MB118C

Sl.No. :

Total No. of Pages : 3

Third Semester M.B.A. Degree, Examination, May - 2025
(SLM Scheme) (Non - CBCS)
MANAGEMENT
Compensation Management & Performance Appraisal
(Elective - C)

Time : 3 Hours **Max. Marks : 80**

SECTION - A

1. Answer any five sub-questions. Each sub question carries three marks : [5 × 3 = 15]

a. Is performance appraisal the same as performance management? Give any four differences.

b. What are the socio-economic objectives of wage policy?

c. Why is a standardized wage policy necessary?

d. Define Compensation Management.

e. What do you understand by 360-degree performance appraisal?

f. What do you mean by balance score card?

g. List the classifications of incentives.

SECTION - B

Answer any four questions. Each question carries five marks : [4 × 5 = 20]

2. Distinguish between wage and salary with examples.

3. Explain the effect of globalization on employee compensation.

4. Explain the institutional mechanism for wage determination in India.

5. Narrate various limitations of performance appraisal system.

6. Discuss in detail modern methods of performance appraisal.

7. Explain the emerging trends in performance appraisal systems balance score card.

SECTION - C

Answer any three questions. Each question carries ten marks : [3 × 10 = 30]

8. Discuss the key provisions of wage legislation in Indissa and analyze their impact on employee rights and employer responsibilities.

9. Narrate the steps involved in appraising performance.

10. Describe the concept of job evaluation. Discuss any two methods of job evaluation with their advantages and limitations.

11. Explain the pre-requisites of an effective incentive plan.

12. Describe the concept of job evaluation. Discuss any two methods of job evaluation with their advantages and limitations.

SECTION - D

13. Case (Compulsory). **[1 × 15 = 15]**

In a recent study examining the relationship between compensation management and performance appraisal at Tech Innovations Inc., researchers found that a well-structured compensation system significantly enhanced employee motivation and performance. The company implemented a performance appraisal system that included regular feedback, goal setting, and 360-degree reviews, which were directly linked to its compensation strategy. Employees who received positive performance evaluations were rewarded with merit-based pay increases and bonuses, fostering a culture of recognition and accountability. The study revealed that employees felt more engaged and committed when they perceived a clear connection between their performance and compensation. Additionally, the findings highlighted that transparent communication regarding appraisal criteria and compensation policies led to increased trust in management and reduced turnover rates. This case underscores the importance of aligning compensation management with performance appraisal processes to drive organizational success and employee satisfaction.

Questions :

a. How did the implementation of a performance appraisal system at Tech Innovations Inc. contribute to employee motivation and performance?

b. In what ways did linking performance evaluations to compensation impact employee engagement and commitment within the organization?

c. What role did transparent communication about appraisal criteria and compensation policies play in fostering trust between employees and management?