

**University of Illinois at Urbana-Champaign**  
**School of Labor and Employment Relations**  
**LER 590EB: Employee Benefits**  
**Spring 2020**

**Instructor:** Mengjie Lyu, Ph.D.  
Visiting Assistant Professor, LER  
**Schedule:** Thursdays, 8:00am–10:50pm (March 26–April 30)  
**Location:** LER 35  
**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 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, to emerging enhancement programs such as financial wellness will be discussed in this course. Students will obtain essential knowledge and professional views to effectively manage employee benefits in a variety of companies.

The course format consists of lectures, case exercise, class discussions and presentations. Course grades will be based on a formal group presentation of an employee benefits issue, general class participation, and completion of two thought papers.

### **Course Materials**

- Required Textbook:  
Martocchio, J. J. (2018). *Employee Benefits* (6<sup>th</sup> edition). Burr Ridge, IL: Irwin/McGraw-Hill.
- Supplemental reading from time to time (provided by the instructor).

### **Course Website**

- <https://compass2g.illinois.edu>.
- Supplemental readings, lecture notes, and useful resources will be posted there. Please check frequently for updates.

### **Course Policy**

- Please show respect for your classmates by limiting distractive behavior. Turn your cell phones off during class and please keep any side discussions short and quiet.
- You are expected to adhere to all of the rules pertaining to academic integrity outlined in the [Student Code](#). Failure to do so will result in an automatic F for the course.

- It is expected that each student will be courteous and respectful to all members of the class and will carry him or herself in an orderly manner for the entire duration of the course as outlined in the [Student Code](#).
- Regular class attendance and punctuality are expected.
- There will be a 20 percent grade reduction on any late assignments.

### **Special Accommodations**

If you have any condition, such as a physical or learning disability, which will make it difficult for you to carry out the work as it has been outlined or which will require special accommodations, please notify the instructor during the first week of the course with the appropriate written documentation. To contact the Division of Rehabilitation- Education Services (DRES), you may visit 1207 S. Oak St., Champaign, IL 61820, call (217) 333-1970, or email [disability@illinois.edu](mailto:disability@illinois.edu).

## Student Evaluation and Grading Scale

<i>Quizzes (3 at 100 points each):</i>	30% (300 points)
<i>Class participation and discussion:</i>	30% (300 points)
<i>Group project report:</i>	25% (200 points)
<i>Group presentation:</i>	15% (150 points)
<b>Total:</b>	<b>100% (1,000 points)</b>

## Calculation of Course Grades

Grade	Points
A	95-100% of 1,000 points, and so on...
A-	91-94.9%
B+	87-90.9%
B	83-86.9%
B-	80-82.9%
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%

### Quizzes:

**4 short quizzes** (20 minutes) will be given at random throughout the semester, of which the top 3 scores count toward your grade. The quizzes will be closed-book and closed-notes. To prepare for the quizzes, you need to read the assigned materials. The questions will be based on the key terms and the learning objectives stated in each class session. There will be **NO** make-up quizzes unless you have a university accepted reason (e.g., illness with a doctor's note).

### Class Participation and Discussion:

In each lecture, there will be a class activity in forms of in class exercise or group case discussion. You are expected to be actively involved in these activities and to express thoughts

and insights during the class. You will also be cold-called to share your opinions. 10% of the total points will be assigned to participation in class discussion including answering and asking questions, which is based on class attendance. If you cannot attend class due to a university accepted reason, a notice via email will be appreciated. 20% will be assigned to participation in group activities including exercise and case discussion. Short summaries of the main conclusions need to be submitted by the end of the class.

### **Group Project:**

Teams of 3-4 class members will be established to conduct a project to improve one company's employee benefits system.

Each team will choose a real company and study its employee benefits system through various materials, for example, company website, Summary Plan Descriptions of the EB programs, and financial and CSR reports. Internal and external information including employee review and media coverage could be used as materials to analyze the strengths and weaknesses of the current EB system. Comparison with at least one major competitor of this company is needed to help find its competitiveness in the labor market.

The project report should include the following sections:

- (1) Introduction, and descriptions of the company's current EB system and major EB programs (employee communication methods could also be included);
- (2) External comparison: dragon head(s) and dragon tail(s) of the EB system compared with peer(s);
- (3) Evaluation and diagnosis of the performance of the current EB system;
- (4) Suggestions to improve the company's current EB system (employee communication methods could be included).

The project report should be no more than 6 pages (double-spaced, 12-point font and 1-inch margins excluding title page and references).

### **Group Presentation:**

Group presentations on basis of the group project report will be given during the last class. Class discussion and multiple formats such as video material could be included in the presentation.

## Course Outline and Readings

Week 1:

**March 26**

### ***Course Overview, Introduction to Employee Benefits***

Required reading:

Martocchio: Chapters 1  
Jones, K. The Most Desirable Employee Benefits. Harvard Business Review. 2017. February. <https://hbr.org/2017/02/the-most-desirable-employee-benefits>

Class activity:

- Investigating An Employee Benefits System
- Chapter 1 Case Discussion: Strategic Benefits Planning at Makers Craft

Week 2:

**April 2**

### ***Contextual Influences on Employee Benefits, Managing the Employee Benefits Program***

Required reading:

Martocchio: Chapters 2, 3 and 10  
Cappelli, P. Google Adds Benefits, Walmart Cuts Them; Oddly, the Logic Is the Same. Harvard Business Review. 2014. November. <https://hbr.org/2014/11/google-adds-benefits-walmart-cuts-them-oddly-the-logic-is-the-same>  
Smith, A. Estée Lauder, EEOC Agree to Settle Paid-Child-Bonding-Leave Case. SHRM. 2018. <https://www.shrm.org/resourcesandtools/legal-and-compliance/employment-law/pages/paid-child-bonding-equal-benefits.aspx>

Class activity:

- Chapter 3 Case Discussion: A Discriminatory Employee Benefits Policy?
- Group Project Planning – Collaborate to identify team and to choose company; submit memo for record.

Week 3:

**April 9**

### ***Government-Mandated Social Security***

Required reading:

Martocchio: Chapter 7  
Clark, B., and Morrill, M. Extending Work Life: Can Employers Adapt When Employees Want to Delay Retirement? Kalamazoo, MI: W. E. Upjohn Institute for Employment Research, 2017: Chapter 1 and 3. [http://research.upjohn.org/cgi/viewcontent.cgi?article=1261&context=up\\_press](http://research.upjohn.org/cgi/viewcontent.cgi?article=1261&context=up_press)

Class activity:

- Social Security Administration Web search
- Chapter 7 Case Discussion: Social Security and Retirement Planning at

Taylor Foods

- Group Project Planning – Share thoughts about the project, submit the timeline and individual responsibilities

Week 4:

***April 16***

***Employer-Sponsored Retirement Plans,  
Disability Plans and Life Insurance, and Workers' Compensation***

Required reading: Martocchio: Chapters 4 and 6

- Class activity:
- Case Discussion: “Searching for a Retirement Plan.” Harvard Business School case #314022-PDF-ENG
  - In Class Work on the Group Project

Week 5

***April 23***

***Employer-Sponsored Health Care Plans,  
Paid Time-Off, Flexible Work Schedules,  
Accommodation and Enhancement***

Required reading: *Martocchio: Chapter 5, 8 and 9*

- Class activity:
- Case Discussion: “DPDHL Group: Employee Safety and Wellbeing.” Harvard Business School case #516049-PDF-ENG
  - In Class Work on the Group Project

Week 6

***April 30***

***Presentation and Course Review***