

the managers gave a representation signed by all managers to restructure their compensation package. So that they will have some relief from income tax. CEO of the company is also of a view that restructuring should be done in favour of managers. You are HR consultant to company.

Questions :

- (i) How can you help CEO to avoid frequent revision of compensation package ? 6
- (ii) Suggest a suitable strategic compensation package for a company. 8

AQ-1356A

**M.B.A. (Semester – III) Examination
COMPENSATION MANAGEMENT**

Paper : MBA/3303/H

Time—Three Hours]

[Full Marks—70

N.B. :— (1) Solve ALL questions.

(2) Figures to the right indicate full marks.

SECTION—A

- 1. (a) Compensation plays vital role for long term growth and survival of organisation. Discuss. 14

OR

- (b) Discuss different theories that form the bases for compensation determination. 14

SECTION—B

- 2. (a) Explain diagnosis of compensation problem. 7
- (b) Jiwan alloys is a newly established company. The total number of jobs in a company are about 600. As HR Manager, how will you do benchmarking ? 7

OR

(c) How commitment is a two-way process ? Explain with example. 7

(d) Yogesh aluminium is paying good salary to its employees but still turnover of employees is more. Diagnose the problem and offer proper solution. 7

3. (a) Are the tools used in designing and improving compensation package same ? Explain. 7

(b) Design a compensation package for CEO of public limited company. 7

OR

(c) Discuss the tools used in designing compensation package in public sector companies. 7

(d) Lumin infrastructures is having 2500 employees. New CEO of the company desires to improve the compensation package so that performance of employees can be increased. As an HR consultant, design a suitable compensation package for workers keeping in view present scenario. 7

4. (a) 'Pension plans are referred as a defined benefit plans for employees'. Explain. 7

(b) Rishi packaging is a reputed company. It has attractive compensation package for its employees. Still managers are dissatisfied and are not performing well. You are HR consultant, help management to resolve the issue. 7

OR

(c) Discuss various fringe benefits in detail. 7

(d) CEO of Sam Softtech is of a view that retirement benefits provide security to employees so he gives more importance to retirement benefits in compensation package. Do you agree with CEO ? Justify your answer. 7

SECTION—C

5. Savitri Pharmaceuticals is a medium scale company. It is a public limited company. Company has a policy of revising compensation package periodically. This policy is a result of agreement between management and trade union. But within a one year of revision of compensation package,