

Seat No.: _____

Enrolment No. _____

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA– SEMESTER –III-EXAMINATION – WINTER-2023

Subject Code:4539232

Date: 06-12-2023

Subject Name: Compensation Management

Time:10:30 AM TO 1:30 PM

Total Marks: 70

Instructions:

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.
4. Use of simple calculators and non-programmable scientific calculators are permitted.

- Q.1** Definitions / terms / explanations / short questions based on concepts of theory/practical **14**
- (a) Job Evaluation
 - (b) Financial Reward
 - (c) Mediciam Policy
 - (d) Expatriate Pay
 - (e) Diagram: Maslow's Need Hierarchy Theory
 - (f) Point Ranking Method
 - (g) Time Rates
- Q.2** (a) Describe the guiding principles and structure of reward strategy. **07**
- (b) Discuss the concept of convergence or divergence. Explain the guiding principles for international reward. **07**
- OR**
- (b) Short Note on: Models of Total Rewards. **07**
- Q.3** (a) Discuss Payment of Wages act 1936, for rules of deduction and enforcement of the act. **07**
- (b) "Rewarding sales and customer service staff would be different as compared to rewarding manual and knowledgeable worker"- Justify. **07**
- OR**
- Q.3** (a) What is non-statutory benefit? State different types of non-statutory benefits. **07**
- (b) Write a short note on: Mediciam Policy **07**
- Q.4** (a) Explain the various elements of directors and senior executives pay with examples and also mention the various reasons for tremendous growth of executive pay. **07**
- (b) What are the issues involves in development of reward system? Discuss the stages involved in development and implementation of reward program. **07**
- OR**
- Q.4** (a) Enumerate various provisions for permissible deduction from salary income. Discuss the computation of income from salary. **07**
- (b) State the features and drawbacks of mediciam policy. **07**

Q.5

CASE STUDY:

Mathura Refinery is a UP based oil refinery, having a capacity to produce nearly one third of country petroleum, oil and lubricant requirement. The biggest challenge for the company is to design a low-cost innovative employee benefits scheme. The company is operating in a highly competitive market after liberalization and employees needs to be on toes at selling points. The current compensation strategy is designed in view of market rate. With the joining of new director Mr. Pandey the challenge faced is to devise the best compensation and benefit plan so that poaching of best employee by competitors can be prevented. He announced effective voluntary benefit discount schemes by building a mutual network with retail malls, travel agents, hotels, airlines, household appliances manufacture. Certain pension schemes were announced prima facie of two types defined benefit and defined contribution and employee were asked to choose between the two. He also announced certain loyalty programs and profit-sharing schemes among the employee. He also proposed periodic evaluation of the reward system With continuous innovation and evaluation he was a able to reduce the annual HR cost by 2 percent

- (a) Discuss the process of reward system in short **07**
- (b) Differentiate between the two types of pension schemes that is defined benefit and defined contribution discussed in this case. **07**

OR

- Q.5**
- (a) Discuss in short the tax treatment of various benefits as per Income Tax Act. **07**
 - (b) Develop an alternative model of voluntary benefit which can be extended version of Mr. Pandey taking into consideration the suitability of it with industry. **07**
