

LSC Use Only No:	LSC Action-Date:	UWUCC USE Only No.	UWUCC Action-Date:	Senate Action Date:
		04-64a	AP-4/12/05	App-4/22/08

**Curriculum Proposal Cover Sheet - University-Wide Undergraduate Curriculum Committee**

Contact Person <b>Frederick J. Slack</b>	Email Address <b>fslack@iup.edu</b>
Proposing Department/Unit <b>Management</b>	Phone

Check all appropriate lines and complete information as requested. Use a separate cover sheet for each course proposal and for each program proposal.

**1. Course Proposals (check all that apply)**  
 New Course                       Course Prefix Change                       Course Deletion  
 Course Revision                       Course Number and/or Title Change                       Catalog Description Change

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**Compensation Management—MGMT 400**

<u>Current Course prefix, number and full title</u>	<u>Proposed course prefix, number and full title, if changing</u>

**2. Additional Course Designations: check if appropriate**  
 This course is also proposed as a Liberal Studies Course.                       Other: (e.g., Women's Studies, Pan-African)  
 This course is also proposed as an Honors College Course.

**3. Program Proposals**  
 New Degree Program                       Program Title Change                       Program Revision  
 New Minor Program                       New Track                       Other

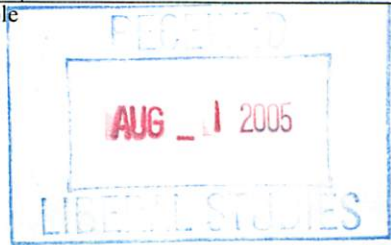
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<u>Current program name</u>	<u>Proposed program name, if changing</u>

**4. Approvals**

Approvals	Date
Department Curriculum Committee Chair(s) <i>Joette Wisniewski</i>	<i>2-28-03</i>
Department Chair(s) <i>RW</i>	<i>2-28-03</i>
College Curriculum Committee Chair <i>[Signature]</i>	<i>2 Mar 05</i>
College Dean <i>R Coma</i>	<i>3-2-05</i>
Director of Liberal Studies *	
Director of Honors College *	
Provost *	
Additional signatures as appropriate: (include title)	
UWUCC Co-Chairs <i>Gail Sedquist</i>	<i>4-12-05</i>

\* where applicable



**MGMT 400 Compensation Management**  
**Prerequisite:** MGMT 300

**3c-0l-3cr**

**MGMT 500 Compensation Management**

**3c-0l-3cr**

**Prerequisite:** MGMT 300 or equivalent

## **I. Catalog Description**

Studies the policies and programs that help managers design and administer compensation systems for private and public sector enterprises. Includes motivation theories and practice designing of compensation systems.

## **II. Course Objectives**

This course in compensation management focuses upon the various activities that relate to the direct and indirect payment made to employees for their services. The course enables the student to develop an understanding of compensation objectives. The course emphasizes the theories and the practices in the remuneration of employees so that the student can develop an effective compensation system as part of an integrated human resources management system of an organization in an ever changing global environment.

It is expected that by the end of the course the student should be able to:

- 1) recognize the interaction between compensation and other human resources management functions;
- 2) discuss the influence of various factors, including labor unions, government, organizational policies and international considerations, on compensation practices;
- 3) review existing job descriptions and perform job evaluations for a variety of jobs using different methods;
- 4) describe various pay-for-performance programs;
- 5) isolate the differences in compensation opportunities for employees in different jobs or levels in an organization and in different countries;
- 6) discuss the issues involved in managing a compensation program, and
- 7) develop a compensation program to meet specified objectives.

Additional objectives for graduate students include to:

- 8) analyze jobs, write job descriptions and perform job evaluations for a variety of jobs using different methods;
- 9) undertake a pay survey and develop a pay structure.

### III. Detailed Course Outline

Topics	# of hours
<b>Introduction and the Pay Model.</b> Overview of Compensation Management and its relationship to principles of management and human resource management is discussed.	3
<b>Strategic Perspectives.</b> The Pay Model addressing sound salary administration of internal equity, external competitiveness, pay for performance, and administration.	3
<b>Defining Internal Alignment and Work Analysis.</b> Internal alignment is viewed as internal equity; providing for the establishment of pay structures which recognize differences between expected employee contributions within the organization.	15
<b>Defining Competitiveness.</b> The importance of external competitiveness to the pay model; factors that influence external competitiveness; the differences between labor market, product market, and organizational factors in determining external competitiveness; and different pay policy positions and the consequences of using each.	6
<b>Pay for Performance.</b> Relevance of content theories of motivation to compensation; VIE theory and how the theory can be used to show that linking pay to performance may increase performance; the important design issues in creating a pay for performance program.	5
<b>Employee Benefits.</b> Importance of benefits in a total compensation program; reasons for growth in employee benefits; important issues in benefit planning, design and administration; the relationship between benefits and external equity; and the advantages of flexible benefits programs in terms of employee satisfaction and cost containment.	3
<b>Compensation of Special Groups and Salary Administration</b> Compensation strategies for special groups such as executives, senior management, middle management, first-line supervisors and the overall employee population; administration and government influences on administration are presented.	3
Project presentations + test (culminating activity)	4+2

**IV. Evaluation Methods**

Grading Method	Description	Under grad. Weight	Grad. Weight
3 Exams—2 exams during the semester and Final	Exams will comprise of one or more of the following: objective type questions, short answers, problems, essays, case analysis, etc.	60%	45%
Projects and Presentations	<p>Students will be required to write/review job descriptions, conduct a job evaluation process and develop a salary structure for an organization. Students will make a class presentation.</p> <p>The expectation pertaining to developing job descriptions, conducting job evaluation and developing a salary structure and original contribution of <i>graduate students</i> will be higher than that for undergraduate students</p>	15%	30%
Quizzes and In-class Assignments	Will include quizzes, in-class assignments, case analysis, etc.	15%	15%
Class Participation	Attendance and active class participation	10%	10%

**V. Sample Grading Scale**

Grade Distribution:     $\geq 90\%$ --A; 80-89.99%--B; 70-79.99%--C; 60-69.99%--D;  $< 60\%$ --F

Only undergraduate students can earn “D” grade. For graduate students,  $<70\%$  results in F.

## **VI. Attendance Policy**

A limited number of absences will be allowed by the Professor (specifics will be in the semester syllabus of the Professor) for emergencies or illness. Documentation will have to be provided.

## **VII. Required Textbook**

Milkovich, George, T. and Jerry M. Newman, Compensation, (Eighth Edition), New York: Irwin/McGraw-Hill, 2004.

## **VIII. Special Resource Requirements**

None

## **IX. Bibliography**

Clutterbuck, David and Stuart Crainer, Makers of Management Men and Women Who Changed the Business World, London: MacMillan London Limited., 1990.

Henderson, Richard I., Compensation Management in a Knowledge-based World, (Ninth Edition), Upper Saddle River, New Jersey: Prentice-Hall, Inc., 2003.

Hodge, B. J. and William P. Anthony, and Lawrence M. Gales, Organization Theory: A Strategic Approach, (Sixth Edition), Upper Saddle River, New Jersey: Prentice-Hall, Inc., 2003.

Kay, Ira, T., Value at the Top, Solutions to The Executive Compensation Crisis, New York: HarperCollins Publishers, Inc., 1992.

Martocchio, Joseph J., Strategic Compensation, A Human Resource Management Approach, (Third Edition), Upper Saddle River, New Jersey: Prentice-Hall, Inc., 2004.

Rock, Milton L., Handbook of Wage and Salary Administration, (Second Edition), New York: McGraw-Hill, 1984.