

Human Resources Professional Exam Practice Question Bank

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Section 1: Talent Acquisition and Recruitment

1

Q1. What is the primary purpose of workforce planning?

- A. To reduce payroll costs
- B. **To ensure the right talent is available at the right time**
- C. To eliminate employee turnover
- D. To increase employee benefits

✔ Answer: B – Workforce planning ensures the organization has the right people, in the right roles, at the right time.

2

Q2. Which recruitment source is considered internal recruitment?

- A. Campus hiring
- B. Recruitment agencies
- C. **Employee promotion**
- D. Job portals

✔ Answer: C – Internal recruitment includes promotions, transfers, and referrals from within the organization.

3

Q3. Which metric measures the total expense involved in hiring a new employee?

- A. Attrition Rate
- B. **Cost per Hire**
- C. Revenue per Employee
- D. Offer Ratio

✔ Answer: B – Cost per Hire captures all expenses associated with filling a vacancy.

4

Q4. Which interview method focuses on past behavior to predict future performance?

- A. Panel Interview
- B. Stress Interview
- C. **Behavioral Interview**
- D. Exit Interview

✔ Answer: C – Behavioral interviews use past experiences as indicators of future behavior.

Talent Acquisition – Continued

1

Q5. What does ATS stand for in HR technology?

- A. Automated Talent Solution
- B. **Applicant Tracking System**
- C. Advanced Training Structure
- D. Assessment Tracking Software

✔ Answer: B – An ATS streamlines the recruitment process by tracking candidates through each hiring stage.

2

Q6. Which stage comes immediately after recruitment in the employee lifecycle?

- A. Retention
- B. Separation
- C. **Onboarding**
- D. Performance Management

✔ Answer: C – Onboarding follows recruitment and helps new hires integrate into the organization.

3

Q7. What is the main purpose of job analysis?

- A. Conduct payroll processing
- B. **Define job responsibilities and requirements**
- C. Improve employee morale
- D. Evaluate leadership skills

✔ Answer: B – Job analysis identifies duties, responsibilities, and qualifications needed for a role.

4

Q8. Which recruitment metric measures the number of days required to fill a vacant role?

- A. Cost per Hire
- B. **Time to Fill**
- C. Selection Ratio
- D. Offer Acceptance Rate

✔ Answer: B – Time to Fill tracks efficiency from job opening to accepted offer.

Section 2: Performance Management

1

Q9. What is the primary objective of performance management?

- A. Punishing underperformers
- B. Monitoring attendance
- C. **Improving employee and organizational performance**
- D. Conducting salary reviews only

✔ Answer: C – Performance management is a continuous process aimed at improving both individual and organizational outcomes.

2

Q10. SMART goals should be:

- A. Simple, Modern, Accurate, Relevant, Timely
- B. **Specific, Measurable, Achievable, Relevant, Time-bound**
- C. Strategic, Meaningful, Actionable, Reliable, Trackable
- D. Standardized, Managed, Accurate, Responsible, Technical

✔ Answer: B – SMART is a widely used framework for setting clear, actionable performance goals.

3

Q11. Which appraisal method gathers feedback from peers, managers, and subordinates?

- A. MBO
- B. Ranking Method
- C. **360-Degree Feedback**
- D. Essay Appraisal

✔ Answer: C – 360-Degree Feedback collects multi-source input for a holistic view of performance.

4

Q12. KPI stands for:

- A. **Key Performance Indicator**
- B. Knowledge Process Improvement
- C. Key Planning Initiative
- D. Knowledge Performance Index

✔ Answer: A – KPIs are measurable values that demonstrate how effectively an individual or organization is achieving objectives.

Performance Management – Continued

Q13. Which performance management approach focuses on achieving predefined objectives?

- A. Forced Ranking
- B. Behavioral Rating
- C. **Management by Objectives (MBO)**
- D. Graphic Rating Scale

✔ Answer: C – MBO aligns individual goals with organizational objectives through mutually agreed targets.

Q14. Continuous feedback in performance management helps organizations:

- A. Delay annual appraisals
- B. **Improve communication and development**
- C. Reduce training budgets
- D. Avoid employee engagement activities

✔ Answer: B – Continuous feedback fosters open dialogue, accelerates development, and keeps employees aligned with goals.

Q15. Which of the following is considered direct compensation?

- A. Insurance
- B. Paid leave
- C. **Bonus**
- D. Wellness programs

✔ Answer: C – Direct compensation includes wages, salaries, bonuses, and commissions paid directly to employees.

Section 3: Compensation and Benefits

Q16. Which compensation strategy rewards employees based on performance outcomes?

- A. Fixed Pay
- B. Market Pay
- C. **Pay for Performance**
- D. Job Rotation

✔ Answer: C – Pay for Performance ties compensation directly to individual or team results.

Q17. Gratuity is commonly categorized as:

- A. Variable pay
- B. **Indirect compensation**
- C. Overtime allowance
- D. Incentive bonus

✔ Answer: B – Gratuity is a statutory benefit and falls under indirect/deferred compensation.

Q18. Which component is usually the foundation of salary structure?

- A. Incentive Pay
- B. Bonus
- C. **Basic Salary**
- D. Overtime Pay

✔ Answer: C – Basic salary is the core fixed component upon which other allowances and benefits are calculated.

Q19. Compensation benchmarking helps organizations:

- A. Reduce employee engagement
- B. **Compare salaries with industry standards**
- C. Eliminate training costs
- D. Conduct performance appraisals

✔ Answer: B – Benchmarking ensures pay is competitive and aligned with market rates to attract and retain talent.

Section 4: Employee Engagement and Relations

1

Q20. Employee engagement primarily measures:

- A. Employee attendance
- B. **Emotional commitment toward work and organization**
- C. Payroll accuracy
- D. Number of training programs attended

✔ Answer: B – Engaged employees are emotionally invested in their work and the organization's success.

2

Q21. Which factor is most likely to improve employee engagement?

- A. Poor communication
- B. Lack of recognition
- C. **Career development opportunities**
- D. Micromanagement

✔ Answer: C – Providing growth paths and learning opportunities is one of the strongest drivers of engagement.

3

Q22. eNPS stands for:

- A. **Employee Net Promoter Score**
- B. Employee Normal Performance Scale
- C. Enterprise Net Productivity System
- D. Employee Numerical Performance Score

✔ Answer: A – eNPS measures how likely employees are to recommend their organization as a great place to work.

4

Q23. What is the first step in grievance handling?

- A. Resolution implementation
- B. Investigation
- C. **Complaint submission**
- D. Disciplinary action

✔ Answer: C – The grievance process begins when an employee formally submits a complaint.

Employee Relations, Training & Compliance

1

Q24. Which of the following commonly causes workplace conflict?

- A. Transparent communication
- B. Role clarity
- C. **Workload imbalance**
- D. Employee recognition

✔ Answer: C – Unequal distribution of work creates frustration and interpersonal tension.

2

Q25. Which HR function is most directly responsible for maintaining healthy employer-employee relationships?

- A. Payroll Administration
- B. **Employee Relations**
- C. Compensation Planning
- D. Workforce Forecasting

✔ Answer: B – Employee Relations manages workplace harmony, conflict resolution, and policy adherence.

3

Q26. What is the first step in the training process?

- A. Program evaluation
- B. Delivery
- C. **Training Needs Analysis**
- D. Certification

✔ Answer: C – TNA identifies skill gaps and determines what training is required before design or delivery begins.

4

Q27. Which Kirkpatrick evaluation level measures behavioral change after training?

- A. Level 1
- B. Level 2
- C. **Level 3**
- D. Level 4

✔ Answer: C – Level 3 (Behavior) assesses whether trainees apply new skills on the job.

Training, Development & Compliance

1

Q28. Leadership development programs mainly focus on:

- A. Payroll management
- B. **Building future organizational leaders**
- C. Conducting audits
- D. Reducing compliance risk

✔ Answer: B – Leadership development identifies and prepares high-potential employees for future leadership roles.

2

Q29. Which training type improves communication and teamwork skills?

- A. Technical Training
- B. Compliance Training
- C. **Soft Skills Training**
- D. Functional Training

✔ Answer: C – Soft skills training develops interpersonal, communication, and collaboration capabilities.

3

Q30. Training ROI measures:

- A. Employee attendance
- B. **Learning effectiveness relative to cost**
- C. Salary increments after training
- D. Recruitment efficiency

✔ Answer: B – Training ROI compares the financial return of training programs against their investment cost.

4

Q31. HR compliance primarily ensures:

- A. Increased revenue generation
- B. **Adherence to labor laws and regulations**
- C. Better marketing campaigns
- D. Reduced customer complaints

✔ Answer: B – HR compliance protects the organization and employees by ensuring all practices meet legal requirements.

Compliance – Continued

1

Q32. Which policy addresses workplace misconduct and ethical behavior?

- A. Travel Policy
- B. **Code of Conduct**
- C. Procurement Policy
- D. Branding Policy

✔ Answer: B – A Code of Conduct sets behavioral expectations and ethical standards for all employees.

2

Q33. Which compliance area focuses on preventing discrimination and harassment?

- A. Payroll Compliance
- B. **Workplace Ethics Compliance**
- C. Tax Compliance
- D. Procurement Compliance

✔ Answer: B – Workplace Ethics Compliance ensures a safe, respectful, and non-discriminatory work environment.

3

Q34. Failure to maintain HR compliance may result in:

- A. Improved employee engagement
- B. **Legal penalties and reputational damage**
- C. Increased workforce planning efficiency
- D. Reduced audit requirements

✔ Answer: B – Non-compliance exposes organizations to lawsuits, fines, and significant damage to employer brand.

4

Q35. Which document formally defines terms and conditions of employment?

- A. Attendance Register
- B. **Offer Letter or Employment Contract**
- C. Performance Appraisal Form
- D. Expense Claim Form

✔ Answer: B – An employment contract is a legally binding document outlining rights, responsibilities, and conditions of employment.

Succession Planning & Organizational Development

1

Q36. Succession planning primarily aims to:

- A. Reduce training expenses
- B. **Prepare employees for critical future roles**
- C. Eliminate promotions
- D. Conduct performance reviews

✔ Answer: B – Succession planning identifies and develops talent to fill key leadership and critical positions in the future.

2

Q37. High-potential employees are commonly referred to as:

- A. Temporary Staff
- B. **HiPos**
- C. Contractors
- D. Apprentices

✔ Answer: B – HiPos (High Potentials) are employees identified as having the capability and aspiration to advance into senior roles.

3

Q38. Organizational Development (OD) focuses on:

- A. Payroll automation
- B. **Improving organizational effectiveness and culture**
- C. Hiring external consultants only
- D. Conducting legal audits

✔ Answer: B – OD uses behavioral science to improve an organization's capacity to change and achieve greater effectiveness.

4

Q39. Which OD intervention improves collaboration among employees?

- A. Salary Benchmarking
- B. **Team Development**
- C. Job Elimination
- D. Payroll Auditing

✔ Answer: B – Team development interventions build trust, communication, and collaborative problem-solving skills.

Retention, Metrics & HR Analytics

1

Q40. Which HR activity best supports employee retention?

- A. Frequent disciplinary action
- B. **Career growth opportunities**
- C. Reducing benefits
- D. Delayed appraisals

✔ Answer: B – Employees who see a clear path for growth are significantly more likely to stay with an organization.

2

Q41. Attrition Rate measures:

- A. Employee productivity
- B. **Employees leaving the organization**
- C. Employee satisfaction
- D. Payroll accuracy

✔ Answer: B – Attrition Rate tracks the percentage of employees who leave over a given period, voluntarily or involuntarily.

3

Q42. Which metric evaluates employee absence frequency?

- A. Revenue per Employee
- B. Offer Acceptance Rate
- C. **Absenteeism Rate**
- D. Quality of Hire

✔ Answer: C – Absenteeism Rate measures how often employees are absent, helping identify engagement or health issues.

4

Q43. Predictive HR analytics helps organizations:

- A. Store employee records
- B. **Forecast future workforce trends**
- C. Conduct payroll calculations
- D. Design office layouts

✔ Answer: B – Predictive analytics uses historical data and modeling to anticipate future HR challenges like turnover or skill gaps.

HR Technology & Systems

1

Q44. Revenue per Employee is calculated by:

- A. Revenue ÷ Recruitment Cost
- B. **Total Revenue ÷ Number of Employees**
- C. Revenue × Attrition Rate
- D. Compensation ÷ Workforce Size

✔ Answer: B – Revenue per Employee is a productivity metric: Total Revenue divided by the total number of employees.

2

Q45. An LMS is primarily used for:

- A. Payroll processing
- B. Recruitment tracking
- C. **Learning and training management**
- D. Attendance monitoring

✔ Answer: C – A Learning Management System (LMS) delivers, tracks, and manages employee training and development programs.

3

Q46. HRMS stands for:

- A. **Human Resource Management System**
- B. Human Recruitment Monitoring Solution
- C. Hiring Resource Management Structure
- D. Human Reporting Mechanism Software

✔ Answer: A – HRMS is an integrated software platform that manages core HR functions including payroll, recruitment, and employee data.

4

Q47. One major benefit of HR automation is:

- A. Increased paperwork
- B. Reduced operational efficiency
- C. **Faster and more accurate HR processes**
- D. Elimination of employee communication

✔ Answer: C – HR automation reduces manual errors, speeds up processes, and frees HR professionals to focus on strategic work.

Strategic HRM, Change Management & Leadership

1

Q48. Strategic HRM focuses on:

- A. **Aligning HR practices with business objectives**
- B. Conducting payroll calculations only
- C. Eliminating employee benefits
- D. Reducing organizational goals

Answer: A – Strategic HRM ensures that people management practices directly support and advance the organization's overall strategy.

2

Q49. Which change management model includes Awareness, Desire, Knowledge, Ability, and Reinforcement?

- A. Lewin's Model
- B. McKinsey 7S
- C. **ADKAR Model**
- D. Balanced Scorecard

Answer: C – The ADKAR Model by Prosci is an individual-focused change framework covering five key milestones for successful change adoption.

3

Q50. Which leadership approach encourages employee empowerment and participation?

- A. Autocratic Leadership
- B. Theory X Management
- C. Micromanagement
- D. **Theory Y Management**

Answer: D – Theory Y assumes employees are self-motivated and capable, encouraging participative and empowering leadership styles.

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