

# Compensation administration case study sample

[Business](#), [Company](#)



**Ans-1)**

Inevitably, every company strives hard for the economic prosperity and economic expansion and for that purpose; different things and provisions would have to be taken into consideration. Employees are the backbone of an organization and no organization can increase their financial belongings without having effective workforce and by getting their core commitments. There are many departments that are working under the cover of business. Employees are considered as the most valuable assets for any organization to amplify their productivity. Every department has its particular to perform in the best interest of the company but as far as employees related issues are mainly handled by Human resource department. The department is liable to execute a number of roles and deny the fact that human resource is only responsible for hiring and firing. The role of HRM is really crucial from the standpoint of an organization as the department is committed to hiring employees in compliance with the requirement of the particular post. Moreover, they are dealing with compensations, job analysis, benefits/incentives and developing employees that ultimately result in valuable personnel for an organization (Steve Werner, p. 19)

It is a common saying that satisfied employees are much more productive as compared to unsatisfied employees and for the same purpose; there are a number of provisions which have to be taken into account. Among the numerous things which enhance the level of satisfaction among the employees, the name of compensation programs is one of them.

Compensation programs are the programs through which organizations would compensate the employees of a company accordingly, commiserates

with their experience, knowledge and education off-course. Apart from it, there are certain HRM policy system that is taken into consideration by an entity to back the department's administrative maneuvers, maintaining performance of working groups, create pleasant relations with employees and resource planning (Sims, p. 43). The formation of policies caters the enterprises to exhibit both internally and outwardly, that complies with the relevant regulations, staff diversity, corporate governance, ethics and training. These policies are of great importance if they are wisely designed, organized and then implemented in its simplest shape, which can play to seize the many misconceptions about the staff's rights and obligations in the premises of the business

### **Ans-2)**

All the experts and HR legislatives are strongly advised new start-up ventures to jot their policies as earliest. However, it is really important to note down polices which helps in better understanding of what the policies are and they are able to circulate the whole policy structure fairly within the enterprise. In addition, issues that involve the interests of employees and company policies come in front of federal and state courts; it is standard practice that the company's human resources policies, whether written or oral, between labor and enterprise are considered as the part of the contract. There are a number of ways in which the employees of an organization could be compensated and it is required to use the best possible strategies to initiate the same to become economically perfect and strategically fit (Robert L. Mathis, p. 29). In the case of Expert Sports, there are numerous bases of pay which have been discussed like seniority pay, merit, incentive

based and others, but it has been consensus that most of the pay system found in the company was not enough to satisfy the needs of their employees accordingly.

After seeing the profile of Expert Sports Inc and the profile of its employees, it is found that the company has to initiate effective pay and incentive based programs in order to satisfy the needs of their employees accordingly and effectively. Seniority and merit based salary programs would not be effective at any time period, like it is not at all effective for Expert Sports Inc as well, because there would be no advantage behind the hard work of the individuals who are not senior or for the individuals who was not hired on merit.

After critically observing the internal environment of Expert Sports Inc, I would like to suggest two salaries and compensation based programs for the company, which are Pay related Performance (PRP) and Incentives. Both of these types of compensations are adhering with the Maslow Hierarchical Needs and theory, in which a person would ultimately climb on the second step, when his first level of motivation gets fulfilled. This particular theory could be fully applied to the scenario of Experts Sports Inc. In this way, pay would be given not on the seniority basis but on the performance basis and in the consequences of the same, every employee tries to get a step ahead from the previous employee. It is the most effective HR practice and strategy which the company can initiate in order to increase the financial belongings accordingly. Incentives can be distributed according to the seniority but first priority would be given to those employees who worked hard for the productivity of the company. If, Howe would implement this particular

strategy on Experts Sports Inc, then the company may increase the level of satisfaction among their employees and can increase their strategic and financial position effectively and accordingly at the same time.

### **Ans-3)**

It has been observed that big and multinational organizations always try to get their employees participated in the decision making process and this particular stance would be extremely vital from the standpoint of the company. If I will spend a day with Maria Howe and the workers of Expert Sports Inc then the information which I would like to cripple down from here is that do you participate your employees in the decision making process? Or you ever empower them to reveal their problems and issues while working in the company?

Both of these questions are extremely important from the viewpoint of an organization and from the standpoint of the employees of a company as well, as this particular thing not only enhances the level of satisfaction among the employees, but it also underpins the employees of the company to do more for the sake of the company. This particular technique is known as Management Bi Objectives (MBO) and I would like to recommend Maria Howe to initiate the same strategy in the company to become economically active and strategically fit, because it would not only benefit the company but it also enhances the level of satisfaction among the employees as well.

### **Works Cited**

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Sims, Ronald R. Human Resource Management: Contemporary Issues, Challenges, and Opportunities. London: IAP, 2007.

Steve Werner, Randall S. Schuler, Susan E. Jackson. Human Resource Management. Chicago: Cengage Learning, 2012.