



University of Fort Hare
Together in Excellence

UNIVERSITY OF FORT HARE

COMPENSATION MANAGEMENT

HRM 221

UNDERGRADUATE EXAMINATIONS

NOVEMBER 2018

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TIME: 3 HOURS

SUBJECT: HUMAN RESOURCES MANAGEMENT

MARKS: 100

This paper consists of 2 pages including the cover page

Internal Examiner

Dr. J.K Aderibigbe

Internal Examiner

Ms. N.I Gcaza

INSTRUCTION: THIS PAPER CONSISTS OF FIVE (5) QUESTIONS. ANSWER QUESTION NUMBER ONE (COMPULSORY), AND ANY OTHER TWO (2) QUESTIONS.

QUESTIONS

1. a. Discuss in details the two (2) classes of compensation component in the reward system (15)
- b. Identify and briefly explain the four (4) basis of employee pay satisfaction according to Bunger and Tremble (2004) (10)
- c. Differentiate between the direct compensation element and the variable pay element of “total compensation” (10)
- d. Indicate two (2) out of the three primary criteria in the traditional design of compensation programmes according to wolf (2000) (05)

Total = 40 marks

2. a. State five any (5) clear objectives of a compensation system (15)
- b. List and briefly explain five (5) external factors that could influence the achievement of objectives of a compensation system according to Boase (1997) (15)

Total = 30 marks

3. a. Explain the following four (4) basic variable pay approaches
 - i. Profit sharing (05)
 - ii. Gain Sharing (05)
 - iii. Goal Sharing (05)
 - iv. Combination plans (05)
- b. Briefly discuss the concept of ‘employee benefits’ (10)

Total = 30 marks

4. a. Give a detailed account of your understanding of the concept of ‘job analysis’ (20)
- b. Discuss the concept of ‘job evaluation’ (10)

Total = 30 marks

5. Fully describe your understanding of the concept of ‘job hierarchy’ (30)