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Student: _____

1. Determining the appropriate planning horizon takes into consideration acceptable levels of operational, procedural, and environmental uncertainties.

True False

2. A fatal flaw in the HR planning process is conducting a human resource audit on a limited or non-representative sample of employees.

True False

3. Decisions made about projections of future labour supply and demand are objectively determined and, therefore, unaffected by individual perceptions.

True False

4. Trends in labour force participation are a factor affecting labour supply.

True False

5. Trend analysis is considered one of the simplest methods of forecasting future HR supply.

True False

6. Replacement Charts focus on identifying, developing, and tracking future leaders for executive positions.

True False

7. The statistical validity of regression analysis ensures the stability of results over time and under changing circumstances.

True False

8. When a gap analysis indicates a labour shortage, the only option is to increase the size of the workforce.

True False

9. Which of the following is **NOT** a factor in determining the appropriate planning horizon?

A. Operational uncertainty

B. Environmental uncertainty

C. Positional uncertainty

D. Organizational uncertainty

10. Which of the following is considered to be an immediate workforce concern?

A. Succession planning for key management positions

B. Responding to future government policy changes

C. Developing employee skill sets to launch a new product

D. Promoting employees within departments as positions become available

11. A system that can identify key information about HR operations, including how well they work, and where improvement may be needed is referred to as:
- A. Human resource audit
 - B. Succession planning
 - C. Skills inventory
 - D. Replacement charting
12. To estimate the availability of members of designated groups in the external labour market, organizations need to analyze information for specific occupational groupings based on each of the following factors, EXCEPT:
- A. Geography
 - B. Qualifications
 - C. Eligibility
 - D. Employment status
13. Which of the following processes provides a systematic means of aligning organizational and program priorities with budgetary and human resources needed to accomplish them?
- A. Organizational strategic planning
 - B. Workforce planning
 - C. Career planning
 - D. Functional program planning

14. The first step in the HR planning process is:

- A. Establish human resource objectives
- B. Develop strategic goals and objectives
- C. Forecast labour demand and supply
- D. Conduct a human resource audit

15. According to research conducted by the HRSDC which occupational group will experience the most job growth through 2012?

- A. Sales and service
- B. Natural and applied sciences
- C. Primary
- D. Health

16. Mary Murphy, the HR planner for Cronk International is developing a forecast in internal HR supply and is reviewing information regarding dismissals and layoff. She is analyzing:

- A. Actuarial losses
- B. Voluntary turnover
- C. Involuntary turnover
- D. Total turnover

17. Which of the following methods of forecasting internal labour supply does **NOT** rely on predicting head count?
- A. Markov analysis
 - B. Skills/competency model
 - C. Trend analysis
 - D. Staffing table
18. Which of the following forecasting methods is a long term process of grooming a successor for management or critical positions?
- A. Succession planning
 - B. Staffing tables
 - C. Replacement charts
 - D. Markov analysis
19. Anna Jackson has been listed as having excellent job performance, a master level education, and requiring training. She is likely listed on which planning document?
- A. Markov transition matrix
 - B. Replacement chart
 - C. Competency model summary
 - D. Succession summary

20. Which of the following statements about forecasting demand and supply is true?

- A. Forecasting external labour supply is easier than forecasting internal supply.
- B. Forecasting demand is based on the same variables used to forecast supply.
- C. Trend analysis is an excellent method of forecasting both demand and supply.
- D. Forecasting demand is more difficult than forecasting supply.

21. Factors that need to be considered when forecasting HR demand include all of the following, EXCEPT:

- A. Projected budgets
- B. Estimated productivity measures of workforce
- C. Causes of turnover
- D. The organization's future strategic goals and plans

22. Which of the following methods used to forecast HR demand is a qualitative technique?

- A. Regression analysis
- B. Trend analysis
- C. Scenario analysis
- D. Group consensus technique

23. Which method of forecasting demand begins by selecting the appropriate business or operational index?
- A. Nominal group technique
 - B. Ratio analysis
 - C. Regression analysis
 - D. Trend analysis
24. Bill is estimating that a 30% increase in sales for next year will translate into a 6% increase in employees for all production processes and a 1% increase in maintenance staff. Which method of forecasting is he using?
- A. Delphi method
 - B. Ratio analysis
 - C. Regression analysis
 - D. Scenario analysis
25. Which of the following methods of forecasting demand is concerned with avoiding the effects of group think as an influence on the results?
- A. Delphi method
 - B. Nominal group technique
 - C. Brainstorming techniques
 - D. Scenario analysis

26. Which forecasting method produces a range of forecasted demand rather than a specific number?
- A. Delphi Technique
 - B. Regression analysis
 - C. Ratio analysis
 - D. Scenario analysis
27. A correlation of -0.74 between a predictor variable such as the price of oil and a criterion variable such as the demand for an organization's product means:
- A. A decrease in the price of oil will cause a decrease in the demand employees.
 - B. An increase in the price of oil will cause a decrease in the demand for employees.
 - C. The negative correlation means the price of oil will have no impact on the demand for employees.
 - D. The correlation is too weak and therefore, the price of oil will have no effect on the demand for employees.
28. Which of the following statements is true when a gap analysis indicates that the forecasted hr supply exceeds demand?
- A. The price of labour should go down.
 - B. There will be more qualified applicants available for hire.
 - C. The organization should take steps to eliminate the gap immediately.
 - D. A strategic plan should be created to address the labour surplus.

29. Discuss the three important elements to consider in order to successfully forecast labour demand and supply.

30. Briefly explain why forecasting labour demand is more difficult than forecasting labour supply

2 Key

1. Determining the appropriate planning horizon takes into consideration acceptable levels of operational, procedural, and environmental uncertainties.
(p. 27)

FALSE

Bulmash - Chapter 02 #1

Difficulty: 1

Learning Objective: 2

2. A fatal flaw in the HR planning process is conducting a human resource audit on a limited or non-representative sample of employees.
(p. 28)

TRUE

Bulmash - Chapter 02 #2

Difficulty: 2

Learning Objective: 2

3. Decisions made about projections of future labour supply and demand are objectively determined and, therefore, unaffected by individual perceptions.
(p. 31)

FALSE

Bulmash - Chapter 02 #3

Difficulty: 2

Learning Objective: 2

4. Trends in labour force participation are a factor affecting labour supply.

(p. 32)

TRUE

Bulmash - Chapter 02 #4

Difficulty: 1

Learning Objective: 3

5. Trend analysis is considered one of the simplest methods of forecasting future HR supply.

(p. 35)

TRUE

Bulmash - Chapter 02 #5

Difficulty: 1

Learning Objective: 4

6. Replacement Charts focus on identifying, developing, and tracking future leaders for executive positions.

(p. 36)

FALSE

Bulmash - Chapter 02 #6

Difficulty: 2

Learning Objective: 4

7. The statistical validity of regression analysis ensures the stability of results over time and under changing circumstances.

(p. 43)

FALSE

Bulmash - Chapter 02 #7

Difficulty: 3

Learning Objective: 5

8. When a gap analysis indicates a labour shortage, the only option is to increase the size of the workforce.
(p. 46)

FALSE

Bulmash - Chapter 02 #8

Difficulty: 1

Learning Objective: 5

9. Which of the following is **NOT** a factor in determining the appropriate planning horizon?
(p. 27)

- A. Operational uncertainty
- B. Environmental uncertainty
- C.** Positional uncertainty
- D. Organizational uncertainty

Bulmash - Chapter 02 #9

Difficulty: 2

Learning Objective: 2

10. Which of the following is considered to be an immediate workforce concern?
(p. 28)

- A. Succession planning for key management positions
- B. Responding to future government policy changes
- C. Developing employee skill sets to launch a new product
- D.** Promoting employees within departments as positions become available

Bulmash - Chapter 02 #10

Difficulty: 1

Learning Objective: 2

11. A system that can identify key information about HR operations, including how well they work, and where improvement may be needed is referred to as:

(p. 29)

- A. Human resource audit
- B. Succession planning
- C. Skills inventory
- D. Replacement charting

Bulmash - Chapter 02 #11

Difficulty: 2

Learning Objective: 2

12. To estimate the availability of members of designated groups in the external labour market, organizations need to analyze information for specific occupational groupings based on each of the following factors, EXCEPT:

(p. 30)

- A. Geography
- B. Qualifications
- C. Eligibility
- D. Employment status

Bulmash - Chapter 02 #12

Difficulty: 3

Learning Objective: 2

13. Which of the following processes provides a systematic means of aligning organizational and program priorities with budgetary and human resources needed to accomplish them?
(p. 31)

- A. Organizational strategic planning
- B. Workforce planning**
- C. Career planning
- D. Functional program planning

Bulmash - Chapter 02 #13

Difficulty: 2

Learning Objective: 3

14. The first step in the HR planning process is:
(p. 31)

- A. Establish human resource objectives
- B. Develop strategic goals and objectives
- C. Forecast labour demand and supply**
- D. Conduct a human resource audit

Bulmash - Chapter 02 #14

Difficulty: 1

Learning Objective: 3

15. According to research conducted by the HRSDC which occupational group will experience the most job growth through 2012?
(p. 32)

- A. Sales and service
- B. Natural and applied sciences
- C. Primary
- D. Health

Bulmash - Chapter 02 #15

Difficulty: 1

Learning Objective: 3

16. Mary Murphy, the HR planner for Cronk International is developing a forecast in internal HR supply and is reviewing information regarding dismissals and layoff. She is analyzing:
(p. 35)

- A. Actuarial losses
- B. Voluntary turnover
- C. Involuntary turnover
- D. Total turnover

Bulmash - Chapter 02 #16

Difficulty: 1

Learning Objective: 4

17. Which of the following methods of forecasting internal labour supply does **NOT** rely on predicting head count?
(p. 36)

- A. Markov analysis
- B. Skills/competency model**
- C. Trend analysis
- D. Staffing table

Bulmash - Chapter 02 #17

Difficulty: 2

Learning Objective: 4

18. Which of the following forecasting methods is a long term process of grooming a successor for management or critical positions?
(p. 36)

- A. Succession planning**
- B. Staffing tables
- C. Replacement charts
- D. Markov analysis

Bulmash - Chapter 02 #16

Difficulty: 1

Learning Objective: 4

19. Anna Jackson has been listed as having excellent job performance, a master level education, and requiring training. She is likely listed on which planning document?
(p. 37)

- A. Markov transition matrix
- B. Replacement chart**
- C. Competency model summary
- D. Succession summary

Bulmash - Chapter 02 #19

Difficulty: 2

Learning Objective: 4

20. Which of the following statements about forecasting demand and supply is true?
(p. 39)

- A. Forecasting external labour supply is easier than forecasting internal supply.
- B. Forecasting demand is based on the same variables used to forecast supply.
- C. Trend analysis is an excellent method of forecasting both demand and supply.
- D. Forecasting demand is more difficult than forecasting supply.**

Bulmash - Chapter 02 #20

Difficulty: 2

Learning Objective: 4

21. Factors that need to be considered when forecasting HR demand include all of the following,

(p. 39) EXCEPT:

- A. Projected budgets
- B. Estimated productivity measures of workforce
- C. Causes of turnover
- D. The organization's future strategic goals and plans

Bulmash - Chapter 02 #21

Difficulty: 2

Learning Objective: 4

22. Which of the following methods used to forecast HR demand is a qualitative technique?

(p. 40)

- A. Regression analysis
- B. Trend analysis
- C. Scenario analysis
- D. Group consensus technique

Bulmash - Chapter 02 #22

Difficulty: 2

Learning Objective: 5

23. Which method of forecasting demand begins by selecting the appropriate business or operational index?
(p. 40)

- A. Nominal group technique
- B. Ratio analysis
- C. Regression analysis
- D.** Trend analysis

Bulmash - Chapter 02 #23

Difficulty: 2

Learning Objective: 5

24. Bill is estimating that a 30% increase in sales for next year will translate into a 6% increase in employees for all production processes and a 1% increase in maintenance staff. Which method of forecasting is he using?
(p. 40 - 42)

- A. Delphi method
- B.** Ratio analysis
- C. Regression analysis
- D. Scenario analysis

Bulmash - Chapter 02 #24

Difficulty: 2

Learning Objective: 5

25. Which of the following methods of forecasting demand is concerned with avoiding the effects of group think as an influence on the results?
(p. 43)

- A. Delphi method
- B. Nominal group technique
- C. Brainstorming techniques
- D. Scenario analysis

Bulmash - Chapter 02 #25

Difficulty: 2

Learning Objective: 5

26. Which forecasting method produces a range of forecasted demand rather than a specific number?
(p. 44)

- A. Delphi Technique
- B. Regression analysis
- C. Ratio analysis
- D. Scenario analysis

Bulmash - Chapter 02 #26

Difficulty: 2

Learning Objective: 5

27. A correlation of -0.74 between a predictor variable such as the price of oil and a criterion variable such as the demand for an organization's product means:

(p. 43)

- A. A decrease in the price of oil will cause a decrease in the demand employees.
- B. An increase in the price of oil will cause a decrease in the demand for employees.
- C. The negative correlation means the price of oil will have no impact on the demand for employees.
- D. The correlation is too weak and therefore, the price of oil will have no effect on the demand for employees.

Bulmash - Chapter 02 #27

Difficulty: 3

Learning Objective: 5

28. Which of the following statements is true when a gap analysis indicates that the forecasted hr supply exceeds demand?

(p. 47)

- A. The price of labour should go down.
- B. There will be more qualified applicants available for hire.
- C. The organization should take steps to eliminate the gap immediately.
- D. A strategic plan should be created to address the labour surplus.

Bulmash - Chapter 02 #28

Difficulty: 1

Learning Objective: 5

29. Discuss the three important elements to consider in order to successfully forecast labour
(p. 27-29) demand and supply.

A primary consideration is identifying the stakeholders that will be involved in the process. Complementary skills will be required as well as representation across all levels in the organization. A senior executive on the team will send the message that the organization is committed to the process and this member can also facilitate getting needed resources. Line managers will be end users, relying on the outcome to help them align their staffing goals with the strategic goals of the organization.

The HR professional will provide support and workforce data. This person will also work closely with department managers to implement the plan.

The IT professional can be of tremendous help in the data collection and analysis phases of the process. Strategic planners will ensure the proper links to the organizations' strategic goals. Finance and accounting analysts will provide important financial criteria the HR goals will need to satisfy in order to be effectively linked to the financial limitations of the organization.

Determining the appropriate planning horizon refers to how far into the future the forecasts should be made given the nature of the uncertainties that can impact the organization. Most agree that a two tiered approach is effective in meeting both short term implications of up to one year and a second tier that can range up to 6 years.

Finally, the internal and external labour force must be clearly identified to ensure that the information collected is both valid and reliable.

30. Briefly explain why forecasting labour demand is more difficult than forecasting labour supply

(p. 39)

Demand for employees is essentially a derived demand that is based on the demand for the products and services of the organization. When one considers the number of variables that can impact the demand for products and services, some positively while simultaneously some negatively, it becomes evident that identifying and controlling a large number of variables becomes quite challenging. The additional factor is that the variables affecting demand are more volatile than most of the variables affecting supply.

(Students may refer to the list of factors on page 39 to provide examples.)

Bulmash - Chapter 02 #30

Difficulty: 3

Learning Objective: 4

2 Summary

<u>Category</u>	<u># of Questions</u>
Bulmash - Chapter 02	30
Difficulty: 1	10
Difficulty: 2	16
Difficulty: 3	4
Learning Objective: 1	1
Learning Objective: 2	7
Learning Objective: 3	4
Learning Objective: 4	9
Learning Objective: 5	9