Amrita School of Business
Amrita Vishwa Vidyapeetham
Coimbatore

Term IV (June – Sep 2019)

Course Title:	Performance Management and Compensation
Course Code:	HR614E
Credits:	3
Total Sessions:	24
Course Instructor:	Dr R G Priyadarshini
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Course Link:	https://drive.google.com/open?id=12ssCA5C5GMg-orDhPGUxHLqt2f3S4wwE
Office:	S16
Office hours:	Tuesday 2 pm – 4 pm
Course contributes mostly to:	**Employability/ Skill Development**/ Value-add

Course Description

In the light of dynamism in the business environment, effective and efficient planning and utilization of human resources is an essential feature for sustenance and growth in organizations. Performance Management and Compensation forms an integral component in facilitate the need of organizations in this respect. Its proactive processes not only form a blue print of planning for deployment of human capital in line with organization &/or business unit strategy, but help in anticipating & preparing flexible responses to strategic requirements of the organization.

Course Objectives

Performance Management and Compensation involves strategic oriented systems that integrate employee competencies with business strategy and includes developing performance management systems for the organization. The main thrust of the course is to help participants understand the framework of Performance management and its integration with compensation systems and strategies in the context of business realities and develop relevant strategies and frameworks that would suit the organization. The following are the specific objectives of the course:

1. Understand the basic concepts of Performance management system
2. Create Performance management system for various roles in an organization
3. Understand the design and implementation issues of Performance Management system
4. Understand the linkages of Performance management to Compensation in an organization
5. Design fixed and variable compensation systems for various roles in an organization

Alignment of course objectives (CO) with learning goals (LG) of Assurance of Learning

Derived from its mission, ASB has adopted five learning goals, (apart from the discipline competency) - the management-specific attributes, knowledge and skills that its graduates are expected to possess when they complete the programme. The six outcomes of this course are mapped to the '*Critical and integrative Thinking*', 'Societal and Environmental Awareness' and 'Leadership' learning goals. The assessments, written report for the field visit and the writing exercise would reinforce the second learning goal, *'Effective written and oral communication'*.

LG / CO	Critical and integrative Thinking	Effective written and oral communication	Societal and Environmental Awareness	Ethical Reasoning	Leadership
CO1	3	0	1	2	2
CO2	3	3	1	3	1
CO3	3	3	2	2	2
CO4	2	0	2	2	1
CO5	3	3	2	2	0

Key: 3 – Highly relevant; 2 –Moderately relevant; 1 – Low relevance; 0- No relevance

Unit-wise scope for outcomes and Bloom's taxonomy

Performance Management and Compensation is an intense application oriented program, facilitating learning on the analytical, critical thinking, evaluating and implementing paradigms.

CO Bloom's Levels of Learning	CO 1	CO 2	CO 3	CO 4	CO 5	CO 6
Creating				X	X	X
Evaluating			X	X	X	X
Analyzing		X	X	X	X	X
Applying		X	X	X	X	X
Understanding	X	X	X	X	X	X
Remembering						

Structure of the course

Performance Management and Compensation is a course designed to acquire in-depth critical reasoning and skill development. The course enhances participants' leadership skills and managerial skills to make then analyse, evaluate, apply and create suitable Performance Management and Compensation programs. This is an HR elective that builds in-depth skills to analyse the organizational context and design appropriate strategically oriented performance management programs. This course is an integral course for those who are looking at Strategic management and leadership positions in organizations. It builds on strong conceptual knowledge skills to design and implement such programs.

Pedagogy

As Performance Management and Compensation is an integrative organizational process, it requires a strong combination of theory and practical applications, the participants are provided a strong theoretical foothold, applications to show how various mechanisms of per is understood in actual organizations, analytical cases and a practical project to understand the performance management and compensation strategies followed in organizations. Thus the course adopts the following methods in the course:

- Case analysis to improve the analytical perspective of individuals and understand the intricacies of the subject taught.
- Group discussions, exercises and illustrations for the experience of small group interaction.
- Student presentations for the experience of the interaction with a large group in a formal setting
- An experiential field work to understand the approaches and strategies followed by organizations

Assessment (Grading Policy: Relative)

S. no	Assessment exercise	Description	Weight
Individual assignment (30%)			
1	Assignment 1	*Individuals design comprehensive performance management systems for various roles in an organization*	15
2	Assignment 2	*Individuals design comprehensive compensation systems for various roles in an organization*	15
Individual Assessment (75%)			
1	Attendance	*Expected attendance, as per the rules*	5%
3	Mid-term examination	*An open book exam with emphasis on the ability to design Performance management systems and models*	30%

4	End-term examination	*Individuals design comprehensive integrated performance management and compensation systems for various roles in an organization*	30%

Course Requirements

Throughout this course, the students are expected to demonstrate highest levels of involvement and commitment, in terms of efforts, quality of work, and conduct both at individual level and as groups. The potential of making learning interesting and effective lies primarily in the hands of the students and are expected to use the same for this course throughout the term. The course demands **study efforts of 6 hours/week outside classroom (3 hours for every one session of class). Preparation is mandatory for attending the classes.**

Text Book

Performance Manegement, Herman Aguinis, Pearson Education

Compensation, by George Milkovich and Jerry Newman, McGraw Hill

Session	Topic	Readings
1	Introduction to the course, Course outline and Expectations	
2	Overview of Performance	Chapter 1: T V Rao Chapter 4: Herman Aguinis Exercise : 1
3	Performance management and reward systems	Chapter 1: Herman Aguinis Case: Performance Management at Network Solutions
4	Performance Management Process	Chapter 2: Herman Aguinis Case: Disrupted links in Performance Management process at Omega Inc.
5	Performance Management and Strategic Planning	Review: Mastering the Management System: Kaplan and Norton, HBR Chapter 3: Herman Aguinis
4	Performance planning and diagnosis	Chapter 5: Herman Aguinis Exercise
5, 6	Performance Analysis, Review and Discussion	Chapter 4, 5, 6: T V Rao Exercise: Role play
7	Multirater feedback	Chapter 17: T V Rao Case: Performance Management at Infosys
8	Assessment Centers	Chapter 18: T V Rao Case: Building an Assessment Center at Dr. Reddy's
<td colspan="2" align="center">Test - 1</td>		
9, 10	PMS and Competency Mapping	Review: What is and what is not CM?
11	PMS and Balanced Score Card	Review: BSC framework
12	Implementing PMS	Chapter 11 and 15: T V Rao
13	<td colspan="2" align="center">Presentations: Assignment 1</td>	
14	Performance and Compensation: Strategic intent	Handout
15	Integrating internal and external consistency	Chapter 3 & 7: Milkovich and Newman
16, 17	Person based structures	Chapter 6 Milkovich and Newman
18, 19	Performance based compensation: short term and long term	Chapter 10: Milkovich and Newman Exercise
20	Role of Performance Appraisals in Compensation decisions	Chapter 11: Milkovich and Newman Exercise
<td colspan="3" align="center">Presentations: Assignment 2</td>		
<td colspan="3" align="center">Test - 2</td>		