

# Latest Version: 6.0

## Question: 1

Which of the following is an example of a chemical health hazard?

- A. bacterium
- B. pesticide
- C. fungus
- D. virus

**Answer: B**

### Explanation:

A pesticide is an example of a chemical health hazard. The other three answer choices are biological health hazards. OSHA requires businesses to maintain safety data sheets related to every chemical found in the workplace. A safety data sheet outlines the components of the substance, as well as its behavior under various conditions. Most importantly, the safety data sheet indicates whether a chemical is harmful when absorbed, inhaled, or ingested, and how these dangers may be mitigated or avoided.

## Question: 2

The Stanley Corporation wants to avoid lawsuits, so the human resources department occasionally reviews the hiring process to ensure compliance with all equal opportunity regulations. This is an example of

- A. risk avoidance.
- B. risk elimination.
- C. risk mitigation.
- D. risk transfer.

**Answer: C**

### Explanation:

This is an example of risk mitigation. The Stanley Corporation minimizes the potential for lawsuits by monitoring its own compliance. Some risks cannot be entirely avoided; there is no perfect strategy for avoiding litigation. This risk cannot be eliminated. Risk transfer is similar to risk mitigation, but it involves increasing expense in one area to minimize a risk elsewhere. For instance, a company might increase insurance payments to account for a particular risk.

### Question: 3

Which of the following was a consequence of the Workforce Investment Act?

- A. A Mass layoff was defined as either 500 employees or 33% of workforce.
- B. Workers must be given 60 days notice before plant closing.
- C. Labor unions were encouraged to cooperate with management on worker training.
- D. The creation of comprehensive training centers for workers and employers

**Answer: D**

**Explanation:**

The Workforce Investment Act led to the creation of comprehensive training centers for workers and employers. The intention of this act was to decrease welfare rolls and improve productivity. The training centers created pursuant to this act offer a broad range of support for workers and employers alike.

### Question: 4

According to Edward E. Lawler, the four elements of a high-involvement organization are

- A. knowledge, communication, incentives, and evaluation.
- B. planning, execution, evaluation, and control.
- C. selection, maintenance, evaluation, and forecasting.
- D. power, information, knowledge, and rewards.

**Answer: D**

**Explanation:**

According to Edward E. Lawler, the four elements of a high-involvement organization are power, information, knowledge and rewards. A high-involvement organization is one in which employees are given the opportunity to arrange their work schedules and processes. In other words, employees have the power to determine their own day-to-day activities. Of course, they are also responsible for results. In Lawler's system, a high-involvement organization makes a wealth of information available to all employees, so that it can factor into their decision-making process. Similarly, a high-involvement organization continuously tries to improve the employee knowledge base. Finally, in a high-involvement organization, employees are paid based on their performance rather than seniority.

### Question: 5

Which of the following statements about union decertification is true?

- A. Decertification does not prevent employees from joining a different union later.

- B. Decertification only occurs when employees are displeased with the union.
- C. Employers may lobby employees during the decertification process.
- D. Half the employees must petition the NLRB before a decertification vote is held.

**Answer: A**

**Explanation:**

Decertification does not prevent employees from joining a different union later. Indeed, decertification does not prevent employees from rejoining the same union in the future. Decertification is not always indicative of problems with the union. In some cases, a union will decertify because it has outgrown its usefulness, or because the workers wish to file suit against ownership without the interference of the union. Employers are not allowed to lobby employees during the decertification process, and only 30% of the employees need to petition the NLRB for there to be a decertification vote.

**Question: 6**

In which case did the Fifth Circuit determine that a company may not claim physical difficulty as a bona fide occupational qualification in order to keep women out of certain jobs?

- A. Rosenfeld v. Southern Pacific (1968)
- B. McDonnell Douglas Corporation v. Green (1973)
- C. Weeks v. Southern Bell Telephone Company (1969)
- D. Texas Department of Community Affairs v. Burdine (1981)

**Answer: C**

**Explanation:**

In *Weeks v. Southern Bell Telephone Company* (1969), the Fifth Circuit determined that a company may not claim physical difficulty as a bona fide occupational qualification in order to keep women out of certain jobs. This case centered on a woman who was denied an available position within the company because it entailed some heavy lifting. She asserted that this was discrimination. The company admitted prima facie discrimination but argued unsuccessfully that the ability to lift heavy objects was a bona fide occupational qualification.

**Question: 7**

Which component of an affirmative action plan provides demographic information for the labor market related to each job group?

- A. job group analysis
- B. determination of availability
- C. comparison of incumbency to availability
- D. organizational profile

**Answer: B**

**Explanation:**

In an affirmative action plan, the determination of availability provides demographic information for the labor market related to each job group. Specifically, this part of the affirmative action plan indicates how many women and minorities are available to fill positions in each job group. A determination of availability should include internal and external candidates. A job group analysis indicates how the business categorizes various positions. The comparison of incumbency to availability calculates the company's success at employing minorities compared with the job market as a whole. Finally, the organizational profile is a simple list of the positions within the business.

**Question: 8**

What is one common problem with cost-per-hire metrics?

- A. They make no distinctions between job groups.
- B. They are overly dependent on external economic factors.
- C. They overemphasize advertising.
- D. They omit costs that are not related to specific candidates.

**Answer: D**

**Explanation:**

One common problem with cost-per-hire metrics is that they omit costs that are not related to specific candidates. The cost-per-hire measure is determined by dividing total costs by number of hires. It is important that the costs and hires be taken from the same time interval. To be comprehensive, a cost-per-hire measure should include the salaries of those employed to make hires, the cost of advertising, and any other administrative costs incurred during the hiring process.

**Question: 9**

A new employee enters the training room and notices that the seats have been arranged in a banquet style. What can the new employee expect to do during the training session?

- A. Work in a small group
- B. Watch a video
- C. Take notes
- D. Fill out a questionnaire

**Answer: A**

**Explanation:**

The new employee can expect to work in a small group during the training session. In banquet-style seating, participants are placed in small groups around several tables. They will be able to turn and face a single presenter if necessary, but they will probably be spending most of their time interacting with their tablemates.

### Question: 10

Ron and Marcy apply for the same job at the Brown Company. During Ron's interview, the interviewer outlines the major responsibilities of the available position, and asks Ron a series of questions about his ability to fulfill them. Marcy's interview covers much of the same ground, but the interviewer asks different questions related to Marcy's unique educational background. Ron and Marcy have participated in

- A. structured interviews.
- B. stress interviews.
- C. patterned interviews.
- D. nondirective interviews

**Answer: C**

#### **Explanation:**

Ron and Marcy have participated in patterned interviews. This type of interview covers a predetermined set of subjects, but does not adhere to a script. In other words, the interviewer will know in advance what topics are to be discussed, but will not have a list of questions to be asked verbatim. Patterned interviews allow the interviewer to follow up on interesting and provocative comments, but the resulting interviews may be difficult to compare. A structured interview follows a predetermined list of questions. In a stress interview, the prospective employee is subjected to a very difficult or challenging situation. A non-directive interview is a free-form conversation that may range over any number of topics.

### Question: 11

Which of the following statements about strikes is false?

- A. Unions may not strike in favor of an unfair labor practice.
- B. Work slowdowns are an illegal form of strike.
- C. Employees may strike to support a hot cargo clause.
- D. A strike may be deemed unlawful because of misconduct by strikers.

**Answer: C**

#### **Explanation:**

Employees may not strike to support a hot cargo clause. A cargo clause is a pledge made by the employer to the union that the employer will not enter into transactions with some other employer. The other answer choices are true statements.

## Question: 12

The orientation program at Company X is considered very intense. New employees are given a crash course in organizational philosophy, and are discouraged from voicing their opinions or concerns. Which type of people processing strategy is Company X using?

- A. investiture
- B. contest
- C. collective
- D. divestiture

**Answer: D**

### **Explanation:**

Company X is using a divestiture people processing strategy. This type of strategy aims to reduce the influence of personal characteristics on the organization. Military institutions typically employ a divestiture people processing strategy, with the aim of making individual soldiers subservient to the imperatives of the group. Investiture people processing strategies, on the other hand, give new employees a chance to express themselves and apply their personal idiosyncrasies to the organization. Contest people processing strategies do not sort new employees by interest or ability; instead, they put every new employee through the same program, and make decisions about placement once orientation is complete. Finally, collective people processing strategies emphasize cooperation between new employees.

## Question: 13

Which piece of legislation forbade yellow dog contracts?

- A. Fair Labor Standards Act of 1938
- B. Norris-LaGuardia Act of 1932
- C. Public Contracts Act of 1936
- D. Sherman Anti-Trust Act of 1890

**Answer: B**

### **Explanation:**

The Norris-LaGuardia Act of 1932 forbade yellow dog contracts, in which employees promise not to join a union. This law also made it more difficult for the courts to issue injunctions that would stop a strike. The act was seen as a victory for workers.

## Question: 14

The human resources department wants to see if experienced employees are more productive. The department takes a measure of each employee's productivity, and then plots it on a graph, on which the other axis is employee experience. Which correlation coefficient would be the strongest suggestion that productivity increases with experience?

- A. +0.8
- B. +0.2
- C. 0
- D. -0.9

**Answer: A**

### **Explanation:**

A correlation coefficient of +0.8 would be the strongest suggestion that productivity increases with experience. Only a positive correlation coefficient indicates that productivity and experience are positively correlated. A negative correlation coefficient would indicate that productivity declines with experience. For this reason, the answer is +0.8, even though -0.9 (answer choice D) represents the strongest correlation.

## Question: 15

Which of the following statements about drug testing programs is true?

- A. Scheduled drug testing programs are the most effective.
- B. Businesses must either test all or no job candidates.
- C. Businesses can decide to test certain job groups only.
- D. Candidates may be drug tested before an offer of employment has been made.

**Answer: C**

### **Explanation:**

Businesses can decide to test certain job groups only. Some businesses restrict their drug testing to employees who will have great responsibility or who will be operating heavy machinery. Scheduled drug testing programs are less effective, because drug-using employees are given a chance to devise ways around the test. Businesses may test only some candidates, though they must be consistent with respect to the tested job groups.

## Question: 16

Summarize the ruling in Regents of California v. Bakke (1978).

- A. Nonunion employees are not entitled to Weingarten rights.
- B. Arbitration clauses are enforceable even when a business is engaged in interstate commerce.
- C. Employees must be given a reasonable opportunity to reject unfair arbitration clauses.
- D. Universities may not use quotas to boost minority admissions.

**Answer: D**

**Explanation:**

In Regents of California v. Bakke (1978), the Supreme Court ruled that universities may not use quotas to boost minority admissions. This case centered on a white man who was denied admission to medical school twice, though in both years minority students with lower grades and test scores were admitted. The white man, Allan Bakke, claimed reverse discrimination. The Supreme Court declared that it was unconstitutional for the University of California to base minority admissions on a quota, though race could be a factor in admissions decisions.

**Question: 17**

Which approach to budgeting requires that every expense be justified?

- A. historical budgeting
- B. parallel budgeting
- C. zero-based budgeting
- D. bottom-up budgeting

**Answer: C**

**Explanation:**

In zero-based budgeting, every expense must be justified. Zero-based budgeting programs attempt to streamline the business by judging the necessity of every item. Historical budgeting, on the other hand, assumes that the expenses from previous years will be carried over. Obviously, zero-based budgeting is a more time-consuming process, though it can produce substantial savings. Zero-based and historical budgeting programs may be executed in a top-down or bottom-up fashion, depending on whether top managers or all relevant managers are included.

**Question: 18**

An employee's performance on an assembly line is likely to follow a

- A. negatively accelerating learning curve.
- B. proportionally accelerating learning curve.
- C. positively accelerating learning curve.
- D. statically accelerating learning curve.



**Answer: A**

**Explanation:**

An employee's performance on an assembly line is likely to follow a negatively accelerating learning curve. This type of learning curve is typical of rote tasks, which can be learned and indeed mastered in a short time, but which do not permit much improvement after the initial learning. A positively accelerating learning curve, on the other hand, is marked by a slow start followed by a gradually increasing speed of learning. A positively accelerating learning curve is typical of complex tasks, which are difficult at first but which may be improved upon over a long interval.

**Question: 19**

Which of the following is NOT defined as a major life activity by the Americans with Disabilities Act?

- A. personal hygiene
- B. driving
- C. reading
- D. sleeping

**Answer: B**

**Explanation:**

The Americans with Disabilities Act does not count driving as a major life activity. According to the act, major life activities are personal care, manual tasks, seeing, hearing, eating, sleeping, breathing, learning, reading, concentrating, thinking, communicating, and working. However, a person may also be covered by the ADA when certain physical or mental impairments are present, including "any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more body systems, such as neurological, musculoskeletal, special sense organs, respiratory (including speech organs), cardiovascular, reproductive, digestive, genitourinary, immune, circulatory, hemic, lymphatic, skin, and endocrine; or ... any mental or psychological disorder, such as an intellectual disability ... organic brain syndrome, emotional or mental illness, and specific learning disabilities." (Code of Federal Regulations, 29CFR1630)

**Question: 20**

The Archibald Corporation has offices in thirteen countries besides the United States. In these foreign offices, the management positions are held by locals and the corporate positions are held by Americans. What is one possible drawback of this arrangement?

- A. Organizational culture is too homogenous
- B. Resentment by the foreign community
- C. Lack of communication among the foreign offices
- D. Exaggerated hiring costs

**Answer: C**

**Explanation:**

One possible drawback of this arrangement is a lack of communication among the foreign offices. The Archibald Corporation is using what is known as the polycentric approach to international staffing. The advantages to this system are that it is cheaper to employ foreign nationals than to use expatriates and that it gives the foreign community a sense of investment in the business. However, if a corporation has multiple overseas offices, linguistic and cultural barriers may impede communication among them.