

# 18 Lecture - MGT211

## Important Mcqs

1. **What is compensation?**

- A. The act of firing an employee
- B. The payment an employee receives for their work
- C. The process of recruiting new employees
- D. The training and development of employees

Answer: B

2. **Which of the following is an example of indirect compensation?**

- A. Salary
- B. Commission
- C. Bonus
- D. Health insurance

Answer: D

3. **What is a defined benefit plan?**

- A. A retirement plan where the employee contributes a percentage of their income
- B. A retirement plan where the employer contributes a percentage of the employee's income
- C. A retirement plan where the employee receives a fixed payout upon retirement
- D. A retirement plan where the employee can invest in stocks and bonds

Answer: C

4. **Which of the following is a disadvantage of a commission-based pay system?**

- A. It motivates employees to work harder
- B. It can lead to unethical behavior
- C. It is easy to administer
- D. It is cost-effective for the company

Answer: B

5. **What is the purpose of a benefits package?**

- A. To attract and retain employees
- B. To increase the company's profits
- C. To reduce employee turnover
- D. To increase employee productivity

Answer: A

6. **What is a cafeteria-style benefits plan?**

- A. A benefits plan where employees can choose which benefits they want
- B. A benefits plan where all employees receive the same benefits
- C. A benefits plan where employees are given a set amount of money to purchase their own benefits
- D. A benefits plan where employees receive benefits based on their performance

Answer: A

7. Which of the following is an example of a non-monetary benefit?

- A. Salary
- B. Bonus
- C. Health insurance
- D. Flexible work schedule

Answer: D

8. What is the purpose of a performance-based pay system?

- A. To motivate employees to work harder
- B. To reduce employee turnover
- C. To provide employees with a guaranteed income
- D. To increase employee benefits

Answer: A

9. Which of the following is an example of an equity-based compensation plan?

- A. Stock options
- B. Salary
- C. Bonus
- D. Health insurance

Answer: A

10. What is the purpose of a 401(k) plan?

- A. To provide employees with health insurance
- B. To provide employees with a retirement plan
- C. To provide employees with life insurance
- D. To provide employees with disability insurance

Answer: B