

INTERNATIONAL MANAGEMENT INSTITUTE, BHUBANESWAR

Post Graduate Diploma in Management (PGDM)

COMPENSATION AND BENEFITS MANAGEMENT (OB617)

CREDIT: Full (3 credits)

SESSION DURATION: 90 Minutes

TERM: V

YEAR: 2015-2017

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Course Introduction: Compensation and rewards have to play a strategic role in enhancing organizational capability, sustainability and competitiveness by contributing through effectively designed compensation and reward policies in the organization. A number of factors including Government policy, Legal framework, Company objectives, Employee market situation, Union pressures and Competition significantly affect the Compensation and Benefits management. In a competitive market, organizations are adopting innovative approaches of Compensation and Benefits administration, which give the desired flexibility and better employee productivity.

Learning Outcomes

Upon completion of this course students will understand and appreciate:

- The approaches that can be adopted in developing and managing effective compensation and reward strategies (LO1)
- Wage and Salary Administration at Global and National Level (LO2)
- Incentive Systems (LO3)
- Legal framework of compensation management (LO4)
- Performance Linked Compensation and Managerial Remuneration (LO5)

PEDAGOGY:

- Lecture will be supplemented by discussion on Cases/Acts both individually and in groups along with presentations.

Course Readings**Text Book:**

- Singh, B.D. (2012), Compensation and Reward Management, Excel Books, Noida

Reference Books

- Deb, Tapanmoy (2009), Compensation Management, Excel Books, Noida
- Milkovich, George T., Newman, Jerry M. & Venkataratnam, CS. (2009). Compensation, 9th edition (Special Indian Edition), McGraw-Hill Education (India), New Delhi.
- Sen, Ratna(2010), Industrial relations, Macmillan, New Delhi
- Goswami, V.G.(2011), Labour and Industrial Laws (Vol.2), Central Law Agency
- Armstrong, Michael (2010), Handbook of Reward Management Practice. Kogan Page India, New Delhi
- Joseph J.Martocchio (2008), Strategic Compensation-a HRM approach. Prentice Hall
- Henderson, Richard I., (2009), Compensation Management in a Knowledge-Base World, Pearson Education, Inc.

Course Evaluation criteria

Component	Weight
Quiz	20%
Class Presentation	10%
Assignments	10%
Mid-term	20%
End-term	40%
Total	100%

Session Plan

Session	Topic	Reading & Learning Outcome
1-2	Introduction Background and conceptual aspects of compensation and reward management; theoretical dimensions of wages, compensation and reward systems	Readings: Singh, pp1-50. Case: Strategizing Employee Compensation Issues: A Case of PSUs—Compensation at Power Finance Corporation (Singh, p.403) LO1
3-4-5-6	Wage and salary administration at global and national level; Wages: Statutes and compliance issues Acts-Minimum Wages, Payment of wages, Payment of Bonus, Equal Remuneration, Gratuity; Pay Commissions; Wage Boards; Collective Bargaining	Readings: Singh, pp.51-78. Milkovich, Newman & Venkataratnam, pp.497-527. Cases: Performance Management System at Bharti telecom(Singh p.351) LO2
7-8	Job Evaluation Procedure, methods and systems	Readings: Singh, pp.105-119. Milkovich, Newman & Venkataratnam, pp.102-125 Case:

		Job Evaluation at Whole Foods (Milkovich, Newman & Venkataratnam, p.125) LO1
9-10	Compensation structure—Indian Practices: Salary Structures, Pay Structure in Practice, Compensation trends,	Readings: Singh, pp.133-154. LO2
11-12	Incentive schemes; classification of incentives; merits and demerits of incentives; types of incentive schemes; working of incentive schemes	Readings: Singh, pp.155-176. Cases: Restructuring Incentive Scheme—The Experience and Approach of National Fertilizers Limited (Singh, p.354) EVA Incentive Scheme: The TCS Approach and Experience (Singh, p.364) NTPC Reward Scheme (Singh, p.369) LO3
13-14	Performance linked compensation: Performance and Behaviour, Principal Pay Strategies, Forms and types of Performance linked reward system/contingent pay	Readings: Singh, pp.177-228. Cases: Performance Based Compensation Structure at Crompton Greaves (Singh p.347) LO5
15-16	Benefits and Services: Fringe benefits, classification of employee benefits, welfare	Readings: Singh, pp.229-266.

	provisions in India; administration of benefits and services	Milkovich, Newman & Venkataratnam, pp.387-419. Cases: Family friendly benefits at Hascot Western Langley (Singh, p.377) Google India (Singh, 385) Intel India (Singh, 389) Qualcomm (Singh, 392) LO3
17-18	Managerial Remuneration: Elements of managerial compensation, executive compensation packages; strategies for managing talented employees; emerging trends	Readings Singh, pp.267-292. Cases: Executive Pay at RTZ PLC(Singh, p.381) LO5
19	Compensation issues in VRS, Retrenchment, Lay Off and Closure;	Readings Sen, pp.458-474 Goswami, pp319-382. LO4
20	Tax Planning: Tax implications of compensation package to employee	Readings Singh, pp.293-310. LO4