



**INSTITUTE OF HUMAN RESOURCE ADVANCEMENT**

**UNIVERSITY OF COLOMBO, SRI LANKA**

**Masters Degree in Human Resource Management - Course No.03**

**3<sup>rd</sup> Semester Examination**

**(Held in January, 2014)**

**MHRM 12 A – Compensation Management**

**Instructions to the Candidates**

- (1) Total number of pages – Two (02)
- (2) Total number of questions - Seven (07)
- (3) Answer Five questions.
- (4) If a page or a part of this question paper is not printed, please inform the Supervisor immediately.
- (5) Time allocated for the examination is three (03) hours.
- (6) Write your index number in all pages of answer script
- (7) Tie up all answer sheets at the end of the examination

1. Accessibility towards highly trained and skilled human resources can be considered as one of the main attributes to build up the competitive advantages in a business organization.

How to identify the pay strategy of an organization as a source of competitive advantage? Elaborate your answer giving examples.

**(20 Marks)**

2. Internal alignment, often called internal equity, refers to the pay relationships among different jobs skills / competencies within a single organization.

Highlight the factors to be considered when aligning the internal pay structure of an organization giving examples.

**(20 Marks)**

3. Explore the following terms giving examples.

a. Equal pay for equal work vs equal pay for work of equal value.

**(10 Marks)**

b. Competency based pay vs job based pay.

**(10 Marks)**

**(Total 20 marks)**

4. (a) Job evaluation is a systematic process of determining the relative worth of jobs which are available within an organization. Briefly explain the principles of job evaluation.

**(08 Marks)**

(b) Elaborate the viable / critical factors that can be utilized when evaluating the jobs of a software development entity in Sri Lanka.

**(12 Marks)**

**(Total 20 Marks)**

5. The pay gap between men and women is not due to discrimination but to their individual lifestyle preferences.

Critically evaluate this statement highlighting the possible reasons for the pay gap between men & women in Sri Lankan organizations.

**(20 Marks)**

6. Briefly explain the dilemmas to be met by a human resource managers of pharmaceutical manufacturing organizations when managing the rewards of scientists. Suggest the strategies that can be adopted when managing the pay structure of these scientists.

**(20 Marks)**

7. Due to the rapid changes occur in the business world, much concentration to be given to the concept of 'Single Status and harmonization' when rewarding shop floor workers.

Explore this statement highlighting the changes to be done for the traditional systems of rewarding shop floor workers of an organization facing significant socio cultural and technological changes.

**(20 Marks)**