



Name:

Enrolment No:

**UPES**

**End Semester Examination, December 2023**

**Course: Compensation Management**

**Program: MBA HRM**

**Course Code: HRES8011P**

**Semester: III**

**Time: 03 hrs.**

**Max. Marks: 100**

**Instructions:**

**SECTION A**  
**10Qx2M=20Marks**

S. No.		Marks	CO
Q 1	Which of the following is a non-monetary compensation component  a. Core Compensation b. Benefits c. Incentives d. Rewards	[2]	CO1
Q2	Compensation is linked with which other HR Process mentioned below:  a. Recruitment b. Performance Management c. Termination d. All of the Above	[2]	CO1
Q3	Which of the following is not an individual level incentive?  a. Spot Bonus b. Piecework Incentive c. Stock Options d. Referral Bonus	[2]	CO1
Q4	Which of the following uses Productivity physically and not in dollars to calculate group incentives?  a. Rucker Plan b. Improshare plan c. Scalon Plan d. None of the Above	[2]	CO1
Q5	Which of the following Compensable factors is given highest weightage in Job Evaluation through Points Methods?	[2]	CO1

	<ul style="list-style-type: none"> <li>a. Skills</li> <li>b. Responsibility</li> <li>c. Effort</li> <li>d. Working Conditions</li> </ul>		
Q6	<p>If minimum of a Pay Grade is Rs 10000 and the Range Spread is 50% then maximum value of the Pay Grade is :</p> <ul style="list-style-type: none"> <li>a. Rs 12000</li> <li>b. Rs 15000</li> <li>c. Rs 20000</li> <li>d. Rs 35000</li> </ul>	[2]	CO1
Q7	<p>If Pay of a Person is above the Maximum of the Pay Grade it is called:</p> <ul style="list-style-type: none"> <li>a. Blue Circle Rate</li> <li>b. Green Circle Rate</li> <li>c. Red Circle Rate</li> <li>d. Yellow Circle Rate</li> </ul>	[2]	CO1
Q8	<p>IRC in US which governs it's Tax Laws stands for :</p> <ul style="list-style-type: none"> <li>a. International Revenue Code</li> <li>b. International Reverse Code</li> <li>c. Internal Revenue Code</li> <li>d. Internal Reverse Coding</li> </ul>	[2]	CO1
Q9	<p>Provisions in Executive Compensation to reverse performance related payments to executives is called:</p> <ul style="list-style-type: none"> <li>a. Discretionary Bonus</li> <li>b. Contingent Bonus</li> <li>c. Claw backs</li> <li>d. Golden Parachute</li> </ul>	[2]	CO1
Q10	<p>Single Lump sum Payments to Expats for any assignment changes are called:</p> <ul style="list-style-type: none"> <li>a. Hardship Allowances</li> <li>b. Mobility Premiums</li> <li>c. Foreign Service Premiums</li> <li>d. None of the Above</li> </ul>	[2]	CO1
<p><b>SECTION B</b>  <b>4Qx5M= 20 Marks</b></p>			
Q11	<p>“Compensation has both Monetary and Non-Monetary Components.”- Explain in brief.</p>	5	CO2

Q12	“Incentives can be given at Individual and Team Levels” – Explain in brief	5	CO3
Q13	Explain any one in brief: a. Job Ranking b. Points Method	5	CO2
Q14	“It is more desirable for organizations to pay in Green Circles rather than red circles.” – Explain in brief	5	CO3
<b>SECTION-C</b> <b>3Qx10M=30 Marks</b>			
Q 16	The Mid Point of a Pay Grade A is Rs 12000. If range spread recommended for the Grade is 40%. Calculate the following: a. Minimum of the Pay Grade b. Maximum of the Pay Grade c. If an employee is hired and Paid Rs 13000 what is the Compa Ratio d. If another employee is hired and paid Rs 11000. What is the Compa Ratio e. What would be Red Circle and Green Circle Pay Samples for this Pay Grade	10	CO3
Q 17	“Compensation is affected by a lot of Contextual factors.” What are these factors? Explain in detail with examples	10	CO2
Q 18	“Repatriation of Expatriates can pose some challenges when they return” What can be some the repatriation challenges and how should HR deal with them?	10	CO3
<b>SECTION-D</b> <b>2Qx15M= 30 Marks</b>			
Q 19	<b>CASE STUDY</b> After 3 months in her new role as Director of Human Resources (HR) at Customers First, Deborah Ketson feels confident she has identified the significant HR issues at the company. She has prioritized the issues and is meeting with company president Joan Bates to make her recommendations. Deborah is prepared to discuss her top priority, which is to conduct an organization-wide job analysis and job evaluation project in order to start building a more internally consistent pay structure. Customers First is a company that provides customer service for other companies. Small-to-medium sized companies outsource their customer service function to Customers First, which manages all customer service for their clients through a call center and also via an online customer service center. The company works with a diverse group of clients ranging from small retail stores to larger online retailers. Customers First has grown quickly in the 5 years since Joan started the company, and now employs more than 150 customer service representatives (CSRs) and other support staff. The company’s quick growth has led to several problems with its compensation structure. Much of the company’s hiring has occurred in response to a new contract, and pay was set based on the current market rate for CSRs in order	15	CO4

	<p>to attract the right talent. For example, an early client was a small retail store that needed fairly simple customer support.</p> <p>Four CSRs were hired and their pay was set at just slightly above minimum wage. In comparison, a more recent client required hiring 18 CSRs. The labor market was competitive at the time, and the company hired these 18 new employees at a pay rate well above what others at the company were paid. Such variance has occurred often in the hiring process, resulting in groups of CSRs at much different levels of pay for doing substantially similar work.</p> <p>Deborah has heard many complaints from the supervisors about inequities in the pay of the CSRs. The supervisors are concerned that the inequities may lead to turnover among some of the staff. Deborah has examined the pay rates of the CSRs across the organization and agrees with the supervisors that there are some concerns.</p> <p>One particular concern is that the lowest paid group of CSRs is primarily female, while the highest paid group includes all male employees. By talking with the supervisors, Deborah has learned that there are some CSRs with different levels of responsibilities and skills, but they all hold the same job title. Deborah believes that an organization-wide job analysis and job evaluation is necessary to build an internally consistent compensation structure.</p> <p>However, when she shared her recommendation with Joan, she did not receive the response she expected. Joan is resistant of the job analysis and job evaluation process as she thinks that having such a structured compensation system will limit the company's ability to be flexible in the marketplace.</p> <p>Often hiring happens quickly in response to a new client contract, and they must hire the right skill set, which might vary based on the current market rates. Further, Joan suggested the entire project would be too time consuming for Deborah and the other staff that would need to be involved. She felt their time would be better spent on other concerns such as recruiting new staff.</p> <p>a. What are your key observations and challenges in the Case?</p>		
Q 20	<p>a. What is your opinion on Joan's view on job analysis and job evaluation?</p> <p>b. What do you recommend Customers First do? Why?</p>	15	CO4