



Western Technical College

10116172 Compensation Management

Course Outcome Summary

Course Information

Description	Students learn to apply the principles of compensation management to maintain an organization's competitive advantage while complying with state and federal law. Topics include job analysis, descriptions, and evaluation; pay and benefits surveys; budgeting as related to compensation; and comparable worth issues.
Career Cluster	Business Management and Administration
Instructional Level	Associate Degree Courses
Total Credits	3
Total Hours	54

Textbooks

MyLab Management with Pearson eText – with Access for Strategic Compensation: A Human Resource Management Approach. 10th Edition. Copyright 2020. Martocchio, Joseph J. Publisher: Pearson. **ISBN-13:** 978-0-13-522613-1. Required.

Program Outcomes

1. Examine organizational total rewards programs

Course Competencies

1. **Explore Strategic Compensation as a component of a Human Resource system.**

Assessment Strategies

- 1.1. Written Objective Test (score 70% or higher)
- 1.2. Simulation
- 1.3. Case Study

Criteria

You will know you are successful when:

- 1.1. you identify intrinsic compensation
- 1.2. you compare employee types to corporate hierarchy
- 1.3. you summarize basic compensation concepts

Learning Objectives

- 1.a. Acknowledge basic compensation concepts and the context of compensation practice
- 1.b. Review the historical perspective of compensation
- 1.c. Compare the difference between strategic and tactical compensation
- 1.d. Be aware of compensation professionals' goals within a human resource department
- 1.e. Acknowledge how compensation professionals relate to various stakeholders

2. Examine of the various Federal and State laws dealing with employment.

Assessment Strategies

- 2.1. Written Objective Test (score 70% or higher)
- 2.2. Case Study

Criteria

You will know you are successful when:

- 2.1. you summarize the major federal laws that address employment issues
- 2.2. you describe the state laws that address employment issues
- 2.3. you identify relevant government agencies

Learning Objectives

- 2.a. Acquaint self with the appropriate federal laws that deal with employment
- 2.b. Acquaint self with the appropriate state laws that deal with employment

3. Identify an internally consistent compensation system.

Assessment Strategies

- 3.1. Reflection
- 3.2. Written Objective Test (score 70% or higher)

Criteria

You will know you are successful when:

- 3.1. you explain the connection between compensation system and strategy
- 3.2. you justify inclusion of specific benefits
- 3.3. you justify exclusion of specific benefits
- 3.4. you compare at least five benefits

Learning Objectives

- 3.a. Acknowledge the importance of building internally consistent compensation systems
- 3.b. Explain the process of job analysis
- 3.c. Create a job description
- 3.d. Explain the process of job evaluation
- 3.e. List a variety of job evaluation techniques
- 3.f. Explain the alternatives to job evaluation
- 3.g. Acknowledge the connection between internally consistent compensation systems and competitive strategy

4. Explore a market-competitive compensation system.

Assessment Strategies

- 4.1. Demonstration
- 4.2. Written Objective Test (score 70% or higher)

Criteria

You will know you are successful when:

- 4.1. you summarize Bureau of Labor Statistics National Compensation Survey
- 4.2. you explain Bureau of Labor Statistics Employment Cost Index
- 4.3. you describe Bureau of Labor Statistics employer cost for employee compensation

Learning Objectives

- 4.a. Be aware various compensation surveys and where to obtain them
- 4.b. Analyze the statistics included in compensation surveys
- 4.c. Integrate the internal job structure with external market pay rates
- 4.d. Incorporate compensation policies and strategic mandates

5. Define a pay structure that recognizes individual contributions.

Assessment Strategies

- 5.1. Simulation
- 5.2. Reflection
- 5.3. Written Objective Test (score 70% or higher)

Criteria

You will know you are successful when:

- 5.1. you explain merit pay options
- 5.2. you diagnose performance problems
- 5.3. you relate performance problems to pay

Learning Objectives

- 5.a. Explain the fundamental principles of pay structure design
- 5.b. Explain a merit pay system structure
- 5.c. Explain sales incentive pay structures
- 5.d. Explain a pay-for-knowledge structure
- 5.e. Acknowledge pay structure variations including broadbanding and two-tier wage plans

6. Summarize legally required benefits.

Assessment Strategies

- 6.1. Written Objective Test (score 70% or higher)

Learning Objectives

- 6.a. List which employee benefits are legally required
- 6.b. Explain the Social Security Act of 1935 and its mandated protection programs
- 6.c. Acquaint self with compulsory state disability laws
- 6.d. Explain the impact of the Family and Medical Leave Act of 1993 on employment practices

7. Evaluate discretionary benefits.

Assessment Strategies

- 7.1. Written Objective Test (score 70% or higher)

Learning Objectives

- 7.a. Explain the role of discretionary benefits in strategic compensation
- 7.b. List the various kinds of protection programs
- 7.c. List the different types of pay for time not worked
- 7.d. List the variety of employee services available from employers
- 7.e. Explain the considerations that go along with designing and planning discretionary benefits programs
- 7.f. Explain how discretionary benefits fit with differentiation and lowest-cost competitive strategies

8. Analyze the various methods of compensating a flexible workforce.

Assessment Strategies

- 8.1. Case Study
- 8.2. Written Objective Test (score 70% or higher)

Criteria

You will know you are successful when:

- 8.1. you identify flexible scheduling options
- 8.2. you explain the need to hire a flexible workforce
- 8.3. you compare alternative work arrangements

Learning Objectives

- 8.a. Acknowledge the various groups of contingent workers and employers' reliance on them
- 8.b. Explain core and fringe compensation issues for contingent workers, flexible work schedules, compressed work weeks, and telecommuting
- 8.c. List the key features of flexible work schedules, compressed work weeks, and telecommuting
- 8.d. Acquaint self with unions' reactions to contingent workers and flexible work schedules
- 8.e. Explain the strategic issues and choices in using contingent workers

9. Analyze the traditional bases for pay: seniority and merit.

Assessment Strategies

- 9.1. Reflection
- 9.2. Written Objective Test (score 70% or higher)

Criteria

You will know you are successful when:

- 9.1. you explore merit pay options
- 9.2. you diagnose performance problems
- 9.3. you relate performance problems to pay

Learning Objectives

- 9.a. Explain how seniority pay practices fit with lowest cost and differentiation competitive strategies
- 9.b. Acknowledge the role of performance appraisals in the merit pay process
- 9.c. List ways to strengthen the pay-for-performance link
- 9.d. List limitations of merit pay programs
- 9.e. Explain how merit plan programs fit with lowest cost and differentiation competitive strategies

10. Summarize the various methods of compensating employees using incentive pay.

Assessment Strategies

- 10.1. Case Study
- 10.2. Written Product
- 10.3. Written Objective Test (score 70% or higher)

Criteria

You will know you are successful when:

- 10.1. you identify types of rewards systems
- 10.2. you compare incentives
- 10.3. you describe motivational theories
- 10.4. you examine impact on behavior

Learning Objectives

- 10.a. Acquaint self with the variety of plans that reward individual and group behavior
- 10.b. Explain profit sharing and employee stock option plans
- 10.c. List considerations for designing incentive pay plans
- 10.d. Explain how individual, group and gain sharing incentive plans contribute to differentiation and lowest cost competitive strategies

11. Determine how a person-focused pay systems is structured.

Assessment Strategies

- 11.1. Written Objective Test (score 70% or higher)
- 11.2. Case Study

Criteria

You will know you are successful when:

- 11.1. you summarize person-focused pay theories
- 11.2. you compare person-focused pay types
- 11.3. you identify potential problems with pay types
- 11.4. you examine motivation theories
- 11.5. you relate motivation theories as solutions

Learning Objectives

- 11.a. Acknowledge the differing opinions about the meaning of competency-based pay

- 11.b. Explain traditional person-focused pay plans-pay-for-knowledge pay and skill-based pay programs
- 11.c. List reasons that companies adopt pay-for-knowledge pay and skill-based pay programs
- 11.d. Compare pay-for-knowledge and skill-based pay plans
- 11.e. Contrast person-focused pay systems and incentive or merit pay concepts
- 11.f. List the advantages and disadvantages of using pay-for-knowledge pay plans and skill-based pay plans
- 11.g. Explain how pay-for-knowledge pay plans and skill-based pay plans fit with differentiation and lowest cost competitive strategies