

Roll No



**PRESIDENCY UNIVERSITY
BENGALURU**

SET A

**SCHOOL OF MANAGEMENT
END TERM EXAMINATION - JAN 2024**

Semester : Semester V - 2021

Course Code : BBA3012

Course Name : Compensation Management

Program : BBA

Date : 05-JAN-2024

Time : 1:00 PM - 4:00 PM

Max Marks : 100

Weightage : 50%

Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and non-programmable calculator are permitted.
- (iv) Do not write any information on the question paper other than Roll Number.

PART A

ANSWER ALL THE QUESTIONS

5 X 2M = 10M

1. List down any two features of effective compensation policy. (CO1) [Knowledge]
2. Relate internal and external equity. (CO1) [Knowledge]
3. Outline the bonus percentage formula of Priestman's plan. (CO2) [Knowledge]
4. List down any four designations of executives. (CO3) [Knowledge]
5. List down any two legally required employee benefits in India. (CO4) [Knowledge]

PART B

ANSWER ALL THE QUESTIONS

5 X 10M = 50M

6. As the HR lead, Arjun faces the challenge of refining the company's wage policy to attract and retain top talent. In the quest for clarity, he discusses with the Compensation Manager.
As a Compensation Manager, Delve into the objectives that shape wage policies in the Indian context. (CO5) [Comprehension]
7. The subsistence wage theory, subtly implying that wages cover only essential needs, prompts a reflection on the broader implications of fair compensation.
Discuss the logic behind subsistence wage theory. (CO1) [Comprehension]

8. Long incentive plans, extending beyond short-term goals, align employee interests with sustained company success. These plans motivate individuals to contribute to the organization's long-term growth and prosperity.

Summarize various types of long incentives paid to employees.

(CO2) [Comprehension]

9. In her role as a strategic HR leader, Priya faces the challenge of formulating an executive compensation strategy that harmonizes with the company's vision. Contemplating the finer details, she wonders: "What precisely are the primary aims of executive compensation?" and asks you, the compensation manager the details.

Infer the objectives of executive compensation.

(CO3) [Comprehension]

10. Explain how the Compensation Manager had to administer the benefit program.

(CO4) [Comprehension]

PART C

ANSWER ALL THE QUESTIONS

2 X 20M = 40M

11. Anup, a finance manager, stumbles upon discrepancies in gratuity calculations while preparing year-end reports for a multinational corporation. Intrigued by the nuances of gratuity treatment, he ponders:

1. Demonstrate treatment of gratuity in case of Government employees. 5 Marks

2. Sketch the treatment of gratuity in case of government and non-government employees. 15 Marks

(CO4) [Application]

12. Rahul, the owner of a small manufacturing business, has recently become aware of the importance of complying with the provisions and penalties outlined in the Minimum Wages Act, 1948, in India. As he delves into the details of the Act, he realizes the gravity of ensuring that his business aligns with the legal framework to protect the rights and well-being of his workers. As a compensation manager, produce the provisions and penalties of Minimum Wages Act, 1948.

(CO5) [Application]