

Code No: **24BA3T6HA**

II MBA - I Semester - Regular Examinations - DECEMBER 2025

**PERFORMANCE AND COMPENSATION
MANAGEMENT**

Duration: 3 Hours

Max. Marks: 70

- Note: 1. This question paper contains two Parts: Part-A and Part-B.
 2. Part-A contains 5 essay questions with an internal choice from each unit.
 Each Question carries 12 marks.
 3. Part-B contains one Case Study for 10 Marks.
 4. All parts of Question paper must be answered in one place

BL – Blooms Level

CO – Course Outcome

PART - A

			BL	CO	Max. Marks
<u>UNIT – I</u>					
1.	a)	Explain the 7 sins of HR professionals.	L2	CO1	6 M
	b)	Illustrate the performance management cycle.	L3	CO1	6 M
OR					
2.	a)	Illustrate the overview of performance management.	L3	CO1	6 M
	b)	Explain the linkage of PM to HR processes.	L2	CO1	6 M
<u>UNIT – II</u>					
3.	a)	Classify the planning process of performance management.	L4	CO1	6 M

	b)	What is planning individual performance? Illustrate.	L3	CO2	6 M
OR					
4.	a)	What do you understand performance management planning? Explain.	L4	CO1	6 M
	b)	Illustrate the competency mapping methods.	L3	CO2	6 M
<u>UNIT-III</u>					
5.	a)	Explain the phases of performance management system.	L2	CO3	6 M
	b)	Demonstrate the implementation of appraisal system.	L3	CO3	6 M
OR					
6.	a)	Explain the types performance management system.	L2	CO3	6 M
	b)	Demonstrate the appraisal system design.	L3	CO3	6 M
<u>UNIT – IV</u>					
7.	a)	What is compensation? Explain the concept of compensation?	L4	CO1	6 M
	b)	Illustrate the designing a compensation system.	L3	CO4	6 M
OR					
8.	a)	Explain the role of compensation.	L4	CO4	6 M
	b)	Classify the objectives of compensation program.	L4	CO1	6 M

UNIT – V

9.	a)	Explain the types of compensation system.	L2	CO5	6 M
	b)	Illustrate the performance based and pay based structures.	L3	CO5	6 M

OR

10.	a)	Demonstrate the significance of factors in compensation structure.	L3	CO5	6 M
	b)	Explain the concept of tax planning.	L2	CO5	6 M

PART – B

CASE STUDY

L3 CO5 10 M

11. In the landscape of compensation and benefits, Microsoft stands out for its innovative approach that places a strong emphasis on equity and long-term rewards. The tech giant’s commitment to aligning employee incentives with company success has become a hallmark of its strategy. At the heart of Microsoft’s compensation philosophy lies the concept of equity ownership. The company believes that when employees have a stake in the organization’s performance, they are more likely to be invested in its success. This approach is reflected in the stock-based compensation that Microsoft offers to a significant portion of its workforce.

Long-term benefits are another cornerstone of Microsoft’s strategy. The company recognizes that attracting and retaining top talent requires more than short-term rewards. By providing benefits that accumulate over time, such as stock options and retirement plans, Microsoft cultivates loyalty and commitment among its employees. One of the key strengths of Microsoft’s approach is its alignment with

the long-term interests of both employees and the organization. When employees have a direct stake in the company's growth, they are motivated to contribute their best efforts to drive innovation and excellence.

Microsoft's focus on equity and long-term benefits offers insights into the power of aligning compensation with shared goals. By emphasizing ownership and sustainable rewards, Microsoft not only nurtures a sense of loyalty but also creates a workforce that is dedicated to building a prosperous future for both themselves and the company. This case study serves as a testament to the potential of forward-thinking compensation strategies that prioritize both immediate and lasting rewards.

Questions:

- a) What do you understand this case study? Illustrate.
- b) Can you identify the concept of this case study and give your suggestions and conclusion? Discuss.