

Foundations of Compensation

Intended Audience	Early-Career	Delivery Options	<ul style="list-style-type: none">• In-Person• Live Online
HR Competencies	<ul style="list-style-type: none">• Business Acumen• Analytical Aptitude• HR Expertise (HR Knowledge)	Recertification*	SHRM: 15 PDCs

Program Overview

Kick-start your journey into the world of compensation with this practical yet engaging learning experience. In this program, you will grow your understanding of the fundamentals of compensation, including learning what key legislation governs compensation, how to design and administer a compensation system, and how to communicate compensation plans to your organization. Having the opportunity to participate in application-based activities and discussions will help you to increase your skills in such areas as incentive pay and compensation for critical business needs. By the end of the course, you will have gained the foundational knowledge required for any new compensation practitioner.

Program Objectives

This program is designed to provide you with the knowledge and skills necessary to:

- Identify laws that affect compensation.
- Understand how business strategy and compensation philosophy guide a total rewards program.
- Establish job value using internal and external methods so you can develop pay structures.
- Administer and communicate compensation programs.
- Understand and evaluate short-term and long-term incentive plans.
- Recognize the components of executive compensation.

Program Modules

This program includes the following modules:

- Module 1: Introduction
- Module 2: Applicable Laws
 - Key Legislation Affecting Compensation
 - Pay Equity Laws
 - Federal, State and Local Laws
 - Legal Scenario
- Module 3: How Business Strategy Drives Compensation Strategy
 - Business Strategy Examples
 - What Is a Compensation Philosophy?
 - Components of a Compensation Philosophy

- **Module 4: Establishing the Value of Jobs**
 - The Importance of Job Descriptions
 - Internal Job Value
 - Activity: Point Factor System
 - External Job Value
 - Activity: Survey Data Collection
 - Internal Job Value vs. External Job Value
- **Module 5: Pay Structures**
 - Types of Pay Structures
 - Market Data and Midpoint
 - Activity: Job Placement
 - Activity: Compa-ratio
- **Module 6: Pay Administration**
 - Pay Range Adjustments
 - Market Adjustments
 - Merit Increases
 - Step Increases
 - Promotions
- **Module 7: Communication**
 - Transparency Matrix
 - Total Compensation Statements
 - Difficult Compensation Conversations
- **Module 8: Show Me the Motivation**
 - Motivation Models
 - The Puzzle of Motivation
 - Top Three Retention Tools
- **Module 9: Bonus Plans and Other Short-Term Incentives**
 - What Is Variable Compensation?
 - Bonus Plans
 - Activity: Assigning Performance Measures
 - Activity: Create a New Incentive Plan
 - Spot Rewards
- **Module 10: Sales Incentives**
 - Types of Sales Roles
 - Sales Measures and Parameters
 - What Would You Do?
- **Module 11: Pay Equity**
 - What Is Pay Equity?
 - Gender Pay Gap
 - Wage Data
 - State and Federal Laws Impacting Equal Pay
 - Compensation Discrimination
 - Activity: Pay Equity
- **Module 12: Think Like an Owner**
 - Equity
 - Long-Term Incentives

- Profit Sharing
- Employee Stock Ownership Plan
- Module 13: Executive Compensation Overview
 - The Compensation Package
 - Executive Total Compensation
- Module 14: Current Trends in Compensation
 - Firing the Performance Review
 - Merit Budgets
 - Fair Labor Standards Act
 - Minimum Wage and Living Wage
- Module 15: Conclusion