

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 1) Human resources management refers to: 1) _____
 - A) all managerial activities.
 - B) concepts and techniques used in leading people at work.
 - C) concepts and techniques for organizing work activities.
 - D) management techniques for controlling people at work.
 - E) the management of people in organizations.

- 2) The knowledge, education, training, skills, and expertise of a firm's workers is known as: 2) _____
 - A) physical capital.
 - B) management's philosophy.
 - C) production capital.
 - D) human capital.
 - E) cultural diversity.

- 3) Human resources practices that support strategy include: 3) _____
 - A) performance management.
 - B) rewards practices.
 - C) staffing practices.
 - D) policies and procedures.
 - E) production scheduling.

- 4) A company utilizes a system to measure the impact of Human Resources which balances measures relating to financial results, customers, internal business processes and human capital management. This system is known as the: 4) _____
 - A) HRIS.
 - B) Human Capital Index.
 - C) balanced strategy.
 - D) balanced scorecard.
 - E) none of the above.

- 5) You have been tasked with building employee engagement at the firm you work for. Strategic human resources initiatives you would consider implementing include: 5) _____
 - A) employee recognition programs.
 - B) employee recognition programs and management development programs.
 - C) job design indicators.
 - D) diversity programs.
 - E) employee relations activity.

- 6) HR department staff members are traditionally involved in key operational responsibilities. Which of the following is an operational responsibility? 6) _____
 - A) setting goals and objectives
 - B) interpreting human right laws
 - C) collecting metrics
 - D) analyzing metrics
 - E) interpreting health and safety legislation

- 7) Being completely familiar with employment legislation, HR policies and procedures, collective agreements, and the outcome of recent arbitration hearings and court decisions is most closely related with which of the following HR activities? 7) _____
- A) serving as a consultant
 - B) formulating policies and procedures
 - C) offering advice
 - D) providing services
 - E) serving as a change agent
- 8) The practice of contracting with outside vendors to handle specified functions on a permanent basis is known as 8) _____
- A) contract administration.
 - B) payroll and benefits administration.
 - C) hiring temporary employees.
 - D) outsourcing.
 - E) labour-management relations.
- 9) The company's plan for how it will balance its internal strengths and weaknesses with external opportunities and threats in order to maintain competitive advantage is known as 9) _____
- A) environmental scanning.
 - B) HR strategy.
 - C) policies and procedures.
 - D) strategy.
 - E) none of the above.
- 10) Rita is the HR Director of a manufacturing company. She recently undertook research to identify competitor compensation and incentive plans, information about pending legislative changes and availability of talent in the labour market for the upcoming strategic planning meeting. Rita was conducting: 10) _____
- A) environmental scanning.
 - B) an external market survey.
 - C) an employee engagement survey.
 - D) an environmental study.
 - E) an external opportunities/threats study.
- 11) The HR manager of Smith & Yu company was heavily involved in a downsizing exercise of the company's sales force due to an economic downturn. He was also involved in arranging for outplacement services and employee retention programs as well as restructuring of the business following the downsizing. This is an example of HR's role in: 11) _____
- A) environmental scanning and executing strategy.
 - B) environmental scanning.
 - C) executing strategy.
 - D) operational activities.
 - E) formulating strategy.

- 12) The core values, beliefs, and assumptions that are widely shared by members of an organization are known as: 12) _____
- A) organizational climate.
 - B) organizational culture.
 - C) the pervading atmosphere.
 - D) the mission statement.
 - E) the strategic plan.
- 13) As the HR consultant of a newly formed company, Arun has planned a presentation for the line managers on organizational culture and the purpose it serves. Which of the following points would Arun have included in his presentation? 13) _____
- A) increasing training levels
 - B) fostering employee loyalty and commitment and providing employees with a sense of direction
 - C) fostering employee loyalty and commitment
 - D) succession planning
 - E) creating a worldlier atmosphere
- 14) The prevailing atmosphere or "internal weather" that exists in an organization and its impact on employees is 14) _____
- A) organizational climate.
 - B) the need for performance appraisals.
 - C) the need for a corporate culture.
 - D) a myth about organizations.
 - E) the importance of having a mission statement.
- 15) Revlex Inc. has decided to allow its front line workers to make decisions regarding the ordering of certain supplies that were formerly made by managers. This initiative is an example of: 15) _____
- A) job restructuring.
 - B) employee empowerment.
 - C) management development.
 - D) a change in organizational climate.
 - E) workplace incentives.
- 16) Joe Brown was hired by a manufacturing firm as a supervisor. During his first few weeks as a supervisor he realised that employees who report to him expect a lot of direction from him and expect all of the decision making to be done by him. Joe Brown decided to train his employees to take on additional responsibilities and make decisions within a specific scope. Joe Brown is: 16) _____
- A) empowering his staff.
 - B) embracing his staff.
 - C) outsourcing his staff.
 - D) reducing his staff.
 - E) none of the above.
- 17) Economic downturns are generally associated with: 17) _____
- A) high turnover.
 - B) lower unemployment rates.
 - C) more competition for qualified employees.
 - D) an overwhelming number of job applicants for vacancies.
 - E) skills shortages.

- 18) The ratio of an organization's outputs to its inputs is known as: 18) _____
A) the labour market.
B) the equity ratio.
C) productivity.
D) the supply and demand equation.
E) competitive ability.
- 19) External environmental influences having a direct or indirect influence on HRM include which of the following: 19) _____
A) labour market conditions.
B) increasing empowerment.
C) organizational climate.
D) decreasing work force diversity.
E) organizational culture.
- 20) The ratio of an organization's outputs such as goods and its inputs such as capital is which of the following: 20) _____
A) productivity.
B) outsourcing.
C) an internal environmental influence.
D) workforce diversity.
E) the labour market.
- 21) When unemployment rates fall: 21) _____
A) training and retention strategies increase in importance.
B) there is always a greater demand for services.
C) retention strategies increase in importance.
D) there is always a greater demand for services and training strategies increase.
E) unions are more likely to organize workers.
- 22) Mortgage Financial needs to recruit 10 employees for a period of three months to assist its team of underwriters during the busy season. The company does not want to provide these 10 employees regular full-time or part-time status. As the HR manager, what would you suggest the company do in this situation? 22) _____
A) increase the workload of staff
B) use contingent employees
C) outsource the underwriting function
D) do nothing about the situation
E) develop a retention plan
- 23) The characteristics of the work force are known as: 23) _____
A) unionization.
B) population trends.
C) demographics.
D) diversity.
E) organizational climate.

- 24) The single most important factor governing the size and composition of the labour force is: 24) _____
A) the birth rate.
B) population growth.
C) diversity.
D) immigration patterns.
E) the death rate.
- 25) Any attribute that humans are likely to use to tell them, "that person is different from me," and thus includes such factors such as race, gender, age, values and cultural norms, is known as 25) _____
A) differences.
B) characteristics.
C) minorities.
D) diversity.
E) perceptions.
- 26) Baby boomers: 26) _____
A) have had very high fertility rates.
B) will be increasing rapidly in numbers over the next few decades.
C) resulted in a focus on recruitment and selection in organizations in the past.
D) are currently causing a great deal of competition for advancement.
E) were born between 1946 and 1965.
- 27) Characteristics of Generation X employees include: 27) _____
A) mastering of technology.
B) eagerness to make a contribution.
C) a desire for work/life balance.
D) sense of security linked to corporate loyalty.
E) action-orientedness.
- 28) The Sandwich Generation refers to: 28) _____
A) Generation Y.
B) employees with older and younger coworkers.
C) individuals with responsibilities for young dependents and elderly relatives.
D) individuals who are caught in the generation gap.
E) employees who have to bring their lunch to work because they can't afford to eat out.
- 29) If you were the HR advisor of a company where the majority of the workforce consisted of employees born after 1980, what initiatives would you recommend providing to keep the group challenged? 29) _____
A) job security
B) continuous skill development
C) empowerment and challenging work
D) flexible work arrangements
E) eldercare benefits

- 30) If you were the HR advisor of a company where the majority of the workforce consisted of employees born before 1965 what initiatives would you recommend providing to keep the group challenged? 30) _____
- A) flexible work arrangements
 - B) job security
 - C) independent work
 - D) eldercare and pension benefits
 - E) onsite gym facilities
- 31) Canadians who are functionally illiterate are: 31) _____
- A) exacting a toll on organizations' productivity levels.
 - B) involved in academic upgrading through their place of employment.
 - C) older Canadians who did not have the opportunity to attend school.
 - D) able to perform routine technical tasks without assistance.
 - E) no longer in the work force.
- 32) Approximately _____ percent of the Canadian population could be members of visible minorities by 2017. 32) _____
- A) 20
 - B) 50
 - C) 30
 - D) 40
 - E) none of the above
- 33) Which of the following statements is true? 33) _____
- A) Most visible and ethnic minority Canadians are professionals.
 - B) Ethnic diversity is increasing. Currently, more than 200 different ethnic groups are represented among Canadian residents.
 - C) The majority of Canadians are of French or British origin.
 - D) Ethnic diversity is starting to level off in Canada.
 - E) The proportion of visible and ethnic minorities entering the Canadian labour market peaked in the mid-1990s and is gradually decreasing.
- 34) Technological advances in manufacturing have: 34) _____
- A) decreased the importance of white-collar jobs.
 - B) resulted in a decline in the impact of workforce diversity.
 - C) eliminated many blue-collar jobs.
 - D) had little impact on service-sector firms.
 - E) led to significant increases in the employment of persons with disabilities.
- 35) Which of the following jobs are likely to increase in the market as a result of technological advances? 35) _____
- A) assembly line work
 - B) professional jobs and managerial positions
 - C) blue-collar jobs
 - D) professional jobs
 - E) no types of jobs will increase

- 36) Questions concerning _____ are at the core of a growing controversy brought about by the new information technologies. 36) _____
- A) data control, accuracy, right to privacy and ethics
 - B) privacy and social responsibility
 - C) speed, accuracy, and efficiency
 - D) employee stress levels
 - E) job satisfaction
- 37) You are the Director of Human Resources at a real estate development company based in Toronto. To attract and retain employees born after 1981 which of the following would be the most strategic to implement? 37) _____
- A) more opportunity to work independently
 - B) greater job security
 - C) a comprehensive pension plan
 - D) an environmental stewardship program
 - E) eldercare
- 38) You are the HR generalist of a national railway. Which employment legislation would you refer to when it comes to employee relations issues within the organization? 38) _____
- A) federal
 - B) provincial
 - C) territorial
 - D) provincial/territorial
 - E) none of the above
- 39) Which of the following apply to employers and employees across Canada? 39) _____
- A) Employment equity legislation
 - B) Employment Insurance and employment legislation
 - C) Employment Insurance and Canada/Quebec Pension Plan
 - D) Employment Insurance and human rights legislation
 - E) the Canada Labour Code
- 40) The tendency of firms to extend their sales or manufacturing to new markets abroad is known as: 40) _____
- A) domestication.
 - B) globalization.
 - C) cultural diversity.
 - D) international marketing.
 - E) product diversification.
- 41) The globalization of markets and manufacturing has vastly increased: 41) _____
- A) employee turnover.
 - B) the quality of products and services.
 - C) the prices of products and services.
 - D) standardization practices.
 - E) international competition.

- 42) The process of analyzing manufacturing processes, reducing production costs, and compensating employees based on their performance levels is found in: 42) _____
- A) the human relations movement.
 - B) scientific management.
 - C) the human resources movement.
 - D) the scientific movement.
 - E) none of the above.
- 43) Which of the following was given emphasis in Frederick Taylor's theory on HRM? 43) _____
- A) cross-functional cooperation
 - B) compensation tied to performance
 - C) work conditions
 - D) job rotation
 - E) empowerment of employees
- 44) Management practices in the late 1800s and early 1900s emphasized: 44) _____
- A) workplace harmony.
 - B) higher wages.
 - C) empowerment.
 - D) task simplification and performance-based pay.
 - E) self-management.
- 45) Mary Parker Follett was a: 45) _____
- A) believer in self-management.
 - B) believer in the motivational power of money.
 - C) supporter of the view that workers are a factor of production.
 - D) strong advocate of authoritarian management.
 - E) strong advocate of scientific management.
- 46) The management philosophy based on the belief that attitudes and feelings of workers are important and deserve more attention is known as: 46) _____
- A) the human relations movement.
 - B) psychology.
 - C) socialism.
 - D) the human resources movement.
 - E) scientific management.
- 47) The Hawthorne Studies are closely linked with: 47) _____
- A) the human resources movement.
 - B) the human relations movement.
 - C) scientific management.
 - D) Mary Parker Follett.
 - E) Frederick Taylor.
- 48) Which of the following statements is true of the Hawthorne Studies? 48) _____
- A) Worker morale was greatly influenced by such factors as the supervisor's leadership style.
 - B) Researchers were not interested in the factors influencing worker morale and productivity.
 - C) Economic incentives were found to be the most closely linked to productivity.
 - D) The conclusions had little impact on management practices.
 - E) Treating workers with dignity and respect was found to have a weak correlation to productivity.

- 49) Which of the following activities was part of the the traditional role of personnel management in the early 1900s? 49) _____
- A) coaching and mentoring
 - B) handling union-management relations
 - C) being part of the strategy planning discussions
 - D) environmental scanning
 - E) hiring and firing employees
- 50) In the early 1900s, personnel administration, as it was then called: 50) _____
- A) was closely tied to union-management relations.
 - B) focussed on trying to improve the human element in organizations.
 - C) played a very subservient role in organizations.
 - D) was highly influenced by laws and regulations.
 - E) served a key advisory role in organizations.
- 51) The second phase of personnel management arrived in the 1930s with: 51) _____
- A) minimum wage legislation.
 - B) health and safety legislation.
 - C) a decrease in unionizing activities.
 - D) a decrease in unionizing activities and minimum wage legislation.
 - E) the decreasing momentum of the scientific management movement.
- 52) If you were an HR professional in the 1940s or 1950s you would likely have had the following activities added onto your portfolio of existing responsibilities: 52) _____
- A) focusing on proactive management.
 - B) administering benefits.
 - C) running the payroll department.
 - D) handling orientation and performance appraisals.
 - E) hiring and firing.
- 53) The third major phase in personnel management was a direct result of: 53) _____
- A) government intervention following the depression.
 - B) a desire for professionalism.
 - C) the impact of the human relations movement.
 - D) an increase in unionizing activities.
 - E) the increasing amount of government legislation.
- 54) The third phase of personnel management was concerned largely with: 54) _____
- A) health and safety legislation compliance.
 - B) payroll.
 - C) corporate contribution and proactive management.
 - D) corporate contribution.
 - E) benefits administration.
- 55) The fourth phase of HRM is ongoing. Current management thinking holds that: 55) _____
- A) employees are quite similar in terms of the rewards they seek.
 - B) the goals and aims of management must be achieved at all costs.
 - C) social influences are no longer important to most employees.
 - D) employees are often the firm's best competitive advantage.
 - E) employees are motivated primarily by compensation and benefits.

- 56) Characteristics of a profession include: 56) _____
A) certification of members.
B) the existence of a common body of knowledge and certification of members.
C) many diverse points of view.
D) government regulation.
E) competing codes of ethics.
- 57) The broad objectives of HR associations across the country include: 57) _____
A) assisting in the provision of training in the field of HR.
B) providing opportunities for information exchange.
C) serving as a voice for HR practitioners.
D) skills updating.
E) all of the above.
- 58) The Canadian national body through which all provincial and specialist HR associations are affiliated is called the: 58) _____
A) International Personnel Management Association–Canada.
B) Canadian Council of Human Resources Associations.
C) Human Resources Professionals Association of Ontario.
D) Society for Human Resource Management.
E) Canadian Management Association.
- 59) Payoffs associated with properly implemented ethics programs include: 59) _____
A) increased stakeholder confidence.
B) greater client/customer and employee loyalty.
C) increased profits.
D) decreased vulnerability to legal liability issues.
E) all of the above.
- 60) The implied, enforced, or felt obligation of managers, acting in their official capacities, to serve or protect the interests of groups other than themselves, is known as: 60) _____
A) valuing diversity.
B) legal compliance.
C) social responsibility.
D) professionalism.
E) a code of ethics.
- 61) Taking a stand on anti-animal testing, human rights protection, and environmental conservation is an example of a firm's: 61) _____
A) ethics policy.
B) sense of social responsibility.
C) mission statement.
D) desire for legal compliance.
E) code of ethics.

TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false.

- 62) The goal of HRM is to align people practices to organizational strategy to produce behaviours required to achieve organizational goals. 62) _____

- 63) HR responsibilities have shifted from operational to strategic responsibilities which involve formulating and executing organizational strategy. 63) _____
- 64) An HR professional can build employee engagement by coaching line managers to build trusting relationships with their employees, establishing recognition programs and providing management development programs. 64) _____
- 65) Management can lose its authority and power by empowering its employees. 65) _____
- 66) HR professionals are increasingly expected by their employers to be change agents who lead the organization and its employees through change 66) _____
- 67) The growing emphasis on education and human capital reflects several social and economic factors, such as the increase in primary-sector employment. 67) _____
- 68) Recent research indicates that there is a strong positive relationship between employee engagement and organizational performance. 68) _____
- 69) Technological advances will continue to shift employment from some occupations to others, while contributing to a decline in productivity. 69) _____
- 70) HRM has evolved over the last few decades due to economic forces such as globalization, technological changes, and intense competition, all of which make human capital more important. 70) _____
- 71) As an HR professional in today's organizations, you need to be concerned with ethical issues such as security of information, employee and client privacy, governance and conflicts of interest. 71) _____

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

- 72) Discuss how the impact of HRM on an organization is measured.
- 73) Discuss the responsibilities of Human Resource Management.
- 74) You have been hired as the Director of Human Resources at a telecommunications company. Define organizational culture and climate and explain the importance of each to the company.
- 75) Describe key HRM issues related to demographic trends and workforce diversity.
- 76) Discuss the theories that have contributed to the evolution of HRM and the challenges faced.
- 77) Describe the role of ethics in HRM and its challenges and benefits.

Answer Key

Testname: UNTITLED1

- 1) E
Topic: Strategic Role of HRM
Skill: Recall
- 2) D
Topic: Strategic Role of HRM
Skill: Recall
- 3) E
Topic: Strategic Role of HRM
Skill: Recall
- 4) D
Topic: Strategic Role of HRM
Skill: Applied
- 5) B
Topic: Strategic Role of HRM
Skill: Applied
- 6) C
Topic: Strategic Role of HRM
Skill: Applied
- 7) C
Topic: Strategic Role of HRM
Skill: Applied
- 8) D
Topic: Strategic Role of HRM
Skill: Recall
- 9) D
Topic: Strategic Role of HRM
Skill: Recall
- 10) A
Topic: Strategic Role of HRM
Skill: Applied
- 11) C
Topic: Strategic Role of HRM
Skill: Applied
- 12) B
Topic: Environmental Influences on HRM
Skill: Recall
- 13) B
Topic: Environmental Influences on HRM
Skill: Applied
- 14) A
Topic: Environmental Influences on HRM
Skill: Recall
- 15) B
Topic: Environmental Influences on HRM
Skill: Applied
- 16) A
Topic: Environmental Influences on HRM
Skill: Applied

Answer Key

Testname: UNTITLED1

- 17) D
Topic: Environmental Influences on HRM
Skill: Recall
- 18) C
Topic: Environmental Influences on HRM
Skill: Recall
- 19) A
Topic: Environmental Influences on HRM
Skill: Applied
- 20) A
Topic: Environmental Influences on HRM
Skill: Recall
- 21) A
Topic: Environmental Influences on HRM
Skill: Applied
- 22) B
Topic: Environmental Influences on HRM
Skill: Applied
- 23) C
Topic: Environmental Influences on HRM
Skill: Recall
- 24) B
Topic: Environmental Influences on HRM
Skill: Recall
- 25) D
Topic: Environmental Influences on HRM
Skill: Recall
- 26) E
Topic: Environmental Influences on HRM
Skill: Recall
- 27) C
Topic: Environmental Influences on HRM
Skill: Recall
- 28) C
Topic: Environmental Influences on HRM
Skill: Recall
- 29) C
Topic: Environmental Influences on HRM
Skill: Applied
- 30) D
Topic: Environmental Influences on HRM
Skill: Applied
- 31) A
Topic: Environmental Influences on HRM
Skill: Applied
- 32) A
Topic: Environmental Influences on HRM
Skill: Recall

Answer Key

Testname: UNTITLED1

- 33) B
Topic: Environmental Influences on HRM
Skill: Applied
- 34) C
Topic: Environmental Influences on HRM
Skill: Recall
- 35) B
Topic: Environmental Influences on HRM
Skill: Applied
- 36) A
Topic: Environmental Influences on HRM
Skill: Recall
- 37) D
Topic: Environmental Influences on HRM
Skill: Applied
- 38) A
Topic: Environmental Influences on HRM
Skill: Applied
- 39) C
Topic: Environmental Influences on HRM
Skill: Recall
- 40) B
Topic: Environmental Influences on HRM
Skill: Recall
- 41) E
Topic: Environmental Influences on HRM
Skill: Applied
- 42) B
Topic: The HR Movement
Skill: Recall
- 43) B
Topic: The HR Movement
Skill: Recall
- 44) D
Topic: The HR Movement
Skill: Recall
- 45) A
Topic: The HR Movement
Skill: Applied
- 46) A
Topic: The HR Movement
Skill: Recall
- 47) B
Topic: The HR Movement
Skill: Recall
- 48) A
Topic: The HR Movement
Skill: Applied

Answer Key

Testname: UNTITLED1

- 49) E
Topic: The HR Movement
Skill: Recall
- 50) C
Topic: The HR Movement
Skill: Recall
- 51) A
Topic: The HR Movement
Skill: Applied
- 52) D
Topic: The HR Movement
Skill: Applied
- 53) E
Topic: The HR Movement
Skill: Recall
- 54) C
Topic: The HR Movement
Skill: Applied
- 55) D
Topic: The HR Movement
Skill: Recall
- 56) C
Topic: Growing Professionalism in HR
Skill: Applied
- 57) E
Topic: Growing Professionalism in HR
Skill: Recall
- 58) B
Topic: Growing Professionalism in HR
Skill: Recall
- 59) E
Topic: Growing Professionalism in HR
Skill: Recall
- 60) C
Topic: Growing Professionalism in HR
Skill: Recall
- 61) B
Topic: Growing Professionalism in HR
Skill: Applied
- 62) TRUE
Topic: Strategic Role of HRM
Skill: Recall
- 63) TRUE
Topic: Strategic Role of HRM
Skill: Applied
- 64) TRUE
Topic: Strategic Role of HRM
Skill: Applied

Answer Key

Testname: UNTITLED1

65) FALSE

Topic: Strategic Role of HRM
Skill: Applied

66) TRUE

Topic: Strategic Role of HRM
Skill: Recall

67) FALSE

Topic: Strategic Role of HRM
Skill: Applied

68) TRUE

Topic: Strategic Role of HRM
Skill: Recall

69) FALSE

Topic: Strategic Role of HRM
Skill: Applied

70) TRUE

Topic: Strategic Role of HRM
Skill: Applied

71) TRUE

Topic: Strategic Role of HRM
Skill: Recall

72) HR professionals need to be able to measure the value and impact of their organization's human capital and HRM practices. Traditional operational measures focused on the size and cost of the HR function such as absenteeism rates and cost per hire, but today's measures need to reflect the quality of people and the effectiveness of HRM initiatives that build workforce capability.

Watson Wyatt developed a Human Capital Index which outlines 30 key HR practices and indicates their contributions to shareholder value. These 30 practices were summarized into 5 categories—recruiting excellence, clear rewards and accountability, collegial and flexible workplace, communications integrity and prudent use of resources. Many organizations are using the balanced scorecard approach, which translates into financial results, customers, internal business process and human capital.

Topic: Strategic Role of HRM
Skill: Applied

73) Human resources management responsibilities and activities fall into two categories: operational responsibilities and strategic responsibilities. Traditionally HR professionals have focused on operational responsibilities. However, there is a growing focus on HR taking a more strategic role.

Operational responsibilities include activities such as selection and assimilation into the organization, development of capabilities and transition out of the organization. Traditional roles of HR professionals include acting as an in-house consultant, offering advice on HR-related matters, formulating HR policies and procedures and other HR services. In the recent years most of the administrative/operational activities of HR have been outsourced.

Strategic responsibilities include getting involved in strategy formulation and execution. HR professionals together with line managers undertake environmental scanning, which helps the organization to identify and analyze internal strengths and weaknesses and external threats and opportunities. HR professionals can provide information about such things as the incentive programs used by competitors, pending legislative changes and impending labour shortages. In terms of executing strategy, HR professionals act as change agents when organizations go through significant changes such as mergers, acquisitions, and downsizing. HR also is involved in reducing labour costs by introducing strategies to reduce turnover, absenteeism and occupational injuries and accidents.

Topic: Strategic Role of HRM
Skill: Recall

74) **Organization culture** consists of the core values, beliefs, and assumptions that are widely shared by members of an organization. It serves a variety of purposes:

- communicating what the organization "believes in" and "stands for"
- providing employees with a sense of direction and expected behaviour (norms)
- shaping employees' attitudes about themselves, the organization, and their roles
- creating a sense of identity, orderliness, and consistency
- fostering employee loyalty and commitment

Organizational climate refers to the prevailing atmosphere that exists in an organization and its impact on employees. The major factors influencing the climate are management's leadership style, HR policies and practices, and amount and style of communication. The type of climate that exists is generally reflected in the level of employee motivation, job satisfaction, performance, and productivity, and thus has a direct impact on organizational profits and/or ongoing viability.

Topic: Environmental Influences on HRM

Skill: Applied

75) Key demographic and diversity issues faced by Canadian organizations include age, education, women, visible minorities, aboriginal people and persons with disabilities.

With the baby boomers retiring within the next few decades, Canada is said to be faced with a looming shortage of skilled workers. On the other hand is the Sandwich Generation, with responsibilities for bringing up children as well as caring for elderly relatives who are no longer capable of functioning independently. Therefore, organizations are forced to look at HR practices to accommodate the growing needs and concerns of these employees. For example, some companies have started to provide eldercare benefits to those who have elderly relatives. Members of Generation X have pushed HR practices to include flexible work arrangements and a better work/life balance. Generation Y, who are now beginning to enter the workforce, are known as masters of technology and comfortable with authority and diversity. Organizations are yet again required to make changes to keep this group challenged and to manage the overall diversity in the workplace. With the level of education increasing amongst the Canadian workforce, managers are expected to try to ensure that the talents and capabilities of employees are fully utilized and that opportunities are provided for career growth.

Employment for women has steadily increased over the decades, and organizations are accommodating working women and shared parenting responsibilities by offering on-site daycare, emergency childcare support, and flexible work arrangements. Visible minorities are entering the labour market at a faster pace than the rest of the population, which poses numerous challenges for employers with increased diversity. Employers are required to recognize foreign credentials and be fair in the recruitment and selection process to give opportunities to those who are new to Canada. Persons with disabilities still continue to experience high rates of unemployment and underemployment, and to receive lower pay.

Topic: Environmental Influences on HRM

Skill: Applied

- 76) The evolution of HRM can be discussed through the following theories.

Scientific Management: Concern for Production

The process of "scientifically" analyzing manufacturing processes, reducing production costs, and compensating employees based on their performance levels.

Human Relations Movement: Concern for People

A management philosophy based on the belief that the attitudes and feelings of workers are important and deserve more attention.

The Human Resources Movement: Concern for People and Productivity

A management philosophy focusing on concern for people and productivity.

Arriving at this joint focus on people and productivity involved four evolutionary phases.

The main reason for this evolution has been economic factors such as globalization, intense competition and deregulation, which have made human capital more important. Many traditional sources of competitive advantage have become less powerful. Companies are now using human capital to create a competitive advantage. However, there are number of challenges that slow the progress. HR is still considered a cost-centre by most line and senior management. Many HR professionals also need to acquire more broad -based business knowledge and skill sets and be recognized as equal business partners at the decision-making table.

Topic: History of HRM

Skill: Recall

- 77) The professionalization of HRM has created the need for a uniform code of ethics as one of the requirements of maintaining professional status. CCHRA Code of Ethics provide guidelines for employees and employers. Increasingly HR is involved in providing ethics training, and monitoring to ensure compliance with the code of ethics. Key ethical issues facing Canadian organizations pertain to security of information, employee and client privacy, environmental issues, governance, and conflicts of interest. Main reasons for failure to achieve desired outcomes are attributed to lack of leadership and inadequate training. Advantages of having an ethics program properly implemented include increased confidence among stakeholders, greater client, customer and employee loyalty, decreased vulnerability to crime, reduced losses due to internal theft and increased public trust.

Topic: Professionalism in HRM

Skill: Recall