



# THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

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**MAIN EXAMINATION**

**JANUARY – APRIL 2019 TRIMESTER**

**FACULTY OF COMMERCE**

**MBA REGULAR / EVENING PROGRAMME**

**CMH 614: EMPLOYEE REWARD AND COMPENSATION**

**Date: APRIL 2019**

**Duration: 3 Hours**

**INSTRUCTIONS: Answer any THREE Questions**

- Q1. a) The model of total reward indicates that there is more to rewarding people than just throwing money to them. Show with the help of a diagram that the total reward model is inclusive of pay, benefits, work environment and learning and development. **(10 marks)**
- b) Give a theoretical explanation of what a fair payment is using the notion of equity theory and i-deals. **(10 marks)**
- Q2. a) Discuss any three economic theories that explain pay levels. Show the practical significance of each of the three theories. **(10 marks)**
- b) Distinguish analytical from non-analytical job evaluation. The point method is the most frequently used system of Job evaluation. Discuss the steps in detail. **(10 marks)**
- Q3. a) The staff union representative and the Human Resource manager are arguing over which type of grade i.e. the broad-graded structures or broad banded structures with zones to use for the organization. But they don't have very clear concept of what essentially each is. As an expert of Human Resource management they want to hear from you what each exactly is. So what is your answer to them? **(10 marks)**
- b) How do rewards affect employee behavior can he answered by expectancy theory. Discuss expectancy theory? **(10 marks)**

- Q4. a) Many people see pay related to performance, competency, contribution or skills as the best way to motivate people. Discuss the main features of performance related pay and competency related pay. **(10 marks)**
- b) The chief executive wants your advice on how a flexible benefit scheme works and what benefit can be realized if it is to be applied in the company. **(10 marks)**

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