

## COMPENSATION AND BENEFITS

<b>Subject Code</b>	<b>: 14MBA HR303</b>	<b>IA Marks</b>	<b>: 50</b>
<b>No. of Lecture Hours / Week</b>	<b>: 04</b>	<b>Exam Hours</b>	<b>: 03</b>
<b>Total Number of Lecture Hours</b>	<b>: 56</b>	<b>Exam Marks</b>	<b>: 100</b>
<b>Practical Component</b>	<b>: 01 Hour / Week</b>		

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### **Objectives :**

- To discuss the strategic importance of compensation to the achievement of organizational goals. And the identify links between compensation objectives and business strategy.
- Discuss the role of compensation in attracting, motivating, and retaining a high-quality workforce.
- Discuss recent theoretical and practical developments in the area of compensation and benefits.
- Develop the basic competencies required for the development and management of compensation systems.
- Discuss how compensation management can become a competitive advantage.
- Discuss the role of compensation management as part of the new mandate for HR executives.

### **Module I**

**(6 Hours)**

**Introduction To Compensation:** Definition of Compensation, The Pay Model, Strategic Pay Policies, Strategic Perspectives of Pay, Strategic Pay Decisions, Best Practices vs. Best Fit Options

### **Module II**

**(6 Hours)**

**Defining Internal Alignment:** Definition of Internal Alignment, Internal Pay Structures, Strategic Choices In Internal Alignment Design, Which Internal Structure Fits Best?

### **Module III**

**(10 Hours)**

**Job Analysis and Evaluation:** Why Perform Job Analysis?, Job Analysis Procedures, Job Analysis Data Collection Process, Job Descriptions, Definition of Job Evaluation, Major Decisions In Job Evaluation, Job Evaluation Methods, Final Result – Pay Structure

#### **Module IV**

**(8 Hours)**

**Determining External Competitiveness and Benefits Management:**

**Competitiveness:** Definition of Competitiveness, Pay Policy Alternatives, Wage Surveys, Interpreting Survey Results, Pay Policy Line, Pay Grades  
**Benefits:** Benefits Determination Process, Value of Benefits, Legally Required Benefits, Retirement, Medical, & Other Benefits

#### **Module V**

**(10 Hours)**

**Performance Based Compensation System:**

**Employee Contributions: Pay For Performance (PFP):** Rewarding Desired Behaviors, Does Compensation Motivate Performance?, Designing PFP Plans, Merit Pay/Variable Pay, Individual vs. Group Incentives, Long Term Incentives. **Compensation of Special Groups:** Who are Special Groups?, Compensation Strategies For Special Groups

#### **Module VI**

**(8 Hours)**

**Legal & Administrative Issues in Compensation:** Legal Issues, Pay Discrimination, Comparable Worth, Budgets and Administration

#### **Module VII**

**(8 Hours)**

**Global Compensation:** Recognizing Variations, Social Contract, Culture & Pay, Strategic Choices In Global Compensation, Comparing Systems, Expatriate Pay

#### **Practical Components**

- Students must prepare a comprehensive compensation plan to be offered to a Sales Executive, A General Manager and The CEO of an organization.
- Students to collect information from an IT organization regarding the Cost To Company of an employee.
- Students have to prepare questionnaire for conducting wage survey and carry out wage survey for any selected sector and prepare a report for the same.
- Solve various case studies.
- Students must compare and analyze compensation practices in different countries.
- Students to calculate the bonus amount eligible to an employee working as a HR Executive for the past 10 years in a automobile manufacturing organization.

#### **RECOMMENDED BOOKS:**

- Compensation & Reward Management, BD Singh, 2nd edition, Excel BOOKS, 2012, ISBN: 9350620111, 9789350620113
- Compensation, Milkovich & Newman, 6th edition, Irwin/McGraw-Hill, ISBN: 0256259658, 9780256259650
- Compensation and Benefit Design, Bashker D. Biswas, FT Press, 2012, ISBN: 0133064859, 9780133064858
- An Introduction to Executive Compensation, Steven Balsam, Academic Press, 2002, ISBN: 0080490425, 9780080490427

#### **REFERENCE BOOKS:**

- Strategic Compensation, Joseph J. Martocchio, 3rd Edition, Prentice Hall, 2004, ISBN: 0131918737, 9780131918733
- Compensation Management in a Knowledge based world, Richard I. Anderson, 10th edition, Pearson Education
- Compensation Management, Er Soni Shyam Singh, Excel Books, ISBN: 8174465766, 9788174465764.

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