



MURANG'A UNIVERSITY OF TECHNOLOGY

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF HUMAN RESOURCE MANAGEMENT

UNIVERSITY POSTGRADUATE EXAMINATION

2024/2025 ACADEMIC YEAR

FIRST YEAR FIRST SEMESTER EXAMINATION FOR MASTER OF SCIENCE IN HUMAN RESOURCE MANAGEMENT

BHR 606 – PERFORMANCE AND REWARD MANAGEMENT

DURATION: 3 HOURS

INSTRUCTIONS TO CANDIDATES:

1. Answer any FOUR questions.
2. Mobile phones are not allowed in the examination room.
3. You are not allowed to write on this examination question paper.

QUESTION ONE (25 MARKS)

- a. Describe how performance management differs from the traditional performance appraisal system. (15 marks)
- b. Summarise the importance of performance management in modern organization. (10 marks)

QUESTION TWO (25 MARKS)

Discuss the internal/contextual and external factors that influence the design and effectiveness of reward system in organizations. (25 marks)

QUESTION THREE (25 MARKS)

- a. Illustrate the stages of the performance management cycle highlighting the main activities in each stage. (15 marks)
- b. Enumerate the key components of a reward system. (10 marks)

QUESTION FOUR (25 MARKS)

- a. What is the total reward strategy? Explain its components and show how it can be used to attract, retain and motivate employees. (15 marks)
- b. The management has approached you to advice on the guiding principles to be applied when developing a suitable grade structure for the organization. what is your advice. (10 marks)

QUESTION FIVE (25 MARKS)

- a. Identify the case for and against performance related pay. (20 marks)
- b. Identify five key provisions of the employment Act, 2007 which are relevant to reward management in Kenya. (5 marks)