Course Title: Compensation & Benefits Administration Basics

- **Duration:** 5 Days (approximately 35-40 instructional hours)
- **Course Goal:** To provide HR professionals, managers, and administrative staff with a solid foundational understanding of the principles, practices, and key components of compensation and benefits administration, enabling them to support the design, implementation, and communication of a fair, competitive, and compliant total rewards program.
- **Core Focus:** Understanding salary structures, incentive plans, benefits packages, and market benchmarking.

Learning Objectives:

Upon successful completion of this workshop, participants will be able to:

- **Define** Total Rewards and articulate the key components of a compensation and benefits strategy.
- **Understand** the fundamentals of job analysis and job evaluation to establish internal equity.
- **Read** and interpret salary survey data to perform basic market benchmarking and ensure external competitiveness.
- **Develop** and maintain a basic salary structure with pay grades and ranges.
- **Differentiate** between various types of incentive plans (e.g., bonuses, commissions, profit sharing) and their applications.
- **Identify** and describe common employee benefits (health, retirement, paid time off, ancillary benefits).
- **Understand** the basic administrative processes for benefits enrollment, changes, and communication.
- **Recognize** key legal and compliance considerations related to compensation and benefits (e.g., fair pay, benefits laws).
- **Communicate** compensation and benefits information to employees with clarity and confidence.
- **Create** a personal action plan to apply these concepts to their role.

Target Audience:

- New and junior HR professionals, HR Assistants, and Coordinators.
- HR Generalists who are new to the compensation and benefits specialty.
- Office managers or administrative professionals in smaller companies who handle C&B tasks.
- Managers and business owners who need to understand how to structure pay and benefits for their teams.

Prerequisites:

- Basic business and HR knowledge is helpful. Proficiency with Microsoft Excel is highly recommended.

Teaching Methodology:

This is a highly interactive and practical workshop. The methodology includes:

- **Interactive Lectures:** Introducing core concepts, legal frameworks, and industry terminology.
- **Case Studies & Scenarios:** Applying principles to real-world compensation and benefits challenges.
- **Hands-on Workshops:** Participants will actively work on a job evaluation exercise, analyze salary survey data, and build a simple salary structure using Excel.
- **Group Discussions & Problem-Solving:** Sharing challenges and best practices related to C&B administration.
- **Tool Demonstrations:** Overview of how HRIS and compensation software can support C&B processes.
- **Action Planning:** Developing personal plans to apply learning directly to their roles.

*(For **Online Delivery**, this will be adapted using breakout rooms for case studies, virtual whiteboards (e.g., Miro/Mural) for brainstorming, polls for engagement, and screen sharing for live Excel workshops and tool demonstrations.)*

Materials Provided:

- Comprehensive digital or printed workbook with key concepts, frameworks, formulas, and checklists.
- Templates for a simple Job Description, a Job Evaluation (Point-Factor) system, a Market Pricing Analysis sheet, and a Salary Structure.
- Sample salary survey data and case study documents.
- A glossary of common compensation and benefits terms.
- A personal action plan template.
- Certificate of Completion.

Detailed Day-by-Day Curriculum

Day 1: The Foundation – Total Rewards & Internal Equity

- **Module 1: Introduction to Total Rewards & Compensation Philosophy (Approx. 2 hours)**
  - Welcome, introductions, and course objectives.
  - Defining Total Rewards: The holistic view of compensation (base pay, variable pay), benefits, well-being, development, and recognition.
  - What is a Compensation Philosophy? (e.g., "We aim to pay at the 50th percentile of the market").
  - The link between compensation strategy and overall business strategy.
  - Key goals: Internal equity, external competitiveness, and legal compliance.
  - **Activity:** "What Makes a 'Good' Pay & Benefits Package?" – Group discussion.
- **Module 2: Job Analysis: The Foundation of Compensation (Approx. 2.5 hours)**
  - What is job analysis and why is it essential?
  - Methods for collecting job information (interviews, questionnaires, observation).

    - Writing effective job descriptions that are clear, accurate, and compliant.
    - **Workshop:** Participants review a sample job description and work in groups to improve it based on best practices.
- **Module 3: Job Evaluation: Establishing Internal Equity (Approx. 3 hours)**
    - What is internal equity? The principle of "equal pay for work of equal value."
    - Overview of job evaluation methods (ranking, classification, point-factor, market pricing).
    - Deep dive into the **Point-Factor Method:**
        - Identifying compensable factors (e.g., skills, effort, responsibility, working conditions).
        - Defining factor degrees and assigning points.
    - **Intensive Workshop:** Participants use a simplified point-factor system to evaluate a set of benchmark jobs from a case study.
    - **End of Day 1 Recap & Q&A.**

Day 2: External Competitiveness & Building Salary Structures

- **Module 4: Market Benchmarking with Salary Surveys (Approx. 3 hours)**
    - What is external competitiveness? The importance of paying competitively to attract and retain talent.
    - Sources of compensation data (salary surveys from consulting firms, industry associations, government).
    - How to participate in and interpret salary survey data.
    - The process of "job matching" your internal jobs to survey jobs.
    - Understanding key statistics in survey data (percentiles: 25th, 50th/median, 75th).
- **Module 5: Market Pricing & Data Analysis (Approx. 2.5 hours)**
    - The process of "market pricing" jobs by blending data from multiple surveys.
    - Aging survey data to the current date.
    - Analyzing the market data to establish a market rate for each benchmark job.
    - **Hands-on Lab (Excel):** Participants work with sample salary survey data to "age" it and calculate market reference points for the case study jobs.
- **Module 6: Building a Salary Structure (Approx. 2 hours)**
    - Creating a "pay policy line" by plotting job evaluation points against market data.
    - Designing pay grades and salary ranges (minimum, midpoint, maximum).
    - Understanding range spread and midpoint progression.
    - **Workshop:** Using the data from the previous labs, participants work in groups to design a simple salary structure with 3-4 pay grades.
    - **End of Day 2 Recap & Q&A.**

Day 3: Administering Pay & Incentive Compensation

- **Module 7: Administering Base Pay (Approx. 2.5 hours)**
    - Placing employees within a salary range ("compa-ratio").
    - Managing pay progression: Merit increases, promotions, cost-of-living adjustments.
    - Developing salary increase guidelines and budgets.
    - Handling pay compression and other common pay issues.

    - Communicating pay decisions to employees.
- **Module 8: Introduction to Variable Pay & Incentive Plans (Approx. 3 hours)**
    - The purpose of variable pay: Linking pay to performance.
    - Types of short-term incentive plans:
        - Annual Bonuses / Management Incentive Plans (MIPs).
        - Profit-Sharing Plans.
        - Gainsharing Plans.
    - Sales commission plans (overview).
    - Spot awards and recognition programs.
- **Module 9: Legal & Compliance Issues in Compensation (Approx. 2 hours)**
    - (This module must be tailored to the specific legal jurisdiction).
    - Overview of key pay-related laws (e.g., Fair Labor Standards Act - FLSA in the US, equal pay acts, minimum wage).
    - Understanding exempt vs. non-exempt employee classifications.
    - Pay equity and preventing pay discrimination.
    - **Case Study Analysis:** Analyzing a pay scenario for potential compliance issues.
    - **End of Day 3 Recap & Q&A.**

Day 4: Employee Benefits Administration

- **Module 10: The Role of Benefits in Total Rewards (Approx. 2 hours)**
    - The strategic purpose of an employee benefits program (attraction, retention, well-being).
    - Common categories of employee benefits.
    - Understanding statutory (legally required) vs. voluntary benefits.
- **Module 11: Core Health & Welfare Benefits (Approx. 3 hours)**
    - (Highly localized, principles can be taught).
    - Overview of common health insurance plan types (e.g., PPO, HMO, HDHP).
    - Life insurance and disability insurance.
    - Dental and vision plans.
    - Wellness programs.
    - The basics of benefits administration: Eligibility, enrollment, and carrier management.
- **Module 12: Retirement & Savings Plans (Approx. 2.5 hours)**
    - (Highly localized, principles can be taught).
    - Defined Benefit (pension) vs. Defined Contribution (e.g., 401(k), 403(b)) plans.
    - Key features of defined contribution plans (employee contributions, employer matching).
    - The administrator's role in plan enrollment and basic compliance.
    - **Activity:** "Benefits Package Review" – Participants analyze a sample benefits summary and discuss its competitiveness.
    - **End of Day 4 Recap & Q&A.**

Day 5: Paid Time Off, Other Benefits & Communication

- **Module 13: Paid Time Off & Leave Policies (Approx. 2.5 hours)**
    - Designing and administering policies for:
        - Vacation / Paid Time Off (PTO).
        - Sick Leave.

        - Holidays.
        - Family and Medical Leave (FMLA in the US, etc.).
        - Other types of leave (bereavement, jury duty).
    - Compliance with local leave laws.
- **Module 14: Ancillary Benefits & Perks (Approx. 2 hours)**
    - Exploring other popular benefits and perks that enhance the employee value proposition:
        - Flexible work arrangements.
        - Educational assistance / Tuition reimbursement.
        - Employee Assistance Programs (EAPs).
        - Commuter benefits, gym memberships, etc.
- **Module 15: Communicating Total Rewards to Employees (Approx. 2.5 hours)**
    - The importance of effective communication to maximize the value of your C&B programs.
    - Developing a Total Rewards statement.
    - Communicating during open enrollment.
    - Answering common employee questions about pay and benefits with confidence.
    - Training managers to talk about compensation.
    - **Workshop:** Drafting key messages for a communication campaign about a new benefit.
- **Module 16: Course Review & Your C&B Action Plan (Approx. 1 hour)**
    - Review of the key components of compensation and benefits administration.
    - Open forum for final questions.
    - **Action Planning:** Participants identify 2-3 key actions they can take to improve C&B processes or their understanding within their role.
    - Course evaluation and closing.