

# Specification of Competency Standards for Human Resource Management

## Unit of Competency

Title	Formulate reward strategy in alignment with the organisational strategic objectives and human resource (HR) strategies
Code	106963L7
Range	Formulating a strategy to develop, prioritise and integrate reward initiatives. This applies to the development of reward strategy for providing a direction in which reward management should go to support the organisational strategic objectives and HR strategies, with the support from senior management.
Level	7
Credit	7
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> <li>1. Knowledge in the Subject Area <ul style="list-style-type: none"> <li>• Understand the characteristics of different types of reward strategies (e.g. intrinsic versus extrinsic rewards, financial versus non-financial rewards)</li> <li>• Understand how reward strategy can actively contribute to the short-term and long-term organisational strategic objectives</li> <li>• Understand different phases of reward strategy development (e.g. diagnosis, design, testing and implementation)</li> </ul> </li> <li>2. Applications and Processes <ul style="list-style-type: none"> <li>• Create the most suitable reward strategy for the organisation based on thorough consideration of multiple factors (e.g. talent strategy, organisation culture, business nature and life cycle, short-term and long-term business goals and objectives, pay progression approaches, tax legislation, financial affordability of the organisation)</li> <li>• Formulate a reward strategy with a right mix of financial and non-financial rewards for the organisation</li> <li>• Consult and solicit support of senior management for the reward strategy</li> </ul> </li> <li>3. Professional Behaviour and Attitude <ul style="list-style-type: none"> <li>• Always formulate reward strategy in the context of the organisation's business needs and overall HR strategies</li> <li>• Benchmark best practices to engage senior management to formulate reward strategy</li> </ul> </li> </ol>
Assessment Criteria	<p>The integrated outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> <li>• Implementation of analysis on the possible reward strategies based on thorough consideration of multiple factors.</li> <li>• Establishment of a reward strategy that links to the organisational strategic objectives and HR strategy.</li> </ul>
Remark	