

Latest Version: 6.0

Question: 1

Administering budgets is an example of what key competency for compensation professionals?

- A. Financial Management
- B. HR Management
- C. Resource Management
- D. Policy Management

Answer: A

Question: 2

“Cost-benefit thinking” is most useful in the context of financial management for purposes of what?

- A. Procurement
- B. Recruiting
- C. Setting priorities
- D. Plan administration

Answer: C

Question: 3

To ensure appropriate funding levels, the compensation professional must generally do which of the following?

- A. Possess a high level of education and competency in accounting principles
- B. Determine which programs are crucial to the enterprise and which programs are expendable
- C. Partner with multiple departments and external consultants and vendors
- D. Demonstrate broad understanding of principles of financial management and business expertise

Answer: D

Question: 4

Understanding basic organization design principles is an example of what key competency for

compensation professionals?

- A. Financial Management
- B. HR Management
- C. Resource Management
- D. Policy Management

Answer: B

Question: 5

Assessment of current and future staffing needs should be based primarily on what?

- A. Compensation budgets only because staffing cannot exceed the funds available
- B. A combination of organizational goals and budget realities
- C. The consensus of HR management and line management estimates
- D. The opinions of senior leaders in the organization

Answer: B