



Third Semester MBA Degree Examination, Dec.2019/Jan.2020 Compensation and Reward System

Time: 3 hrs.

Max. Marks: 100

Note: 1. Answer any *FOUR* full questions from Q.No.1 to 7.
2. Q.No. 8 is compulsory.

- 1 a. Define Salary and Wage. (03 Marks)
b. Explain the different types of compensation. (07 Marks)
c. How compensation plays a significant role in organizations today? (10 Marks)
- 2 a. Define Internal alignment. (03 Marks)
b. Explain the strategic choices made in Internal alignment. (07 Marks)
c. In detail explain the various components of compensation management. (10 Marks)
- 3 a. What do you mean by internal and external equity? (03 Marks)
b. Discuss the various methods of job evaluation. (07 Marks)
c. In detail explain Taylor differential piece rate method. (10 Marks)
- 4 a. What is pay structure? (03 Marks)
b. Discuss Merricks Multiple Piece Rate plan. (07 Marks)
c. Explain in detail the benefit determination process. (10 Marks)
- 5 a. Define Competitiveness. (03 Marks)
b. Write a note on pay policy line. (07 Marks)
c. Discuss the various legally required benefits for an employees. (10 Marks)
- 6 a. Who are special groups in compensation management? (03 Marks)
b. How can an organization be effective in designing its pay for performance? (07 Marks)
c. Write in detail about Priestman plan and Scanlon plan. (10 Marks)
- 7 a. Define Incentive. (03 Marks)
b. Write a note on expatriate pay. (07 Marks)
c. Which are the strategic choices made in Global compensation? (10 Marks)

Important Note : 1. On completing your answers, compulsorily draw diagonal cross lines on the remaining blank pages.
2. Any revealing of identification, appeal to evaluator and/or equations written eg. 42+8 = 50, will be treated as malpractice.

CASE STUDY (Compulsory)

Mr. Ajay was appointed as HR manager in a public sector undertaking. Within one year Mr Ajay had to sign a wage agreement with the workers union. The union pressed more with regard to production department's workers, than with regard to quality department workers. The management agreed to this, as the overall increase, the union was asking, was well within its reach. Once this decision was communicated to all, commotion started among quality departments workers. The quality department workers walked out of the union and formed a separated union. They moved around the factory with a placard that read, "Are we step children of the management" "All employees are equal, but production employees are more equal". The decision of the management led to the perception that production was a high rated job than quality.

Questions:

- a. What will happen if production department employees get more compensation than quality departments employees? (05 Marks)
- b. Evaluate the Pro's and Con's from employer's point of view. (05 Marks)
- c. Evaluate the Pro's and Con's from employee's point of view. (05 Marks)
- d. As a HR manager, suggest a way for the problem. (05 Marks)
