



**(Master of Business Administration)**  
**Semester III**

**HUMAN RESOURCE SPECIALISATION**

**PM03EHRM54: COMPENSATION MANAGEMENT**

<b>Course Code</b>	<b>PM03EHRM54</b>	<b>Title of the Course</b>	<b>Compensation Management</b>
Total Credits of the Course	04	Hours per Week	04

Course Objectives:	<ul style="list-style-type: none"><li>• To introduce the students to the Compensation and Rewards system, Compensation policies, Labor market characteristics in organizations.</li><li>• To help the students analyze, integrate, and apply the knowledge to solve organisations' compensation-related problems.</li><li>• To help students to understand and apply the legal framework related to compensation.</li></ul>
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<b>Course Content: 30 sessions</b>		
<b>Unit</b>	<b>Description</b>	<b>Weightage (%)</b>
1.	Conceptual and Theoretical Understanding of Economic Theory Related to Reward Management. Determination of Inter and Intra-industry Compensation Differentials; Internal and External Equity in Compensation Systems; Understanding Tools; Used in Designing; Improving and Implementing Compensation Packages.	25
2.	The Reward System, Total Rewards, Strategic Reward, International Reward, Performance Management and Reward Engagement and Reward, Financial and non-financial Rewards.	25
3.	Compensation Designs for the specific type of human resources like Chief Executives, Senior Managers; R&D Staff etc.; Understanding Different Components of Compensation Packages like Fringe Benefits, Incentives and Retirement Plans.	25
4.	Compensation Practices of Multinational Corporations and Strategic Compensation Systems; Statutory Provisions Governing different Reward Systems components; Working of Different Institutions related to Reward System like wage boards, Pay commissions. Laws related to compensation in India.	25



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Teaching-Learning Methodology	Lectures, Case studies, Discussion on case judgements, calculations
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<b>Evaluation Pattern</b>		
<b>Sr. No.</b>	<b>Details of the Evaluation</b>	<b>Weightage</b>
1.	Mid-semester examination	30%
2.	Internal Continuous Assessment in the form of Practical, Viva-voce, Quizzes, Seminars, Assignments, Attendance	30%
3.	End semester examination	40%

<b>Course Outcomes: Having completed this course, the learner will be able to</b>	
1.	Appreciate how pay decisions are made and help the organization achieve a competitive advantage.
2.	Correlate various factors affecting compensation decisions and solve organisations' compensation-related problems.
3.	Implement various reward systems used to determine individual and group pay levels.
4.	Implement and administer a compensation system according to its policies and India's legal system.
5.	Enhance employability.



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Suggested References:	
Sr. No.	References
1.	Armstrong, M.. Armstrong's handbook of reward management practice: Improving performance through reward. Kogan Page Publishers.
2.	K. Aswathappa Human Resource Management, Tata McGraw Hill Publishing Company Ltd.
3	P. Subba Rao, Personnel & Human Resource Management, Himalaya Publishing House.

Online Resources
<a href="https://ncib.in/pdf/ncib_pdf/Labour%20Act.pdf">https://ncib.in/pdf/ncib_pdf/Labour%20Act.pdf</a>
<a href="https://labour.gov.in/labour-law-reforms">https://labour.gov.in/labour-law-reforms</a>