**==========================================================================Title: Compensation and Performance Management Code: HRM 546**

**Credit Hours: 3 Year /Semester: II/IV**  **48 Hours**

**Course Objectives:**

The course is designed to promote understanding of issues related to the compensation or rewarding Human Resources in the corporate sector, public services and other forms of organizations and to impart skills in designing, analyzing and restructuring compensation policies and strategies. The course is also to apprise the students about the importance of Performance Management in organizations and impart an understanding of the process of managing performance to achieve the organization’s current and future objectives.

**Unit 1 Introduction to Compensation 8 Hours**

Definition of Compensation, Goals of Compensation System, Foundations of Compensation Management, Compensation Strategy Monetary & Non-Monetary Rewards, Intrinsic Rewards, Cafeteria Style Compensation, Fringe Benefits and Supplementary Compensation, Compensation Structure- Nepalese Practices

**Unit 2 Compensation for Employees 10 Hours**

Wage Theories, Evolution of Modern Day Labor Force, Incentive Plans, Discrimination in Labor Market, Quality in Labor Market, Industry’s Compensation Policy (micro-level) Compensation for Chief Executives and Other Employees: Guidelines of Companies Act Relating to CEO Compensation. Different Components of Compensation Package

**Unit 3 Job Evaluation, Job Description and Job Specification 8 Hours**

Job Analysis & Its Process, Methods of Job Evaluation, Internal and External Equity in Reward Management, Role of Wage Board & Pay Commissions, Knowledge Based Compensation, Team Compensation, Competency Based Compensation

**Unit 4 Introduction to Performance Management 8 Hours**

Concept of Performance Management, Significance and Characteristics of Effective Performance Management; Performance Management Process, Performance Management versus Performance Appraisal; Performance Management Its Link with Strategic Planning, Requirements for Introducing Performance Management

**Unit 5 Implementation, Appraisal and Monitoring 14 Hours**

Performance Planning, Defining Performance and Selecting a Measurement Approach,

Developing Job Descriptions, Defining Performance Standards, Key Result Areas, Competencies and Skills, Characteristics of effective Appraisals; Methods of Performance Appraisal; Designing Appraisal Forms; Implementing Performance Appraisal Process, Performance Coaching, Performance Review Discussions; Improving Quality of Performance Ratings; 360 Degree Appraisal; e- Appraisal; Performance Monitoring; Performance Management Documentation; Annual Stock Taking

**Reference Books:**

1. Henderson, R.I. (2009). ***Compensation Management in a Knowledge-based world*** 10/e. Pearson Education
2. Deb, T. (2009). ***Compensation Management: Text and Cases*** Excel Books
3. Agunis, H. (2008), ***Performance Management***, Second Edition. Pearson Education, New Delhi
4. Kohli, A.S. & Deb, T. (2009). ***Performance Management***. Oxford University Press, New Delhi