Human Resource Management 13th edition Noe Test Bank

SKU: 9781264188895-TEST-BANK

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CORRECT ANSWERS ARE LOCATED IN THE 2ND HALF OF THIS DOC.

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

1) The CEO of the JCV Corporation made a statement at the recent senior management cabinet meeting in which he stated that to be maximally effective, the human resource management function of a company must be isolated from the company's strategic management process. Was this statement accurate?
   - ⊙ true
   - ⊙ false

2) Senior management at the Robertson Corporation, addressed the strategy implementation phase of the strategic management process by structuring the organization and allocating resources to support the desired business strategies. Management took appropriate actions to address the strategy implementation phase in this situation.
   - ⊙ true
   - ⊙ false

3) Strategic choice describes the way an organization attempts to fulfill its mission and achieve its long-term goals.
   - ⊙ true
   - ⊙ false

4) HR specialists at the Americana Corporation worked to identify all of the necessary tasks that needed to be performed in various parts of the organization and then grouped tasks into clusters based on their similarity and relationships with each other. This is an example of job design.
   - ⊙ true
   - ⊙ false

5) The strategy a company is pursuing does not have an impact on the types of employees that it seeks to recruit and select.
   - ⊙ true
   - ⊙ false

6) Companies that are not diversified use objective measures of performance to evaluate managers.
   - ⊙ true
   - ⊙ false

7) Executives who have extensive knowledge of the behaviors that lead to effective performance tend to focus on evaluating the objective performance results of their subordinate managers.
   - ⊙ true
   - ⊙ false

8) Maria is excited to meet with her supervisor and go over her year-end review. She has heard that there can be an increase in pay for high performance. Companies do tie pay to performance.
   - ⊙ true
   - ⊙ false

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9) Senior management at the Victory Corporation, a manufacturer of educational toys and games, wants to pursue an overall cost leadership strategy by offering unique product features. This was a good decision by management.
   - ⊚ true
   - ⊚ false

10) The RTZ Corporation, a telecommunications services company, implemented a cost strategy by developing internally consistent pay systems with negligible pay differentials between superiors and subordinates. This was an effective action by management.
   - ⊚ true
   - ⊚ false

11) Employees in companies with a differentiation strategy need to be highly creative and be risk takers.
   - ⊚ true
   - ⊚ false

12) Differentiation companies will have compensation systems that are geared toward internal rather than external equity.
   - ⊚ true
   - ⊚ false

13) TVZ, a cable TV service company, pursued a strategy that emphasized the maximization of market share but the minimization of operating costs. This is an example of an external growth strategy.
   - ⊚ true
   - ⊚ false

14) Standard & Cramer is planning to downsize. Management sees a positive outcome being the opportunity to change the company's culture.
   - ⊚ true
   - ⊚ false

15) A struggling pharmaceutical company is pursuing a downsizing strategy to reduce costs and to become more lean and agile. The company developed a compensation program that tied an individual's compensation to the company's success in terms of key business results. This was an effective action for management to take in this situation.
   - ⊚ true
   - ⊚ false

16) A learning organization constantly monitors its environment, assimilates information, makes decisions, and flexibly restructures itself to compete in an ever-changing environment.
   - ⊚ true
   - ⊚ false

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

17) The goal of _________ in an organization is to deploy and allocate resources in a way that it provides the company with a competitive advantage.
    A) strategic management
    B) the HRM function
    C) competitive analysis
    D) controlling systems
    E) cost analysis

18) Buttons Incorporated is evaluating its resources so that it can compete with other companies. They have evaluated their plant, equipment, and geographic location. What other physical resource do they need to evaluate to complete this scan?
    A) controlling system
    B) technology
    C) planning system
    D) employee skill
    E) experience of employees

19) The Dream Corporation, an exercise and fitness company, believes that customers today will prefer to work out at home. Therefore, it will produce exercise equipment and online-based exercise classes so that people won't need to go to a health club. This is an example of a(n)
    A) design specification
    B) business model
    C) job characteristics model
    D) administrative linkage
    E) process architecture

20) Cakes Galore, a new bakery in town, is attempting to maximize profits but knows the company cannot charge too much for its cakes and pastries in this market. As the company explores locations, the owner notes rent, property taxes, and parking. These are examples of _________ costs.
    A) acquisition
    B) procurement
    C) fixed
    D) variable
    E) marginal

21) Which of the following statements is true of variable costs incurred by firms?
    A) These costs are independent of the number of goods produced by firms.
    B) The rent and interest paid by firms are examples of variable costs.
    C) These costs are the difference between what firms charge for their products and the fixed costs of the products.
    D) These costs change directly with the units produced.
    E) These costs are the total amount of margin made by a firm.

22) Which of the following is an example of a fixed cost?
    A) raw materials
    B) utilities
    C) operating cost
    D) direct labor costs
    E) packaging costs

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23) The _________ margin is calculated as the number of units sold times the contribution margin.
    A) holding cost
    B) gross
    C) profit
    D) fixed cost
    E) overhead rate

24) _________ is what is left after a firm pays its variable costs and fixed costs.
    A) Contribution margin
    B) Overhead cost
    C) Profit
    D) Variance
    E) Holding cost

25) The Washington Corporation, a traditional auto parts manufacturer with a current workforce of more than 70,000 employees, has a retired workforce of over 50,000 employees to which it must continue to pay generous retirement benefits. This has put the company at a severe competitive disadvantage against other companies that do not have this obligation. The retired individuals for this company are an example of a _________ workforce.
    A) contingent
    B) consultant
    C) temporary
    D) legacy
    E) contract

26) Sandra retired from a large, multinational paper company last year. She receives health care benefits as well as a pension from the company. At present, Sandra falls under the category of a
    A) contingent workforce.
    B) legacy workforce.
    C) temporary workforce.
    D) consultant workforce.
    E) contract workforce.

27) Marius has been brought in as a consultant for a large organization. He is tasked with identifying the goals, policies, and action sequences the company should take to offset competitive challenges. Marius will be implementing
    A) operational management.
    B) transactional management.
    C) management by objectives.
    D) process mapping.
    E) strategic management.

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28) When an organization develops integrated manufacturing systems such as advanced manufacturing technology and just-in-time inventory control, it needs to assess the employee skills required to run these systems and train them accordingly. These assessments and training programs intended to enable an organization to achieve its goals fall under

A) strategic human resource management.
B) the job characteristics model.
C) diversity management.
D) the employee stock ownership plan.
E) participative management.

29) Tamara is leading the strategic groups through an exercise to define the company's mission and goals through a SWOT (strengths, weaknesses, opportunities, and threats) analysis. She is employing

A) strategy implementation.
B) task design.
C) selection and training.
D) strategy formulation.
E) strategy evaluation.

30) CellServ Incorporated, a large manufacturer of cell phones, has decided to enhance revenues by expanding its product line. It has identified the talking watch market as a possible market to expand and has identified Genesys Incorporated as a potential competitor. CellServ Incorporated is currently in the __________ stage of the strategic management process.

A) formulation
B) evaluation
C) execution
D) consultation
E) implementation

31) Talkin & Company is a large manufacturer of pocketbooks and accessories. It has always lagged behind its closest competitor, SwagBag. It plans to overtake SwagBag by leveraging its strength in women's purses and entering markets in the Midwest that it had traditionally ignored. Talkin & Company is in the __________ phase.

A) strategy implementation
B) strategy formulation
C) administrative linking
D) selecting and training
E) task designing

32) You have been hired as a consultant by senior management at a large financial services company. Management has worked through the strategic management process in terms of formulating its strategies. As the company works into the strategic implementation stage of the strategic management process, what would you recommend to management in terms of an appropriate action?

A) Decide on a strategic direction.
B) Define the organization’s mission and goals.
C) Establish external opportunities and threats.
D) Ensure that the company has skilled employees in place.
E) Determine the internal strengths and weaknesses of the company.

33) Which of the following statements is true of the strategic implementation stage of the strategic management process?

A) During this stage, an organization analyzes its strengths and weaknesses.
B) This is the first stage of the strategic management process, which is sequential in nature.
C) During this stage, an organization follows through on a strategy chosen in the strategy formulation stage.
D) During this stage, an organization defines its mission and goals.
E) This stage is independent of the formulation stage in the strategic management process.

34) Senior management at the QTX Corporation, a major publishing company, has been focusing its efforts on structuring the organization, allocating appropriate resources, ensuring that the firm has skilled employees in place, and developing reward systems that align employee behavior with the organization's strategic goals. The company in this situation is addressing which phase of the strategic management process?

A) task designing
B) strategy implementation
C) administrative linking
D) strategy formulation
E) operational implementation

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35) Strategic planning groups decide on a strategic direction during the _________ phase.
   A) strategy formulation
   B) strategy implementation
   C) administrative linkage
   D) strategic analysis
   E) market development

36) The strategic management decision-making process usually takes place at a firm's highest levels, with a firm's strategic planning group, which includes
   A) middle managers and directors.
   B) the chief executive officer and supervisors.
   C) the chief executive officer and the president.
   D) accountants and supervisors.
   E) the directors and labor union representatives.

37) Senior management at the Longwell Corporation formulated its strategic plan independently and then informed HR leaders of the specifics of the plan. This is an example of a(n) _________ linkage.
   A) integrative linkage
   B) one-way linkage
   C) two-way linkage
   D) administrative linkage
   E) analytical linkage

38) Untapped labor pools are an example of
   A) an external linkage to an organization's operating environment.
   B) an internal linkage to an organization's operating environment.
   C) a marketing advantage for an organization's operating environment.
   D) a strategic threat to an organization's operating environment.
   E) a strategic opportunity for an organization's operating environment.

39) Which of the following is the lowest level of integration between the human resource management function and the strategic management function?
   A) administrative linkage
   B) two-way linkage
   C) integrative linkage
   D) executive linkage
   E) one-way linkage

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40) Which of the following statements is true of the administrative linkage level between the human resource management function and the strategic management function?
   A) In this level, the human resource management department is completely divorced from any component of the strategic management process.
   B) This level recognizes the importance of human resources in implementing the strategic plan.
   C) In this level, the human resource management designs systems and/or programs that implement the strategic plan.
   D) This level allows for consideration of human resource issues during the strategy formulation process.
   E) In this level, the human resource management functions are built right into the strategy formulation and implementation processes.

41) Juanita Lopez, the HR manager, spends her workday by checking her email, completing paperwork, attending meetings with other HR staff, and responding to voicemail messages. These activities are most strongly associated with a(n) _________ linkage.
   A) administrative
   B) one-way
   C) two-way
   D) integrative
   E) executive

42) Watrous & Sons has completed its strategic business plan and informed HR of how many employees it will now need to be hired or retrained. This is an example of
   A) integrative linkage.
   B) executive linkage.
   C) two-way linkage.
   D) one-way linkage.
   E) administrative linkage.

43) Which of the following is true of one-way linkage?
   A) In this level, the human resource management executive has no time or opportunity to take a strategic outlook toward human resource issues.
   B) This level often leads to strategic plans that the company cannot successfully implement.
   C) In this level, the human resource management functions are built right into the strategy formulation process.
   D) In this level, the human resource management function is involved in both strategy formulation and strategy implementation.
   E) It lets the human resource management executive give strategic planners information about the company's human resource capabilities.

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44) The one-way linkage level
- A) is the lowest level of integration.
- B) restricts companies from considering human resource issues while formulating a strategic plan.
- C) is multifaceted, based on continuing rather than sequential interaction.
- D) often leads to strategic plans that companies cannot successfully implement.
- E) segregates the human resource management department from other components of the strategic management process.

45) Senior management at an insurance company genuinely values human resources (HR) and sees its importance to the long-term success of the company. Based on a recent workshop they attended on strategic human resource management (HRM), they feel that a best practice is to embrace a “two-way linkage level” to the strategic management process. Based on this belief, which of the following points does senior management need to remember?
- A) The HRM executive has no time or opportunity to take a strategic outlook toward HR issues.
- B) The strategic planning function and the HRM function are independent of each other.
- C) The second step involves the strategic planning team informing the HRM function of various strategies.
- D) The last step involves HRM executives analyzing the human resource implications of the strategies suggested in the previous steps.
- E) The HR issues are allowed for consideration during the strategy formulation process.

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46) Sean, the HR manager, has been asked to share issues in the strategy formulation process. How do you know this is part of a two-way linkage?
   - A) The strategic planning function and the human resource management function are interdependent.
   - B) The two-way linkage level is the lowest level of integration.
   - C) The human resource management executive has no time to take a strategic outlook toward human resource issues.
   - D) The human resource function is limited to monitoring day-to-day activities.
   - E) The strategic planning function and the human resource management function are completely dependent.

47) Which of the following linkages has its human resource management functions built right into the strategy formulation and implementation processes?
   - A) integrative linkage
   - B) administrative linkage
   - C) one-way linkage
   - D) two-way linkage
   - E) executive linkage

48) __________, goals, external analysis, internal analysis, and strategic choices are the five major components of the strategy formulation process.
   - A) Recruitment
   - B) Mission
   - C) Orientation
   - D) Job designing
   - E) Job engagement

49) To provide excellent customer service to those in the electrical industry through the use of high-tech solutions is an example of a
   - A) work structure.
   - B) goal.
   - C) mission.
   - D) code of conduct.
   - E) vision.

50) US Power Incorporated a major provider of electricity, aims to achieve 100 percent compliance during the next three years' compliance inspections to avoid citations and fines. This is an example of a
   - A) goal.
   - B) mission.
   - C) strategy.
   - D) vision.
   - E) value.

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51) Rovers & Steinfeld is a consulting firm that has recognized that many organizations across a variety of industries need to reexamine their operating environments. This is an example of a(n)

A) job model.
B) internal analysis.
C) external analysis.
D) value chain analysis.
E) job analysis.

52) The Octagon Corporation, an electric vehicle manufacturer, recently conducted a review of its operations and performance to determine where it has been performing well and where it needs to improve in the future. This is an example of a(n)

A) job analysis.
B) internal analysis.
C) job characteristics model.
D) competitor analysis.
E) job modeling.

53) An organization uses __________ to measure the quantity and quality of its resources.

A) job modeling
B) realistic job preview
C) internal analysis
D) value chain analysis
E) job analysis

54) External analysis and internal analysis combined constitute the

A) value analysis.
B) training analysis.
C) development analysis.
D) SWOT analysis.
E) recruitment analysis.

55) Which of the following statements is true of the SWOT analysis?

A) It can be used to identify an organization's internal strengths and weaknesses, but not the external threats posed by competitors.
B) It can be used to identify an organization's external strengths and weaknesses, but not its internal strengths and weaknesses.
C) It gives the strategic planning team of an organization all the information it needs to generate a number of strategic alternatives.
D) It fails to recognize the opportunities and threats in the external environment that are related to people.
E) An analysis of a company's internal strengths and weaknesses using the SWOT analysis eliminates the need for input from the HRM function.

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56) Senior management at the TNS Corporation, a global food and beverage conglomerate, has been working through its strategic management process. It is not at the point where it needs to determine the ways it will attempt to fulfill its mission and achieve its long-term goals. This is an example of

A) internal analysis
B) external analysis
C) vision statement
D) strategic choice
E) code of conduct

57) Senior management at the TRX Corporation conducted an environmental scan in an attempt to identify the strategic opportunities and threats it faces in its current situation. This is an example of a(n) ________ analysis.

A) competitive
B) marketing
C) internal
D) strategic
E) external

58) __________ is a planned effort to facilitate the learning of job-related knowledge, skills, and behavior by employees.

A) Internal growth
B) Performance evaluation
C) Concentration
D) Job design
E) Training

59) The basic premise behind strategy implementation is that

A) boosting employee productivity is more important than effectiveness in production.
B) short-term orientation is detrimental to an organization's economic success.
C) external analysis and internal analysis should be performed during implementation.
D) the quality of resources is more important than the quantity of resources.
E) choice of organizational processes and structural forms makes an economic difference.

60) Using websites like Indeed.com, Monster.com, and LinkedIn, a company can begin

A) selection.
B) recruitment.
C) training.
D) development.
E) appraisal.

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61) Javier, an HR manager at a technology firm, is entrusted with the task of hiring a member for a new team. He has already received information about what the new role will entail as well as the tasks that the new employee will be performing. He is currently using several media to seek applicants for the role. Which of the following human resource management (HRM) practices is Javier performing?
   A) job designing
   B) recruitment
   C) performance management
   D) training
   E) job analysis

62) A start-up manufacturing company is planning to hire new resources. As a first step, it has identified the various tasks that will be needed to be performed to manufacture the products. It then defines the way that work will be performed and groups the tasks into various jobs. This scenario describes
   A) job evaluation.
   B) internal analysis.
   C) external analysis.
   D) job design.
   E) a realistic job preview.

63) The _________ process helps a firm to identify job applicants with the necessary knowledge, skills, abilities, and other characteristics to help the firm achieve its goals.
   A) appraisal
   B) selection
   C) performance management
   D) training
   E) differentiation

64) A construction equipment manufacturer, Roswell Corporation, is focusing on becoming a leader in sustainability in terms of how it operates as a company. Because this is so central to the future of the company, HR has developed a series of planned opportunities to facilitate the learning of job-related knowledge, skills, and behavior by employees as they all relate to sustainability issues. This is an example of
   A) recruitment
   B) development
   C) training
   D) performance management
   E) selection

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65) Taher, an employee with Wilco Plumbing, has been transferred to a different division within the company. To facilitate a smooth transition, the company has initiated a program for Taher that will provide him with the knowledge and skills required to perform the new role effectively. Which of the following human resource management practices did Wilco Plumbing perform?

A) training
B) job analysis
C) performance management
D) selection
E) recruitment

66) At least annually, companies evaluate employees based on their activities and outcomes aligned with the organization's objectives. This then leads to discussions of future individual goals and professional development opportunities. This practice demonstrates that a company has a practice of

A) divestment.
B) differentiation.
C) performance management.
D) job enlargement.
E) realistic job preview.

67) Which of the following statements is true regarding companies that are not diversified?

A) Such companies typically use quantitative measures of performance to evaluate managers.
B) In such companies, top managers have less knowledge about managers below them in the hierarchy.
C) In such companies, executives tend to focus on evaluating the objective performance results of their subordinate managers.
D) They have evaluation systems that call for subjective performance assessments of managers.
E) People above the first-level managers in the hierarchy of such companies have limited knowledge about work-related tasks that should be performed.

68) Bebor Financial offers a high level of pay relative to that of competitors. This can ensure that

A) the company's overall labor costs are low.
B) employees are highly satisfied with the work.
C) the organization is always in the growth stage.
D) organizational productivity is satisfactory.
E) the company attracts high-quality employees.

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69) A company that follows an overall cost leadership strategy
   - A) focuses on becoming the lowest cost producer in an industry.
   - B) strives to reduce the cost of products in its industry.
   - C) does not use automated procedures and systems.
   - D) endeavors constantly to increase the quality of its products.
   - E) focuses on creating products that provide high value for their cost.

70) When Smart Electric condensed all its parts factories into one large location, the company increased research and development and customer service, and decreased its sales force. How would this practice help the company to become a low-cost producer?
   - A) The company created a product that was different from other products in the market.
   - B) The company constructed efficient large-scale facilities.
   - C) The company invested heavily in branding its product.
   - D) The company invested in creating a unique customer service process.
   - E) The company started using the latest machines for its production facility.

71) You have been hired by senior management at the Proton Corporation to advise them on how to pursue a corporate strategy that will enable the company to differentiate its products and services from its competitors. When meeting with management, what would you say to them?
   - A) The differentiation strategy cannot protect a company from price sensitivity.
   - B) Brand images play a negligible role in differentiation strategies.
   - C) Companies using the differentiation strategy have to build large-scale facilities.
   - D) Companies have to control their overhead costs to use the differentiation strategy.
   - E) Companies achieve above-average returns if they succeed in their differentiation strategy.

72) Jodannis Incorporated is an online retailer of home and garden products, including furniture and accessories. The company is known for its unique approach to customer support, which is known for going above and beyond in satisfying customer complaints and issues. What kind of a strategy is Jodannis using?
   - A) cost leadership
   - B) differentiation
   - C) disintermediation
   - D) penetration
   - E) cannibalization

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73) Samuel, a plant manager, sets targets for his work lines every week. He rewards those who succeed and he makes note of those who do not reach their set target, placing them on warning. How would you describe this company's cost strategy?
   A) The company has a high concern for quantity.
   B) The company has a long-term focus.
   C) The company performs tasks that are not independent.
   D) The company is willing to take risks.
   E) The company undertakes challenging and nonrepetitive work.

74) Alkort Incorporated employs cost strategies to ensure efficient production. Therefore, the company is likely to
   A) focus on high-quality production rather than efficient production.
   B) be very specific in the skills they require from their employees.
   C) shy away from investing in training employees in the skills they need.
   D) seek greater creativity by providing broader career paths to employees than companies that employ differentiation strategy.
   E) encourage their employees to take greater risks.

75) Senior management at a software development firm met with its vice president of HR to discuss the implementation of the company's differentiation strategy for its products and services. They asked the vice president of HR what their department could do to support the company's strategy. Based on this situation, what should the vice president of HR recommend to management?
   A) Hire people who are highly creative and cooperative.
   B) Maintain a high concern for quantity of production.
   C) Emphasize being risk averse.
   D) Maintain a short-term focus for the company.
   E) Demonstrate less tolerance for ambiguity.

76) Which of the following statements is true of companies that employ differentiation strategies?
   A) They primarily focus on efficient production.
   B) They only train employees in specific required skill areas.
   C) They want their employees to be risk averse.
   D) They want their employees to take a balanced approach to process and results.
   E) They expect their employees to exhibit role behaviors that are relatively repetitive.

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77) Fisher Incorporated wants to bring radical change to the current skills that exist in the organization, so they are going to employ _________ strategies.

A) internal growth
B) emergent
C) concentration
D) downsizing
E) integrative

78) Companies engaged in a(n) _________ strategy require employees to have a high concern for quantity and a short-term focus.

A) integrative
B) emergent
C) concentration
D) job design
E) cost

79) Tinory Incorporated supplies widgets to specific tools used by mechanical engineers. There was talk of expanding its product line, but the company has chosen to focus on creating the best widgets possible for its market. Tinory also is ensuring that all employees maintain the requisite skills to develop and create these widgets. The company is using a(n) _________ strategy.

A) internal growth
B) emergent
C) concentration
D) job design
E) cost

80) Strategies emphasizing market share or operating costs are considered _________ strategies.

A) innovation
B) divestment
C) downsizing
D) concentration
E) cannibalization

81) Inert Graphics sold 300,000 graphics cards and had a gross margin of $900,000. However, its fixed costs were $750,000 and its variable costs were $200,000. Inert Graphics had a

A) profit of $50,000.
B) breakeven bottom line.
C) loss of $50,000.
D) profit of $150,000.
E) loss of $150,000.

82) In Your Eyes Incorporated, a high-end eyewear manufacturer, has training programs to ensure that its current employees always design and manufacture eyewear in keeping with its high quality standards. Which of the following directional strategies has In Your Eyes adopted?

A) concentration
B) liquidation
C) benchmarking
D) rightsizing
E) divestment

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83) Strategies focusing on market development, product development, innovation, or joint ventures make up the __________ strategy of an organization.
A) retrenchment
B) internal growth
C) divestment
D) liquidation
E) benchmarking

84) Companies attempting to integrate vertically or horizontally or to diversify exhibit a(n) __________ strategy.
A) external growth
B) divestment
C) concentration
D) liquidation
E) internal growth

85) Saunders Supplies has recently acquired Dish & Company and TableTop. Since they all are similar in market share, Saunders Supplies is planning to rebrand Dish & Company to be a meal delivery company and TableTop to be a tableware and linen company. This is an example of which strategy?
A) internal growth strategy
B) retrenchment strategy
C) external growth strategy
D) divestment strategy
E) concentration strategy

86) Which of the following is a strategy made up of retrenchment and liquidation?
A) divestment strategy
B) concentration strategy
C) internal growth strategy
D) external growth strategy
E) diversification strategy

87) On Board & Company is facing financial difficulties mainly due to losses incurred by its water sports division. As a consequence, it has decided to shut down operations of this division. Which of the following strategies has On Board adopted?
A) concentration strategy
B) internal growth strategy
C) external growth strategy
D) divestment strategy
E) diversification strategy

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88) Senior management at a financial services company that is struggling with declining sales, market share, and profits, is going to pursue a downsizing strategy in an attempt to make the company more competitive. Which of the following issues does management need to be aware of as it pursues this strategy?

A) It becomes difficult to change an organization's culture after downsizing.
B) It fails to force employees to cooperate with management after downsizing.
C) It restricts organizations from developing new and positive relationships.
D) It is difficult to boost the morale of employees who remain after downsizing.
E) It is not an effective strategy if an organization wants to make way for fresh ideas.

89) Which of the following statements is true of intended and emergent strategies?

A) The new focus on strategic human resource management has tended to focus primarily on emergent strategies.
B) Intended strategies and emergent strategies are very similar to each other in the way they are developed.
C) Intended strategies are the result of the rational decision-making process used by top managers as they develop a strategic plan.
D) Emergent strategies can be thought of as what organizations intend to do as opposed to what they actually do.
E) Most emergent strategies are identified by those who are at the top of the organizational hierarchy.

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90) Ultimate Consulting is a management consulting firm that offers a wide range of services to companies in many industries. To stay on the cutting edge of developments in the business world and to sustain a competitive advantage over other companies, the firm focuses on having its employees constantly assimilate knowledge through monitoring the environment, making decisions based on the knowledge acquired, and flexibly restructuring the company to compete in their industry. This firm is an example of what type of organization?
   A) legacy
   B) learning
   C) downsized
   D) traditional
   E) transactional

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

91) Evaluate a company's strategic management process to ensure that the human resource management function is integrally involved. What steps should be taken and how would you document the process?

92) Identify and define the four levels of integration between the human resource management (HRM) function and the strategic management function.

93) What are the three steps involved in two-way linkages? As the human resource manager, describe the types of programs you would develop to implement a two-way linkage.

94) What are the five major components of the strategic management process that are relevant to strategy formulation?

95) List and explain with examples the five important variables that determine success in the strategy implementation stage.

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96) Discuss the six important functional areas of human resource management.

97) Compare and contrast Porter's generic strategies of cost leadership and differentiation.

98) What are the four directional strategies that firms use to meet their objectives? For each strategy also provide a short scenario.

99) Using the company you currently work for or your desired place of employment, give real-life examples to explain the human resource challenges faced by a firm adopting an internal growth strategy?

100) Explain the challenges and opportunities that arise for human resource management (HRM) during downsizing.

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Answer Key

Test name: Chapter 02

1) FALSE

To be maximally effective, the human resource management function of a company must be integrally involved in the company's strategic management process. This means that human resource managers should have input into the strategic plan, have specific knowledge of the organization's strategic goals, know what types of skills, behaviors, and attitudes are needed to support the strategic plan, and develop programs to ensure that employees have those skills, behaviors, and attitudes. This is a critical part of strategy formulation.

2) TRUE

During strategy implementation, an organization follows through on the strategy chosen in the strategy formulation stage. This consists of structuring the organization, allocating resources, ensuring that the firm has skilled employees in place, and developing reward systems that align employee behavior with the organization's strategic goals.

3) TRUE

The strategic choice is an organization's strategy; it describes the ways the organization will attempt to fulfill its mission and achieve its long-term goals.

4) TRUE

Job design addresses what tasks should be grouped into a particular job. The way that jobs are designed should have an important tie to the strategy of an organization because the strategy requires either new and different tasks or different ways of performing the same tasks.

5) FALSE

Recruitment is the process through which an organization seeks applicants for potential employment.

6) FALSE

Companies that are “steady state” (not diversified) tend to have evaluation systems that call for subjective performance assessments of managers. This stems from the fact that those above the first-level managers in the hierarchy have extensive knowledge about how the work should be performed.

7) FALSE

Executives who have extensive knowledge of the behaviors that lead to effective performance use performance management systems that focus on the behaviors of their subordinate managers.

8) TRUE

By tying pay to performance, a company can elicit specific activities and levels of performance from employees.

9) FALSE

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Overall cost leadership is achieved by constructing efficient large-scale facilities, by reducing costs through capitalizing on the experience curve, and by controlling overhead costs and costs in such areas as research and development, service, sales force, and advertising.

10) FALSE
Companies engaged in cost strategies promote internally and develop internally consistent pay systems with high pay differentials between superiors and subordinates.

11) TRUE
Employees in companies with a differentiation strategy need to be highly creative and cooperative; to have only a moderate concern for quantity, a long-term focus, and a tolerance for ambiguity; and to be risk takers.

12) FALSE
Differentiation companies will have compensation systems that are geared toward external equity, as it is heavily driven by recruiting needs.

13) FALSE
Strategies emphasizing market share or operating costs are considered concentration strategies. Companies that attempt to integrate vertically or horizontally or to diversify are exhibiting an external growth strategy, usually through mergers or acquisitions.

14) TRUE
In spite of the various challenges, downsizing provides opportunities for human resource management. Downsizing is often a unique opportunity to change an organization's culture.

15) TRUE
Companies going through downsizing often develop compensation programs that tie an individual's compensation to the company's success.

16) TRUE
A learning organization requires a company to be in a constant state of learning through monitoring the environment, assimilating information, making decisions, and flexibly restructuring to compete in an ever-changing environment. Companies that develop such a learning capability have a competitive advantage.

17) A
The goal of strategic management in an organization is to deploy and allocate physical, organizational, and human resources in a way that gives it a competitive advantage. This is part of strategy implementation.

18) B

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As part of implementing a strategy, a company can use a number of resources to compete with other companies. These resources are physical (such as plant, equipment, technology, and geographic location), organizational (group relations and the structure, planning, controlling, and coordinating systems), and human (the experience, skill, and intelligence of employees).

19) B
A business model is a story of how a firm will create value for customers and, more importantly, how it will do so profitably.

20) C
Fixed costs are generally considered the costs that are incurred regardless of the number of units produced. For instance, a firm producing widgets in a factory has to pay the rent for the factory, the depreciation of the machines, the utilities, the property taxes, and so on.

21) D
Variable costs are costs that vary directly with the units produced. For instance, all of the materials that go into the production of a widget might cost a total of $10, which means that the firm has to charge at least $10 per widget to cover at least the variable costs of production.

22) B
Fixed costs are generally considered the costs that are incurred regardless of the number of units produced. For instance, if you are producing widgets in a factory, you have the rent you pay for the factory, the depreciation of the machines, the utilities, the property taxes, and so on.

23) B
The gross margin is the total amount of margin a firm makes and is calculated as the number of units sold times the contribution margin.

24) C
Profit is what is left after a firm pays its variable costs and fixed costs.

25) D
A legacy workforce describes the former workers (i.e., those no longer working for the company) to whom the firm still owes financial obligations.

26) B
A legacy workforce describes the former workers (i.e., those no longer working for the company) to whom the firm still owes financial obligations. In this scenario, Sandra is a former employee to whom the multinational automobile corporation still owes financial obligations.

27) E

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Strategic management is a process, an approach to addressing the competitive challenges an organization faces. It can be thought of as managing the "pattern or plan that integrates an organization's major goals, policies, and action sequences into a cohesive whole."

28) A
Many firms have developed integrated manufacturing systems such as advanced manufacturing technology, just-in-time inventory control, and total quality management in an effort to increase their competitive position. However, people must run these systems. Strategic human resource management in these cases entails assessing the employee skills required to run these systems and engaging in human resource management (HRM) practices, such as selection and training, that develop these skills in employees.

29) D
During strategy formulation, the strategic planning groups decide on a strategic direction by defining the company's mission and goals, its external opportunities and threats, and its internal strengths and weaknesses. They then generate various strategic alternatives and compare those alternatives' ability to achieve the company's mission and goals.

30) A
During strategy formulation, the strategic planning groups decide on a strategic direction by defining the company's mission and goals, its external opportunities and threats, and its internal strengths and weaknesses. They then generate various strategic alternatives and compare those alternatives' ability to achieve the company's mission and goals. In this scenario, revenue enhancement is CellServ’s goal, and it has identified the talking watch market as an opportunity. CellServ has also identified Genesys Incorporated as a possible threat to its achieving its goal.

31) B
During strategy formulation, the strategic planning groups decide on a strategic direction by defining the company's mission and goals, its external opportunities and threats, and its internal strengths and weaknesses. They then generate various strategic alternatives and compare those alternatives' ability to achieve the company's mission and goals.

32) D
During strategy implementation, an organization follows through on a strategy chosen in the strategy formulation stage. This consists of structuring the organization, allocating resources, ensuring that the firm has skilled employees in place, and developing reward systems that align employee behavior with the organization's strategic goals.

33) C

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During strategy implementation, an organization follows through on a strategy chosen in the strategy formulation stage. This consists of structuring the organization, allocating resources, ensuring that the firm has skilled employees in place, and developing reward systems that align employee behavior with the organization's strategic goals.

34) B
During strategy implementation, an organization follows through on the strategy chosen in the strategy formulation stage. This consists of structuring the organization, allocating resources, ensuring that the firm has skilled employees in place, and developing reward systems that align employee behavior with the organization's strategic goals.

35) B
During strategy formulation, the strategic planning groups of an organization decide on a strategic direction by defining the company's mission and goals. During strategy implementation, the organization follows through on the chosen strategy.

36) C
A firm's strategic management decision-making process usually takes place at its top levels, with a strategic planning group consisting of the chief executive officer, the chief financial officer, the president, and various vice presidents.

37) B
In one-way linkage, the firm′s strategic business planning function develops the strategic plan and then informs the HRM function of the plan. Although one-way linkage does recognize the importance of human resources in implementing the strategic plan, it precludes the company from considering human resource issues while formulating the strategic plan. On the other hand, two-way linkage allows for consideration of human resource issues during the strategy formulation process.

38) E
External analysis consists of examining an organization's operating environment to identify the strategic opportunities and threats. Examples of threats include potential labor shortages, new competitors entering the market, pending legislation that might adversely affect the company, and competitors' technological innovations. Examples of opportunities are customer markets that are not being served, technological advances that can aid the company, and labor pools that have not been tapped.

39) A
Administrative linkage is the lowest level of integration in which the human resource management function's attention is focused on day-to-day activities.

40) A

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In administrative linkage (the lowest level of integration), the human resource management (HRM) function's attention is focused on day-to-day activities. The HRM executive has no time or opportunity to take a strategic outlook toward HRM issues. Thus, in this level of integration, the HRM department is completely divorced from any component of the strategic management process in both strategy formulation and strategy implementation.

41) A
In administrative linkage (the lowest level of integration), the human resource management (HRM) function's attention is focused on day-to-day activities. In such linkages, the HRM department simply engages in administrative work unrelated to the company's core business needs.

42) D
In one-way linkage, a firm's strategic business planning function develops the strategic plan and then informs the human resource management (HRM) function of the plan. Many believe this level of integration constitutes strategic HRM—that is, the role of the HRM function is to design systems and/or programs that implement the strategic plan.

43) B
In one-way linkage, a firm's strategic business planning function develops the strategic plan and then informs the human resource management (HRM) function of the plan. Although one-way linkage does recognize the importance of human resources in implementing the strategic plan, it precludes the company from considering human resource issues while formulating the strategic plan. This level of integration often leads to strategic plans that the company cannot successfully implement.

44) D
In one-way linkage, a firm's strategic business planning function develops the strategic plan and then informs the human resource management (HRM) function of the plan. This level of integration often leads to strategic plans that the company cannot successfully implement.

45) E
Two-way linkage allows for consideration of HR issues during the strategy formulation process. This integration occurs in three sequential steps.

46) A
Two-way linkage allows for consideration of human resource issues during the strategy formulation process. The strategic planning function and the HRM function are interdependent in two-way linkage.

47) A

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In most cases, the human resource management (HRM) executive is an integral member of the senior management team. Rather than an iterative process of information exchange, companies with integrative linkage have their HRM functions built right into the strategy formulation and implementation processes.

48) B
Five major components of the strategic management process (mission, goals, external analysis, internal analysis, and strategic choices) are relevant to strategy formulation.

49) C
The mission is a statement of the organization's reason for being; it usually specifies the customers served, the needs satisfied and/or values received by the customers, and the technology used. A statement of a company's vision and/or values often accompanies the mission statement.

50) A
An organization's goal is what it hopes to achieve in the medium- to long-term future; the goal reflects how the mission will be operationalized.

51) C
External analysis consists of examining an organization's operating environment to identify its strategic opportunities and threats. An example of an opportunity is a customer market that is not being served. An example of a threat is a potential labor shortage.

52) B
Internal analysis attempts to identify an organization's strengths and weaknesses. It focuses on the quantity and quality of resources available to the organization—financial, capital, technological, and human resources.

53) C
Internal analysis attempts to identify an organization's strengths and weaknesses. It focuses on the quantity and quality of resources available to the organization—financial, capital, technological, and human resources.

54) D
External analysis and internal analysis combined constitute what has come to be called the SWOT (strengths, weaknesses, opportunities, threats) analysis. After going through SWOT analysis, the strategic planning team has all the information it needs to generate a number of strategic alternatives.

55) C
External analysis and internal analysis combined constitute what has come to be called the SWOT (strengths, weaknesses, opportunities, threats) analysis. After going through SWOT analysis, the strategic planning team has all the information it needs to generate a number of strategic alternatives.

56) D

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The strategic managers of an organization compare the ability of all possible alternatives to attain an organization's strategic goals; then they make their strategic choice. The strategic choice is the organization's strategy; it describes the ways the organization will attempt to fulfill its mission and achieve its long-term goals.

57) E
An external analysis consists of examining an organization's operating environment to identify the strategic opportunities and threats.

58) E
A number of skills are instilled in employees through training and development. Training refers to a planned effort to facilitate the learning of job-related knowledge, skills, and behavior by employees.

59) E
The basic premise behind strategy implementation is that "an organization has a variety of structural forms and organizational processes to choose from when implementing a given strategy," and these choices make an economic difference.

60) B
Recruitment is the process through which an organization seeks applicants for potential employment.

61) B
Recruitment is the process through which an organization seeks applicants for potential employment. In this scenario, Javier is seeking applicants for the new role that constitutes the recruitment process of HRM practice.

62) D
The given scenario describes job design. Job design addresses which tasks should be grouped into a particular job. It is the process of defining the way work will be performed and the tasks that will be required in a given job.

63) B
Selection is the process by which a firm attempts to identify job applicants with the necessary knowledge, skills, abilities, and other characteristics that will help it achieve its goals. The strategy a firm is pursuing has a direct impact on the types of employees it seeks to recruit and select.

64) C
A number of skills are instilled in employees through training and development. Training is a planned effort to facilitate the learning of job-related knowledge, skills, and behavior by employees.

65) A
A number of skills are instilled in employees through training and development. Training is a planned effort to facilitate the learning of job-related knowledge, skills, and behavior by employees. In this scenario, Wilco Plumbing provided training for Taher to perform his new role.

66) C

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Performance management is used to ensure that employees' activities and outcomes are congruent with the organization's objectives. It entails specifying those activities and outcomes that will result in the organization successfully implementing the strategy.

67) D
Companies that are "steady state" (not diversified) tend to have evaluation systems that call for subjective performance assessments of managers. This stems from the fact that those above the first-level managers in the hierarchy have extensive knowledge about how the work should be performed.

68) E
A high level of pay and/or benefits relative to that of competitors can ensure that the company attracts and retains high-quality employees, but this might have a negative impact on the company's overall labor costs. By tying pay to performance, the company can elicit specific activities and levels of performance from employees.

69) A
The overall cost leadership strategy focuses on becoming the lowest cost producer in an industry. This strategy is achieved by constructing efficient large-scale facilities, by reducing costs through capitalizing on the experience curve, and by controlling overhead costs and costs in such areas as research and development, service, sales force, and advertising.

70) B
The overall cost leadership strategy focuses on becoming the lowest cost producer in an industry. This strategy is achieved by constructing efficient large-scale facilities, by reducing costs through capitalizing on the experience curve, and by controlling overhead costs and costs in such areas as research and development, service, sales force, and advertising.

71) E
The differentiation strategy attempts to create the impression that the company's product or service is different from that of others in the industry. If a company succeeds in differentiating its product, it will achieve above-average returns, and the differentiation may protect it from price sensitivity.

72) B
The differentiation strategy attempts to create the impression that a company's product or service is different from that of others in the industry. The perceived differentiation can come from creating a brand image, from technology, from offering unique features, or from unique customer service.

73) A
Companies engaged in a cost strategy require employees to have a high concern for quantity and a short-term focus, to be comfortable with stability, and to be risk averse. These employees are expected to exhibit role behaviors that are relatively repetitive and performed independently, or autonomously.

74) B

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Companies engaged in cost strategies, because of the focus on efficient production, tend to specifically define the skills they require and invest in training employees in these skill areas. They also rely on behavioral performance management systems with a large performance-based compensation component.

75) A
Employees in companies with a differentiation strategy need to be highly creative and cooperative; to have only a moderate concern for quantity, a long-term focus, and a tolerance for ambiguity; and to be risk takers.

76) D
Employees in companies with differentiation strategies need to be highly creative and cooperative; to have only a moderate concern for quantity, a long-term focus, and a tolerance for ambiguity; and to be risk takers. Employees in these companies are expected to exhibit role behaviors that include cooperating with others, developing new ideas, and taking a balanced approach to process and results.

77) A
Internal growth strategies focus on new market and product development, innovation, and joint ventures. Concentration strategies require that the organization maintain the current skills that exist in the organization.

78) E
Companies engaged in a cost strategy require employees to have a high concern for quantity and a short-term focus, to be comfortable with stability, and to be risk averse. These employees are expected to exhibit role behaviors that are relatively repetitive and performed independently, or autonomously.

79) C
Strategies emphasizing market share or operating costs are considered "concentration" strategies. With this type of strategy, a company attempts to focus on what it does best within its established markets and can be thought of as "sticking to its knitting."

80) D
Strategies emphasizing market share or operating costs are considered concentration strategies. With this type of strategy, a company attempts to focus on what it does best within its established markets and can be thought of as "sticking to its knitting."

81) C
Profit refers to what is left after you have paid your fixed and variable costs from your gross margin. Here, the gross margin is $900,000. By subtracting both the fixed costs of $750,000 and variable costs of $200,000, Inert Graphics incurred a loss of $50,000. $900,000 − $750,000 − $200,000 = −$50,000

82) A

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Concentration strategies require that companies maintain the current skills that exist in the organization. This requires that training programs provide a means of keeping those skills sharp among people in the organization and that compensation programs focus on retaining people who have those skills. In this scenario, In Your Eyes maintains its reputation by ensuring that its employees are always performing at high levels.

83) B
Strategies focusing on market development, product development, innovation, or joint ventures make up the internal growth strategy. Companies with an internal growth strategy channel their resources toward building on existing strengths.

84) A
Companies attempting to integrate vertically or horizontally or to diversify are exhibiting an external growth strategy, usually through mergers or acquisitions. This strategy attempts to expand a company's resources or to strengthen its market position through acquiring or creating new businesses.

85) C
Companies attempting to integrate vertically or horizontally or to diversify are exhibiting an external growth strategy, usually through mergers or acquisitions. This strategy attempts to expand a company's resources or to strengthen its market position through acquiring or creating new businesses.

86) A
A divestment, or downsizing, strategy is one made up of retrenchment, divestitures, or liquidation. These strategies are observed among companies facing serious economic difficulties and seeking to pare down their operations.

87) D
A divestment, or downsizing, strategy is made up of retrenchment, divestitures, or liquidation. These strategies are observed among companies facing serious economic difficulties and seeking to pare down their operations. In this scenario, On Board & Company is removing the "dead weight" of its water sports division.

88) D
One of the human resource management challenges of downsizing is to boost the morale of employees who remain after the reduction. Survivors may feel guilt over keeping their jobs when their friends have been laid off, or they may envy their friends who have retired with attractive severance and pension benefits.

89) C
Intended strategies are the result of the rational decision-making process used by top managers as they develop a strategic plan. Emergent strategies, on the other hand, consist of the strategies that evolve from the grassroots of the organization and can be thought of as what organizations actually do, as opposed to what they intend to do.

90) B

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Learning organizations are required to be in a constant state of learning through monitoring the environment, assimilating information, making decisions, and flexibly restructuring to compete in that environment. Companies that develop such a learning capability have a competitive advantage.

91) Essay
To be maximally effective, the human resource management function must be integrally involved in the company's strategic management process. This means that human resource managers should (1) have input into the strategic plan, both in terms of people-related issues and in terms of the ability of the human resource pool to implement particular strategic alternatives; (2) have specific knowledge of the organization's strategic goals; (3) know what types of employee skills, behaviors, and attitudes are needed to support the strategic plan; and (4) develop programs to ensure that employees possess these skills, behaviors, and attitudes.

92) Essay
The four levels of integration between the human resource management function and the strategic management function are (1) administrative linkage, (2) one-way linkage, (3) two-way linkage, and (4) integrative linkage. In administrative linkage (the lowest level of integration), the HRM function's attention is focused on day-to-day activities. In one-way linkage, the firm's strategic business planning function develops the strategic plan and then informs the HRM function of the plan. Two-way linkage allows for consideration of human resource issues during the strategy formulation process. Integrative linkage is dynamic and multifaceted, based on continuing rather than sequential interaction.

93) Essay
Two-way linkage allows for consideration of human resource issues during the strategy formulation process. This integration occurs in three sequential steps. First, the strategic planning team informs the human resource management (HRM) function of the various strategies the company is considering. Then HRM executives analyze the human resource implications of the various strategies, presenting the results of this analysis to the strategic planning team. Finally, after the strategic decision has been made, the strategic plan is passed on to the HRM executive, who develops programs to implement it.
Descriptions will vary.

94) Essay

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Then use a SWOT format to identify for your company or future company its mission, strengths, weaknesses, opportunities, and threats.
The five major components of the strategic management process that are relevant to strategy evaluation are

1. Mission: The mission is a statement of the organization's reason for being. It usually specifies the customers served, the needs satisfied and/or values received by the customers, and the technology used.
2. Goals: Goals are what a company hopes to achieve in the medium- to long-term future. They reflect how the mission will be operationalized.
3. External analysis: The external analysis consists of examining the organization's operating environment to identify the strategic opportunities and threats.
4. Internal analysis: The internal analysis attempts to identify the organization's strengths and weaknesses.
5. Strategic choice: The strategic choice is the organization's strategy. It describes the ways the organization will attempt to fulfill its mission and achieve its long-term goals.

SWOTS will vary.

95) Essay

The five important variables that determine success in the strategy implementation stage are (1) organizational structure, (2) task design, (3) selection, training, and development of people, (4) reward systems, and (5) types of information and information systems.

96) Essay

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The six important functional areas of human resource management are job analysis/design, recruitment/selection, training and development, performance management, pay structure/incentives/benefits, and labor-employee relations.

6. Job analysis is the process of getting detailed information about jobs. Job design addresses which tasks should be grouped into a particular job.
7. Recruitment is the process through which the organization seeks applicants for potential employment. Selection is the process by which it attempts to identify applicants with the necessary knowledge, skills, abilities, and other characteristics that will help the company achieve its goals.
8. Training is a planned effort to facilitate the learning of job-related knowledge, skills, and behavior by employees. Development involves acquiring knowledge, skills, and behavior that improve employees' ability to meet the challenges of a variety of existing jobs or jobs that do not yet exist.
9. Performance management is used to ensure that employee' activities and outcomes are congruent with the organization's objectives.
10. Pay structures/incentives/benefits help a company elicit specific activities and levels of performance from employees.
11. The approach a company takes toward its labor-employee relations results in it achieving its short- and long-term goals or ceasing to exist.

97) Essay
Cost leadership: This strategy focuses on becoming the lowest cost producer in an industry. This strategy is achieved by constructing efficient large-scale facilities, by reducing costs through capitalizing on the experience curve, and by controlling overhead costs and costs in such areas as research and development, service, sales force, and advertising. Differentiation: It attempts to create the impression that a firm's products or services are different from those of others in the industry. The perceived differentiation can come from creating a brand image, from technology, from offering unique features, or from unique customer service.

98) Essay

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The four directional strategies that firms use to meet their objectives are

12. Concentration strategies focus on what a company does best within its established markets.
13. Internal growth strategies focus on market development, product development, innovation, or joint ventures.
14. External growth strategies are used by companies that attempt to integrate horizontally or vertically or to diversify.
15. Divestment strategies involve retrenchment, divestitures, or liquidation.

Each scenario will vary.

99) Essay

Examples will vary but should include: Internal growth strategies present unique staffing problems. Growth requires that companies constantly hire, transfer, and promote individuals, and expansion into different markets may change the skills that prospective employees must have. In addition, appraisals often consist of a combination of behaviors and results. The behavioral appraisal emphasis stems from the knowledge of effective behaviors in a particular product market, and the results appraisals focuses on achieving growth goals. Compensation packages are heavily weighted toward incentives for achieving growth goals. Training needs differ depending on the way the company attempts to grow internally. Joint ventures require extensive training in conflict resolution techniques because of the problems associated with combining people from two distinct organizational cultures.

100) Essay

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The challenges for the HRM function are

16. It must "surgically" reduce the workforce by cutting only the workers who are less valuable in their performance.
17. It must boost the morale of employees who remain after the reduction.
18. It must maintain open communication with the remaining employees to build their trust and commitment.
19. It allows the company to "get rid of dead wood" and make way for fresh ideas.
20. It provides a unique opportunity to change an organization's culture.
21. In firms characterized by antagonistic labor, downsizing can force parties to cooperate and to develop new, positive relationships.
22. It can demonstrate to top-management decision makers the value of the company's human resources to its ultimate success.