

Roll No. _____
Total No. of Questions : 17

Total No. of Pages : 03

MBA (Sem.-4)
PERFORMANCE AND COMPENSATION MANAGEMENT

Subject Code : MBA-936-18

M. Code : 77819

Date of Examination : 12-07-22

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTIONS TO CANDIDATES

1. SECTION-A contains EIGHT questions carrying TWO marks each and students has to attempt ALL questions
2. SECTIONS-B consists of FOUR Subsections Units-I, II, III & IV. Each Subsection contains TWO questions each carrying EIGHT marks each and student has to attempt any ONE question from each Subsection.
3. SECTION-C is COMPULSORY and consist of ONE Case Study carrying TWELVE marks.

SECTION-A

1. Define traditional techniques of performance management
2. Define potential appraisal
3. Explain in detail about the Economic Value Added (EVA)
4. What is the importance of Balanced Score Card in Performance Management?
5. Classify and explain the various fringe benefits
6. Discuss psychological contract
7. Define modern techniques of performance management
8. Define performance appraisal



SECTION-B

UNIT-I

9. Discuss the role of performance appraisal in promoting organizational effectiveness
10. Explain the concept of Performance Ethics. Give your answer relating it to some organizational practices

UNIT-II

11. Define High Performance Team. Write the procedure for building up high-performance teams in the organizations
12. Define Performance Management. Also, discuss in detail about the EFQM Model

UNIT-III

13. Define compensation management. Explain the factors influencing compensation
14. Discuss the various statutory and non-statutory welfare measures that are needed to be taken by successful organizations

UNIT-IV

15. What is meant by Wage incentives? Discuss various wage incentives in India
16. Explain the concept of Performance-Based Executive Compensation design. What are its important components?

SECTION-C

17. Case Study :

The employees of SVN pharmaceuticals were a worried lot. With the news that the company was going to be merged with ABC pharma, all of them were worried about what would happen to their jobs, and the other benefits as a result of the merger. There were all kinds of rumors regarding layoffs and reduction in pay and benefits. ABC pharma was a leading firm with operations spread across Asia and Europe. SVN pharmaceuticals had a strong hold in marketing and distribution in India, and so it was considered to be a merger of equals. Amid all the confusion, the CEO of SVN pharmaceuticals addressed the employees about the reason for the decision, and advantages to the firm if the merger is completed. He felt as a result of the merger, the firm would be able to explore various areas of research and development. The employees have only one question in their minds.

what would be the impacts of this merger on their jobs and their pay packages. To their relief, CEO made it clear that a benefits team would be formed that would be representatives of both the companies. He requested the employees to be patient as it would take some time to clearly decide and bring in an effective benefit plan. As per CEOs statement, a benefit team was formed. The team was headed by the VP - HR of the merged company. He stated that since it was a merger of equals, they had to develop something that was the best for the new company, even if it were time - consuming. The team felt that the best way to go about it was to merge the best of both companies' benefit plans or create a new benefit program that would reflect the culture the new company was trying to nurture. The head also stated that their aim was not just to design a new benefit plan, but also to make sure that all the employees were knowledgeable and comfortable about the changes in the benefit program. Before concluding the meeting, the VP-HR made it clear to the team that people were of paramount importance to them and if the benefits program did not help in retaining them, then the merger would serve no purpose.

Questions :

- a) The benefits team has to devise a benefit program that would satisfy the employees of both the firms. Can you suggest some steps for the benefit team to function effectively?
- b) Why would creating a new benefit plan take more time? What should be the action plan for the HR team?

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to U/MC against the Student.

Roll No.

Total No. of Pages : 02

Total No. of Questions : 10

MBA (Sem.-4)

PERFORMANCE AND COMPENSATION MANAGEMENT

Subject Code : MBA/936/18

M.Code : 77819

Date of Examination : 03-05-2024

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTIONS TO CANDIDATES :

1. SECTION-A contains EIGHT questions carrying TWO marks each and students has to attempt ALL questions.
2. SECTION-B consists of FOUR Subsections : Units-I, II, III & IV. Each Subsection contains TWO questions each carrying EIGHT marks each and student has to attempt any ONE question from each Subsection.
3. SECTION-C is COMPULSORY and consist of ONE Case Study carrying TWELVE marks.

SECTION-A

I. Write briefly :

- a) Discuss the problems and errors in Performance Appraisal.
- b) Discuss the concept of ethics in Performance Management.
- c) What is the importance of Balanced Score Card in Performance Management?
- d) Differentiate compensation and reward?
- e) Explain the Job evaluation approach to Compensation Management.
- f) Distinguish between incentives and fringe benefits.
- g) What is competency-based pay?
- h) What are team rewards?

SECTION-B

UNIT-I

2. Define Performance Appraisal. What are the steps you would like to follow for appraising the performance of a managerial employee?
3. Explain the concept of Performance Ethics. Give your answer relating it to some organizational practices.

UNIT-II

4. What is the role of building a High-Performance Culture in Employee Development?
5. Define Performance Management. Also, discuss in detail the EFQM Model.

UNIT-III

6. Define Compensation and list out the factors influencing compensation in the modern organizations.
7. Knowledge of the importance of compensation management makes you a hard-core Human Resource Manager. In light of this statement explain the objectives and criteria of compensation administration.

UNIT-IV

8. What is meant by Wage incentives? Discuss various wage incentives in India.
9. Explain in detail the recent trends in wages and salaries in Indian industries and service sector.

SECTION-C

10. Case Study :

The CEO and other executives of Computer Associates were granted board and shareholder approval in 1995 for an executive compensation plan that allowed executives to collect stock grants if the common stock price-maintained a given price for 60 days. In early 1998 the stock did, and the executives collected their shares. Shortly after collecting their grants, the company announced that its revenue estimates were to be reduced by Rs. 100 Crores for the next two quarters. The stock lost two thirds of its value the next day. The cash bonus-to-salary ratio was unusually high for a company with average performance, such as Computer Associates. At the time, high performing software companies generally had a ratio of 1:3 but Computer Associates had a ratio of 1:5.

Questions :

- a) What are the flaws in the executive compensation plan?
- b) What are your recommendations for improving the situation?

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