

SHRM Practice Test 1 (60 Questions)



6. People have the need of achievement, affiliation and power however in different proportions and with one type of need predominating; which motivational theory are we describing?

- A) Maslow
- B) Vroom
- C) Herzberg
- D) McClelland

7. As per the Blake-Mouton theory; if a manager avoids using his/her authority to help nourish their relationship with their team members; then where on the Blake-Mouton grid would they be?

- A) High task – Low people
- B) Low task – High people
- C) Low task – Low people
- D) High task – High people

8. The _____ prioritizes categories from the most frequent to the least frequent.

- A) Pareto chart
- B) Control chart
- C) Process flow chart
- D) Scatter diagram

9. The performance manager at XYZ Ltd's data analysis has completed an analysis on the performance of customer service staff. Based on the results, the performance manager has determined that the best course of action for the department is to introduce 'Emotional Intelligence' training. There has not been any investment in training for over three years; and the performance manager is

of the following tools should the performance manager utilize to complete the executive term to sign off on the training?

- A) Calculate the return on investment
- B) Calculate the business case
- C) Calculate the cost benefit
- D) Calculate the VOT and

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Practice Test (80 Questions)

- 1 In order to identify threats and opportunities in the world outside the organization, HR managers must:
 - A Conduct a competitive analysis
 - B Perform a global analysis
 - C Evaluate the external workforce
 - D Engage in environmental scanning

- 2 If the Wage and Hour Division of the U.S. Labor Department investigates an employer's files looking for violations of the FLSA, it will focus on
 - A Employee time records
 - B Tax withholding records
 - C Calculation of compa-ratios
 - D Pay levels for all protected classes

- 3 In the HR context, "sustainability" is defined as:
 - A The development of organizational policies and procedures that allow the organization to continue to operate in foreign countries which have strict environmental regulation
 - B The requirement for organizations in polluting industries, such as manufacturers and utility companies, to reduce their impact on the environment
 - C The ability to continue to operate, survive and adjust to significant change
 - D The ability to maintain proper employee flow in, through and out of the organization

- 4 Which of the following is most associated with Hersey and Blanchard's Leadership Model?
 - A Hygiene factors are important
 - B Goal setting must be collaborative
 - C Leadership is task-relevant
 - D Promotes a single best leadership style

- 5 The collective value of the capabilities, knowledge, skills, life experiences and motivation of an organizational workforce is called:
 - A Total human resources
 - B The organization's talent inventory
 - C The organization's intellectual assets
 - D Human capital

- 6 Which of the following is not important to performance management?
 - A Setting goals
 - B Proper orientation training
 - C Ongoing coaching and feedback
 - D Monitoring work objectives

- 7 Compensation and benefits managers in almost all organizations face a major and growing concern regarding the cost of
 - A equalization of pay between men and women
 - B incentive pay for hourly employees

- C health-care benefits
D outsourcing to lower-wage countries
- 8 _____ is the concept that the pay for all jobs requiring comparable knowledge, skills, and abilities should be similar even if actual duties and market rates differ significantly.
- A Pay equity
B Equal pay for equal work
C Equality in compensation
D Gender-neutral compensation
- 9 Which of the following is an employer offering designed to improve and promote employee health and fitness?
- A Americans with Disabilities Act
B Pre-employment physicals
C Wellness
D Group health insurance
- 10 _____ is the amount estimated to allow an individual to meet his/her basic needs of food, clothing and shelter.
- A The minimum wage
B fair wage
C An honest wage
D The living wage
- 11 401(k) plan auto-enrollment for new hires:
- A Is a requirement of most retirement plans
B Is not advisable from an employee relations standpoint; employees tend to feel deceived
C Is not legal
D Is a great strategy to boost participation and encourage financial responsibility among employees
- 12 Falcon Creamery employs over 2,000 hourly workers. The HR department is debating the introduction of web-based technology to handle employment applications, employee benefit enrollments, and other related functions. The move to this technology will most likely improve which type of HR activity?
- A Strategic
B Employee advocate
C Operational
D Administrative
- 13 Due to an urgent need to cut costs, Preston, Inc. has decided to eliminate its quarterly off-site training conference for managers at all four of its locations and replace it with video conferencing. This reduces travel costs significantly and allows the company to deliver the same training with less disruption to daily operations. This is an example of:
- A Outsourcing an organizational function

- B Organizational restructuring
 - C Aligning HR activities with organizational productivity efforts
 - D Re-designing work
- 14 What does Title II Genetic Information Nondiscrimination Act (GINA) prohibit?
- A Discrimination of employees or applicants based on gender identity
 - B Discrimination of employees or applicants based on genetic information
 - C Unauthorized sharing of protected health information
 - D Discrimination of applicants based on disability status
- 15 For a profit-sharing plan to be effective, management must:
- A Be willing to disclose accurate financial and profit information to employees
 - B Increase innovative solutions to technical problems
 - C Not have high expectations of performance impact in the first year of the program
 - D Stabilize profits so that the annual payout is consistent
- 16 In which domain is workforce planning and employment a focus?
- A The employee life cycle
 - B Organizational strategy
 - C Managing performance
 - D Human resources operations
- 17 Employees who value _____ are most likely to be attracted to jobs allowing them to telecommute.
- A opportunities for early retirement
 - B work variety
 - C a fast-track promotion path
 - D flexibility
- 18 Attrition to reduce an employee surplus is most useful when:
- A Hiring programs are not affected.
 - B Turnover rates in the organization are high.
 - C Employee morale in the organization is low.
 - D The workforce reduction is needed in the short term.
- 19 Top executives of an organization truly view the top HR executive as contributing to the strategic success of the firm when they request the HR manager to:
- A Improve the implementation of performance appraisals for supervisors
 - B Select a vendor for outsourcing benefits administration
 - C Streamline the employee selection process
 - D Evaluate potential merger candidates for organizational compatibility
- 20 Steve is a long-term exceptional performer. He has a compa-ratio of 120 and once again his performance has exceeded expectations. However, Steve only gets a raise of 3%, which is less

- than some of his co-workers who have less seniority and whose performance only met expectations. Steve asks HR why his raise is lower. What is the best response?
- A You decide to give Steve a lump-sum increase equivalent to a 10% raise. This will recognize Steve's exceptional performance without affecting his base pay.
 - B You should describe the reality of pay compression to Steve and that market rates determine what the organization can pay for a particular job no matter how well carried out.
 - C You explain that Steve's compa-ratio shows that he is at the top of his pay range and that he is already earning above the market midpoint set in his pay grade.
 - D You should discipline Steve and his co-workers because employees should not discuss their pay.
- 21 To limit claims of discrimination, the corporate disciplinary process should be:
- A Standardized
 - B Swift and decisive
 - C Based on OFCCP guidelines
 - D Rigid and unyielding
- 22 The reason that cooperation between operating managers and HR staff is necessary for HR efforts to succeed is that_____.
- A HR professionals see the "coarse-grained picture" of organizational strategy while operating managers see the "fine-grained picture" of daily production
 - B HR designs processes that the operating managers must help implement
 - C HR professionals must implement processes that have been designed by top management and which impact operating managers
 - D HR professionals must react swiftly to initiatives created by operating managers
- 23 All of the following are potential outcomes of a successful pay-for-performance plan except:
- A Aligning employee behavior with organizational business goals
 - B Improved safety records
 - C Greater predictability of employee pay
 - D Retention of high performers
- 24 An HR best practice that most directly ties individual behavior to organizational strategy is
- A talent development
 - B pay for performance
 - C stringent hiring standards
 - D flexible work arrangements
- 25 A severe storm has destroyed Dunder Mifflin's Scranton plant. The CEO decides not to rebuild but to relocate to a southern state and must lay off all the employees at the Scranton plant. As per the WARN Act, the CEO must:
- A Give as much notice as practicable because the layoff resulted from a natural disaster.
 - B Give 60 days' advance notice of the layoff
 - C Provide the employees with 60 days' pay in lieu of notice
 - D Not relocate, as this action could be considered double-breasting under the Taft-Hartley Act

- 26 What is an advantage of hiring externally rather than from inside the organization?
- A It brings a fresh perspective and creativity to the organization
 - B It can be less expensive for recruiting efforts
 - C It causes less conflict among coworkers
 - D External candidates are likely to be more competent
- 27 Elaar Properties, Inc. is making a bid for a federal government contract to build a bridge. In that bid, the construction company must allow for _____ wages for the employees.
- A Living
 - B Prevailing
 - C Minimum
 - D Median national industry
- 28 A new hire employee refuses to join the union and pay dues within the required timeframe of the labor agreement. The employer is forced to terminate the employee. In this case, the union security agreement is best known as:
- A Union shop
 - B Agency shop
 - C Closed shop
 - D Absolute shop
- 29 An employee comes to your office one day and nervously tells you he/she has knowledge of another employee who stole an item from a customer's home. He/she doesn't want to tell you who it is until you guarantee him/her anonymity. How would you handle this?
- A Promise that his/her name will remain anonymous and the employee in question will never know who complained
 - B Explain that you can never guarantee anonymity and that he/she is obligated to give the name of the accused now that you have knowledge of these events
 - C Tell him/her that you will do your best to ensure his/her name is kept confidential, but you can't make any guarantees
 - D Explain the importance of finding the person who stole the item and that you need his/her help
- 30 According to the overtime provisions of the FLSA, all of the following are true regarding non-exempt employees except:
- A They must have their incentive pay added to their base pay used for calculating overtime
 - B They do not qualify for overtime pay if they are traveling by bus to another work location during normal work hours
 - C They must receive overtime pay if they are driving a vehicle to a meeting during regular work hours
 - D They do not receive overtime pay for training that is not directly job-related, even if the training is outside of regular working hours
- 31 In a competency-based pay system, employees are paid _____

- A according to their job performance, measured either by quality or quantity
 - B on the basis of their scores on annual competency tests
 - C on the skills and knowledge they have, whether they use these or not
 - D on whether they have added value to the organization in the last year
- 32 Which is the best term when planning & decision making of an organization are concentrated within a particular location/group?
- A Totalitarianism
 - B Governance
 - C Decentralization
 - D Centralization
- 33 In order to motivate workers to better task performance, common goal setting theories state that goals must be accompanied by:
- A Richer financial rewards
 - B Performance feedback
 - C The disciplinary process
 - D Employee engagement
- 34 Under the FLSA, which of the following would be classified as a non-exempt employee?
- A A sales representative who travels 3 days a week to meet prospective clients
 - B An electrician on staff at a casino
 - C The architect overseeing the construction of a new university library
 - D An artist creating murals for a high-end restaurant
- 35 Human resource management is defined as:
- A The design of the interface between the human capital of the firm and its technological and financial capital in order to efficiently and effectively reach organizational goals
 - B The designing of organizational systems to ensure that human talent is used effectively and efficiently to accomplish organizational goals
 - C Supervising, monitoring, controlling, and disciplining employees in order to achieve organizational goals efficiently and effectively
 - D The efficient and effective use and coordination of human capital to ensure the profitability and long-term sustainability of the organization
- 36 Organizational development is best defined as:
- A Identifying, planning, and executing necessary changes to the company
 - B An offshoot of human resource development
 - C A system for cultural transitioning after a merger or acquisition
 - D Methods for expanding the workforce
- 37 The explicit aspects of organizational culture include all of the following except:
- A Appreciation
 - B Well-being
 - C Leadership

- D Sustainability
- 38 In mergers and acquisitions, the HR planning process begins with what process?
- A Analyzing the internal inventory of HR capabilities
 - B Addressing key HR processes
 - C Optimizing the workforce
 - D Conducting due diligence
- 39 Social media is currently used primarily in which context by the HR department?
- A Exit interviews
 - B Orientation
 - C Professional Development
 - D Employment branding
- 40 What is the practice of storing, managing, and processing data on remote, Internet-based servers commonly referred to?
- A Strategy planning
 - B Onboarding
 - C ADDIE Model
 - D MBO
- 41 The first federal law pertaining to labor relations was:
- A Norris-LaGuardia Act
 - B Railway Labor Act
 - C Taft-Hartley Act
 - D Wagner Act
- 42 One kind of bias that can occur during an interview is a halo bias. What is a halo bias?
- A An interviewer observes one positive trait in a candidate, and this one trait positively influences the perception of other traits
 - B Interviewers tend to rank candidates higher when they are similar to themselves
 - C The interviewer compares the candidate to the previous candidate.
 - D Interviewer bases a hiring decision immediately upon their first impression of the candidate
- 43 What is the practice of storing, managing and processing data in remote, Internet-based servers commonly referred to?
- A Software as a Service (SaaS)
 - B Locally hosted computing
 - C Cloud computing
 - D E-commerce
- 44 Illegal acts by either employers or unions are called:
- A discrimination complaints
 - B violation and resolve charges
 - C unfair labor practices

- D representation charges
- 45 A long-tenured and valued employee has recently been coming to work late, calling in sick on Mondays, and his/her overall appearance is messy and disheveled. He/she has also been behaving strangely and getting agitated more easily than usual. His/her supervisor comes to HR and asks what should be done first. What is the best response?
- A Pull the employee into a private conference room along with the supervisor. Explain the strange behavior that you and the supervisor have witnessed, and ask for an explanation
- B Call the employee's emergency contact on file, and inquire if something has changed with the employee recently
- C Coach the supervisor to have a conversation with the employee privately
- D Require that the employee complete a drug test before any conversation occurs
- 46 A long-tenured and valued employee has recently been coming to work late, calling in sick on Mondays, and his/her overall appearance is messy and disheveled. He/she has also been behaving strangely and getting agitated more easily than usual. After a private conversation, the employee discloses that he/she is struggling with substance abuse. What should HR communicate first?
- A Offer the employee Family and Medical Leave Act (FMLA) protected leave to enroll and attend a rehab program.
- B Explain that despite the substance abuse problem, he/she will be held to the same performance standards as any other employee
- C Your company has a zero-tolerance policy, so his/her employment should be terminated immediately
- D As an active drug addict, he/she is protected under the American Disabilities Act, so work with him/her to find a reasonable accommodation to help him/her get clean
- 47 What happens if an employee on leave submits a medical certification and human resources questions the validity of diagnosis and the professional's credentials?
- A HR may require a second opinion from another health-care provider
- B HR should contact the medical professional for more information to maintain the employee's medical condition
- C HR must make the best determination of its validity based on the information provided to maintain the employee's privacy
- D HR may not contact the medical professional but should contact the employee for more information on the health condition
- 48 Which of the following steps is not considered part of the labor relations process?
- A Workers desire collective representation
- B Union begins its organizing campaign
- C Collective negotiations lead to a contract
- D Injunctions are granted against unfair practices
- 49 A provision, where permitted, of a labor agreement that requires employees to join the union as a condition of employment is called:

- A A closed shop
 - B A union shop
 - C An agency shop
 - D Union checkoff
- 50 The strongest reason to join a union appears to be
- A Favoritism shown by supervisors in promotions, shift assignments, and transfers
 - B The need to fraternize with similar employees and assert personal leadership skills
 - C Dissatisfaction with wages, benefits, and working conditions
 - D Personal preference for a union and social pressure to join
- 51 Which is a measure of internal processes in the balance scorecard framework?
- A Utilization of capital
 - B Profit and loss
 - C Employee capabilities
 - D Operational effectiveness
- 52 What is the most useful approach for attracting high-fit managerial or executive candidates when using e-recruiting?
- A The top salary and benefits package for each position
 - B A simple, universal interface that allows the candidate to see all listings at once without filters
 - C Information about the company culture, including a realistic job preview
 - D Statistical information about the proportion of candidates who are successful on the job
- 53 Which is an effective method for preventing salary compression?
- A Develop large recruiting pools
 - B Develop annual budgets and policies that limit annual salary increases
 - C Limit salary increases for employees at the top of salary ranges
 - D Encourage promotions from within the company
- 54 Companies that assign managers to foreign locations from headquarters follow what kind of international staffing policy?
- A Regiocentric
 - B Geocentric
 - C Polycentric
 - D Ethnocentric
- 55 Which of the following refers to the way organizations manage their relationships with employees as a collective group rather than individually?
- A Team setting
 - B Pro management
 - C Union negotiations
 - D Labor relations
- 56 Strikes are largely prohibited in the public sector because

- A bargaining falls within the separate jurisdiction of each state
 - B the services provided by these employees are considered essential to the well-being of the public
 - C worker satisfaction is much higher
 - D federal law provides an effective grievance system
- 57 An international company that grows and harvests sugarcane from locations throughout South America is reviewing its corporate strategy. As part of the strategy, the company provides incentives to farmers to encourage responsible harvesting of sugarcane, protect natural resources, and support long-term environmental and business performance. This is an example of:
- A Usability
 - B Productivity
 - C Profitability
 - D Sustainability
- 58 Bargaining on all matters concerning rates of pay, wages, hours of employment, and other conditions of employment falls under:
- A Permissive issues
 - B Adversarial bargaining
 - C The bargaining zone
 - D Mandatory subjects
- 59 The primary form of industrial action taken by employers is:
- A The lockout
 - B The legal injunction
 - C The legal right to hire replacement workers
 - D A work slowdown
- 60 Grievance handling is more successful:
- A In unionized businesses
 - B In non-unionized businesses
 - C When supervisors are formally trained in the terms of the labor agreement and the development of counseling skills
 - D When union stewards are selected by management
- 61 When might a company prefer to use an alternative dispute resolution as a means to address employee relations issues?
- A When there is no union contract with a mutually agreed upon grievance procedure
 - B When the company has too few employees to be covered by employment discrimination laws
 - C When the company wishes to resolve issues in a less contentious way than is typical of addressing complaints through the legal system
 - D When the company has not established a budget line item for attorney fees

- 62 Which of the following is not one of the main reasons why employers are maintaining a nonunion status?
- A Expansion of the participative management style
 - B Competitive wages and benefits being offered in nonunion settings
 - C Profit sharing plans by employers
 - D Less effort on the part of unions to organize
- 63 In the U.S., the primary determining factor in whether employees unionize is
- A the management of the organization
 - B federal government
 - C economic pressures
 - D actions by union organizers
- 64 The HR unit's responsibility with respect to unions is to
- A avoid unfair labor practices during organizing efforts
 - B monitor the climate for unionization and union relationships
 - C administer the labor agreement on a daily basis
 - D resolve grievances and problems between management and employees
- 65 The labor relations responsibilities of managers include
- A dealing with union organizing attempts at the company level
 - B helping negotiate the labor agreements
 - C monitoring the climate for unionization and union relationships
 - D administering the labor agreement on a daily basis
- 66 The HR director notices a trend of companies partnering with a not-for-profit organization. Which type of risk could the company avoid by aligning with the charity?
- A Financial
 - B Operational
 - C Strategic
 - D Legal
- 67 How might differing viewpoints, resulting from workplace diversity, impact group and organizational decision making?
- A By leading to faster decisions
 - B By increasing conflict, but leading to higher quality decisions
 - C By decreasing the likelihood of participants accepting the group's decisions
 - D By leading to participants being dissatisfied with the decision-making process
- 68 An employee of a unionized company who is elected to serve as the first-line representative of unionized workers is a (an):
- A Union organizer
 - B Member representative
 - C Union steward
 - D Business agent

- 69 Members elect representatives to interact with management. Membership may include managers and professionals as well as skilled and unskilled workers. This describes:
- A Labor union
 - B Heavy manufacturing sector
 - C Healthcare industry
 - D Communications industry
- 70 What is a characteristic of a low-context culture?
- A Words are few and there are long pauses
 - B Others are blamed for failure
 - C Time is flexible
 - D The end product is the most important
- 71 Unionized airline pilots are covered under the:
- A Wagner Act
 - B National Labor Code
 - C Airline Employment Act
 - D Railway Labor Act
- 72 What is the first step in the workforce planning process?
- A Analyze the available labor supply
 - B Identify the strategic staffing goals
 - C Forecast the organization's demands for labor
 - D Identify business strategy
- 73 The _____ Act, passed in 1947, answered the concerns of many that unions had become too strong, and attempted to balance the collective bargaining equation.
- A Norris-LaGuardia
 - B Landrum-Griffin
 - C Taft-Hartley
 - D Wagner
- 74 The purpose of right-to-work laws is to
- A encourage full employment in the economy
 - B make it illegal to force people to join a union to get or keep a job
 - C require that employers bargain in good faith with union representatives
 - D prohibit unions from organizing in a particular state
- 75 A firm that requires individuals to join a union before they can be hired is called a/an _____ shop.
- A restricted
 - B union
 - C agency
 - D closed

- 76 A/an _____ shop requires employees who refuse to join a union to pay amounts equal to union dues in return for the union's representation services
- A restricted
 - B union
 - C agency
 - D closed
- 77 What conflict management technique is the most appropriate when maintaining a good long-term relationship is very important?
- A Compromising
 - B Collaborating
 - C Avoiding
 - D Accommodating
- 78 What factor would be considered an HR organizational strength in a strengths, weaknesses, opportunities and threats analysis?
- A Market position
 - B Global expansion
 - C Technological advances
 - D Intellectual capital
- 79 Which employee recognition practice best fulfills an employee's need for self-actualization under Maslow's hierarchy of needs?
- A Career development opportunities
 - B Job-specific training
 - C Peer-to-peer recognition programs
 - D Compensation and benefits
- 80 Which principle of international labor is a global organization following by eliminating child labor in its worldwide factories?
- A Internal framework agreement
 - B Core labor standards
 - C Decent work agenda
 - D Forced labor convention

Answer Key | Practice Test

Question	Answer
1	D
2	A
3	C
4	C
5	D
6	B
7	C
8	A
9	C
10	D
11	D
12	D
13	D
14	B
15	A
16	D
17	D
18	B
19	D
20	C

Question	Answer
21	A
22	B
23	C
24	B
25	A
26	A
27	B
28	A
29	C
30	B
31	C
32	D
33	B
34	B
35	B
36	A
37	D
38	D
39	D
40	D

Question	Answer
41	B
42	A
43	C
44	C
45	C
46	B
47	A
48	D
49	B
50	C
51	D
52	C
53	D
54	D
55	D
56	B
57	D
58	D
59	A
60	C

Question	Answer
61	C
62	D
63	A
64	B
65	D
66	C
67	B
68	C
69	A
70	D
71	D
72	D
73	C
74	B
75	D
76	C
77	B
78	D
79	A
80	B



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