.
a. Data analytics
b. Record keeping

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c. System design
d. Social media
Ans: A
Learning Objective: 2-5
Cognitive Domain: Knowledge
Answer Location: HR Analytics
Question Type: MC

91. The Acme Global Corporation seeks to hire skilled employees who are willing to use their creativity to improve the organization's products and services. Acme Global does this because the organization recognizes the influence of _____ in the external environment on the organization.
a. suppliers
b. shareholders
c. technology
d. customers
Ans: D
Learning Objective: 2-1
Cognitive Domain: Application
Answer Location: The External Environment (p. 43)
Question Type: MC

92. The Acme Global Corporation recently hired several new employees who worked at a rival organization. Acme Global essentially stole the employees away by offering more pay and better benefits. Acme Global's actions reflect the influence of _____ in the external environment on the organization.
a. customers
b. competition
c. society
d. suppliers
Ans: B
Learning Objective: 2-1
Cognitive Domain: Application
Answer Location: The External Environment
Question Type: MC

93. The Acme Global Corporation recently won a bid to provide a large number of widgets for a government contract. To complete the order, the organization will need to order more raw materials. This will require that the organization recognize the influence of _____ in the external environment on the organization.

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a. suppliers
b. shareholders
c. technology
d. competition
Ans: A
Learning Objective: 2-1
Cognitive Domain: Application
Answer Location: The External Environment
Question Type: MC

94. In the past few years, the Acme Global Corporation has been fortunate to have a strong talent pool available from which it can draw employees. This represents the influence of _____ in the external environment on the organization.
a. society
b. shareholders
c. labor force
d. competition
Ans: C
Learning Objective: 2-1
Cognitive Domain: Application
Answer Location: The External Environment
Question Type: MC

95. At the Acme Global Corporation, the top manager reports to the board of directors. The board is not involved in the day-to-day operations of the organization, but it can hire or fire top management. This represents the influence of _____ in the external environment on the organization.
a. shareholders
b. society
c. technology
d. economics
Ans: A
Learning Objective: 2-1
Cognitive Domain: Application
Answer Location: The External Environment
Question Type: MC

96. The Acme Global organization tries to be a good neighbor to the people who live and work in the cities where the organization's plants are located. In one neighborhood, citizens asked Acme Global to reveal the location of all its suppliers. When it was discovered that Acme Global

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used suppliers who were 1,000 miles from the plant, the citizens asked Acme Global to consider using more local suppliers. Acme Global agreed and found similar suppliers closer to its plant. This represents the influence of _____ in the external environment on the organization.
a. suppliers
b. society
c. technology
d. competition
Ans: B
Learning Objective: 2-1
Cognitive Domain: Application
Answer Location: The External Environment
Question Type: MC

97. Acme Global Corporation created an application that allows customers to send in orders quickly and easily. Since rolling out the new app, orders have increased by 20 percent. This represents the influence of _____ in the external environment on the organization.
a. labor force
b. shareholders
c. technology
d. competition
Ans: C
Learning Objective: 2-1
Cognitive Domain: Application
Answer Location: The External Environment
Question Type: MC

98. Acme Global Corporation had to put its plans to build a new plant on hold when interest rates went up and the organization was not able to borrow enough money to build the plant. This represents the influence of _____ in the external environment on the organization.
a. shareholders
b. society
c. the economy
d. competition
Ans: C
Learning Objective: 2-1
Cognitive Domain: Application
Answer Location: The External Environment
Question Type: MC

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99. Acme Global hired a director of safety to help the organization ensure proper compliance with the Occupational Safety and Health Act. This represents the influence of _____ in the external environment on the organization.
a. the economy
b. customers
c. the government
d. suppliers
Ans: C
Learning Objective: 2-1
Cognitive Domain: Application
Answer Location: The External Environment (p. 46)
Question Type: MC

100. The Acme Global Corporation is asking questions like "Do our products satisfy our customers' current needs?" and "Do we have the right kind of workforce in place at this time?" From these questions, it is clear that Acme Global is trying to answer which of the following major strategic question?
a. What is our present situation?
b. Where do we want to go?
c. How do we plan to get there?
d. What should our strategy be?
Ans: A
Learning Objective: 2-2
Cognitive Domain: Application
Answer Location: What is strategy?
Question Type: MC

101. The Acme Global Corporation is asking questions like "what will the organization look like in 10 years?" and "what is the vision of the organization?" From these questions, it is clear that Acme Global is trying to answer which of the following major strategic question?
a. What is our present situation?
b. Where do we want to go?
c. How do we plan to get there?
d. What should our strategy be?
Ans: B
Learning Objective: 2-2
Cognitive Domain: Application
Answer Location: What is strategy?
Question Type: MC

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102. The Acme Global Corporation is seeking information on how to create a plan to that will allow it to reach its goals. In doing so, Acme Global is trying to answer which of the following major strategic question?
a. What is our present situation?
b. Where do we want to go?
c. How do we plan to get there?
d. What should our strategy be?
Ans: C
Learning Objective: 2-2
Cognitive Domain: Application
Answer Location: What is strategy?
Question Type: MC

103. On its website, the Acme Global Corporation published a statement of what it expects to become as an organization in 10 years. It does not say how Acme Global will achieve this future state. This is a _____ statement.
a. mission
b. strategy
c. vision
d. culture
Ans: C
Learning Objective: 2-3
Cognitive Domain: Application
Answer Location: Visions and Missions
Question Type: MC

104. On its website, the Acme Global Corporation published a statement of what the various organizational units will do and what each will accomplish to fulfill the organization's vision. This is a _____ statement.
a. strategy
b. mission
c. HR scorecard
d. structure
Ans: B
Learning Objective: 2-3
Cognitive Domain: Application
Answer Location: Visions and Missions
Question Type: MC

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105. Shaun recommends that the organization do everything it can to lower the organizational costs required to produce widgets while still charging customers the same price for the product. Shaun is recommending the _____ strategy.
a. cost cutting
b. cost leadership
c. differentiation
d. niche
Ans: B
Learning Objective: 2-3
Cognitive Domain: Application
Answer Location: Types of Strategies
Question Type: MC

106. Aileen recommends that the organization invest in creating a strong brand image so consumers will be willing to pay more for its product than they are willing to pay for its competitor's product. Aileen is recommending the _____ strategy.
a. branding
b. cost leadership
c. differentiation
d. focus
Ans: C
Learning Objective: 2-3
Cognitive Domain: Application
Answer Location: Types of Strategies
Question Type: MC

107. Brian recommends that the organization focus on selling its products to people aged 65 and older. Brian is recommending the _____ strategy.
a. senior
b. cost leadership
c. differentiation
d. niche
Ans: D
Learning Objective: 2-3
Cognitive Domain: Application
Answer Location: Types of Strategies
Question Type: MC

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108. The organizational chart of the Acme Global Corporation looks like a pyramid. It illustrates the various layers in the organization and provides information on the chain of command. Overall, it provides information on _____ in the organization.
a. centralization
b. vertical differentiation
c. formalization
d. horizontal differentiation
Ans: B
Learning Objective: 2-4
Cognitive Domain: Application
Answer Location: Basics of Organizational Structure (p. 57)
Question Type: MC

109. The jobs in the Acme Global Corporation are very standardized. Each job has a clear job description and there are many policies, procedures, and rules for employees to follow. This creation of a routine way of doing jobs suggests that Acme Global has a high degree of _____ in its structure.
a. centralization
b. spatial differentiation
c. formalization
d. horizontal differentiation
Ans: C
Learning Objective: 2-4
Cognitive Domain: Application
Answer Location: Basics of Organizational Structure
Question Type: MC

110. The Acme Global Corporation prefers to concentrate decision making at the top of the organizational chart. This allows the company to focus on hiring good decision makers in only a few jobs. This would indicate that Acme Global has a high degree of _____ in its structure.
a. centralization
b. vertical differentiation
c. horizontal differentiation
d. formalization
Ans: A
Learning Objective: 2-4
Cognitive Domain: Application
Answer Location: Basics of Organizational Structure
Question Type: MC

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111. Executives at the Acme Global Corporation display their awards and certificates prominently in their offices. This demonstration of their achievements is part of the _____ level of culture.
a. behavior
b. values and beliefs
c. assumptions
d. formal
Ans: A
Learning Objective: 2-5
Cognitive Domain: Application
Answer Location: What is Organizational Culture?
Question Type: MC

112. Executives at the Acme Global Corporation give awards to high performing employees. The executives believe that recognizing the performance of a few employees will inspire all employees to work hard. This type of decision making is part of the _____ level of culture.
a. behavior
b. values and beliefs
c. assumptions
d. objective
Ans: B
Learning Objective: 2-5
Cognitive Domain: Application
Answer Location: What is Organizational Culture?
Question Type: MC

113. Jill had an idea for improving the process of recording invoices. When she told her boss about her idea, he told her it was a good idea but the department would stick with the old system. When she asked why they could not change to the new system, her boss would only say, “We have always done it this way and it makes sense to us.” This is an example of the _____ level of culture.
a. behavior
b. values and beliefs
c. assumptions
d. objective
Ans: C
Learning Objective: 2-5
Cognitive Domain: Application
Answer Location: What is Organizational Culture?
Question Type: MC

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True/False

114. True or False. There is only one "best" structure.
Ans: False
Learning Objective: 2-4
Cognitive Domain: Comprehension
Answer Location: Centralization
Question Type: TF

115. True or False. Strategic management's success requires a commitment to a defined set of objectives by managers.
Ans: True
Learning Objective: 2-3
Cognitive Domain: Comprehension
Answer Location: Designing a Strategy
Question Type: TF

116. True or False. As an organization grows larger, the decision-making process speeds up.
Ans: False
Learning Objective: 2-4
Cognitive Domain: Comprehension
Answer Location: Centralization
Question Type: TF

117. True or False. Vertical differentiation refers to breaking organizations up into departments.
Ans: False
Learning Objective: 2-4
Cognitive Domain: Knowledge
Answer Location: Basics of Organizational Structure
Question Type: TF

118. True or False. Values, beliefs, and assumptions are often referred to as visible levels of culture.
Ans: False
Learning Objective: 2-5

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Cognitive Domain: Knowledge
Answer Location: What is Organizational Culture?
Question Type: TF

119. True or False. The balanced scorecard says that measurement of a company's success using purely financial measure is not sufficient.
Ans: True
Learning Objective: 2-7
Cognitive Domain: Knowledge
Answer Location: Balanced Scorecard (BSC)
Question Type: TF

120. True or False. Centralization of decision-making tends to create greater control within an organization, because the few decision makers become very skilled at determining the best course of action in a particular situation.
Ans: True
Learning Objective: 2-4
Cognitive Domain: Comprehension
Answer Location: Basics of Organizational Structure
Question Type: TF

121. True or False. Assumptions are so deeply ingrained in individuals that they are considered to be unquestionably true.
Ans: True
Learning Objective: 2-5
Cognitive Domain: Knowledge
Answer Location: What is Organizational Culture?
Question Type: TF

122. True or False. Organizational structure does not affect employee behavior.
Ans: False
Learning Objective: 2-4
Cognitive Domain: Knowledge
Answer Location: Structure
Question Type: TF

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123. True or False. An example of spatial differentiation is a company's headquarters being located in New York and its production plant being located in Japan.
Ans: True
Learning Objective: 2-4
Cognitive Domain: Application
Answer Location: Complexity
Question Type: TF

124. True or False. In today's business world, worldwide industries have more competition and more capability than ever before.
Ans: True
Learning Objective: 2-1
Cognitive Domain: Comprehension
Answer Location: Strategy and Strategic Planning in the 21st Century
Question Type: TF

125. True or False. Because in today's business world, worldwide industries have more competition and more capability than ever before, it is more difficult to create a sustainable competitive advantage.
Ans: True
Learning Objective: 2-1
Cognitive Domain: Application
Answer Location: Strategy and Strategic Planning in the 21st Century
Question Type: TF

126. True or False. Only factors in the external environment determine what actions we must take to make strategic choices for our organization.
Ans: False
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: Strategy and Strategic Planning in the 21st century
Question Type: TF

127. True or False. HRM is a critical component of meeting organizational goals.
Ans: True
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: Strategy and Strategic Planning in the 21st century

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Question Type: TF

128. True or False. Influences from outside the organization are easily controlled.
Ans: False
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: The External Environment
Question Type: TF

129. True or False. Influences from outside the organization may cause the company to adapt to change.
Ans: True
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: The External Environment
Question Type: TF

130. True or False. Resources or products from suppliers can be affected by external forces, such as natural disasters.
Ans: True
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: The External Environment
Question Type: TF

131. True or False. The availability of recruits and employees for an organization has an effect on its performance.
Ans: True
Learning Objective: 2-1
Cognitive Domain: Comprehension
Answer Location: The External Environment
Question Type: TF

132. True or False. Unions are not an example of a force from the external environment which can affect businesses.
Ans: False

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Learning Objective: 2-1
Cognitive Domain: Comprehension
Answer Location: The External Environment
Question Type: TF

133. True or False. The Board of Directors, voted into office by the shareholders, is involved in the day-to-day operations of the firm.
Ans: False
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: The External Environment
Question Type: TF

134. True or False. The Board of Directors makes employment decisions, such as hiring and firing top managers.
Ans: True
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: The External Environment
Question Type: TF

135. True or False. Unless their employees are comfortable with ever-changing technology, today's organizations will not be able to compete in the 21st century business world.
Ans: True
Learning Objective: 2-1
Cognitive Domain: Application
Answer Location: The External Environment
Question Type: TF

136. True or False. No organization has control over economic growth, inflation, interest rates, or foreign exchange rates.
Ans: True
Learning Objective: 2-1
Cognitive Domain: Comprehension
Answer Location: The External Environment
Question Type: TF

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137. During periods of inflation, businesses experience decreased costs.
Ans: False
Learning Objective: 2-1
Cognitive Domain: Comprehension
Answer Location: The External Environment
Question Type: TF

138. True or False. The economy has a direct impact on the firm's performance and profits.
Ans: True
Learning Objective: 2-1
Cognitive Domain: Comprehension
Answer Location: The External Environment
Question Type: TF

139. True or False. It is not always necessary to take the economy into account when performing strategic planning activities.
Ans: False
Learning Objective: 2-1
Cognitive Domain: Comprehension
Answer Location: The External Environment
Question Type: TF

140. True or False. Federal and state government create both opportunities and threats for businesses.
Ans: True
Learning Objective: 2-1
Cognitive Domain: Comprehension
Answer Location: The External Environment
Question Type: TF

141. True or False. Competitive strategies and strategic planning principles are a modern, contemporary approach to business management.
Ans: False
Learning Objective: 2-2
Cognitive Domain: Comprehension
Answer Location: Strategy
Question Type: TF

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142. True or False. The vision statement of an organization provides a focus point for the future.
Ans: True
Learning Objective: 2-3
Cognitive Domain: Knowledge
Answer Location: The Vision
Question Type: TF

143. True or False. Cost leaders may offer their product or service to customers at the same cost as their competitors.
Ans: True
Learning Objective: 2-3
Cognitive Domain: Knowledge
Answer Location: Cost Leadership
Question Type: TF

144. True or False. Walmart is an example of a cost leader.
Ans: True
Learning Objective: 2-3
Cognitive Domain: Knowledge
Answer Location: Cost Leadership
Question Type: TF

145. True or False. Coca-Cola is an example of a cost leader.
Ans: False
Learning Objective: 2-3
Cognitive Domain: Knowledge
Answer Location: Differentiation
Question Type: TF

146. True or False. The focus or niche strategy focuses on a specific portion of the larger market.
Ans: True
Learning Objective: 2-3
Cognitive Domain: Knowledge
Answer Location: Focus or Niche
Question Type: TF

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147. True or False. Snapple is an example of a company using a focus or niche strategy.
Ans: True
Learning Objective: 2-3
Cognitive Domain: Knowledge
Answer Location: Focus or Niche
Question Type: TF

148. True or False. A company following the differentiator strategy will affect HRM because of the need to keep employee costs down.
Ans: False
Learning Objective: 2-3
Cognitive Domain: Knowledge
Answer Location: HRM and Differentiation
Question Type: TF

149. True or False. Strategists can use the Five Force Analysis or the SWOT analysis to analyze external threats.
Ans: False
Learning Objective: 2-3
Cognitive Domain: Knowledge
Answer Location: Strategic Analysis
Question Type: TF

150. True or False. Pandora streaming music service is an example of a threat of substitute product or service.
Ans: True
Learning Objective: 2-3
Cognitive Domain: Comprehension
Answer Location: Five force Analysis
Question Type: TF

151. True or False. Competition in any specific industry is partly determined by how easy or how difficult it is for someone to enter the industry.
Ans: True
Learning Objective: 2-3
Cognitive Domain: Comprehension

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Answer Location: Five force Analysis
Question Type: TF

152. True or False. An analysis of the power of buyers will determine if a company has bargaining power with its suppliers from which they buy.
Ans: True
Learning Objective: 2-3
Cognitive Domain: Comprehension
Answer Location: Five force Analysis
Question Type: TF

153. True or False. Implementing a strategic plan does not take dedication at all levels of the organization.
Ans: False
Learning Objective: 2-3
Cognitive Domain: Comprehension
Answer Location: Implementing, Monitoring, and Evaluating Strategies
Question Type: TF

154. True or False. Dedication to a strategic plan only at the HR level will ensure success of the plan.
Ans: False
Learning Objective: 2-3
Cognitive Domain: Comprehension
Answer Location: Implementing, Monitoring, and Evaluating Strategies
Question Type: TF

155. True or False. Organizational structure is identified through a series of fundamental components.
Ans: True
Learning Objective: 2-4
Cognitive Domain: Comprehension
Answer Location: Basics of Organizational Structure
Question Type: TF

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156. True or False. Complexity refers to the degree of three types of differentiation within the organization.
Ans: True
Learning Objective: 2-4
Cognitive Domain: Comprehension
Answer Location: Complexity
Question Type: TF

157. True or False. Social media cannot be used to monitor both the internal and external environment of an organization.
Ans: False
Learning Objective: 2-5
Cognitive Domain: Application
Answer Location: Social media and culture management
Question Type: TF

158. True or False. Shareholders are the owners of a corporation.
Ans: True
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: The External Environment
Question Type: TF

159. True or False. Shareholders are involved in the day-to-day operations of a corporation which they own.
Ans: False
Learning Objective: 2-1
Cognitive Domain: Knowledge
Answer Location: The External Environment
Question Type: TF

Short Answer

160. Define vision and mission statement and explain what happens when they are combined.
Ans: Vision: what the company expects to become as an organization at a particular point in the future. Mission statement: the company's expectations of what they're going to do to become the

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organization that it envisions. Vision + Mission = FOCUS By combining the vision and the mission statement, the people in the organization can focus on a particular direction because they receive a complete picture of what direction they are supposed to go in. By getting everyone on the same page, it is more likely that the organization will achieve the desired end result.
Learning Objective: 2-3
Cognitive Domain: Analysis
Answer Location: Visions and Missions
Question Type: SA

161. What are the five forces used in the Five-Force Competitive Analysis? List and briefly describe each one either in your own words or with an example.
Ans: 1) Rivalry among competitors: "How do businesses compete for customers? How competitive is the industry?" An example of this is the rivalry between Coke and Pepsi. 2) Threat of substitute products and services: The possibility exists that companies in other industries will try to take customers away from you. One example of this is MP3 players taking customers away from CD companies. 3) Potential new entrants: To what degree is it difficult or costly for a new business to enter the industry as a competitor? Today, all it takes to enter many industries as a new competitor is the ability to create and host a website. 4) Power of suppliers: "How much does a business depend on its suppliers?" If there is only one supplier of a major or critical component, then the supplier has a great deal of power over the company. 5) Power of buyers: How much does a company depend on one, or a few, large buyers? An example of the power of buyers can be seen in Wal-Mart.
Learning Objective: 2-3
Cognitive Domain: Application
Answer Location: Five-Forces Analysis
Question Type: SA

162. What are the four dimensions of the HR scorecard? Please list and briefly describe each one.
Ans: 1) Identifying HR deliverables: What services and functions does HR perform that provide the organization with value? 2) Identifying HR system alignment through the use of the high-performance work system (HPWS): The HPWS is a set of HR practices that include but are not limited to employee recruitment and selection procedures, information sharing, development and retention of the talented and motivated workforce, etc. 3) Alignment of the system with the company strategy: Comparing the HPWS to the organization's strategic plan and ensuring that they match 4) Identifying HR efficiency measures: Using the EVA and the ROI and other measures to determining the returns that the company gets from the HRM policies.
Learning Objective: 2-7
Cognitive Domain: Comprehension
Answer Location: HR Scorecard
Question Type: SA

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Essay

163. Sun Tzu, viewed by many military historians and contemporary business students as the developer of "the strategy Bible," has principles that can be divided into two components. Describe the two components and how they relate to organizations.
Ans: 1) Knowing oneself (AKA: knowing your organization) 2) Knowing the enemy (AKA: knowing your environment)
Learning Objective: 2-2
Cognitive Domain: Analysis
Answer Location: Strategy
Question Type: ESS

164. There are three big questions related to strategy. What are they and what does each one represent?
Ans: 1) What is our present situation? A comprehensive snapshot of the organization at a particular point in time, allowing the managers to know the good and the bad within the organization in significant detail. 2) Where do we want to go? What does the organization plan to look like in the future? What is the vision and the mission of the organization? 3) How do we plan to get there? The creation of a plan that will allow the organization to reach the goals that it set in question 2, in order to become the organization that it envisions and to create a sustainable competitive advantage.
Learning Objective: 2-2
Cognitive Domain: Analysis
Answer Location: Strategy
Question Type: ESS

165. Provide a detailed summary of the purpose of visions and mission statements in organizations. How do they work, and what is the outcome of successfully crafting visions and missions?
Ans: Varies
Learning Objective: 2-3
Cognitive Domain: Analysis
Answer Location: Visions and Missions
Question Type: ESS

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166. What are the basic steps in designing an organizational strategy? Describe each of the steps in some detail.
Ans: Varies
Learning Objective: 2-3
Cognitive Domain: Analysis
Answer Location: What is Strategy?
Question Type: ESS

167. List and describe the components of an organizational structure. Make sure that you describe all subparts of any of the components.
Ans: Varies
Learning Objective: 2-4
Cognitive Domain: Analysis
Answer Location: Structure
Question Type: ESS

168. What are the three levels of organizational culture? Please list and describe each level in some detail.
Ans: Varies
Learning Objective: 2-4
Cognitive Domain: Comprehension
Answer Location: What is Organizational Culture?
Question Type: ESS

169. Explain why, in the 21st century global business world, the old say "When you fail to plan, you plan to fail" still applies today.
Ans: Varies
Learning Objective: 2-1
Cognitive Domain: Application
Answer Location: Strategy and Strategic Planning in the 21st Century
Question Type: ESS

170. Explain how government regulations for business operations represent both an opportunity and a threat to 21st century businesses.
Ans: Varies
Learning Objective: 2-1
Cognitive Domain: Application
Answer Location: The External Environment

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Question Type: ESS

171. According to the textbook, there are three general strategy types for businesses. Identify each strategy and explain the distinction of each strategy.
Ans: Varies
Learning Objective: 2-3
Cognitive Domain: Analysis
Answer Location: Types of Strategies
Question Type: ESS

172. Describe organizational culture and tell how it affects the members of the organization.
Ans: Varies
Learning Objective: 2-5
Cognitive Domain: Analysis
Answer Location: What is Organizational Culture?
Question Type: ESS

173. Describe an HRIS and identify how it can help HR make decisions.
Ans: Varies
Learning Objective: 2-6
Cognitive Domain: Analysis
Answer Location: An Introduction to Data Analytics for HRM
Question Type: ESS

174. Identify the common measurement tools for strategic HRM.
Ans: Varies
Learning Objective: 2-7
Cognitive Domain: Analysis
Answer Location: Measurement Tools for Strategic HRM
Question Type: ESS

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