

Motivate, manage and reward performance assignment

[Sociology](#)



Manager's View: Major expense. Increase employee behaviors and improve organization's performance. Employee's view: Source of great financial security. Return in an exchange between employer and themselves.

Rewarding employees as job well done. Act as being an employee of the company. 2. Explain the difference between base pay and performance pay.

Answer: Base Pay: Base pay generally describes the minimum compensation that an employee can expect from his job. It can express in terms of hourly rate or it could be in a number of other different forms.

In salary basis, base pay could be expressed as a monthly salary such as \$5000 per month or \$60000 per year. Performance pay: Performance pay reward employees for their great performance at their job. It is easy to quantify but not all the time. For example, a business dealership can act as a reward for an employee who perform consistently excellent and fulfill sales target. Companies also try to improve in less quantifiable job like teamwork. In that case, the incentive would be tied up with the supervisor's subjective rating of employee's performance at a scheduled review.

Achieving higher rating allow employees to receive more incentive pay. Most incentive plans that provide financial rewards for performance are pay for performance plans but not all of them because some are merit pay plans. 3.

What are the three tests used to determine whether a pay strategy is a source of competitive advantage? Are these tests difficult to pass? Can compensation be a source of competitive advantage? Answer: Three tests are as follows: Aligned with the business strategy. Aligned externally with the economic and sociopolitical conditions. Aligned internally with the overall HR system. Alignment is probably the easiest test to pass. Compensation as <https://assignbuster.com/motivate-manage-and-reward-performance-assignment/>

a source of competitive advantage is a debatable issue. Some types of single pay practices can be easily imitated such as amount of base pay, benefits, stock options etc. But according to the strategic perspective, it is the way pay practices fit together, fit the organization strategy, and are managed that may result in a sustained competitive advantage. 4. Why is internal alignment an important compensation policy?

Answer: Internal alignment or internal equity distinguishes the comparative value of various jobs within an organization. It forms the basis of the pay construction y providing appropriate pay differences to jobs of unequal value. It also distinguishes the differential value of the experiences to perform different jobs and the conditions under which jobs are accomplished. Observations of internal alignment effect employees' motivation, gratification, improve cooperation with team, desire to stay with the organization for longer time and also increase their interest in chasing various HER activities like training and development. . Explain the difference between egalitarian versus hierarchical pay structures. Answer: There are two types of corporate structures, egalitarian and hierarchical. Egalitarian: In egalitarian structure all employees share equal responsibility and power and it is more popular then hierarchical structure. In an egalitarian structured company employees have general job description rather than specific. In an egalitarian structure, rather than reporting superior all employees work collaboratively on tasks and behave equally.

Egalitarian companies do not impose the same boundaries on employees like hierarchical. In egalitarian, employees cannot avoid tasks outside their job

description. It promotes employees morale because of same rights and privileges. Egalitarian structured management doesn't always goes with large companies. Hierarchical: In hierarchical structure all employees have their specific job description. Employees have their supervisor whom they report their progress and issues and supervisors monitor their work and issues.

Hierarchical or traditional structure imposes same boundaries to all employees. In hierarchical employees have the ability to avoid certain task if it is not in their job description. In hierarchical structure employees can't think independently or collaborate while necessary like egalitarian structure. Hierarchical structures provide proper direction by organizing workers based on their talents and explicitly describing the tasks that each worker must complete. 6. Describe the major decisions involved in job analysis.

Major decisions involved in job analysis are as follows: Why performing job analysis: Job analysis information are important for various reasons like clarification for hiring and promotional standards, identifying needs for training, identifying the required behaviors and results expected from a job to assist performance valuation and for compensation purpose establishing a job structure. What information is needed: Analysis should start with a review of job information that's already collected.

There are two categories for information needed part: a) job related information and b) employee related information. How to collect information: There are two approaches for collecting information. These are a) conventional methods which use questionnaire by an analyst in conjunction

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with structured interviews of job incumbents and supervisors b) quantitative methods that involve inventories and questionnaires, where possible work tasks or worker attributes are listed. Who should be involved: It just be decided by which extent varies parties will be involved.

In that case a HER employee or a supervisor collect all required data and job holders/supervisors provide those kinds of data. Employees above and below the level of the job analyzed could be included. For this process it is important to get support from top management. How useful are the results: Results should be judged in terms of dependability, strength, suitability, helpfulness, costs etc. 7. What are the differences between a job and a task? Job: Employees performance as part of their occupations, a specific duty, role, or function. It is a single work assignment or operation.

Task: Tasks clearly advances a work assignment and is a logical portion of that assignment. It is a single and separate activity and an assigned piece of work often to be finished within a certain time. Case Scenario Internal Equity: Internal equity is about the fairness of the pay structure. Internal equity occurs when employees feel that their performance is fairly used to determine their pay with a certain job. Employees will be dissatisfied if internal equity principles are not met properly. Internal equity studies analyze the nature of a particular position.

Such as: Skill, effort, responsibility and working conditions. Internal equity determines pay equity between same positions. It also ensures compliance with the Federal Equal Pay Act and state laws that results potential lawsuits.

An internal equity study makes good managerial sense in that employee

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confidence, and therefore, efficiency will increase too. Internally, equity can be expressed in terms of employees who do the following: Perform comparable jobs, perform different jobs, work within the same department or work in different departments.

Internal equity is the comparative value of an employee's job compared to others in the organization. Internal equity is based on a number of factors, such as education, experience, physical fitness if its necessary for work, accountability for materials, health & safety of others, management responsibilities, customer interaction and working circumstances etc. Work exploration and job strategy are used to govern the internal equity of jobs.

External Equity: External equity refers the pay rate when it's at least equal to the market rate. It's also called matching equity.

An employer's objective should be to pay what is need to fascinate, keep and inspire a necessary number of capable employees. This requires a base pay program that pays competitively. Employees always compare their job and pay rate with other similar companies or jobs. Employees consider more than base pay for determining their base pay. Some determining external equity issues are job safety, working atmosphere and well-being, traveling distance, forthcoming opportunity, and employee relationships practices with employer etc. Transferability of skills is an important issue for determining external equity.