

**Third Semester M.B.A. (Distance Mode) Degree Examination,
June/ July 2009
(Directorate of Correspondence Course)**

M.B.A. DP : HRM : 307 : Compensation Management

Time : 3 Hours

Max. Marks : 75

Section - A

Answer the following sub questions in two or three sentences each. Each one carries 2 marks. (2x5=10)

1. a. What is contingent pay?
- b. What is direct compensation?
- c. Define Psychological contract.
- d. Mention the benefits of job analysis.
- e. Differentiate between intrinsic and extrinsic rewards.

Section - B

Answer any FIVE of the following. Each one carries SIX marks (5x6=30)

2. What are the characteristics of psychological contract?
3. Briefly explain the factors influencing the levels of pay.
4. Explain marginal productivity theory of wages.
5. What are the advantages of competence- related pay.
6. Briefly explain the factors affecting team rewards.
7. Briefly explain the objectives of Fringe Benefits.

Section - C

Answer the following questions. Q.No. 8 and 9 carry 10 marks each and Q.No. 10 carries 15 marks. (10+10+15=35 marks)

8. a) Explain the structure of reward with an illustration.

OR

- b) Explain the process involved in analyzing the job.

9. a) Explain in detail the factors affecting contingent pay.

OR

- b) Profit sharing is regarded as a stepping stone to industrial democracy. Comment.

10. The success of performance management is determined by the degree to which human resources are involved. Comment.
