MBSC-3.3C

Sl.No. : **Total No. of Pages :3**

Third Semester M.B.A. Degree Examination, June - 2025
(SLM Scheme) (CBCS)
MANAGEMENT
Elective - C : Human Resource
Performance Appraisal and Compensation Management

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

SECTION - A

Answer any five questions. Each question carries five marks. **[5 × 5 = 25]**

Q1) What are the considerations of Executive remuneration.

Q2) Describe the principles of wage fixation.

Q3) What are the objectives of compensation management?

Q4) Explain various statutory benefits and their advantages.

Q5) What is collective bargaining?

Q6) What is MBO? What are its limitations?

Q7) Distinguish between RTGS and NEFT.

SECTION - B

Answer any four questions. Each question carries ten marks. **[4 × 10 = 40]**

Q8) Bring out the features of the Payment of Bonus Act,1965

Q9) Define Bonus and explain the objective of Minimum Wages Act.

Q10) Discuss the advantages and disadvantages of performance Appraisal.

Q11) Explain the role of RBI in encouraging e-payment in India.

Q12) Critically examine Maslow's need hierarchy theory.

Q13) Explain the various factors affecting the wage structure.

SECTION - C

Q14) **Case (Compulsory)** **[1 × 15 = 15]**

Pay Inequalities: Amrit Electrical is a family owned company of approximately 250 employees. Mr. Rajesh Khaitan recently took over as president of the company. A short time after joining the company, he, began to following a discussion with the HR director that the pay of the salaried 37 employees was very much a matter of individual bargaining. Factory workers were not a part of the problem because they were unionized and their wages were set by collective bargaining. An examination of the salaried payroll showed that there were 75 employees ranging in pay from that of the president to that of receptionist. A closer examination showed that 20 of the salaried employees were females. Five of these were front time factory supervisors and one was the HR director. The other fourteen were non- management.

This examination also showed that the HR director was underpaid and that the five female supervisors were paid some what less than any of the male supervisors. However, there were no similar supervisory jobs in which there were both male and female supervisors. When questioned, the HR director said that she thought that the female supervisors were paid at a lower rate mainly because they were women and because they supervised less skilled employees than did the male supervisors. However, Mr. Khaitan was not convinced that this was true. He decided to hire a compensation consultant to help him. Together they decided that all 75 salaried jobs should be in the same job evaluation cluster, that a modified job evaluation method should be used and that the job descriptions recently completed by the HR director were correct and usable in the study, the job evaluation also showed that the HR director and the five female supervisors were being underpaid in comparison with the male employees.

Mr. Khaitan was not sure, what to do. If he gave these four female employees an immediate salary increase which may large enough to bring them up to where they should be, he was afraid the male supervisors could be upset and the female supervisors might comprehend the situation and demand arrears of pay. The HR director agreed to take a sizeable salary increase with the no arrears of pay. So this part of the problem was solved. Mr. Khaitan believed that he had three choices relative to the female supervisors :

i) to gradually increase their salaries

ii) to increase their salaries immediately

iii) to do nothing.

Questions :

a) What would you do if you were Mr. Khaitan?

b) How do you think the company got into a situation like this in the first place?

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