

Specification of Competency Standards for Human Resource Management

Unit of Competency

Title	Validate effectiveness of the application and impact of pay-for-performance process and system
Code	106984L5
Range	Validating effectiveness of pay-for-performance process and system. This applies to the validation of pay-for-performance process and system for maintaining a successful pay-for-performance programme within the organisation in order to improve employee attraction, retention and motivation, promote fair treatment and equity, and manage employee cost.
Level	5
Credit	5
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Knowledge in the Subject Area <ul style="list-style-type: none"> • Understand the value of an up-to-date and competitive pay-for-performance scheme • Understand different methodologies for pay-for-performance evaluation (e.g. case study, data analysis, survey) • Understand key components of a successful pay-for-performance programme (e.g. adequate funding, suitable job characteristics, appropriate performance feedback) 2. Applications and Processes <ul style="list-style-type: none"> • Review application and impact of pay-for-performance process and system to maintain fairness and effective management (e.g. a good mix of pay-for-performance programme and other reward elements, guidelines for merit allocation are based on the organisation's reward philosophy) • Deploy human resource analytics to validate effectiveness of pay-for-performance programme (e.g. financial contribution to the organisation) • Deploy appropriate models to review performance (e.g. process measures on level of customer satisfaction and outcome measures on sales volume) • Propose and seek senior management's approval on adjustments in pay-for-performance programme with due consideration of cost implications 3. Professional Behaviour and Attitude <ul style="list-style-type: none"> • Proactively adjust pay-for-performance process and system according to feedback from stakeholders
Assessment Criteria	<p>The integrated outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Execution of validation of pay-for-performance process and system with reference to the organisation's reward policies. • Provision of recommendations on adjustments in pay-for-performance programme with due consideration of cost implications.
Remark	