



Kot Bhalwal, Jammu



Model Institute of Engineering
& Technology (Autonomous)
Course Handout

COURSE HANDOUT

PERFORMANCE AND COMPENSATION MANAGEMENT (MBA-332)

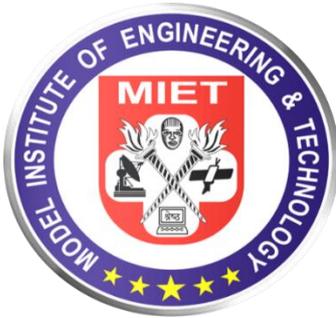
MBA-3rd SEMESTER

ACADEMIC YEAR (2024-25)

Dr. Parul Sharma

Associate Professor

School of Management



School of Management

Model Institute of Engineering & Technology (Autonomous)

Kot Bhalwal, Jammu - 181122

www.mietjmu.in



Dr. Arun K. Gupta Teaching-Learning Centre

Version 1.1



Please Do Not Print Unless Necessary



Course Code	Course Name	Course Type	Cd	L	T	P	Marks		
							Sessional	Final Exam	Total
MBA-332	Performance and Compensation Management	Core	4	4	0	0	30	70	100

COURSE OUTCOMES

At the end of the course the student will be able to:	
CO1	Examine the basic concepts and principles of performance management.
CO2	Appreciate the theories of wage management.
CO3	Develop insight into the types of incentive plans.
CO4	Comprehend the laws related to employee compensation.
CO5	Articulate the global compensation practices in different industries.

Detailed Syllabus

Section A

Unit-I

Performance Management: Concept, Perspectives, Objectives and Pre-requisites; Performance Appraisal to Performance management; Principles, Process and Model of Performance Management; Performance Management Systems; Role of HR Professionals in Performance Management and Ethics in Performance Management.

(10 Hrs)

Unit-II

Introduction to Compensation Management: Nature and Scope, Job Evaluation; Wage and Salary Administration; Wage Concepts, Wage Determination Process, Theories of Wage, Types of Wages: Time Rate, Piece Rate, Debt Method; Wage Differentials; Wage Policy and Wage Fixation Machinery.

(9 Hrs)

Unit-III

Compensation Systems: Internal and External Equity; Productivity and Wages, Individual-Group Variable Compensation, Employee Stock Ownership, Retirement Plans. Incentives: Definition, Types of Incentives, Individual Incentives: Organization Wide Incentives: Scanlon Plan, Profit Sharing, Non-Financial Incentive

(10 Hours)

Section B

Unit-IV

Wage Legislation: Laws Relating to Workmen's Compensation; Payment of Wages Act (1936), The Minimum Wages Act (1948), The Payment of Bonus Act (1965), The Equal Remuneration Act (1976), Employee's State Insurance.

(09 Hours)

Unit-V

International Compensation: - Introduction, Objectives, Complexities, managing variations, Strategy, influencing factors and key components; Reward systems, Perceptions of Pay Fairness, Employee Benefits, perquisites, non-monetary benefits, Performance Analytics, Impact of Remote work on Performance Management.

(10 Hours)

Textbooks

S.No	Name of the Books	Name of the Author	Publisher Name	Edition (Pub.Yr.)
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1	Performance Management	Kohli. A.S & Deb. T	Oxford university	1 st (2008)
2.	Compensation Management	Bhattacharya D. K	Oxford university	1 st (2009)

Reference Books

S.No	Name of the Books	Name of the Author	Publisher Name	Edition (Pub.Yr.)
1	Training for Development	Lynton R. P	Sage publication IndiaPvt. Ltd	3 rd (2011)

COURSE PLAN

Unit-I Performance Management

S.No	Topics	Recommended Books
1	Concept, Perspectives of Performance Management	Book 1, Ch.1
2	Objectives and Pre-requisites of Performance Management	Book 1, Ch.1
3	Performance Appraisal to Performance Management	Book 1, Ch.1
4	Principles, Process and Model of Performance Management	Book 2, Ch.2
5	Performance Management Systems	https://link.springer.com/article/10.1007/s11205-022-03059-5
6	Role of HR Professionals in Performance Management	Book 2, Ch.2
7	Ethics in Performance Management	Book 2, Ch.2
Unit-II Introduction to Compensation Management		
8	Nature and Scope	Book 2, Ch.2
9	Job Evaluation	https://backup.pondiuni.edu.in/storage/dde/downloads/hrmiv_cm.pdf
10	Wage and Salary Administration	Book 2, Ch.1
11	Wage Concepts, Wage Determination Process	Book 2, Ch.2
12	Theories of Wage, Types of Wages: Time Rate, Piece Rate, Debt Method	Book 2, Ch.2
13	Wage Differentials	https://www.mbaknol.com/human-resource-management/wage-differentials-definition-causes-and-types/
14	Wage Policy	Book 2, Ch.2
15	Wage Fixation Machinery	Book 2, Ch.2
Unit-III Compensation Systems		
16	Internal and External Equity; Productivity and Wages	https://razorpay.com/payroll/learn/compensation-management/
17	Individual-Group Variable Compensation	Book 2, Ch.2
18	Employee Stock Ownership, Retirement Plans	Book 2, Ch.2
19	Incentives: Definition, Types of Incentives	Book 2, Ch.2



20	Individual Incentives	Book 2, Ch.2
21	Organization Wide Incentives: Scanlon Plan, Profit Sharing, Non - Financial Incentive	Book 2, Ch.2
Unit-IV Wage Legislation		
22	Laws Relating to Workmen's Compensation	Book 2, Ch.3
23	Payment of Wages Act (1936)	https://www.indiacode.nic.in/bitstream/123456789/8324/1/payment_of_wages_act_1936.pdf
24	The Minimum Wages Act (1948)	https://www.indiacode.nic.in/bitstream/123456789/1730/1/A1948-011.pdf
25	The Payment of Bonus Act (1965)	https://www.teamleaseregtech.com/resources/acts/article/57/payment-of-bonus-act-1965/
26	The Equal Remuneration Act (1976)	https://labour.gov.in/sites/default/files/equal_remuneration_act_1976_0.pdf
27	Employee's State Insurance	Book 2, Ch.3
28	Provident Fund, Gratuity and Maternity Relief benefits, retirement benefits.	Book 1, Ch.3
Unit-V International Compensation		
29	Introduction, Objectives, Complexities, managing variations	Book 2, Ch.8
30	Strategy, influencing factors and key components	Book 1, Ch.8
31	Reward systems	Book 2, Ch.8
32	Perceptions of Pay Fairness	https://www.shrm.org/in/topics-tools/news/benefits-compensation/pay-fairness-perception-beats-higher-pay-improving-employee-engagement
33	Employee Benefits, perquisites	Book 2, Ch.8
34	Non-monetary benefits.	https://nectarhr.com/blog/the-difference-between-monetary-non-monetary-rewards

ADDITIONAL WEB RESOURCES

1.	MOOC: Managing Employee Compensation https://www.coursera.org/learn/compensation-management
2.	NPTEL: Performance and Reward Management https://nptel.ac.in/courses/110/105/110105137/
3.	HBPE Course Pack: Performance and Compensation Management (AY 2024-25) created on Harvard Publishing House https://hbsp.harvard.edu/coursepacks/1191772

GRADING AND ASSESSMENT





- **Sessional Test:** 15 marks
- **Assignment:** 10 marks
- **Attendance:** 5 marks
- **Final Examination:** 70 marks

COURSE POLICIES

- **Attendance:** Minimum 75% attendance is mandatory to appear in the final examination of the course.
- **Academic Integrity:** MIET's academic integrity policies apply. Plagiarism will not be tolerated.
- **Late Submissions:** Assignments and projects must be submitted by the specified timelines.

FACULTY INFORMATION

- **Office Hours**
Monday (12:05 PM - 12:55 PM)
Friday (12:05 PM - 12:55 PM)
- **Contact Information**
parul.mba@mietjammu.in