



SREENIVASA INSTITUTE OF TECHNOLOGY AND MANAGEMENT STUDIES
(AUTONOMOUS)

QUESTION BANK

Year / Semester: II MBA IV Semester

Regulation: R22

Subject and Code: Compensation Management & 22MBA242C

SYLLABUS

II MBA – Semester - IV					
Course Code	COMPENSATION MANAGEMENT	L	T	P	C
22MBA242C		4	0	0	4
UNIT - I	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 Internal Alignment: Internal Pay Structures, Strategic Choices in Internal Alignment Design.					
UNIT - II	Job Analysis and Evaluation				
Job Analysis- Job Descriptions - Job Specification - Job Analysis Data Collection Process - Job Evaluation-Significance-Methods.					
UNIT - III	External Competitiveness and Benefits Management				
Determining External Competitiveness: Definition-Pay Policy Alternatives, Wage Surveys, Interpreting Survey Results, Pay Policy Line, Pay Grades –Pay Ranges. Benefits: Benefits Determination Process, Legally Required Benefits, Retirement, Medical, & Other Benefits					
UNIT - IV	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. Compensation of Special Groups: Who are Special Groups? Compensation Strategies for Special Groups.					
UNIT - V	Legal & Administrative Issues in Compensation				
Legal Issues, Pay Discrimination, Comparable Worth, Budgets and Administration Global Compensation: Social Contract, Culture & Pay, Strategic Choices in Global Compensation, Comparing Systems, Expatriate Pay					



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Max Marks: 10

S.No.	CO	Questions	BT
Unit I: (Introduction To Compensation)			
1	1	Define Compensation. Explain its types and importance in organizations.	L1
2	1	Explain the objectives of Compensation Management.	L1
3	1	Define the Pay Model of Compensation and explain its objectives.	L1
4	1	What is Internal Alignment? Explain its components.	L1
5	1	(a) Explain Strategic Pay Policies and their approaches. (b) Discuss the steps involved in implementing a Strategic Pay Plan.	L2
6	1	Analyze the components of Compensation Management in detail.	L2
7	1	Explain the Pay Model policies and techniques with suitable examples.	L2
8	1	Compare Best Practices and Best Fit options in compensation management.	L2
9	1	A company wants to adopt a “Lead the Market” strategy to attract top talent. As an HR Manager, design a suitable strategic pay policy and justify your decision.	L3
10	1	An organization is facing internal pay dissatisfaction among employees. Suggest how internal pay structures and alignment strategies can solve this issue	L3



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S.No.	CO	Questions	BT
Unit II: (Job Analysis and Evaluation)			
1	2	Define Job Analysis. Explain its objectives and purposes.	L1
2	2	Define Job Evaluation. State its objectives.	L1
3	2	Differentiate between Job Description and Job Specification.	L1
4	2	Explain the significance of Job Evaluation.	L1
5	2	(a) Explain the methods of Job Analysis. (b) Discuss the Job Analysis Data Collection Process.	L2
6	2	Describe the steps involved in the Job Evaluation Process.	L2
7	2	Explain qualitative and quantitative methods of Job Evaluation	L2
8	2	Discuss the various questionnaire techniques used in Job Analysis	L2
9	2	An organization is facing wage inequality and employee dissatisfaction. How can Job Evaluation help overcome anomalies and salary conflicts?	L3
10	2	A manufacturing company wants to redesign jobs to improve productivity. Explain how Job Analysis can assist in work simplification and job reengineering.	L3



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S.No.	CO	Questions	BT
Unit III: (External Competitiveness and Benefits Management)			
1	3	Define External Competitiveness. Explain its importance.	L1
2	3	Explain Pay Policy Alternatives	L1
3	3	Define Wage Survey and state its purposes	L2
4	3	What are Pay Grades and Pay Ranges?	L2
5	3	(a) Explain the process of conducting Wage Surveys. (b) Discuss how survey results are interpreted.	L1
6	3	Explain the concept of Pay Policy Line and its types.	L2
7	3	Discuss the types of Pay Grade Structures with examples.	L1
8	3	Explain the Benefits Determination Process in detail.	L2
9	3	A company wants to revise its pay structure using market data. Explain how the Market Pay Line and survey data can be used to design pay grades.	L3
10	3	An organization is planning to introduce a new benefits program. Design a benefits determination process considering legal compliance, cost, and employee needs.	L3



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S.No.	CO	Questions	BT
Unit IV: (Performance Based Compensation System)			
1	4	Define Pay for Performance (PFP). Explain its objectives and features.	L1
2	4	What is Merit Pay? Differentiate between Merit Pay and Variable Pay.	L1
3	4	Define Individual Incentives and Group Incentives. discuss between Incentives and Group Incentives	L2
4	4	Who are Special Groups in compensation management? Explain their characteristics.	L1
5	4	(a) Explain the concept of Employee Contributions in a Performance-Based Compensation System. (b) Discuss how compensation can be used to reward desired behaviors in an organization.	L2
6	4	Does compensation really motivate performance? Analyze the relationship between pay and employee motivation.	L2
7	4	Explain the process of Designing an effective Pay for Performance (PFP) Plan	L2
8	4	(a) Compare Individual Incentives and Group Incentives. (b) Explain the advantages and limitations of both systems.	L2
9	4	A company is experiencing low productivity despite offering high fixed salaries. As an HR Manager, design a Performance-Based Compensation Plan to improve employee performance and justify your design.	L3
10	4	(a) An IT company wants to design a compensation strategy for special groups such as executives and sales employees. (b) Suggest appropriate compensation strategies for these special groups with reasons.	L3



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S.No.	CO	Questions	BT
Unit V: (Legal & Administrative Issues in Compensation)			
1	5	Define Legal Issues in Compensation. Explain their importance in pay administration.	L1
2	5	What is Pay Discrimination? Explain its causes and consequences.	L1
3	5	Define Comparable Worth. Why is it important in compensation management?	L1
4	5	What is Expatriate Pay? Explain its basic components.	L1
5	5	(a) Discuss the major Legal Issues in Compensation Management. (b) Explain how organizations can ensure compliance in compensation administration.	L2
6	5	Explain the concept of Comparable Worth and analyze its implications for organizations.	L2
7	5	(a) Explain the concept of Social Contract in Global Compensation. (b) Discuss how Culture influences pay systems across countries.	L2
8	5	Compare different Global Compensation Systems and analyze the strategic choices involved in global pay decisions.	L2
9	5	A multinational company is facing complaints regarding pay discrimination between male and female employees. As an HR Manager, suggest measures to address pay discrimination and ensure legal compliance.	L3
10	5	a) An Indian company is sending managers to the USA for a three-year international assignment. Identify the key challenges involved in designing an expatriate compensation package. (b) Design an appropriate expatriate compensation package considering factors such as cost of living, taxation, housing, hardship allowance, and cultural adjustments.	L3

Note: L1-Remembering, L2-Understanding, L3-Applying, L4-Analyzing, L5-Evaluating, and L6-Creating



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Text Books:

1. Strategic Compensation, 3/e, Joseph J. Martocchio, Prentice Hall, 2006.
2. Compensation Management, Dr. Kanchan Bhatia, Himalaya Publishing House, 2009.

Reference Books:

1. Compensation Management in a Knowledge Based World, 9/e, Handerson, Pearson, 2007.
2. Strategic Compensation, 10/e, Joseph J. Martocchio, Pearson Education, 2020.
3. Compensation Management, Tapomoy Deb, Excel Books, New Delhi, 2013.
4. Compensation Management, 2/e, Dipak Kumar Bhattacharyya, 2015.

Instruction to Faculty Members:

The Six Levels of Bloom's Taxonomy:

1. **Remembering:** Retrieving, recognizing, and recalling relevant knowledge from long-term memory (e.g., list, define, name, locate).
2. **Understanding:** Constructing meaning, explaining ideas, or concepts (e.g., summarize, interpret, classify, compare).
3. **Applying:** Using information in new situations or implementing procedures to solve problems (e.g., solve, use, demonstrate, implement).
4. **Analyzing:** Breaking material into constituent parts, determining how the parts relate to one another and to an overall structure (e.g., contrast, categorize, distinguish, diagram).
5. **Evaluating:** Making judgments based on criteria and standards through checking and critiquing (e.g., judge, critique, justify, defend, argue).
6. **Creating:** Putting elements together to form a coherent or functional whole; reorganizing elements into a new pattern or structure (e.g., design, construct, develop, formulate).