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Roll No. ....

**576354(76)/676554(76)**

**M. B. A. (Third Semester) Examination,**

**Nov.-Dec. 2021**

**(New Scheme)**

**(Management Branch)**

**COMPENSATION MANAGEMENT**

***Time Allowed : Three hours***

***Maximum Marks : 80***

***Minimum Pass Marks : 32***

***Note : Attempt any five questions from Section A each question carries 8 marks. Attempt any five short note from Section B. Each question carries 4 marks. Section C is compulsory, carrying 20 marks.***

**Section-A**

**5×8=40**

1. "Compensation management aims at designing a cost effective pay structure that will attract, motivate and

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retain competent employees.” In this light of this statement explain objectives of compensation management.

2. What do you understand by ‘Pay Dissatisfaction’? What are the consequences of Pay Dissatisfaction?
3. “Compensation refers to both extrinsic rewards and intrinsic rewards.” Explain this statement and briefly discuss the objectives that guide the design of compensation system in organization?
4. Define executive compensation? What are the major components of executive compensation? Discuss the reasons for high executive compensation in modern organisation?
5. Write a detailed note on ‘Performance Management Process’.
6. What do you understand by different machineries related to reward system. Explain the working of wage boards in detail?

7. Define the term ‘Wage Differential’. Also explain the different types of wage differentials.

### Section-B

8. Write short notes on : (Any Five) 5×4=20
  - (i) The Equal Remuneration Act, 1976.
  - (ii) The Payment of Wages Act, 1936.
  - (iii) Retirement Benefits.
  - (iv) Gratuity.
  - (v) Porters and Lawler’s model of motivation.
  - (vi) Wages and Productivity.
  - (vii) Diagnosis and Benchmarking.
  - (viii) Minimum, living and fair wages.

### Section-C

#### Case Study 20

Everybody is reluctant to give negative feedback, so all they do is bite their tongue until they cannot stand it anymore. In other words, we feel uncomfortable while giving negative feedback to others with whom we work. If someone is doing something that interferes with your work, causes you discomfort, or puts you in danger, do

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not remain silent. When you allow someone to do something you don't want, you become part of the problem. By remaining quiet, you allow the behaviour to continue.

Undoubtedly, we live in a culture, which ought to encourage outspokenness, however, the disclosure of thoughts and feelings must be handled with care. Infact, the reality of other person is not in what he/she reveals to you, but what he/she can't reveal to you. Therefore, if you stand him/her, listen not to what he/she says but rather to what he/she does not say. So, how something is said can be more important than what was said.

Perhaps, the tone and tenor is more important before you speak and think what you are going to say. If you are highly critical of someone's suggestion and express your views with strong sarcasm, the people who work with you may not remember that you happen to be right. However, they will remember your insensitive behaviour.

Although some people are too direct in giving feedback and may actually be perceived as threatening, others make passive statments and fail to solve the problem.

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While giving negative feedback one should look the person in the eye and straightforward in expressing thoughts, feelings and reactions. If someone is constantly borrowing something without permission, and has ignored your protests, you might say, "I want you to stop borrowing. If you don't stop, I will meet with the concerned authority and ask him/her to help me resolve the problem." To leave some things unchallenged can have negative results. Your reputation is formed not only by what you stand for, but by what you won't stand for an people judge us through our mistakes.

If you are a supervisor, the major reason you give negative feedback is to improve performance. Researchers have demonstrated how bosses criticise employees and say, some criticise too much and others too little. Some give netative feedback for wrong reasons such as to reinforce their sense of power or to get revenge. The improve performance, you want to avoid comments that will make the other person angry or defensive. When it comes to giving criticism, do it with sensitivity.

**Questions :**

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- (i) Do you agree that speaking out at work is generally beneficial to you and your employer? Explain your answer.
- (ii) Why are many people reluctant to give negative feedback to another person? What are some of the reasons that some people are afraid to speak out?
- (iii) If a co-worker openly criticises your work in a meeting and says things that are not true, what will be your immediate response? Should you make contact with this person after the meeting and try to resolve the problem? Explain your answer.