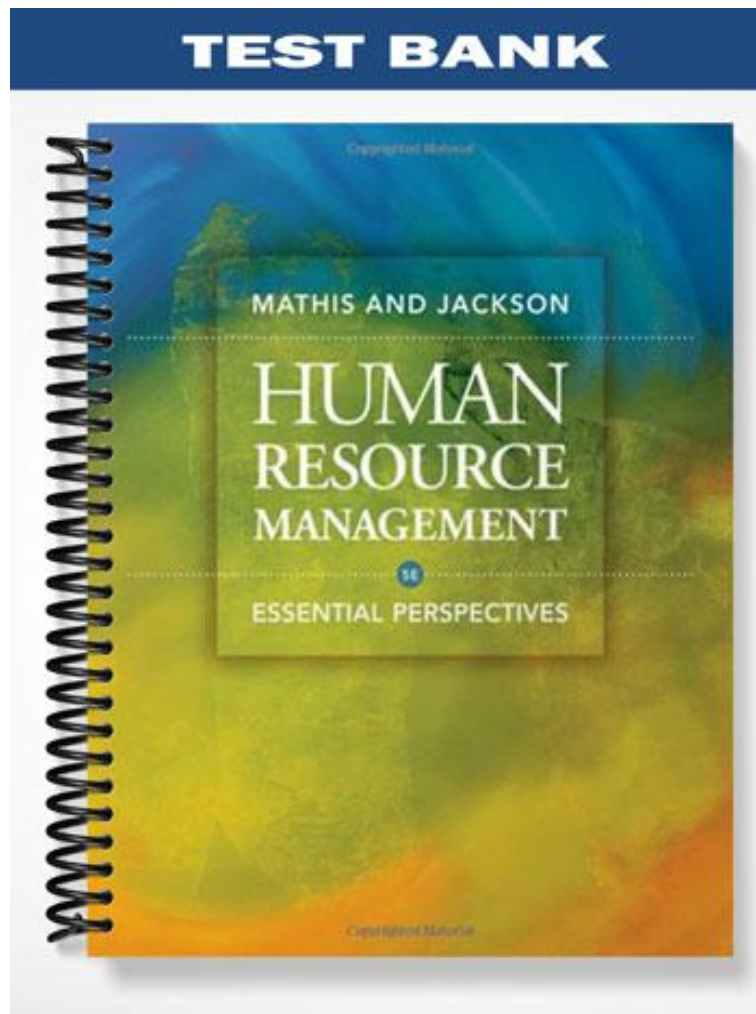


TEST BANK



MATHIS AND JACKSON

HUMAN
RESOURCE
MANAGEMENT

16

ESSENTIAL PERSPECTIVES

Chapter 2

Organization/Individual Relations and Employee Retention

Multiple Choice

1. What is a psychological contract?
 - a. the unwritten employment contract between a job applicant and a prospective employer
 - b. the unwritten expectations employees and employers have about the nature of their work relationships
 - c. a description of a new employee's expectations after the first days on the job
 - d. the trade-off between tangible and intangible items the overall compensation package

ANSWER: B, 22

2. The main reason for organizations to be interested in the differences among the various generations (Baby Boomers, Generation X, etc.) is to understand _____.
 - a. the diverse needs for medical benefits among these groups
 - b. the differences in the psychological contracts each of these groups hold about employment
 - c. the variation in pay expectations between older and younger employees, and how to balance this with variations in productivity among the generations
 - d. the fact that Generation X and Y have such poor educations and work ethics in comparison to Baby Boomers that productivity declines once the proportion of Baby Boomers in the organization is less than half

ANSWER: B, 22

3. _____ is a positive emotional state resulting from evaluating one's job experiences.
 - a. Organizational commitment
 - b. Employee engagement
 - c. Employee loyalty
 - d. Job satisfaction

ANSWER: D, 22

4. The degree to which employees believe in and accept organizational goals and desire to remain with the organization is referred to as _____.
 - a. organizational commitment
 - b. employee loyalty
 - c. job satisfaction
 - d. motivation

ANSWER: A, 23

5. Ability, effort level expended, and organizational support are the three factors in the equation for _____.
- a. organizational efficiency
 - b. individual performance
 - c. organizational effectiveness
 - d. individual motivation

ANSWER: B, 24

6. _____ is the desire within a person causing that person to act, and is a goal-directed drive.
- a. Motivation
 - b. Loyalty
 - c. Precept
 - d. Attitude

ANSWER: A, 24

7. Companies are being forced to study reasons why employees remain and leave organizations primarily because _____.
- a. absenteeism trends are increasing
 - b. there are fewer qualified and productive people in the workforce, and the higher performers are more in demand
 - c. employees are less loyal today than they used to be
 - d. they have control over whether employees choose to leave the organization

ANSWER: B, 25

8. Which of the following statements is not a myth on retaining employees?
- a. If solid performers want to leave, the company cannot hold them.
 - b. Money is the main reason people leave.
 - c. Hiring has nothing to do with retention.
 - d. Employers should be concerned about retention even in a layoff situation.

ANSWER: D, 25

9. The pattern of shared values and beliefs of a workforce is a definition of _____.
- a. organizational culture
 - b. organizational commitment
 - c. organizational ethics
 - d. organizational norms

ANSWER: A, 26

10. One of the common themes found in the “100 Best Companies to Work For” is that they treat their employees _____.
- a. the same in both good times and bad
 - b. fairly in both good times and bad
 - c. well in both good times and bad
 - d. even better during bad times than they treated them during good times

ANSWER: C, 26

11. Which of the following reasons is not identified in the text as a major reason for the increased attention to job design?
- a. Job design can influence the psychological contract.
 - b. Job design can influence performance.
 - c. Job design can affect physical and mental health.
 - d. Job design can affect job satisfaction.

ANSWER: A, 27

12. Joe Manager has provided his employees with permission to authorize returns on merchandise in his retail store. Previously, the employees had to obtain Joe Manager’s approval prior to such a transaction. Mr. Manager has _____ the job of his employees.
- a. enlarged
 - b. redesigned
 - c. refined
 - d. enriched

ANSWER: D, 27

13. Which of the following is not an approach to job design?
- a. job enlargement
 - b. person/job fit
 - c. job rotation
 - d. job enrichment

ANSWER: B, 27-28

14. Teams are more likely to be successful when _____.
- a. a team leader is appointed
 - b. they are within close physical location
 - c. they are given sufficient authority to make decisions
 - d. they identify and agree upon standard norms of behavior

ANSWER: C, 29

15. Jane works 8:00 a.m. – 5:00 p.m. on Monday, and 10:00 a.m. – 7:00 p.m. on Tuesday to accommodate her family situation. Jane is making use of _____.
- a. job sharing
 - b. workplace accommodation
 - c. flextime
 - d. telework

ANSWER: C, 30

16. An arrangement in which two employees perform the work of one full-time job is called _____.
- a. job sharing
 - b. flextime
 - c. part-time employment
 - d. alternate work scheduling

ANSWER: A, 30

17. Which of the following would not be a solution that a company would offer as a solution to work/life balancing?
- a. on-site health services
 - b. shift work
 - c. telecommuting
 - d. compressed workweeks

ANSWER: B, 30

18. Linda works 8:00 – 6:30 on Monday, 7:00 – 6:30 on Tuesday, 6:00 – 5:00 on Wednesday, is off work on Thursday, and works 7:00 – 6:00 on Friday. Linda is working _____.
- a. shift work
 - b. telework
 - c. a flexible schedule
 - d. a compressed workweek

ANSWER: D, 30

19. Employees expect competitive pay and benefits. Turnover is likely to be higher if compensation is not competitive, often defined as within _____ of the market.
- a. 5%
 - b. 10%
 - c. 15%
 - d. 20%

ANSWER: B, 31

20. In a/an _____ interview, individuals are asked to identify reasons for leaving the organization.
- a. employment
 - b. appraisal
 - c. exit
 - d. retention

ANSWER: C, 32

21. _____ is an example of intangible recognition.
- a. An “employee of the month” plaque
 - b. A perfect attendance award
 - c. A gift voucher
 - d. Feedback from managers

ANSWER: D, 32

22. Carl is a single father. His 5-year old son woke up with a 104 degree fever and a body rash this morning. Carl has called his supervisor to explain that he will have to take his son to the doctor and that he may be out all day depending on the doctor's diagnosis. This would be categorized as _____ absenteeism.
- a. no-fault
 - b. at-fault
 - c. involuntary
 - d. voluntary

ANSWER: C, 34

23. You are the director of HR for a medium-sized garden catalog firm. You are reviewing the absenteeism data for all non-managerial employees in order to better understand patterns of behavior in the organization. You find that _____.
- a. the people who are tardy are not likely to be frequently absent
 - b. absenteeism rates are spread fairly evenly across employees
 - c. a small number of employees is responsible for a disproportionate share of the absenteeism
 - d. the Baby Boomers are most likely to be absent because they are in the “sandwich generation” and have both children and parents in their care

ANSWER: C, 34

24. Which of the following is not identified as an approach to controlling absenteeism?
- a. disciplinary approach
 - b. "no fault" policy
 - c. paid time-off programs
 - d. attendance Training

ANSWER: D, 35

25. _____ occurs when employees leave the organization and have to be replaced.
- a. Turnover
 - b. Vacancy
 - c. Attrition
 - d. Changeover

ANSWER: A, 35

26. Alice, a chronically tardy waitress at a moderately-priced restaurant, who consistently gets the lowest tips from customers, has announced that she is quitting in order to take up another job at "a much classier place." This could be classified as _____ turnover.
- a. disruptive
 - b. functional
 - c. involuntary
 - d. predictable

ANSWER: B, 35

27. Turnover that occurs when an employee decides to stay home for family reasons is classified as _____.
- a. controllable turnover
 - b. uncontrollable turnover
 - c. functional turnover
 - d. dysfunctional turnover

ANSWER: B, 35

28. A formula suggested by the U.S. Department of Labor in measuring and computing absenteeism includes the following components: _____.
- a. average number of lost days; average hourly wage; number of workdays
 - b. number of lost days; average number of employees; number of workdays
 - c. number of lost days; average number of employees; average number of workdays
 - d. average hourly wage; average number of employees; average number of workdays

ANSWER: B, 36

29. The U.S. Department of Labor uses “separation” to mean _____.
- a. involuntary termination
 - b. retention management
 - c. departure from the organization
 - d. de-hiring

ANSWER: C, 36

30. Tina, the director of HR, is concerned about the high level of turnover at her company. From exit interviews, she suspects that certain supervisors may have higher turnover than others due to their supervisory skills, or lack thereof. In order to verify this hunch, Tina should analyze turnover by _____.
- a. employee performance rating and demographic characteristics
 - b. department and reason for leaving
 - c. reason for leaving and length of service
 - d. job level and business unit

ANSWER: B, 37

31. _____ include exit interview time, unemployment expenses, and legal fees for challenged dismissals.
- a. Productivity costs
 - b. Hiring costs
 - c. Replacement charts
 - d. Separation costs

ANSWER: D, 37

True and False

32. Psychological contracts include both tangible items such as wages, benefits, employee productivity, and attendance; and intangible items such as loyalty, fair treatment, and job security.

ANSWER: True, 22

33. Organizational commitment is a measure of the employee’s willingness and ability to contribute to the organization.

ANSWER: False, 23

The extent to which an employee is willing and able to contribute is called employee engagement.

34. If employees are satisfied with their jobs and committed to the organization, they are less likely to withdraw from the organization.

ANSWER: True, 23

35. Performance and reaction to compensation are affected by and influence motivation.

ANSWER: True, 24

36. Motivation is highly individualized, so managerial strategies must be broad based in order to address these individual concerns.

ANSWER: True, 24

37. Organizations experience less turnover during times when employees feel lower job security.

ANSWER: False, 25

Employers experience less turnover when there is recognizable job security.

38. One positive result of corporate downsizing has been the improved level of employee loyalty and retention of the remaining employees who survived the layoffs.

ANSWER: False, 27

Downsizing has caused a rise in anxiety levels in the remaining employees. Consequently, employees consider leaving before they get cut too.

39. Job design refers to organizing tasks, duties, and responsibilities into a productive unit of work.

ANSWER: True, 27

40. Job rotation is the process of shifting a person from department to department.

ANSWER: False, 28

Job rotation shifts a person from job to job, not necessarily to different departments.

41. If the characteristics of an employee do not match well with the characteristics of the job, it could be said that there is not a good person/job fit.

ANSWER: True, 28

42. Inadequate selection in the hiring process often leads to higher turnover rates in the first few months of employment.

ANSWER: True, 28

43. When teams suppress dissent and conflict to preserve harmony, it ultimately becomes destructive to the effective operation of the team.

ANSWER: True, 29

44. An employer who shifts from using terms like “workers” and “employees” to “crew members” and “associates” is likely trying to place more emphasis on team work.

ANSWER: True, 29

45. Offering opportunities for personal growth aids in retention for most employee groups, but has not been particularly true for technical professionals, who tend to value compensation above career opportunities.

ANSWER: False, 31

Technical professionals and those under age 35 have ranked skill development and promotion opportunities above compensation.

46. Employees expect pay treatment to be administered equally among the employee population.

ANSWER: False, 32

Many individuals expect their rewards to be differentiated from those of others based on performance.

47. Turnover is costly and managers should take every precaution to avoid it.

ANSWER: False, 35

Not all turnover is negative for the organization. Functional turnover may be desirable.

48. If a key employee leaves the firm, it is considered to be dysfunctional turnover.

ANSWER: True, 35

Essay

49. Identify what is meant by the term “psychological contract,” and explain why this is an important concept.

ANSWER: 22

The psychological contract refers to the unwritten expectations employees and employers have about their work relationships. It is a reciprocal relationship. The employer provides competitive compensation and benefits, career development opportunities, and the flexibility to balance work and home life. The employee, in return, provides continuous skill improvement and increased productivity, a reasonable time with the organization, and extra effort when

needed. Employees' expectations about psychological contracts differ between and among generations. It is important for organizations to recognize what each employee values highly.

50. Discuss the topics of job satisfaction and organizational commitment. Provide a definition for each and identify the advantages of a satisfied and committed workforce.

ANSWER: 22-24

Job satisfaction is a positive emotional state resulting from evaluating one's job experiences. Job satisfaction impacts organizational commitment. Organizational commitment is the degree to which employees believe in and accept organizational goals and desire to remain with the organization. A satisfied and committed employee is less likely to be absent or to voluntarily leave the organization.

51. Identify the five main drivers of retention. Describe the HR-related activities which are related to each driver.

ANSWER: 26

The five main drivers of retention are: job design and work, career opportunities, rewards, employee relationships and characteristics of the employer. HR can affect retention in the area of job design through job/person matching, time flexibility, and work/life balancing. Career opportunities can be influenced by HR through training/development and mentoring programs, as well as career planning and advancement. HR is directly involved in employee rewards through competitive pay and benefits, performance and compensation linkages, and recognition programs. Employee relationships can be improved and encouraged by HR through fair, non-discriminatory practices, supervisory and management support of employees, and encouraging positive co-worker relations. HR can affect the characteristics of the employer through its impact on culture and values, its influence on management, and through methods of increasing employee job security. All of these factors play a role in retaining employees.

52. Describe the different reasons why employees are absent from work and identify some of the alternatives for controlling voluntary absenteeism.

ANSWER: 34-35

Some absenteeism is unavoidable or involuntary such as illness, death in the family, or for personal reasons. Avoidable or voluntary absenteeism is linked to job dissatisfaction and low organizational commitment. Organizations attempt to reduce absenteeism through disciplinary actions, illness verification, unused leave buy-back, paid time-off programs, "no fault" policies, and attendance reward programs.

53. Provide a definition of controllable turnover and explain why organizations should address it.

ANSWER: 35-36

Controllable turnover occurs when people choose to leave the organization for factors that could be influenced by the employer. Employers should be most concerned about this type of turnover, wherein valuable employees opt to leave the organization for reasons the organization could have prevented. Employers are best able to prevent this type of costly turnover by addressing employee concerns quickly.