SAULT COLLEGE OF APPLIED ARTS & TECHNOLOGY

Sault Ste. Marie, Ontario

COURSE OUTLINE

COURSE TITLE: Compensation Administration

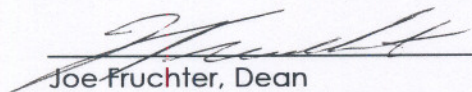CODE NO.   BUS133   SEMESTER:

PROGRAM: Human Resources Practices

AUTHOR:

DATE:

PREVIOUS OUTLINE DATED:

APPROVED: _____

Joe Fruchter, Dean
School of Business, Hospitality,
Natural Resources & Computer Studies

DATE: 97 05 23

TOTAL CREDITS: 3

PREREQUISITES: _____

LENGTH OF COURSE: _____   TOTAL CREDITS HOURS: _____

SAULT COLLEGE OF APPLIED ARTS & TECHNOLOGY

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COURSE OUTLINE

COURSE TITLE: Compensation Administration

CODE NO.: BUS135   SEMESTER:

PROGRAM: Human Resources Practices

AUTHOR:

DATE:

PREVIOUS OUTLINE DATED:

APPROVED:

Joe Fuentes, Dean
School of Business, Hospitality,
Natural Resources & Computer Studies

DATE:

TOTAL CREDITS:

PREREQUISITES:

LENGTH OF COURSE: TOTAL CREDITS HOURS:

COURSE NAME: Compensation   **CODE NO:** BUS133

TOTAL CREDIT HOURS: 45

I. PHILOSOPHY/GOALS:

The primary objective of this course is to provide an understanding of the process, issues and techniques involved in developing and administering a compensation system.

II. STUDENT PERFORMANCE OBJECTIVES:

The course should enable the student to gain knowledge of:

(a) both the theoretical and applied aspects of the compensation function,

(b) the linkage between the compensation function and the organizational management process and

(c) the compensation system design necessary to attract, retain and motivate the required workforce.

III. TOPICS TO BE COVERED:

Topic 1. Strategic Issues & Concepts:
- Compensation Goals
- Linkage with Organizational Goals, Strategies and Environment
- Elements of Compensation Package

Reading: Henderson, Ch. 1,2,3

Topic 2. Relevant Theories & Their Applications
- Equity Theory
- Expectancy Theory
- Economic Theories
- Pay Satisfaction
- Internal, External & Employee Equity

Reading: Henderson, Ch. 1, 10

Topic 3. Collecting Information About Jobs:
- Job Analysis
- Types of Information Needed
- Methods of Data Collection
- Job Descriptions
- Job Specifications

Reading: Henderson, Ch. 5 & 6

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III.   TOPICS TO BE COVERED (CONT'D):

Topic 4.   Job Evaluation:
- Non-Quantitative Methods
- Quantitative Methods
- Commercially Available Plans
- Pay Equity & Job Evaluation

Reading: Henderson, Ch. 7

Topic 5.   Pay Level Policy, Pay Surveys and Pay Structure:
- Lead, Lag or Matching Policies
- Methods of Surveying
- Interpretation of Survey Data (including regression analysis)
- Updating Survey Information
- Pay Ranges
- Pay Grades

Reading: Henderson, Ch. 8 & 9

Topic 6.   Individual Pay Determination:
- Pay-Performance Linkage
- Performance Measurement Methods
- Rating Errors
- Merit Pay Schedules
- Incentive Systems/Gain Sharing Plans

Reading: Henderson, Ch. 10, 11 & 12

Topic 7.   Employee Benefits & Preferences:
- Elements of Benefits Packages
- Employee Preferences
- Cafeteria/Flexible Plans
- Statutory vs. Non-Statutory Benefits

Reading: Henderson, Ch. 13

Topic 8.   Implementation & Administration:
- Monitoring and Control
- Gaining Acceptance
- Use of Computers

Reading: Henderson, Ch. 14

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III.   **TOPICS TO BE COVERED (CONT'D):**

Topic 9.   Miscellaneous Issues:
                  -    Compensation of Special Groups
                  -    Union Influence
                  -    Government Influence
                  -    Pay Equity

                  Reading: Henderson, Ch. 4 & 15 or

IV.   **REQUIRED STUDENT RESOURCES:**

Required Text

       Henderson, R.I.: Compensation Management: Rewarding Performance,
       Reston Publishing Company Inc., 5th Edition, 1989.

Alternative and Reference Texts

       Belcher, D.W.: Compensation Administration, Prentice Hall, 3rd Edition,
       1987. (It provides good information on the basic techniques; information
       on many other topics is not current.)

       Lanham, E.: Job Evaluation, McGraw Hill, 1971 (For various
       behaviourial theories and their application to compensation.)

       Lawler, E.E.: Pay & Organizational Effectiveness, McGraw Hill, 1971
       (For various behaviourial theories and their application to compensation.)

       Milkovich, G.T. & J.M. Newman: Compensation, Business Publications
       Inc., 3rd Edition, 1990.

       Theriault, R.: Mercer Compensation Manual - Theory and Practice,
       Morin, 1992 (For an applied, practitioner-oriented treatment of the
       subject matter).

Suggested Journals

       Benefits Canada, Maclean Hunter Ltd.

       Canadian Employment Benefits & Pension Guide, CCH Canada Ltd., Don
       Mills, Ontario

       Compensation & Benefits & Pension Guide, CCH Canada Ltd., Don Mills,
       Ontario

       Compensation & Benefits Review, American Management Association.

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IV.   **REQUIRED STUDENT RESOURCES (CONT'D):**

   Government Documents

   Pay Equity Act, 1987, Queens' Printer for Ontario, Government of
   Ontario, January, 1988

   Pay Equity Implementation Series, The Pay Equity Commission, Toronto,
   Ontario

V.   **EVALUATION METHODS: (INCLUDES ASSIGNMENTS, ATTENDANCE**
   REQUIREMENTS, ETC.)

   Attendance and participation are extremely important.

   Method of Assessment:

Quizzes	10%
Mid Term Exam	40%
Final Exam	40%
Assignments & Participation	10%
Total	100%

   Grading:

A+	90 - 100%	Consistently outstanding
A	80 - 89%	Outstanding achievement
B	70 - 79%	Consistently above average achievement
C	60 - 69%	Satisfactory or acceptable achievement
R	less than 60%	The student has not achieved objectives of course and must repeat the course

   Note:

   Students must meet the minimum grade requirement of a "B" or 70% in every
   subject area except, Finance and Accounting and HRRIS, in which the minimum
   grade requirement is a "C" or 60%.

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VI. SPECIAL NOTES:

Those candidates seeking credit by examination may find it useful to consult relevant chapters in human resource management survey text to help place training and development in context. The human resource administration outline for the course identifies several such volumes.

Examinations will use short essay formats and will emphasize conceptual, program and policy issues.

VI.   SPECIAL NOTES

Those candidates seeking credit by examination may find it useful to consult relevant chapters in human resource management survey text to help place training and development in context.   The human resource administration outline for the course identifies several such volumes.

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