Southern New Hampshire University

OL 325: Final Project Guidelines and Rubric

Overview

Acting as a recently hired compensation consultant, you will assist the burgeoning online music firm e-sonic to develop an internally consistent and market-competitive compensation system that recognizes the achievements of individual contributors. The major portion of the project is divided into three milestones, which will build upon the previous milestone. The milestones are submitted in **Modules Three, Five, and Six**. The final version of the entire project will be due at the end of **Module Seven**.

Sample report outlines are included in the project text found in MyManagementLab**.** Each of the sections for this assignment will be submitted via Brightspace.

Outcomes

The project helps students to meet the following course outcomes:

- Students will gain an understanding of the evolution and administration of compensation and benefit programs for organizations
- Students will explore wage theory, principles and practices, unemployment security, worker income security, group insurance, disability insurance, and pension plans and how these compensation and benefit items are balanced to provide incentive and recruitment of a high-performance workforce
- The connection between the organization's mission, objectives, policies, and the implementation and revision of their respective compensation and benefit systems will be analyzed to gain a deeper understanding of the importance of such systems to the organization's overall human resource management
- At the conclusion of this course, students will be able to demonstrate the acquisition and application of theories and concepts that support the enhancement and proficiency in 7 primary competencies: strategic approach, research, teamwork, communication, analytical skills, problem solving, and legal and ethical practices

Preparation

1. Read the **Building Strategic Compensation Project** narrative linked in the course menu of the MyManagementLab home page. **Note**: Section 3: Recognition of Individual Achievements **WILL NOT** be included in the course project. In addition, you will not be using the Compensation Analysis Software shown as a resource in MyManagementlab. Instead, you will be using crowd sourced external competitive salary data from the websites listed below in the Milestone Three area.

Milestones

Milestone One: *Strategic Analysis*
The development of a **strategic analysis** guides all decisions made regarding your compensation systems throughout the project. The strategic analysis reveals firm-specific challenges, objectives, and initiatives that allow you to align the goals of a compensation system effectively with those of the company strategy.

The strategic analysis allows you to better understand the external market challenges e-sonic faces in addition to its internal capabilities. As a consultant, a thorough understanding of e-sonic's business environment allows you to better align your competitive system design with e-sonic's goals, challenges, and objectives. Follow the outline below when completing this portion of the project.

The strategic analysis is fully described in the MyManagementLab Building Strategic Compensation Systems casebook for faculty and students, linked in the course menu in MyLab. Follow the explanations and outline to complete this milestone.

Strategic Analysis Outline:
1. Executive Summary (Concisely conveys the project objectives and main findings. The executive summary is completed last, but included first in the strategic analysis.)
2. Strategic Analysis
   a) Identification of e-sonic's industry based on the North American Industry Classification System (NAICS)
   b) Analysis of e-sonic's external market environment
      i. Industry Profile
      ii. Competition
      iii. Foreign Demand
      iv. Long-Term Industry Prospects
      v. Labor-Market Assessment
   c) Analysis of Internal Capabilities
      i. Functional Capabilities
      ii. Human Resource Capabilities

Each section of the final project should be 5–7 pages in length. The Strategic Analysis section is due at the end of Module Three. It will be graded with the Milestone One Rubric.

Milestone Two: *Section 1: Internally Consistent Job Structures*
Section 1 introduces you to the specification of internally consistent job structures. Through writing job descriptions, the development of job structures, and both the development and implementation of a point evaluation method to quantify job differences objectively, you build the framework for internal equity.

In Section 1, you will focus on building an internally consistent compensation system. An internally consistent compensation system design will clearly define the relative value of each e-sonic sample job, creating a job hierarchy and an objective rationale for pay differences.

As an e-sonic consultant, you are offered a sample of e-sonic jobs in Section 1. Currently, e-sonic employs 100 people and will be hiring many more. However, for the purpose of this simulation, you are asked to work with the sample of **four** jobs offered (see Appendix 2 for sample jobs, located in the MyManagementLab

project tab). Limiting the number of jobs removes one level of complexity from the simulation and allows you to focus on learning the functions of compensation system design. The framework you develop classifying sample jobs can easily be adapted in the future to include all e-sonic positions.

Section 1 Outline:
1. Create Job Descriptions
2. Create Job Structures
3. Build Point Evaluation Method
   a) Select benchmark jobs.
   b) Choose compensable factors based upon benchmark jobs.
   c) Define factor degree statements.
   d) Determine weights for each compensable factor.
4. Calculate Point Values for e-Sonic Jobs
   a) Determine point value for each compensable factor.
   b) Use the job evaluation worksheet to calculate point values for each position.
   c) Distribute points for each compensable factor across degree statements.
   d) Rate jobs using point method.
   e) Individually rate jobs to ensure reliability.
   f) Resolve any discrepancies in point totals.
   g) Rank jobs in each job structure according to results of your point evaluation.

Each section of the final project should be 5–7 pages in length. Section 1: Internally Consistent Job Structures is due at the end of Module Five. It will be graded with the Milestone Two Rubric.

Milestone Three: *Section 2: External Competitiveness*
Section 2 shifts your focus outside the company to compare pay rates of positions inside the firm with similar positions in the external market place. The shift to outside the company will move you away from the previous focus on e-sonic's internal consistency to external competitiveness. Conducting an analysis of external market data will support your decisions about appropriate pay-policy mixes for job structures in the company.

In section 2 of Milestone Three, you will be introduced to tools compensation professionals use to allocate total compensation within job structures. Total compensation includes base pay, benefits and varied incentives used to attract and retain employees. During the simulation you will use some of these tools to develop pay policies for each e-sonic job structure.

In order to conduct your external market survey you will use web-based salary sites developed by the US Bureau of Labor Statistics and Glassdoor.com. These websites develop salary pay ranges based off of actual pay data from professionals working in specific jobs and potentially represent the most current pay for the job titles at e-sonic. For your final project, you will follow the steps outlined below:

Section 2 Outline:

Executive Summary Findings

1. Determine Appropriate Pay-Policy Levels for E-sonic Jobs
2. External Market Review
   a) Research market competitiveness using the free salary websites listed above, which provide salary data by title and region.
   b) Research trends about cost of living adjustments in e-sonic locations. Apply some discussion around leading, lagging or matching the market to the salary data you found in your market salary research. We are assuming that the salary research you are using is similar to benchmark jobs. As such, you can also incorporate the discussion of whether jobs you researched would match the benchmark jobs or require more or less experience and talent than the benchmark job.
   c) Update salary data for inflation using CPI-U.
3. Implementation of Salary Survey Results
   a) Create pay grades and ranges by integrating external market data with internal pay grades.
   b) Evaluate and summarize decisions made for each job structure.

Each section of the final project should be 5–7 pages in length. Section 2: External Marketplace **is due at the end of Module Six**. **It will be graded with the Milestone Three Rubric.**

Final Submission:

The final project is due at the end of **Module Seven**. This version will include all revisions based on feedback from your instructor to the Executive Summary/Strategic Analysis, Section 1: Internally Consistent Job Structures, and Section 2: External Competitiveness. It should be prefaced with a 1–2-page historical perspective on compensation and close with a 1–2-page summary of how you used strategic approach, research, communication, analytical skills, and problem-solving to present a compensation package tailored for e-sonic. **Each section of the final project should be 5–7 pages in length. This submission will be graded with the Final Project Rubric (below).**

Final Project Rubric

Requirements of submission: Each section of the final project must follow these formatting guidelines: 5–7 pages per section, double spacing, 12-point Times New Roman font, one-inch margins, and discipline-appropriate citations.

Critical Elements	Exemplary (100%)	Proficient (85%)	Needs Improvement (55%)	Not Evident (0%)	Value
Historical Perspective	Meets "Proficient" criteria and includes pertinent facts that demonstrate a sound grasp of the historical perspective	Describes compensation in the U.S., including several facts from a historical perspective	Describes compensation in the U.S., including facts from a historical perspective, but may have gaps in the chronology	Does not present a historical perspective of compensation in the U.S.	10

The Strategic Analysis	Provides in-depth analysis that includes an executive summary and the strategic analysis with all of the elements of the outlines provided in the Building Strategic Compensation Project documentation, demonstrating a complete understanding of all concepts	Provides in-depth analysis that includes an executive summary and the strategic analysis with most of the elements of the outlines provided in the Building Strategic Compensation Project documentation	Provides an analysis that includes an executive summary and the strategic analysis with some of the elements in the outlines provided in the Building Strategic Compensation Project documentation	Does not provide an analysis that includes an executive summary and/or the strategic analysis with elements in the outlines provided in the Building Strategic Compensation Project documentation	20
Section 1: Internally Consistent Job Structures	Provides in-depth job structures with all of the elements of Section 1 of the Building Strategic Compensation Project documentation	Provides all job structures with most of the elements of Section 1 of the Building Strategic Compensation Project documentation	Provides most job structures with some of the elements of Section 1 of the Building Strategic Compensation Project documentation	Does not provide job structures with elements of Section 1 of the Building Strategic Compensation Project documentation	25
Section 2: External Competitiveness	Provides in-depth market competitiveness report with all of the elements of the outline provided in Section 2 of the Building Strategic Compensation Project documentation	Provides market competitiveness report with most of the elements of the outline provided in Section 2 of the Building Strategic Compensation Project documentation	Provides market competitiveness report with some of the elements of the outline provided in Section 2 of the Building Strategic Compensation Project documentation	Does not provide market competitiveness report with elements of the outline provided in Section 2 of the Building Strategic Compensation Project documentation	25
Summary	Presents a 2-page summary explaining in depth use of strategic approach, research, communication, analytical skills, and problem-solving to present a compensation package tailored for e-sonic	Presents a 1-2-page summary explaining use of Strategic Approach, research, communication, analytical skills, and problem-solving to present a compensation package tailored for e-sonic	Presents a 1-2-page summary explaining use of some of the elements such as strategic approach, research, communication, analytical skills, and problem-solving to present a compensation package tailored for e-sonic	Does not present a summary explaining use of strategic approach, research, communication, analytical skills, and problem-solving to present a compensation package tailored for e-sonic	10
Writing (Mechanics/ Citations)	No errors related to organization, grammar and style, and citations	Minor errors related to organization, grammar and style, and citations	Some errors related to organization, grammar and style, and citations	Major errors related to organization, grammar and style, and citations	10
				Total	**100%**