

SYLLABUS

PANJAB UNIVERSITY

Compensation Management

Objectives : *The objective of this course is to help the students understand basics of managing compensation systems of an organization and understand its application.*

Unit - I

Compensation management: concept, objectives, principles, importance of good compensation system, factors influencing compensation levels.

Theoretical dimensions of Compensation: economic theories, behavioural theories: content theories, process theories.

Job Evaluation: meaning, features, importance and methods, job evaluation and performance appraisal.

Unit - II

Components of pay: basic pay, dearness allowance, Incentive plans: features, individual, group incentive plans, profit sharing schemes, Employee Stock Ownership.

Fringe benefits: need, objectives, type of fringe benefits, retirement benefits: provident fund, gratuity and pension.

Executive Compensation: meaning, components, and strategies: skill based pay, competency based pay, broad banding and variable pay system, new trends in compensation management.