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KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS

2021/2022 ACADEMIC YEAR THIRD YEAR SECOND SEMESTER MAIN EXAMINATION

FOR THE DEGREE OF BACHELOR OF COMMERCE

COURSE CODE: BCH 321

COURSE TITLE: REWARD MANAGEMENT

DATE: 23/05/2022 TIME: 9.00AM – 11.00AM

INSTRUCTION TO CANDIDATES

- 1) The paper contains **FIVE** questions
- 2) Attempt **THREE** questions
- 3) Question **ONE** is Compulsory

TIME: 2 Hours

KIBU observes ZERO tolerance to examination cheating

QUESTION ONE

- a) Compensation refers to all forms of pay going to employees and arising from their employment. Explain the principle Purpose of determining pay rates (10 marks)
- b) Through job evaluation, management can recruit productive employees to fill position and maintain internal perceptions of pay equity by paying each position fairly in comparison with all other positions within the organization. Evaluate this statement (10 marks)
- c) Discuss the basic guidelines for effective goal setting. (10 marks)

QUESTION TWO

- a) List various ways used to contain costs and State how a benefit program is managed. (10 marks)
- b) Highlight what is contained in Kenya's Employment Act 2007 concerning protection of wages (10 marks)

QUESTION THREE

- a) A wage or salary is influenced by many different factors. Some of these affect the basic pay for the job and others the pay that individual employees receive. Explain these factors involved in determining pay. (10 marks)
- b) *Well-considered wage policies should address both the employees and employers needs and in particular. Elaborate on the types of wage payment system existing in various organizations* (10 marks)

QUESTION FOUR

- a) A wage or salary is influenced by many different factors. Some of these affect the basic pay for the job and others the pay that individual employees receive. Explain these factors involved in determining pay. (10 marks)
- b) Distinguish between skill-based pay and performance-based pay and state the advantages and disadvantages of performance based pay. (10 marks)

QUESTION FIVE

- a) An employee's paycheck is certainly important for its purchasing power. In most societies, however, a person's earning also serve as an indicator of power and prestige and tied to feelings of self-worth. In other words, compensation affects a person economically, sociologically, and psychologically. Discuss (10 marks)
- b) As a human resource student, discuss the relationship between compensation and motivation (10 marks)