

**Code No: MB1638/R16**

**MBA III Semester Supplementary Examinations, March-2021**

**COMPENSATION AND REWARD MANAGEMENT**

**Time: 3 Hours**

**Max. Marks: 60**

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*Answer Any FIVE Questions  
All Questions Carry Equal Marks  
Question No. 8 is Compulsory*

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| 1. a | What are the objectives of compensation management?                               | 6M |
| b    | What are the challenges of compensation management?                               | 6M |
| 2. a | Why is job evaluation important for compensation management?                      | 6M |
| b    | What role does job analysis and job evaluation play in the compensation decision? | 6M |
| 3. a | What are the objectives of wages and salary administration?                       | 6M |
| b    | What are the basic determinants of pay?   | 6M |
| 4. a | How can Labour costs be controlled?   | 8M |
| b    | What are the types of Labour cost?  | 4M |
| 5. a | What is the concept of tax planning?  | 6M |
| b    | What are the 5 D's of tax planning?   | 6M |
| 6. a | What are the different theories of wages?   | 6M |
| b    | What is the value of salary surveys to an organization?                           | 6M |
| 7. a | What are the four types of compensation?  | 4M |
| b    | How long does payroll take to process?  | 8M |

**Four-day week proposal**

Six months ago non uniformed administrative and clerical employees in the city of pine tree formed an association to bargain collectively with city representatives on work related issues. About half of the 500 eligible city employees are members of the association. The employee organization has been formally recognized, and negotiations for a contract are expected in this month. Johnson president of the association has received several inquiries recently from association members about the possibility of a four - day week. Some of the non-members have also expressed interest. Johnson like the idea and the city management seems generally receptive to it. However the personnel director of the city is skeptical. He is familiar with a 4/40 plan from a city in which he was previously employed. In that city the plan was for uniformed police officers, and was designed to create overlapping shifts so that more police officers could cover high crime areas during peak periods. The main problem that developed was fatigue of police officers at the end of shifts. This resulted in a substantial increase in sick leave. The plan was eventually stopped, and police went back to five-day, eight –hour shifts.

**Answer the following question:**

- i. What would be your advice to Johnson on a 4/40 plan for the administrative and Clerical personnel?

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