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Total Number of Pages: 02

MBA
15MNG305C

3rd Semester Regular Examination 2017-18
Compensation Management (CM)

BRANCH : MBA

Time: 3 Hours

Max Marks: 100

Q.CODE: B686

Answer Question No.1 and 2 which are compulsory and any four from the rest.
The figures in the right hand margin indicate marks.

Q1 Answer the following questions : (2x10)

- a) Basic compensations given to employees as salaries or wages are called base pay B) wages C) variable pay D) salaries
- b) Compensation given with base pay linked to individual team or organizational performance is classified as variable pay B) salaries C) base pay D) wages
- c) Most common and usual form of direct compensation paid in organizations is base pay and benefits B) base and variable pay C) variable pay and benefits D) all of above
- d) Wages usually adjusted for the prevailing rate of inflation is A) Real wage B) Fair wage C) Minimum wage D) Living wages
- e) Stock option and profit sharing plans are examples of Base salary B) short term incentive plan C) Long term incentive plan D) All of the above
- f) Provision for cars, parking lots and membership in country club are examples of A) Incentives B) Perks C) Executive compensation D) Fringe benefits
- g) Which of the following factors is not an external influencing factor in wages and salary administration? A) Cost of living B) Labour legislations C) Labour market conditions D) Ability to pay
- h) Providing equal pay for jobs of equal nature based on job evaluation ensures _____ in Compensation administration A) External equity B) Internal equity C) Neutrality D) None of the above
- i) The amount of wage fixed for a unit of time fixed on the basis of job evaluation standards is called A) Standard wage rate B) wage rate C) incentive wage D) Statutory minimum wage
- j) Various extra benefits provided to employees in addition to the compensation paid in the form of wage or salary is termed as : Incentives B) Fringe benefits C) Wage incentives D) Bonus

Q2 Answer the following Questions : (2x10)

- a) What are the advantages of a fair compensation system
- b) What is meant by job based pay, skill based pay and competency based pay
- c) What do you mean by the term rewards and incentives
- d) What is compensation survey
- e) Human resource Department plays a crucial role in wage and salary administration of a firm, Comment
- f) List out few external factors influencing wage and salary administration
- g) What is time rate system of wage payment

- h) Explain the benefits of linking pay to performance
- i) What does external and internal equity mean in compensation system
- j) Explain Executive compensation

- Q3** Discuss the factors influencing wage and salary structure? Throw light on the principles of wage and salaries administration. **(15)**
- Q4** Do you think that non-financial motivators can work more effectively when integrated with financial rewards in a total reward process? Give reasons to support your example with suitable example. **(15)**
- Q5** What are the different elements of the total compensation ? Is it all about salary only ? Discuss. How is skill based compensation different from competency related compensation. **(15)**
- Q6** Distinguish between fair wage and living wage . Explain various theories of wages in brief **(15)**
- Q7** What is job evaluation ? Explain the objectives of job evaluation . What are the techniques do you adopt to evaluate the jobs **(15)**
- Q8** What are the major objectives of incentive schemes. Explain Halsey and Rowan plan with examples **(15)**