

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

**EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF
COMMERCE**

BCOM 455: COMPENSATION MANAGEMENT

STREAMS: BCOM (ODEL)

TIME: 2 HOURS

DAY/DATE: WEDNESDAY 07/08/2024

2.30 P.M. – 4.30 P.M.

INSTRUCTIONS

- **Answer question one and any other two questions**

Question one

- a) Analyze the concept of compensation management and its importance to employees and the organization. (12 marks)
- b) Explain the reasons that would make employees reject a compensation package provided by an organization. (8 marks)
- c) Explain the type of information obtained from salary surveys and reasons why it may be viewed as unreliable. (10 marks)

Question two

- a) Explain the merits and demerits of;
 - i) Brand bonded pay structures. (6 marks)
 - ii) Narrow bonded pay structures. (6 marks)
- b) Analyze the contribution of Fredrick Winslow Taylor on compensation management. (8 marks)

Question three

- a) Team based pay is better than individual pay. Using examples argue the case for and against this statement. (10 marks)
- b) In a recent meeting it was resolved that a compensation system be established. Describe the components of such a system and its importance to the organization. (10 marks)

Question three

- a) Analyze at least four job evaluation methods. (8 marks)
- b) COVID-19 brought disruption in the work environment. Describe the methods that organizations used to ensure continuity of products and service provision during this period. (12 marks)

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