Chapter 01 Contemporary Labor Relations: Objectives, Practices, and Challenges Answer Key

**True / False Questions**

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| 1. | Fundamentally, a labor union is a group of workers who join together to influence the nature of their employment.    **TRUE** |

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| *Accessibility: Keyboard Navigation Difficulty: 1 Easy Learning Objective: 01-03 Describe the basic features of the contemporary U.S. labor relations system-collective bargaining, detailed union contracts, and private sector union density decline.* |

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| 2. | The widening gap between the richest and poorest individuals in the U.S. is in part due to the weakened position of labor unions.    **TRUE** |

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| *Accessibility: Keyboard Navigation Difficulty: 1 Easy Learning Objective: 01-04 Discuss the current pressures on the U.S. labor relations system-on the corporate side, workplace flexibility and employment involvement (stemming at least partly from globalization), on the labor side, low union density, a representation gap, and difficulties in organizing new workers.* |

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| 3. | When an employer uses an employee suggestion box to gather ideas and concerns from its employees, it is primarily addressing the labor relations goal of efficiency.    **FALSE** |

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| *Accessibility: Keyboard Navigation Difficulty: 2 Medium Learning Objective: 01-02 Define the objectives of the employment relationship (efficiency, equity, and voice) and of labor relations (striking a balance).* |

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| 4. | The goals of efficiency, equity, and voice in the workplace rarely conflict with one another.    **FALSE** |

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| 5. | A key role of unions is to negotiate work rules and practices that ensure fair treatment of employees by their managers and employers.    **TRUE** |

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| 6. | In the United States, employees have broad protections against arbitrary dismissal such that employers must provide a good, business related reason for firing someone.    **FALSE** |

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| 7. | The official policy of the Unites States is to protect workers' rights to act together for mutual aid and protection in the workplace and to promote collective bargaining as a way to resolve workplace conflict.    **TRUE** |

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| 8. | In the U.S., workers can generally be discharged for good cause, no cause, and even a morally wrong cause.    **TRUE** |

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| 9. | Most industrialized countries give employers wide latitude to dismiss employees "at will" (i.e., without a just cause).    **FALSE** |

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| 10. | In 2011, the Packers beat the Chicago Bears in their bid for the Super Bowl. The next day a Chicago car salesman was fired for wearing a Green Bay Packers tie to work despite having sold 14 cars in the previous month. In the U.S. such a dismissal is considered illegal.    **FALSE** |

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| 11. | An organization that allows its employees to exercise their voice in the workplace using democratic principles similar to those that are commonly accepted in a democratic society is one that exercises *industrial* *democracy*.    **TRUE** |

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| 12. | The concept of employee voice suggests that employees should have the right to express their opinions in the workplace but only if they are consistent with the majority of employees or with the employer's perspective.    **FALSE** |

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| 13. | While voice and equity are important to the employment relationship, efficiency is really the critical component. If an employer can be efficient, equity and voice will naturally follow.    **FALSE** |

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| 14. | In the U.S., an employer has a right to own property and make a profit but society has the right to place limitations and restrictions on how those profits are made.    **TRUE** |

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| 15. | Conflicts between what the employee wants and what the employer wants are generally resolved privately between the individual and his/her employer.    **TRUE** |

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| 16. | Neoliberal market ideology places the needs and rights of workers before efficiency and profits.    **FALSE** |

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| 17. | Labor relations systems in other countries tend to follow a neoliberal market ideology, which sees the employment relationship as one in which balance between competing interests must be achieved.    **FALSE** |

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| 18. | U.S. labor law tries to establish employer needs for efficiency as a priority over employees' need for equity and voice.    **FALSE** |

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| 19. | Labor relations systems around the world generally assume that corporations have significantly greater bargaining power than one individual worker.    **TRUE** |

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| 20. | One important goal of U.S. labor law is to increase purchasing power of workers.    **TRUE** |

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| 21. | A collective bargaining agreement negotiated between an employer and its workers is an informal agreement outlining the terms and conditions of employment.    **FALSE** |

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| 22. | Generally, if the majority of workers in a particular workplace want union representation, their employer is required by U.S. law to negotiate with them over wages, hours, and working conditions.    **TRUE** |

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| 23. | One problem with the current legal framework governing labor relations in the U.S. today is that it tends to be adversarial and does not promote cooperative relationships between management and workers.    **TRUE** |

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| 24. | The labor movement in the United States is considered by experts to be very strong today.    **FALSE** |

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| 25. | Since 1935, U.S. labor law has proved to be very adaptable to changes in the business climate including the decline of mass manufacturing, blurring distinctions between management and nonmanagement jobs, and globalization.    **FALSE** |

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| 26. | In nonunion environments, management has unilateral control over when and how employees are allowed to express their voice.    **TRUE** |

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| 27. | Compared to businesses in other countries, U.S. businesses are more likely to welcome the opportunity to bargain collectively with their employees.    **FALSE** |

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| 28. | U.S. labor law is considered by labor supporters to be a strong piece of protective legislation.    **FALSE** |

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| 29. | The number of union members grew into the 1970s but it has declined since that time.    **TRUE** |

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| 30. | The number of U.S. workers who say they want representation or a "collective voice" at the workplace is very close to the number of workers that actually have it through unions.    **FALSE** |

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| 31. | Because American unions were instrumental in pushing for increased protective legislation such as workers' compensation laws and unemployment insurance, the demand for union services has increased, rather than decreased, over time.    **FALSE** |

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| 32. | Part of the decline in union density may be due to the fact that newer entrants to the workforce are less likely to have ever experienced the benefits of unionization and therefore are less likely to become union members themselves.    **TRUE** |

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| 33. | Workers are more likely to experience unionism when they are young than when they are older.    **TRUE** |

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| 34. | If the reasons for the decline in unionization rates in the U.S. are largely structural and a result of declining demand for union services, there is no real need for labor law reform.    **TRUE** |

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**Multiple Choice Questions**

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| 35. | From a societal standpoint, the weakened position of unions in the U.S. is potentially problematic for all of the following reasons except:      |  |  | | --- | --- | | **A.** | A weakened labor movement is less able to provide management with the flexibility it needs to succeed in today's demanding competitive environment. |  |  |  | | --- | --- | | B. | Weaker unions are unable to counter trends toward a greater income inequality in society. |  |  |  | | --- | --- | | C. | Weaker unions are less able to provide training and work standards that ensure high quality, safe products and services, and safe working conditions. |  |  |  | | --- | --- | | D. | Aggrieved workers are pushed to strike or act out in other ways (e.g., sabotage) that are detrimental to the flow of goods and services or to public safety. | |

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| *Accessibility: Keyboard Navigation Difficulty: 3 Hard Learning Objective: 01-01 Understand why studying labor relations is important and how the subject can be fascinating.* |

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| 36. | From a societal standpoint, the main purpose of a labor relations system is:      |  |  | | --- | --- | | A. | To equalize the distribution of income across society. |  |  |  | | --- | --- | | **B.** | To ensure public safety, promote worker voice in politics, and reduce income inequalities that create a tax burden. |  |  |  | | --- | --- | | C. | To control the actions of employers and employees so that they are clearly acting in the best interests of society. |  |  |  | | --- | --- | | D. | To protect the profit maximization goals of business and ensure competition in the marketplace. | |

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| 37. | When an employer allows supervisors to arbitrarily discipline employees without cause, it is most directly violating which objective of the employment relationship?      |  |  | | --- | --- | | A. | Efficiency. |  |  |  | | --- | --- | | **B.** | Equity. |  |  |  | | --- | --- | | C. | Voice. |  |  |  | | --- | --- | | D. | Effectiveness. | |

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| 38. | When an employer adopts an employee participation program, such as a workplace safety committee, it is most directly addressing which objective of the employment relationship?      |  |  | | --- | --- | | A. | Efficiency. |  |  |  | | --- | --- | | B. | Equity. |  |  |  | | --- | --- | | **C.** | Voice. |  |  |  | | --- | --- | | D. | Exclusive representation. | |

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| 39. | An employer creates a safety team of 6 employees who are asked to recommend changes to the workplace that will reduce accident rates. The team recommends eliminating a job rotation program that allows the employer to move employees in and out of various jobs on an as-needed basis. They argue that job rotation both increases employee stress and reduces the amount of experience that employees have with the various safety procedures associated with a particular job. This scenario describes a conflict between which two objectives of the employment relationship?      |  |  | | --- | --- | | A. | Equity and efficiency. |  |  |  | | --- | --- | | **B.** | Efficiency and voice. |  |  |  | | --- | --- | | C. | Equity and voice. |  |  |  | | --- | --- | | D. | None, there is no conflict. | |

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| 40. | According to the Universal Declaration of Human Rights issued by the United Nations, it is considered a basic human right for:      |  |  | | --- | --- | | **A.** | Individuals to have the right to form and join trade unions for their own protection and the protection of others. |  |  |  | | --- | --- | | B. | Employers to have the right to unilaterally determine the terms and conditions of employment. |  |  |  | | --- | --- | | C. | Individuals to unilaterally determine the terms and conditions of their employment. |  |  |  | | --- | --- | | D. | Employers to form and join employer associations for their own protection and the protection of other employers. | |

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| 41. | Which of the following outcomes cannot generally be attributed to unions?      |  |  | | --- | --- | | A. | Higher income and living standards for workers. |  |  |  | | --- | --- | | B. | Greater protection for workers against unfair treatment by employers. |  |  |  | | --- | --- | | **C.** | Greater flexibility in work rules. |  |  |  | | --- | --- | | D. | Greater emphasis on legislation and social programs that assist working people. | |

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| 42. | Which of the following is not considered an argument for treating employees as "more" than simply another commodity that can be bought and sold in the labor market?      |  |  | | --- | --- | | A. | Most modern workers are completely dependent upon jobs, not property, in determining the quality of their life. |  |  |  | | --- | --- | | B. | Working adults spend a considerable proportion of their life at work and hence work provides an important social setting that greatly influence quality of life. |  |  |  | | --- | --- | | **C.** | When workers agree to supply their labor in exchange for pay and benefits, they are freely choosing to follow management's directives. |  |  |  | | --- | --- | | D. | Workers have feelings and free will that can, if they wish, interfere with the quantity and quality of work they perform. | |

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| 43. | Regardless of the impact on productivity or efficiency, it is argued that industrial democracy is important to the U.S. because:      |  |  | | --- | --- | | A. | Democracy is often the most efficient means by which to make decisions. |  |  |  | | --- | --- | | **B.** | A country cannot truly value the concept of democracy without supporting democratic principles in the workplace. |  |  |  | | --- | --- | | C. | In a democratic society, businesses should be the place in which individuals learn to express their democratic voice. |  |  |  | | --- | --- | | D. | Businesses are inherently democratic enterprises. | |

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| 44. | Which of the following appears to be true about management and worker views on employee voice?      |  |  | | --- | --- | | A. | Managers prefer to negotiate with groups of employees, in order to get multiple perspectives at the same time. |  |  |  | | --- | --- | | B. | The majority of workers prefer to negotiate with management individually over workplace issues. |  |  |  | | --- | --- | | **C.** | Workers express a preference for representation in the workplace that is independent of management. |  |  |  | | --- | --- | | D. | Managers prefer for employees to have independent representation in the workplace. | |

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| 45. | Most countries base their industrial relations system on the perspective that:      |  |  | | --- | --- | | A. | Worker rights should be valued over employer rights. |  |  |  | | --- | --- | | B. | Employer rights should be valued over worker rights. |  |  |  | | --- | --- | | **C.** | There should be balance between worker and employer rights. |  |  |  | | --- | --- | | D. | Consumer rights should be valued over worker rights. | |

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| 46. | Conflicts between employers and employees can best be described as conflicts between:      |  |  | | --- | --- | | **A.** | Property rights and individual rights. |  |  |  | | --- | --- | | B. | Consumer rights and privacy rights. |  |  |  | | --- | --- | | C. | Rights of the privileged and rights of the underprivileged. |  |  |  | | --- | --- | | D. | Economic rights and worker rights. | |

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| 47. | Compared to other countries, the system of labor relations in the U.S. is      |  |  | | --- | --- | | A. | Loosely regulated. |  |  |  | | --- | --- | | **B.** | Tightly regulated. |  |  |  | | --- | --- | | C. | Similarly regulated. |  |  |  | | --- | --- | | D. | Unfairly regulated. | |

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| *Accessibility: Keyboard Navigation Difficulty: 2 Medium Learning Objective: 01-03 Describe the basic features of the contemporary U.S. labor relations system-collective bargaining, detailed union contracts, and private sector union density decline.* |

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| 48. | Which of the following is a major subject of collective bargaining between employers and employees?      |  |  | | --- | --- | | A. | Compensation. |  |  |  | | --- | --- | | **B.** | Decisions over which applicants to hire. |  |  |  | | --- | --- | | C. | Employee rights and responsibilities. |  |  |  | | --- | --- | | D. | Employer rights and responsibilities. | |

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| 49. | Union contracts are:      |  |  | | --- | --- | | **A.** | Legally enforceable for both employees and employers. |  |  |  | | --- | --- | | B. | Largely voluntary agreements that neither party is required by law to follow. |  |  |  | | --- | --- | | C. | Not allowed by law. |  |  |  | | --- | --- | | D. | Legally enforceable for the employees only. | |

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| 50. | Traditional adversarial bargaining relationships between employers and employees has made meeting employers' increasing need for \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ more difficult.      |  |  | | --- | --- | | A. | Flexibility |  |  |  | | --- | --- | | B. | Equity |  |  |  | | --- | --- | | **C.** | Cooperation and employee involvement |  |  |  | | --- | --- | | D. | Workplace fairness | |

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| *Accessibility: Keyboard Navigation Difficulty: 1 Easy Learning Objective: 01-03 Describe the basic features of the contemporary U.S. labor relations system-collective bargaining, detailed union contracts, and private sector union density decline.* |

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| 51. | Business pressures for competitiveness and quality have affected the collective bargaining process in all of the following ways except:      |  |  | | --- | --- | | A. | Increased the need for flexibility in work rules. |  |  |  | | --- | --- | | **B.** | Increased the need for more specific, detailed contracts. |  |  |  | | --- | --- | | C. | Increased need for cooperation and employee involvement in work decisions. |  |  |  | | --- | --- | | D. | Increase need to communicate about the terms of a contract more than once every three years when the contract expires. | |

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| *Accessibility: Keyboard Navigation Difficulty: 2 Medium Learning Objective: 01-04 Discuss the current pressures on the U.S. labor relations system-on the corporate side, workplace flexibility and employment involvement (stemming at least partly from globalization), on the labor side, low union density, a representation gap, and difficulties in organizing new workers.* |

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| 52. | Which of the following characterizes the current business environment as compared to that at the time the National Labor Relations Act was passed?      |  |  | | --- | --- | | A. | Clear differences exist between "manual" and "managerial" labor. |  |  |  | | --- | --- | | B. | American domination of world markets. |  |  |  | | --- | --- | | C. | More mass manufacturing production systems. |  |  |  | | --- | --- | | **D.** | Greater emphasis on the importance and need for knowledgeable workers. | |

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| 53. | The crucial feature of collective bargaining is that management's traditional authority to unilaterally establish terms and conditions of employment is replaced by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ negotiations.      |  |  | | --- | --- | | A. | Equitable |  |  |  | | --- | --- | | **B.** | Bilateral |  |  |  | | --- | --- | | C. | Competitive |  |  |  | | --- | --- | | D. | Co-lateral | |

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| 54. | Which of the following best summarizes the trends in U.S. union density since the 1980s?      |  |  | | --- | --- | | A. | Decreases in both the private and public sectors. |  |  |  | | --- | --- | | B. | Increases in both the private and public sectors. |  |  |  | | --- | --- | | C. | Stable in the private sector and decreases in the public sector. |  |  |  | | --- | --- | | **D.** | Increases in the public sector and decreases in the private sector. | |

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| 55. | Union density in the United States is currently estimated at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.      |  |  | | --- | --- | | A. | over 40 percent |  |  |  | | --- | --- | | B. | about 25 percent |  |  |  | | --- | --- | | C. | 20 percent |  |  |  | | --- | --- | | **D.** | less than 15 percent | |

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| 56. | A union contract is:      |  |  | | --- | --- | | **A.** | A legally binding document that describes the terms of employment (e.g., wages hours, working conditions). |  |  |  | | --- | --- | | B. | An agreement between management and labor that loosely states the rules they will each try to abide by in the workplace. |  |  |  | | --- | --- | | C. | A legally binding agreement between employees and their union representatives that outlines the scope of the union's authority. |  |  |  | | --- | --- | | D. | A voluntary but not legally binding agreement between employees and their union representatives that outlines the terms of employment. | |

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| 57. | Which of the following can at least partially explain the decline in union density rates in the United States since the 1960's?      |  |  | | --- | --- | | **A.** | Employment in traditionally unionized industries such as manufacturing has decreased. |  |  |  | | --- | --- | | B. | Employment in service and knowledge industries has declined. |  |  |  | | --- | --- | | C. | Employment growth in the north has been faster than employment growth in the south. |  |  |  | | --- | --- | | D. | Educated workers are more likely to unionize than uneducated workers. | |

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| 58. | Which of the following is not true about the decline in demand for unions in the U.S.?      |  |  | | --- | --- | | A. | To some extent, protective legislation ensuring safety and income security has served to replace union representation. |  |  |  | | --- | --- | | **B.** | It can be largely attributed to the fact that individuals who experience union representation are unhappy with it and decide they do not want it. |  |  |  | | --- | --- | | C. | U.S. unions have not put enough money into union organizing and have therefore not done a good job of "selling" their services. |  |  |  | | --- | --- | | D. | Employers may be more likely to listen to their employees and respond to their changing needs thus reducing employees' need for outside representation. | |

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| *Accessibility: Keyboard Navigation Difficulty: 3 Hard Learning Objective: 01-04 Discuss the current pressures on the U.S. labor relations system-on the corporate side, workplace flexibility and employment involvement (stemming at least partly from globalization), on the labor side, low union density, a representation gap, and difficulties in organizing new workers.* |

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| 59. *(p. 14)* | At present, the gap between those employees who say they want unions and those that have union representation in the private sector at their workplace is about:      |  |  | | --- | --- | | **A.** | 33% |  |  |  | | --- | --- | | B. | 50% |  |  |  | | --- | --- | | C. | 75% |  |  |  | | --- | --- | | D. | 25% | |

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| 60. | A group of Walmart employees in Raleigh, NC staged a 5-minute flash mob protest over low wages and working conditions at their store. At the end of the demonstration, they handed the manager a signed petition. Which of the following is true?      |  |  | | --- | --- | | A. | The employer can fire the workers. |  |  |  | | --- | --- | | B. | The employees actions are illegal because they do not have formal union representation. |  |  |  | | --- | --- | | **C.** | The employees' actions are legal because they are acting together to influence their working conditions. |  |  |  | | --- | --- | | D. | The employer can only fire the workers if they don't formally join or create a union. | |

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| 61. | In the United States, younger workers are:      |  |  | | --- | --- | | **A.** | Significantly less likely to belong to a union than older workers. |  |  |  | | --- | --- | | B. | Significantly more likely to belong to a union than older workers. |  |  |  | | --- | --- | | C. | Slightly less likely to belong to a union than older workers. |  |  |  | | --- | --- | | D. | As likely as older workers to belong to a union. | |

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| 62. | Because union density rates are at historic lows:      |  |  | | --- | --- | | A. | It is not important for managers and business professionals to learn about labor relations. |  |  |  | | --- | --- | | B. | It is unlikely that managers or supervisors will ever encounter an issue related to labor relations law or rights. |  |  |  | | --- | --- | | **C.** | Knowledge of labor relations is important to understanding how conflict has historically been resolved, and what might happen when it is left unresolved. |  |  |  | | --- | --- | | D. | Managers and business professionals must generally be knowledgeable and savvy in their management of conflict in the workplace. | |

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| *Accessibility: Keyboard Navigation Difficulty: 3 Hard Learning Objective: 01-01 Understand why studying labor relations is important and how the subject can be fascinating.* |

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| 63. | In today's labor relations environment:      |  |  | | --- | --- | | A. | Sweatshops and forms of modern slavery are nonexistent in the United States. |  |  |  | | --- | --- | | B. | Workers are assured of a wage necessary to support a family. |  |  |  | | --- | --- | | **C.** | There is an increasing number of employers violating labor standards. |  |  |  | | --- | --- | | D. | Workers are generally fired only for good reasons. | |

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| *Accessibility: Keyboard Navigation Difficulty: 2 Medium Learning Objective: 01-01 Understand why studying labor relations is important and how the subject can be fascinating.* |

**Fill in the Blank Questions**

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| 64. | The essence of a labor union is that \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ join together to influence the nature of their employment.    **Workers or a group of workers** |

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| *Difficulty: 1 Easy Learning Objective: 01-02 Define the objectives of the employment relationship (efficiency, equity, and voice) and of labor relations (striking a balance).* |

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| 65. | The concept of equity refers to the objective of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ when distributing the economic rewards that stem from the employment relationship.    **Fairness** |

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| *Difficulty: 2 Medium Learning Objective: 01-02 Define the objectives of the employment relationship (efficiency, equity, and voice) and of labor relations (striking a balance).* |

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| 66. | Employee empowerment is another term used to describe \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, an objective of the employment relationship in which workers are given some say in the conditions of their employment.    **Voice** |

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| *Difficulty: 3 Hard Learning Objective: 01-02 Define the objectives of the employment relationship (efficiency, equity, and voice) and of labor relations (striking a balance).* |

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| 67. | The legal doctrine stating that employers have the right to fire employees for "good cause, for no cause, or even for cause morally wrong" is known as the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ doctrine.    **Employment at will** |

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| *Difficulty: 2 Medium Learning Objective: 01-02 Define the objectives of the employment relationship (efficiency, equity, and voice) and of labor relations (striking a balance).* |

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| 68. | The notion that workers should be entitled to the same democratic principles of participation in the workplace as they are entitled to in society is known as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.    **Industrial Democracy** |

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| *Difficulty: 3 Hard Learning Objective: 01-02 Define the objectives of the employment relationship (efficiency, equity, and voice) and of labor relations (striking a balance).* |

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| 69. | Conflicts between employers and employees are seen as conflicts between the \_\_\_\_\_\_\_\_\_\_\_\_\_ rights of employers and workers' rights of the employees.    **Property** |

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| *Difficulty: 3 Hard Learning Objective: 01-02 Define the objectives of the employment relationship (efficiency, equity, and voice) and of labor relations (striking a balance).* |

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| 70. | A \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ perspective sees the employment relationship as analogous to a political society in which multiple parties have legitimate but sometimes conflicting interests and rights.    **Pluralist** |

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| *Difficulty: 2 Medium Learning Objective: 01-02 Define the objectives of the employment relationship (efficiency, equity, and voice) and of labor relations (striking a balance).* |

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| 71. | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ occurs when representatives of the employer and representatives of its workers negotiate the terms and conditions of employment.    **Collective bargaining** |

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| *Difficulty: 1 Easy Learning Objective: 01-02 Define the objectives of the employment relationship (efficiency, equity, and voice) and of labor relations (striking a balance).* |

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| 72. | With collective bargaining, the employer's \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ authority is replaced with bilateral negotiations.    **Unilateral** |

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| *Difficulty: 1 Easy Learning Objective: 01-03 Describe the basic features of the contemporary U.S. labor relations system-collective bargaining, detailed union contracts, and private sector union density decline.* |

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| 73. | In the United States, the negotiation process culminates in a contract that outlines the terms and conditions of employment which is called a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ agreement.    **Collective bargaining** |

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| *Difficulty: 2 Medium Learning Objective: 01-03 Describe the basic features of the contemporary U.S. labor relations system-collective bargaining, detailed union contracts, and private sector union density decline.* |

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| 74. | Lengthy, detailed, legally-binding union contracts have clashed with employers' need for greater \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ that they argue is necessary for adapting to today's competitive, fast-changing business environment.    **Flexibility** |

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| *Difficulty: 3 Hard Learning Objective: 01-03 Describe the basic features of the contemporary U.S. labor relations system-collective bargaining, detailed union contracts, and private sector union density decline.* |

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| 75. | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is a measure of the percentage of workers who are union members.    **Union density** |

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| *Difficulty: 1 Easy Learning Objective: 01-04 Discuss the current pressures on the U.S. labor relations system-on the corporate side, workplace flexibility and employment involvement (stemming at least partly from globalization), on the labor side, low union density, a representation gap, and difficulties in organizing new workers.* |

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| 76. | When employers actively work to keep unions out of their workplace or are openly hostile toward unions it is known as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.    **Employer resistance or opposition; union avoidance** |

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| 77. | The \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is a term used to describe the difference between the percentage of workers who express interest in representation in the workplace and the number that are unionized.    **Representation gap** |

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**Essay Questions**

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| 78. | Explain the objectives of the employment relationship from the perspective of employers, employees, and society. Give at least one example of how these perspectives may conflict.     The three objectives of the employment relationship include efficiency, equity, and voice. From society's perspective, efficiency helps attain the productive, profit-maximizing use of labor to promote economic prosperity. From both the employer's and employee's perspective, equity is fairness in the distribution of economic rewards, the administration of employment policies, and the provision of employee security. Finally, voice is the ability of the employees to have meaningful input into workplace decisions. These three objectives sometimes work together, but there are times when they may conflict. For example, equitable treatment may reduce flexibility as well as efficiency, or employee voice may make decisions more cumbersome, resulting in inefficiency. |

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| *Difficulty: 2 Medium Learning Objective: 01-02 Define the objectives of the employment relationship (efficiency, equity, and voice) and of labor relations (striking a balance).* |

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| 79. | Explain the employment-at-will doctrine. How does this doctrine conflict with the belief that workers are more than just a commodity that can be bought and sold in a labor market?     The employment-at-will doctrine states that employers have the right to dismiss their employees for any cause (i.e., "at will"). This suggests that employees can be treated as "disposable" factors of production and easily discarded when they are no longer deemed useful. However, the fact that workers are human beings with thoughts, emotions, needs, and desires conflicts with the notion that they are like any other commodity. Work is not solely an economic transaction, but rather it is complete human activity whereby moral views on the sanctity of human life and human dignity must be respected. Unlike other commodities, when human life is not treated with respect, these "human assets" can act in ways that push back. Further, the quality of employment and the workplace itself is important for individuals, their families, and society as a whole, thus creating an additional responsibility for employers to treat them with greater dignity and respect. |

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| *Difficulty: 2 Medium Learning Objective: 01-02 Define the objectives of the employment relationship (efficiency, equity, and voice) and of labor relations (striking a balance).* |

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| 80. | How is the concept of industrial democracy consistent with the traditional values of the United States democratic system?     The concept of industrial democracy states that, in a democratic society, the democratic principles that form the foundation for society should be applied to the workplace. In the U.S., our democratic principles respect the decision of the majority through a system of voting rights and representation in governance decisions. Thus, our democratic principles suggest that workers should, at a minimum, have some voice in the decisions that happen in the workplace. To fully embrace our democratic principles in the workplace, workers would have the right to vote for representatives who are responsible for bringing the voice of the workers to management decision-making. |

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| *Difficulty: 3 Hard Learning Objective: 01-02 Define the objectives of the employment relationship (efficiency, equity, and voice) and of labor relations (striking a balance).* |

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| 81. | Explain the fundamental conflict over property rights versus worker rights.     When it comes to the employment relationships, a capital owner's primary interest is in maintaining control over their assets (i.e., the business) and maximizing efficiency of operations. In this way, they are able to improve the value of their property while maintaining control over it. Workers, on the other hand, are concerned with equity and voice (worker rights). They wish to receive their "fair share" of profits in the organization (i.e., returns to efficiency). Further, they wish to have some say in how the organization operates and how they are treated (as a matter of equity). These perspectives are often in conflict as employers see employee voice as a threat to their autonomy and control while equity is often seen to threaten efficiency and profits. |

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| *Difficulty: 2 Medium Learning Objective: 01-02 Define the objectives of the employment relationship (efficiency, equity, and voice) and of labor relations (striking a balance).* |

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| 82. | Explain why voluntary, market-based economic theory places property rights over worker rights and describe how worker rights are protected in this system.     Voluntary, market-based economic theory places property rights over worker rights because basic economic theory shows that competitive markets and well-defined property rights are optimal for achieving efficiency. Worker rights are protected by allowing workers to exercise their ability to quit jobs they do not like, thus exerting pressure on employers to offer more acceptable terms and conditions of employment. |

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| 83. | How does U.S. labor law strike a balance between efficiency, equity and voice?     U.S. labor law strikes a balance between efficiency, equity, and voice by increasing the purchasing power of workers and reducing disruptive strike activity (efficiency). It also strikes a balance by achieving fair labor standards and protection against worker exploitation (equity). Finally, it provides democracy in the workplace (voice). |

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| *Difficulty: 1 Easy Learning Objective: 01-03 Describe the basic features of the contemporary U.S. labor relations system-collective bargaining, detailed union contracts, and private sector union density decline.* |

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| 84. | Describe what collective bargaining is and give some examples of the kinds of things that might be addressed in the collective bargaining process.     Collective bargaining occurs when representatives of the employer and representatives of its workers negotiate the terms and conditions of employment. Efficiency, equity, and voice are achieved through collective bargaining. Examples of items that may be addressed in the collective bargaining process include compensation (wages, benefits, vacations/holidays, profit sharing job standards), personnel policies and procedures (layoff, promotion, transfer policies, overtime and vacation rules), employee rights and responsibilities (seniority rights, job standards, and workplace rules), employer rights and responsibilities (management rights, just cause discipline and discharge, subcontracting, and safety standards), union rights and responsibilities (recognition as the bargaining unit, bulletin board, union security, dues checkoff, shop stewards, no strike clauses), and dispute resolution and ongoing decision-making (grievance procedures, committees, consultation, and renegotiation procedures). |

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| *Difficulty: 1 Easy Learning Objective: 01-03 Describe the basic features of the contemporary U.S. labor relations system-collective bargaining, detailed union contracts, and private sector union density decline.* |

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| 85. | Explain why the traditional collective bargaining process in the U.S. has been criticized for producing collective bargaining agreements (or union contracts) that are incompatible with today's business needs.     The traditional collective bargaining process has been criticized for producing collective bargaining agreements (union contracts) that are incompatible with today's business needs in three major ways. First, the business need for flexibility (efficiency) clashes with the lengthy contracts that spell out detailed work rules (equity). In addition, flexible compensation systems to promote and reward highly-performing employees can clash with equity if the systems are perceived by others as too subjective or unfair. The second major criticism is based on the business need for cooperation and employee involvement. These both clash with the traditional adversarial bargaining process in which labor and management use aggressive tactics to extract as many gains or concessions from the other side as their power allows. Third, the need for both flexibility and involvement is not well served by a process in which contracts are renegotiated every three years with little to no communication between these negotiating periods. |

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| *Difficulty: 2 Medium Learning Objective: 01-04 Discuss the current pressures on the U.S. labor relations system-on the corporate side, workplace flexibility and employment involvement (stemming at least partly from globalization), on the labor side, low union density, a representation gap, and difficulties in organizing new workers.* |

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| 86. | The National Labor Relations Act has been criticized as an outdated piece of legislation that is hindering, rather than helping, America cope with the realities of the new global marketplace. Describe how work has changed since the NLRA was passed and discuss how these changes might conflict with the protections provided in the NLRA.     When the NLRA was passed, the U.S. economy was dominated by mass manufacturing companies where there were clear distinctions between manual labor and managerial labor. These clear distinctions made it easier to define who was considered a "worker" and who was considered a "manager". Further, America dominated the global market which allowed employers to pass some of the cost of wages and improved working conditions onto consumers. Today, the workforce is increasingly service-oriented with blurred lines of distinction between the "worker" and the "manager". Many jobs may include some component of what would historically have been considered supervisory work (e.g., quality control, scheduling authority, decision-making authority). Further, increased global competition has made it more important that U.S. companies be flexible and able to adapt to a changing competitive market in ways that are difficult under the NLRA. |

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| *Difficulty: 3 Hard Learning Objective: 01-04 Discuss the current pressures on the U.S. labor relations system-on the corporate side, workplace flexibility and employment involvement (stemming at least partly from globalization), on the labor side, low union density, a representation gap, and difficulties in organizing new workers.* |

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| 87. | Why has union density in the U.S. declined so dramatically since the 1950s?     Union density's dramatic decline since the 1950s can be explained in multiple ways. First, employment has declined in traditionally unionized industries, such as manufacturing, while employment in the services sector, a nonunion industry, has increased. Second, the demand for union services has declined. This has three components: 1) demand can decline because unions are not doing a good job of responding to the desires of a changing workforce and overcoming the negative stereotypes of unions, 2) if employers have improved their responsiveness to employees' needs, this can reduce the demand for union protection, 3) increased protective legislation may have provided a substitute for unions (e.g., Civil Rights Act, Equal Pay Act, OSHA, Family Medical Leave Act). Finally, in the U.S. there is a great deal of employer resistance and opposition to unions. U.S. businesses are typically hostile toward labor unions and have developed a wide range of union avoidance tactics. |

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| *Difficulty: 1 Easy Learning Objective: 01-04 Discuss the current pressures on the U.S. labor relations system-on the corporate side, workplace flexibility and employment involvement (stemming at least partly from globalization), on the labor side, low union density, a representation gap, and difficulties in organizing new workers.* |

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| 88. | What is the "representation gap"? What evidence, if any, exists to suggest that there may be a representation gap in the United States?     The representation gap is the difference between the percentage of workers who express interest in representation in the workplace and the number that are unionized. When workers were asked about their desire for union representation, approximately one-third of nonunion workers said they would like a union in their workplace (desired union density rate of 40%). The difference between the desired union density rate (40%) and actual union density rate (10%), results in a 30% representation gap. |

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| *Difficulty: 1 Easy Learning Objective: 01-04 Discuss the current pressures on the U.S. labor relations system-on the corporate side, workplace flexibility and employment involvement (stemming at least partly from globalization), on the labor side, low union density, a representation gap, and difficulties in organizing new workers.* |

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| 89. | Is the study of labor relations still relevant in today's workplace?     Yes, the study of labor relations is still relevant. While the majority of the private sector workforce is not unionized, much of the public sector workforce is. Further, certain industries, important to social development, are highly unionized (e.g., construction). But beyond the union density rates is the reality that in any employment relationship, there needs to be a balance struck between efficiency, equity, and voice. Understanding the historical development of labor relations as well as the foundations of an industrial relations system, ensures that mistakes of the past will not be repeated. It also ensures that employers and employees are informed of their respective rights in the workplace. |

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| *Difficulty: 2 Medium Learning Objective: 01-01 Understand why studying labor relations is important and how the subject can be fascinating.* |

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| 90. | How do the wage and benefit packages in union contracts affect nonunion workers and their employers?     Wage and benefit packages in union contracts can influence nonunion workers through a threat effect: the threat that dissatisfied workers will unionize sometimes causes nonunion firms to at least partially match union wage and benefit terms. |

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| *Difficulty: 2 Medium Learning Objective: 01-01 Understand why studying labor relations is important and how the subject can be fascinating.* |

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| 91. | In 2012, *Triple* *Play* *Sports* *Bar*, was found to have committed an unfair labor practice when it unlawfully terminated the employment of two employees who had engaged in a Facebook conversation about the way their employer was handling tax withholdings. The National Labor Relations Board held that the discussion of their tax treatment was substantively related to wages, hours, and working conditions and therefore protected by the National Labor Relations Act. In what ways might the study of labor relations have prevented *Triple* *Play* from violating a federal law protecting worker rights?     First, knowledge of the NLRA would have helped *Triple* *Play* to understand the protections its employees were entitled to under the law. They would have understood that employees do not have to be unionized to enjoy the benefits of the NLRA. They would also have understood employees have the right to discuss their working conditions and wages. Second, the study of labor relations would have helped *Triple* *Play* to understand the importance of addressing employee concerns before they become so frustrated that they "go public" with their complaints. Third, it would have helped *Triple* *Play* to better understand and estimate the costs associated with handling the labor conflict in the manner they chose. Finally, studying labor relations would have helped *Triple* *Play* to consider other, possibly more productive, ways to resolve their conflict with the employees. |

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| *Difficulty: 3 Hard Learning Objective: 01-01 Understand why studying labor relations is important and how the subject can be fascinating.* |