

Victoria Management School

HRIR 306 Remuneration and Performance Management

Trimester Two 2009

COURSE OUTLINE

Names and Contact Details

COURSE COORDINATOR

Dr Geoff Plimmer

Room: RH1007, Rutherford House

Phone: 463 5700

Email: geoff.plimmer@vuw.ac.nz

Website: www.vuw.ac.nz/vms

ADMINISTRATOR

Tania Loughlin

Room: RH1021, Rutherford House

Phone: 463 5358

Email: tania.loughlin@vuw.ac.nz

Teaching Period: Tuesday 14 July to Friday 16 October 2009

End of Year Study Period: Monday 19 October to Monday 26 October 2009

Examination Period: Tuesday, 27 October to Saturday 14 November 2009 (inclusive)

Note: Students who enrol in courses with examinations should be able to attend an examination at the University at any time during the formal examination period.

Withdrawal dates: Information available via

<http://www.victoria.ac.nz/home/admisenrol/payments/withdrawalsrefunds.aspx>

Class Times and Room Numbers

Lectures:	Tuesday:	08.30 am to 10.20 am	GB LT3
	Thursday:	08.30 am to 9.20 am	GB LT3

Course Content

This course provides a critical assessment of the theory and practice of remuneration and performance management, including performance-based pay. Particular attention is paid to the application of these systems and the relationship between remuneration and performance management systems and employee motivation and performance.

This course focuses on two themes:

- Strategic choices in setting rewards and compensation for work, and
- Implementing and operating the performance management cycle in workplaces. This includes processes such as designing and managing appraisal systems, reviewing staff performance, developing performance, and ensuring remuneration systems align with organisational objectives and context.

Course-related Student Learning Objectives

Students completing the course will be able to:

- Analyse and evaluate strategic choices in remuneration and performance management (assessed in test and examination)
- Apply principles and processes to develop remuneration and performance management systems for both individuals and teams (assessed in assignment and examination)
- Describe the linkages between remuneration and performance management (assessed through proposal and exam).
- Evaluate contemporary issues and debate in remuneration and performance management (assessed through exam).

Course Delivery

This course runs as a lecture and discussion programme.

Tuesday sessions will feature focussed discussion on class reading questions (readings and questions are provided in the course readings) plus lecture and some practical exercises in class to bridge theory to practice. The shorter Thursday sessions will comprise traditional lecture and some open class discussion on a scenario or vignette.

Please Note I will not be supplying written answers to the readings questions (on BB or elsewhere) thus participation in the Tuesday discussion is important. You may wish to form a support group with other students to swap notes should you miss a session.

Expected Workload

Students can expect the workload to be approximately 10 hours per week of student work, including both scheduled contact time (lectures, and discussions) and outside class (class reading, assignment and test/exam preparation).

Readings

The **required** textbook is: Milkovich, G. & Newman, G. T., (2005). Compensation. NY, McGraw Hill.

There is also a book of weekly course readings which will be distributed to those enrolled in the class during Week 1.

The Lecture & Discussion Programme

DATE	TOPICS	Reading
Week 1: July 14	Course overview and introduction to remuneration	Milkovich Chapter 1
Week 2: July 21	Introduction to performance management and strategic issues in remuneration	Milkovich Chapter 2 Gomez-Mejia, Luis R. & Balkin, David B., (1992). Chapter 2. Strategic Choices in Compensation. <i>In Compensation, organizational strategy, and firm performance</i> / Luis R. Gomez-Mejia, David B. Balkin South-Western Pub. Co., College Division, Cincinnati, Ohio. (pp. 34-58).
Week 3: July 28	Internal alignment	Milkovich Chapter 3 Pfeffer, J. (2005). Producing Sustainable Competitive Advantage Through the Effective Management of People. <i>Academy of Management Executive</i> , 19 (4), 95-108.
Week 4: Aug 4	Job analysis, job evaluation and person based structures	Milkovich Chapters 4, 5, 6 <i>Workshop</i>
Week 5: Aug 11	External competitiveness	Milkovich Chapters 7 and 8 <i>Guest speaker (PhD student):</i>
Week 6: Aug 18	Employee contributions / pay for performance	Milkovich Chapters 9 & 10 <i>Guest speaker: Strategic Pay</i>
		Mid trimester break
Week 7: Sept 8	Managing performance management	Latham, G. P., J. Almost, et al. (2005). "New Developments in Performance Management." <i>Organizational Dynamics</i> 34(1): 77-87.
Week 8: Sept 15	Performance appraisals	Milkovich Chapter 11 Latham G. & Latham, G. (2000). Overlooking theory and research in performance appraisal at one's peril: Much done, more to do. In <i>Industrial and organisational psychology: Linking theory with practice</i> . Eds Cary L. Cooper, Edwin A. Locke Wiley-Blackwell.(pp. 199 - 244).
Week 9: Sept 22	Performance management and employee development	Shields, J. (2007). Performance review and development. In <i>Managing employee performance and reward</i> . Chapter 8 (pp. 200 – 226). Cambridge.
Week 10: Sept 29	Team performance	Aguinas, H. (2009). Managing team performance. In <i>Performance management</i> (2 nd ed.) Chapter 11, (pp. 268 – 285). Harrington-Mackin, D. (1994). Evaluating and rewarding team performance. Chapter 6: <i>The team building tool Kit: Tips, tactics and rules for effective workplace teams</i> . Amacom.
Week 11: Oct 6	Performance and remuneration for special groups and with unions	Sample of Secondary Teacher Collective Agreement (Retrieved from. http://www.minedu.govt.nz/educationSectors/Schools/SchoolOperations/EmploymentConditionsAndEvaluation/CollectiveAgreements/SecondaryTeachersCA.aspx 17 June 2009). <i>Extra reading to be determined</i>
Week 12	Synthesis and revision	

The following extra articles are also in the readings book:

Theobald, D. (2009). Attack of the merit pay zombie. *ATA News*. Edmonton. **43**: 2.

Tziner, A. & Latham, G. (1989). "The effects of appraisal instrument, feedback and goal setting on worker satisfaction and commitment." *Journal of organizational behaviour* **10**(2): 145 - 153.

Goodhew, G., Cammock, P.A. & Hamilton, R.T. (2007). "The management of poor performance by front line managers." *Journal of Management Development* **27**(9): 951-962.

Additional resources available in the Commerce library which you may also find helpful:

Harvard business review on compensation. (2002) Boston : Harvard Business School Press.

Henderson, Richard I., (2002). Compensation management in a knowledge-based world. Upper Saddle River, NJ: Prentice Hall

Heneman, R. L. (2002). Strategic reward management : design, implementation, and evaluation. Greenwich, Conn.

Lockett, John (1992). Effective performance management : a strategic guide to getting the best from people. London: Kogan Page

London, M. (2003). Job feedback : giving, seeking, and using feedback for performance. Mahwah, NJ: Lawrence Erlbaum Associates.

Useful Journals (available via library databases):

- Compensation and Benefits Review – easy to read articles but lacking supporting evidence
- Journal of Applied Psychology – highly empirical evidence based material

Other useful journals

- Asia Pacific Journal of Human Resources
- Human Resources
- Human Resource Management
- Human Resource Management Review
- Human Relations
- International Journal of Human Resource Management

Assessment Requirements

Assignment	Title	Weight	Date
1	One In-Class Test	15%	Thursday 13 August 2009
2	One Individual Assignment - Essay 2500 words max + references	35%	Tuesday 6 October 4pm
3	Final Examination	50%	27 Oct– 14 Nov 2009
	TOTAL	100%	

1. In-Class Test

Date: **Monday 13 August** Marks: **15%**

The test will comprise of short answer questions based on lectures and readings in Weeks 1, 2, 3 and 4.

2. Individual Assignment

Due: **4pm Tuesday 6 October** Marks: **35%**

Assignment **Box 16**, Mezzanine floor, Rutherford House

Length: **2500** words max + references

Remuneration and performance management design proposal

This assignment will assess and develop your skills in applying the performance management cycle to a scenario, and to develop the credibility and influence skills needed to lead HR projects.

A private firm wants to set up a consultancy for small businesses and voluntary organisations using recent graduates to act as consultants.

In the role of HR expert, please write a proposal for the company on how to establish a remuneration and performance management system.

One of the firm's strategic intentions is to fill a need for small firms and NGOs which are often badly managed and lacking in good HR systems. The company thinks there is a gap in the HR market for organisations that:

- a) cannot always afford commercial HR consultancies, and
- b) need innovation and cutting edge HRM approaches, such as use of online social networks for areas such as recruitment.

The CEO, MR Jones, says that recent graduates can make up for their lack of experience with a) innovative fresh perspectives, b) good management systems within his firms and c) adherence to sound research based approaches that draw on the recent graduates' study skills.

He says "a lot of HR concepts don't apply well to small businesses, and students can provide the fresh perspectives that are needed". He has work for about 4 teams of 3 – 5 people (graduates and stage 3 students) working full or part time. He can provide expertise on good HR practice but he wants the teams to be pretty self managing.

Initially he plans to set up teams based on students' interests and their CVs, and rotate team leaders based on his judgement of their leadership skills. In time he thinks the best leaders will emerge through trial and error. He wants a system that tells him of potential errors as soon as possible, so that clients are not lost in the early stages when things can go easily wrong.

He wants a culture that combines the best of student enquiry, with a rigorous approach, that is a fun place to work, and where his employees practice what they preach.

One of the risks that Mr Jones sees is poor teamwork amongst the student employees, because of their other commitments, and problems like social loafing that happen in teams generally. He wants a performance management system that is "manageable" – not something that looks good on paper but no one will stick with.

He has asked you for a **proposal** to develop a performance management system -- that includes your recommended approach regarding:

- fit with strategy and the job
- teamwork competencies, skills or tasks based on the critical incident method
- planning
- performance appraisal
- review
- development system
- rewards

He knows that the proposals are based on limited information, so he would like to know of **implementation and management** issues, and any further work needed.

Although he doesn't expect a fully developed system with the proposal, he does want to see **samples** of the system. Please include samples of:

1. Competencies/tasks/skills/or job requirements
2. A performance appraisal form
3. Summary staff development procedures
4. Remuneration system guidelines

He wants recommendations backed up with **reference to the research**, and the context of the project. Mr Jones says "too many HR people try and sell me ideas that a) have no research evidence for why they are any good, and b) are boring and unimaginative."

If needed you can declare assumptions (and their rationale) – such as the likely tenure of students in the work, what might motivate them, normative income levels etc. See the **marking schedule** in Annex A.

3. Examination

The final examination for this course will be scheduled at some time during the period from **Tuesday 27 October to Saturday 14 November 2009**.

The **examination is worth 50%** of the total marks available for this course. It is closed book 3-hour examination. All book chapters and readings covered during the course are examinable.

Handing in assignments

Assignments should be dropped in the relevant HRIR 306 **Box 16 on the Mezzanine floor of Rutherford House (Pipitea Campus)** in hard copy form by the due time on the due date. All completed assignments must have a cover sheet. The cover sheet is in Annex A. Students must also keep an electronic copy of their work archived in case the original assignment goes missing. Failure to do so will jeopardise any claim by you that your work was submitted in the rare cases where your work goes astray.

Mandatory Course Requirements

To meet Mandatory Course Requirements, students are required to:

- a. Sit the one In-class test;
- b. Submit the assignment within the allowable timeframe (see Penalties section) below (i)); and
- c. To obtain at least 40 per cent (i.e. 20 marks out of 50) of the final examination marks available.

Students who fail to satisfy the mandatory requirements for this course but who obtain 50% or more overall, will be awarded a "K" grade.

Standard fail grades (D or E) will be awarded when the student's overall course mark falls below the minimum pass mark, regardless of whether the mandatory course requirements have been satisfied or not.

Notice of Failure to meet Mandatory Course Requirements will be posted on Blackboard.

Penalties - for Lateness & Excessive Length of Assignments

- (i) In fairness to other students, work submitted after any deadline will incur a penalty for lateness. **The penalty is 2 of the marks available (marks available means what the assignment is worth i.e. 20% or 20 marks) for an assignment submitted after the due time on the due date for each part day or day late.** (for example if an assignment is out of 20 and the assignment receives 50% then one day late means the mark will be out of 18 and the student will receive 50% of 18). **Saturdays, Sundays and public holidays** will be included when counting the number of days late. Assignments received **more than 7 days after the due date** will not be accepted and the student will **automatically fail the Mandatory Course Requirements**.
- (ii) Course Outlines provide a signal to students of forthcoming workload, dates of submission etc, and thus student study plans should take account of course requirements across all courses. Consequently, workload issues related to other courses and employment will not be accepted as reason for dispensation from mandatory requirements or waiver of penalties. **Extensions** to submission deadlines for any assigned work will only be granted in **exceptional circumstances**.
- (iii) Students who are unable to comply with any of the mandatory requirements should make a written application for an extension to the due date for submission of assigned work or for waiver of a penalty, **in advance**, to the **Course Coordinator**, providing documentary evidence of the reasons of their circumstances.

All such applications must be made **before** the deadline and be accompanied by documentary evidence, eg a medical certificate, or counsellor's report clearly stating the degree of impairment, and the dates the illness or event prevented you from undertaking your academic studies. This can be applied retrospectively.
- (iv) In the event of unusual or unforeseeable circumstances (e.g. serious illness, family bereavement or other exceptional events), that precludes an application in advance, students should make contact with the **Course Coordinator** as soon as possible, and make application for waiver of a penalty as soon as practicable.
- (v) Word limits should be adhered to, especially so when they provide a guide to limiting the student's coverage of a topic.

Grading Guidelines

The following broad indicative characterisations of grade will apply in grading assignments and the exam:

A+	excellent performance in all respects at this level
A	excellent performance in almost all respects at this level
A-	excellent performance in many respects at this level
B+	very good, some aspects excellent
B, B-	good but not excellent performance at this level
C+, C	work satisfactory overall but inadequate in some respects
D	poor performance overall, some aspects adequate
E	well below the required standard
K	failure to achieve mandatory course requirements and have achieved at least an average "C" over all the assessment. Note this is a failing grade.

Policy on Remarking

Every attempt is made to ensure that the marking is consistent across tutors and fair to students. Students may ask for their written work to be remarked. A different tutor will do the remarking and provide comments. The original marking sheet is removed to ensure the process is independent. If the mark differs by 10% or less the two marks are averaged. If it exceeds 10% then it is independently

marked by a third marker and the average of the two closest marks is taken. Experience from previous years is that almost all remarks are within 10% and where there is a change in mark, half the assignments go up and half go down. Occasionally there is a significant shift in the mark.

Application for remarks must be made within 5 days after the marks are available. To apply for a remark, complete the request for re-examination of assessed work form (Annex B) stating which sections (criteria listed in the mark sheet) you wish re-examined. Write on why you think the mark does not, in your view, fairly reflect the quality of your work. Hand this with your assignment into the following place:-

- Pipitea Campus – the Reception Desk on Level 10 Rutherford House where your assignment will have the **time, date and signature** noted on the front cover by the person receiving it.

Allow up to 5 days for remarks to be completed.

Referencing

There are many different styles of referencing and 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 APA Style Guide. You can also access the information from the online VUW library site <http://www.victoria.ac.nz/library/research/reference/referencingguides.aspx>

Communication

Information on course-related matters will be announced at class and posted on the **Blackboard** website at <http://blackboard.vuw.ac.nz/>. It will be crucial for you to regularly check Blackboard for messages, announcements and materials.

Email Contact

Students wishing to contact staff by email should adhere to the following instructions: Include the **Course Code**, your **Name**, your **Student ID** and the **Topic** in the subject area of the email, eg

HRIR300_Smith_Pauline_3000223344_Ass1 Query

All students must use their VUW SCS email account and ID. Otherwise, email will be classified as Spam and will be dumped without being read. All emails with attachments will be dumped, unless requested by staff.

For the following important information follow the links provided:

Academic Integrity and Plagiarism

<http://www.victoria.ac.nz/home/study/plagiarism.aspx>

General University Policies and Statutes

<http://www.victoria.ac.nz/home/about/policy/academic.aspx>

Faculty of Commerce and Administration Offices

<http://www.victoria.ac.nz/fca/studenthelp/Contactus.aspx>

Manaaki Pihipihinga Programme

http://www.victoria.ac.nz/st_services/mentoring/

2009 HRIR 306

Major project: Proposal**Length: 3,000 words max 35%****Student Name:****Mark:**

E = excellent; VG = very good; G = good; Ad = adequate; P = poor

Structure – total 4 marks

Well structured	E	VG	G	Ad	P	Lacks clear structure
Reasonable length	Yes		No			

Issue analysis/discussion – total 25 marks

Relevant to topic	E	VG	G	Ad	P	Little relevance to topic
Clear outline of workplace issues	E	VG	G	Ad	P	Unclear/inadequate explanation of issues
Choice of HR/IR practices is appropriate for issue & well explained	E	VG	G	Ad	P	Choice of HR/IR model doesn't fit the issue or is not well explained
Clear analysis of the issue using the model (helps provide explanation or prediction)	E	VG	G	Ad	P	Inadequate analysis of issue using the model (too descriptive or no attempt to understand, explain or predict)
Clear conclusion to issue analysis (of likely explanation or possible courses of action)	E	VG	G	Ad	P	No conclusion or superficial conclusion
Adequate knowledge and research to build links between theory and practice	E	VG	G	Ad	P	Knowledge of HR principles and practices weak, poor development and testing of ideas with research

Sources – total 2 marks

Adequate acknowledgement of sources/references	E	VG	G	Ad	P	Inadequate acknowledgement of sources/references
Correct citation of references	E	VG	G	Ad	P	Significant incorrect citation of references

Style and mechanics – total 4 marks

Fluent piece of writing	E	VG	G	Ad	P	Clumsily written
Legible and well set out	E	VG	G	Ad	P	Untidy/difficult to read
Grammatical sentences	E	VG	G	Ad	P	Significant grammatical errors
Correct spelling	E	VG	G	Ad	P	Significant spelling errors

COMMENTS:



Victoria Management School

HRIR 306 Individual Assignment Cover Sheet

Name: _____ Student ID: _____

Date Due: _____

Date Submitted: _____

Word Count: _____

*I have read and understood the university policy on Academic Integrity and Plagiarism.
I declare this assignment is free from plagiarism.*

Signed: _____

Extension of the due date (*if applicable*)

Please attach a copy of the note authorising your extension.

Date extension applied for: _____

Extension granted until: _____

Extension granted by: _____