

TEACHING GUIDE

Course Information	
Full name	Compensation and rewards
Code	0000012198
Degree	Master's Degree in Talent Management / Master in Talent Management from Comillas Pontifical University
Taught in	Master's Degree in Talent Management / Master in Talent Management
Level	Postgraduate Official Master's Degree
Quarter	Quarterly
Credits	6,0 ECTS
Type	Mandatory
Person in charge	Jorge Herráiz Romero
Office hours	Continuous availability via email

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SPECIFIC COURSE INFORMATION

Course contextualization

Contribution to the professional profile of the degree

Compensation and rewards

The way in which each organization manages its people has become a differential and key factor for businesses. This is the only way to attract and retain in the long term the best professionals, necessary to face a digitalized, changing, disruptive and increasingly competitive future.

Within the different areas of Human Capital management, one of the most strategic is that of compensation and benefits, which is increasingly closer to that of General Management due to its impact on business results. This is a critical function within organizations, at a time when turnover management has become a matter of survival, having also to manage other aspects such as high inflation globally, digitalization processes with their corresponding upskilling/reskilling needs, compensation linked to the new skills demanded by companies, agile and project-based work models, new transparency requirements and the need to eliminate the wage gap between women and men. Added to this is the impact of ESG measures that are being implemented in most organizations, with the aim of complying with new environmental, social and good governance sustainability criteria. The way a company is governed (Corporate Governance) is decisive as a strategy for creating value and as an element of long-term subsistence of companies. People management, together with the Compliance area, must ensure that all "Good Governance" recommendations are complied with and that ETHICAL behavior is the light that illuminates all decisions. The Remuneration and Benefits professional has a leading role here.

And the challenges do not end here; in addition to all of the above, there is the circumstance of having to manage four very different generations, responding to the different problems posed by each of them. Among others, we find the need to personalize and make benefits more flexible so that each person finds the remuneration package that best suits his or her needs, and on the other hand, a generalized demand for financial education, which is necessary to set up long-term sustainable social welfare systems.

The Talent, Remuneration and Benefits course focuses on providing students with a broad vision of all these factors, allowing them to enter the business world with a broad perspective, capable of training future professionals with technical skills and at the same time with a strategic vision.

Compensation managers are essential players in the design of organizational, compensation and governance strategy, key factors in the success of the most competitive and dynamic companies.

Competences – Objectives		
Competences		
GENERAL		
CG1		Define, design, develop, write and present findings and results of talent management projects.
	RA1	Ability to engage in the development of experimental talent management projects based on real data, managing and aligning client needs with available resources, optimally distributing work, communicating and projecting its different phases, proposing real solutions and making all interactions with the team, clients and other stakeholders efficient. real solutions and making efficient all interactions with the team, clients and other stakeholders.
CG6		Be able to analyze and make decisions regarding talent management, based on the combination of a global perspective and orientation that allows adapting to global markets and another, more local, adapted to the idiosyncrasies of each country, respecting in all cases the economic, regulatory, social and cultural aspects in force.
	RA6	Ability to analyze current problems in the local and global environment, taking into consideration economic, cultural and social aspects involved in the management of human talent in organizations.
CG7		Apply problem solving and decision making methodologies in the area of talent management.
	RA7	Address in an autonomous and agile way the need to adapt to different environments, overcoming the difficulties that may be encountered, and finding mechanisms to achieve an optimal and rapid acclimatization.

SPECIFIC		
CE8		Design and plan a remuneration system in a company, the operation of its application, identifying the main problems in its implementation.
	RA1	Interpret the concepts that are part of a payroll.
	RA2	Analyze the principles of a remuneration system and the mechanisms that are part of it, from the assumption of ethical and equitable principles.
	RA3	Establish the mechanisms for the relationship between job evaluation and the remuneration system.

THEMES AND CONTENT

Contents-Themes
Data Analytics Applied to People – People Analytics
Remuneration Strategy Definition
<p>Remuneration philosophy and strategy</p> <ul style="list-style-type: none"> Philosophy/Purpose. Segmentation Relative positioning with respect to the relevant market. Market definition Elements and their role: remuneration (fixed, pay for performance), benefits, flexibility, recognition, performance management, talent development (career, training and development). Remuneration mix
Remuneration components
<ul style="list-style-type: none"> Fixed compensation Variable compensation: in cash and in instruments, annual and multiannual Remuneration in kind and benefits
Organization and Appraisal of Roles and Positions
Architecture of Roles and Positions
<ul style="list-style-type: none"> Analysis of roles and jobs Role and organizational architecture
Job Evaluation
<ul style="list-style-type: none"> Classification and valuation models Job Evaluation Process Generation of professional standards
Remuneration markets
<ul style="list-style-type: none"> Generation of remuneration markets Pay club studies Information gathering Most common information query systems Correct interpretation of markets Statistical considerations Relevant data generation and analysis
Fixed Compensation
<ul style="list-style-type: none"> Fixed Compensation Components and Types Detail about Base Salaries, Guaranteed Bonuses, Fixed Position or Person Payments Identification of Fixed Compensation Structures Joint analysis of internal equilibrium and external competitiveness of Wages Salary Band Redetermination Calculations and recommendations Revisions and increases
Short-Term Variable Remuneration
<ul style="list-style-type: none"> Components and types of Short-Term Variable Remuneration Details about Incentives, Bonuses, Commissions, Profit Sharing, other Alternative selection criteria and eligibility Short-Term Variable Performance and Objectives Management Systems Identification of metrics, relative weights and evaluation methods Creation of achievement and pay scales Verification and calculations
Short-Term Variable and Stock-Based Compensation
<ul style="list-style-type: none"> Components and types of Long-Term Variable Compensation Details about Long-Term Notes, Restricted Stock, Convertible Units, Conditional/Performance Shares, Appreciation Rights, Stock Options, Fictitious Stock, etc. Share liquidity considerations and valuation methods

- Criteria for selection of alternatives and eligibility
- Long-Term Variable Objectives and Performance Management Systems
- Identification of metrics, relative weights and evaluation methods
- Detail of specific metrics: TSR, EPS, ESG-related, others. Creation of achievement and payment scales
- Mention of tax, labor, accounting, commercial and stock market aspects Verification and calculations

Benefits and Remuneration in Kind

Benefits modernization: benefits offerings (alignment with company culture and purpose, objectives, market standards, employee needs and values), financing (cost optimization), employee experience, operating model (optimization of internal and external resources), informed, data-driven decisions.

Equal Pay

Legal compliance

- Salary audit
- Remuneration record
- Elements to consider in calculating the Transparency vs. Confidentiality gap
- Negotiation with the Workers' Legal Representation

Reputational element

- Ways to address the correction of inequalities and the reduction of the wage gap
- Reputational impact and compliance with social responsibility measures

Remuneration to executives and board members

Regulation

- Corporate governance: guidelines for institutional investors, proxy advisors and codes of good governance. Practical implications. Remuneration of the Board of Directors and executives: remuneration to executive directors, remuneration to directors in their capacity as such. Market practice
- The role of the Remuneration Committee and the Remuneration/Personnel Division

Remuneration Implementation and Management

- Human Resources Information Systems (HRIS) and compensation management systems and associated processes
- Compensation Analytics and linkage to HR Analytics
- Communication of Remunerations
- Governance
- Suppliers/Service Level Agreement (SLA)
- Compliance

TEACHING METHODOLOGY

General methodological course aspects

Presential Methodology: Activities

- ✓ Students work cooperatively in pairs or small groups, receive a task, case or course that requires sharing information and resources among members with the purpose of achieving a common goal. Based on the case study method, learned by each student, and discussed by each group before the individual interventions of each general session.
- ✓ The project-based learning method encourages inductive learning. From the analysis of specific examples, the different analysis tools are built and general rules applicable to all types of companies and sectors are induced. For this reason, it is essential to study the methodologies to be used and to actively participate in the discussions of the general sessions.
- ✓ Exhibitions about their skills and abilities to get a job

Non-presential Methodology: Activities

- ✓ Individual study and in project teams
- ✓ Individual reading and research of texts and sources of information of different types (cases, books, magazines, articles, press, Internet publications, reports on practical experiences, etc.) related to the courses of study. Cooperative work of students who, in small groups, must tackle a project that requires sharing information and resources among members in order to achieve the common goal.

SUMMARY OF STUDENT WORK HOURS

PRESENTIAL HOURS

Professor Exposition	Student exhibition. Debates and group dynamics	Exercises and problem solving. Elaboration of applied work	Analysis and documentation	Tutorial sessions	Development of real projects for organizations
9	22	25.25	0	2,5	1.75

NON-PRESENTIAL HOURS

Professor Exposition	Student exhibition. Debates and group dynamics	Exercises and problem solving. Elaboration of applied work	Analysis and documentation	Tutorial sessions	Development of real projects for organizations
0	0	75.75	36	2,5	5.25

ECTS CREDITS: 6,0 (180,00 hours)

EVALUATION AND GRADING CRITERIA

Graded Activities	Evaluation Criteria	% of total grade
Proof of individual knowledge	Work adequacy to the objectives set On time delivery Goal adequacy and focus Reached goals Deadline achievement	25
Collective applied assignments that may or may not be presented publicly	Presentations and defence of projects applied to companies, course projects, resolution of practical cases	60
Active in-class participation by the student.	Quality and timeliness of interventions, predisposition and commitment, initiative, assistance.	15

Grades

The evaluation criteria of the course are governed by the following regulations:

1. All students must comply with 100% attendance on the days set for this course. Any absence must be justified.
2. The final grade corresponds to the sum of the graded activities, evaluation criteria and % of total grade described in the Evaluation and Grading Criteria section.
3. Individual and group work must be delivered on time and in the manner planned by the course professor.
4. A final mark below 5 implies the completion of an extraordinary test. The final grade in this exam may not be higher than the median of those passed at the time of set exams.

The Evaluation Criteria to enroll for a second year

The student enrolled in the course for the second year must comply with the individual and group tasks set by the course professor. The same evaluation criteria described in the Evaluation and Grading Criteria section will be maintained.

For those circumstances not foreseen in this Teaching Guide, the Advantere School of Management Regulations and the Comillas General Regulations will apply.

BIBLIOGRAPHIES AND RESOURCES

Basic Bibliographies

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- Bruce R. Ellig "Executive Compensation . A total pay perspective". McGraw Hill
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- "Principles of Remuneration", The Investment Association (UK), 2021.
- "Rewards Roundtable: A Global Perspective", Workspan Magazine, WorldatWork Association, McGraw, M., 2021.
- "Avanzando en la inclusión de métricas ESG en los sistemas de remuneración de las sociedades cotizadas", KPMG Tendencias, San Nicolas, M., 2021.
- "Digging into Remote Work Compliance and Compensation", Workspan Magazine, WorldatWork Association, Ceron, M., 2021.
- "Rewarding Executives and Employees in Sustainable Power Generation Companies: Ideas and Trends from 2020 Onwards", Zereon Associates (reflection paper), Chiara, G. and Ceron, M., 2020.
- "Performance: Accelerated - A New Benchmark for Initiating Employee Engagement, Retention and Results", OC Tanner (White Paper), 2019.
- Global Remuneration Professional ® Certification Course series, WorldatWork Association, 2019-2022.
- "Nueve aspectos clave de las políticas retributivas de los consejeros del Ibex", KPMG Tendencias, Perez, A., 2018.
- "La Retribución de Directivos", Editorial LID-ICADE, Ceron, M., 2011.
- Ricart, J.E. (1997). "Diseño de Organizaciones". Ed. Folio. Barcelona.
- Tricker, B. "Corporate Governance, Principles, Policies and Practices", Bob Tricker, Oxford University Press (Book)

Web Resources

General HR and Rewards Fora

<http://www.areas.com/>

<http://www.cnmv.es>

<http://www.equipo talento.com/>

<http://www.fororecursos humanos.com/>

<http://www.gestiopolis.com/>

<http://www.humanresources.com/index.html>

<http://www.hr.com>

<http://www.hrmagazine.co.uk/>

<http://www.hrvillage.com/>

<http://www.rrhhdigital.com/>

<http://www.rrhmagazine.com/>

Specialized Rewards Fora

<https://worldatwork.org/>

<https://www.wtwco.com/es-ES/Solutions/compensacion-total>

<https://rewards.aon.com/en-us/>

<https://www.zereonassociates.com/SERVICE-LINES/Reward-Board-Affairs-and-Equity-based-Pay/>

<https://tax.kpmg.us/services/global-reward-services.html>

<https://www.kornferry.com/insights/briefings-for-the-boardroom/executive-stock-options>

Additional Bibliographies

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- Corporate governance in the 2007-2008 financial crisis: Evidence from financial institutions worldwide, David Erkens, Journal of Corporate Finance nº 18 (2012) pp 389-441.
- Behind the Scenes: The Corporate Governance Preferences of Institutional Investors. Joseph McCahery, Journal of Finance forthcoming (jun 2015).

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