

Foundations of Compensation

Intended Audience	Early-Career	Delivery Options	<ul style="list-style-type: none">• 2-Day In-Person (Onsite or Seminar)• 4-Week Virtual
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

*Visit <https://www.shrm.org/credentials/certification/recertification> for the most up-to-date recertification credit details.

- 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

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- 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

Program Agenda

2-Day In-Person

Day 1:

Module #	Module Title	Time Frame
Module 1	Introduction	8:30 a.m.-8:45 a.m.
Module 2	Applicable Laws	8:45 a.m.-9:30 a.m.
Module 3	How Business Strategy Drives Compensation Strategy	9:30 a.m.-10:15 a.m.
BREAK		10:15 a.m.-10:30 a.m.
Module 4	Establishing the Value of Jobs	10:30 a.m.-12:00 p.m.
LUNCH		12:00 p.m.-12:30 p.m.
Module 5	Pay Structures	12:30 p.m.-3:15 p.m.
BREAK		3:15 p.m.-3:30 p.m.
Module 6	Pay Administration	3:30 p.m.-5:00 p.m.

Day 2:

Module #	Module Title	Time Frame
Module 7	Communication	8:30 a.m.-9:00 a.m.
Module 8	Show Me the Motivation	9:00 a.m.-9:45 a.m.
Module 9	Bonus Plans and Other Short-Term Incentives (part 1)	9:45 a.m.-10:15 a.m.
BREAK		10:15 a.m.-10:30 a.m.
Module 9	Bonus Plans and Other Short-Term Incentives (part 2)	10:30 a.m.-11:30 a.m.
Module 10	Sales Incentives	11:30 a.m.-12:15 p.m.
LUNCH		12:15 p.m.-12:45 p.m.
Module 11	Pay Equity	12:45 p.m.-1:45 p.m.
Module 12	Think Like an Owner	1:45 p.m.-2:45 p.m.
Module 13	Executive Compensation Overview	2:45 p.m.-3:30 p.m.
BREAK		3:30 p.m.-3:45 p.m.
Module 14	Current Trends in Compensation	3:45 p.m.-4:45 p.m.
Module 15	Conclusion	4:45 p.m.-5:00 p.m.

4-Week Virtual

Session	Module #	Module Title	Time Frame
Week 1			
Session 1	Module 1	Introduction	15 minutes
	Module 2	Applicable Laws	45 minutes
	Module 3	How Business Strategy Drives Compensation Strategy	30 minutes
Session 2	Module 4	Establishing the Value of Jobs	90 minutes
Week 2			
Session 3	Module 5	Pay Structures	90 minutes
Session 4	Module 6	Pay Administration	90 minutes
Week 3			
Session 5	Module 7	Communication	45 minutes
	Module 8	Show Me the Motivation	45 minutes
Session 6	Module 9	Bonus Plans and Other Short-Term Incentives	90 minutes
Week 4			
Session 7	Module 10	Sales Incentives	30 minutes
	Module 11	Pay Equity	30 minutes
	Module 12	Think Like an Owner	30 minutes
Session 8	Module 13	Executive Compensation Overview	30 minutes
	Module 14	Current Trends in Compensation	45 minutes
	Module 15	Conclusion	15 minutes

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