

Action - 5

Q. 1
Ans

Employee compensation is the act of distributing some type of monetary value to an employee for their work by means of company's policy or procedures. In basic terms, it is paying an employee based upon the decided pay and benefit package for their position. The goal of compensation management is to find quality people who perform quality work and then compensate them in order to retain them and reduce turnover rates.

~~Question~~

* Factors that influence compensation level are:

i) Performance - It is always rewarded with pay increase and as a result it motivates workers to do better in future.

ii) The experience also plays an important role in when the compensation

is given to an employee. They see whether how much is the employee experienced.

iii) Seniority level also is seen into the scenario as to how much senior level has the employee at and according to the ~~the~~ the compensation is given ahead.

iv) The potential of the employee is also seen because it is natural that if the employee is doing good and working hard the compensation would also be better with the same level. Thus, these are some factors that influence compensation level.