

Victoria Management School

HRIR 306 Remuneration and Performance Management

Trimester Two 2010

COURSE OUTLINE

Names and Contact Details

COURSE COORDINATOR

Dr Geoff Plimmer

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Website: www.vuw.ac.nz/vms

ADMINISTRATOR

Tania Loughlin

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Teaching Period: Monday 12th July – Friday 15th October 2010

Study Period: Monday 18th October – Thursday 21st October 2010

Examination Period: Friday 22nd October – Saturday 13th November 2010 (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 from Courses:

Your fees will be refunded if you withdraw from this course on or before **23 July 2010**

The last date for withdrawal from this course (*assuming it has 12 weeks of lectures, otherwise modify accordingly*) is the three-quarter point of the teaching period, i.e. **Friday 24 September**. After that date, permission to withdraw requires the permission of the Associate Dean (Students) as set out in section 8 of the Personal Courses of Study Statute

<http://policy.vuw.ac.nz/Amphora!~~policy.vuw.ac.nz~POLICY~000000001743.pdf>

To apply for permission, fill in the Late Withdrawal form available from either of our Student Customer Service Desks.

Class Times and Room Numbers

Lectures:	Wednesday:	03.40 pm to 4.30 pm	GBLT3
	Friday:	03.40 pm to 5.40 pm	GBLT3

Course Content

This course assesses 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.

	By the end of this course, students should be able to:	Assessment focus
1	Explain some major HRM theories and concepts relevant to remuneration and performance management;	Assignment 1
2	Evaluate contemporary issues and debate in remuneration and performance management;	Exam
3	Describe the linkages between remuneration and performance management.	Assignment 2 and exam

Course Delivery

This course runs as a lecture and discussion programme.

The (shorter) Wednesday sessions will comprise traditional lecture and some open class discussion on a scenario or vignette.

The two hour Friday 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.

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

Please come to Friday lectures prepared to discuss the readings. They are chosen to support the two assignments and exam, and to build the knowledge base needed for graduate jobs.

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., (2010) Compensation. (10th ed.). NY, McGraw Hill.

This year's text is a later edition than last year's. I'll try and point out divergences between the new and old text for those using 2nd hand texts from previous years (no promises).

Weekly prescribed reading and discussion

There is also a book of weekly course readings which will be distributed to those enrolled in the class during Weeks 1 and 2.

The Lecture & Discussion Programme

DATE	TOPICS	Reading	Key learning objectives & assignments
Week 1	Course overview and introduction to remuneration	Milkovich Chapter 1	Analyse and evaluate strategic choices in remuneration and performance management (assessed in assignment one and examination) (weeks 1-2)
Week 2	Introduction to performance management and strategic issues in remuneration	Milkovich Chapter 2 Pfeffer, J. (2005). Producing Sustainable Competitive Advantage Through the Effective Management of People. <i>Academy of Management Executive</i> , 19 (4), 95-108.	
Week 3	Internal alignment and job analysis	Milkovich Chapter 3 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). <i>Questions 1 - 7</i>	Apply principles and processes to critique and develop remuneration and performance management systems (assessed in assignment two and examination) (weeks 3,4,5,6)
Week 4	Job evaluation and person based structures	Milkovich Chapters 4, 5, 6 Continued - 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). <i>Cont'd</i>	
Week 5	External competitiveness and pay design	Milkovich Chapters 7 and 8 Perry, J., Engbers, T., & Jun, S. (2009). Back to the Future? Performance-Related Pay, Empirical Research, and the Perils of Persistence. <i>Public Administration Review</i> , 69(1), 39-51.	
Week 6	Employee contributions / pay for performance	Milkovich Chapters 9 & 10 <i>No Reading</i>	<i>Assignment 1 Essay due – 20 August midday using <u>Turn it in.</u></i>
		Mid trimester break	

Week 7	Managing remuneration and performance management	Scott, D. S., Morajida, D. McMullen, T. D. (2006). Evaluating pay program effectiveness. <i>World at Work</i> , 15, 2, 50 – 59.	Apply principles and processes to critique and develop remuneration and performance management systems (assessed in assignment two and examination) (weeks 6 ,7, 8,9)
Week 8	Performance appraisals	Latham, G. P., J. Almost, et al. (2005). "New Developments in Performance Management." <u>Organizational Dynamics</u> 34(1): 77-87.	
Week 9	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.	
Week10	Team performance	Aguinas, H. (2009). Managing team performance. In <i>Performance management</i> (2 nd ed.) Chapter 11, (pp. 268 – 285).	Analyse and critique the implications of remuneration & PM in society, including pay equity, wellbeing, special groups and other policy issues (10,11).
Week11	Performance and remuneration for special groups and with unions	Jones, D. and R. Torrie (2009). "Entering the Twilight Zone: The Local Complexities of Pay and Employment Equity in New Zealand." <u>Gender, Work & Organization</u> 16(5): 559-578.	<i>Assignment 2 due – scenario – Monday 4 October</i>
Week12	Synthesis and revision		

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

Martocchio, J. (2009) *Strategic Compensation: A Human Resource Management Approach*. 6/E. Prentice Hall.

<http://victoria.lconz.ac.nz/vwebv/holdingsInfo?bibId=1269612>

Aguinis, H. (2009). *Performance management*. Upper Saddle River, N.J. : Pearson Prentice Hall.

<http://victoria.lconz.ac.nz/vwebv/holdingsInfo?bibId=1269609>

Shields, J. (2007). *Managing employee performance and reward*. Cambridge ; New York : Cambridge University Press.

<http://victoria.lconz.ac.nz/vwebv/holdingsInfo?bibId=1125107>

Aguinis, H., Cascio, W. (2010). *Applied psychology in human resource management*. 7th ed., International ed. Harlow: Pearson Education.

<http://victoria.lconz.ac.nz/vwebv/holdingsInfo?bibId=1269608>

Luecke, R., Hall, B.J. (2006). *Performance management*. Boston, Harvard Business School Press.

Other relevant library books are:

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 but hard to digest

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	Essay 2000 words max + references	25%	Thursday 19 August 12pm
2	Remuneration and performance management design proposal – 2500 max + references and annexes	25%	Monday 4 October 12pm
3	Final Examination	50%	18 Oct– 14 Nov 2010
	TOTAL	100%	

Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning objectives as required for accreditation and audit purposes. The findings may be used to inform changes aimed at improving the quality of FCA programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

Assignments

1. Essay

This assignment is designed to develop knowledge and thinking skills about the fit between theory and practice, and give you a chance to showcase your ability to reason with the first four week's course content.

Pfeffer (2005) argues for wage compression and symbolic egalitarianism. Discuss the validity of his arguments.

Hints: 1) *Remember to plan and self assess using the marking guide.* 2) *There is a lot to cover in only 2000 words – so plan well and check your sentences are active* 3) *Use the Pfeffer article in the readings.*

2. Remuneration and performance management design proposal

This assignment will assess and develop your skills in:

- *applying remuneration and performance management principles, concepts and methods to an organisation and jobs, and to*
- *the credibility influence needed to lead HR projects.*

You are an HR consultant asked to write a proposal that includes a) recommendations on what is already known, and b) future work needed.

Choose an organisation that interests you, and based on public information (such as websites, media reports and other public information) consider the best remuneration and performance management system for it. Focus on *two jobs* within that organisation.

Write a proposal that gives your advice on options, and any processes needed to further design and implement the system.

Justify your case by demonstrating a) an understanding of the organisation and b) your knowledge of the literature and c) your ability to apply it.

The key steps in formulating a total compensation strategy (Chap 2 of Milkovich) would be one format to follow. There are others.

Include as an example a job description, performance appraisal form for one of your chosen jobs (look at the o-net, career services and other websites).

Include cost information. Assume that the charge rate for you and your hypothetical team (if you have one) is \$200 per hour. The maximum budget is \$15,000 ex GST.

See the **marking guide** in Annex B.

3. Examination

The final examination for this course will be scheduled at some time during the period from 18 Oct– 14 Nov 2010.

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

Handing in assignments

Completed assignments are to be submitted **on the due date** in **BOTH** of the following forms:

1. Hardcopy submitted to the **HRIR 306 assignment box number 15** (Mezzanine Floor of Rutherford House – Pipitea Campus), AND
2. Electronic copy to the **HRIR 306 Blackboard Digital dropbox**.

Both versions must have a cover sheet. A hardcopy cover sheet is at the end of this course outline and an electronic copy has been placed on blackboard in the 'Assignments' folder.

Use of Turnitin

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. Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine <http://www.turnitin.com>. Turnitin is an on-line plagiarism prevention tool which compares submitted work with a very large database of existing material. At the discretion of the Head of School, handwritten work may be copy-typed by the School and subject to checking by Turnitin. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

Mandatory Course Requirements

To meet Mandatory Course Requirements, students are required to:

- a. Complete both assignments within the allowable timeframe (see Penalties section) below (i)); and
- b. 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.

Class Representative

A class representative will be elected in the first class, and that person's name and contact details will be available to VUWSA, the Course Coordinator and the class. The class representative provides a communication channel to liaise with the Course Coordinator on behalf of students.

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/

Student Name:

Mark:

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

Structure – 4 marks

Well structured	E	VG	G	Ad	P	Lacks clear structure
Reasonable length	Yes		No			Too long or short

Argument – 15 marks

Content is relevant to topic	E	VG	G	Ad	P	Little relevance to topic
Reasoning for Pfeffers position is well researched and understood	E	VG	G	Ad	P	Pfeffer positions are poorly researched and understood
Alternative points of view are well considered	E	VG	G	Ad	P	Alternative points are poorly argued or under researched
Links to strategy, internal alignment, external alignment and job evaluation are clearly made	E	VG	G	Ad	P	Poor linkages to course content
Connections to other HRIR and BCA content is covered clearly and succinctly	E	VG	G	Ad	P	Weak or no connections to bigger picture
Persuasive, logical, fact based argument using examples where appropriate	E	VG	G	Ad	P	Argument not taken, poorly reasoned or researched
A clear conclusion with a case made that resolves different points of view	E	VG	G	Ad	P	No clear conclusion, different points of view not recognised

Sources – 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 – 4 marks

Active, fluent piece of writing	E	VG	G	Ad	P	Passive, clumsily written
Legible and well set out	E	VG	G	Ad	P	Untidy/difficult to read
Grammatical sentences	E	VG	G	Ad	P	Many grammatical errors
Correct spelling	E	VG	G	Ad	P	Many spelling errors

COMMENTS:

Student Name:

Mark:

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

Structure – 4 marks

Well structured	E	VG	G	Ad	P	Lacks clear structure
Reasonable length/complete	Yes		No			Too long or short/omissions

Issue analysis/discussion – total 15 marks

Relevant to topic	E	VG	G	Ad	P	Little relevance to topic
Clear outline of strategic issues and implications	E	VG	G	Ad	P	Strategic issues ignored and unclear, or implications not made
Recommended remuneration practices are appropriate for organisation and jobs	E	VG	G	Ad	P	Recommended practices do not fit issues or not well explained
Implementation issues are identified with good fit to context and strategy	E	VG	G	Ad	P	Implementation issues omitted or poorly connected to context and strategy
Reassessment / evaluation strategy is complete and appropriate	E	VG	G	Ad	P	Reassessment / evaluation strategy is incomplete and inappropriate
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
Well summarised and with a clear conclusion	E	VG	G	Ad	P	No or unclear conclusion or summary

Sources – 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 – 4 marks

Active, fluent piece of writing	E	VG	G	Ad	P	Passive, 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: _____