

INTERAMERICAN UNIVERSITY OF PUERTO RICO  
METROPOLITAN CAMPUS  
ECONOMIC AND ADMINISTRATIVE SCIENCES DIVISION  
GRADUATE PROGRAM

COURSE OUTLINE

I. GENERAL INFORMATION

Course Title:	Compensation Management
Code Number:	BADM 6080
Credits:	3
Academic Term:	
Professor:	Dra. Olga Maldonado Moll
Office Hours:	
Telephone:	
Electronic Mail:	

II. DESCRIPTION:

Economic aspects in wage determination. Emphasis on job evaluation, incentives systems, and classification of activities related to the remuneration of employees for work performance.

III. GENERAL AND SPECIFIC OBJECTIVES:

At the end of the course the student will be able:

1. Define the concept "compensation" and understand its importance in human resources management.
2. Explain the compensation model including all its components.
3. Explain the strategic perspectives of a compensation plan.
4. Analyze the internal environment of the organization in order to define its compensation strategies.
5. Analyze and evaluate jobs to determine adequate compensation.
6. Analyze the external environment of the organization in order to determine compensation strategies.

1. Describe fringe benefits that are offered to employees as part of their compensation package
2. Discuss special topics related to compensation

## I. CONTENT

- A. A Compensation Model
  1. Definition of the term “compensation”
  2. Different forms of compensation
  3. Compensation and work expectations
- B. Compensation Strategies
  1. Steps to determine specific compensation strategies
  2. Competitive advantage
  3. Most effective practices
- C. Compensation Structures
  1. Internal alignment
  2. Organizational differences
  3. Strategic alternatives
  4. Consequences of specific compensation structures
  5. Work-based structures
  6. Person-based structures
- D. Competitiveness and Compensation
  1. Definition of the term competitiveness
  2. Competitive compensation policies
  3. Design of compensation levels
- E. Individual Compensation
  1. Performance-based compensation
  2. Compensation plans
  3. Performance evaluation
- F. Employee Benefits
  1. Process to determine employee benefits
  2. Employee benefit alternatives
- G. Special Topics Related to Compensation Management
  1. Compensation of special groups
  2. Labor unions and compensation management
  3. International Compensation Systems
  4. Legal perspectives in compensation management

## I. LEARNING ACTIVITIES

1. Conferences
2. Case discussions
3. Small group projects
4. Individual and group exercises
5. Additional learning materials

## II. EVALUATION CRITERIA

Class Attendance and Participation	15%
Job Description	15%
Job Evaluation: Individual Project	15%
Job Evaluation: Group Project	25%
Peer Evaluations	10%
Test	<u>20%</u>
Total	100%

## III. SPECIAL NOTES

### A. Special Accommodations

Students who require special accommodations must request these services at the beginning of the course or as soon as they notice that they need help. Students can access this service with Professor Jose Rodriguez, Coordinator of Students with Special Needs at the Guidance and Counseling Office on the first floor at Metro's Student Center.

### B. Plagiarism

Plagiarism, dishonesty, fraud and any other type of manipulation or inappropriate behavior related to academic performance are unacceptable in our institution. Disciplinary actions will be taken on students found guilty of such practice. Inter American University has very strict regulations regarding plagiarism (using the ideas or words of others without giving proper credit), so it is important that you specifically read Chapter 5, Article 1, Section B.2c of the Student' Rules and Regulations Handbook. This section clearly explains what plagiarism is. In addition, it explains the types of sanctions students are exposed to when they commit it.

## C. Use of Electronic Devices

Cellular (mobile) telephones and any other electronic device that could interrupt the teaching-learning process or disrupt a milieu favorable for academic excellence will be deactivated. Critical situations will be dealt with in an appropriate manner. The use of electronic devices that permit the accessing, storing or sending of data during tests or examinations is prohibited.

### I. RESOURCES

#### **Textbook:**

Compensation Management in a Knowledge-Based World, 10th Ed. by Henderson, Richard. Prentice Hall. ISBN-10: 013 1494791

The e-book is available from the publishers through the following website:

[www.pearsonhighered.com](http://www.pearsonhighered.com)

#### **Portales de Internet:**

[www.shrm.org](http://www.shrm.org) – Society for Human Resource Managers  
[www.americanpayroll.org](http://www.americanpayroll.org) – American Payroll Association  
[www.aspm.org](http://www.aspm.org) – American Society for Payroll Management  
[www.ssa.gov](http://www.ssa.gov) – Social Security Administration  
[www.dol.gov/dol/esa](http://www.dol.gov/dol/esa) - Employee Standards Administration  
[www.ebri.org](http://www.ebri.org) - Employee Benefits Research Institute  
[www.benefitnews.com](http://www.benefitnews.com) – Benefits News  
<http://stats.bls.gov/home.htm> - US Dept. of Labor, Bureau of Labor Statistics  
[www.worldatwork.org](http://www.worldatwork.org) – World at Work  
[www.orhela.gobierno.pr](http://www.orhela.gobierno.pr) – Puerto Rico Human Resources Office  
[www.adt.gobierno.pr](http://www.adt.gobierno.pr) – Puerto Rico Work Rights Administration

### II. BIBLIOGRAPHY

Milkovich, G.T. & Newman, J.M. (2008). Compensation, 9<sup>th</sup> Edition. Boston: McGraw-Hill/Irwin.

Martocchio, J. (2008). Strategic Compensation, 5<sup>th</sup> Edition. Upper Saddle River, NJ: Prentice Hall.

Berger, L. & Berger, D. (2008). The Compensation Handbook. Boston: McGraw-Hill.

World at Work (2007). The WorldatWork Handbook of Compensation, Benefits & Total Rewards: A Comprehensive Guide for HR Professionals. Hoboken, NJ: John Wiley & Sons.

DeCenzo, D.A. & Robbins, S.P. Fundamentals of Human Resources Management, 9<sup>th</sup> Ed. (2006). Hoboken, NJ: John Wiley & Sons.

Bohlander, G.W. & Snell, S.A. Managing Human Resources, 14<sup>th</sup> Ed. (2006). Mason, OH: Thomson Higher Education

Losey, M., Meisinger, S. & Ulrich, D. (2005). The Future of Human Resources Management: 64 Thought Leaders Explore the Critical HR Issues of Today and Tomorrow. Hoboken, NJ: John Wiley & Sons.

Schermerhorn, J.R. (2009). Management, 10<sup>th</sup> Ed. (2009). Hoboken, NJ: John Wiley & Sons.

Bateman, T. & Snell, S. (2008). Management: Leading and Collaborating in the Competitive World. NY: McGraw-Hill/Irwin.