

COMPENSATION AND BENEFITS

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

Objectives

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

Module 1: (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 2: (6 Hours)

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

Module 3: (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 4: (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 5: (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 6: (8 Hours)

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

Module 7: (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:

1. Compensation & Reward Management, BD Singh, Excel BOOKS
2. Compensation, Milkovich & Newman, TMH

REFERENCE BOOKS:

1. Strategic Compensation, Joseph J. Martocchio, 3rd Edition, Pearson Education
2. Compensation Management in a Knowledge based world, Richard I. Anderson, 10th edition, Pearson Education
3. Compensation Management, Er Soni Shyam Singh, Excel Books.