



**PAN AFRICA CHRISTIAN UNIVERSITY
BACHELORS OF BUSINESS LEADERSHIP
END TERM EXAMINATION-ONLINE**

DEPARTMENT: BUSINESS

COURSE CODE: CHR 403: COMPENSATION AND REWARD MANAGEMENT

ANSWER FOUR QUESTIONS ONLY {10 MARKS EACH}

SECTION A

QUESTION ONE { COMPULSORY} {10 MARKS}

- a) Discuss **Two** objectives of Reward Management **(2mks)**
- b) Discuss **Four** employee actions which would lead to a summary dismissal according to section 17 (a)-(g) of the Kenya labor laws **(4mks)**

- c) Explain **Two** Challenges facing National Hospital Insurance Fund strategy implementation process in Kenya (4mks)

SECTION B: ANSWER THREE QUESTIONS ONLY {10 MARKS
EACH

QUESTION TWO 10 MARKS

- a) Citing examples, discuss the significance of Performance related Pay (2mks)
- b) Every employee will not and should not have the same remuneration package but each package should be thoughtfully tailored to the individual employee after putting into consideration some factors. Describe **Two** of these factors (4mks).
- c) Explain **Two** challenges facing wage and salary administration in Business Organizations (4mks)

QUESTION THREE 10 MARKS

- a) Discuss **Two** ways of coping with the over paid employees (2mks)
- b) Explain **Two** benefits of wage and salary administration (4mks)
- c) Describe **Two** special contracts of employment (4mks)

QUESTION FOUR
MARKS

10

- a) Discuss briefly **Two** objectives of Performance related Pay (2mks)
- b) Explain the importance of performance management (4mks)
- c) Describe **Two** key factors which affect individual differences in wage rates (4mks)

QUESTION FIVE

10 MARKS

- a) Describe **Two** common ways used to verify performance in organizations (2mks)
- b) Explain **Two** internal factors influencing remuneration in an organization (4mks)
- c) Citing examples in each case, explain the meaning of the following terms
 - i. Cash Incentives (2mks)
 - ii. Deferred Compensation (2mks)

QUESTION SIX

10 MARKS

- a) Performance management cycle has four phases. Describe the first **two** of the phases (2mks).
- b) Citing examples, discuss **Four** types of Wages (4mks)
- c) Explain the importance of reward management in an Organization (4mks)