

Chapter 14

1. Generally, which is *NOT* a primary consideration when salespeople are selecting a brokerage firm?
 - a. Ethics of the firm
 - b. Payment for the prelicense school
 - c. Clerical support for the agents
 - d. Firm's name recognition
2. After the broker initiates a recruiting campaign for more salespeople, the next step is to
 - a. hire the applicants.
 - b. prescreen the applicants.
 - c. conduct a one-on-one interview.
 - d. bring the applicants in for an office tour.
3. One of the *MOST* effective ways for managers to recruit is by concentrating on
 - a. recruiting when there is high turnover in their offices.
 - b. recruiting at every closing or open house.
 - c. increasing commission splits.
 - d. increasing the company's visibility in the industry.
4. What is the primary purpose of preliminary interviews and application forms?
 - a. Determine the physical ability of applicants to perform a job
 - b. Gather basic information to decide whether to pursue applicants
 - c. Establish preliminary criteria for reviewing applicants
 - d. Show that the manager is meeting recruiting quotas
5. One of the *MOST* important issues in the prescreening process is that it is
 - a. consistent.
 - b. brief.
 - c. different, depending on the applicant.
 - d. supervised by a manager.
6. A script is important during a job interview for all of these reasons *EXCEPT*
 - a. that it keeps the interview on track.
 - b. that it provides consistency during the process.
 - c. that it permits the interviewee to control the interview.
 - d. that it ensures that all relevant topics are covered.
7. When the sales manager conducts a formal employment interview, the manager should
 - a. concentrate on unfavorable information about the candidate.
 - b. sell the company to the candidate.
 - c. keep the atmosphere formal.
 - d. concentrate on listening rather than talking.

8. After the formal interview, the broker realized that none of the candidates really fit the position. In this situation, the broker should
 - a. call back the person who was pretty close to being okay.
 - b. return to the recruiting step to find more candidates.
 - c. call each person back for another interview and ask another manager to sit in, in case the broker missed something the first time.
 - d. hire one of those who applied, and hope for the best.

9. Which is the *MOST* stressful type of interview?
 - a. Simulation or audition interviews, in which the candidate partakes in a problem-solving exercise
 - b. One-on-one interviews
 - c. Panel interviews, in which the candidate meets with a group of people
 - d. Serial interviews, in which the candidate is passed from one person to another

10. A company wants to learn more about a candidate's financial situation. Before ordering a credit check, the company should
 - a. be sure that it really wants this candidate.
 - b. ask for and receive permission from the candidate.
 - c. verify that the candidate holds a green card.
 - d. use the information on the application to order the credit check.

11. Under what conditions, if any, may a hiring decision be based on a previous criminal conviction?
 - a. If the illegal activity is relevant to the job the person will be doing
 - b. Cannot be used against a person who is a member of a protected class
 - c. Cannot be used if the person has served time and is not on probation
 - d. Cannot be used under any circumstances

12. After the parties come to terms about employment, the next step is
 - a. a handshake on the agreements made by both parties.
 - b. drafting a written document detailing the agreements.
 - c. handing a checklist to the new hire to complete before moving into the desk.
 - d. handing the new hire a stack of papers to be signed.

13. A formal offer of employment to an independent contractor should include the conditions of employment including
 - a. vacation days.
 - b. expected working hours.
 - c. a health insurance package.
 - d. MLS fees.

14. A clause intended to prevent salespeople from taking valuable company information and contacts to another company is called
 - a. the competing clause.
 - b. the managerial focus clause.
 - c. the noncompete clause.
 - d. the noncompletion clause.

15. All of the following information should be contained in the personnel file *EXCEPT*
- who to contact in the event of an emergency.
 - a copy of a driver's license.
 - racial identification.
 - authorization to work in the United States.
16. What is the *BEST* source of recruiting experienced salespeople from other companies?
- Recruiting a manager to bring her salespeople over
 - Mention changing companies at every closing
 - Knock the competition at closings and open houses
 - Encourage your current salespeople to identify others who would be an asset to your company
17. Many people who enter the real estate profession often wish that they had been given more information about
- the amount of money that they can make in real estate.
 - how easy it is to get buyers to sign a contract.
 - how easy it is to get listings.
 - how much money and time it takes to be successful.
18. One of the reasons that some educational institutions do *NOT* permit brokers or managers to solicit their students for recruiting purposes is because
- this disrupts the ability of the instructors to recruit for their firms.
 - students expect to be educated and not recruited.
 - this disrupts the institutions' ability to hire instructors.
 - the institutions want to select the firms that the students interview with.
19. The purpose of career programs is to
- generate a pool of people to interview.
 - generate listings.
 - find buyers.
 - hire new salespeople.
20. When a real estate brokerage company decides to set up a scholarship program, the company should be involved in the program by
- screening the applicants.
 - determining the scholarship recipient.
 - setting guidelines for the scholarship award.
 - hiring applicants who are not awarded the scholarship.

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1. b Salespeople want competitive compensation, clerical support, and a positive work environment in an ethical, recognized firm. Few expect payment for prelicensing. 320
2. b The employment process consists of the following steps, in this order: recruiting, prescreening, formal interview, selection, and the job offer (hire). 321
3. d The company's business reputation and its workplace environment play a vital role in attracting the best people out of the potential candidates. 320
4. b The primary purpose of application forms and preliminary interviews is to gather basic information to decide whether an applicant meets the minimum requirements for the position. 321
5. a The most important part of the hiring process, including the prescreening, is that the company be consistent, ensuring that every inquiry is treated in the same way. 323
6. c A script allows the interviewer to stay on track, ensures that the relevant topics are covered, and illustrates consistency in the interview process. It specifically allows the interviewer, not the interviewee, to control the process. 390
7. d When conducting a formal employment interview, while it is permissible to tell a short story about the company, the purpose of the exchange is to learn about the applicant. Therefore, the manager should concentrate on listening rather than talking. 323
8. b It's possible that no candidates are suitable. If that's the case, go back to the recruiting step rather than waste time with candidates who don't meet minimum qualifications. 324
9. a By their very nature, employment interviews are stressful. The least stressful is a one-on-one interview. There is more stress in panel interviews (the candidate meets with a group of people) or serial interviews (the candidate is passed from one person to another). Simulation or audition interviews are the most stressful, putting the candidate on the spot with a skill demonstration or problem-solving exercise. 326
10. b The company should ask for and receive permission before ordering a credit check. Failure to comply with the Fair Credit Reporting Act (FCRA) can result in civil penalty up to \$1,000 and possibly punitive damages. 329
11. a Criminal background checks are appropriate only as long as they are standard operating procedures for all prospective hires. EEOC regulations permit the denial based on a criminal conviction only if the illegal activity is relevant to the job a person would be doing. 329
12. d For independent contractors (ICs), the formal offer of employment should include the cost of getting licensed, cost of errors and omissions (E&O) insurance, MLS fees, franchise fees, and other start-up costs. Employees learn about vacation days, expected working hours, and health insurance packages. 330
13. c Noncompete clauses intend to diminish negative impacts by imposing certain restrictions on a worker's future employment. They must be reasonable, and reasonableness varies from locale to locale. Courts uphold very limited covenants in time and geography for independent contractors. 331
14. c At no time is it appropriate to record racial, religious, or national origin information. After the person is hired, certain information may be part of the confidential file and may not be used in management's decision making. 332
15. d Although the best salespeople are highly competitive, a broker's current staff may be the best ambassadors; they are in a position to identify those in other companies who would be an asset in the broker's company. 333
16. d One of the major criticisms about the hiring process in real estate brokerages is that people feel that they haven't been given realistic information about how much time and money is involved to be successful in real estate. 338

17. b People attend prelicense classes for the primary purpose of education, not recruitment. Many educational institutions prohibit active recruitment in class to protect the confidentiality of their students. 338
18. a The goal of career programs is to generate a pool of people to interview, not to promote the company to obtain new listings and buyers. Not every career seminar will produce interested candidates. 336
19. c The company can commit the funding and set the guidelines for an award based on merit or financial need. The company should allow the educational institution to screen applicants and to determine the recipients. 339