

Compensation and benefits plan



Compensation and Benefits Plan November 20, 2011 Compensation and Benefits Plan In this submission Learning Team B (LTB) supports and expands on one team member's proposal to add a school psychologist at Manzano Day School in Albuquerque, New Mexico to fill an operational gap. LTB outlines a proposal for compensation and benefits plan that meets the needs of the employee and the organization.

Specifically, the proposal recommends and justifies an approach for direct pay, incentives, security and health benefits, pay for time not worked, and employee services; moreover, it identifies any obstacles or potential resistant in implementing each recommended approach. Direct Pay When developing a set salary for the position of School Psychologist at Manzano Day school. One must consider the demographics and comparison of other schools in the area.

For many years New Mexico public schools have been ranked worst in the country as a result of over crowding, lack of funding, lack of staff, lack of resources and corrupt behavior. When comparing the pay scale for a school psychologist working for the Albuquerque Public School (APS) system an individual with a PhD. in Psychology starts at an annual salary of \$54, 000 (www.aps.edu/human-resources/salary-schedules/salaries/a4-salary-schedule) which is based on a 208 days (8hrs/day) work schedule and then is adjusted according to years of experience and other skills according to a grade step in pay.

Manzano Day School would match the same payscale and grading as the public schools offer, in addition to non quantitative incentives as small

classroom sizes, multitude of resources, adequate funding for education and a strong support from the community, board of directors and administration.

Incentives Nonprofit organizational goals differ from for-profit firms and require different types of leaders and reward systems. Inability to distribute profits prohibits profit sharing, gain sharing, and stock-ownership incentive plans (Roomkin & Weisbrod, 1999). Firms are increasingly using variable-pay systems such as pay-for-performance plans to control costs and increase employee efficiency (Cascio, 2010). Such a system is not a good fit for the school psychologist because it would likely reduce intrinsic motivation and could influence objective failure (Bregan, 2010). The major purpose of a school psychologist is “to achieve positive outcomes for students and systems” (Shriberg, Satchwell, McArdle, & James, 2010, p. 8). Position activities do not have sole influence over outcomes making it difficult to identify conditions to meet to attain a specified bonus incentive (Bregan, 2010).

The change in social, emotional, or psychological outcomes is difficult to target, measure, and reward (Roomkin & Weisbrod, 1999). When the link between performance and rewards are weak, the merit-pay system fails (Cascio, 2010). The school psychologist is an intended change agent who leads the charge “toward positive ends for children, families, schools, and communities” (Shriberg et al, 2010, p. 20). Thus, employee involvement in decision making, empowerment, recognition, training opportunities, and offerance of a supportive nurturing company culture are important nonfinancial rewards (Cascio, 2010).

Manzano Day School operates nine calendar months annually; providing the school psychologist a 12-month salary is a unique yet feasible incentive that

will help the company attract the right candidate and enhance his or her job satisfaction. Another inherent incentive that produces the same effects is free tuition for the school psychologist's children if he or she has any.

Security and Health Benefits ... Randa's part... Pay for Time Not Worked ... Lacy's part... Employee Services The AgeDiscriminationin Employment Act requires employers to offer the same group health insurance to every employee no matter what age they are.

Employers offer a wide variety of benefits. For companies to be successful in the competitive labor market, firms are fair when offering benefits to employees. This year is the first year employers are offering domestic partner benefits regardless of the person's sexual orientation and marital status (Casico, 2010). For many years insurance companies only paid out benefits to married couples of the same sex, but because of the diversity of the labor market, firms are being more diverse.

According to the Bureau of Labor Statistics, 29 % of private sector workers, and 33% of local and state government workers have health care benefits for domestic partners of the same sex. The benefits vary, depending on the employer and employee characteristics, and whether the domestic partner is of the same or opposite sex (Bureau, 2011). In March 2011, the Bureau of Labor Statistics reported paid leave benefits to be the largest available benefit offered by employers, and employers offers 91 % of paid benefits to full-time workers in private industry (Bureau, 2011).

Employees offer other work life benefits such as Elder care, child adoption, onsite childcare, subsidized childcare, the ability to convert sick days into

personal days, and flexible work schedule (Casico, 2010). Benefits are important and people are committing more to companies because of the benefits. Conclusion Ultimately... need to add some summarized thought that ties the paper together... LTB outlined the compensation and benefits plan proposal for a school psychologist position at the Manzano Day School in Albuquerque, New Mexico.

Specifically, the proposal recommended and justified an approach for direct pay, incentives, security and health benefits, pay for time not worked, and employee services; furthermore, it identified any obstacles or potential resistant in implementing the recommended approach. References: Bregm, K. (2010). The Logic of the New Pay Systems Revisited-in the Light of Experimental and Behavioral Economics. *International Journal Of Public Administration*, 33(4), 161-168. doi: 10. 1080/01900690903304175 Bureau of Labor Statistics (2011), Employee Benefits in the United States, Retrieved November 17, 2011 from <http://www. ls. gov/news. release/ebs2. nr0. htm> Cascio, W. F. (2010). *Managing human resources: Productivity, quality of work life, profits* (8th ed.) Roomkin, M. J. , & Weisbrod, B. A. (1999). Managerial Compensation and Incentives in For-Profit and Nonprofit Hospitals. *Journal Of Law, Economics, & Organization*, 15(3), 750-781. Shriberg, D. , Satchwell, M. , McArdle, L. , & James, J. (2010). An Exploration of School Psychologists' Beliefs About EffectiveLeadershipPractice in SchoolPsychology. *School Psychology Forum*, 4(4), 8-21.