

Mr.Sashidhar has settled down and will remain in the company.

After some time, the superiors started riding over Mr.Sashidhar. He was over-loaded with multifarious jobs. His freedom in deciding and executing was cut down to size. He was ill-treated on a number of occasions before his subordinates. His colleagues also started assigning their responsibilities to him. Consequently, there were imbalances in his family life, social life and organisation life. But he seemed to be calm and contented. The management felt that Mr.Sashidhar had the potential to bear many more organisational responsibilities.

It was quite surprising for the General Manager to see the resignation letter of Mr.Sashidhar along with a cheque equivalent to a month's salary one fine morning on 18th January 1998. The General Manager failed to convince Mr.Sashidhar to withdraw his resignation. The General Manager relieved him on 25th January 1998. The General Manager wanted to appoint a committee to go into the matter immediately, but dropped the idea later.

Questions:

- (a) What prevented the General Manager from appointing a Committee? (7)
- (b) What is wrong with the recruitment policy of the company? (7)
- (c) Why did Mr.Sashidhar's resignation surprise the General Manager? (6)

MBHR 4003

M.B.A. DEGREE EXAMINATION,
DECEMBER 2014/ JANUARY 2015.

Fourth Semester

Human Resource Management

COMPENSATION MANAGEMENT

(2012 – 13 Batch Onwards)

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

All questions carry equal marks.

- 1. What is Compensation? Explain its objectives.
- 2. Explain various types of incentives.
- 3. What is a salary matrix?
- 4. How the wages is fixed in India?
- 5. Distinguish the basic features between wage and salary.
- 6. What is commission salary plan? Bring out its merits
- 7. Who are all the members in wage Boards?
- 8. Explain about Bench marking benefit schemes.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

All questions carry equal marks.

9. Discuss the various compensation approaches in compensation management. Explain in detail.
10. "Fringe Benefits are normally used as an informal way rather than a ethical motivation in a company" - Critically Evaluate.
11. How are the compensation classified? Explain
12. Elucidate the need for compensation management in multinational organisations.
13. Elaborate the various incentive plans followed in modern organisation.
14. Describe executives compensation plan and packages in detail.
15. Elaborate the various methods of rewarding of sales personnel.
16. Analyse various employee benefit programmes. Explain its advantages.

PART C — (20 marks)

Compulsory.

17. Case Study.

Uptron Electronics Ltd is a pioneering and internationally reputed firm in the Electronics industry. It is one of the largest firms in the country. It attracted employees from internationally reputed institutes and industries

by offering high salaries, perks etc. It had advertised for the position of an Electronics Engineer recently. Nearly 150 candidates working in various electronics firms applied for the job. Mr.Sashidhar, an Electronics Engineering Graduate from Indian Institute of Technology with 5 years working experience in a small electronics firm was selected from among the 130 candidates who took the tests and interview. The interview board recommended an enhancement in his salary by Rs.500 more than his present salary at his request. Mr.Sashidhar was very happy to achieve this and he was congratulated by number of people including his previous employer for his brilliant interview performance and good luck.

Mr.Sashidhar joined Uptron Electronics Ltd on 21st January, 1996 with great enthusiasm. He also found his job to be quite comfortable and a challenging one and he felt it was highly prestigious to work with this company during the formative years of his career. He found his superiors as well as subordinates to be friendly and cooperative. But this climate did not live long. After one year of his service, he slowly learnt about a number of unpleasant stories about the company, management, the superior-subordinate relations, rate of employee turnover, especially at higher level. But he decided to stay on as he promised several things to the management in the interview. He wanted to please and change the attitude of the management through his diligent performance, firm commitment and dedication. He started maximising his contributions and the management got the impression that