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**KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY  
UNIVERSITY EXAMINATION, 2023/2024 ACADEMIC YEAR  
FIRST YEAR, FOURTH SEMESTER EXAMINATION  
FOR THE DIPLOMA IN HUMAN RESOURCE MANAGEMENT  
DHR 1111: REWARD MANAGEMENT**

Date: 16<sup>TH</sup> AUGUST 2023

Time: 11:30AM-1:30PM

**INSTRUCTIONS TO CANDIDATES**

**ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS**

**QUESTION ONE (30 MARKS)**

**Tenda wema Equal Pay Policy and framework.**

Tenda wema Ltd is an organisation that values women's contribution in the job market. They have demonstrated commitment to the principle of equal pay for all their employees. This has since led to the increase of women's participation in the labour force. In their human resource policy, they aim to eliminate any bias in their pay system. They understand that equal pay between men and women is a legal right under existing Labour laws and International Labour Organisation Convention 100. It is in the interest of the organization to ensure that we have a fair and just pay system. It is important that employees have confidence in the process of eliminating gender bias and we are, therefore, committed to working in partnership with the recognized trade unions who represent workers in pay negotiations and, terms and condition of employment. As a good business practice, they are committed to working with trade union/employee representatives as partners, to take action to ensure that they provide equal pay. Tenda wema management team believes that in eliminating gender bias in their pay system, they are sending a positive message to their staff and customers, and other stakeholders. To them, it makes good business sense to have a fair, transparent reward system and it helps them to control costs. They recognize that avoiding discrimination will improve morale, transparency and enhance efficiency in performance management. Sitella, the HR at Tenda wema Ltd includes the salaries in the job description and conducts job evaluation after every 5 years. Their job evaluation methodology is well informed by market rate analysis that they conduct after every three years.

- Within most organizations there are defined or generally understood pay levels for jobs. Tenda wema Ltd is committed to increasing women's participation in the labour force. Describe the factors that affect the pay levels in an ideal situation. (6 Marks)
- The Human Resources Manager at Tenda wema Ltd advocates for transparency in pay. Outline six benefits of pay transparency. (6 Marks)
- A job evaluation is composed of job compensable factors. State some of the compensable factors that an organization like Tenda wema Ltd values and chooses to pay for. (6 Marks)
- The HR at Tenda wema Ltd stated that "It makes good business sense to have a fair, transparent reward system and it helps us to control costs" Highlight some of the features of a good reward system. (6 Marks)

- e) The HR of Tenda wema Ltd has indicated that they do conduct market surveys that informs their pay structure and the job evaluation exercise. State the main aim of market analysis in rewards system. **(6 Marks)**

### **QUESTION TWO (20 MARKS)**

- a) Success depends on what the organisation is! Explain the key principles of performance management as described by William Demings. **(8 Marks)**
- b) Discuss the implication of any two theories that explains the pay levels. **(8 Marks)**
- c) Using examples, explain the difference between total remuneration and total earnings. **(4 Marks)**

### **QUESTION THREE (20 MARKS)**

- a) Using the Towers Perrin Model of Total Reward, demonstrate your understanding of the concept of total rewards. **(8 Marks)**
- b) Discuss the significance of job evaluation to employees and employers. **(8 Marks)**
- c) Benchmarking is one of the best approaches to evidence-based reward management. Examine the focus of benchmarking. **(4 Marks)**

### **QUESTION FOUR (20 MARKS)**

- a) It is imperative to evaluate the reward strategy regularly. This may not be happening in some organisation! Having acquired knowledge in reward management, provide an elaborate explanation on how you can evaluate the success of a reward system. **(8 Marks)**
- b) To achieve an appropriate balance between financial and non-financial rewards, organisations offer a broad-brush reward strategy which may commit the organization to pursuit of a total rewards policy. Explain other broad strategic aims of broad-brush reward strategy. **(8 Marks)**
- c) Using examples, demonstrate that workplace learning is a form of non-financial reward to employees. **(4 Marks)**

### **QUESTION FIVE (20 MARKS)**

- a) ABCE Company ltd has no clear reward system. This has led to a bloated pay structure. Using examples, explain the aim of reward management to the management and line managers in this organisation. **(8 Marks)**
- b) Analyse the issues that you seek to address as a human resource professional when implementing an effective reward policy. **(8 Marks)**
- c) When it comes to delivering **financial rewards**, there are a range of problems faced by line managers. Highlight any four of these problems or issues. **(4 Marks)**