

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

FACULTY OF COMMERCE

DEPARTMENT OF BUSINESS MANAGEMENT

COMPENSATION MANAGEMENT –CBU 2203

MAY 2011 EXAMINATION

TIME ALLOWED: 3 HOURS

INSTRUCTIONS TO CANDIDATES

Answer any **four** questions

INFORMATION TO CANDIDATES

- i) All questions carry **(25)** marks each
 - ii) Questions may be answered in any order.
 - iii) Credit will be given **for the use of appropriate examples.**
 - iv) This paper contains **seven** questions.
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QUESTION 1

Outline the processes of determining reward levels in an organization and indicate their contributions to the development of a sound compensation scheme.

[25 Marks]

QUESTION 2

- a) Discuss three objectives of a compensation system in an organization.

[10 Marks]

- b) Discuss incentive schemes that are currently in use in Zimbabwe.

[15 Marks]

QUESTION 3

Many modern thinkers, for example Ed Lawer (1986) are contemptuous of job evaluation as a way of conducting compensation management. Why are they not impressed with job evaluation? Say why you agree or disagree with them.

[25 Marks]

QUESTION 4

‘A good reward system is one that meets the needs of the organization and those of its employees.’ Interrogate the foregoing statement giving your reasons.

[25 Marks]

QUESTION 5

Compensation Management is in essence a way of exchanging **values** between an organization and the employees. Discuss why it is more effective for an organization to pay for performance rather than pay the job.

[25 Marks]

QUESTION 6

Discuss at least four aims of broad banding indicating how valid they are in compensation management.

[25 Marks]

QUESTION 7

Discuss job evaluation methods that are currently in use in industry in Zimbabwe.

[25 Marks]

END OF EXAMINATION