



Name:

Enrolment No:

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES

End Semester Examination, Dec 2022

Course: Compensation Management

Program: BBA HR SPZ

Course Code: HRES 3012

Semester: V

Time: 03 hrs

Max. Marks: 100

SECTION A
10Qx2M=20Marks

S. No.		Marks	CO
Q 1	External Competitiveness of Compensation is ensured through : a. Job Analysis b. Job Evaluation c. Market Surveys d. None of the Above	[2]	CO1
Q2	Which of the following adjustment recognizes skills and knowledge over performance? a. Person Based Pay b. Merit Based Pay c. Seniority Pay d. Incentive Pay	[2]	CO1
Q3	Spot Bonus is an incentive given at which level? a. Organizational b. Individual c. Functional d. Social	[2]	CO1
Q4	Specialization in an area is signified by which of the following skill related terms a. Horizontal Skills b. Vertical Skills c. Depth of Skills d. All the Above	[2]	CO1
Q5	Which of the following uses Compensable factors for Job Evaluation? a. Ranking	[2]	CO1

	<ul style="list-style-type: none"> b. Job Classification c. Paired Comparison d. Points Method 		
Q6	<p>In a Market Lag strategy which of the following statements is True :</p> <ul style="list-style-type: none"> a. Mid Point of any Pay Grade is more than Market Rate b. Mid point of a Pay Grade is less then Market Rate c. Mid Point is same as Market Rate d. None of the Above 	[2]	CO1
Q7	<p>If a pay of an employee is less than the minimum of the Pay Grade of the employee it is called :</p> <ul style="list-style-type: none"> a. Red Circle Rate b. Yellow Circle Rate c. Black Circle Rate d. Brown Circle Rate 	[2]	CO1
Q8	<p>Sabbatical leave falls in which category of Benefits?</p> <ul style="list-style-type: none"> a. Discretionary b. Statutory c. Mandatory d. None of the Above 	[2]	CO1
Q9	<p>Which is true for Executive Compensation?</p> <ul style="list-style-type: none"> a. They are treated same as all employees b. They get more as Deferred Compensation and Perks c. They are less accountable for performance d. They should be always paid high 	[2]	CO1
Q10	<p>US expats generally get Foreign Service Premium in the range of :</p> <ul style="list-style-type: none"> a. 10% to 30 % of Base Pay b. 5% to 10 % of Base Pay c. 40% to 50 % of Base Pay d. 60% to 70% of Base Pay 	[2]	CO1
<p>SECTION B 4Qx5M= 20 Marks</p>			
Q11	“Compensation is both Intrinsic and Extrinsic” – Explain in brief.	5	CO2
Q12	Explain the difference between Merit Pay and Seniority Pay in brief.	5	CO3
Q13	<p>Explain any one in brief :</p> <ul style="list-style-type: none"> a. Compensable factors 	5	CO2

	b. Job Analysis		
Q14	“You can have either a Lead, Lag or Match Approach for Compensation with respect to Market.” – Explain in brief	5	CO3
SECTION-C 3Qx10M=30 Marks			
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 Management is not a standalone function and it is linked to several other HR process” – Explain the statement with detailed examples	10	CO2
Q 18	“Global Compensation follows either Home Country, Host Country or Head Quarter Approaches” Explain the difference between the three approaches of Global Compensation.	10	CO4
SECTION-D 2Qx15M= 30 Marks			
Q 19	CASE STUDY With the demand for more nutritional food options growing, Nutriment Biotech is positioned to become a leader in agricultural biotechnology. Nutriment is a start-up biotech company that is working to develop genetically engineered food crops that offer enhanced nutrition along with easier production for farmers. Emily Hart and Harold James established Nutriment as a research organization through national grant funding 5 years ago. Nutriment is one of only a few agricultural biotechnology companies focused on enhancing nutrition in food crops. The company currently has an edge over competitors as its research has led to some scientific discoveries that now position them to grow their company significantly. As a result, Nutriment is ready to start hiring staff to get operations started. Emily and Harold have hired Jack Stewart, an HR management consultant, to help them determine how to hire the most talented staff to grow their business. Jack works mostly with start-up technology-based companies and plans to help Nutriment implement a recruiting and hiring plan and establish its preliminary HR management practices such as its pay structure. Nutriment has secured additional funding to allow it to ramp up full operations quickly. An analysis of its projected workload suggests it will need to hire approximately 15 new employees to get started. It will need to hire not only 10 new scientists but also administrative staff members including a receptionist, an office manager, a lab manager, a	10	CO4

	<p>marketing professional, and an accountant. As an experienced recruiter, Jack is confident that he will be able to quickly identify strong candidates for the administrative staff positions. The current labor market works in Nutriment’s favor, and, therefore, Jack will be able to easily generate a pool of qualified applicants. The scientists, on the other hand, will be challenging to find as they need specific expertise related to agricultural biotechnology and genetic engineering. The number of scientists with this combination of skills is limited, and the scientists are in demand by competitors.</p> <p>However, Nutriment is located in a geographic area rich with research universities and other biotech firms, so Jack is confident that it can attract a good pool of talent if it is able to offer an opportunity that is attractive to the scientists. To start the recruiting process, Jack must first establish a pay structure. Before he starts researching market rates, Jack plans to meet with Emily and Harold to establish pay level policies and discuss other strategic aspects of determining the compensation structure for the new employees. Nutriment must offer a pay package that will allow it to attract and retain both the administrative staff members and the scientists. Establishing the right pay practices will help ensure that the recruitment process allows it to put talent in place to position Nutriment for success.</p> <p>a. What are your key observations on challenges in the Case?</p>		
Q 20	<p>With respect to the Case Above answer the following:</p> <p>a. What are some strategic considerations for establishing Pay Structure at Nutriment</p> <p>b. Should Jack suggest a Lead, Lag or Match strategy? Explain your Choice</p>	20	CO4