

**Revised Syllabus of Courses of Bachelor of Management Studies
(BMS) Programme at Semester V
with effect from the Academic Year 2018-2019**

Elective Courses (EC)

Group C: Human Resource Electives

**1. Finance for HR Professionals and
Compensation Management**

Modules at a Glance

SN	Modules	No. of Lectures
1	Compensation Plans and HR Professionals	15
2	Incentives and Wages	15
3	Compensation to Special Groups and Recent Trends	15
4	Legal and Ethical issues in Compensation	15
Total		60

Objectives

SN	Objectives
1	To orient HR professionals with financial concepts to enable them to make prudent HR decisions
2	To understand the various compensation plans
3	To study the issues related to compensation management and understand the legal framework of compensation management

SN	Modules/ Units
1	Compensation Plans and HR Professionals
	<ul style="list-style-type: none"> • Meaning, Objectives of Compensation Plans, Role of HR Professionals in Compensation Plans, Types of Compensation: Financial and non-financial, Factors Influencing Compensation • Compensation Tools: Job based and Skill based, Models: Distributive Justice Model and Labour Market Model, Dimensions of Compensation • 3 Ps Compensation Concept, Benefits of Compensation: Personal, Health and Safety, Welfare, Social Security • Pay Structure: Meaning, Features, Factors, Designing the Compensation System, Compensation Scenario in India.
2	Incentives and Wages
	<ul style="list-style-type: none"> • Incentive Plans – Meaning and Types: Piecework, Team, Incentives for Managers and Executives, Salespeople, Merit pay, Scanlon Pay, Profit Sharing Plan, ESOP, Gain Sharing, Earning at Risk plan, Technology and Incentives. Prerequisites of an Effective Incentive System • Wage Differentials: Concepts, Factors contributing to Wage Differentials, Types of Wage Differentials, Importance of Wage Differentials, Elements of a Good Wage Plan. • Theories of Wages: Subsistence Theory, Wage Fund Theory, Marginal Productivity Theory, Residual Claimant Theory, Bargaining Theory.
3	Compensation to Special Groups and Recent Trends
	<ul style="list-style-type: none"> • Compensation for Special Groups: Team Based pay, Remunerating Professionals, Contract Employees, Corporate Directors, CEOs, Expatriates and Executives. • Human Resource Accounting – Meaning, Features, Objectives and Methods • Recent Trends: Golden Parachutes, e-Compensation, Salary Progression Curve, Competency and Skill based, Broad banding and New Pay, Cafeteria approach – Features, Advantages and Disadvantages.
4	Legal and Ethical issues in Compensation
	<ul style="list-style-type: none"> • Legal Framework of Compensation in India: Wage Policy in India, Payment of Bonus Act 1965, Equal Remuneration Act 1976, Payment of Wages Act 1936, Payment of Gratuity Act 1972, Employee Compensation Act 1923, Employees Provident Funds and Miscellaneous Provision Act 1952. • Pay Commissions, Wage Boards, Adjudication, Legal considerations, COBRA requirement, Pay Restructuring in Mergers and Acquisitions, Current Issues and Challenges in Compensation Management, Ethics in Compensation Management.