1. A compensation system with internal equity is one in which employees feel satisfied with their pay when they compare it to the pay received by persons:
   a. doing different jobs within the same company
   b. of the opposite sex doing essentially the same job in the same company
   c. doing the same job within the same company
   d. doing the same job in a different company

2. Wage surveys are used to:
   a. determine whether employees have received the compensation they were promised by their employer
   b. study the motivational impact of compensation programs
   c. establish competitive pay rates by determining what other employers pay
   d. measure worker satisfaction with their pay

3. Employees are paid a fixed rate for each unit of output produced when the employer:
   a. relies on merit pay
   b. cannot, by law, offer bonuses to workers
   c. is unionized
   d. uses piece-rate compensation

4. Merit-based pay plans are based on the:
   a. union negotiations
   b. company profits
   c. performance appraisal ratings
   d. company stock performance

5. Which one of the following is cited as a limitation of merit pay plans?
   a. The pay raise pool seldom fluctuates.
   b. Unions encourage merit pay plans.
   c. Employees tend to like merit pay plans.
   d. Being based on an annual performance appraisal, the merit pay is as valid (or invalid) as the performance ratings on which it is based.

6. Nonexempt employees are:
   a. defined by the terms of the Railway Labor Act of 1926
   b. protected from employment discrimination by the Civil Rights Act of 1964
   c. entitled to a time-and-a-half wage rate for work over 40 hours per week
   d. not entitled to a minimum wage

7. The ____ was created by the Civil Rights Act of 1964.
   a. National Labor Relations Board
   b. Equal Employment Opportunity Commission
   c. Department of Labor
   d. National Institute of Occupational Safety and Health
8. Which item listed below is **not** on the Civil Rights Act list of discriminatory characteristics?
   a. salary requirements
   b. religion
   c. disabled individuals
   d. sex/gender

9. The act that allows equal human rights for all American citizens is called:
   a. the Civil Rights Act of 1968
   b. the Civil Rights Act of 1965
   c. the Civil Rights Act of 1964
   d. the Civil Rights Act of 1967

10. A new standard the courts are applying in sexual harassment cases is the:
    a. reasonable person test
    b. reasonable women test
    c. reasonable man test
    d. reasonable teenager test
Human Resource Management Answer Key

1. A
2. C
3. D
4. C
5. D
6. C
7. B
8. A
9. C
10. B