

MGMT 4133
COMPENSATION ADMINISTRATION
SPRING 2015

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Office Hours: Tu Th 3:25-4:15, and by appointment

Course Objectives:

Note: This course is specifically designed for HR majors since it is required for HR majors.

Objectives of this course include enabling every student to effectively use compensation and benefits concepts and principles to understand, apply, and help develop HRM policies and practices that contribute to achieving organizational goals. This course, therefore, is not simply about compensation and benefits; it is knowledge about powerful theories and principles that can be used to mold and change organizations. As such, this course represents a type of “capstone” course for HRM majors. Perhaps more than most other HRM courses, MGMT 4133 requires application of concepts and theories to applied problems. Therefore, students will demonstrate both knowledge and understanding in examinations and application of concepts in the required projects.

Course Materials:

1. Required text: Milkovich, G.T., and Newman, J.M., *Compensation*, 11th ed. McGraw- Hill, 2013. A digital copy is available for approximately half the hard cover prices at: <http://www.coursesmart.com/compensation-11th-edition/milkovich-george-newman-jerry-gerhart-barry/dp/0077512898>
2. Required case book: Milkovich, G.T., and Gerhart, H., *Cases in Compensation*, 11.1e ed., Compensation, 2013.
3. Additional materials will be on the course Desire 2 Learn.
4. Additional materials may be found in the popular business press such as *The Wall Street Journal*, *Fortune*, and *Business Week* and the more compensation-related journals such as *Compensation and Benefits Review*, *Journal of Compensation and Benefits*, *Compensation Review*, *Pension Review*, and the compensation sections of both the *BNA* and *CCH* reference volumes. Additionally, compensation- and benefits-related articles may be found in a variety of HRM and psychology journals such as *HRMagazine*, *Journal of Applied Psychology*, *Personnel Psychology*, *Monthly Labor Review*, *Industrial and Labor Relations Review*, and others. There are also a number of compensation- and benefits-related websites. See Appendix 18- for compensation sites for useful information.

Course Requirements Plan 1:

1. Two team presentations are required. Presentations will be “Your Turns” from the end of text chapters and other cases. Teams will consist of three to four students (these can be the same group or different as for the projects. “Your turns” are applied cases or issues. Answers to Your Turns should be typed and handed in to me.
The Your Turns and cases are worth 10 percent of the course grade. Your team will sign up in class for Your Turns and cases by the second or third class meeting. Presentations should be made in an interesting and fun style. Distance class students will submit written presentations.

2. There will be periodic learning checks worth 100 points or 10%. The lowest two learning checks will be dropped and a missed learning check, for whatever reason is counted. Some questions from learning checks will be on exams. Learning checks may be in-class or on-line. For Distance class students, LC's will be taken on D2L using Respondus Lockdown. Browser. The time window for LC's will usually be 2 days and it will usually begin the morning after the class recording is available.
3. There will be three (3) examinations, including the final exam. Exams, will be objective multiple-choice, true/false items and the first and final exams will have a 10 point essay question. Exams will constitute 40 percent of the course grade. The first exam will have approximately 60 points the second 50 and final 80.
Distance students must take exams under proctored conditions on D2L using Respondus Lockdown. Upon enrolling each semester, contact the CEPD Distance Learning office to inform them of your proctoring site. You can call (405) 744-4048, or read the proctor policies and exam procedures, and complete the appropriate Testing Center form at <http://spears.okstate.edu/distance/guide>.
4. The third component of the course is a set of three (3) related compensation projects. This component of the course is worth 40 percent), with each project having equal weight. Depending upon the size of the class, projects will be done in groups of three or four. Again, depending upon the wishes of the class, I am willing to assign students to groups with the option of different members for each of the three projects. Any student may be asked to discuss and explain their group's report. Obviously, the intent is that each student participates fully in each project. Group projects are a fact of life in the world of work; therefore, experience working with others is a valuable skill to acquire. Be sure you keep all parts of the project since they must be turned in together at the end of the term and you may want to have a copy when you go to your first job. Some past students have called after they were in a job asking if I could send them their projects. In other words, they found the projects very relevant to their jobs. Finally, this component of the course is demanding and takes a fair amount of time.
Any student not committed to doing quality work on this component of the course should seriously consider taking another class or Plan 2 below.

Course Requirements Plan 2:

This option is being offered for the second time. Basically, this option limits the maximum grade one can earn in the course to a B, but the project is not required for this option. This option is offered because some students do not want to do the work necessary for the projects. Course component weights for Plan 2 are: presentations 10%, learning checks 20% and exams 70%.

Grading Scale: This course will have the standard grading scale (A = 100 - 90%, B = 89 - 80%, C = 79 - 70%, D = 69 - 60%, and F = 59% and below). This course is probably one of the most specialized courses that you will take here at OSU, and it has a lot of details. However, if you read your text, ask questions when you don't understand, and apply the course concepts to the three main projects, you should do well and you will have learned much about one of the most vital activities to any organization.

At the end of the term, there will be a self and team member evaluation. Students who do not do their fair share on team projects can expect a reduction in their final grade. If you experience difficulties with a team member, contact me. If necessary, you may request transfer to another

group.

Important Information: Please check the following website for University and College information.

<http://academicaffairs.okstate.edu/images/Patty/FacultyandStaffResources/Syllabus/spring%202015%20syllabus.pdf>

University Policy

Drop Policy

Information about university drop policy and dates is at this website:

<http://registrar.okstate.edu/>

Click on “class schedules,” and “short, internet, and outreach courses”

To drop this course, contact the Registrar’s office, (405) 744-6876, or drop through SIS (Student Information Services).

Topical Outline and Assignments:

1. Introduction – The Pay Model and Strategy: The totality of decisions
Chapters 1 & 2 (text) and p. 1-14 (Case Book); Budget Rental Car video.
Each group will prepare written Compensation objectives for Fast Cat (see p. 11-12 in Cases).
Due Th. Jan. 29.
2. Defining Internal Alignment
Chapter 3
4. Evaluating Work/Job Evaluation: Job and Person-Based Structures
Chapters 5 & 6
Note: Chapters 1 - 6 are necessary to complete the first project

First Exam – covers Chapters 1-3 & 5-6 and any material covered in class; it will be the class period after which we cover the material; usually mid-February.

Phase 1 (first project) due, Th. February 19

5. Governmental Role in Compensation
Chapter 17
6. Defining Competitiveness
Chapter 7
7. Designing Pay Levels, Mix and Pay Structures
Chapter 8

Second Exam,– covers Chapters 7 - 8 & 17 and all class material.

Spring break March 16-20.

Phase 2 due Th March 26 (Note: Chapters 7 & 8 are particularly relevant for this project.)

8. Employee Contributions and Performance Appraisals
Chapters 9, 10, & 11
9. Compensation Budgets and Administration
Chapter 18

10. Employee Benefits
Chapters 12 & 13

Phase 3 due Tuesday April 21 (Note: Material in Chapters 9-11, and 18 are particularly relevant to this project.)

11. Compensation of Special Groups
Chapter 14
12. Union Role in Compensation
Chapter 15

Final Exam Stillwater: Th May 7 10:00-11:50 (Final exam is comprehensive)

Final Exam Window: Friday May 2- Wed. May 7 to 5 PM

