

University of Illinois at Urbana-Champaign
School of Labor and Employment Relations
LER 590EB: Employee Benefits
Spring 2021

Instructor: Mengjie Lyu, Ph.D.
Visiting Assistant Professor, LER

Schedule: Tuesdays, 8:00am–10:50pm Central Time (January 26–March 16)

Location: Online classes using Zoom
<https://illinois.zoom.us/j/87606635733?pwd=NINFRkFONTNiTE9SNGIFVGdNZkxNQTO9>

Office Hours: By appointment

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Course Description

The goal of this course is to provide students with a solid understanding of employee benefits (EB) practices in today's business environment. We will introduce the socio-economic and institutional context of the development of employee benefits system, with a special focus on the design and management of benefits programs in the changing workplaces. Special topics from basic protection benefits programs, e.g., health care and retirement plans, paid time off plans, to emerging benefits programs such as flexible working hours will be discussed in this course. Students will obtain essential knowledge and professional views to evaluate, design and manage employee benefits plans in an organization for competitive advantage.

By the end of this course, the students should be able to:

- Understand the strategic objectives employers have to provide benefits programs.
- Understand the contextual impact of laws, regulations, and societal needs on benefits practices.
- Understand the major choices of various employee benefit areas.
- Evaluate an organization's benefits system from a strategic perspective.
- Evaluate the alternative choices to provide a specific employee benefits program.
- Tailor employee benefits programs to meet an organization's strategic objectives.

The course format consists of lectures, in class exercise, case discussions and presentations. Course grades will be based on quizzes, a presentation of an employee benefits issue, a group case project and general class exercise and discussion participation.

Online Class Description

The major portion of our class will be conducted during live “virtual” sessions, starting at 8:00 am (Central Time) on Tuesdays. At each class, there will be a lecture and class activities in forms of student presentation, in-class exercise, and case discussion. Students will receive a copy of lecture slides on Compass before the class as a basis for taking notes. You will be encouraged to activate both your audio and video during these sessions, so it is important that you have these technical capabilities before the first class.

We will be using Zoom for the virtual portion of our weekly class meetings. Refer to the zoom guide (<https://answers.uillinois.edu/illinois/page.php?id=99188>) if you need assistance or have questions on Zoom. If you anticipate having any connectivity issues (access to internet, etc.), please contact me and I will work with you to make sure you can access the key course contents.

Required Textbook and Readings

- Martocchio, J. J. (2018). *Employee Benefits* (6th edition). Burr Ridge, IL: Irwin/McGraw-Hill.
- Supplemental readings, in-class exercise material, lecture notes, and useful resources will be posted on Compass 2g. Please check regularly for updates.

Student Evaluation and Grading Scale

| | |
|---|-------------|
| Weekly Quizzes | 30% |
| Group Project Report and Presentation | 30% |
| In-class Exercises, Discussions and Summary | 20% |
| Individual Presentation on an EB Issue | 10% |
| Class Attendance and Participation | 10% |
| Total | 100% |

Calculation of Course Grades

| Grade | Points |
|--------------|---------------|
| A | 96-100% |
| A- | 92-95.9% |
| B+ | 88-91.9% |
| B | 84-87.9% |
| B- | 80-83.9% |
| C+ | 77-79.9% |
| C | 73-76.9% |
| C- | 70-72.9% |
| D+ | 67-69.9% |
| D | 63-66.9% |
| D- | 60-62.9% |
| F | < 60% |

Weekly Quiz (30%)

Several questions on the assigned readings will be posted as a short quiz every week on the course Compass page. The quizzes are due at the start of the class. The lowest score will be dropped.

Group Project (30%)

Teams of 2 class members will be established to conduct a research project to **evaluate and improve one company's EB system**. A group written report (20%) and a group presentation (10%) will be the major outcomes of the project. The report is due by 5pm on 3/20. The presentation is scheduled in Week 8 (3/16). The grade for the written report will be a group grade, but peer evaluation will be used so that each group member does not necessarily receive the same grade.

Each team will choose a real organization to study its EB system, prepare a report that identifies the challenges/problems of the current EB system, and propose recommendations to improve the current system.

Information and data could be gathered through various channels such as company websites, Summary Plan Descriptions, financial reports, CSR reports, media coverage, employee reviews, and research papers/reports. Interview with key stakeholders (such as HR professionals and employees) and comparison with major competitor(s) could be helpful to identify the challenges/problems. The analysis should be based on the basic benefits design considerations you learn from this class. The recommendations should be given on basis of the organization strategy with strong rationale. More detailed instruction will be provided in class.

In-Class Exercises, Discussions and Summary (20%)

In each class, there will be an in-class exercise and/or a case discussion. Groups of 2 or 3 class members will be established to work together in each activity. You will submit the responses through Compass and may make a presentation to the class.

Individual Presentation on an EB issue (10%)

Starting from Week 2, each week 3 or 4 students will give an individual presentation that covers an EB issue. The issue could come from a particular news story or research article you read about EB. You can also share your findings based on your own experiences and observations. You will briefly present the news/research (no more than 5 minutes) and then lead class discussion based on two questions.

We will have a discussion board on the course Compass page as a supplemental communication method to collect news/research summaries, comments, and questions. Please post a short summary of the news/research and the links of the news/research articles on the discussion board by 10am on the Monday of your assigned week.

Grades will be given based on the presentation (6%), the summary posted (2%), and the class discussion after the presentation (2%).

Class Participation (10%)

You are expected to be actively participating in all class discussion and group activities. 10% of the total points will be awarded for your regular attendance (5%) and general class participation (5%) including answering and asking questions in class, facilitating the group activities, speaking as the representative of the discussion group, and posting your comments on the discussion board. Zoom poll questions will also be given to check and record your attendance.

Course Outline and Readings
(Supplemental readings will be posted on Compass)

Week 1:

January 26 ***Course Overview, Introduction to Employee Benefits***

Required reading: Miller, S. (2019). Employers boost benefits to win and keep top talent. SHRM. <https://www.shrm.org/resourcesandtools/hr-topics/benefits/pages/employers-boost-benefits-to-win-and-keep-talent.aspx>
Cappelli, P. (2014). Google Adds Benefits, Walmart Cuts Them; Oddly, the Logic Is the Same. Harvard Business Review. <https://hbr.org/2014/11/google-adds-benefits-walmart-cuts-them-oddly-the-logic-is-the-same>

Class activity: Case Discussion: “Employee Benefits Change at Wal-Mart” (Available on Compass)

Week 2:

February 2 ***Contextual Influences on Employee Benefits, and Government-Mandated Employee Benefits***

Required reading: Martocchio: Chapter 3 and 7

Class activity: Case Discussion: “A Discriminatory Employee Benefits Policy?” (Available on Compass)

Week 3:

February 9 ***Social Security Pension and Employer-Sponsored Retirement Plans***

Required reading: Martocchio: Chapter 4

Class activity: Case Discussion: “Searching for a Retirement Plan” Harvard Business School. <https://hbsp.harvard.edu/import/799046>

Week 4:

February 16 ***Employer-Sponsored Health Care Plans***

Required reading: Martocchio: Chapter 5

Class activity: Case Discussion: “Johnson & Johnson: The Promotion of Wellness.” Harvard Business School. <https://hbsp.harvard.edu/import/799046>

Week 5

February 23

Paid Time-Off

Required reading: Martocchio: Chapters 8

Class activity: Case Discussion: Parents Got More Time Off? (Available on Compass)

Week 6

March 2

Accommodation and Enhancement

Required reading: Martocchio: Chapter 9

Class activity: Case Discussion: Work life benefits design (Available on Compass)

Week 7

March 9

Managing the Employee-Benefits System, and Group Meeting

Required reading: Martocchio: Chapter 10

Week 8

March 16

Presentations
(Group project report due on March 20)