

HRM:533:635:01

HRM:533:635:02

Section 1: Tuesday 4:30 – 7:10 PM

Section 2: Tuesday 7:20 – 10:00 PM

Managing Reward Systems

Fall 2018

Levin Room 103

HRM Department

Professor Charles H. Fay

Room 102 Janice Levin Bldg.

Voice: 848-445-5831

Fax: 848-445-2830

Office hours: By appointment

e-mail: cfay@smlr.rutgers.edu

Texts: Newman, J.M., Gerhart, B., and Milkovich, G.T. (2017) *Compensation (12th Edition)*. New York: McGraw-Hill Education

Treiman, D. (1979). *Job Evaluation*. Washington, D.C.: National Academy of Science. (on Sakai)

Fay, C. H. (2018) *PALINDROME*. (on Sakai)

Note: I often have students ask if it is OK to use an earlier edition of Milkovich. I don't mind, but you will be held responsible for the material in the 12th edition. That said, there is not a lot of difference between the editions. However, a better approach is to get the international 12th edition (paperback) from the British amazon.com. This is much cheaper and is identical to the hard-cover 12th edition sold in this country. You can also "lease" the text through Amazon.

Course Goals: This course focuses on the following SMLR/HR learning objectives:

I) Written & Oral Communication – Communicate effectively at a level and in modes appropriate to an entry level professional.

- Communicate complex ideas effectively, in standard written English
- Produce high quality executive summaries

II) Quantitative Skills – Apply appropriate quantitative and qualitative methods for research workplace issues.

- Formulate, evaluate, and communicate conclusions and inferences from quantitative information
- Apply quantitative methods to analyze data for HR decision making including cost-benefit analyses, ROI, etc. (HRM)

IV) Theoretical Perspectives - Demonstrate an understanding of relevant theories and apply them given the background context of a particular work situation.

- Demonstrate an understanding of the practical perspectives, theories and concepts in their field of study
- Evaluate and apply theories from social science disciplines to workplace issues

V) Understanding Context - Evaluate the context of workplace issues, public policies, and management decisions

- Analyze issues related to business strategies, organizational structures, and work systems

- Analyze issues related to the selection, motivation, and development of talent in a global context (HRM)

VI) Application – Demonstrate an understanding of how to apply knowledge necessary for effective work performance

- Understand the legal, regulatory and ethical issues related to their field
- Develop human resource management functional capabilities used to select, motivate, and develop workers (HRM)

VII) Professional Development – Demonstrate an ability to interact with and influence others in a professional manner, and to effectively present ideas and recommendations

- Work productively in teams, in social networks, and on an individual basis

Course Description: Compensation, including direct wages, indirect payments, and employee benefits, is studied from the points of view of theory and practice. Upon completion of the course, students should be able to conduct wage surveys, evaluate jobs, create salary structures, and administer compensation programs, and to do all these things on the basis of sound economic and motivational theory. Topics covered include:

1. The bases for job value
2. Compensation strategy and total compensation
3. The equity framework of current practice
4. Wage and benefits surveys
5. Work analysis and job evaluation
6. Pay structures
7. Individual wage determination
8. Alternative rewards
9. Rewarding teams
10. Sales and executive compensation programs
11. Compensating expatriate and international employees
12. Benefits programs
13. Administering total compensation programs, auditing, budgeting, communicating.
14. Total compensation issues and trends

Because the end goal of the course is to enable students to create salary structures, a compensation simulation will be done by students as part of a team of 3 - 4. This project will allow each student hands-on experience in job evaluation, job pricing, and individual salary determination. Incompletes will be allowed only under unusual circumstances.

Course Requirements:

Midterm Examination	30%
Final Examination	30%
Compensation Simulation Report (Palindrome)	40%

SCHEDULE

DATE	TOPIC	ASSIGNMENT	POWERPOINT MODULES
4 September	Introduction Total Compensation Strategy	M&N: Ch. 1, 2.	Modules 1, 2, 3, & 4
11 September	Legal Constraints	M&N: Ch. 17.	Module 5
18 September	Internal Equity Job Evaluation	M&N: Ch. 3, 4, 5, Treiman - All	Modules 6, 7
25 September	Job Evaluation, Lab		
2 October	External Equity	M&N: Ch. 7, 8	Modules 8, 9, & 10
9 October	Job Pricing, Review		
16 October	Lab		
23 October	MIDTERM EXAMINATION		
30 October	Individual Equity	M&N: Ch. 9, 11.	Module 11, 12
6 November	Individual Wage Determination		Module 13, & 14
13 November	Individual Wage Determination Continued	M&N: Ch 18	Module 15, 16, & 17
27 November	Alternative Rewards Rewarding Teams/Psychic Pay	M&N: Ch. 6, 10	Modules 18, 19, & 20
4 December	Sales/Executive/Expatriate/International Compensation	M&N: Ch. 14, 16.	Modules 21, 22, 23, & 24
11 December	Benefits and Total Compensation	M&N: Ch. 12, 13.	Modules 25 & 26
18 December	FINAL EXAMINATION Project Due		