

HRIR 6504 Executive Compensation
Spring 2018 - Class Syllabus

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Classroom: CSOM 1-127
Date/Time: Tuesdays, 5:45 – 9:05 PM
March 20 – May 1

Class Objectives

We will cover the primary objectives of this class on March 20. The eight key learning objectives for HRIR 6504 are:

- Understand:
 - What companies are trying to achieve with executive compensation
 - The various forms and elements of executive compensation
 - The multi-stakeholder perspective of executive compensation
- Learn how to analyze and design an executive compensation program
- Know how to read and understand the executive compensation disclosures in a company proxy statement
- Develop an awareness of current trends, issues and challenges in executive compensation
- Appreciate the relationship between corporate governance and executive compensation
- (Briefly) understand how accounting, tax and other regulations shape executive compensation
- Begin an appreciation for why executive compensation is different:
 - From broad-based employee compensation
 - From company to company

Some of you are going to become Chief Human Resource Officers. You will need to have a *reasoned point of view* about executive compensation or you are unlikely to get/keep the top job! I am going to try to help with that over the seven weeks we have together.

How Are We Going To Do This?

We meet only seven times, with only six classes for teaching. There is a formal lecture topic for each night, outlined in the section below. We will also have one or two discussion topic(s) for each class. For some of the classes, we may have an extra guest or

a class exercise or a special topic. It is only half a semester, but we will appropriately cover everything you need to know as an HR generalist.

There is not an assigned textbook for the class. Instead, we will supplement the formal class materials with executive compensation topics in the news. This is the time of year that most companies make their annual executive compensation disclosures, so there is fresh material in the news almost daily.

Class Schedule

March 20: Introduction to Executive Compensation
March 27: Who Cares & Why
April 3: Attract, Retain & Motivate, Incentive Compensation
April 10: All Things Equity, Mid-Career Hires
April 17: Who Decides: Corporate Governance and Executive Compensation
April 24: All The Rest & The Problems and The Future
May 1: Final Exam

Grading

Final Exam: 50%
Proxy Analysis Project: 50%

Contacting Mike and Julie

Julie and Mike are both around CSOM during the B term. Mike teaches on Tuesdays and Thursdays, and has available time before class each week.

Final Thoughts

We are not able to make you an expert in executive compensation in half of a semester. We will, however, make sure you have been introduced to the important topics in the field, and make you aware of the key things you should know in each topic. We teach from a practitioner perspective, so this will be geared to your future life in HR.

Executive compensation is one of the more controversial elements of a corporate human resources program. The media devotes substantial attention to the topic. Many people inside and outside the company believe that there are serious flaws in how executive compensation programs are designed and administered. We are not going to try to convince you one way or the other on that, but we are going to give you enough information to have an informed opinion, and to know where/how to look for more information later in your HR careers.

Make it a point to attend class. We only meet six times, and you will miss out on the discussion of a key topic if you are not there. We are not a tricky graders, but we do include something on the final exam from each class. You will do well on the final exam if you have attended class and participated in the discussions. We hope you enjoy learning about executive compensation!