

**BACHELOR OF BUSINESS ADMINISTRATION  
FIFTH SEMESTER  
COMPENSATION BENEFITS  
BBA – 504B**

**[USE OMR SHEET FOR OBJECTIVE PART]**

Duration: 3 hrs.

Full Marks: 70

Time: 30 mins.

**(Objective)**

Marks: 20

*Choose the correct answer from the following:*

*1 × 20 = 20*

1. Compensation is given to the employee for their \_\_\_\_\_.
  - a. Performance
  - b. Work
  - c. Contribution to organisation.
  - d. Smartness
2. Which of the following factor influence(s) employee compensation?
  - a. Labour Market
  - b. Labour Unions
  - c. Cost of Living
  - d. All of the above
3. Which of the following is not a concept of wage?
  - a. Daily Wage
  - b. Minimum Wage
  - c. Fair wage
  - d. Living wage
4. Which of the following is the fixed and direct component in compensation packages?
  - a. Profit sharing
  - b. Base Salary
  - c. Gain sharing
  - d. Equity stock options
5. The basic objective of compensation management is meeting the need of both \_\_\_\_\_.
  - a. Employee & organisation
  - b. Employee & labour
  - c. Labour & labour union
  - d. Employee & manager
6. Which of the following benefit is considered as a statutory benefit of the compensation system?
  - a. Gratuity
  - b. Stock options
  - c. Travel Allowances
  - d. All of the above
7. ESOP stands for \_\_\_\_\_.
  - a. Employers' stock Ownership Plan
  - b. Employee Stall Ownership Plan
  - c. Employee Stock Ownership Plan
  - d. None of the above
8. Which of the following does not come under 'Retirement Benefit'?
  - a. Provident Fund
  - b. Gratuity
  - c. Pension
  - d. House Rent Allowance
9. \_\_\_\_\_ are also called 'payments by results'.
  - a. Allowances
  - b. Claims
  - c. Incentives
  - d. Fringe Benefits
10. Incentives depends upon \_\_\_\_\_.
  - a. Productivity
  - b. Sales
  - c. Profits
  - d. All of the above

1. What is the minimum percentage of wage payable as bonus?
  - a. 8.33%
  - b. 8%
  - c. 20%
  - d. 25%
2. Which of the following is paid only at the time of employees exit after serving more than five years?
  - a. Perquisites
  - b. Claims
  - c. Gratuity
  - d. Allowances
3. Which type of wage is usually adjusted for the prevailing rate of inflation?
  - a. Fair wage
  - b. Living wage
  - c. Minimum wage
  - d. Real wage
4. The non-cash benefits usually reserved for executives of organisation are classified as \_\_\_\_\_.
  - a. Perks
  - b. Incentives
  - c. Bonus plans
  - d. Option plan
5. Sixth pay Commission recommends hike in Salary of government employee \_\_\_\_\_.
  - a. 30%
  - b. 80%
  - c. 50%
  - d. 40%
6. Which exit technique is known as Golden Handshake?
  - a. VRS
  - b. Lay-off
  - c. Retirement
  - d. Resignation
7. 'A fair day work for fair day pay' denotes a sense of \_\_\_\_\_ felt by employees.
  - a. Responsibility
  - b. Equity
  - c. Happiness
  - d. Respect
8. In India, minimum wage is determined by \_\_\_\_\_.
  - a. Wage board
  - b. State Government
  - c. Planning commission
  - d. All of the above
9. A behaviour which has rewarding experience is likely to be repeated' is postulated by \_\_\_\_\_.  
 'A behaviour which has rewarding experience is likely to be repeated' is postulated by \_\_\_\_\_.
  - a. Reinforcement and expectancy theory
  - b. Equity theory
  - c. Agency theory
  - d. None of the above
10. Incentives scheme where earnings differ at different levels of output is \_\_\_\_\_.
  - a. Gantt task system
  - b. Halsey plan
  - c. Rowan plan
  - d. Bedeaux plan

**(Descriptive)**

Time : 2 Hr. 30 Mins.

Marks : 50

[ Answer question no.1 & any four (4) from the rest ]

1. Discuss various benefits of Compensation system and their impact on employee. 10
2. Discuss various incentive payment systems with example. 10
3. a) Write a short note on "Impact of Inflation on Salary". 4+1+5=10  
b) Define Incentive. Critically discuss how incentive can improve organization's productivity level?
4. Discuss any two theories of Executive compensation. 5+5=10
5. a) Discuss various components of Executive compensation. 7+3=10  
b) Write a short note on Fringe Benefits.
6. In an organisation, the premium is set @ 20% of the time saved and rate per hour is 3 rupees per hour, time allowed for job is 15 hours and the person 'P' had taken time of 10 hours. Now calculate the total earnings and amount of incentive of the worker under the Halsey Plan. 10
7. Discuss briefly different retirement benefits in Indian context and their impact on employee and organisation. 6+4=10
8. Write short notes on: 5+5=10
  - a) Relationship between Fixed and variable pay.
  - b) Relationship between Compensation and employee productivity.

== \*\*\* ==