

**NICHOLLS STATE UNIVERSITY**  
**HUMAN SUBJECTS INSTITUTIONAL REVIEW BOARD**  
**REQUEST FOR EXEMPT REVIEW BY HUMAN SUBJECTS INSTITUTIONAL**  
**REVIEW BOARD**

Nicholls State University has established standards and guidelines to ensure adequate protection is provided to individuals participating in a research activity. The Human Subjects Institutional Review Board (HSIRB) is charged with the responsibility of screening all research which employs human participants conducted by faculty, administrators, or students affiliated with Nicholls State University. The guidelines employed for screening are those set forth by university policy. Please fill in all requested information and return two copies of this form and any supporting documentation to the HSIRB chair or your college HSIRB representative.

**Procedure:**

1. The primary investigator (Referred to as the “applicant”) planning a research activity involving human subjects, should obtain a Request for HSIRB application form from the college HSIRB representative or HSIRB Chairperson. Research originating from other institutions should be approved by the host institution prior to applying for approval at Nicholls State University.
2. The Applicant should submit two copies of the completed forms to the college HSIRB representative. An initial review of the application will be made by the college HSIRB representative to determine if the project is considered Category I, EXEMPT, Category II, EXPEDITED REVIEW, or Category III, FULL COMMITTEE REVIEW. If the determination of the college HSIRB representative is that the application warrants an EXEMPT or EXPEDITED REVIEW determination, the Applicant may begin the research project. If the College HSIRB representative determines that the proposed research requires a FULL COMMITTEE REVIEW, the Applicant will be requested to submit ten copies of the application to the HSIRB Chairperson. The college HSIRB representative may not disapprove an application. Disapproval of proposed research involving human subjects may only be determined by the full HSIRB.
3. Applications may be submitted to the college HSIRB representative at any time, however, applications which will require a review by the full HSIRB must be submitted to the Chairperson of the HSIRB by the 20th of each month.
4. In cases where a full review of the application is required, the Applicant may be asked to discuss the proposed research at the meeting of the HSIRB.

**NICHOLLS STATE UNIVERSITY**  
**HUMAN SUBJECTS INSTITUTIONAL REVIEW BOARD**  
**REQUEST FOR REVIEW BY HUMAN SUBJECTS INSTITUTIONAL REVIEW BOARD**

**Title of investigation:** Theory of Optimal Fringe Benefits Using Total Rewards Optimization

**Name of primary investigator:** Dr. Martin Meder                   **Phone:** 985-448-4237

**Faculty supervisor (if required):** N/A

**Address where HSIRB action letter is to be sent:** martin.meder@nicholls.edu OR Business Administration Department, Nicholls State University

**Other investigators involved in the project:**

- Dr. Christopher Castille, christopher.castille@nicholls.edu, 985-449-7015

Please note that this study is an educational classroom exercise conducted as part of Dr. Martin Meder's Labor Economics course at Nicholls State University. This exercise uses total rewards optimization to teach students about the application of the theory of optimal fringe benefits. Dr. Christopher Castille is supporting Dr. Meder in the implementation and analysis of this exercise, which has been designed as a pedagogical tool to help undergraduate business students learn skills in economic decision-making and preference analysis.

This study will be conducted at a single site (Nicholls State University) in Dr. Martin Meder's Labor Economics course. All data collection will occur during regular class sessions, and all participants will be undergraduate students enrolled in the course.

Students enrolled in the course will be required to have completed basic labor economics coursework and will participate as part of their educational experience. The exercise is designed to reinforce theoretical concepts through hands-on application.

**Estimated starting date:** Spring 2026

**Estimated completion date:** Spring 2026

**Date Submitted to the NSU HSIRB:** November 02, 2025

**Source of project funds:** No external funding; educational exercise conducted as part of normal course activities

**Is this project a continuation of research previously approved by the HSIRB?** No

(Attach additional pages as necessary)

## **1. Description of Project or Proposal**

### **Population of Human Subjects**

The population for this study consists exclusively of undergraduate students enrolled in Dr. Martin Meder's Labor Economics course at Nicholls State University. Participation is **VOLUNTARY** and students must be 18 or older. This exercise is only available to students in this specific course who have received the necessary background instruction in labor economics concepts.

### **Research Procedures and Data Collection**

This is an educational classroom exercise designed to teach students about total rewards optimization within the context of Dr. Meder's Labor Economics course. The exercise consists of 13 sequential components that students complete in order:

1. **Consent Form:** Students review informed consent information including study description, contact details for both investigators (Dr. Meder: 985-448-4237; Dr. Castille: 985-449-7015), theoretical background, voluntary participation statement, and provide consent acknowledgment.
2. **Baseline Profile:** Students view their current Nicholls total rewards package (\$64K total compensation) with interactive pie chart visualization breaking down all 9 compensation components to establish context before choice tasks begin.
3. **Theory Explanation:** Students receive theoretical foundation covering optimal fringe benefits theory, zero-sum reallocation concepts, and connection between economic theory and HR practice with interactive demonstration.
4. **Choice Tasks (8 Tasks):** Students complete 8 choice tasks where they select between pairs of job scenarios. Each scenario presents changes from a \$64K baseline compensation package. Due to financial pressure, all options represent a \$5K reduction to \$59K total compensation, with different allocations across four attributes:
  - **Annual Base Pay:** Maintain current level vs small reduction aligned to constraint
  - **Internal Job Market:** Baseline programs vs enhanced mentoring/outplacement support
  - **Learning Opportunities:** Baseline \$500 vs enhanced \$1,000 budget
  - **Work Flexibility:** Baseline 1 day WFH vs enhanced hybrid scheduleFor each choice task, students indicate the probability (0-100%) they would stay with the company under each option. Students see only the changes from baseline with visual charts showing absolute and percentage changes.
5. **Revealed Preference Check:** Students review their preferred compensation package identified from their choice patterns across all 8 tasks, with analysis showing which attributes they valued most based on revealed preferences.
6. **Stated vs Revealed Preferences:** Students compare their revealed preferences (from choice tasks) with their stated preferences to understand potential differences between what people say they want versus what they actually choose.
7. **Attribute Importance Analysis:** Students view analysis of which compensation attributes matter most to them based on their choice patterns, using preference analysis methodology to calculate importance weights.
8. **Bundle Builder (Group Work):** Students work in small groups to design a new benefit package they think would be acceptable to most students in the class, considering the \$59K cost constraint. Each group creates a custom compensation package allocation.
9. **Round 2 Evaluation:** Students evaluate the student-created bundles from group work, indicating retention probability (0-100%) for each bundle to compare with their original preferences.
10. **Final Comparison:** Students view side-by-side comparison of three packages: original baseline, their most preferred choice from Round 1, and the class-designed bundle from group work.
11. **Final Survey:** Students complete comprehensive assessment including:
  - Exercise evaluation (9 items on 1-5 Likert scale): interest level, usefulness for understanding employee preferences, employer recommendation, economic concept understanding, labor economics relevance, discussion value, cross-teaching effectiveness
  - Loss aversion scale (7 items on 1-7 Likert scale): individual differences in decision-making preferences and risk tolerance
  - Optional comments
12. **Demographics:** Students provide anonymous demographic information including age categories, gender iden-

- tity, and race/ethnicity using NIH-standard categories, with “Prefer not to answer” option for all questions.
13. **Thank You Page:** Students receive completion confirmation, thank you message, lab acknowledgment, and contact information for follow-up questions.

**Data Collection Method:** Online survey administered through: - Component-based HTML/CSS/JavaScript application (13 sequential files: 01\_consent.html through 13\_thank\_you.html) - Current version: November 2025 - Mobile-responsive design for smartphone and tablet use - Platform: Local server or web hosting - Data storage: Anonymous responses stored locally in browser using localStorage

The exercise takes approximately 30 minutes to complete and will be conducted during a regular class session of Dr. Meder’s Labor Economics course.

## Research Objectives

The primary objectives of this educational exercise are:

1. **Educational Goal:** To help undergraduate students in Labor Economics understand how total rewards optimization can be used as an application of the theory of optimal fringe benefits to quantify employee preferences and inform total rewards decisions, connecting theoretical labor economics concepts to practical HR applications.
2. **Applied Learning:** To demonstrate how employee preferences translate to business value through turnover cost analysis and ROI calculations, reinforcing labor market theory with real-world applications.
3. **Practical Application:** To show students how people analytics can inform HR decision-making in real organizational contexts, bridging the gap between economic theory and business practice.

**Research Questions:** This is primarily an educational exercise rather than hypothesis-driven research. However, the exercise will generate data that could be used to explore: - Which total rewards attributes are most important to students  
- How preferences vary across demographic groups  
- The relationship between job satisfaction and turnover intentions  
- How student preferences align with labor economics theory  
- The effectiveness of interdisciplinary teaching approaches  
- The impact of collaborative learning on economic concept understanding

**Educational Justification:** This exercise is specifically designed for students who have received instruction in labor economics concepts and can meaningfully engage with the theoretical framework underlying the choice tasks. Students outside of Dr. Meder’s course would not have the necessary background knowledge to participate meaningfully in this exercise.

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## **2. Recruitment**

### **How will you recruit subjects?**

Students will be recruited exclusively through in-class announcements during Dr. Martin Meder's Labor Economics course sessions. The instructor will explain that participation in the exercise is voluntary and part of the course curriculum. No recruitment will occur outside of this specific course.

**Recruitment Script:** “Today we’re going to do an interactive exercise to learn how one might apply the theory of optimal fringe benefits using total rewards optimization as part of our Labor Economics course. You’ll be asked to imagine you’re an employee evaluating different job scenarios. This exercise is voluntary and will help you understand how companies make decisions about employee benefits and how this relates to labor market theory we’ve been studying. The exercise takes about 30 minutes and we’ll discuss the results as a class.”

### **Criteria for Including Subjects**

- Undergraduate students enrolled in Dr. Martin Meder’s Labor Economics course
- Students who have received instruction in relevant labor economics concepts
- Age 18 or older
- Voluntary participation

### **Criteria for Excluding Subjects**

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- Students not enrolled in Dr. Martin Meder’s Labor Economics course
  - Students who have not received the necessary background instruction in labor economics concepts
  - Students under age 18

### **3. Subject Benefits and Costs**

#### **Benefits**

##### **1. To the human subjects involved:**

- Educational value: Learning about total rewards optimization in the context of labor economics
- Practical knowledge applicable to future careers in HR, management, consulting, or economic analysis
- Participation in interactive, engaging classroom activity that connects theory to practice
- Enhanced understanding of how labor market concepts apply to real-world business decisions

##### **2. To individuals who are not subjects, but who may have similar problems:**

- Improved understanding of how employee preferences inform business decisions
- Better preparation for future HR and management roles
- Enhanced knowledge of labor economics applications

##### **3. To society in general:**

- Better-educated business professionals who understand people analytics and labor economics
- Improved organizational decision-making capabilities
- Better integration of economic theory with business practice

#### **Payment**

No monetary compensation will be provided. Participation is part of the educational curriculum for the Labor Economics course.

#### **Costs to Subjects**

1. **Time:** Approximately 30 minutes during class time
  2. **Money:** None
  3. **Repeated testing:** No
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#### **4. Basis of Request for Exemption or Expedited Review**

This research qualifies for **EXEMPTION** under the following categories:

**\*\* A.\*\*** The research will be conducted only in established or commonly accepted educational settings (like classrooms) AND it involves normal educational practices such as research on regular and special educational instructional strategies, or research on the effectiveness of, or the comparison among, instructional techniques, curricula or classroom management methods.

**B.** It will be conducted using only questionnaire or interview survey methods AND the subjects are elected or appointed public officials or candidates for public office.

**C.** It is limited to the collection and study of existing data, documents, records, pathological or diagnostic specimens which are available to the public.

**\*\* D.\*\*** It is limited to the collection and study of data obtained using only the following techniques AND the data or information obtained will be recorded in such a manner that subjects cannot be identified, directly or indirectly, through identifiers linked with the subjects.

**E.** It is limited to the collection and study of data obtained by observing public behavior or using survey/interview procedures, AND the information does not involve sensitive subjects and could not reasonably place subjects at risk.

**\*\* 3.\*\*** Research involving benign behavioral interventions in conjunction with the collection of information from an adult subject through verbal or written responses (including data entry) or audiovisual recording if the subject prospectively agrees to the intervention and information collection.

#### **REQUESTED EXEMPTION:**

**\*\* (i)\*\*** Educational tests (cognitive, diagnostic, aptitude, achievement)

**\*\* (ii)\*\*** Survey procedures, interview procedures, or observation of public behavior

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## **5. CITI Training**

All investigators have completed current CITI Training certificates for social-behavioral-educational research.

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## **6. STATEMENT OF RISK**

The undersigned certify that they believe that the conduct of the above described research creates no risk of physical or emotional harm, or social or legal embarrassment to any participating human subject.

**Signature of Principal Investigator:** \_\_\_\_\_ **Date:** \_\_\_\_\_

## **7. FACULTY SPONSOR**

N/A - Principal investigator is faculty member.

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## **8. RECOMMENDATION OF HSIRB REPRESENTATIVE OR HSIRB CHAIR**

I recommend that the above described research project be exempt from review.

**Signature of Chairperson:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
**HSIRB PROTOCOL NUMBER:** \_\_\_\_\_

## **APPENDICES**

## **Appendix A: Informed Consent Form**

### **Total Rewards Optimization Classroom Exercise - Informed Consent**

You are invited to participate in a classroom exercise designed to teach total rewards optimization as part of Dr. Martin Meder's Labor Economics course. This exercise is part of your course curriculum and is only available to students enrolled in this course.

**What you will do:** - Imagine you are an employee at "Firm Co." evaluating different job scenarios - Complete [X] choice tasks selecting between pairs of job options - Report your likelihood of leaving the company based on your choices - Evaluate the exercise and provide feedback

**Time required:** Approximately 30 minutes

**Risks:** None anticipated. This is a low-risk educational exercise.

**Benefits:** You will learn about total rewards optimization and how employee preferences inform business decisions, connecting these concepts to labor economics theory covered in this course.

**Confidentiality:** Your responses will be anonymous. No identifying information will be collected or stored.

**Voluntary participation:** Your participation is voluntary. You may withdraw at any time without penalty.

**Questions:** Contact Dr. Christopher Castille at 985-449-7015 or christopher.castille@nicholls.edu

By participating in this exercise, you indicate your consent to participate.

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## **Appendix B: Data Collection Instruments**

### **Demographic Questions:**

- **Age:** 18-24, 25-34, 35-44, 45-54, 55+
- **Gender:** Male, Female, Other, Prefer not to answer
- **Race/Ethnicity:** White, Black/African American, Hispanic/Latino, Asian, Other, Prefer not to answer

### **Choice Task Example:**

“Imagine you are an employee at Firm Co. Choose the job scenario you prefer.”

#### **Option A:**

- **Salary:** \$100K
- **Training Budget:** \$2K per employee
- **Manager Quality:** Good
- **Work Location:** Hybrid

#### **Option B:**

- **Salary:** \$80K
- **Training Budget:** \$5K per employee
- **Manager Quality:** Average
- **Work Location:** Remote

### **Assessment Questions:**

1. **How interesting did you find this exercise?** (1=Very boring, 5=Very interesting)
  2. **How useful was this exercise for understanding total rewards optimization?** (1=Very useless, 5=Very useful)
  3. **Would you recommend this type of analysis to employers?** (1=Definitely no, 5=Definitely yes)
-

## **Appendix C: Technical Implementation**

**Data Collection Platform:** Static HTML/CSS/JavaScript Application

**Current Tool Specifications:** - **Tool Name:** Total Rewards Optimization Classroom Exercise App - **Version:** November 2025 (Component-Based Architecture) - **Platform:** Static HTML/CSS/JavaScript (13 sequential component files, no server required) - **Hosting:** Local server or web hosting - **Data Storage:** Anonymous responses stored locally in browser using localStorage - **Analysis:** Preference analysis using multinomial logit models and attribute importance weighting

**Data Analysis Methods:** - Preference analysis: Multinomial logit model for choice behavior - Attribute importance: Weighted frequency analysis from revealed preferences - Stated vs revealed preferences: Comparison of self-reported versus choice-based preferences - Turnover cost calculations: Based on industry benchmarks and student retention predictions - ROI analysis: Cost-benefit analysis of different benefit packages - Results presentation: Interactive visualizations showing class-wide preferences and attribute rankings

**Technical Requirements:** - Modern web browser (Chrome, Firefox, Safari, Edge) - Mobile-responsive design for smartphone and tablet use - No special software installation required

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## **Appendix D: Enhanced Assessment Items**

**Reference:** Moryl, R. (2013). T-shirts, moonshine, and autopsies: Using podcasts to engage undergraduate microeconomics students. *International Review of Economics Education*, 13(1), 67–74. <https://doi.org/10.1016/j.iree.2013.02.001>

**Purpose:** This section documents the enhanced assessment items added to evaluate the educational effectiveness of the total rewards optimization classroom exercise across multiple learning dimensions.

### **Enhanced Assessment Items (Adapted from Moryl, 2013):**

*Note: Items 1-3 are listed in Appendix B above. Items 4-8 below were added to evaluate educational effectiveness across multiple dimensions.*

4. **This exercise helped me understand economic concepts.**
  - Scale: 1 (Strongly disagree) to 5 (Strongly agree)
  - *Measures student perception of economic concept learning*
5. **This exercise helped me understand how labor economics is relevant to business applications.**
  - Scale: 1 (Strongly disagree) to 5 (Strongly agree)
  - *Measures student understanding of practical business applications*
6. **The discussion on this exercise helped me understand economic concepts.**
  - Scale: 1 (Strongly disagree) to 5 (Strongly agree)
  - *Measures the value of collaborative learning and classroom discussion*
7. **The discussion on this exercise helped me understand how labor economics is relevant to business applications.**
  - Scale: 1 (Strongly disagree) to 5 (Strongly agree)
  - *Measures how discussion enhanced understanding of business applications*
8. **Cross-teaching (the participation of a Management professor in this activity) helped me understand how labor economics is integrated into my business education.**
  - Scale: 1 (Strongly disagree) to 5 (Strongly agree)
  - *Measures the value of interdisciplinary teaching approach*

**Rationale:** These items provide comprehensive evaluation of student learning outcomes, including individual learning, business relevance understanding, collaborative learning effectiveness, and interdisciplinary integration value.

**Implementation:** Items are integrated into the existing student survey and presented after choice tasks and retention questions, before the final thank you page.

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## Appendix E: Application Screenshots

**Purpose:** Visual documentation of the student survey interface and instructor dashboard for IRB review.

### Screenshots Include:

- **Component 01: Consent Form** - Displays informed consent information, study description, contact details for both investigators, theoretical background, voluntary participation statement, and consent acknowledgment checkboxes.
- **Component 02: Baseline Profile** - Shows the current Nicholls total rewards package (\$64K total compensation) with interactive pie chart visualization breaking down all 9 compensation components to establish context before choice tasks begin.
- **Component 03: Theory Explanation** - Provides theoretical foundation covering optimal fringe benefits theory, zero-sum reallocation concepts, and connection between economic theory and HR practice with interactive demonstration.
- **Component 04: Choice Tasks** - Interactive interface presenting 8 sequential choice tasks, each showing Option A vs Option B with detailed compensation tables, delta calculations from baseline, probability sliders (0-100% retention), and visual charts for each option.
- **Component 11: Final Survey** - Collects exercise evaluation data using 9 assessment items (1-5 Likert scale) measuring learning outcomes and interdisciplinary teaching effectiveness, plus 7-item loss aversion scale (1-7 Likert scale).
- **Component 12: Demographics** - Gathers anonymous demographic information including age categories, gender identity, and race/ethnicity using NIH-standard categories, with “Prefer not to answer” option for all questions.
- **Component 13: Thank You Page** - Provides completion confirmation, thanks participants, displays lab acknowledgment, and offers contact information for follow-up questions.

### Technical Specifications:

- **Platform:** Mobile-responsive HTML/CSS/JavaScript application
- **Architecture:** Component-based design with 13 sequential HTML files enabling modular deployment and flexible classroom implementation
- **Deployment:** No server required - static files work offline or can be hosted on local server or web hosting platform
- **Data Collection:** Anonymous responses stored locally in browser using localStorage, ensuring participant privacy and eliminating need for backend database
- **Browser Compatibility:** Compatible with all modern browsers (Chrome, Firefox, Safari, Edge) on desktop and mobile devices
- **Educational Design:** Designed for classroom presentation and discussion with real-time visual feedback and interactive elements

This appendix provides visual documentation of the web-based application components used in the total rewards optimization classroom exercise.

### Screenshot 1: Consent Form

**Key Elements:** Informed consent form with study description, voluntary participation statement, contact information (Dr. Meder: 985-448-4237, Dr. Castille: 985-449-7015), theoretical background explanation, time requirement (30 minutes), risk statement, benefits description, and consent checkboxes.

**Total Rewards Optimization Classroom Exercise - Informed Consent**

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You are invited to participate in a classroom exercise designed to teach total rewards optimization as part of Dr. Martin Meder's Labor Economics course. This exercise is part of your course curriculum and is only available to students enrolled in this course.

**Theoretical Background:** This exercise is based on research in optimal fringe benefits theory and total rewards optimization. Organizations face an optimization problem: with a fixed compensation budget, how should they allocate resources across base pay, benefits, and other rewards to maximize employee satisfaction and retention while minimizing costs? You will use **total rewards optimization**—a research method that examines how people evaluate options with different combinations of attributes—to explore your preferences for compensation packages. The exercise focuses on zero-sum reallocation, where changes to one component are offset by changes to others, helping identify which compensation attributes matter most when making tradeoffs. This methodology mirrors how organizations optimize their compensation investments (Slade et al., 2002).

**What you will do:**

- Imagine you are an employee at "Firm Co." evaluating different job scenarios
- Complete choice tasks selecting between pairs of job options
- Report your likelihood of leaving the company based on your choices
- Evaluate the exercise and provide feedback

**Time required:** Approximately 30 minutes

**Risks:** None anticipated. This is a low-risk educational exercise.

**Benefits:** You will learn about total rewards optimization and how employee preferences inform business decisions, connecting these concepts to labor economics theory covered in this course.

**Confidentiality:** Your responses will be anonymous. No identifying information will be collected or stored.

**Voluntary participation:** Your participation is voluntary. You may withdraw at any time without penalty.

**Questions:** Contact Dr. Christopher Castile at 985-449-7015 or [christopher.castile@nicholls.edu](mailto:christopher.castile@nicholls.edu), or Dr. Martin Meder at 985-448-4237 or [martin.meder@nicholls.edu](mailto:martin.meder@nicholls.edu).

**Reference:** Slade, L. A., Davenport, T. O., Roberts, D. R., & Shah, S. (2002). How Microsoft optimized its investment in people after the dot-com era. *Journal of Organizational Excellence*, 22(1), 45-58. <https://doi.org/10.1002/npr.10052>

By participating in this exercise, you indicate your consent to participate.

I have read and understood the information above, and I consent to participate in this classroom study.

Figure 1: Consent Form

**Screenshot 2: Baseline Profile**

**Key Elements:** Baseline compensation package visualization showing current Nicholls total rewards (\$64K total), pie chart breakdown of 9 components, component-level details, and context explanation for subsequent choice tasks.



**Baseline Total Rewards Package**

Understanding the Starting Compensation Structure

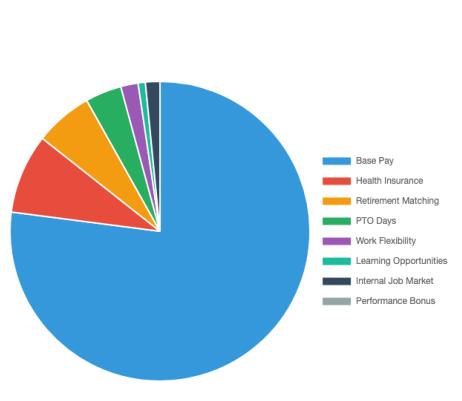
**What is the Baseline Package?**

The baseline package represents the **current total rewards allocation** at "Firm Co." This is your starting point—the compensation structure that exists before any optimization or reallocation. In this exercise, you'll see how different reallocations of this same \$64,067 budget can affect employee satisfaction and retention.

### Baseline Compensation Breakdown

Component	Annual Value	Description
<b>Variable Compensation Components</b>		
<b>Annual Base Pay</b>	\$49,367	Guaranteed annual salary before bonuses or benefits
<b>Learning Opportunities</b>	\$500	Basic certifications and professional development resources
<b>Internal Job Market</b>	\$1,000	Basic internal job postings and career mobility support
<b>Work Flexibility</b>	\$1,200	Hybrid work arrangement (1-2 work-from-home days per week)
<b>Performance Bonus</b>	\$0	No performance-based variable pay at baseline
<b>Fixed Benefits (Cannot Be Reallocated)</b>		
• Health Insurance	\$5,500	Medical, dental, and vision coverage
• Retirement Matching	\$4,000	401(k) or equivalent retirement plan matching
• PTO Days	\$2,500	Paid time off and vacation days
<b>TOTAL COMPENSATION</b>	<b>\$64,067</b>	Complete annual compensation value

**Total Compensation Breakdown (Visual)**



Base Pay	Health Insurance	Retirement Matching	PTO Days	Work Flexibility	Learning Opportunities	Internal Job Market	Performance Bonus
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**Understanding Variable vs. Fixed Components**

**Variable Components:** These five elements (Base Pay, Learning, Job Market, Flexibility, Performance) can be reallocated within the exercise. Money can be moved between them, but the total must remain \$53,067 (\$64,067 minus the \$11,000 in fixed benefits).

**Fixed Benefits:** Health Insurance, Retirement Matching, and PTO are contractual obligations and cannot be changed. They remain constant at \$5,500, \$4,000, and \$2,500 respectively.

**Baseline Turnover Characteristics**

Based on this baseline package, "Firm Co." experiences:

- **Quit rate:** 25% of employees leave annually
- **Turnover cost:** \$25,000 per employee who quits (recruitment, training, lost productivity)
- **Expected annual cost:** \$6,250 per employee, or \$3,125,000 for a 500-employee company

In this exercise, you'll explore whether reallocating the same \$64,067 budget could reduce this turnover rate and associated costs.

**Key Point:** The baseline package represents a status quo where \$53,067 is allocated across base pay (\$49,367), learning (\$500), job market (\$1,000), flexibility (\$1,200), and performance bonus (\$0). In the choice tasks, you'll see alternative allocations of this same budget—same total value, different mix—and evaluate which combinations you prefer and why.

Figure 2: Baseline Profile  
HSIRB 21

### **Screenshot 3: Choice Tasks (8 Tasks)**

**Key Elements:** Interactive choice task interface showing Option A vs Option B, compensation tables with delta calculations, probability sliders (0-100% retention), visual charts for each option, progress indicator, and navigation controls across 8 sequential tasks.

## Compensation Negotiation Simulation

8 Choice Tasks: Evaluate compensation package tradeoffs

Task 1
Task 2
Task 3
Task 4
Task 5
Task 6
Task 7
Task 8

### Market pay focus

We increase base pay by \$1,500 and fund it by trimming \$500 from learning and \$1,000 from flexibility support. This tradeoff prioritizes the paycheck over development funding and scheduling flexibility.

Component	Baseline	New Value	Change
Annual Base Pay	\$49,367 (baseline)	\$50,867 (+\$1,500)	<b>+\$1,500 (from base pay)</b>
Internal Job Market	\$1,000 (baseline)	\$1,000 (baseline)	\$0
Learning Opportunities	\$500 (baseline)	\$0 (-\$500)	<b>\$500 (to other benefits)</b>
Work Flexibility	\$1,200 (baseline)	\$200 (-\$1,000)	<b>\$1,000 (to other benefits)</b>
Performance Bonus	\$0 (none)	\$0 (none)	\$0
<b>Fixed Baseline Benefits:</b>			
• Health Insurance	\$5,500	\$5,500	\$0
• Retirement Matching	\$4,000	\$4,000	\$0
• PTO Days	\$2,500	\$2,500	\$0
<b>TOTAL</b>	<b>\$64,067</b>	<b>\$64,067</b>	<b>\$0</b>

**Absolute Changes (\$)**

Category	Change (\$)
Base Pay	1,500
Learning	-500
Job Market	0
Flexibility	-1,000
Performance	0

**Percentage Changes (%)**

Category	Change (%)
Base Pay	~2%
Learning	-10%
Job Market	0%
Flexibility	-8%
Performance	0%

### Learning + Performance focus

We lower base pay by \$2,000 to add \$1,250 for learning, \$250 for flexibility, and a \$500 performance bonus. This tradeoff prioritizes growth and recognition over guaranteed salary.

Component	Baseline	New Value	Change
Annual Base Pay	\$49,367 (baseline)	\$47,367 (-\$2,000)	<b>\$2,000 (to other benefits)</b>
Internal Job Market	\$1,000 (baseline)	\$1,000 (baseline)	\$0
Learning Opportunities	\$500 (baseline)	\$1,750 (+\$1,250)	<b>+\$1,250 (from base pay)</b>
Work Flexibility	\$1,200 (baseline)	\$1,450 (+\$250)	<b>+\$250 (from base pay)</b>
Performance Bonus	\$0 (none)	\$500 (+\$500)	<b>+\$500 (from base pay)</b>
<b>Fixed Baseline Benefits:</b>			
• Health Insurance	\$5,500	\$5,500	\$0
• Retirement Matching	\$4,000	\$4,000	\$0
• PTO Days	\$2,500	\$2,500	\$0
<b>TOTAL</b>	<b>\$64,067</b>	<b>\$64,067</b>	<b>\$0</b>

**Absolute Changes (\$)**

Category	Change (\$)
Base Pay	-2,000
Learning	1,250
Job Market	0
Flexibility	250
Performance	500

**Percentage Changes (%)**

Category	Change (%)
Base Pay	-4%
Learning	25%
Job Market	0%
Flexibility	2%
Performance (New)	10%

Selected: None
Option A - Probability of quitting: 25%

Figure 3: Choice Tasks

**Screenshot 4: Final Survey (Assessment Items)**

**Key Elements:** Exercise evaluation questions (9 items on 1-5 Likert scales), loss aversion scale (7 items on 1-7 Likert scales), optional comments field, and submit button.

**Final Survey**  
Your Feedback on the Exercise

**Thank you for completing the exercise!**  
Please take a few minutes to provide feedback on your experience. Your responses help us evaluate the educational effectiveness of this exercise and improve it for future students.  
**All questions are required.** Please answer honestly - there are no right or wrong answers.

Progress: 0 of 16 questions answered

### Section 1: Your Experience with the Exercise

How interesting did you find this exercise? \*

1 Very boring    2 Somewhat boring    3 Neither    4 Somewhat interesting    5 Very interesting

How useful was this exercise for understanding measuring employee preferences? \*

1 Very useless    2 Somewhat useless    3 Neither    4 Somewhat useful    5 Very useful

Would you recommend this type of analysis to your current/future employer? \*

1 Definitely no    2 Probably no    3 Maybe    4 Probably yes    5 Definitely yes

### Section 2: Learning Outcomes

Please rate your agreement with the following statements about what you learned from this exercise.

This exercise helped me understand economic concepts. \*

1 Strongly disagree    2 Disagree    3 Neither    4 Agree    5 Strongly agree

This exercise helped me understand how labor economics is relevant to business applications. \*

1 Strongly disagree    2 Disagree    3 Neither    4 Agree    5 Strongly agree

The discussion on this exercise helped me understand economic concepts. \*

1 Strongly disagree    2 Disagree    3 Neither    4 Agree    5 Strongly agree

The discussion on this exercise helped me understand how labor economics is relevant to business applications. \*

1 Strongly disagree    2 Disagree    3 Neither    4 Agree    5 Strongly agree

Cross-teaching (the participation of a Management professor in this activity) helped me understand how labor economics is integrated into my business education. \*

1 Strongly disagree    2 Disagree    3 Neither    4 Agree    5 Strongly agree

### Section 3: Decision-Making Preferences

Loss Aversion Scale: The following questions measure your individual preferences when making decisions. Please answer based on how you generally feel, not just about this exercise.

Scale: 1 = Strongly Disagree, 7 = Strongly Agree

When making a decision, I think much more about what might be lost than what might be gained. \*

1 Strongly disagree    2 Disagree    3 Somewhat disagree    4 Neither    5 Somewhat agree    6 Agree    7 Strongly agree

The pain of losing money matters more than the pleasure of gaining the same amount. \*

1 Strongly disagree    2 Disagree    3 Somewhat disagree    4 Neither    5 Somewhat agree    6 Agree    7 Strongly agree

I feel nervous when I have to make a decision that may lead to loss. \*

1 Strongly disagree    2 Disagree    3 Somewhat disagree    4 Neither    5 Somewhat agree    6 Agree    7 Strongly agree

The pain from losing something matters much more to me than the pleasure from getting it. \*

1 Strongly disagree    2 Disagree    3 Somewhat disagree    4 Neither    5 Somewhat agree    6 Agree    7 Strongly agree

Experiencing a major loss stays in my mind longer than experiencing a major gain. \*

1 Strongly disagree    2 Disagree    3 Somewhat disagree    4 Neither    5 Somewhat agree    6 Agree    7 Strongly agree

A potential failure scares me more than a potential success encourages me. \*

1 Strongly disagree    2 Disagree    3 Somewhat disagree    4 Neither    5 Somewhat agree    6 Agree    7 Strongly agree

The suffering that comes with losses can be fully offset by the pleasure that comes from gains. \*

1 Strongly disagree    2 Disagree    3 Somewhat disagree    4 Neither    5 Somewhat agree    6 Agree    7 Strongly agree

Note: This item is reverse-coded in the analysis.

### Section 4: Additional Feedback

Any additional comments about this exercise? \*

Please share any additional thoughts, suggestions, or feedback about your experience with this exercise...

Figure 4: Final Survey  
HSIRB 25

**Screenshot 5: Demographics Collection**

**Key Elements:** Demographic questions including age categories, gender identity, race/ethnicity (NIH-standard categories), with “Prefer not to answer” options for all items.

**Demographics**

Note: This information is collected for classroom analysis purposes only. Your responses are anonymous.

Age  
Select age range

Gender  
Select gender

Race/Ethnicity  
Select race/ethnicity

**Begin Tasks**

This figure shows a demographic survey form titled "Demographics". At the top, there is a note: "Note: This information is collected for classroom analysis purposes only. Your responses are anonymous." Below the note are three dropdown menus: "Age", "Gender", and "Race/Ethnicity". Each dropdown has a placeholder text: "Select age range", "Select gender", and "Select race/ethnicity" respectively. At the bottom of the form is a green rectangular button with the text "Begin Tasks" in white.

Figure 5: Demographics  
HSIRB 27

**Screenshot 6: Thank You Page**

**Key Elements:** Completion confirmation, thank you message, next steps information, lab acknowledgment, and contact information for questions.

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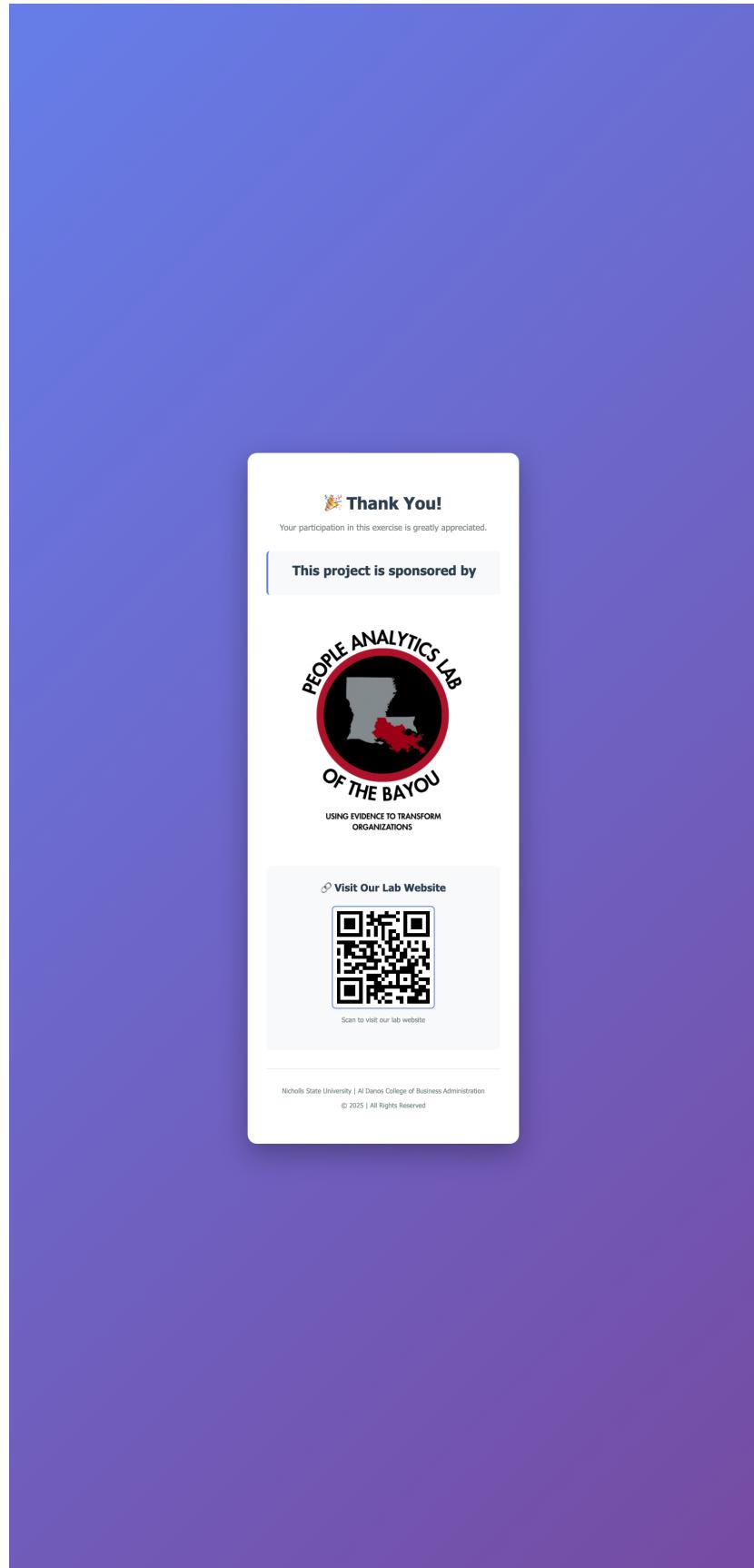


Figure 6: Thank You Page  
HSIRB 29

## **Appendix F: Task Profiles (8 Choice Tasks)**

This exercise presents a balanced and orthogonal  $2 \times 2 \times 2 \times 2$  design (16 total profiles) delivered as 8 choice tasks (2 options per task). Each option represents a zero-sum reallocation around the \$59K total compensation constraint, with fixed baseline benefits held constant.

### **Attributes and Levels Used in the Classroom Implementation:**

- **Annual Base Pay:** Maintain current level vs small reduction aligned to constraint
- **Internal Job Market:** Baseline programs vs enhanced mentoring/outplacement support
- **Learning Opportunities:** Baseline \$500 vs enhanced \$1,000 budget
- **Work Flexibility:** Baseline 1 day WFH vs enhanced hybrid schedule

**Structure of the 8 Tasks** (each task shows two contrasting strategic bundles):

1. **Task 1:** Option A emphasizes Base Pay and Internal Job Market; Option B emphasizes Learning and Work Flexibility
2. **Task 2:** Option A emphasizes Base Pay and Work Flexibility; Option B emphasizes Learning and Internal Job Market
3. **Task 3:** Option A emphasizes Base Pay and Learning; Option B emphasizes Internal Job Market and Work Flexibility
4. **Task 4:** Option A emphasizes Learning and Internal Job Market; Option B emphasizes Base Pay and Work Flexibility
5. **Task 5:** Option A emphasizes Learning and Work Flexibility; Option B emphasizes Base Pay and Internal Job Market
6. **Task 6:** Option A emphasizes Internal Job Market and Work Flexibility; Option B emphasizes Base Pay and Learning
7. **Task 7:** Additional rotated pairing maintaining balance across attributes
8. **Task 8:** Additional rotated pairing maintaining balance across attributes

### **Visual Documentation:**

The following screenshot shows all 8 choice tasks as presented to students in the interactive interface:

### **Screenshot: All 8 Choice Tasks Interface**

**Key Elements:** Complete task interface showing all 8 sequential choice tasks, each presenting Option A vs Option B with compensation tradeoffs, delta tables showing changes from baseline, probability sliders for retention assessment, and visual charts displaying absolute and percentage changes for each option.

### **Notes for Reviewers:**

- **Budget Constraint:** All 16 profiles sum to the same total compensation; only the allocation across the four attributes changes.
- **Balance:** Each option includes two attributes at their higher level and two at their lower level to maintain balance.
- **Additional Materials:** A printable preview of the exact 8 task profiles is also available as `task_profiles_clean.html` and `task_profiles_preview.html` in the submission bundle.

## Compensation Negotiation Simulation

8 Choice Tasks: Evaluate compensation package tradeoffs

### Tradeoff: Market vs Learning + Performance

Task 1 Task 2 Task 3 Task 4 Task 5 Task 6 Task 7 Task 8

**Market pay focus**

We increase base pay by \$1,500 and fund it by trimming \$500 from learning and \$1,000 from flexibility support. This tradeoff prioritizes the paycheck over development funding and scheduling flexibility.

Component	Baseline	New Value	Change
Annual Base Pay	\$49,367 (baseline)	\$50,867 (+\$1,500)	<b>+\$1,500 (from base pay)</b>
Internal Job Market	\$1,000 (baseline)	\$1,000 (baseline)	\$0
Learning Opportunities	\$500 (baseline)	\$0 (-\$500)	<b>\$500 (to other benefits)</b>
Work Flexibility	\$1,200 (baseline)	\$200 (-\$1,000)	<b>\$1,000 (to other benefits)</b>
Performance Bonus	\$0 (none)	\$0 (none)	\$0
<b>Fixed Baseline Benefits:</b>			
• Health Insurance	\$5,500	\$5,500	\$0
• Retirement Matching	\$4,000	\$4,000	\$0
• PTO Days	\$2,500	\$2,500	\$0
<b>TOTAL</b>	<b>\$64,067</b>	<b>\$64,067</b>	<b>\$0</b>

**Absolute Changes (\$)**

Component	Absolute Change (\$)
Base Pay	1,500
Learning	-500
Job Market	0
Flexibility	-1,000
Performance	0

**Percentage Changes (%)**

Component	Percentage Change (%)
Base Pay	~2%
Learning	-100%
Job Market	0%
Flexibility	-80%
Performance	0%

**Learning + Performance focus**

We lower base pay by \$2,000 to add \$1,250 for learning, \$250 for flexibility, and a \$500 performance bonus. This tradeoff prioritizes growth and recognition over guaranteed salary.

Component	Baseline	New Value	Change
Annual Base Pay	\$49,367 (baseline)	\$47,367 (-\$2,000)	<b>\$2,000 (to other benefits)</b>
Internal Job Market	\$1,000 (baseline)	\$1,000 (baseline)	\$0
Learning Opportunities	\$500 (baseline)	\$1,750 (+\$1,250)	<b>+\$1,250 (from base pay)</b>
Work Flexibility	\$1,200 (baseline)	\$1,450 (+\$250)	<b>+\$250 (from base pay)</b>
Performance Bonus	\$0 (none)	\$500 (+\$500)	<b>+\$500 (from base pay)</b>
<b>Fixed Baseline Benefits:</b>			
• Health Insurance	\$5,500	\$5,500	\$0
• Retirement Matching	\$4,000	\$4,000	\$0
• PTO Days	\$2,500	\$2,500	\$0
<b>TOTAL</b>	<b>\$64,067</b>	<b>\$64,067</b>	<b>\$0</b>

**Absolute Changes (\$)**

Component	Absolute Change (\$)
Base Pay	-2,000
Learning	1,250
Job Market	0
Flexibility	250
Performance	500

**Percentage Changes (%)**

Component	Percentage Change (%)
Base Pay	-40%
Learning	250%
Job Market	0%
Flexibility	10%
Performance (New)	20%

Selected: None
25%

Retention Probability Assessment
Option A - Probability of quitting

Figure 7: 8 Choice Tasks as Presented to Students

## **UPDATE LOG**

**Version 1.0** - September 2025: Initial IRB application for total rewards optimization classroom exercise in Dr. Martin Meder's Labor Economics course

**Version 1.1** - September 2025: Added enhanced assessment items adapted from Moryl (2013) to evaluate learning outcomes across multiple dimensions

**Version 1.2** - October 2025: Added loss aversion scale (7-item Likert scale) to measure individual differences in decision-making preferences and their relationship to compensation package choices

**Version 1.3** - November 2025: Updated to component-based architecture (13 sequential HTML files), replaced “conjoint analysis” terminology with “total rewards optimization,” added detailed 13-component exercise flow description, added task profiles appendix (Appendix F) with screenshots, improved formatting with paragraph spacing and descriptive bullets throughout all appendices

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**Note:** This research is valid for a 12-month period from the date of approval. Data collection may begin only after this form has received committee approval and has been properly filed with the HSIRB.

**Revised:** November 2025