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| A | DEPARTMENT OF MANAGEMENT STUDIES  NATIONAL INSTITUTE OF TECHNOLOGY  TIRUCHIRAPPALLI - 620 015, TAMIL Nadu, India |
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| **Course Code** | **:** | MB 783 |
| **Title of the Course** | **:** | COMPENSATION AND BENEFITS |
| **Trimester** |  | IV |
| **Contact Hours, Type of Course** | **:** | 30 HOURS, ELECTIVE |
| **Course Assessment Methods** | **:** | REGULAR(CONTINUOUS ASSESSMENT) |

**COURSE OBJECTIVE:** To create an understanding about the different elements of compensation and the techniques of deciding on these elements.

Unit I Introduction to Compensation Management Conceptual and theoretical understanding of economic theory related to Compensation Management (Wage Concepts and Wage Theories). Employee’s satisfaction and Motivation issues in compensation design. Establishing Internal, External and individual equally.

Unit II Variable pay Strategic importance of variable pay-Determination of Inter and Intra industry compensation differentials. Individual and Group Incentives.

Unit III Employee Benefits Dearness Allowance Concept-Emergence & Growth in India. The role of fringe benefits in reward systems Retirement Plans including VRS/Golden Handshake Schemes.

Unit IV Executive and MNC compensation Executive Compensation. Compensation Systems in Multinational Companies and IT companies including ESOP.

Unit V Legal issues on employee compensation Collective Bargaining Strategies-Long term settlements-Cases of Productivity Settlements Exercises on drawing up 12 (3) and 18(1) settlements. Emerging Trends in IR due to LPG.

**TEXT BOOKS:**

1. Milkovich, Newman, “Compensation”, McGraw Hill.

2. Dipak Kumar Bhattacharya,” Compensation Management”, Oxford University Press, 2009.

3. Fisher, Schoenfeldt, Shaw, “Human Resource Management” Sixth Edition, Boston, MA: Houghton-Mifflin, 2006.

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| **COURSE OUTLINE TEMPLATE** | | | | |
| **Course Title** | **COMPENSATION AND BENEFITS** | | | |
| **Course Code** | **MB783** | | **No. of Credits** | **2** |
| **Department** | MBA | | **Faculty** | **Dr. V. LAVANYA** |
| **Pre-requisites**  **Course Code** | **Human Resource Management** | | | |
| **Course Teacher(s) E-mail** | **lavanya@nitt.edu** | | |  |
| **Course Type** |  | **Core** | | |
| √ | Elective | | |
|  | Open Elective | | |
|  | Laboratory | | |

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| **COURSE TEACHING AND LEARNING ACTIVITIES** | | | | | | |
| **Sl.No.** | **Week** | **Topic** | | | **Mode of Delivery** | |
|  | **Week 1** | Introduction to Compensation Management Conceptual and theoretical understanding of economic theory related to Compensation Management (Wage Concepts and Wage Theories). Contrasting Perspectives of Compensation, Total Returns for Work, forms of pay. | | |  | |
|  | **Week 2** | The pay model – policies, objectives and techniques. Employee’s satisfaction and Motivation issues in compensation design. Establishing Internal, External and individual equally. | | |  | |
|  | **Week 3** | Similarities and Differences in Strategies, Strategic Choices, Support Business Strategy, The Pay Model Guides Strategic Pay Decisions, Developing a Total Compensation Strategy: Four Steps, Source of Competitive Advantage: Three Tests, “Best Practices” versus “Best Fit”, Guidance from the Evidence, Virtuous and Vicious Circles, Your Turn: Mapping Compensation Strategies, Still Your Turn: Pay Matters (Productivity Does, Too) | | |  | |
|  | **Week 4** | Variable pay Strategic importance of variable pay-Determination of Inter and Intra industry compensation differentials.Performance measurement related to compensation **s**trategy | | |  | |
|  | **Week 5** | Components of a total reward system, Individual and Group Incentives - Halsey plan, **Rowan Plan,** Bedaux plan**, Emerson Plan, Barth Variable Sharing Plan, Taylor’s Differential Piece-Rate System,** Merrick Differential Piece-Rate System, Gantt Task System | | |  | |
|  | **Week 6** | Dearness Allowance, DA calculation, till seven pay commissions, | | |  | |
|  | **Week 7** | **Assessment (25 marks)(cycle Test)** | | | | |
|  | **Week 8** | Fringe Benefits – types, Old age and retirement benefits, Provident fund, Pension, Deposit linked insurance, Medical benefits, Gratuity, References, objectives. | | |  | |
|  | **Week 9** | Executive and MNC compensation Executive Compensation – theories, long term incentives for executives | | |  | |
|  | **Week 10** | Compensation Systems in Multinational Companies and IT companies including ESOP. | | |  | |
|  | **Week 11** | Legal issues on employee compensation Collective Bargaining Strategies-Long term settlements-Cases of Productivity Settlements Exercises on drawing up 12 (3) and 18(1) settlements. Emerging Trends in IR due to LPG | | |  | |
|  | Extra class is required to complete the Internal assessment | | | | | |
|  | **Week 12** | **End Semester Exam** | | | | |
| **COURSE ASSESSMENT METHODS** | | | | | | |
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| **Sl. No.** | **Mode of Assessment** | | **Week / Date** | **Remarks** | **% Weightage** | |
|  | Cycle Test | | **7th week** |  | 25% | |
| 2. | Assignment and presentation | | 9th and 10th week |  | 15% | |
| 3. | Quiz | |  |  | 10% | |
| 4 | End Semester Exam | | 12th week |  | 50% | |
| **Note:**   1. Attending all the assessments (Assessment 1 & 2) is MANDATORY for every student. 2. If any student is not able to attend cycle test due to genuine reason, student is permitted to appear for retest. 3. Every student is expected to score minimum 40% (i.e., 40 marks) to pass the course. Otherwise the student would be declared fail and ‘F’ grade will be awarded. 4. Attendance is MANDATORY for every student (75 %) | | | | | | |
| **FOR APPROVAL** | | | | | |
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