

MANGALORE UNIVERSITY
DEPARTMENT OF BUSINESS ADMINISTRATION
MASTER OF BUSINESS ADMINISTRATION (MBA)

MBAS 560: COMPENSATION MANAGEMENT

Workload	: 4 hours per week
Examination	: 3 hours - 70 marks
Objectives	: This course aims at providing theoretical foundations, designing and methods of reward and remuneration strategies practiced in business organizations.
Pedagogy	: Lectures, assignments, practical exercises, discussions, seminars etc.

Chapter 1: Introduction: Concept, historical development of payment systems and importance. Components and Dimensions of compensation program, Factors influencing compensation, The 3-p compensation concept.

Chapter 2: Economic and Behavioural Dimensions of Compensation Management: Economic theory of wages and its limitations. Motivational issues in compensation management, organizational justice and compensation, impact of Compensation on employee behaviours, consequences of dissatisfaction with compensation. Job evaluation and compensation.

Chapter 3: Managing Compensation: Designing a compensation system, Internal and external equity in compensation system, Framework of compensation policy, compensation as a retention strategy.

Chapter 4: Performance Based Compensation: Significance of performance appraisal system, effect of compensation on performance and motivation, pay for performance system, meeting the challenges of pay for performance system, types of pay for performance plan, compensation and performance, competency based compensation.

Chapter 5: Wages and Salary Administration: Concept of wages, the wage determination process, methods of wage fixation, theories of wages, types of wages, wage differentials, wage policy and its importance, legal framework and compensation, objective of national wage policy.

Chapter 6: Benefits and Administration: Benefits determination process, Employees benefits and services, legally required benefits-dearness allowance, employee stock option plan(ESOP), types of retirement benefit plans, Flexible compensation/benefits plans, significance and types of various incentives.

Chapter 7: Compensation of special groups: Top executives, special features and components, Compensation for CEO, fringe and retirement benefits, perquisites, culture and pay.

Chapter 8: Emerging Issues and Trends: Tax implication of Employee Compensation package to the employer, tax efficient compensation package, Salary structuring, recent changes in taxation, comparative international compensation, new trends in compensation management.

References:

1. Milkovich G. T, Newman J .M, &VenkataRatnam C. S- Compensation -McGraw Hill Irwin.
2. Deb Tapomoy-Compensation Management, 1stedn-Excel Books, New Delhi.
3. Armstrong, M and H Murlis Reward Management: A Hand Book of Remuneration Strategy and Practice -Kogan Page, London.
4. Martocchio J. J.-Strategic Compensation - Pearson Education.
5. Gerhart B &Rynes S L-Compensation Theory, Evidence and Strategic Implications-Sage Publishers, New Delhi.
6. Sarma A.M-Understanding Wages and Compensation Management -Himalaya Publishing House. Mumbai.
7. Dr. KanchanBatia- CompensationManagement, 1stedn - Himalaya Publishing House, Mumbai.
8. B.D.Singh-Compensation and Reward Management, 1stedn - Excel Books, New Delhi.
9. Wallace M.J. and Fay C.H- Compensation Theory and Practice - Tata Mc Graw Hill.
10. Henderson, Richard I- Compensation Management in a knowledge Based World -Printice Hall.
11. Director Soms, MS- 27, Wage and Salary Administration IGNOU, New Delhi.
12. Decenzo A, David and Robbins P Stephen- Personnel/HRM, Prentice Hall of India, New Delhi.