

**DEGREE**  
**January-June**



**Sessional Examination**  
**CR212-Compensation & Reward Systems**

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**BOTSWANA OPEN UNIVERSITY**  
**BACHELOR OF COMMERCE DEGREE**  
**(Human Resources Management & Industrial Relations)**

**Compensation & Rewards Systems**

**CR212**

**Sessional Examination**

**Time: 3 Hours**

**Marks: 100**

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**Instructions:**

1. This examination consists of **THREE** sections: A, B, and C.
2. Begin each answer to a new question on a new page.
3. Answer questions according to instructions given in each section
4. Write answers in the answer booklet provided
5. Write in grammatical English



**SECTION – A. TRUE OR FALSE QUESTIONS**

**[10 MARKS]**

**Answer ALL questions. Each question carries ONE (1) mark.**

**State whether each of the following statements is TRUE or FALSE**

1. Job evaluation can reduce disputes over pay differences among jobs by establishing an agreed-upon structure that reduces the role of favoritism and bias in setting pay.
2. Merit pay recognizes past work behaviours and accomplishments of an individual employees.
3. Base pay is the basic cash compensation that an employer pays for the work performed.
4. Unfair pay system arises when employees are not involved in designing pay systems.
5. An example of extrinsic rewards is Incentive plans. ✓
6. The systematic process of collecting relevant, work-related information related to the nature of a specific job refers to Job analysis.
7. Compensable factors are based on the strategic direction of the business and how the work contributes to the organisation objectives and strategy.
8. An effective pay for performance system is consistent with the strategic goals of the organisation and management value systems.
9. Maslow's hierarchy of needs motivation theory says people are motivated by expectancy, instrumentality, and valence.
10. One disadvantage of individual incentive plans is greater levels of mistrust between workers and management.



**SECTION B – SHORT ANSWER QUESTIONS**

**[40 MARKS]**

**Answer only FOUR questions in this Section.**

1. Identify and explain four consequences of an internally aligned pay structure. (10 marks)
2. Outline intrinsic rewards that a company can give to its employees. (10 marks)
3. Discuss the constraints of the compensation system in an organisation. (10 marks)
4. “A good compensation strategy includes a balance between internal equity and external competitiveness”- Elaborate the statement. (10 marks)
5. Based on your understanding and work experience, suggest how can you establish culture of equity in an organization of choice? (10 marks)

**SECTION – C. ESSAY-TYPE QUESTIONS**

**[50 MARKS]**

**Answer any TWO questions from this Section.**

**Question 1**

You are employed as a compensation Manager of Mochudi (Pty) Limited located in Gaborone. A friend of yours approaches you for advice. He wants to know three content theories of motivation that he can use in his organisation to motivate employees. On the basis of this request, you are required to explain to your friend, three content theories of motivation and advise him on how he will use these theories to motivate his employees. (25 Marks)



**Question 2**

Masego is employed as a Human Resource Manager of Tebogo (Pty) Limited, located in Maun. Masego is in the process of designing compensation and rewards system in his organisation to reduce employee turnover. Masego wants to know from you, the elements and objectives of a good compensation system in an organisation. As a student of compensation and rewards system you are required to advise Masego the elements and objectives of a good compensation and rewards system in an organisation. **(25 Marks)**

**Question 3**

- a. Discuss the importance of employee benefits as part of employee compensation in an organisation. **(15 Marks)**
  
- b. Explain categories of employee benefits you are familiar with. **(10 Marks)**

**END OF PAPER**