

**FINAL EXAMINATION****BACHELOR OF BUSINESS ADMINISTRATION (HONOURS)
HUMAN RESOURCE MANAGEMENT****COURSE : COMPENSATION AND BENEFITS /
COMPENSATION MANAGEMENT****COURSE CODE : HRM4193/HRM4053****DURATION : 3 HOURS****INSTRUCTIONS TO CANDIDATES:**

1. This question paper consists of **TWO (2)** parts : PART A (4 questions)
: PART B (3 questions)
2. Answer ALL questions from Part A and Part B.
3. Please check to make sure that this examination pack consists of:
 - i. The Question Paper
 - ii. An Answer Booklet
4. Do not bring any material into the examination hall. Electronic calculator is allowed.
5. Please write your answer using permanent ink.

MYKAD NO./ PASSPORT NO. : _____
ID. NO. : _____
LECTURER : _____
SECTION : _____

DO NOT OPEN THIS QUESTION PAPER UNTIL YOU ARE TOLD TO DO SO

This question paper consists of 3 printed pages including the front page

PART A: STRUCTURED

Instruction: Answer ALL questions.

1. The compensation system of an organization is guided by four important policy choices. Explain **FOUR (4)** policy choices that form the foundation of a compensation system.
(10 marks)
2. Organizations commonly use grades and pay ranges when designing compensation systems. Describe **FOUR (4)** reasons organizations use grades and ranges in their compensation structures.
(10 marks)
3. Flexible benefits plan has become increasingly popular in modern organizations. Interpret **FIVE (5)** advantages of flexible benefits to both employees and employers.
(10 marks)
4. Compensation professionals face various challenges when designing and administering compensation systems. Demonstrate **FIVE (5)** challenges faced by compensation professional in managing employee compensation.
(10 marks)

(TOTAL: 40 MARKS)

PART B: ESSAY

Instruction: Answer ALL questions.

1. A company is expanding globally and implementing a new Human Resource Information System (HRIS). Discuss how the HR department can use the **FOUR (4)** HR competencies identified by TRW Manufacturing Sdn Bhd to support the organization's strategic objectives.

(20 marks)

2. Assume you are a Compensation Analyst asked to present salary data to management. Using Table 1, create a salary graph to compare pay across different job categories. Explain how the graph shows differences in Base Salary, Total Cash, and Total Compensation, and briefly interpret the key trends across the job levels.

Position	Base Salary (RM)	Total Cash (RM)	Total Compensation (RM)
Technician A	22,989	24,555	30,831
Senior Technician	37,749	42,510	51,482
Engineer 1	46,085	48,290	56,917
Engineer 3	73,135	81,286	112,806
Engineer 5	102,415	112,587	179,450
Manager 1	95,260	115,305	188,510
Manager 3	134,173	171,031	378,277

Table 1: Salary data at TRW Manufacturing Sdn Bhd

(20 marks)

3. TRW Manufacturing Sdn. Bhd plans to introduce a gain-sharing plan to improve employee productivity and organizational performance. As the Human Resource Manager, you have been assigned to design a gain-sharing plan that motivates employees while ensuring fairness and ease of implementation. Construct **FIVE (5)** key elements in designing a gain-sharing plan that each element can contribute to the success of the proposed plan.

(20 marks)

(TOTAL: 60 MARKS)

(TOTAL: 100 MARKS)

END OF QUESTION PAPER

