

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

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EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF COMMERCE

BCOM 455: COMPENSATION MANAGEMENT

STREAMS: BCOM

TIME: 2 HOURS

DAY/DATE: TUESDAY 30/03/2021

8.30 A.M – 10.30 A.M

INSTRUCTIONS:

Answer question one and any other two questions

QUESTION ONE

- (a) An organizational has decided to carry out market survey for purpose of comparing their salaries with competitors. They have decided to use a general published survey and have consulted you as the human resource manager to advise them on information to collect and why the published survey is better than other types of survey. Explain the main contents of information that you will provide to the organization. [10 marks]
- (b) A youth organization has decided to set up a formal compensation system. Explain the components of this system. [10 marks]
- (c) Many organizations normally develop a reward policy. Explain the factors that are considered when developing a reward policy of an organization. [10 marks]

QUESTION TWO

- (a) Explain the reasons that would enhance effectiveness of information used in developing pay structures. [8 marks]
- (b) Discuss the approaches to compensation as advocated by Fredrick Taylor and Vrooms expectancy theory. [12 marks]

QUESTION THREE

- (a) The government sets legislation that relate to employment practices. Explain the role of these legislations in enhancing employer- employee relationship. [12 marks]
- (b) Explain the factors that determine wages paid to casual workers. [8 marks]

QUESTION FOUR

- (a) Explain the role of job evaluation when making financial and non financial decisions in an organization. [10 marks]
 - (b) Jayson is an expatriate who intends to work in one of the local firms. Explain the type of incentives that he expects to receive from the organization. [10 marks]
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