

**SVKM's NMIMS**  
**School of Distance Learning**

Programme: PGDHRM

Academic Year: 2011-2012

Subject: Compensation & Benefits

Date: 29.12.2011

Semester III

Course New

Marks: 70

Time: 3.00 p.m to 6.00 p.m

Question 1: Explain the following terms (attempt any two out of 4) 10 marks

- a. Cost of living
- b. Variable pay
- c. Incentive Scheme
- d. Provident Fund & Gratuity as part of Social Security

Question 2: Write short notes (attempt any 2 out of 5) 10 marks

- a. Productivity link incentives
- b. Union Negotiation
- c. Fringe Benefits
- d. Role of Trade Unions in bargaining for wage demand
- e. Salary Survey

Question 3: Discuss the following questions (attempt any 3 out of 5) 30 marks

- a. Discuss philosophy of Social Security Act, more particularly Employee State Insurance Act 1948 and Maternity Benefit Act.
- b. Factors affecting companies to decide on salary, external & internal factors.
- c. How is the remuneration of an expatriate decided when recruiting for Indian operations?
- d. The importance of job evaluation & job description and its linkage to deciding on remuneration of employees.
- e. What is dearness allowance, fixed pay and variable pay ? Also discuss on performance linked reward scheme.

Question 4: Case study 20 Marks

D K P Group is part of multinational set up in India. It has a unique remuneration system based on Company's performance and individual performance. 20% of the gross CTC is linked to performance criteria of the individual & the Company.

Over a period there is a sense of dissatisfaction among the employee that they do not get this benefit since Company do not meet target and employee loses on these benefits.

As HR professional what will be your suggestion to management to improve or alternate this scheme ?