



# MARRI LAXMAN REDDY INSTITUTE OF TECHNOLOGY AND MANAGEMENT

(AN AUTONOMOUS INSTITUTION)

(Approved by AICTE, New Delhi & Affiliated to JNTUH, Hyderabad)

Accredited by NAAC with 'A' Grade & Recognized Under Section 2(f) & 12(B) of the UGC act, 1956

## COURSE CONTENT

| COMPENSATION & REWARD MANAGEMENT   |                       |                        |   |   |                   |               |     |       |
|--|-----------------------|------------------------|---|---|-------------------|---------------|-----|-------|
| III SEMESTER   |                       |                        |   |   |                   |               |     |       |
| Course Code  | Category              | Hours/Week             |   |   | Credits           | Maximum Marks |     |       |
| 22MBA0021H   | Professional Elective | L                      | T | P | C                 | CIE           | SEE | Total |
|  |                       | 4                      | 0 | - | 4                 | 40            | 60  | 100   |
| Contact Classes:60   | Tutorial Classes: Nil | Practical Classes: Nil |   |   | Total Classes: 60 |               |     |       |
| <b>Prerequisite:</b> Basic concepts of compensation and reward management. |                       |                        |   |   |                   |               |     |       |

### COURSE OVERVIEW:

This course explains the concepts and practices of compensation and reward management in organizations. It focuses on designing compensation systems, pay structures, employee benefits, and strategic compensation practices to attract, motivate, and retain employees.

### COURSE OBJECTIVES:

- To understand the basic concepts of compensation and reward management.
- To learn how to design effective compensation systems.
- To examine different pay structures and salary systems.
- To understand employee benefits and benefit programs.
- To analyze contemporary issues and trends in strategic compensation.

### COURSE OUTCOMES: After completion of the course, students should be able to

1. Identify compensation types, competency-based models, 3P framework and reward principles in service organizations
2. Explain the process of building an internally consistent and market-competitive compensation system using job analysis, job valuation, and compensation surveys.
3. Apply knowledge of designing pay and salary structures, performance-based pay, salary progression, pay bands, by comparing different compensation methods used in India.
4. Design comprehensive employee benefit packages, statutory & non-statutory programs and evaluate voluntary retirement schemes
5. Develop global compensation strategies, executive packages and solutions for flexible or contingent workforces, addressing emerging trends

### Unit-I: Introduction

Compensation Management: Types of compensation-Compensation as Retention Strategy  
Compensation for Special Groups-Competency based Compensation-3P Concept in Compensation

Management.Reward Management: Concept-Developing Reward Policies – Concept of Reward System in Service Organizations

### **Unit-II: Designing Compensation System**

Building Compensation System: Building internally consistent Compensation System-Creating Internal Equity through Job Analysis and Job Valuation-Building Market Competitive Compensation System-Compensation Surveys-Integrating Internal Job Structure with External Market Pay Rates - Building Pay Structures that Recognize Individual Contributions

### **Unit-III: Pay Structures**

Pay Structure: Performance Based and Pay Based Structures - Designing Pay and Salary Structures - Salary Progression - Methods of Payment in Compensation - Comparison in Evaluation of Different Types of Pay Structures in India - Designing Pay Ranges and Bands in Public and Private sectors

### **Unit-IV: Benefits and Services**

Employee Benefits: Concept and Nature of Benefits - Classification of Employee Benefits -Employee Benefit Programs (Statutory and Non-Statutory) - Designing a Benefit Package –Concept of Voluntary Retirement Scheme (VRS)

### **Unit-V: Contemporary Strategic Compensation Challenges**

International Compensation and Competitive Strategies: Executive Compensation Packages-Compensating Executives - Compensating the Flexible Workforce - Contingent Employees and Flexible Work Schedules - Compensation for Expatriates and Repatriates – Strategic Issues and Choices in Using Contingent and Flexible Workers –New trends in compensation.

### **TEXT BOOKS:**

1. Dr. Vinay Ojha” Compensation and Reward Management”, 7<sup>th</sup> edition, 2019.
2. Pradip Kumar Das “Compensation and Reward Management”, “Himalaya publishing house “, in 2019.
3. George Milkovich,” Compensation and Reward Management” “McGraw-Hill Higher Education,”2019.
4. Sharma RC “Compensation and Reward Management” in 2017.
5. Ojha Vinay “Compensation and Reward Management,” in 2016.
6. Richard.i. Henderson, “Compensation Management in a Knowledge Based World “, Prentice- hall, 1<sup>st</sup> Edition, 2001.

### **REFERENCE BOOKS:**

1. Thomas. P. Plannery, David, “People Performance and Pay”, Free Press, 1<sup>st</sup> Edition,2002.
2. Michael Armstrong, “Hand book of Reward Management”, Crust Publishing House, 2<sup>nd</sup> Edition, 2003.
3. Joseph.J. Martocchio, “Strategic Compensation - A Human Resource ManagementApproach”, Prentice Hall, 4<sup>th</sup> Edition, 2005.

## **ELECTRONIC RESOURCES:**

1. <https://www.scribd.com/doc/94052058/human-resource-management-notes>
2. [www.studynama.com](http://www.studynama.com) › ... › mba/pgdmhr lecture notes, ebooks and handouts
3. <https://www.studynama.com/community/threads/348-compensation-management-pdf-notesebook-download-for-mba-hr-students>
4. <http://www.eiilmuniversity.co.in/downloads/compensation-management.pdf>.
5. [https://www.amazon.in/dp/B0082BYR8U/ref=cm\\_sw\\_r\\_apan\\_glt\\_ZNQ8DCMHCC5RRF0GYW8Z](https://www.amazon.in/dp/B0082BYR8U/ref=cm_sw_r_apan_glt_ZNQ8DCMHCC5RRF0GYW8Z).
6. [https://www.amazon.in/dp/B00AQKYRRQ/ref=cm\\_sw\\_r\\_apan\\_glt\\_5JDG8ADGJ1DH81KHBZXW](https://www.amazon.in/dp/B00AQKYRRQ/ref=cm_sw_r_apan_glt_5JDG8ADGJ1DH81KHBZXW).

## **MATERIALS ONLINE:**

1. Course template
2. Tutorial question bank
3. Tech talk and Concept Video topics
4. Open-ended experiments
5. Definitions and terminology
6. Assignments
7. Model question paper – I
8. Model question paper – II
9. Lecture notes
10. PowerPoint presentation
11. Drishya Siksha Sangrah (DSS) Videos

