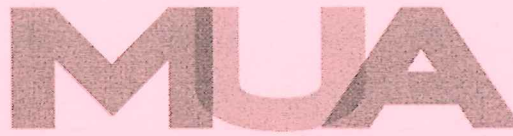


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UNDERGRADUATE UNIVERSITY EXAMINATIONS
SCHOOL OF MANAGEMENT AND LEADERSHIP
DEGREE OF BACHELOR OF MANAGEMENT AND LEADERSHIP

HRM 323: REWARD MANAGEMENT

DATE: 25TH MARCH 2025

DURATION: 2 HOURS

MAXIMUM MARKS: 70

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **THREE** questions.
6. Question **ONE** carries **25 MARKS** and the rest carry **15 MARKS** each.
7. Write all your answers in the Examination answer booklet provided.

QUESTION ONE

Read the case study below carefully and answer the questions that follow.

"PICK AND MIX" EMPLOYEE BENEFITS

Builders' merchant Travis Perkins operates two benefits platforms, both of which were relaunched in 2015. The first is a flex scheme housing a range of salary sacrifice benefits - including childcare vouchers, a cycle-to-work scheme, private medical insurance, cash plans, access to mobile phones and other technology, and a car leasing scheme - where individuals can choose to deduct money from their gross pay to spend on the benefits they want.

Alongside this is the Plus platform run by Reward Gateway, which offers access to retail discounts from more than 800 retailers as well as a cashback scheme; something that has proved very popular with employees. This will also soon be the basis for the company's reward and recognition scheme - Getting It Right - where employees can be rewarded by managers and given a cash sum to spend on the platform.

"The idea is that they will get a KSH 5000 voucher and can spend that on what they want," says Gemma McClure, reward manager. "Previously, for long service we used an old brochure where people would have to choose a carriage clock or something like that. Now people can use the money to put towards something that's going to be useful. It gives more control to the individual, rather than us having control over it."

Offering employees the ability to choose benefits that are important to them is essential. "Our 20- to 30-year-old population potentially might have some debt, so anything with a discount or where they can save money is probably going to be top of their list," he says. "With more mature individuals, people might have a family so some of the deals that we have around life insurance might appeal to them."

Required:

- a) Assess five merits of offering flexible benefits to employees (10 marks)

- b) Identify five benefits that are presented in the case of "Pick and Mix" Benefits
(5 marks)
- c) Analyze five factors that the organization may have considered in arriving at the stated benefits
(10 marks)

QUESTION TWO

- a) Discuss five factors that influence remuneration package in an organization
(10 marks)
- b) Examine five benefits that can accrue from implementing a well-designed reward management system
(5 marks)

QUESTION THREE

- a) Organizations design incentive plans as part of their reward system available to their employees. Assess five merits that accrue from such incentives (10 marks)
- b) Assess five objectives of profit sharing in an organization (5 marks)

QUESTION FOUR

- a) Justify five reasons for the use of pay and grade structures in salary and wage administration (10 marks)
- b) Examine five types of performance related pay schemes used in organizations (5 marks)

QUESTION FIVE

- a) One HR function that has a bearing on reward management is job evaluation. Argue five reasons for carrying out job evaluation before fixing of salaries in an organization (10 marks)
- b) Appraise five areas of reward management that can leverage on the use of information communication technology to achieve organizational effectiveness (5 marks)

QUESTION SIX

- a) Examine the relevance of wage orders with regard to reward management
(5 marks)
- b) Formulate five categories of benefits that may be available to employees in organizations
(10 marks)