

Contents

Part I

Chapter 1	Introduction: Setting the Stage	3
	The Cost Versus Expense Conundrum.	4
	CAPEX Versus OPEX.	7
	The Current HR Cost-Classification Structure	8
	The Current Accounting for Compensation and Benefit Cost Elements.	12
	Key Concepts in This Chapter	23
	Appendix: The Terms	24
Chapter 2	Business, Financial, and Human Resource Planning	29
	The Overall Planning Framework.	30
	HR Planning.	34
	HR Programs	43
	Key Concepts in This Chapter	52
	Appendix.	53
Chapter 3	Projecting Base Compensation Costs	55
	Base Salary Costs	58
	Key Concepts in This Chapter	67
	Appendix: Cash Flow Impact of Salary Increases	67
Chapter 4	Incentive Compensation	71
	An Introduction to Incentive Compensation Programs.	71
	Accounting for Annual Cash Incentive Plans	74
	Key Incentive Compensation Metrics.	77
	Free Cash Flow as an Incentive Plan Metric	81
	Economic Value Added as an Incentive Plan Metric.	82
	Residual Income as an Incentive Compensation Plan Metric.	86
	The Balanced Scorecard and Incentive Compensation	87
	Balanced Scorecard and Compensation	92
	Key Concepts in This Chapter	94

Chapter 5	Share-Based Compensation Plans	95
	Stock Award Plans	97
	Stock Option Plans	100
	Stock Option Expensing	103
	The Accounting for Stock Options	106
	Tax Implications of Stock Plans	112
	International Tax Implications of Share-Based Employee Compensation Plans	116
	Employee Share Purchase Plans	121
	Stock Appreciation Rights	122
	Key Concepts in This Chapter	126
	Appendix: Stock Options and Earnings per Share	127
Chapter 6	International and Expatriate Compensation	131
	The Background to International and Expatriate Compensation	132
	The Balance Sheet System	136
	Expatriate Taxes	143
	The Cost-Differential Allowance	151
	Global Payroll Systems	156
	International Pensions	159
	Global Stock Option Plans	161
	Key Concepts in This Chapter	164
Chapter 7	Sales Compensation Accounting	165
	General Accounting Practices	166
	Sales Compensation Plans	168
	Accounting Control and Audit Issues	175
	Other Salient Elements of a Sales Compensation Plan	177
	Travel Allowances	179
	Commission Accounting	183
	Key Concepts in This Chapter	185
Chapter 8	Employee Benefit Accounting	187
	The Standards Framework	189
	Defined Contribution Versus Defined Benefit Plans	190
	Section 965 Explained	191

	Calculating Plan Benefit Obligations	194
	Claims Incurred but Not Reported (IBNR)	194
	Other Benefit Obligations	196
	Additional Obligations for Postretirement Health Plans	197
	Self-Funding of Health Benefits	198
	International Financial Reporting Standards and Employee Health and Welfare Plans	201
	The Financial Reporting of Employee Benefit Plans	202
	Key Concepts in This Chapter	207
Chapter 9	Healthcare Benefits Cost Management	209
	The Background	209
	The Reasons for the Rising Costs	212
	Cost Containment Alternatives	214
	Forecasting Healthcare Benefit Costs	228
	Key Concepts in This Chapter	230
Chapter 10	The Accounting and Financing of Retirement Plans	231
	The Background	232
	The Accounting of the Plans	235
	The Pension Benefit Obligation	245
	Pension Plan Assets	253
	The Pension Expense	256
	The Accounting Record-Keeping	262
	Accounting Standards Affecting Pension Plans	265
	Key Concepts in This Chapter	266
 Part 2		
Chapter 11	Human Resource Analytics	271
	The Background for the Use of HR Analytics	272
	The Need for HR Analytics	273
	Measuring the Effectiveness of HR Investments	274
	Total Compensation Effectiveness Metrics	280
	A Changed Paradigm	284
	Key Concepts in This Chapter	285

Chapter 12	Human Resource Accounting	287
	The Background	287
	The Debate	289
	HR Accounting Methods	291
	Key Concepts in This Chapter	300
	Appendix: No Long-Term Savings from Workforce Reductions	301
	Conclusion	305
	An HR Finance and Accounting Audit	306
	References	309
	Index	323

<http://www.pbookshop.com>