

R09

Code No: E5413

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD

MBA – IV Semester Examinations, February -2012

COMPENSATION AND REWARD MANAGEMENT

Time: 3hours

Max. Marks: 60

**Answer any five questions
All questions carry equal marks**

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1. Explain the different approaches to Job Evaluation. What problems are faced by the evaluator in the process of evaluation?
2. How to conduct pay and benefit surveys? What are the factors affecting them? Explain.
3. What is the meaning of Pay Structure? What is the purpose and types of Pay Structure?
4. What factors are concerned with Performance Related Pay? What are the advantages and disadvantages of PRP?
5. Explain different Shop Floor Incentive Scheme. Explain advantages and disadvantages of at least four such a schemes.
6. What is allowance? What are the different types of allowances? Discuss.
7. What is EVA? What is EVA Incentive Scheme? Discuss the case same in the of TCS approach and experience in the light of EVA.
8. Study the under mentioned case and discuss the questions mentioned below:
Mr. Samrat Bhattachara joined Forge well Auto Ltd., New Delhi as Hr Manager. Forge well Auto Ltd., is a manufacturer and supplier of safety critical automotive components which finds application in steering and suspension assemblies of passenger cars. It supplies to major OEMS in India and abroad. The company has modest turnover of 40 crores annually and is in business for the last 20 years.

Samrat was very Enthusiastic and wanted to bring about many changes in the HR policies and systems of the organization. He began by studying the various systems and practices in place. During a conversation with Mr. S.N. Hassija, the head of production, he found that the productivity of the work force was lower than its competitors, with this cue, he started looking at HR Practices in place. He noted that the compensation management in the organization hovered around rewarding individual performance although the nature of work was team based. So, one of the first things Samrat wanted to do in his new position at Forge well Auto Ltd., was to improve productivity through team work at every level of organization. As the new HR manager Samrat set out to change the culture

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to accommodate the Team based approach to compensation. He has become so enthusiastic in his most recent position.

Samrat decided to change Forge well's long standing policy had been to give all employee the same annual pay increase but felt that in the new team environment outstanding performance should be the criteria for pay rises. After consulting with CEO Vikas Mohanty, Samrat sent a memo to all employees announcing the change to team based pay for performance.

The reaction was immediate and hundred percent negative. None of the employees was happy with the change. The complaint that this will result in partially in rewarding employees given that the performance appraisal system in the organization is quite old and primitive . Some of the shop floor supervisors started suspecting the intentions of the new HR Manager as they thought that pay for performance was a veil to disturb the harmony prevailing amongst the employ employees. Samrat and Vikas arranged a meeting for early the next morning in his office over their tea, they began a painful debate.

Questions:

- a) Discuss what suggestion you would give to the organization. Whether the new policy be retracted or allowed to stand?
- b) What suggestion you would given to Samrat at this stage of situation?
