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**UNIVERSITY EXAMINATIONS**

**MAIN EXAMS**

**2022/2023 ACADEMIC YEAR**

**THIRD YEAR SECOND SEMESTER**

**FOR THE DEGREE OF BACHELOR OF COMMERCE**

**COURSE CODE: BCH 321**

**COURSE TITLE: REWARD MANAGEMENT**

**DATE: 20/04/2023**

**TIME: 9:00-11:00AM**

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**INSTRUCTIONS TO CANDIDATES**

- 1) Answer Question **ONE**(Compulsory) and **ANY OTHER TWO** Questions
  - 2) Candidates must hand in their answer booklets to the invigilator while in the examination room
  - 3) Credit is given for legibility, clarity and use of relevant examples
  - 4) Question **ONE** is **30 marks** while Questions **2-5** carry **20 marks** each
  - 5) Clearly write your **Registration Number** on each answer sheet used
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**TIME: 2 Hours**

## QUESTIONS : SECTION A

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### QUESTION ONE

As a reward management consultant, you have been invited in Kibabii University to give a talk on 'Effective Rewarding of Employees'.

#### REQUIRED:

- (a) (i) Explain to the Human Resource department **EIGHT** factors that should determine pay level in the university **(8mks)**
- (ii) Why is it necessary for the HR department staff to have knowledge on reward management **(8mks)**
- (b) In conducting job evaluation in the university, what **FOUR** Non quantitative job evaluation methods can they employ? **(8mks)**
- (c) Advice the head of HR as to why non-financial rewards should be emphasized in their reward system **(6mks)**

## QUESTIONS : SECTION B

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### QUESTION TWO

- (a) Market rate analysis is key in determining external relativities.
- (i) Explain the purpose of market rate analysis **(7mks)**
- (ii) Describe the major sources of market rate analysis data **(7mks)**
- (b) Examine the factors to be taken into account for purposes of achieving an effective reward system **(6mks)**

### QUESTION THREE

- (a) Differentiate between the following terms as used in Reward Management:
- |       |  |               |
|-------|--|---------------|
| (i)   | Career family structures and job family structures | <b>(5mks)</b> |
| (ii)  | Grade structure and pay structure                  | <b>(5mks)</b> |
| (iii) | Reward strategy and Reward Policy                  | <b>(5mks)</b> |
| (iv)  | Financial Incentives and Financial Rewards         | <b>(5mks)</b> |

### QUESTION FOUR

- a) There are strong arguments both for and against contingent pay. Discuss **(10mks)**

- b) As a Human resource manager in charge of reward management in your organization, give **FIVE** reasons as to why your organization should consider introducing flexible benefits **(10mks)**

#### **QUESTION FIVE**

- (a) As per Article 230(4) of the Kenyan Constitution, the Salaries and Remuneration Commission has been established to set, review and advice on equitable, competitive and fiscally sustainable remuneration and benefits in the public sector through research and analysis. Explain the specific functions of the Commission **(10mks)**
- (b) The Employment Act protects employee rewards especially regarding wage deductions. Explain the various deductions allowable from an Employee's pay **(10mks)**