

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• Critical Evaluation• HR Expertise (HR Knowledge)	Recertification*	SHRM: 15 PDCs

Program Overview

Gain the necessary insight to kick-start your journey in compensation. Explore the fundamentals of compensation, including key legislation, identifying the steps involved for administering and maintaining a compensation system, and communicating compensation plans to your organization. Engage in practical-application activities and discuss incentive pay, compensation for critical business needs, and recent compensation developments. Obtain the essential knowledge you need as a 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 utilizing internal and external methods and 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 shrm.org/seminars for the most up-to-date recertification credit details.

- Module 4: Establishing the Value of Jobs
 - The Importance of Job Descriptions
 - Internal Job Value
 - Point Factor System Activity
 - External Job Value
 - Survey Data Collection Activity
 - Internal Job Value vs. External Job Value
- Module 5: Pay Structures
 - Types of Pay Structures
 - Market Data and Midpoint
 - Job Placement Activity
 - Compa-ratio Activity
- 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
 - Assigning Performance Measures Activity
 - Create a New Incentive Plan Activity
 - 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
 - Pay Equity Activity

- Module 12: Think Like an Owner
 - Equity
 - Long-Term Incentive (LTI)
 - Profit Sharing
 - Employee Stock Ownership Plan (ESOP)
- 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 (FLSA)
 - Minimum Wage and Living Wage
- Module 15: Conclusion