

**Sample Question Paper**

**Subject - Performance Management and Reward System**

**Subject code 668**

Note – This is a sample Question paper for student's exam reference only, might be pattern of paper can be change in actual examination.

Q. 1 KPI stands for:-

1. Key Processes Indicator
2. Key Performance Indicator
3. Key Policy Indicator
4. Knowledge processes Inc.

**Correct Answer :-** Key Performance Indicator

Q. 2 What enables the organization to cultivate a performance driven culture?

1. Liberal Leave policy
2. Foreign trips for senior staff
3. Integrated reward system with robust performance management system
4. Liberal overtime facility

**Correct Answer :-** Integrated reward system with robust performance management system

Q. 3 The key features of variable pay as component of rewards are all of the following except:-

1. Helps organization to achieve greater savings and efficiency
2. Price is paid for each unit of output
3. It addresses to basic expectations of the employees
4. Motivates the employees to work harder and deliver higher productivity

**Correct Answer :-** It addresses to basic expectations of the employees

Q. 4 Performance planning involves:-

1. a) Role clarity setting performance standards
2. b) Understanding and setting performance standards
3. c) Job classification
4. d) Both (a) and (b)

**Correct Answer :-** d) Both (a) and (b)

Q. 5 The latest trend towards performance related reward system is designed to lead the employees with a potential to greater rewards and motivation for those who contribute to the \_\_\_\_\_ and \_\_\_\_\_ of the organization.

1. a) Bottom-line, the cash flow
2. b) Fame, image
3. c) Profitability, political image
4. d) Both (b) and (c)

**Correct Answer :-** a) Bottom-line, the cash flow

Q. 6 Which of the following is/are non monetary reward/s in performance management system?

1. Better career opportunities and higher roles
2. Skill enhancements and recognition programs
3. Both of the above
4. Variable pay and knowledge based increments

**Correct Answer :-** Both of the above

Q. 7 A system that involves employee evaluation once a year , without an on-going effort to provide feedback and coaching so that performance can be improved is known as:-

1. Performance management system
2. Performance appraisal system
3. Performance improvement system
4. None of these

Q. 8 What inspires and motivates high performers in an organization?

1. Free lunch facility
2. Flexible reporting timing
3. No accountability
4. Robust performance management system

**Correct Answer :-** Robust performance management system [

Q. 9 All of the following are performance dimensions under performance appraisal process except:-

1. Proficiency in handling administrative detail and supervising personnel
2. Proficiency in technical job knowledge and acceptance of organizational responsibility
3. Culture building
4. Acceptance of personal responsibility

**Correct Answer :-** Culture building

Q. 10 Which process provides excellent opportunity for a supervisor and subordinate to recognise and agree upon individual training and development needs?

1. Management By Objectives
2. Performance Appraisal
3. Man power planning
4. Mentoring

**Correct Answer :-** Performance Appraisal

Q. 11 When the appraiser uses different standards for reviewing the performance of employees performing similar jobs, the error is known as:-

1. Contrast error
2. Halo effect
3. Varying standard error
4. Sampling error

**Correct Answer :-** Varying standard error

Q. 12 Wipro has replaced bell curve method and is implementing a new evaluation system where feedback will be:-

1. Six monthly
2. Annually
3. By peers
4. More frequent and quarterly

**Correct Answer :-** More frequent and quarterly

Q. 13 Performance management system must provide detailed and concrete guidance to employees about what is expected of them and how they can achieve them is known as which characteristic?

1. Validity
2. Reliability
3. Inclusiveness
4. Specificity

**Correct Answer :-** Specificity

Q. 14 Assessing future training needs, evaluating performance achievements at the organizational level comes under which purpose of performance management system?

1. Strategic
2. Organizational maintenance
3. Administrative
4. Documentation

**Correct Answer :-** Organizational maintenance

Q. 15 Performance management is not critical to small, domestic organizations.

1. TRUE
2. FALSE

**Correct Answer :-** FALSE