

Specification of Competency Standards for Human Resource Management

Unit of Competency

Title	Evaluate competitiveness and effectiveness of reward system
Code	106967L6
Range	Evaluating the policies, procedures, practices as well as maintaining a balance between internal equity and external competitiveness of the reward system; and proposing improvements with due consideration of cost implications. This applies to the periodic review and alignment of reward system for maintaining its competitiveness and effectiveness, with the involvement of relevant stakeholders.
Level	6
Credit	5
Competency	<p>Performance Requirements</p> <p>1. Knowledge in the Subject Area</p> <ul style="list-style-type: none"> • Understand the importance and objectives of reviewing reward system, policies, procedures and practices • Understand different review methodologies for conducting periodic review of reward system, policies, procedures and practices • Understand different barriers to the competitiveness and effectiveness of reward system (e.g. lack of resources, lack of information and data) <p>2. Applications and Processes</p> <ul style="list-style-type: none"> • Determine criteria to evaluate the competitiveness and effectiveness of each component of the reward system (e.g. financial impact and costs, employee turnover, stakeholders' views) • Identify appropriate methods to review the competitiveness and effectiveness of reward system (e.g. external benchmarking data) • Evaluate market data related to reward system from different sources (e.g. market trends and salaries reports, professional bodies, changes of legal / stock exchange requirements for employees' share award scheme) • Solicit input from stakeholders on the existing reward system for continuous improvement • Revise the existing reward system (e.g. introducing new reward programmes that are of better value to employees), taking into consideration the cost implications <p>3. Professional Behaviour and Attitude</p> <ul style="list-style-type: none"> • Benchmark best practices (e.g. alignment of rewards to business strategy, proactive communications) to enhance the competitiveness and effectiveness of reward system
Assessment Criteria	<p>The integrated outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Establishment of criteria and mechanism for evaluating the competitiveness and effectiveness of reward system. • Execution of evaluation of reward system in accordance with the predefined criteria and mechanisms on a regular basis.
Remark	