HRM 598 Week 3 Quiz

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1. *Employers continue to hire until the marginal revenue of the last hire equals his or her wage rate. This is based on the first labor market theory assumption that:*
   Employers seek to maximize profits
2. *___________focuses attention on the competitive positions reflected in the pay relationships among organizations.*
   External competitiveness
3. *Theories of labor markets usually begin with four basic assumptions. Which of the following options is not one of those four assumptions?* **Employers always seek to maximize profits**
4. *__________blank is an example of a bourse.*
   The total compensation for a top athlete
5. *__________puts a lid on the maximum pay level an employer can set.*
   The product market
6. *___________is the additional output associated with the employment of one additional human resource unit, with other production factors held constant.*
   The marginal product of labor
7. *Which of the following is an example of the demand of side labor?*
   The pay level offered by an employer
8. *___________theory is based on the premise that higher earnings flow to those who improve their potential productivity by investing in themselves.*
   Human capital
9. *If company A raises its pay rate by one dollar per hour to hire additional workers and competitors immediately match the increase, what will be the most likely result?*
   The labor costs for Company A will increase, but it will be unable to hire additional workers.
10. *In the short term, an employer cannot change any factor of production and can only change its level of human resources. Under*