

Midstate College
411 W. Northmoor Road
Peoria, IL. 61614
(309) 602-4092 (800) 251- 4299
Summer 2013

Course: MGT 330 Compensation Management

Credit: 4 Quarter Hours

Method of Delivery: eLearning

Course Description: A study of financial and non-financial benefits to employees, including job evaluation systems, legislation affecting pay and fringe benefits packages.

Prerequisite: BUS 204 Principles of Management

Text: Strategic Compensation
A Human Resource Management Approach
6th Edition

Author: Joseph J. Martocchio

Publisher: Prentice Hall

Materials needed for this course: Textbook and note materials

Topics:

1. Defining Compensation
2. Compensating to achieve goals
3. Compensating to remain competitive
4. Strategic Analysis
5. Compensation and the Social Good
6. Incentive Pay
7. Person Focused Pay
8. Building Consistent pay Systems
9. Pay structures that recognize individual contributions
10. Legally required benefits

Learning Objectives: Upon completion of this course, the student will be able to:

1. Compare and Contrast various compensation programs and recommend programs to enhance employee effectiveness.
2. Develop compensation plans that correlate to and reinforce Strategic plans.
3. Analyze incentive compensation plans and select plans that will increase employee motivation and keep the firm competitive.
4. Criticize existing compensation programs and differentiate between the advantages and disadvantages of the programs.
5. Create a compensation plan for an existing or a hypothetical organization.

Midstate Grading Scale:

90 - 100	A
80 - 89	B
70 - 79	C
60 - 69	D
0 - 59	F

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In courses containing writing assignments, the College promotes the use of an electronic resource which compares the student’s writing against previously submitted papers, journals, periodicals, books, and web pages. Students and instructors can use this service to reduce the incidence of plagiarism. This electronic resource has been found to conform to legal requirements for fair use and student confidentiality. It is able to provide a report to the student indicating the parts of the assignment that match.

Instructor: Joan E. Papes, PhD
 E- mail jpapes@midstate.edu
 Phone: (731) 986-9399 - leave message

Participation Requirements:

Weekly participation is required for all students. Weekly assignments, quizzes, discussions, etc. must be completed in the week in which they are assigned. Late work will not be accepted.

Methods of evaluating student performance:

Category	Percentage of Grade
Discussion (5points per week, details outlined below)	15
Weekly Summaries (5 points per week, details outlined below)	15
Job Analysis, Job Description & Job Evaluation Assignment	10
Chapter Cases (20 points each)	10
Chapter Quizzes (10 @ 20 points each)	20
Peer Critique of Compensation Project	10
Self-Critique of Compensation Project	10
Compensation Project	10
	100

DISCUSSION QUESTION GRADING GUIDELINES	
Initial posting <ul style="list-style-type: none"> • Answers the minimal requirements of the question without supporting evidence • Minimal posting with response to one student = 1 point • Minimal posting with response to two students = 2 points 	3 points
Total points per weekly discussion	5 points

WEEKLY SUMMARY GRADING GUIDELINES	
<ul style="list-style-type: none"> • Two complete paragraphs with supporting evidence = 3 points • One paragraph with supporting evidence or two minimal paragraphs without 	3 points

supporting evidence = 2 points <ul style="list-style-type: none"> • Answers the minimal requirements of the question without supporting evidence = 1 point • No posting = no points 	
Correct spelling in postings for the week <ul style="list-style-type: none"> • No spelling errors = 1 point • 1 misspelled word = 1 point • 2-3 misspelled words = 1 point • More than 3 misspelled words = 0 points 	1 point
Correct grammar in postings for the week <ul style="list-style-type: none"> • No grammar/mechanical errors = 1 point • 1 grammar/mechanical error = 1 points • 2-3 grammar/mechanical errors = 1 point • More than 3 misspelled words = 0 points 	1 point
Total points per weekly discussion	5 points

Compensation Project: The project will consist of creating a compensation plan. More details will be explained in class.

Week-by-Week:

Week 1

Topics:

1. Exploring and defining the compensation context
2. A historical perspective on compensation
3. Strategic vs. tactical decisions
4. Compensation professionals' goals
5. Stakeholders of the compensation system

Objectives: Upon completion of this week's assignments, the student will be able to:

1. Identify basic concepts and the context of the compensation practice
2. Discuss historical perspectives on compensation
3. Analyze the difference between strategic and tactical compensation
4. Identify how compensation professionals relate to various stakeholders

Assignments:

1. Read Chapter 1
2. Complete Chapter 1 Case (p. 25) and submit to drop box
3. Complete Week 1 Discussion Questions

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4. Complete Chapter 1 Quiz
5. Complete Weekly Summary

Weekly Summary:

Each student must submit a 2 – 3 paragraph summary report to the Weekly Summary Forum summarizing the learning concepts from the material covered in the lecture and reading assignments. Please devote the last paragraph to two concepts that you found to be most personally important and/or valuable from this week's course material. The weekly summary is due by Sunday, Day 7 of this week.

Week 2

Topics:

1. Compensation and the social good
2. Employment laws that influence compensation practices
3. Laws that guide discretionary employee benefits
4. Contextual influences on the federal government as an employer
5. Labor unions as contextual influences
6. Market influences
7. Compensation in action

Objectives: Upon completion of this week's assignments, the student will be able to:

1. Describe compensation and the social good
2. Describe laws that influence compensation practices
3. Describe contextual influences on the federal government's compensation practices
4. Describe labor unions' influence on compensation practices
5. Describe market factors' impact on compensation practices

Assignments:

1. Read Chapter 2- Contextual Influences on Compensation Practice
2. Complete Week 2 Discussion Questions
3. Complete Chapter 2 Quiz
4. Complete Weekly Summary

Weekly Summary:

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Week 3

Topics:

1. Seniority and longevity pay
2. Merit pay
3. Performance appraisal
4. Strengthening pay-for-performance link
5. Possible limitations of merit pay programs

Objectives: Upon completion of this week's assignments, the student will be able to:

1. Describe the business practice of setting employee base pay on the basis of their seniority or longevity with the company
2. Identify how seniority pay practices align with the two competitive strategies
3. Describe merit pay
4. Describe the role of performance appraisal in the merit pay process
5. Identify ways to strengthen the pay-for-performance link
6. Describe limitations of merit pay programs

Assignments:

1. Read Chapter 3
2. Complete Chapter 3 Case (p. 79) and submit to drop box
3. Complete Chapter 3 Discussion questions
4. Complete Chapter 3 Quiz
5. Complete Weekly Summary

Weekly Summary:

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Week 4

Topics:

1. Exploring incentive pay
2. Contrasting incentive pay with traditional pay
3. Individual incentives
4. Group incentives
5. Companywide incentives
6. Designing incentive pay programs

Objectives: Upon completion of this week's assignments, the student will be able to:

1. Compare and contrast incentive pay and traditional pay systems
2. Describe plans that reward individual behavior
3. Describe plans that reward group behavior
4. Describe profit sharing and employee stock option plans
5. Describe things to consider when designing incentive pay plans

Assignments:

1. Read Chapter 4
2. Complete Chapter 4 Discussion Questions
3. Complete Chapter 4 Case
4. Complete Chapter 4 Quiz
5. Complete Weekly Summary

Weekly Summary:

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Week 5

Topics:

1. Competency- based pay, pay-for-knowledge, and skill-based pay
2. Using pay-for-knowledge pay programs
3. Reasons to adopt pay-for-knowledge programs
4. Varieties of pay-for-knowledge pay programs
5. Contrasting person-focused pay with job-based pay
6. Advantages of pay-for-knowledge pay programs
7. Disadvantages of pay-for knowledge pay programs

Objectives: Upon completion of this week's assignments, the student will be able to:

1. Describe differing opinions on the meaning of competency-based pay
2. Compare and contrast person-focused pay plans, pay-for-knowledge pay, and skill-based pay programs
3. Identify reasons that companies adopt pay-for-knowledge pay and skill-based pay programs
4. Describe pay-for-knowledge pay and skill-based variations
5. Contrast between person-focused pay systems and incentive pay or merit pay concepts
6. Describe advantages and disadvantages of using pay-for-knowledge pay plans and skill-based pay plans

Assignments:

1. Read Chapter 5- Person- Focused Pay
2. Complete Chapter 5 Case (p. 118)
3. Complete Chapter 5 Discussion Questions
4. Complete Chapter 5 Quiz
5. Final Project Assignment Instructions and Review of Requirements
6. Complete Weekly Summary

Weekly Summary:

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Week 6

Topics:

1. Internal consistency
2. Job analysis
3. Job evaluation
4. Job evaluation techniques
5. Internally consistent compensation systems and competitive strategy

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Objectives: Upon completion of this week's assignments, the student will be able to:

1. Describe the importance of building internally consistent compensation systems
2. Conduct a job analysis
3. Develop job descriptions
4. Use O*NET
5. Conduct a job evaluation
6. Describe a variety of job evaluation techniques
7. Compare and contrast alternatives to job evaluation
8. Develop internally consistent compensation systems and competitive strategy

Assignments:

1. Read Chapter 6- Building Internally Consistent Compensation Systems
2. Complete Chapter 6 Discussion Questions
3. Write a position description, conduct a job analysis and job evaluation (Due Week 7)
4. Complete Chapter 6 Quiz
5. Continue working on final project
6. Complete Weekly Summary

Week 7

Topics:

1. Market competitive pay systems
2. Compensation surveys
3. Integrating internal job structures with external market pay rates
4. Compensation policies and strategic mandates

Objectives: Upon completion of this week's assignments, the student will be able to:

1. Develop market-competitive compensation systems
2. Develop compensation surveys
3. Conduct statistical analysis of compensation surveys
4. Integrate the internal job structure with external market pay rates
5. Develop compensation policies that align with strategic mandates

Assignment:

1. Read Chapter 7- Building Market- Competitive Compensation programs
2. Complete Week 7 Discussion Questions
3. Complete Chapter 7 Quiz
4. Complete Weekly Summary
5. Job Analysis, Job Description and Job Evaluation from Week 6 Due
6. Continue working on final project

Weekly Summary:

Each student must submit a 2 – 3 paragraph summary report to the Weekly Summary Forum summarizing the learning concepts from the material covered in the lecture and reading assignments. Please devote the last paragraph to two concepts that you found to be most personally important and/or valuable from this week's course material. The weekly summary is due by Sunday, Day 7 of this week.

Week 8

Topics:

1. Constructing a pay structure
2. Designing merit pay systems
3. Designing sales incentive compensation plans
4. Designing pay-for-knowledge programs
5. Pay structure variations

Objectives: Upon completion of this week's assignments, the student will be able to:

1. Describe the principles of pay structure design
2. Develop merit pay system structures
3. Develop sales incentive pay structures
4. Develop pay-for-knowledge structures
5. Describe pay structure variations – broadbanding and two-tier wage plans

Assignment:

1. Read Chapter 8- Building Pay Structures That Recognize Employee Contributions
2. Complete Chapter 8 Discussion questions
3. Complete Chapter 8 Quiz
4. Complete Weekly Summary
5. Continue working on final project – SUBMIT DRAFT FOR FORMATIVE ASSESSMENT IF YOU WOULD LIKE FEEDBACK

Week 9

Topics:

1. Overview of discretionary benefits
2. Components of discretionary benefits
3. Benefits and costs of discretionary benefits

Objectives: Upon completion of this week's assignments, the student will be able to:

1. Describe the role of discretionary benefits in strategic compensation
2. Compare the various kinds of protection programs
3. Compare the different types of paid time off
4. Describe the different types of employee services

Assignments:

1. Read Chapter 9 – Discretionary Benefits
2. Complete Week 9 Discussion Questions
3. Complete Chapter 9 Quiz
4. Complete Weekly Summary
5. Continue working on final project

Weekly Summary:

Each student must submit a 2 – 3 paragraph summary report to the Weekly Summary Forum summarizing the learning concepts from the material covered in the lecture and reading assignments. Please devote the last paragraph to two concepts that you found to be most personally important and/or valuable from this week's course material. The weekly summary is due by Sunday, Day 7 of this week.

Week 10

Topics: Overview of legally required benefits

1. Components of legally required benefits
2. Benefits and costs of legally required benefits
3. Designing and planning the benefits program

Objectives: Upon completion of this week's assignments, the student will be able to:

1. Identify legally required employee benefits
2. Describe the Social Security Act of 1935; OASDI; and Medicare
3. Describe compulsory state disability laws
4. Describe the Family and Medical Leave Act of 1993
5. Describe implications for strategic compensation and possible employer approaches to managing legally required benefits

Assignments:

1. Read Chapter 11
2. Complete Weekly Discussion Questions
3. Complete Chapter 11 Quiz
4. Complete Weekly Summary
5. Continue working on final project

Weekly Summary:

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Week 11

Topics:

1. Compensation Plans

Objectives: Upon completion of this week's assignments, the student will be able to:

1. Develop a compensation plan
2. Evaluate a compensation plan

Assignment:

1. Final Project Due
2. Complete Weekly Summary

Weekly Summary:

Each student must submit a 2 – 3 paragraph summary report to the Weekly Summary Forum summarizing the learning concepts from the material covered in the lecture and reading assignments. Please devote the last paragraph to two concepts that you found to be most personally important and/or valuable from this week's course material. The weekly summary is due by Sunday, Day 7 of this week.

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Week 12

Topics:

1. Critiquing Compensation Plans Compensation Plans

Objectives: Upon completion of this week's assignments, the student will be able to:

1. Analyze and evaluate compensation plans
2. Critique compensation plans

Assignment:

1. Peer critique of classmate's final project
2. Self-critique of final project

Final Summary

Each student must submit a 2 – 3 paragraph summary report to the Weekly Summary Forum summarizing the learning concepts from the material covered in the lecture and reading assignments. Please discuss **at least two concepts that you found to be most personally important and/or valuable from all of the material presented over the quarter**. The final summary is due by Sunday, Day 7 of this week.

**All the above information is subject to change at the discretion of the instructor.
Read the Overview each week.**

Thank you for participating!