



**PAMIBIA UNIVERSITY  
OF SCIENCE AND TECHNOLOGY  
FACULTY OF MANAGEMENT SCIENCES**

**DEPARTMENT OF MANAGEMENT**

<b>QUALIFICATION: BACHELOR OF HUMAN RESOURCES MANAGEMENT HONOURS</b>	
<b>QUALIFICATION CODE: BHRM HON</b>	<b>LEVEL: 8</b>
<b>COURSE CODE: CMA812S</b>	<b>COURSE NAME: COMPENSATION MANAGEMENT</b>
<b>SESSION: JANUARY 2019</b>	<b>PAPER: THEORY</b>
<b>DURATION: 3 HOURS</b>	<b>MARKS: 100</b>

<b>2<sup>ND</sup> OPPORTUNITY QUESTION PAPER</b>	
<b>EXAMINER(S)</b>	<b>Michael Adekoya-Sanni</b> <b>Werner W Coetzee</b>
<b>MODERATOR:</b>	<b>Dr Simeon Amunkete</b>

<b>INSTRUCTIONS</b>
1. Answer ALL the questions. 2. Write clearly and neatly. 3. Number the answers clearly.

**PERMISSIBLE MATERIALS**

1. Examination paper.
2. Examination script.

**THIS QUESTION PAPER CONSISTS OF 3 PAGES** (Including this front page)

**Answer all the questions below.**

**Excerpt:**

During the fourth quarter of the financial year (FY) 2007-2008, TCS announced its plans to slash 1.5 percent of the variable component of employee salaries since its Economic Value Added (EVA) targets for the third quarter of FY 2007-2008 were not met.

The announcement came as a shock not only to TCS employees but also to the entire sector. The company came in for severe criticism and it was accused of not being transparent with respect to EVA calculation. However, some analysts felt that the pay cuts were a result of the macroeconomic challenges that the sector and companies were facing -- rapid depreciation of the currency against the US dollar and the recession in the global economy was the main challenge.

**Question 1 (20)**

Read the short case above, in relations to the situation mentioned, as a compensation manager, discuss the process you will adopt to use the compensation system in your organisation to meet the current challenge in the business market assuming your organisation belong to this sector.

**Question 2 (20)**

Legislation is one of the most critical numerous items that affect the proper administration of payroll. Discuss five important legislative items that are important to regulate payroll administration in Namibia.

**Question 3 (20)**

The importance of incentive scheme to achieve effective variable pay cannot be overemphasised. It is necessary that remuneration practitioners ensure that an appropriate process is engaged. Discuss the essentials for implementing incentive scheme.

**Question 4 (20)**

One of the major objectives of remuneration system of the organisation is to motivate its employees for high performance. Employee benefits represent one of the remuneration components that organisation utilise in this respect. Discuss two categories of employee

benefits that exist and common in Namibia and give examples of such in a table format.

**Question 5**

**(20)**

Discuss the features of well-designed pay structure considering its ability to motivate employees and enhance productivity/service delivery in your establishment.

Best of Luck!!!