

JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA
PGDM / PGDM (MARKETING) / PGDM (SERVICE MANAGEMENT)
V TRIMESTER (Batch 2020-22)
END TERM EXAMINATION, JANUARY 2022

Course Name	COMPENSATION MANAGEMENT	Course Code	HR501
Max. Time	2 Hours	Max. Marks	40

INSTRUCTIONS:

- All the questions are compulsory.
- Answers should be **One Single MS-Word File (Arial font size 11)** to be uploaded on Moodle.
- Overall Permissible Plag. is 10%, **Penalty Clause: 11-20% - Minus 5 Marks, > 20% - Reappear.**
- Be precise and objective in your answers.

Q.1 Indian Labor Laws on Compensation play a critical role in providing safety nets to employees from potential exploitation by employers. Illustrate the salient features of POWA & ECA that can protect employees' interests during the course of their employment. **(10 Marks)**

Q.2 Job Evaluation (JE) is a systematic process for evaluating the relative worth of a job. In line with the statement, explain, why quantitative methods of job evaluation are more preferred over qualitative methods at organizations? Also, using Hay's Method of JE, examine the worth of the job of a Sales Engineer – Ultra Sound Machines and suggest a suitable pay scale based on the JE points. **(10 Marks)**

Q.3 To align "Compensation Externally", you are adjusting a number of critical salary components.

a. Below AICPINs are furnished by Labour Bureau, DOS, GOI on 01.01.2022

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	21	21	21	21	21	21	21	21	21	21	21	21
AICPIN	340	343	344	346	347	350	354	354	355	360	362	363

Considering the AICPI value (Base Year 2001=100), discover the revised Dearness Allowance (DA) effective from 01st January 2022 for the CDA employees under 6th CPC. The last percentage DA increase announced was 196% in June effective from 01.07.2021 **(05 Marks)**

b. The market comparison salaries for a Sales Supervisor are given below. The midpoint of the salaries is half the amount between the lowest salary and the highest.

Comp. Salary 1	Comp. Salary 2	Comp. Salary 3	Comp. Salary 4	Comp. Salary 5
Rs.80,500	Rs.82,500	Rs.85,400	Rs.95,700	Rs.1,20,300

Analyze the salary (Rs.1,10,000) of a Sales Supervisor w.r.t. the obtained Compa Ratio. **(05 Marks)**

Q.4 A manufacturing organization has the following data using which, you need to workout incentives of employees under Pay-for-Performance for as IIP and TPP:

a. Using Standard Piece Work Plan, determine the total incentives of a worker. **(05 Marks)**

- Basic hourly rate = Rs. 10 and Increase in rate for increased performance = 50%
- Avg. Output per hour (Std.) = 50 pieces
- Worker has produced 600 pieces of masks in the 8 hour shift

b. Using Scanlon Plan, determine bonus for distribution in the co. based on the below info. **(05 Marks)**

- Sales Revenue (base year, 2020) = Rs. 1,00,00,000
- Value of Goods in Inventory (base year, 2020) = Rs. 50,00,000
- Total wage bill (base year 2020) = Rs. 7,00,000
- For the operating month of March, 2021, Sales Revenue = Rs. 2,00,00,000
- Values of Good in Inventory on 31.03.2021 = Rs. 1,00,00,000
- Actual wage bill = Rs. 9,00,000