

# UNIVERSITY OF COLOMBO - SRI LANKA

## FACULTY OF MANAGEMENT AND FINANCE

Bachelor of Business Administration (Level II – Semester VII) Examination - 2016

HRM 2204 – Compensation Management

Two (02) Hours Only

Answer all questions

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1. i. What is your definition for compensation?  
(05 Marks)
  - ii. Explain following relationships with examples
    - a. Employee's view on benefits  
(10 Marks)
    - b. Employee's view on relational returns  
(10 Marks)**(Total 25 marks)**
  2. i. explain why internal alignment is an important policy in a strategic perspective of Compensation?  
(10 Marks)
  - ii. Discuss the factors that influence internal pay structures. Based on class discussions, which ones do you think are the most important? Why?  
(15 Marks)  
**(Total 25 marks)**
  3. Set up a debate over the following proposition: nonfinancial returns (great place to work, opportunities to learn, job security, and flexible work schedules) are more important than pay.  
(25 Marks)
  4. Distinguish policies on external competitiveness from policies in internal alignment. Why external competitiveness is important?  
(25 Marks)
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