

# Specification of Competency Standards for Human Resource Management

## Unit of Competency

Title	Design reward policies, procedures and practices
Code	106965L6
Range	Designing reward policies, procedures and practices to promote employee engagement and productivity. This applies to the process of developing a reward system for recognising employees' contribution to the success of the organisation.
Level	6
Credit	6
Competency	<p>Performance Requirements</p> <p>1. Knowledge in the Subject Area</p> <ul style="list-style-type: none"> <li>• Understand statutory regulations and ordinances in relation to employee compensation and benefits in respective operating markets and jurisdictions</li> <li>• Understand the key components of an effective reward system (e.g. compensation and benefits, performance recognition, career development)</li> <li>• Understand the latest trends in executive compensation</li> </ul> <p>2. Applications and Processes</p> <ul style="list-style-type: none"> <li>• Design policies for rewarding employees in accordance with their performance, competences, skills, experience and / or market worth</li> <li>• Design procedures and practices in relation to reward management, employee compensation and benefits (e.g. job evaluation, payroll)</li> <li>• Design an effective reward system for the organisation that recognises employee performance and achievements in a fair and equitable manner (e.g. equal pay regardless of sex, race)</li> <li>• Design executive compensation structure and / or plan</li> <li>• Design compensation cycle / annual merit increase or bonus awards after the annual performance evaluation</li> </ul> <p>3. Professional Behaviour and Attitude</p> <ul style="list-style-type: none"> <li>• Benchmark best practices (e.g. total reward) to enhance the competitiveness and effectiveness of reward system</li> <li>• Redesign or integrate reward policies, procedures and practices along the changes of the organisation at merger and acquisition / divestiture / ownership when necessary</li> </ul>
Assessment Criteria	<p>The integrated outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> <li>• Establishment of reward policies, procedures and practices in compliance with employee compensation and benefits in respective operating markets and jurisdictions.</li> <li>• Establishment of a reward system with policies, procedures and practices that recognises employee performance and achievements in a fair and equitable manner.</li> <li>• Establishment of executive compensation structure and / or plan.</li> <li>• Establishment of compensation cycle / annual merit in coordination with annual performance review cycle.</li> </ul>
Remark	