



Victoria Management School

HRIR 306
REMUNERATION AND PERFORMANCE
MANAGEMENT

Trimester 1 2005

COURSE OUTLINE

Contact Details

Course Coordinator

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Administration Assistant

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Class Times and Room Numbers

Lectures

Thursday	1.40 – 2.30 pm	GBLT 4
Friday	9.30 – 11.20 am	GBLT 3

Please note that for class on Friday, 4 March ONLY the lecture will be conducted at HULT323 (Hunter Lecture Theatre).

Examination Period

2 June to 18 June 2005

Course Objectives

This course focuses on employee remuneration and performance management in contemporary organizations.

The main purposes of this course are:

- to examine the current state of decision-making in remuneration and performance management
- to evaluate how recent theoretical and research developments inform remuneration decisions
- to offer an opportunity to develop competencies in making remuneration and performance management decisions.

This course requires active participation from the students.

Course Content

Week 1: Introduction and Strategic Perspectives February 24 and 25

Required readings: M&N: Chapters 1 & 2

Suggested readings:

Gomez-Mejia, L.R. and D.B. Balkin. (1992.) Chapter 2. “Strategic Choices in Compensation” in *Compensation, Organization Strategy, and Firm Performance*. Ohio: College Division South Western Publishing Co. 34-58. *

Pfeffer, Jeffrey. (1995.) “Producing Sustainable Competitive Advantage Through Effective Management of People.” *Academy of Management Executive*, 9(1): 55-71.**

Collis, David, J. and Cynthia A. Montgomery. (1998.) “Creating Corporate Advantage.” *Harvard Business Review*, May-June: 72-83.*

Richter, Andrew, S. (1998.) “Paying People in Black at Big Blue” *Compensation and Benefits Review*, 30(3): 51-59.**

Rich, Jude, T. (1996.) “Future Compensation Shock.” *Compensation and Benefits Review*, 28(6): 27-33.**

Turnasella, T. (1994.) “Aligning Pay with Business Strategies and Cultural Values.” *Compensation and Benefits Review*, 26(5): 65-72.**

Bloom, Matt. (1999.) “The New Deal: Understanding Total Compensation in the Employment Relationship.” *American Compensation Association (ACA) Journal*, Fourth Quarter: 58-66.*

Week 2 & 3: Internal Consistency: Managing Structure and Design March 3, 4, 10 & 11

FIRST ASSIGNMENT DISTRIBUTED ON MARCH 10 !!!

Required readings: M&N Chapters 3, 4, 5

Suggested readings:

Jaques, Elliott. (1990.) "In Praise of Hierarchy." *Harvard Business Review*, Jan.- Febr.: 127-133.*

Lawler, Edward, E. (1986.) "What's Wrong with Point Factor Job Evaluation." *Compensation and Benefits Review*, March-April.*

Brown, Michelle.(1999.) "Does Pay Structure Matter" *ACA Journal*, Second Quarter: 64-70.*

Bloom, Matt.(1999.) "The Performance Effects of Pay Dispersion on Individuals and Organizations." *Academy of Management Journal*, 42(1): 25-40.**

Week 4: Person-Based Structures
March 17 and 18
Guest Lecture by Hay Consultants

Required reading: M&N Chapter 6

Suggested readings:

Lawler, E.E. (1996.) "Competencies: A Poor Foundation for the New Pay." *Compensation and Benefits Review*, Nov.-Dec.: 21-27.**

Hofrichter, David, A. and Lyle M. Spencer. (1996.) "Competencies: the Right Foundation." *Compensation and Benefits Review*, Nov.-Dec.:21-27.**

O'Neill and Landre.(1993.) "Linking Employees Skills to Pay: A Framework for Skill Based Plans." *ACA Journal*, Winter, 2(3):14-27.*

Ledford, Gerard E. Jr. (1995.) "Paying for Skills, Knowledge, and Competencies and Knowledge Workers." *Compensation and Benefits Review*, 27 (4): 55-62.**

Parent, Kevin and Caroline Weber, (1994.) "Case Study: Does Paying for Knowledge Pay Off?" *Compensation and Benefits Review*, 26 (5): 44-50.**

Week 5 & 6 and 7: External Competitiveness: Managing Total Pay Levels, Mix and Labour Costs
March 24, April 14,15, 21&22
Guest lecture on Compensation Surveys by Cubiks

FIRST ASSIGNMENT IS DUE ON MARCH 24!!!

SECOND ASSIGNMENT DISTRIBUTED ON APRIL 21!!!

Required readings: M&N Chapters 7 & 8

Suggested readings:

Pfeffer, Jeffrey. (1998.) "Six Dangerous Myths About Pay." *Harvard Business Review*, May-June: 109-119.*

Rich, Jude, T., (1992.) "A Framework for the Design of Total Compensation Surveys." *ACA Journal*: 55-65.*

Abosch, Kenan, S. and Janice S. Hand, (1994.) "Characteristics and Practices of Organizations with Broadbanding." *ACA Journal*: 6-17.*

Abosch, Kenan, S. 1998."Confronting Six Myths of Broadbanding" *ACA Journal*, Autumn: 28-36.*

Werner, Steve, Chris Touhey, Robert Konopaske. (1999.) "Ten Questions to Ask Yourself About Compensation Surveys" *Compensation and Benefits Review*, May-June: 54-59.**

**Week 8, 9 & 10 Employee Contributions: Performance-based Pay and
Performance Appraisals
April 28, 29, May 5, 6, 12&13
Guest lecture on performance pay at a NZ organization**

Required readings: M&N Chapters 9, 10, 11

SECOND ASSIGNMENT DUE ON MAY 13 !!!

Suggested readings:

Nina and Jason D. Shaw. (1998.) "Financial Incentives are Effective" *Compensation and Benefits Review*, 30 (2): 26-28.**

Kohn, Alfie, (1998.) "Challenging Behaviorist Dogma: Myths about Money and Motivation", *Compensation and Benefits Review*, 30(2): 29-37.**

Zingheim, Patricia, K. and Jay R. Schuster. (1997.)"Best Practices for Small Team Pay." *ACA Journal*, 6(1): 41-49.*

Abosch, Kenan, S. (1998.) "Variable Pay: Do We Have the Basics in Place?" *Compensation and Benefits Review*, 30(4): 12-22.**

Staiman, Jeff and Kerry Tompson. (1998.) "Designing and Implementing a Broad-based Stock Option Plan." *Compensation and Benefits Review*, 30(4): 23-40.**

Mitra, Atul, Nina Gupta and Douglas G. Jenkins, Jr. (1995.) "The Case of Invisible Merit Raise: How People See Their Pay Raises." *Compensation and Benefits Review* 27(3): 71-76.**

Hansen, Daniel, G. (1997.) "Worker Performance and Group Incentives: A Case Study." *Industrial and Labour Relations Review*, 51(1):37-49. **

McAdams, Jerry, L. (1995.) "Design, Implementation and Results: Employee Involvement..." *Compensation and Benefits Review*, 27(2): 45-55.**

Hale, Jamie and George Bailey. (1998.) "Seven Dimensions of Successful Reward Plans." *Compensation and Benefits Review*, 30 (4): 71-77.**

Week 11. Role of Government in Remuneration

May 19 & 20

Required reading: M&N Chapter 14

Week 12 . Compensation of Special Groups and Overview

May 26 and 27

Required reading: M&N Chapter 18

Suggested readings:

Tosi, Henry L. Jr and Gomez-Mejia, Luis R.. (1994.) "CEO Compensation Monitoring and Firm Performance." *Academy of Management Journal*, 37(4): 1002-1016.**

Waldo, D. (1999.) "Rediscovering Commission Motivation." *ACA Journal*, Second Quarter: 50-55.*

Brossy, Roger and John E. Balkom. (1998.) "Executive Compensation: Finding Balance in the Quest for Value." *Compensation and Benefits Review*, 30(1): 29-34.**

Readings

Milkovich, George T. and Newman. Jerry M, Compensation, 2002, 7th edition.

Materials and Equipment

None.

Assessment Requirements

The purpose of assessment is to evaluate the degree to which each student has understood the issues presented in the course.

Individual Assignments:	40%
Group participation:	10%
Final exam:	50%

There will be two assignments students have to complete. Each assignment is a practical application of the materials covered in class. Assignments will be handed out at least two weeks before their due dates. Each assignment is worth 20 per cent.

Group exercises will be a regular part of the class work. Students will be assigned to groups at the start of the course. Students are expected to participate actively in group exercises. At the end of the course a group participation mark will be assigned to each group and that mark will apply to each member of the group. Group participation mark is worth 10 per cent.

The assignments can be handed in to the course coordinator at the lecture or placed in the locked pigeon hole/box - the location of which will be announced in class and on Blackboard - by **5:00 p.m. on the due date**. The box will be marked HRIR 306. The assignments could

also be e-mailed to the lecturer by 5:00 p.m. on the due date. Receipt of the assignment by e-mail will be acknowledged by the lecturer.

Referencing

There are different styles of referencing and there are not set requirements as to the use of APA, or Harvard method, footnotes or endnotes. The Faculty of Commerce & Administration at VUW has decided to make APA (American Psychological Association) referencing style the common standard across the faculty. The Commerce and Central Libraries hold the book of the APA Style Guide. From the online VUW library site (<http://www.vuw.ac.nz/library/resources/virtualref.shtml#style>) you can also access www.apastyle.org.

- If using direct quotes from your sources, put in quotation marks, cite the source and the page number of the quote:

According to Hyman (1975) “industrial relations is the study of the processes of control over work relations” (p.12).

From a Marxist perspective, industrial relations may be viewed as “the study of the processes of control over work relations” (Hyman, 1975, p.12).

- If citing more than one source in the text then they should be cited in alphabetical order:

Recruitment and selection has commonly been the research domain of psychologists (e.g., Cascio, 2003; Cook, 2000; O’Driscoll, Taylor & Kalliath, 2003).

- Reference list should be provided at the end of the paper, all references cited in the text of the paper should be listed in alphabetical order, book titles and journal names in Italics. For example:

Cascio, W. (2003). *Managing human resources: productivity, quality of working life, profits*. New York: McGraw Hill.

Johnson, E. (2000). The practice of human resource management in New Zealand: strategic and best practice?. *Asia Pacific Journal of Human Resources*, 38(2), 69-83.

Whatever system is used, the following should be observed:

- You must provide references for any ideas that are not your own. When in doubt, reference.
- References must include author, year of publication and page numbers. If it is an internet reference please provide the full URL and the date you accessed it.
- You must provide ‘quotation marks’ if you are quoting. Long quotes, generally more than one sentence, should be indented. Try to avoid using long quotes.
- You must provide a list of ‘References’ at the end of the paper. Only place the citations used in the text in the reference list (it is a list of references not a bibliography).

Penalties

Students will be penalized 5% per day for unexplained late submission of assignments. Assignments more than 10 days late will not be accepted. Explanations will have to be satisfactory to the course co-ordinator in order to have part or all of the penalty waived. Satisfactory explanations will include sickness or accident, if accompanied by a Doctor’s Certificate. All explanations should have supporting documentary evidence and arguments.

Mandatory Course Requirements

1. Completion of individual assignments on due dates.
2. Regular attendance of classes. Should you need to be absent from class, discuss it with the course coordinator in advance.

Note: Under the 1998 examination Statute all students may sit the final examination. However any students who have not completed the mandatory course requirements will not pass the course and will receive a Q (fail) grade.

Communication of Additional Information

Additional information or information on changes will be conveyed to students on Blackboard and in class.

General University Policies and Statutes

Students should familiarise themselves with the University's policies and statutes, particularly those regarding assessment and course of study requirements, and formal academic grievance procedures.

Student Conduct and Staff Conduct

The Statute on Student Conduct together with the Policy on Staff Conduct ensure that members of the University community are able to work, learn, study and participate in the academic and social aspects of the University's life in an atmosphere of safety and respect. The Statute on Student Conduct contains information on what conduct is prohibited and what steps can be taken if there is a complaint. For queries about complaint procedures under the Statute on Student Conduct, contact the Facilitator and Disputes Advisor. This Statute is available in the Faculty Student Administration Office or on the website at: www.vuw.ac.nz/policy/StudentConduct.

The policy on Staff Conduct can be found on the VUW website at: www.vuw.ac.nz/policy/StaffConduct.

Academic Grievances

If you have any academic problems with your course you should talk to the tutor or lecturer concerned or, if you are not satisfied with the result of that meeting, see the Head of School or the Associate Dean (Students) of your Faculty. Class representatives are available to assist you with this process. If, after trying the above channels, you are still unsatisfied, formal grievance procedures can be invoked. These are set out in the Academic Grievances Policy which is published on the VUW website:

www.vuw.ac.nz/policy/AcademicGrievances.

Academic Integrity and Plagiarism

Academic integrity is about honesty – put simply it means **no cheating**. All members of the University community are responsible for upholding academic integrity, which means staff and students are expected to behave honestly, fairly and with respect for others at all times.

Plagiarism is a form of cheating which undermines academic integrity. Plagiarism is **prohibited** at Victoria.

The University defines plagiarism as follows:

Plagiarism is presenting someone else's work as if it were your own, whether you mean to or not.

'Someone else's work' means anything that is not your own idea, even if it is presented in your own style. It includes material from books, journals or any other printed source, the work of other students or staff, information from the Internet, software programmes and other electronic material, designs and ideas. It also includes the organization or structuring of any such material.

Plagiarism is not worth the risk.

Any enrolled student found guilty of plagiarism will be subject to disciplinary procedures under the Statute on Student Conduct (www.vuw.ac.nz/policy/studentconduct) and may be penalized severely. Consequences of being found guilty of plagiarism can include:

- an oral or written warning
- suspension from class or university
- cancellation of your mark for an assessment or a fail grade for the course.

Find out more about plagiarism and how to avoid it, on the University's website at: www.vuw.ac.nz/home/studying/plagiarism.html.

Students with Disabilities

The University has a policy of reasonable accommodation of the needs of students with disabilities. The policy aims to give students with disabilities an equal opportunity with all other students to demonstrate their abilities. If you have a disability, impairment or chronic medical condition (temporary, permanent or recurring) that may impact on your ability to participate, learn and/or achieve in lectures and tutorials or in meeting the course requirements, then please contact the Course Coordinator as early in the course as possible. Alternatively you may wish to approach a Student Adviser from Disability Support Services to confidentially discuss your individual needs and the options and support that are available. Disability Support Services are located on Level 1, Robert Stout Building, or phoning 463-6070, email: disability@vuw.ac.nz. The name of your School's Disability Liaison Person can be obtained from the Administrative Assistant or the School Prospectus.

Student Support

Staff at Victoria want students' learning experiences at the University to be positive. If your academic progress is causing you concern, please contact the relevant Course Co-ordinator, or Associate Dean who will either help you directly or put you in contact with someone who can.

The Student Services Group is also available to provide a variety of support and services. Find out more at www.vuw.ac.nz/st_services/ or email student-services@vuw.ac.nz.

VUWSA employs two Education Coordinators who deal with academic problems and provide support, advice and advocacy services, as well as organising class representatives and faculty delegates. The Education Office is located on the ground floor, Student Union Building, phone 463 6983 or 463 6984, email education@vuwsa.org.nz.