

# P P SAVANI UNIVERSITY

Fourth Semester of MBA Examination

May 2022

SLMB8260 Performance and Compensation Management (Major)

06.05.2022, Friday

Time: 09:00 a.m. To 11:30 a.m.

Maximum Marks: 60

**Instructions:**

1. The question paper comprises of two sections.
2. Section I and II must be attempted in same answer sheets.
3. Make suitable assumptions and draw neat figures wherever required.

**SECTION - I**

- Q - 1** Answer the Following: [05]
- (i)** Appraisal of an employee by supervisor, self, peers, subordinates and customers is termed as:
- a. Team appraisal
  - b. Balanced scorecard method
  - c. 360 degree appraisal
  - d. Critical incident method
- (ii)** The employee evaluation, performance evaluation, performance review and employee ratings are all terms use to define
- a. Criterion appraisal
  - b. Employee development appraisal
  - c. Performance appraisal
  - d. Subjective appraisal
- (iii)** The performance appraisal measurement error, in which the prejudices of rater distort the results of rating is classified as
- a. Rater bias
  - b. Halo effect
  - c. Contrast error
  - d. Sampling error
- (iv)** If the appraiser allow a single characteristic od appraise to dominate his judgment of the employee performance, it is termed as
- a. Halo effect
  - b. Stereotyping
  - c. Perceptual set
  - d. Primary effect
- (v)** A formal discussion process between an employee and his/her manager regarding performance and other aspects of job role is termed as
- a. Appraisal counselling
  - b. Appraisal Feedback
  - c. Appraisal Interview
  - d. Pre interview preparation
- Q - 2 (a)** What is performance appraisal? What are its objectives? [05]
- Q - 2 (b)** What are challenges in implementation of performance management? [05]
- OR**
- Q - 2 (a)** What are the common rater's problems? How can they be overcome? [05]
- Q - 2 (b)** Bring out the methods of appraisal. [05]
- Q - 3 (a)** Best practices for performance management? [05]
- Q - 3 (b)** Explain 360 degree performance appraisal with example. [05]
- OR**
- Q - 3 (a)** Discuss factors affecting performance management. [05]

- Q - 3 (b)** Explain diagnosis of poor performance management [05]  
**Q - 4** Attempt any one [05]  
**(i)** Importance of performance appraisal documentation?  
**(ii)** Design a performance review questionnaire for measuring effectiveness of an HR Manager in an IT industry (min 8 questions)

**SECTION - II**

- Q - 1** Answer the Following: (Short Question) [10]  
**(i)** Define Compensation  
**(ii)** List down factors affecting compensation management system of an organization  
**(iii)** Components of compensation  
**(iv)** What are objectives of compensation?  
**(v)** Define Gratuity Act  
**Q - 2 (a)** Describe components of Executive remuneration [05]  
**Q - 2 (b)** Define 'incentives'. Bring out their advantages and limitations. [05]

**OR**

- Q - 2 (a)** Bring out the components of employee compensation. [05]  
**Q - 2 (b)** Explain challenges of Compensation. [05]  
**Q - 3 (a)** Explain types of Incentive scheme with examples [05]  
**Q - 3 (b)** Explain ESIC scheme [05]

**OR**

- Q - 3 (a)** What is salary compensation philosophy? What does it contain? [05]  
**Q - 3 (b)** What do you understand by labor laws? Explain The Provident Fund Act in detail [05]

\*\*\*\*\*