

Human Resource Management, 15e (Dessler)
Chapter 15 Labor Relations and Collective Bargaining

1) About _____% of people working in the United States belong to unions.

- A) 5
- B) 11
- C) 20
- D) 34

Answer: B

Explanation: B) About 14 million U.S. workers belong to unions—around 11% of the total number of men and women working in this country.

Difficulty: Easy

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

2) Costco is primarily known as "the anti-Walmart" because the firm _____.

- A) negotiates contracts with unions
- B) pays above the minimum wage
- C) offers employees health benefits
- D) refuses to accept union contracts

Answer: A

Explanation: A) Some people call Costco "The Anti-Walmart," partly because of how Costco treats its workers and unions. When California grocery store workers picketed several chains a few years ago, "Costco Wholesale Corp. avoided the fray, quietly renegotiating a separate contract with its union employees there." In contrast, Walmart is famously anti-union.

Difficulty: Moderate

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

3) Which of the following best explains a major reason why union membership in the United States has fallen in the last 50 years?

- A) Legislation provides workers with protections that were once exclusive to unions.
- B) Union members earn less on average compared to non-union members.
- C) Union membership is too expensive for most blue-collar workers.
- D) Foreign-owned manufacturers will not hire union members.

Answer: A

Explanation: A) Union membership has fallen in the last 50 years. Reasons include the shift from manufacturing to service jobs, and new legislation (such as occupational safety laws) provides the sorts of protections that workers could once only obtain from their unions.

Difficulty: Hard

Chapter: 15

Objective: 6

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

4) Which of the following is most likely a false statement about union membership?

- A) Union members work in both blue-collar and white-collar industries.
- B) Insurance plan benefits are better for union workers than for nonunion workers.
- C) Union workers receive more holidays and unpaid leave than nonunion workers do.
- D) Employers prefer nonunion workers, so they pay them higher wages than union members.

Answer: D

Explanation: D) Recent median weekly wage for union workers was \$917, while that for nonunion workers was \$717. Union workers also generally receive significantly more holidays, sick leave, unpaid leave, insurance plan benefits, long-term disability benefits, and various other benefits than nonunion workers do. Union membership is not exclusive to blue-collar workers.

Difficulty: Hard

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

5) Which of the following best describes the closed shop form of union security?

- A) A company can hire nonunion people if they agree to join the union.
- B) Union members receive higher wages than nonunion employees.
- C) Union members receive preferential treatment in hiring.
- D) A company can hire only union members.

Answer: D

Explanation: D) Under the closed shop form of union security, the company can hire only current union members. Congress outlawed closed shops in interstate commerce in 1947, but they still exist in some states for particular industries (such as printing). They account for fewer than 5% of union contracts.

Difficulty: Moderate

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

6) The _____ form of union security means that the company can hire only union members.

- A) closed shop
- B) union shop
- C) agency shop
- D) preferential shop

Answer: A

Explanation: A) Under the closed shop form of union security, the company can hire only current union members. Congress outlawed closed shops in interstate commerce in 1947, but they still exist in some states for particular industries.

Difficulty: Easy

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

7) Which type of union security was outlawed by Congress?

- A) agency shop
- B) closed shop
- C) union shop
- D) maintenance of membership

Answer: B

Explanation: B) Under the closed shop form of union security, the company can hire only current union members. Congress outlawed closed shops in interstate commerce in 1947, but they still exist in some states for particular industries.

Difficulty: Moderate

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

8) Which type of union security accounts for almost three-fourths of union contracts?

- A) maintenance of membership
- B) closed shop
- C) union shop
- D) agency shop

Answer: C

Explanation: C) The union shop accounts for about 73% of union contracts.

Difficulty: Moderate

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

9) The _____ form of union security means that the company can hire nonunion people, but those people must join the union within a prescribed period of time and pay dues.

- A) closed shop
- B) union shop
- C) agency shop
- D) open shop

Answer: B

Explanation: B) With the union shop, the company can hire nonunion people, but they must join the union after a prescribed period and pay dues.

Difficulty: Easy

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

10) Which form of union security requires employees who do not belong to the union to pay union dues on the assumption that the union's efforts benefit all workers?

- A) union shop
- B) agency shop
- C) open shop
- D) maintenance of agreement

Answer: B

Explanation: B) With the agency shop, employees who do not belong to the union still must pay the union an amount equal to union dues on the assumption that the union's efforts benefit all the workers.

Difficulty: Easy

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

11) Which of the following best defines the preferential shop form of union security?

- A) A company can hire nonunion people, but they must then join the union.
- B) Union members must maintain membership for the contract period.
- C) Employees who do not belong to the union must still pay dues.
- D) A company gives hiring advantages to union members.

Answer: D

Explanation: D) With preferential shop, union members receive preference in hiring.

Difficulty: Moderate

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

12) With the maintenance of membership arrangement of union security, how long must union members employed by a firm maintain union membership?

- A) until the union disbands
- B) until negotiations are over
- C) for the contract period
- D) for at least one year

Answer: C

Explanation: C) With the maintenance of membership arrangement, employees do not have to belong to the union. However, union members employed by the firm must maintain membership in the union for the contract period.

Difficulty: Moderate

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

13) The term _____ describes statutory or constitutional provisions banning the requirement of union membership as a condition of employment.

- A) termination at will
- B) right to work
- C) open shop
- D) free labor

Answer: B

Explanation: B) Right to work is a term used to describe state statutory or constitutional provisions banning the requirement of union membership as a condition of employment. Right to work laws don't outlaw unions, but they do outlaw any form of union security.

Difficulty: Easy

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

14) Right to work laws inhibit union formation by _____.

- A) banning any form of union security
- B) making union membership a requirement
- C) leaving the question of union affiliation up to each company
- D) leaving the question of union security up to each company

Answer: A

Explanation: A) Right-to-work laws don't outlaw unions. They do outlaw (within those states) any form of union security. Right to work is a term used to describe state statutory or constitutional provisions banning the requirement of union membership as a condition of employment.

Difficulty: Moderate

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

15) In which human resource activity does a typical labor agreement NOT give the union a role?

- A) recruitment
- B) selection
- C) dismissal
- D) appraisals

Answer: D

Explanation: D) The typical labor agreement also gives the union a role in other human resource activities, including recruiting, selecting, compensating, promoting, training, and discharging employees. Unions typically play no role in performance appraisals.

Difficulty: Moderate

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

16) Which of the following best describes the AFL-CIO?

- A) voluntary federation of national and international labor unions
- B) local union for automobile workers in Detroit, Michigan
- C) federation of firms that fight unionization in their plants
- D) regional branch of the National Labor Relations Board

Answer: A

Explanation: A) The American Federation of Labor and Congress of Industrial Organizations (AFL-CIO) is a voluntary federation of about 57 national and international labor unions in the United States.

Difficulty: Hard

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

17) Union membership is exclusive to blue-collar workers, such as those in the construction, manufacturing, and printing industries.

Answer: FALSE

Explanation: Although many union members are blue-collar workers, unions are not exclusive to blue-collar industries. White-collar workers like doctors, psychologists, graduate teaching assistants, and government office workers belong to unions.

Difficulty: Moderate

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

18) Weekly earnings of union members are much higher than those of nonunion workers.

Answer: TRUE

Explanation: Recent median weekly wage for union workers was \$970, while that for nonunion workers was \$763.

Difficulty: Moderate

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

19) All states give unions the right to require union membership as a condition of employment.

Answer: FALSE

Explanation: Not all states give unions the right to require union membership as a condition of employment. Right to work laws in some states make such requirements illegal.

Difficulty: Moderate

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

20) Right to work refers to state statutory or constitutional provisions banning the requirement of union membership as a condition of employment.

Answer: TRUE

Explanation: Right to work is a term used to describe "state statutory or constitutional provisions banning the requirement of union membership as a condition of employment." Right-to-work laws don't outlaw unions, but they do outlaw (within those states) any form of union security.

Difficulty: Easy

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

21) Right to work legislation outlaws unions and union membership in specific states.

Answer: FALSE

Explanation: Right to work is a term used to describe "state statutory or constitutional provisions banning the requirement of union membership as a condition of employment." Right-to-work laws don't outlaw unions, but they do outlaw (within those states) any form of union security.

Difficulty: Easy

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

22) The Change to Win Coalition was formed by several large unions that left the AFL-CIO due to concerns that the AFL-CIO was not aggressively organizing workers.

Answer: TRUE

Explanation: Several years ago, six big unions left the AFL-CIO and established their own federation, called the Change to Win Coalition. Change to Win plans to be more aggressive about organizing workers than they say the AFL-CIO was.

Difficulty: Moderate

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

23) What are the major reasons why workers unionize? What are some of the benefits workers can potentially gain from unionizing?

Answer: Pay and working conditions are important factors. Recent median weekly wage for union workers was \$970, versus \$763 for nonunion workers. Union workers also generally receive more holidays, sick leave, unpaid leave, insurance plan benefits, long-term disability benefits, and other benefits—about \$14.50 per hour in benefits compared with about \$7.50 per hour for nonunion workers.

But it's not just money. The urge to unionize often comes down to the belief on the part of workers that it's only through unity that they can get their fair share of the "pie" and also protect themselves from the arbitrary whims of management. The bottom line is that low morale, fear of job loss, and poor communication (in other words, poor employee relations) also foster unionization.

Modern Survey conducted a study that measured items such as employees' interest in being represented by a union, confidence in senior management, and employee engagement. It concluded that 50% of "actively disengaged" employees would vote "yes" to unionization, while only 20% of such employees would vote "no union". It concludes that "paying attention to employee engagement levels within your organization helps to foster positive relationships between employees and management and decreases the likelihood of a workforce seeking union representation."

Gallup conduct its own surveys that complements these conclusions. For example, among the over 500 organizations in which Gallup measures employee engagement, 45% of nonunion employees were engaged, while fewer—38%—of unionized employees were engaged.

Difficulty: Hard

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

24) What is union security? Explain the five types of union security.

Answer: Union security refers to the right to represent a firm's workers and to be the exclusive bargaining agent for all employees in the unit. The five types of union security are closed shop, union shop, agency shop, preferential shop, and maintenance of membership agreement. In the closed shop form, the company can hire only union members. In the union shop form, the company can hire nonunion people, but those people must join the union after a prescribed period of time and pay dues. In the agency shop form, employees who do not belong to the union still must pay union dues on the assumption that the union's efforts benefit all the workers. In a preferential shop, union members are given hiring preference. In the final type, maintenance of membership agreement, employees do not have to belong to the union, but union members employed by the firm must maintain union membership for the period of their contract.

Difficulty: Hard

Chapter: 15

Objective: 1

AACSB: Analytical Thinking

Learning Outcome: 15.1 Give a brief history of the American labor movement.

25) In a brief essay, discuss some of the reasons for declining union membership. Do you think this is good or bad for the U.S. economy and U.S. businesses? Why?

Answer: Several things contributed to union membership decline over the past 60 or so years. Unions traditionally appealed mostly to blue-collar workers, and the proportion of blue-collar jobs has been decreasing as service-sector and white-collar service jobs have increased. Furthermore, several economic factors, including intense international competition, have put unions under further pressure. Globalization increases competition, and competition increases pressures on employers to cut costs and boost productivity. This in turn puts unions in a squeeze. Other factors pressuring employers and unions include the deregulation of trucking, airlines, and communications; outdated equipment and factories; mismanagement; new technology; and laws (such as Title VII) that somewhat substituted for and reduced the need for unions. The effect of all this has been the permanent layoff of hundreds of thousands of union members, the permanent closing of company plants, the relocation of companies to nonunion settings (either in the United States or abroad), and mergers and acquisitions that eliminated union jobs and affected collective bargaining agreements. Union membership as a percentage of people working has dropped about 2/3 over 50 years.

Difficulty: Hard

Chapter: 15

Objective: 1

AACSB: Application of Knowledge

Learning Outcome: 15.1 Give a brief history of the American labor movement.

26) Which of the following best describes a "yellow dog" contract?

- A) As a condition of employment, an employee agrees not to picket.
- B) Employers agree to give union members preference in hiring.
- C) As a condition of employment, an employee agrees to not join a union.
- D) Employers agree to abide by the guidelines of the local labor unions.

Answer: C

Explanation: C) "Yellow dog" contracts, whereby management could require nonunion membership as a condition for employment, were widely enforced until about 1930.

Difficulty: Moderate

Chapter: 15

Objective: 2

AACSB: Analytical Thinking

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

27) Prior to 1930, employers attempted to limit the influence of unions using all of the following methods EXCEPT _____.

- A) spying on workers
- B) firing union agitators
- C) requiring yellow dog contracts
- D) engaging in collective bargaining

Answer: D

Explanation: D) Until about 1930, there were no special labor laws. Employers were not required to engage in collective bargaining with employees and were virtually unrestrained in their behavior toward unions; the use of spies and firing of union agitators were widespread. "Yellow dog" contracts were widely enforced.

Difficulty: Moderate

Chapter: 15

Objective: 2

AACSB: Analytical Thinking

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

28) Which of the following guaranteed each employee the right to bargain collectively without interference, restraint, or coercion?

- A) National Labor Relations Act
- B) Norris-LaGuardia Act
- C) Davis-Bacon Act
- D) Taft-Hartley Act

Answer: B

Explanation: B) The Norris-LaGuardia Act of 1932 guaranteed to each employee the right to bargain collectively "free from interference, restraint, or coercion." The National Labor Relations Act added on to Norris-LaGuardia by banning certain unfair labor practices.

Difficulty: Moderate

Chapter: 15

Objective: 2

AACSB: Analytical Thinking

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

29) Which of the following bans five unfair labor practices and provides for majority rule and secret ballot elections?

- A) Landrum-Griffin Act
- B) Norris-LaGuardia Act
- C) Taft-Hartley Act
- D) Wagner Act

Answer: D

Explanation: D) Congress passed the National Labor Relations (or Wagner) Act to add teeth to Norris-LaGuardia. It did this by banning certain unfair labor practices and by providing for secret-ballot elections and majority rule for determining whether a firm's employees would unionize.

Difficulty: Moderate

Chapter: 15

Objective: 2

AACSB: Analytical Thinking

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

30) Which of the following was established by the Wagner Act?

- A) Labor Management Relations Board
- B) National Labor Relations Board
- C) Knights of Labor
- D) AFL-CIO

Answer: B

Explanation: B) The Wagner Act created the National Labor Relations Board to enforce the provisions of the act.

Difficulty: Easy

Chapter: 15

Objective: 2

AACSB: Analytical Thinking

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

31) Which of the following was passed in 1935 to amend the Norris -LaGuardia Act?

- A) Taft-Hartley Act
- B) New Deal Act
- C) Wagner Act
- D) Landrum-Griffin Act

Answer: C

Explanation: C) In 1935, Congress passed the National Labor Relations (or Wagner) Act to add teeth to Norris-LaGuardia. It did this by (1) banning certain unfair labor practices, (2) providing for secret-ballot elections and majority rule for determining whether a firm's employees would unionize, and (3) creating the National Labor Relations Board.

Difficulty: Moderate

Chapter: 15

Objective: 2

AACSB: Analytical Thinking

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

32) Which of the following best describes a main purpose of the Wagner Act?

- A) guaranteeing each employee the right to bargain collectively free from interference and coercion
- B) banning unions from preventing employees from exercising their guaranteed bargaining rights
- C) allowing secret-ballot elections for determining whether a firm's employees would unionize
- D) making it illegal for a union to refuse to bargain in good faith with the employer

Answer: C

Explanation: C) In 1935, Congress passed the National Labor Relations (or Wagner) Act to add teeth to Norris-LaGuardia. It did this by (1) banning certain unfair labor practices, (2) providing for secret-ballot elections and majority rule for determining whether a firm's employees would unionize, and (3) creating the National Labor Relations Board.

Difficulty: Moderate

Chapter: 15

Objective: 2

AACSB: Analytical Thinking

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

33) The National Labor Relations Board was primarily established for the purpose of _____.

- A) establishing branches in right-to-work states
- B) negotiating contracts on behalf of local unions
- C) investigating unfair labor practice charges
- D) overseeing the establishment of local unions

Answer: C

Explanation: C) The National Labor Relations Board (NLRB) was created by the Wagner Act to investigate unfair labor practice charges and to provide for secret-ballot elections and majority rule in determining whether or not a firm's employees want a union.

Difficulty: Moderate

Chapter: 15

Objective: 2

AACSB: Analytical Thinking

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

34) Which of the following was NOT designated an unfair labor practice by the Wagner Act?

- A) bribing employees
- B) using company spy systems
- C) requiring yellow dog contracts
- D) moving businesses to avoid unionization

Answer: C

Explanation: C) Yellow-dog contracts were deemed unenforceable under the Norris-LaGuardia Act. The Wagner Act deemed it unfair to bribe employees, use company spy systems, move a business to avoid unionization, and black-list union sympathizers.

Difficulty: Hard

Chapter: 15

Objective: 2

AACSB: Analytical Thinking

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

35) Which of the following is the most likely reason for the passage of the Taft-Hartley Act?

- A) high unemployment rates
- B) significant economic boom
- C) major shifts in the workforce
- D) numerous union strikes

Answer: D

Explanation: D) Largely because of a series of massive postwar strikes, public policy began to shift against what many viewed as union excesses. Passage of the Taft-Hartley Act occurred to limit the power of unions.

Difficulty: Moderate

Chapter: 15

Objective: 2

AACSB: Analytical Thinking

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

36) The Taft-Hartley Act amended the Wagner Act in all of the following ways EXCEPT by _____.

- A) prohibiting unfair labor practices
- B) enumerating the rights of employers
- C) limiting the power of the National Labor Review Board
- D) allowing the U.S. President to bar national emergency strikes

Answer: C

Explanation: C) The Taft-Hartley Act did not alter the power of the NLRB. The law prohibited unfair labor practices, enumerated the rights of employers and employees, and allowed the President to bar national emergency strikes on a temporary basis.

Difficulty: Hard

Chapter: 15

Objective: 2

AACSB: Analytical Thinking

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

37) Which of the following terms refers to an unfair labor practice in which a union requires an employer to pay an employee for services not performed?

- A) coercing
- B) padding
- C) ballooning
- D) featherbedding

Answer: D

Explanation: D) It is an unfair labor practice for a union to engage in featherbedding.

Featherbedding involves requiring an employer to pay an employee for services not performed.

Difficulty: Easy

Chapter: 15

Objective: 2

AACSB: Analytical Thinking

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

- 38) The Taft-Hartley Act prohibits all of the following union labor practices EXCEPT _____.
- A) forcing an employer to fire a worker for failing to attend union meetings
 - B) refusing to bargain in good faith with an employer about wages and hours
 - C) restraining or coercing employees from exercising their guaranteed bargaining rights
 - D) demanding an employer fire a worker who fails to pay union dues in a closed shop

Answer: D

Explanation: D) Where a closed or union shop prevails (and union membership is therefore a prerequisite to employment), the union may demand the discharge of someone who fails to pay his or her initiation fees and dues. The other actions are considered unfair union labor practices under the Taft-Hartley Act.

Difficulty: Hard

Chapter: 15

Objective: 2

AACSB: Analytical Thinking

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

- 39) You are a manager at a manufacturing facility, and you tell your subordinates that unions are dangerous to the economy. Which law protects your right to express these views?

- A) Wagner Act
- B) Taft-Hartley Act
- C) Norris-LaGuardia Act
- D) Landrum-Griffin Act

Answer: B

Explanation: B) The Taft-Hartley Act explicitly gave employers certain rights, such as expressing their views concerning union organization.

Difficulty: Moderate

Chapter: 15

Objective: 2

AACSB: Application of Knowledge

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

40) Which law sought to protect union members from possible wrongdoing on the part of their unions?

- A) Norris-LaGuardia Act
- B) Taft-Hartley Act
- C) Wagner Act
- D) Landrum-Griffin Act

Answer: D

Explanation: D) The Landrum-Griffin Act of 1959 was intended to protect union members from possible wrongdoing on the part of their unions.

Difficulty: Moderate

Chapter: 15

Objective: 2

AACSB: Analytical Thinking

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

41) According to the Landrum-Griffin Act, national and international unions must elect officers at least once every _____ years.

- A) two
- B) three
- C) four
- D) five

Answer: D

Explanation: D) The Landrum-Griffin Act laid out rules regarding union elections. For example, national and international unions must elect officers at least once every five years, using some type of secret-ballot mechanism.

Difficulty: Easy

Chapter: 15

Objective: 2

AACSB: Analytical Thinking

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

42) The Taft-Hartley Act amended the National Labor Relations Act by prohibiting unfair union labor practices and specifying the rights of both employers and employees.

Answer: TRUE

Explanation: The Taft-Hartley Act of 1947 reflected the public's less enthusiastic attitude toward unions. It amended the National Labor Relations Act by limiting unions in four ways: (1) prohibiting unfair union labor practices, (2) enumerating the rights of employees as union members, (3) enumerating the rights of employers, and (4) allowing the President of the United States to bar temporarily national emergency strikes.

Difficulty: Easy

Chapter: 15

Objective: 2

AACSB: Analytical Thinking

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

43) The Landrum-Griffin Act of 1932 encouraged union activity by guaranteeing each employee the right to bargain collectively without interference, restraint, or coercion.

Answer: FALSE

Explanation: The Norris-LaGuardia Act of 1932 guaranteed to each employee the right to bargain collectively "free from interference, restraint, or coercion." The Landrum-Griffin Act of 1959 protected union members from possible wrongdoing on the part of their unions.

Difficulty: Easy

Chapter: 15

Objective: 2

AACSB: Analytical Thinking

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

44) How did labor laws affect employers and employees in the post-Depression United States? What specific laws significantly affected U.S. unions?

Answer: Until about 1930, there were no special labor laws. Employers were not required to engage in collective bargaining with employees and were virtually unrestrained in their behavior toward unions; the use of spies and firing of union agitators were widespread. "Yellow dog" contracts, whereby management could require nonunion membership as a condition for employment, were widely enforced. Most union weapons—even strikes—were illegal. This one-sided situation lasted until the Great Depression (around 1930). The Norris-LaGuardia Act of 1932 set the stage for a new era in which union activity was encouraged. It guaranteed to each employee the right to bargain collectively "free from interference, restraint, or coercion." It limited the courts' abilities to issue injunctions (stop orders) for activities such as peaceful picketing and payment of strike benefits. In 1935, Congress passed the National Labor Relations (or Wagner) Act to add teeth to Norris-LaGuardia. It did this by (1) banning certain unfair labor practices, (2) providing for secret-ballot elections and majority rule for determining whether a firm's employees would unionize, and (3) creating the National Labor Relations Board (NLRB) to enforce these two provisions.

Difficulty: Hard

Chapter: 15

Objective: 2

AACSB: Analytical Thinking

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

45) What are the five unfair employer labor practices that the Wagner Act deemed unfair and considered "statutory wrongs"?

Answer:

- It is unfair for employers to interfere with, restrain, or coerce employees in exercising their legally sanctioned right of self-organization.
- It is unfair practice for company representatives to dominate or interfere with either the formation or the administration of labor unions. This includes the use of bribing employees, using company spies, moving a business to avoid unionization, and blacklisting union sympathizers.
- Employers are prohibited from discriminating in any way against employees for their legal union activities.
- Employers are forbidden to discharge or discriminate against employees simply because the latter file unfair practice charges against the company.
- It is an unfair labor practice for employers to refuse to bargain collectively with their employees' duly chosen representatives.

Difficulty: Hard

Chapter: 15

Objective: 2

AACSB: Analytical Thinking

Learning Outcome: 15.2 Discuss the main features of at least three major pieces of labor legislation.

46) What is the first step in the union drive process?

- A) obtaining authorization cards from employees
- B) making initial contact with employees
- C) holding an initial organization hearing
- D) campaigning for employee votes

Answer: B

Explanation: B) During the initial contact stage, the union determines the employees' interest in organizing and establishes an organizing committee. The initiative for the first contact between the employees and the union may come from the employees, from a union already representing other employees of the firm, or from a union representing workers elsewhere. Obtaining authorization cards, holding hearings, and campaigning for election votes occur later in the process.

Difficulty: Moderate

Chapter: 15

Objective: 3

AACSB: Analytical Thinking

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

47) Which of the following is a union organizing tactic by which union members are placed on nonunion job sites?

- A) featherbedding
- B) union salting
- C) logrolling
- D) picketing

Answer: B

Explanation: B) The National Labor Relations Board defines union salting as "placing of union members on nonunion job sites for the purpose of organizing."

Difficulty: Easy

Chapter: 15

Objective: 3

AACSB: Analytical Thinking

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

48) What percentage of eligible employees in a bargaining unit must sign authorization cards in order for the union to petition the NLRB for an election?

- A) 20
- B) 30
- C) 40
- D) 50

Answer: B

Explanation: B) Thirty percent of the eligible employees in an appropriate bargaining unit must sign before the union can petition the NLRB for an election.

Difficulty: Easy

Chapter: 15

Objective: 3

AACSB: Analytical Thinking

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

49) Union authorization cards serve all of the following functions EXCEPT _____.

- A) subjecting the employee to union rules
- B) stating that the employee has applied for membership
- C) enabling employers to modify employment conditions
- D) designating the union as a bargaining representative

Answer: C

Explanation: C) Union authorization cards authorize the union to seek a representation election and designate the union as a bargaining representative. They state that the employee has applied to join the union and is subject to union rules. The cards do not permit employers to modify employment conditions.

Difficulty: Hard

Chapter: 15

Objective: 3

AACSB: Analytical Thinking

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

50) Hyper-Tech Enterprises manufactures mechanical parts used in air conditioning and heating units. The company employs over 300 workers at its Alabama facility. None of the Hyper-Tech employees belong to a union; however, management believes that unionization is in the near future. A representative of a local union has recently visited Hyper-Tech in an attempt to solicit members and have them sign authorization cards. Enough eligible employees have signed authorization cards to petition the NLRB for an election. Hyper-Tech's top executives are considering fighting the unionization efforts.

Which of the following questions is LEAST relevant to the decision by Hyper-Tech to fight unionization efforts?

- A) How many Hyper-Tech employees were hired within the last year?
- B) What percentage of Hyper-Tech employees signed authorization cards?
- C) What is the opinion of Hyper-Tech's shareholders and creditors regarding unionization?
- D) What are the laws regarding what Hyper-Tech managers can and cannot do during a campaign?

Answer: A

Explanation: A) The number of newly hired employees is least relevant to the firm's decision to fight unionization. The number of employees who have signed authorization cards, the opinion of stakeholders, and labor laws are more relevant to the decision.

Difficulty: Hard

Chapter: 15

Objective: 3

AACSB: Application of Knowledge

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

51) Hyper-Tech Enterprises manufactures mechanical parts used in air conditioning and heating units. The company employs over 300 workers at its Alabama facility. None of the Hyper-Tech employees belong to a union; however, management believes that unionization is in the near future. A representative of a local union has recently visited Hyper-Tech in an attempt to solicit members and have them sign authorization cards. Enough eligible employees have signed authorization cards to petition the NLRB for an election. Hyper-Tech's top executives are considering fighting the unionization efforts.

Which of the following, if true, best supports the argument that Hyper-Tech should contest the union's right to an election?

- A) Managers believe that they may have inadvertently hired union salts, who most likely instigated the unionization movement at Hyper-Tech.
- B) The process outlined at Hyper-Tech for filing employee grievances differs from the grievance procedures at other firms in the same industry.
- C) Hyper-Tech management believes that if employees are provided with additional information from the firm that they will revoke their authorization cards.
- D) Hyper-Tech managers will soon be conducting annual employee performance appraisals and determining what salary adjustments to make.

Answer: C

Explanation: C) If Hyper-Tech wants to contest the union's right, it can insist on a hearing to determine those issues. An employer's decision about whether to insist on a hearing is a strategic one. Management bases it on the facts of each case and on whether it feels it needs more time to try to persuade employees not to elect a union.

Difficulty: Hard

Chapter: 15

Objective: 3

AACSB: Application of Knowledge

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

52) Which of the following terms refers to the group of employees the union will be authorized to represent?

- A) bargaining unit
- B) mediating group
- C) negotiating team
- D) grievance committee

Answer: A

Explanation: A) The bargaining unit is the group of employees that the union will be authorized to represent and bargain for collectively. If the entire organization is the bargaining unit, the union will represent all nonsupervisory, nonmanagerial, and nonconfidential employees, even though the union may be oriented mostly toward blue-collar workers.

Difficulty: Moderate

Chapter: 15

Objective: 3

AACSB: Analytical Thinking

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

53) The union becomes the employees' representative if it receives _____.

- A) a majority of the votes cast by the bargaining unit
- B) signed authorization cards from 30% of employees
- C) written approval from the employer
- D) a majority of the votes cast

Answer: D

Explanation: D) The union becomes the employees' representative if it wins the election, and winning means getting a majority of the votes cast, not a majority of the total workers in the bargaining unit.

Difficulty: Moderate

Chapter: 15

Objective: 3

AACSB: Analytical Thinking

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

54) Which of the following situations would most likely improve a union's chances of winning a certification election at Apex Enterprises?

- A) geographic area with low percentage of union workers
- B) high unemployment in the geographic area
- C) a large portion of workers voting
- D) small bargaining units

Answer: D

Explanation: D) Unions have a higher probability of success in geographic areas with a higher percentage of union workers. High unemployment seems to lead to poorer results for the union. The larger the bargaining unit, the smaller the probability of union victory. The more workers vote, the less likely a union victory.

Difficulty: Hard

Chapter: 15

Objective: 3

AACSB: Application of Knowledge

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

55) All of the following increase the likelihood that an employer will lose an NLRB election EXCEPT _____.

- A) focusing primarily on wage and benefits issues
- B) appointing a committee to manage the campaign
- C) distributing employee need and attitude surveys
- D) delegating personnel relations issues to plant managers

Answer: C

Explanation: C) Employers tend to lose elections when they focus too much on wages and benefits, appoint uninformed committees to manage campaigns, and delegate union issues. Employers are more likely to win if they address the attitudes and concerns of all workers by sending out surveys and responding to their needs.

Difficulty: Hard

Chapter: 15

Objective: 3

AACSB: Analytical Thinking

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

56) Hyper-Tech Enterprises manufactures mechanical parts used in air conditioning and heating units. The company employs over 300 workers at its Alabama facility. None of the Hyper-Tech employees belong to a union; however, management believes that unionization is in the near future. A representative of a local union has recently visited Hyper-Tech in an attempt to solicit members and have them sign authorization cards. Enough eligible employees have signed authorization cards to petition the NLRB for an election. Hyper-Tech's top executives are considering fighting the unionization efforts.

Which of the following, if true, best supports the suggestion that Hyper-Tech will lose an NLRB election?

- A) Hyper-Tech recently distributed employee surveys that indicated overall job satisfaction.
- B) Hyper-Tech executives have decided that a committee should manage the campaign.
- C) Hyper-Tech managers have been told to share their opinions about unions with subordinates.
- D) Hyper-Tech managers have been told to avoid making promises to their subordinates.

Answer: B

Explanation: B) Forming a committee to manage a campaign is usually detrimental to firms because of the slow nature of committees in making decisions. Experts suggest giving full responsibility to a single, decisive executive. Sharing opinions about unions is acceptable.

Difficulty: Hard

Chapter: 15

Objective: 3

AACSB: Application of Knowledge

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

57) Hyper-Tech Enterprises manufactures mechanical parts used in air conditioning and heating units. The company employs over 300 workers at its Alabama facility. None of the Hyper-Tech employees belong to a union; however, management believes that unionization is in the near future. A representative of a local union has recently visited Hyper-Tech in an attempt to solicit members and have them sign authorization cards. Enough eligible employees have signed authorization cards to petition the NLRB for an election. Hyper-Tech's top executives are considering fighting the unionization efforts.

Which of the following, if true, supports the argument by the NLRB that Hyper-Tech has conducted unfair labor practices?

- A) Hyper-Tech managers prohibited union representatives from soliciting employees who were on duty.
- B) Hyper-Tech managers intervened when pro-union employees solicited other employees while both were on duty.
- C) Hyper-Tech managers barred nonemployee union representatives from entering the firm's building.
- D) Hyper-Tech managers prohibited distribution of union literature in the company cafeteria.

Answer: D

Explanation: D) The NLRB has ruled that the act of prohibiting distribution of the literature is an unfair labor practice. Most employers can bar nonemployees from the building's interiors and work areas as a right of private property owners.

Difficulty: Hard

Chapter: 15

Objective: 3

AACSB: Application of Knowledge

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

58) _____ is the process of legally terminating a union's right to represent employees.

- A) Union salting
- B) Featherbedding
- C) Decertification
- D) Collective bargaining

Answer: C

Explanation: C) The same law that grants employees the right to unionize also gives them a way to terminate legally their union's right to represent them. The process is called decertification.

Difficulty: Easy

Chapter: 15

Objective: 3

AACSB: Analytical Thinking

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

59) It is legal for union organizers to solicit employees for membership as long as the effort does not endanger the performance or safety of the employees.

Answer: TRUE

Explanation: The union must follow certain rules when it starts contacting employees. The law allows organizers to solicit employees for membership as long as the effort doesn't endanger the performance or safety of the employees.

Difficulty: Moderate

Chapter: 15

Objective: 3

AACSB: Analytical Thinking

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

60) It is acceptable for an employer to refuse to hire union members even if they are qualified for the position because they might be union salts.

Answer: FALSE

Explanation: Managers need to know who they are hiring. However, not hiring someone simply because, as a member of the local union, he or she might be pro-union or a union salt would be discriminatory.

Difficulty: Moderate

Chapter: 15

Objective: 3

AACSB: Analytical Thinking

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

61) As a manager, you are legally prohibited from discussing union membership with employees and from distributing information regarding how employees can revoke their cards.

Answer: FALSE

Explanation: The NLRB ruled an employer might lawfully inform employees of their right to revoke their authorization cards, even when employees have not asked for such information. The employer can also distribute pamphlets that explain just how employees can revoke their cards.

Difficulty: Moderate

Chapter: 15

Objective: 3

AACSB: Analytical Thinking

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

62) Most employers decide to contest the union's right to represent their employees.

Answer: TRUE

Explanation: Most companies do contest the union's right to represent their employees, claiming that a significant number of them don't really want the union.

Difficulty: Easy

Chapter: 15

Objective: 3

AACSB: Analytical Thinking

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

63) In the majority of NLRB elections, the employer loses because top management fails to focus enough attention on money and benefits.

Answer: FALSE

Explanation: In 54% of the elections studied, the company lost because top management concentrated on the wrong issues: money and benefits. Experts claim that employees may want more money, but quite often, if they feel the company treats them fairly, decently, and honestly, they are satisfied with reasonable, competitive rates and benefits.

Difficulty: Moderate

Chapter: 15

Objective: 3

AACSB: Analytical Thinking

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

64) A union campaign during an NLRB election will usually focus on issues such as respect, dignity, and fairness, in addition to job security.

Answer: TRUE

Explanation: There will be an emphasis during the organizing campaign on issues such as respect, dignity, and fairness, not just traditional bread-and-butter issues like wages, benefits, and job security.

Difficulty: Moderate

Chapter: 15

Objective: 3

AACSB: Analytical Thinking

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

65) During an NLRB election, HR managers should help their firm by becoming closely involved in the details of the election.

Answer: FALSE

Explanation: Avoid becoming involved—in any way—in the details of the union's election or campaign, and don't give financial aid or any support to any unions. Any one of these practices may result in a finding of "unfair labor practices," which may in turn result in recognition of a union without an election, as well as fines for your company.

Difficulty: Moderate

Chapter: 15

Objective: 3

AACSB: Analytical Thinking

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

66) Decertification campaigns to end union representation are in principle very similar to the initial certification campaign that brought the union into power.

Answer: TRUE

Explanation: Decertification campaigns don't differ much from certification campaigns.

Difficulty: Moderate

Chapter: 15

Objective: 3

AACSB: Analytical Thinking

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

67) What are the ways that an employer can lose an NLRB election?

Answer: According to Matthew Goodfellow, there are some sure ways an employer can lose an election:

- Asleep at the switch—executives being unaware of important issues among the workforce and growing union sentiment among the workforce.
- Appointing a committee—employer forming a committee to manage the union election campaign. The problems here are that (1) promptness is essential in an election situation and committees are slow (2) most committee members are NLRB neophytes, whose views reflect hope rather than experience (3) a committee's decision is usually a compromise decision, not necessarily the most effective one.
- Concentrating on money and benefit—employees may want more money, but quite often, if they feel the company treats them fairly, decently, and honestly, they are satisfied with reasonable, competitive rates and benefits. It is only when they feel ignored, uncared for, and disregarded that money becomes a major issue to express their dissatisfaction.
- Delegating too much to divisions—for companies with plants scattered around the country, unionizing one or more plants tends to lead to unionizing others. Dealing effectively with unions—monitoring employee's attitudes, reacting properly when the union appears, and so on—generally requires centralized guidance from the main office and its human resources staff.

Difficulty: Hard

Chapter: 15

Objective: 3

AACSB: Analytical Thinking

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

68) List and describe the five steps involved in planning a union drive and election.

Answer: The five basic steps include 1) make initial contact, 2) obtain authorization cards, 3) hold a hearing, 4) hold a campaign, and 5) hold an election.

In the initial contact stage, the union determines the employees' interest in organizing and establishes an organizing committee. In step two, the union organizers try to get the employees to sign authorization cards to authorize the union to seek a representation election and state that the employee has applied to join the union. Thirty percent of the eligible employees in an appropriate bargaining unit must sign before the union can petition the National Labor Review Board for an election.

Once the union collects the authorization cards, it enters the third stage. In this stage, three things can occur. First, the employer may choose not to contest union recognition and the parties need no hearing. A special consent election is held. Second, the employer may choose to recognize the union's right to an election and the parties can immediately stipulate an election. Third, the employer may choose to contest the union's right and insist on a hearing to determine those issues. If a hearing is held and the results of the hearing are favorable for the union, the NLRB will order holding an election. In the fourth stage, a campaign will be held for the respective employer and union to appeal to employees for their votes. The election is held within 30-60 days after the NLRB issues its Decision and Direction of Election. The election is by secret ballot. The union wins if it gets a majority of the votes cast.

Difficulty: Hard

Chapter: 15

Objective: 3

AACSB: Analytical Thinking

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

69) You are a supervisor at a large manufacturing firm. What should and shouldn't you do during organizing and preelection campaigns?

Answer: Supervisors are an employer's first line of defense in the unionizing effort. They are often in the best position to sense employee attitude problems and to discover the first signs of union activity. However, supervisors can also inadvertently undermine their employer's union efforts. Supervisory unfair labor practices could then (1) cause the NLRB to hold a new election after your company has won a previous election, or (2) cause your company to forfeit the second election and go directly to contract negotiation.

Supervisors can use the acronym TIPS to remember what not to do during the campaigns. Do not Threaten, Interrogate, make Promises to, or Spy on employees (for instance, do not threaten that you will close or move the business, cut wages, reduce overtime, or lay off employees). FORE outlines what you may do. You may give employees Facts (like what signing the authorization card means), express your Opinion about unions, explain factually correct Rules (such as that the law permits permanently replacing striking employees), and share your Experiences about unions. The Know Your Employment Law feature expands on this.

Difficulty: Hard

Chapter: 15

Objective: 3

AACSB: Application of Knowledge

Learning Outcome: 15.3 Present examples of what to expect during the union drive and election.

70) When representatives of Ford's management and the autoworkers' union meet to negotiate a labor agreement, which of the following is most likely occurring?

A) certification

B) union salting

C) featherbedding

D) collective bargaining

Answer: D

Explanation: D) Collective bargaining is the process through which representatives of management and the union meet to negotiate a labor agreement.

Difficulty: Moderate

Chapter: 15

Objective: 4

AACSB: Application of Knowledge

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

71) Which of the following is a characteristic of good faith bargaining?

- A) overlooking bargaining items
- B) making counterproposals
- C) bypassing the union representative
- D) imposing unreasonable conditions

Answer: B

Explanation: B) Good faith bargaining is characterized by both parties making every reasonable effort to arrive at an agreement. Proposals are matched with counterproposals in good faith bargaining. Overlooking bargaining items, bypassing union representatives, and imposing unreasonable conditions are actions indicating that bargaining is not in good faith.

Difficulty: Moderate

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

72) Which of the following terms refers to items in collective bargaining over which bargaining is neither illegal nor mandatory?

- A) group bargaining items
- B) permissible bargaining items
- C) conditional bargaining items
- D) benefits-related bargaining items

Answer: B

Explanation: B) Voluntary (or permissible) bargaining items are neither mandatory nor illegal; they become a part of negotiations only through the joint agreement of both management and union. Neither party can compel the other to negotiate over voluntary items.

Difficulty: Moderate

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

73) All of the following are examples of mandatory bargaining items EXCEPT _____.

- A) employee security
- B) profit-sharing plans
- C) indemnity bonds
- D) employee drug testing

Answer: C

Explanation: C) Mandatory bargaining items are items in collective bargaining that a party must bargain over if they are introduced by the other party, such as wages, hours, rest periods, layoffs, transfers, benefits, drug testing and severance pay. Voluntary bargaining items, which are neither mandatory nor illegal, such as indemnity bonds, become a part of negotiations only through the joint agreement of both management and union.

Difficulty: Moderate

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

74) All of the following are examples of permissible bargaining items EXCEPT _____.

- A) cafeteria prices
- B) severance pay
- C) scope of bargaining unit
- D) pension benefits for retired employees

Answer: B

Explanation: B) Mandatory bargaining items are items in collective bargaining that a party must bargain over if they are introduced by the other party, such as severance pay. Permissible bargaining items become a part of negotiations only through the joint agreement of both management and union. Cafeteria prices, the scope of the bargaining unit, and pension benefits are permissible bargaining items.

Difficulty: Moderate

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

75) Which of the following is an illegal bargaining item?

- A) membership of bargaining team
- B) discriminatory treatment
- C) continuance of past contract
- D) employment of strikebreaker

Answer: B

Explanation: B) Illegal bargaining items are items in collective bargaining that are forbidden by law, such as discriminatory treatment. Bargaining team membership, contract continuances, and strikebreaker employment are permissible items.

Difficulty: Moderate

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

76) Managers from Ford and representatives from United Auto Workers are in the first stage of collective bargaining over benefits and wages. Which of the following is most likely occurring?

- A) Subcommittees are forming to create alternatives.
- B) Each side is trading some of its demands.
- C) Each side is checking terms with superiors.
- D) Each side is presenting its demands.

Answer: D

Explanation: D) In the first stage of bargaining, each side presents its demands. At this stage, both parties are usually quite far apart on some issues.

Difficulty: Hard

Chapter: 15

Objective: 4

AACSB: Application of Knowledge

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

77) Which of the following terms refers to a collective bargaining situation that occurs when the parties are not able to move further toward settlement?

- A) impasse
- B) picketing
- C) arbitration
- D) wildcat strike

Answer: A

Explanation: A) In collective bargaining, an impasse occurs when the parties are not able to move further toward settlement. An impasse usually occurs because one party is demanding more than the other will offer.

Difficulty: Easy

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

78) Negotiators use all of the following types of third-party interventions to overcome an impasse EXCEPT _____.

- A) binding arbitration
- B) mediation
- C) fact finding
- D) picketing

Answer: D

Explanation: D) Negotiators use three types of third-party interventions to overcome an impasse: mediation, fact finding, and arbitration. Picketing is not a third-party intervention method.

Difficulty: Moderate

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

79) Which third-party intervention uses a neutral third party to assist the principals in reaching agreement?

- A) fact finding
- B) mediation
- C) binding arbitration
- D) non-binding arbitration

Answer: B

Explanation: B) With mediation, a neutral third party tries to assist the principals in reaching agreement.

The mediator usually holds meetings with each party to determine where each stands regarding its position and then uses this information to find common ground for further bargaining.

Difficulty: Easy

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

80) Which intervention method listed below is the most definitive of all third-party interventions?

- A) fact finding
- B) mediation
- C) binding arbitration
- D) picketing

Answer: C

Explanation: C) Binding arbitration is the most definitive type of third-party intervention, because the arbitrator often has the power to determine and dictate the settlement terms. Unlike mediation and fact finding, arbitration can guarantee a solution to an impasse.

Difficulty: Moderate

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

81) Fact finding seeks to end an impasse by _____.

- A) assisting the principals in reaching an agreement
- B) studying the issues and making a public recommendation
- C) interpreting and analyzing existing contract terms
- D) communicating assessments of the likelihood of a strike

Answer: B

Explanation: B) A fact finder is a neutral party who studies the issues in a dispute and makes a public recommendation for a reasonable settlement.

Difficulty: Moderate

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

82) The National Air Traffic Controllers Association and the Federal Aviation Administration have reached an impasse during collective bargaining. Which of the following will most likely be used to reach a settlement?

- A) fact finding
- B) mediation
- C) binding arbitration
- D) non-binding arbitration

Answer: A

Explanation: A) Presidential emergency fact-finding boards have successfully resolved impasses in certain critical transportation disputes. Mediation and arbitration are less likely to be used during this national emergency strike.

Difficulty: Hard

Chapter: 15

Objective: 4

AACSB: Application of Knowledge

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

83) Which of the following terms refers to a strike that takes place when one union strikes in support of another union?

- A) wildcat strike
- B) economic strike
- C) bargaining strike
- D) sympathy strike

Answer: D

Explanation: D) A sympathy strike occurs when one union strikes in support of the strike of another union.

Difficulty: Easy

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

84) A strike that results from a failure to agree on the terms of a contract, such as wages and benefits, is known as a(n) _____ strike.

- A) wildcat
- B) economic
- C) sympathy
- D) unfair labor practices

Answer: B

Explanation: B) An economic strike results from a failure to agree on the terms of a contract. Unions call unfair labor practice strikes to protest illegal conduct by the employer. A wildcat strike is an unauthorized strike occurring during the term of a contract.

Difficulty: Easy

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

85) Employers dealing with an unfair labor practice strike can use all of the following responses EXCEPT _____.

- A) shutting down the affected area until the strike ends
- B) continuing operations with supervisors filling in
- C) hiring temporary replacement workers
- D) hiring permanent replacement workers

Answer: D

Explanation: D) Employers cannot permanently replace strikers who are protesting unfair labor practices. Shutting down affected areas, having managers fill in, and hiring temporary workers are options in such a situation.

Difficulty: Hard

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

86) Union tactics designed to impede or disrupt production by encouraging employees to slow the pace of work, refuse to work overtime, and participate in sick-outs are called _____.

- A) inside games
- B) lockouts
- C) injunctions
- D) strikes

Answer: A

Explanation: A) Inside games are union efforts to convince employees to impede or to disrupt production, such as by slowing the work pace, refusing to work overtime. Inside games are basically strikes in which the company continues to pay the employees.

Difficulty: Easy

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

87) Manning Enterprises is experiencing an impasse between management and labor. As a result, the union has made an organized effort to pressure Manning by picketing the homes of corporate directors and boycotting the firm's bank. Which of the following terms best describes the actions of Manning's union members?

- A) wildcat strike
- B) inside games
- C) corporate campaign
- D) employee lockout

Answer: C

Explanation: C) Management and labor each have other weapons to break an impasse and achieve their aims. The union, for example, may resort to a corporate campaign. A corporate campaign is an organized effort by the union that exerts pressure on the employer by pressuring the company's other unions, shareholders, corporate directors, customers, creditors, and government agencies.

Difficulty: Moderate

Chapter: 15

Objective: 4

AACSB: Application of Knowledge

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

88) Smithson management has refused to provide union workers with work shifts as a result of reaching an impasse during collective bargaining. Which of the following best describes Smithson's actions?

- A) lockout
- B) inside games
- C) illegal negotiation
- D) corporate campaign

Answer: A

Explanation: A) Employers can try to break an impasse with lockouts. A lockout is a refusal by the employer to provide opportunities to work. It (sometimes literally) locks out employees and prohibits them from doing their jobs (and being paid).

Difficulty: Moderate

Chapter: 15

Objective: 4

AACSB: Application of Knowledge

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

89) What is the primary purpose of picketing?

- A) informing the public about a labor dispute
- B) increasing the likelihood of a lockout
- C) gathering sympathy from employers
- D) encouraging union certification

Answer: A

Explanation: A) Picketing is one of the first activities to occur during a strike. The purpose is to inform the public about the labor dispute.

Difficulty: Moderate

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

90) Ignoring bargaining items is a good strategy for negotiating with labor unions while staying within the limits of good faith bargaining.

Answer: FALSE

Explanation: Ignoring bargaining items is an indication that bargaining is not in good faith. Refusal to bargain on a mandatory item or insistence on a permissive item are examples of ignoring bargaining items.

Difficulty: Moderate

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

91) One party can compel the other party to negotiate over permissible items if the employees agree to it.

Answer: FALSE

Explanation: Voluntary (or permissible) bargaining items are neither mandatory nor illegal; they become a part of negotiations only through the joint agreement of both management and union. Neither party can compel the other to negotiate over voluntary items.

Difficulty: Moderate

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

92) Mediation guarantees a solution to any impasse that may occur during collective bargaining negotiations.

Answer: FALSE

Explanation: Sometimes an impasse can be resolved through a third party—a disinterested person such as a mediator or arbitrator. If the impasse is not resolved in this way, the union may call a work stoppage, or strike, to put pressure on management.

Difficulty: Easy

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

93) A wildcat strike is an unauthorized strike that occurs during the term of a contract.

Answer: TRUE

Explanation: A wildcat strike is an unauthorized strike occurring during the term of a contract.

Difficulty: Easy

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

94) Rights arbitration centers on working out a labor agreement when one or both of the parties seeks a change in the agreement or when an agreement does not yet exist.

Answer: FALSE

Explanation: Interest arbitration centers on working out a labor agreement; the parties use it when such agreements do not yet exist or when one or both parties are seeking to change the agreement. Rights arbitration involves interpreting existing contract terms.

Difficulty: Easy

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

95) Employers can replace strikers permanently unless the strike is based on unfair labor practices.

Answer: TRUE

Explanation: Employers generally can replace strikers. However, employers cannot permanently replace strikers who are protesting unfair labor practices.

Difficulty: Hard

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

96) Union pressure on a company's shareholders, directors, and customers is known as a corporate campaign.

Answer: TRUE

Explanation: Management and labor each have other weapons to break an impasse and achieve their aims. The union, for example, may resort to a corporate campaign, which is an organized effort by the union that exerts pressure on the employer by pressuring the company's other unions, shareholders, corporate directors, customers, creditors, and government agencies.

Difficulty: Moderate

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

97) Employers and unions can seek a court injunction to compel a party or parties to resume or desist from a certain action.

Answer: TRUE

Explanation: Both employers and unions can seek an injunction from the courts if they believe the other side is taking actions that could cause irreparable harm to the other party. An injunction is a court order compelling a party or parties either to resume or to desist from a certain action.

Difficulty: Easy

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

98) What third-party interventions are available to handle an impasse during collective bargaining? Discuss each type of intervention in a brief essay.

Answer: Negotiators use three types of third party interventions to overcome an impasse: mediation, fact-finding, and arbitration. With mediation, a neutral third party tries to assist the principals in reaching an agreement. This includes holding a meeting with each party to determine their respective positions. The mediator serves as a go-between and does not have authority to dictate terms or make concessions. He or she can communicate his or her opinions as to the likelihood of a strike. A fact finder is a neutral party who studies the issues in a dispute and makes a public recommendation for a reasonable settlement. This is commonly used in national emergency disputes. Arbitration offers the arbitrator the power to determine and dictate the settlement terms. If the arbitration is binding, both parties are committed to accepting the decision of the arbitrator.

Difficulty: Hard

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

99) What are the different types of strikes? What is the purpose of picketing during a strike?

Answer: A strike is a withdrawal of labor, and there are four main types of strikes. An economic strike results from a failure to agree on the terms of a contract. Unions call unfair labor practice strikes to protest illegal conduct by the employer. A wildcat strike is an unauthorized strike occurring during the term of a contract. A sympathy strike occurs when one union strikes in support of the strike of another union. Picketing, or having employees carry signs announcing their concerns near the employer's place of business, is one of the first activities to occur during a strike. Its purpose is to inform the public about the existence of the labor dispute and often to encourage others to refrain from doing business with the struck employer.

Difficulty: Hard

Chapter: 15

Objective: 4

AACSB: Analytical Thinking

Learning Outcome: 15.4 Illustrate with examples of bargaining that is not in good faith.

100) Which of the following terms refers to the formal process for addressing any factor involving wages, hours, or conditions of employment that is used as a complaint against the employer?

- A) collective bargaining
- B) court injunction
- C) grievance procedure
- D) arbitration method

Answer: C

Explanation: C) The grievance procedure provides an orderly system whereby both employer and union determine whether some action violated the contract. The grievance process allows both parties to interpret and give meaning to various clauses, and transforms the contract into a "living organism."

Difficulty: Easy

Chapter: 15

Objective: 5

AACSB: Analytical Thinking

Learning Outcome: 15.5 Develop a grievance procedure.

101) Jeff is a manager at a paper mill. He has received a grievance from a group of employees who are union members. The grievance claims that a plant rule barring employees from eating during unscheduled breaks is arbitrary and unfair. What should Jeff most likely do?

- A) Discuss the case privately with the union steward.
- B) Agree to make informal changes to the rules.
- C) Examine the grievants' personnel records.
- D) Make special arrangements with grievants.

Answer: C

Explanation: C) It is appropriate for Jeff to review the employees' personnel files. However, discussing the issue privately with the union steward, making informal rule changes, and making special arrangements are considered inappropriate methods for handling grievances.

Difficulty: Hard

Chapter: 15

Objective: 5

AACSB: Application of Knowledge

Learning Outcome: 15.5 Develop a grievance procedure.

102) Union activism and unclear job descriptions are often underlying causes for employee grievances.

Answer: TRUE

Explanation: Organizational factors such as ambiguous job descriptions that frustrate employees also cause grievances. Union activism is another cause; the union may solicit grievances from workers to underscore ineffective supervision.

Difficulty: Easy

Chapter: 15

Objective: 5

AACSB: Analytical Thinking

Learning Outcome: 15.5 Develop a grievance procedure.

103) The grievance procedure is a standardized process based on NLRB policies and fair labor practices.

Answer: FALSE

Explanation: Union grievance procedures differ from firm to firm. Some contain simple, two-step procedures. At the other extreme, the grievance procedure may contain six or more steps.

Difficulty: Moderate

Chapter: 15

Objective: 5

AACSB: Analytical Thinking

Learning Outcome: 15.5 Develop a grievance procedure.

104) Supervisors can best handle grievances by providing grievants with long, written responses so that the issue is clear.

Answer: FALSE

Explanation: Managers should not provide grievants with long, written responses to complaints because such information could later be used against the firm.

Difficulty: Moderate

Chapter: 15

Objective: 5

AACSB: Analytical Thinking

Learning Outcome: 15.5 Develop a grievance procedure.

105) All of the following most likely explain the decline in union membership EXCEPT

_____.

A) improved wages and benefits

B) increased global competition

C) technological improvements

D) just-in-time production systems

Answer: A

Explanation: A) Increased global competition and new technologies like the Internet and just-in-time production systems forced employers to reduce inefficiencies and cut costs. Changes in salaries and wages are less likely to be a cause.

Difficulty: Hard

Chapter: 15

Objective: 6

AACSB: Analytical Thinking

Learning Outcome: 15.6 Describe a strategy for cooperative labor relations.

106) If passed, the Employee Free Choice Act would _____.

- A) ban union membership for federal employees
- B) allow mass union e-mails at the workplace
- C) allow the formation of global unions
- D) institute a card check system

Answer: D

Explanation: D) Unions are pushing Congress to pass the Employee Free Choice Act. This would make it more difficult for employers to inhibit workers from organizing. Instead of secret-ballot elections, the act would institute a "card check" system. Here, the union would win recognition when a majority of workers signed authorization cards saying they want the union.

Difficulty: Hard

Chapter: 15

Objective: 6

AACSB: Analytical Thinking

Learning Outcome: 15.6 Describe a strategy for cooperative labor relations.

107) Vaughn Manufacturing develops and manufactures microphone components. Over the last few years, the firm has made numerous HR changes with the goal of becoming a high-performance work system. Vaughn employees work in self-directed teams, participate in regular training programs, and receive frequent performance appraisals. Vaughn executives want to make sure that the firm's new methods are not perceived as sham unions. Which of the following would most likely help Vaughn accomplish this goal?

- A) allowing employee teams to bargain over wages
- B) increasing committee supervision by managers
- C) electing employee representatives to committees
- D) involving employees in program formation

Answer: D

Explanation: D) Involving workers in the formation of participation programs will minimize the appearance of sham unions. Firms should not allow teams to bargain, overly supervise committee activities, or elect representatives.

Difficulty: Moderate

Chapter: 15

Objective: 6

AACSB: Application of Knowledge

Learning Outcome: 15.6 Describe a strategy for cooperative labor relations.

108) Co-determination means employees have the legal right to a voice in setting company policies.

Answer: TRUE

Explanation: Co-determination is the rule in Germany and several other countries. Co-determination means employees have the legal right to a voice in setting company policies.

Difficulty: Hard

Chapter: 15

Objective: 6

AACSB: Analytical Thinking

Learning Outcome: 15.6 Describe a strategy for cooperative labor relations.

109) Labor-management commitment to guarantee employment security is one of the themes that parties agree upon in cooperative agreements.

Answer: TRUE

Explanation: Cooperative agreements generally commit union and management to adapt to cooperative themes. Themes include intent to cooperate, a statement of commitment to cooperate, committees to review concerns that arise, decisions on traditional issues, guarantees of employment security, commitments to high-performance practices, decisions on strategic issues, and full cooperation.

Difficulty: Moderate

Chapter: 15

Objective: 6

AACSB: Analytical Thinking

Learning Outcome: 15.6 Describe a strategy for cooperative labor relations.

110) Effective organizational competitiveness can be linked to having cooperative relationships.

Answer: TRUE

Explanation: Unions "that have a cooperative relationship with management can play an important role in overcoming barriers to the effective adoption of practices that have been linked to organizational competitiveness."

Difficulty: Moderate

Chapter: 15

Objective: 6

AACSB: Analytical Thinking

Learning Outcome: 15.6 Describe a strategy for cooperative labor relations.