MGMT 4240 - Fall, 2015
University of Memphis Lambuth

Compensation and Performance Appraisal

PROFESSOR: Hal Freeman, MBA, EdD Candidate
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CLASS: Thursday 5:30-8:30 PM 2nd Session beginning October 15, 2015

OFFICE HOURS: M – 8:30-10:30 AM, or by appointment. E-mail is generally the most efficient way to contact me - please put MGMT 4240 on the subject line.

COURSE DESCRIPTION
This course focuses on how managers can strategically utilize compensation/benefits to attract, retain, and motivate qualified employees. Much of the course revolves around application of principles to a case where students design all aspects of a compensation/performance appraisal system.

OBJECTIVES
• To understand the guiding principles of effective compensation systems: internal alignment, external competitiveness, and pay-for-performance;
• To recognize the strategic implications of pay decisions;
• To recognize the criticality of procedural fairness and evaluation in creating pay systems;
• To develop an understanding of the multi-disciplinary theories underlying pay system design;
• To acquire substantial experience in building a pay system from a strategic perspective;
• To provide students with the knowledge base that: (1) would be needed in employment as an entry-level compensation specialist; (2) will be of value for students going on to work in other management areas; and (3) will empower students in the future through providing an understanding of how their own pay is determined.


Readings available via Ecourseware or distributed in class.

COURSE WEBSITE: www.memphis.edu Ecourseware D2L
See the course website for various activities (articles, homework instructions, assignment uploads, deadlines, etc.). The website allows the hybrid flexibility as the semester unfolds. When in doubt, check the website.

LISTSERVE: You are on a listserv and will receive periodic class-related news from me (e.g., I use this to post answers to questions about the case that are relevant for all groups).

REQUIREMENTS

All assignments are due at the date and time scheduled. Late assignments will be penalized one half-letter grade if late on the due date and one full letter grade per day thereafter.

Compensation Case (45% of grade):
The 3 compensation cases will require you to examine a compensation system from different websites. In doing so, you will learn how to apply compensation theory and principles, how to justify and communicate your recommendations to executives, and how to evaluate your system.

Grades for each case will be based on the following criteria and approximate weights:

<table>
<thead>
<tr>
<th>Approximate weights</th>
<th>Criteria</th>
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<tbody>
<tr>
<td>45</td>
<td>Technical Adequacy. The extent to which you correctly apply the concepts learned in the class.</td>
</tr>
<tr>
<td>40</td>
<td>Rationale. The extent to which you provide well-developed arguments for the recommendations that you make in the report.</td>
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<tr>
<td>15</td>
<td>Style. Clarity of presentation, correct grammar and spelling, and professional appearance.</td>
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Peer evaluation (5% of grade):
You will be required to confidentially assess your teammates in terms of contribution to the overall class. Hence, free-riders will pay consequences. We will design our peer evaluation assessment tool during class as part of our study of performance appraisal.

Special Group Project (20% of grade: 10% paper, 10% presentation)
Although you will create a formal, rule-based compensation system for FastCat, it is also critical to remember that approaches to pay can vary dramatically for special groups. Your textbook (chapter 14) documents several groups that have particularly interesting “special treatment” with regard to pay (e.g., contingent workers, boards of directors, executives). For this project I want you to analyze and critique the pay practices for a special group that interests you (not one of the chapter 14 groups). A few of the many possibilities include players in any of the professional sports, any of the branches of the military, school teachers, lawyers in law firms, members of worker cooperatives, immigrant labor, university faculty, sports agents, book agents, novelists; artists, private investigators, carneys, clergy, clowns, bloggers, criminals,
farmers, actors, and union organizers. You must be able to find enough material on your group for a scholarly paper and an informative presentation. The paper must be uploaded as a Word document to the course website by Thursday, November 19 at 5:00pm.

Each presentation must include a one page handout provided to every class member. The handout should summarize the key points of the presentation. Each presentation must also provide me with three test questions that tap into the major themes of the presentation (upload a Word document to the course website by the day of your presentation). I will pick from these for the exam. Presentations will begin at the beginning of the class session on Thursday, November 19 at 5:30 PM.

You can complete this section of the course either alone or with one partner. You will soon receive more detailed information on the requirements for this project (e.g., the specific format for evaluating the group’s pay, length of the paper, length of the presentation, available dates).

Exam (20% of grade):
The exam, to be administered on the final day in class Thursday, November 19, 2015 will not be cumulative. First, I will take at least one question from each of the special groups presentations. Second, I will ask questions from the “post chapter 11” materials that we cover in the final few weeks of the semester. Hence, the exam will not be cumulative.

Class participation (10% of grade):
The degree to which you consistently, and insightfully, contribute to the class will determine your class participation grade. While such contributions are always encouraged, your class participation will be particularly tied to discussion of the readings, “your turn” exercises, and guest speaker material. You must come prepared to discuss the day’s assignment (check the website for assignment details).

GRADING: Scale: 100-90 - A, 89-80 - B, 79-70 - C, 69-60 - D. Grade determination:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Compensation Cases (3)</td>
<td>45% (15% each)</td>
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<tr>
<td>Peer assessment of individual</td>
<td>5%</td>
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<tr>
<td>Special group project</td>
<td>20% (10% written, 10% presentation)</td>
</tr>
<tr>
<td>Exam (special groups plus “other”)</td>
<td>20%</td>
</tr>
<tr>
<td>Class participation</td>
<td>10%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
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If you feel that a grade is incorrect, notify me in writing (e-mail qualifies) within one week of receiving the grade.
ACADEMIC INTEGRITY

All work should be performed consistent with principles of academic integrity. All group work should be performed only by your group members and without drawing upon any outside materials that are not explicitly approved by your instructor. Similarly, all individual work should be conducted by the student alone and without drawing upon any outside materials that are not explicitly approved by your instructor. If you are uncertain about these expectations, please ask the instructor.

PLAGIARISM

Plagiarism is a serious academic offense. The University of Memphis regards plagiarism as academic dishonesty. Consequences of plagiarism include failing an assignment, receiving a lower course grade, and even failing a course. According to the University of Memphis Code of Student Conduct "[t]he term 'plagiarism' includes, but is not limited to, the use, by paraphrase or direct quotation, of the published or unpublished work of another person without full or clear acknowledgment. It also includes the unacknowledged use of materials prepared by another person or agency engaged in the selling of term papers or other academic materials." [source: http://exlibris.memphis.edu/help/plagiarism/index.html]

You might be plagiarizing if you:

- Submit someone else's work as your own.
- Buy a paper from a papermill, website or other source.
- Copy sentences, phrases, paragraphs, or ideas from someone else's work, published or unpublished, without giving the original author credit.
- Replace select words from a passage without giving the original author credit.
- Copy any type of multimedia (graphics, audio, video, internet streams), computer programs, music compositions, graphs, or charts from someone else's work without giving the original author credit.
- Piece together phrases, ideas, and sentences from a variety of sources to write an essay.
- Build on someone else's idea or phrase to write your paper without giving the original author credit.
- Submit your own paper in more than one course without permission.

Students with Disabilities (SDS)

Qualified students with disabilities will be provided reasonable, necessary and confidential academic accommodations if determined eligible by the university. It is your responsibility to contact the SDS office and to follow the procedures for having a written verification for specific accommodations from the university disability services staff sent to the instructor within the first two weeks of the semester. Student Disability Services office is at 110 Wilder Tower; 678-2880; www.memphis.edu/sds
Dealing with Harassment

The University of Memphis believes it is important to respond to insensitive and inappropriate behavior in a spirit of collegiality, mutual respect, and professionalism. If you believe that you have been the target of discrimination by another student, faculty member, or staff member, due to age, disability, ethnicity, gender, race, religious beliefs, sexual orientation, or cultural group membership, you can choose to pursue one or more of the following avenues:

- The most direct approach, if you feel comfortable doing so, is to speak directly to the person whose behavior you consider to be inappropriate.
- You may speak to the instructor, the Department Chair (678-2716), or the University’s Affirmative Action Officer (678-2713).
- You may contact the Assistant Dean of Students (678-2298), in the Office of Student Judicial Affairs.
- It is important that you speak immediately to someone, with whom you feel comfortable, in order that your concerns can be handled promptly and fairly. In all complaints of discrimination, including sexual harassment, the Office of Affirmative Action will be notified.
TENTATIVE CLASS SCHEDULE (subject to change)

SEE Ecourseware FOR ARTICLES AND ASSIGNMENT DETAILS

WEEK ONE-INTRODUCING THE PAY MODEL AND PAY STRATEGY
October 15, 2015

Chapter 1 The Pay Model
Chapter 2 Strategy: The Totality of Decisions

WEEK TWO-INTERNAL ALIGNMENT: DETERMINING THE STRUCTURE
October 22, 2015

Chapter 3 Defining Internal Alignment
Chapter 4 Job Analysis
Chapter 5 Job-Based Structures and Job Evaluation
Chapter 6 Person-Based Structures

WEEK THREE-EXTERNAL COMPETITIVENESS: DETERMINING THE PAY LEVEL
October 29, 2015

Chapter 7 Defining Competitiveness
Chapter 8 Designing Pay Levels, Mix, and Pay Structures

WEEK FOUR-EMPLOYEE CONTRIBUTIONS: DETERMINING INDIVIDUAL PAY
November 5, 2015 (Guest Speaker)

Chapter 9 Pay-for-Performance: The Evidence
Chapter 10 Pay-for-Performance Plans
Chapter 11 Performance Appraisals

WEEK FIVE-EMPLOYEE BENEFITS
November 12, 2015

Chapter 12 The Benefit Determination Process
Chapter 13 Benefit Options

WEEK SIX-EXTENDING THE SYSTEM
November 19, 2015 (Special Group Project Presentations)

Chapter 14 Compensation of Special Groups
Chapter 15 Union Role in Wage and Salary Administration
Chapter 16 International Pay Systems

WEEK SEVEN-MANAGING THE SYSTEM
November 26, 2015 (Thanksgiving Holiday) Take Home Exam Due December 2, 2015

Chapter 17 Government and Legal Issues in Compensation (PP in Ecourseware)
Chapter 18 Management: Making It Work (PP in ECourseware)