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**DEPTARTMENT OF SOFTWARE ENGINEERING**

ASSIGNMENT NO. 4

SUBJECT : ORGANIZATIONAL BEHAVIOR

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SECTION : U

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**ANSWER 1:**

HR can administer a complex pay structure that rewards pay increases on a regular basis by implementing the following strategies:

* **Clear Criteria and Guidelines:** Establish clear criteria and guidelines for determining pay increases based on factors such as performance, skills, experience, and tenure. This ensures transparency and consistency in the pay structure.
* **Performance Management Systems:** Implement effective performance management systems that allow for regular evaluation and feedback on employee performance. This enables HR to assess individual contributions and determine appropriate pay increases accordingly.
* **Compensation Benchmarking**: Conduct regular market research and benchmarking to ensure that the pay structure remains competitive and aligned with industry standards. This helps HR in making informed decisions about pay increases.
* **Pay for Skills Development**: Consider implementing a pay structure that rewards employees for acquiring new skills or completing relevant training programs. This encourages continuous learning and development while providing opportunities for pay increases.
* **Communication and Transparency:** Communicate the pay structure clearly to employees and provide them with information about how pay increases are determined. Regularly communicate changes or updates to the pay structure to maintain transparency and manage employee expectations.

**ANSWER 2:**

Younger employees are more likely to be motivated by very regular pay increases than older workers due to several reasons:

* **Financial Considerations:** Younger employees may have greater financial obligations, such as student loans, rent, or starting a family. Regular pay increases provide them with the means to meet these financial demands and achieve their goals.
* **Career Development:** Younger employees are often at the early stages of their careers and may be more focused on rapid growth and advancement. Regular pay increases serve as a tangible measure of progress and recognition, motivating them to strive for higher performance.
* **Expectations and Generational Differences:** Younger generations, such as millennials and Gen Z, have grown up in a fast-paced and highly competitive environment. They may have different expectations regarding compensation and rewards, valuing immediate feedback and recognition.
* **Job Market Dynamics:** Younger employees may be more aware of job market dynamics and opportunities for career mobility. Regular pay increases can help organizations retain young talent and prevent them from seeking higher-paying positions elsewhere.

**ANSWER 3:**

While setting a national minimum wage or a "living wage" can address low pay concerns, there are some drawbacks to consider:

* **Cost-Benefit Analysis:** Setting a minimum wage can increase labor costs for employers, especially for small businesses or industries with thin profit margins. This can lead to potential job losses, reduced working hours, or increased prices of goods and services.
* **Regional Disparities:** Different regions within a country may have varying costs of living. A standardized minimum wage may not adequately account for these regional disparities, potentially leading to imbalances and inequalities.
* **Inflationary Pressure:** Setting a higher minimum wage may result in increased labor costs, which can contribute to inflationary pressure. This can have broader economic implications and affect the overall cost of living.
* **Impact on Small Businesses:** Small businesses may face challenges in adjusting to higher minimum wage requirements, as they may have limited resources and financial flexibility. It could potentially lead to business closures or job cuts in these organizations.
* **Potential Unemployment Effects:** There is a concern that higher minimum wages may discourage job creation, particularly for low-skilled workers. Employers may be hesitant to hire or retain employees if the cost of labor becomes too high relative to the value of their contributions.

It is important for policymakers to carefully evaluate these drawbacks and strike a balance between addressing low pay and considering the potential impact on businesses and the economy as a whole.