



SLIATE

SRI LANKA INSTITUTE OF ADVANCED TECHNOLOGICAL EDUCATION
(Established in the Ministry of Higher Education, vide in Act No. 29 of 1995)

Higher National Diploma in Management
Second Year, Second Semester Examination – 2016
MAN 2226 - REWARD MANAGEMENT

Instructions for Candidates:
Answer five questions only

No. of questions : 06
No. of pages : 02
Time : 03 Hours

Question No. 01

(Total Marks 20)

- i.) State four objectives of pay management. (02 Marks)
- ii.) Discuss the “Lawler’s Model of consequences of pay dissatisfaction”. (05 Marks)
- iii.) Discuss the difference between wage and salary (06 Marks)
- iv.) What can companies do to ensure internal, external and input equity? (07Marks)

Question No.02

(Total Marks 20)

- i.) Name the process of pay management. (02 Marks)
- ii.) Generally what type of information should be obtained through a pay survey? (03 Marks)
- iii.) Define and differentiate between general job ranking method and Paired comparison method with advantages and disadvantages. (06 Marks)
- iv.) A) Why a wage and salary survey is conducted? (02 Marks)
b) Discuss the areas to be considered if any organization intends to use the results of pay surveys done by other organizations. (07 Marks)

Question No. 03

(Total Marks 20)

- i.) Explain the difference between Job-based pay and skill- based pay. (04 Marks)
- ii.) Define and differentiate between Red Employee and Green Employee. (06 Marks)

- iii.) “If the employees believe that subjectivity and favouritism shape the pay system in an organization, then it shows that the system was not properly designed and implemented”. Discuss (05 Marks)
- iv.) Explain the practical problems of developing a pay system based on “comparable worth theory”. (05 Marks)

Question No. 04

(Total 20 Marks)

- i.) Briefly discuss the importance of welfare management. (04 Marks)
- ii.) “In Sri Lanka there are several labour enactments which have prescribed employee welfare services”. Accordingly discuss any three statutory welfare services. (06 Marks)
- iii.) Discuss the possible problems in welfare administration and give suggestions for them. (06 Marks)
- iv.) “Fixed welfare plans are better than flexible welfare plans”. Do you agree? Justify your answer. (04 Marks)

Question No. 05

(Total 20 Marks)

- i.) What are the differences between individual incentive plans and team incentive plans? (04 Marks)
- ii.) Discuss about two (02) requirements of a successful incentive plan. (04 Marks)
- iii.) Why should an organization implement incentive reward system (variable pay system) in addition to base pay (wages and salary)? (04 Marks)
- iv.) Due to the competition, very high level of motivation is expected from sales employees in order to increase the sales volume of the company. Therefore different types of sales incentives should be paid. Elaborate the statement by giving special focus on the underlined phrase. (08 Marks)

Question No. 06

(Total 20 Marks)

Write short notes on,

- i.) Profit sharing vs stock options
- ii.) The Rucker plan vs Improshare
- iii.) Managerial short term incentive plans vs managerial long term incentive plans
- iv.) Welfare officer
- v.) Educational welfare services vs Retirement welfare services

(Marks 4x5=20)