

# Good term paper on legal environment total rewards

[Business](#), [Management](#)



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## **Introduction**

The legal system is present in all aspects of our lives to ensure that everything in life is fair and is done with a particular protocol. The labour market is not exempt from laws. It is an area that especially needs legality for it to function properly. Employees are otherwise powerless in determining their wages and treatment. Laws ensure that they have power and a voice. Without legality, the labour market will be a flood of unfair payment under unscrupulous employers.

## **Law in remuneration**

Laws directly affects remuneration of employees in both public and privates sector. Laws stipulate how employees ought to be paid, how they should be paid, and define what constitutes to fair and equal pay. Laws take away the freedom of employers in payment and give rules that govern what the standard rules should be in payments. The role of law is to observe and uphold employee payments, by ensuring that they get a fair representation of their work (Goldman & Corrada, 2011). Because managers have all the

power in the work setup, employees are the subjects to that power. They, therefore, need to be protected against any form of exploitation. The law is the only tool that facilitates that protection. Such laws include the Lilly Ledbetter fair pay act that was enacted and signed by President Obama in 2009. The act seeks to address the statute that limits an employee to suing a firm for lack of payment from the date in which they started working. The ambiguity was noted in the Ledbetter case, and the remedy was sought. Thereafter, an employee is allowed to sue from the time of the last paycheck, thus making the process fairer. The fair wages and labour standards in the USA stipulate that the minimum wage is \$7 per hour. Such a law intends to stop the underpayment of the employees regardless of what type of work they do. It also addresses issues that accrue to child labour and extra hour working, which should be rewarded differently (United States, 1985). Other laws include the Walsh public contractors acts that seek to establish the minimum wage of contractors and how long they should work. The role of law, therefore, can be identified as protective of the employees' rights. Every sector of employment in the USA is governed by a law that ensures ethics is regarded when it comes to the treatment and payment of employees.

Ideally, laws complement the employers' process of recruitment and retaining of workers. The reason is that an employee is more likely to be attracted to a corporate entity that adheres to the legal provisions of payment. The law is a binding factor in the organization's process of remuneration. Because it is binding, it ensures that the organization remains fair in its relationship with employees regarding payment. The organization

will pay employees on time, be fair in doing so and reward them for any extra times that they contribute to the organization. The result is staff that is well motivated and loyal to the organization. Therefore, with this in mind, the law helps managers to establish a loyal workforce. During recruitment, employees will feel more comfortable when they are presented with a plan that covers all their needs in the wages. The plans presented should cover all the laws that accrue to remuneration. Such plans complement the process of recruitment because once the employees are confident that their needs will be met in the company they are motivated to give work hard. Loyalty from the organization is a vital factor in the creation of a loyal workforce. One of the obvious ways that employees are motivated is through remuneration. Therefore, the laws facilitate the creation of a loyal workforce because they create the desirable conditions for payment that managers would otherwise deviate from had the law not intervened (Jackall & Levin, 1984). An example of an employer that uses wages to motivate employees is Hewlett Packard of the famed HP Company. The company has one of the best remuneration systems in the world that has created a loyal employee base in all its international branches. Because the company is big, it needed to have a unified system of rewarding and paying the employees. The law is one way of creating a unified system of payment.

HP has a system of pay that is encrypted on its human resource management systems all around the world. The system has a code of payment of employees that observes all the legal provisions needed for payment. Such a system has enabled HP to avoid legal scandals and to reward its employees properly, thus creating a group of employees that are

dedicated to the Company (Frey, 2002). The human resource management is required to observe legal procedures in all its dealings with employees.

Wages, rewards and terms of equal pay are all stipulated in the legal code of procedure of the company. In addition, the human resource management recognizes any undertakings to extra time. Another CEO that has embraced legality in wages is Dave Lewis of Tesco PPL. Tesco PPL has 12 markets that are distributed globally. The 12 markets have a total of 500, 000 employees.

## **Conclusion**

Human resource management has the burden of upholding morality despite the powers that are accrued to them. For this reason, the department and managers in charge of it need the law to guide them in their role. The managers are often in the public spectacle and would find themselves in scandals if they do not uphold the laws that regard employee treatment, working hours, recruitment and payment. The law serves as a good guide for them. Therefore, from the above, it is evident that legal rules are fundamental in organizations.

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