



GIET UNIVERSITY, GUNUPUR – 765022

M. B. A (Third Semester – Regular) Examinations, December – 2020 MB 303 C – COMPENSATION MANAGEMENT AND BENEFIT MANAGEMENT

Time: 2 hrs

Maximum: 50 Marks

The figures in the right hand margin indicate marks.

PART – I: (Multiple Choice Questions)

(1 x 10 = 10 Marks)

Q. 1 Answer **ALL** questions

- a. The objective of employee compensation is to
 - (i) Increase Absenteeism
 - (ii) Follow government policies
 - (iii) Retain competent employees
 - (iv) Rank employees
- b. Job evaluation includes
 - (i) Job description
 - (ii) Reward Strategies
 - (iii) Pay policies
 - (iv) Pay raises
- c. The component of pay structure which is exempted from tax is
 - (i) Risk pay
 - (ii) Gratuity
 - (iii) Gifts
 - (iv) Stocks
- d. The pay in competency based pay is
 - (i) Job oriented
 - (ii) Time oriented
 - (iii) Process oriented
 - (iv) Skill oriented
- e. The lowest hourly wage in employee compensation is
 - (i) Minimum wage
 - (ii) Basic wage
 - (iii) Hourly wage
 - (iv) Premium wage
- f. The prominent factor that affects wage differentials is
 - (i) Linear pay
 - (ii) Incentives
 - (iii) Working conditions
 - (iv) Band pay
- g. The annual bonus provided to an employee is
 - (i) Long term incentive
 - (ii) Short term incentive
 - (iii) Recognition based incentive
 - (iv) Reward package
- h. Team incentive plans are based on
 - (i) Individual performance
 - (ii) Group incentives
 - (iii) work ethics
 - (iv) Team performance
- i. Variable pay are specifically called
 - (i) Evidence based plans
 - (ii) Reward packages
 - (iii) Profit sharing plans
 - (iv) Phantom stock plans
- j. Discretionary benefit provided by the employer is
 - (i) Health Insurance
 - (ii) Gratuity
 - (iii) ESI
 - (iv) Pension

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PART – II : (Short Answer Questions)**(2 x 5 = 10 Marks)****Q.2. Answer ALL questions**

- a. Mention the components of 3P Compensation concept.
- b. What is Competency based pay?
- c. List the methods of wage payment.
- d. What is merit pay?
- e. Mention the features of group life insurance.

PART – III : (Long Answer Questions)**(6 x 5 = 30 Marks)**Answer **ANY FIVE** questions.

3. Distinguish between competency based and traditional pay plans.
4. What is the relationship between compensable factors and job specification?
5. Review the non-statutory benefits.
6. Discuss the principles of wage administration.
7. Explain the process of establishing pay rates.
8. Discuss types of employee stock ownership plans.
9. Outline steps in designing effective incentive plans.
10. Discuss the main retirement benefits.

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