



**TECHNICAL UNIVERSITY OF MOMBASA**  
***Faculty of Business and Social Studies***

DEPARTMENT OF BUSINESS STUDIES

UNIVERSITY EXAMINATIONS FOR DEGREE IN  
BACHELOR OF BUSINESS ADMINISTRATION  
BACHELOR OF COMMERCE

**BHR 4306: REWARD MANAGEMENT**

END OF SEMESTER EXAMINATIONS

**SERIES: APRIL 2015**

**TIME: 2 HOURS**

**INSTRUCTIONS:**

- Answer Question **ONE (Compulsory)** and any other **TWO** questions.
- Do not write on the question paper

***This paper consists of Two printed pages***

---

**QUESTION 1 (Compulsory)**

- a) A sound reward management system should possess key elements. Discuss. **(10 marks)**
- b) Organisations have seen the importance of linking pay to performance. Explain the causes for the failure of pay for performance systems. **(10 marks)**
- c) The reward management team needs to obtain data when setting up the organizations pay system. Explain the sources of information for salary surveys. **(10 marks)**

**QUESTION 2**

- a) Explain the purpose of conducting job evaluation. **(10 marks)**
- b) One of the job evaluation techniques is the Point Factor Method. Explain the merits of using this technique. **(10 marks)**

### **QUESTION 3**

- a) Every organization should have proper reward policies in place. Explain the issues addressed by reward policies. **(10 marks)**
- b) Explain the limitations of gain sharing as an incentive for employees. **(10 marks)**

### **QUESTION 4**

- a) Organizations have seen the need to have organization-wide incentive plans. Explain the types of organization-wide incentive plans commonly adopted by organizations. **(10 marks)**
- b) Explain the benefits enjoyed by an organization which uses group incentive plans to motivate its workers. **(10 marks)**

### **QUESTION 5**

- a) Explain the reasons for the reward management team which leads them to use the published specialist surveys. **(10 marks)**
- b) Some organizations use broad banding. Explain the demerits of broad banding when setting up the grade structures. **(10 marks)**