

BBA
FIFTH SEMESTER (SPECIAL REPEAT)
COMPENSATION BENEFITS
BBA-504 B

(Use separate answer scripts for Objective & Descriptive)

Duration : 3 hrs.

Full Marks : 70

(PART-A: Objective)

Time : 20 min.

Marks : 20

Choose the correct answer from the following:

1 × 20 = 20

1. _____ is designing and implementing total compensation package with a systematic approach to providing value to employees in exchange for work performance.
a. Compensation Management b. Performance Management
c. Human Resource Management d. Personnel Management
2. Compensation is a systematic approach to providing monetary value to employees in exchange for _____.
a. Skills b. Work performed
c. Knowledge d. None of the above
3. _____ refers to monetary benefits offered and provided to employees in return of the services they provide to the organization.
a. Direct Compensation b. Indirect Compensation
c. Performance compensation d. None of the above
4. _____ refers to non-monetary benefits offered and provided to employees in lieu of the services provided by them to the organization.
a. Direct Compensation b. Indirect Compensation
c. Performance compensation d. None of the above
5. Compensation is a _____ approach to providing monetary value to employees in exchange for work performed.
a. Traditional b. Modern
c. Classic d. Systematic
6. Variable pay depends on performance and is not added to _____.
a. Commission pay b. Overtime pay
c. Employee's pay base d. Incentive pay
7. Which type of wage is usually adjusted for the prevailing rate of inflation?
a. Fair wage b. Living wage
c. Minimum wage d. Real wage
8. What is the minimum percentage of wage payable as bonus?
a. 8.33% b. 8%
c. 20% d. 25%

9. What should not be a characteristic of a fair compensation system?
 - a. Flexible
 - b. Simple
 - c. Complex
 - d. Understable
10. Which one of the following is not a standard process for wage fixing in private industry in India?
 - a. Pay commission
 - b. Industry Board
 - c. Collective Bargaining
 - d. Adjudication
11. Which of the following type of job is related to wage?
 - a. Red collar job
 - b. White collar job
 - c. Yellow collar job
 - d. Blue collar job
12. Which one of the following benefits is covered under social security system?
 - a. Medical benefits
 - b. Retirement benefit
 - c. Compensation benefit
 - d. All of the above
13. Which of the following is the main factor while developing a variable compensation plan?
 - a. Performance period
 - b. Participants
 - c. Amount to be paid
 - d. All of the above
14. Which of the following is the fixed component in compensation packages?
 - a. Profit-sharing
 - b. Gain-sharing
 - c. Base salary
 - d. Equity stock options
15. Which of the following factors is not an external influencing factor in wages and salary administration?
 - a. Cost of living
 - b. Labour legislations
 - c. Labour market conditions
 - d. Ability to pay
16. Which of the following is not an objective of executive compensation plans?
 - a. Separating ownership interest and controlling interest
 - b. Enhancing employee motivation, involvement and commitment
 - c. Promoting managerial efficiency
 - d. Attracting and retaining the best executives
17. Stock option and performance shares are examples of _____
 - a. Base salary
 - b. Short-term incentive plan
 - c. Long-term incentive plan
 - d. All of the above
18. Performance-based annual bonuses are an example of _____
 - a. Base salary
 - b. Short-term incentive plan
 - c. Long-term incentive plan
 - d. All of the above
19. Incentives are also called as _____
 - a. Bonus
 - b. Payments by results
 - c. Profit sharing
 - d. Stock option
20. In _____, bonus paid to a worker is equal to 50% of time saved multiplied by rate per hour.
 - a. Rowan Plan
 - b. Bedaux Plan
 - c. Hasley Plan
 - d. None of the above

(PART-B : Descriptive)

Time : 2 hrs. 40 min.

Marks : 50

[Answer question no.1 & any four (4) from the rest]

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| 1. a. What do you mean by Compensation? What are the different types of Compensation? | 1+2=3 |
| b. Discuss the relationship between Fixed and Variable pay. | 7 |
| 2. a. Discuss about the relationship between Employees compensation and their productivity level. | 4 |
| b. Discuss any four methods of individual incentive payment system. | 6 |
| 3. a. What do you mean by Profit sharing? How Employee Stock Ownership plans can be used as motivational tool in organisation? | 2+6=8 |
| b. What is Differential wage piece rate system? | 2 |
| 4. a. Discuss any four methods of individual incentive payment system. | 5 |
| b. Discuss about any three methods of group incentive payment system. | 5 |
| 5. Discuss the various components of Executive compensation system in Indian context. | 10 |
| 6. a. Write a short note on "Impact of Inflation on Salary". | 4 |
| b. Define Incentive. Critically discuss how incentive can improve organization's productivity level? | 1+5=6 |
| 7. a. What are the remarkable changes that incorporated in the Seventh Pay commission in India? | 5 |
| b. Write a short note on Fringe Benefit. | 5 |
| 8. a. Briefly discuss about the various Retirement benefits. | 5 |
| b. Mention about various significance of different benefits of Compensation system. | 5 |

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