

1008  
1010

Ollscoil na hÉireann, Gaillimh  
National University of Ireland, Galway

Summer Examinations, 2004/2005

M.B.S. DEGREE:

INDUSTRIAL RELATIONS AND HUMAN RESOURCE MANAGEMENT  
MG 568 REWARD SYSTEMS

Professor Jonathan Winterton  
Professor Roy Green  
Ms. Maureen Maloney

**Time Allowed: Two Hours**

**Answer two questions. Each answer will be marked equally.  
Answer each question on a separate answer book.**

**Question 1**

Does the 'best practice' strategic approach offer any insights to Tesco Ireland about their reward system? Defend your position.

**Question 2**

Diageo uses the Hay system to determine their base pay. The HR director read a critique of job evaluation written by Nielson. In particular, she highlighted the following passage, '*Real equity is not achieved by some fictitious relationship of generic characteristics of work. Real equity is achieved by demonstrating to employees that their pay is competitive with what they would earn elsewhere.*' She asks you to write a memo discussing the implications of moving from a job evaluation system to the market pricing system advocated by Nielson.

**Question 3**

Consider either skill-based or competency-based pay. Describe how and why an organisation would implement this type of system. Based on research findings, what advice can you offer the HR director of a company who wants to implement this form of reward system?

#### ***Question 4***

Alfie Kohn (1993) stated, 'What I hear around the country from people with no axe to grind is a frank acknowledgement that incentive plans rarely work.' Outline the theoretical and practical arguments for and against incentives (performance related pay).

#### ***Question 5***

Why and how does an organisation change from a narrow-graded structure to a broadbanded structure? Discuss the merits and problems associated with each system. How should the organisation communicate this change to employees?