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**GARISSA UNIVERSITY**

**UNIVERSITY EXAMINATION 2017/2018 ACADEMIC YEAR FOUR**

**THIRD SEMESTER EXAMINATION**

**SCHOOL OF BUSINESS AND ECONOMICS**

**FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT**

**COURSE CODE: BBM 462**

**COURSE TITLE: EMPLOYEE COMPENSATION**

**EXAMINATION DURATION: 3 HOURS**

**DATE: 07/08/18 TIME: 2.00-5.00 PM**

**INSTRUCTION TO CANDIDATES**

* **The examination has SIX (6) questions**
* **Question ONE (1) is COMPULSORY**
* **Choose any other THREE (3) questions from the remaining FIVE (5) questions**
* **Use sketch diagrams to illustrate your answer whenever necessary**
* **Do not carry mobile phones or any other written materials in examination room**
* **Do not write on this paper**

**This paper consists of TWO (2) printed pages *please turn over***

**QUESTION ONE (COMPULSORY)**

1. Suppose you have been appointed as a director/manager in a newly started NGO in Garissa County. Discuss what is compensation and the importance of compensation. **[10 Marks]**
2. Briefly list and explain giving examples the two main types of compensation you are more likely to use. **[5 Marks]**
3. While seeking for advice, a manager from a sister company recommends/suggests that, you outsource payroll facility and you take in the advice. Discuss the five benefits that you are more likely to consider even as you choose to outsource payroll.  **[10 Marks]**

**QUESTION TWO**

1. A good salaries and benefits plan is necessary to enable organization to **[10 Marks]**
2. State and briefly explain the FIVE types of employee benefits **[5 Marks]**

**QUESTION THREE**

1. Discuss the importance of Employee welfare in an organization. **[10 Marks]**
2. Outline steps undertaken in developing an effective employee welfare program. **[5 Marks]**

**QUESTION FOUR**

1. The management of Garissa University is considering a review of the University’s salaries and benefits administration. As a HR expert, Advice the University on the factors to consider  **[10 Marks]**
2. Maslow stated that employees do not work only for money but for other needs too, with the help of a diagram explain Maslow’s need hierarchy. **[5 Marks]**

**QUESTION FIVE**

1. List and discuss the five important policies in salary administration. **[10 Marks]**
2. What is contingent pay and state the four impacts it has on an organization  **[5 Marks]**

**QUESTION SIX**

1. The reason for a good pension scheme and reasons for a good pension scheme  **[6 Marks]**
2. List the steps undertaken in a salary system **[7 Marks]**
3. List the components of Job analysis **[2 Marks]**