JOB EVALUATION





What we will be able to cover

- What job evaluation is & how it can drive improvement in organizational effectiveness.
- Key principle of & assumptions underlying Job Evaluation.
- Methodology of Job Evaluation.
- Concept of Job slotting.

Hence, develop a team that can

- Participate in a Job Evaluation Committee
- Explain & internally champion the outcomes of Job Evaluation.
- Ensure that they can communicate the objectivity, credibility & fairness of the Job Evaluation System.

INTRODUCTION TO JOB EVALUATION

What is job evaluation?

 A means of determining the relative importance of jobs in an organization in a structured, orderly & consistent manner which takes accounts of job content & organizational context

IS

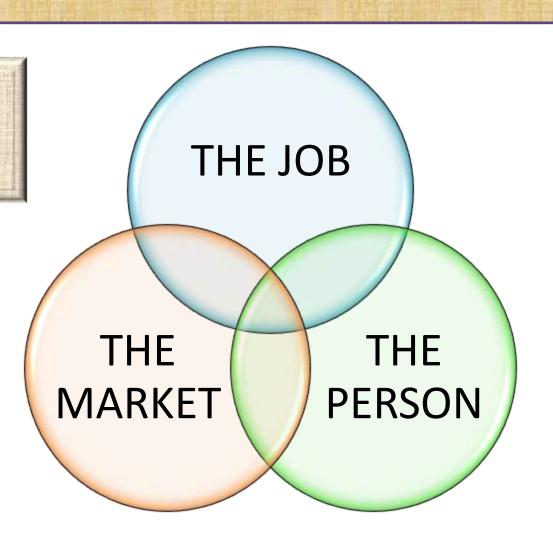
Comparative
Judgmental
Structure
Job Centered

IS NOT

Absolute
Scientific
Unstructured
Person Centered

Job evaluation is one of the inputs into decisions on people, other two being the person & the market

Job Evaluation Provides rank order or roles



All these 3 element need to be aligned to ensure effective functioning of our HR System

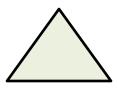
Variable



•JOB



Individuals



Compensation/ Grade

NATURE

- •Represented by a Job Evaluation score
- •Resume fixed, irrespective of the seniority of individual occupying it.
- •Changes only when the job/organization structure is redefined
- Perceived/ assessed capability/ potential of an individual
- •Changes at periodic intervals depending on the ability of individuals to develop
- •Total Compensation paid to the individual/for the job
- •Compensation to the individual increases with performance/ potential.
- •Benchmark compensation for the job changes with change in Job complexity or Job market.

ECONOMIC INTERPRETATION

Should be proportionate to the economic value expected to be created by the job

Should be proportionate to the economic value expected to be created by the job

Value paid for the Job/individual

Target a match between the three





Individual is paid commensurate to the economic value he can create; &

He is in a job that helps him create the value he is capable of By default, he payment is commensurate with the value created

What information do we need to accurately & consistently evaluate jobs?

Evaluation requires job information, the knowledge of the evaluator & other relevant documentation.

Context

Job

- Company purpose
- Financial structure
- Structure
- Ownership
- Organisation culture& sector
- Sector characteristics

- Job purpose
- Dimensions
- Accountabilities
- Skills, knowledge, experience
- Main challenges
- Organisation structure

JE process governed by a few rules, checks & balances

Constrained by rules

- Jobs not people
- "Normal" performance
- ■The job as it is now
- Disregard current pay & status
- No understanding: no evaluation

Checks & Balance

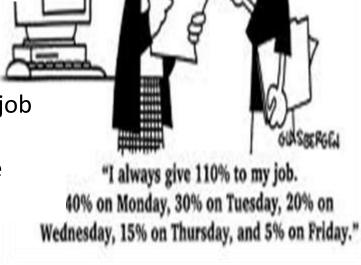
- Collective Judgment & Consensus
- Profile check
- "Sore thumbing"

Common Pitfalls of Job Evaluation Panels

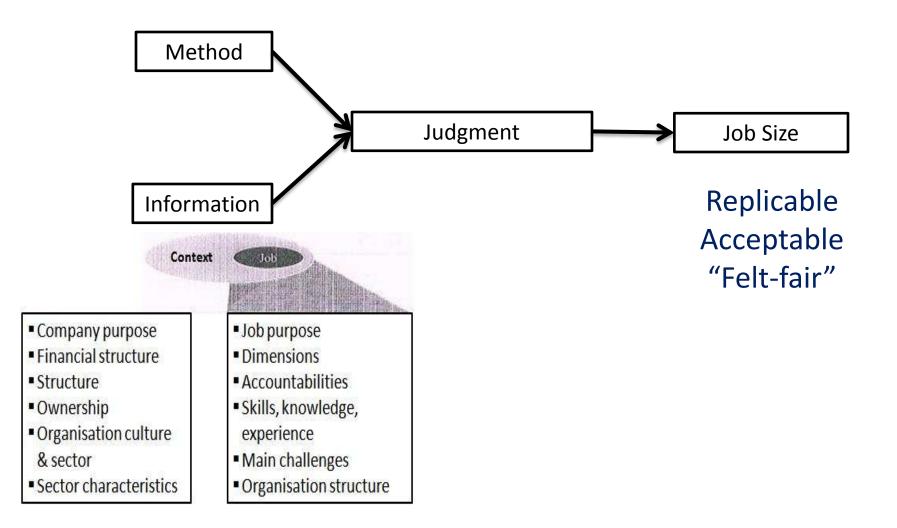
- Over or under evaluating due to perception of differences in market
- Evaluating jobs as they existed before or planned for future, instead of status quo

Evaluating the incumbent instead of the job

 Prematurely slotting the job against job earlier evaluated, instead of applying the guide chart

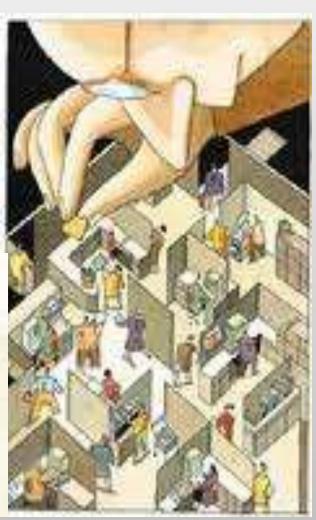


The key inputs into Job Evaluation



METHODOLOGY





Basic premise of JE Methodology

All jobs exits to contribute in some way to the organisation.

Job Evaluation allow us to measure the contributions of jobs in terms of internal value & further enables linking these internal values to external data.

This methodology measures three aspects of jobs:

- Knowledge required (input)
- Problem Solving involved (throughput)
- Accountability Results expected (output)

The outcomes of this methodology is a measurement of job size in terms of points.

Factor used in Job Evaluation Methodology

Jobs exist to achieve an end result

To achieve this end result, jobholders must address problems, create, analyze, & apply judgment.

The jobholder requires knowledge & experience consistent with the scale & complexity of the result to be achieved

Problem Solving

4

Accountability

Know how

Problem Solving

Accountability

Accountability

Job Evaluation process is based on Weber's low of Just Notification Differences

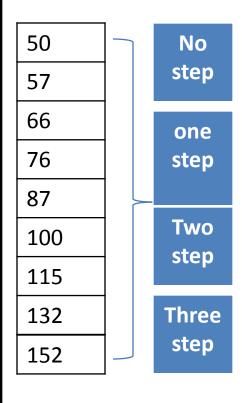
A perceivable step difference is defined in evaluation term as a 15% progression in point values in all of the charts. **Examples 50 57** 66 Assumptions on this evaluation process 76 1 x 15% step Just perception difference 87... 2 x 15% step Noticeable difference

Clear difference

3 x 15% step

Job Evaluation process is based on Weber's low of Just Notification Differences

In other words, comparing one job factor to another...



- Not a significant difference in size
- Just noticeable difference, perceived only after careful thought
- Clear noticeable, quite evident after some consideration
- Very obvious difference, needing little or no consideration

Elements Of Job Evaluation



- Practical/ Technical n Knowledge
- Planning,

 Organising and
 Integrating
 (Managerial)
 Knowledge
- Communicating and Influencing Skills

- Thinking Environment
- Thinking Challenge
- Freedom to Act
- Nature of Impact
- Area of Impact (Magnitude)



KNOW-HOW FACTOR

- To achieve results, jobs must require a certain level of knowledge, skills & experience.
- Know-how is the factor we use to measure the sum total of knowledge required of a job, however gained.
- Know-how has three dimensions:
 - Practical/Technical Knowledge
 - Planning, Organizing, Integrating (managerial) /knowledge
 - Communicating & Influencing Skill

Problem solving factor

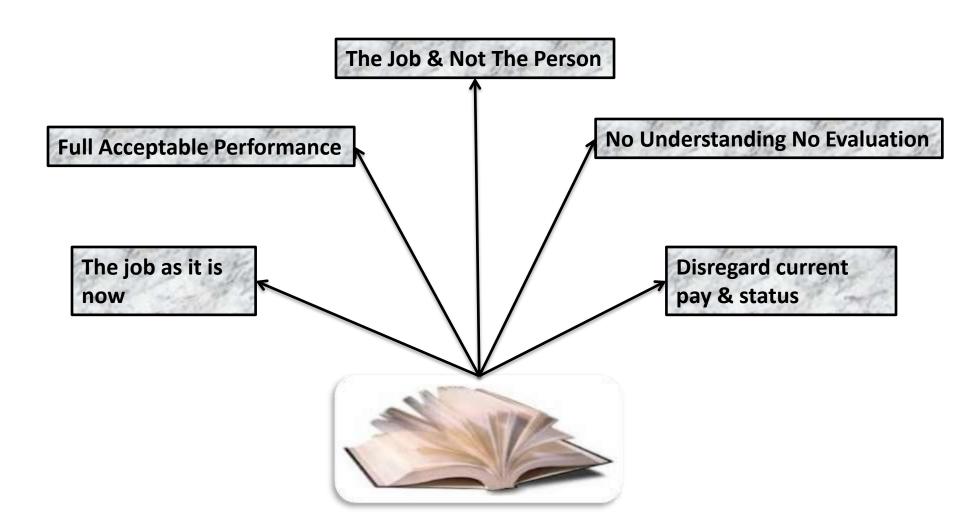
- In utilizing know-how to achieve results, jobs are designed to analyze and resolve problems.
- Problem solving is the factor use to measure the nature & complexity of the problem & challenges that job must face.
- Problem solving has two dimensions:
 - Thinking Environment- Freedom to Think
 - Thinking Challenge

Accountability Factor

- Based on the premise that all jobs exist to achieve results.
- Accountability is the factor used to measure out of the jobs.
- Accountability has three dimensions:
 - Freedom to Act
 - Nature of Impact
 - Magnitude (Area of Impact)



Fundamental principles to be kept in mind when evaluating jobs







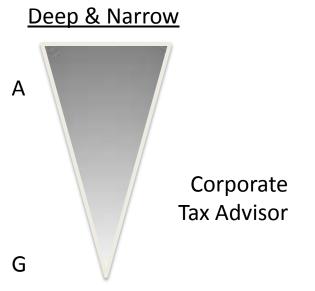
Know-How

Sum total of every kind of capability , <u>however acquired</u> necessary for competent job performance.

- Know-How can be acquired through:
 - Formal education- engineering, finance, law, medicine, etc.
 - Education & experience- programming, skilled traders, etc.
 - Experience- sales, supervision, etc
- Know-how has three dimensions:
 - Practical/Technical Knowledge
 - Planning, Organizing, Integrating (managerial) /knowledge
 - Communicating & Influencing Skill

What Does Practical/ Technical Know-how Consider

• This is concerned with the depth & scope of knowledge. This is used to recognize increasing specialization (depth) &/or the requirement for a greater breadth (scope) of knowledge.



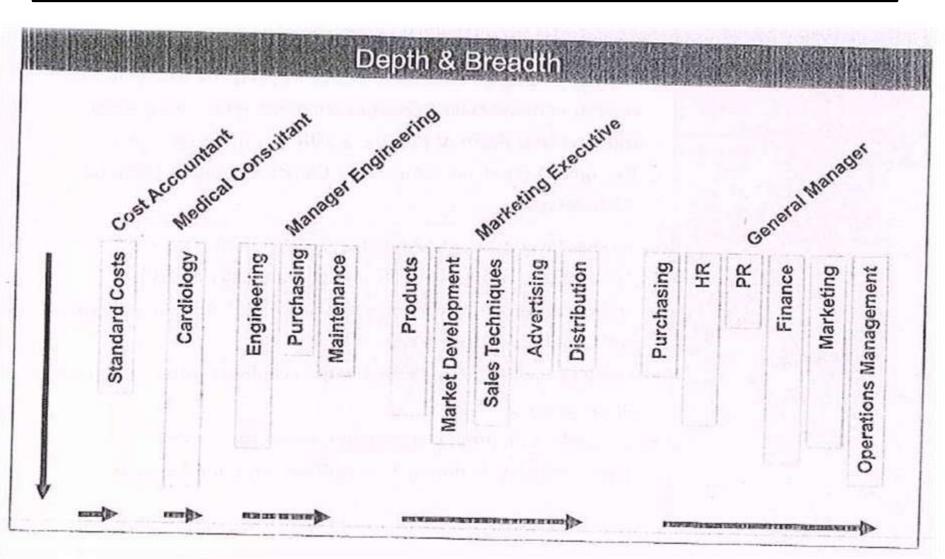
Depth- Ranges from knowledge of simple work routines to unique & and authorized expertise.

Board & General

G
Managing Director

Scope-covers the variety of techniques, disciplines, processes, products, etc., from few to many, about which knowledge is required

Practical/Technical Knowledge-Examples



A- Basic /Primary	 Basic skills/ knowledge require only a few hour to learn & reinforced by experience over a period of days. Simple procedures, detail instructions & routine operations Primary/lower Secondary Education Example: mail room clerk, file clerk, assembler, laborer
B- Introductory /Elementary vocational	 Basic abilities in understanding established, standardized instructions, ability to utilize basic equipments Familiarization with standard work routines. Formal training & reinforced by job experience months. Secondary Education Example: Typists

C- General/ Process/ Procedural/ Practical Vocational

- Procedural or systematic proficiency in use of somewhat diversified procedure & precedents; may involve facility in operation of specialized equipment of moderate complexity.
- Diploma Certificate/ 12th pass with1 year experience.
- Example: Technical, Accounts Clerks, Computer Operator, Technicians.

D- Advanced Vocational/ Seasoned Practitioner

- Broader & deeper technical understanding
- Specialized knowledge utilizing substantially diversified standards & precedents; may involve operation of equipment with significant complexity.
- Entry Level with professional degree/Diploma with relevant year of experience
- Example: Computer programmer, customer service representative, maintenance engineer, first-line supervisor

E- Professional

- Conceptual understanding & application of clearly defined polices & principles, define work practices, precedents, theoretical or scientific theory & functional principles. Understanding of why things are done important.
- Level of difficulties/ abstraction typically gained through years of experience
- Combination of experience & education.
- Degree with 5+year relevant experience
- Example: mid-level to upper mid level managers

F- Seasoned professional

- Proficiency in application of Knowledge in a board, multifunctional field, or considerable depth & seasoning in a technical & specialized field.
- Degree with 12+ years of relevant experience
- Typical career top out level of technical know-how professions
- Example: Mainly Senior managerial positions

G-Comprehensive professional/ Professional Mastery	 Comprehensive Knowledge & experience in general management breadth &/or expert level of ability in highly technical areas. Positions generally have strategic importance to the organisation & represent the organization's leading expert in such an area. On technical side, requirements often exist for advanced degree or equivalent with similar experience Example: Senior executive (breadth) & technical top of technical career ladder in many organisation
•H- Authoritative	 Recognized & accomplished industry/functional expert in a critical, technically complex & strategically important area. Rarely used, & where it is, associated with individual recognition & capability in order to organization need Example: World renowned scientists

A Summary Of Practical/Technical Knowledge

LEVEL	TECHNICAL SKILL RERUIREMENTS	TYPICAL SKILL REQUIREMENTS	TRAINING NEEDEDA
A	BASIC	Literacy & ciphering skill needed	Very short on-the- job
В	INTRIDUCTORY	Semi-skilled/ simple repetitive assignment/uses of basics equipment	Short on job
С	GENERAL/ PROSESS/ PROCEDURAL	"Journey" level/specialized skills or equipment	Moderate, specialized training & experience
D	ADVANCED	Master vocational skills/ procedural proficiency	Vocational training & considerable experience
E	PROFESSIONAL	Disciplinary understanding/technical sufficiency	College degree or equivalent training experience
F	SEASONED RODESSIONA;	Technical, disciplinary proficiency	Advanced college study or equivalent training & experience
G	COMPREHENSIVE PROFESSIONAL	Broad management knowledge or deep technical knowledge	Extensive management or technically specialized experience.
Н	AUTHORITATIVE	Pre- eminent knowledge & command of principles, theories & applications	Deep research- oriented experience in a scientific field or other learned discipline

Exercise 2: what is the practical/ technical knowledge requirement for these 2 roles

Role 1- Plant Head of a Chemical Plant which manufactures 4 different types of chemicals & has end to end responsibility of all the plant functions such as Production, Maintenance, HR, Security, Administration, Quality etc.



Role 2-

Secretary who manages all the administrative requirement of the finance department of an organization (e.g. booking flights, scheduling meetings etc.)

- The knowledge required for integrating & managing activities & functions.
- It involves some or all the element of planning, organizing, coordinating, directing, executing & controlling over time.
- Managerial knowledge is related to the size of an organisation, functional and geographical diversity & time horizon.
- It may be exercised directly or in an advisory/ consultative way.

Management involved number of process, which are summarized, with examples below:

- Policy formulation
 - -Defining direction & strategic goal
 - -Establishing value, standers & guidelines



- Defining operational objectives
- Resource allocation/ optimization



- Designing organizational structure
- Developing decision making & work processes
- Implementation & Controlling
 - Deciding what to do
 - Doing it or getting it done







Planning, organizing & integrating (managerial) knowledge is rated higher the more the job holder has to:

- •Plan, organize, direct & control resources
- •Trade off priorities & gains in one area with those in another
- Control diverse areas/ activities
- Operate to longer time-scales & horizons
- •Integrated & harmonies functions which are in competition for resources & priorities.

T- TASK FOCUSED

- •Performance of the task or task which are highly specific as to objective & content with limited awareness of surrounding circumstances and events.
- Examples: Small clerical roles "blue collar job"

I - SPECIFIC

Performance or supervision of multiple activates which are specifics as to objectives & content. There is a requirement to interact with co-workers & maintain an awareness of related activities

- Jobs are concerned with performing work or handling a workload
- Workload can be handled individually or by supervision of others.

ii- RELATED

Planning, Organizing, Integrating (managerial) Knowledge

Integration of operations or services which are generally related in nature & objective & where there is a requirement for co-ordination with associated functions.

- managerial concern for integrated & harmonizing related sub-functions.
- •Requires substantial planning, budgeting & monitoring activity.
- Organizes resources to meet broad objectives for the future
- •Requires the setting of priorities amongst competing demands or courses of action
- •Individual contributors know & utilize the process of management to advise functional managers on how to manage.
- •Example: Middle/Senior Management Roles

Planning, Organizing, Integrating (managerial) Knowledge

iii- DIVERSE

Operational or conceptual integration of functions of which are diverse in nature & objective or critical to the achievement of overall business goals.

- Multifunctional roles required to resolves conflicting priorities, allocate & human resources.
- Strategic diversity incorporating product/ market diversity
- Functional completeness
- Geographic scope
- Examples: Senior Management roles

Planning, Organizing, Integrating (managerial) Knowledge

business operations.

Or

• Direction of a strategic function within & across the organization.

Strategic integration & leadership of important

Or

- Overall strategic integration & leadership of the organization (depending on size & complexity)
- Example : Senior Management Roles Heading Conglomerates

iv-BROAD

Planning, Organizing, Integrating (managerial) Knowledge

______ Individual performer assigned simple, specific task



Individual performer or supervisor.



Related managerial integration.



Diverse managerial integration.



Integration of broad major functions for the division

Exercise 3: What is Managerial Breadth for these 2 roles

Role 1- Plant Head of a Chemical Plant which manufactures 4 different types of chemicals & has end to end responsibility of all the plant functions such as production, Maintenance, HR, Security, Administration, Quality etc.

Role 2- Sectary who manages all the administrative requirement of the finance department of an organization (e.g. booking flights, scheduling meetings etc.)



Person to person skills in the area of human relationships impacting outcomes of such interaction

Skills required to performs the positions at a 100% fully competent level.

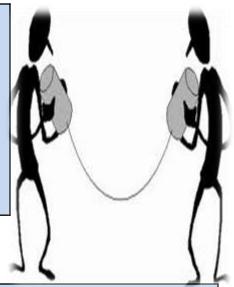




Nature of contact and end result expectation of interpersonal relationships are critical, not frequency of interpersonal interaction

1.Communication

- Commons courtesy, tact and effectiveness in dealing with others to meet their needs.
- Give & receive information, ask questions
 & get clarification.
- At a minimum, expected of every employee in the organization.



2. Reason



- Skills required to understand, persuade & influence outcomes.
- influences behavior, change opinions or turn a situation around.
- •Examples: lead worker/ supervisor. Customer Service Representative, Technical Sales Representative

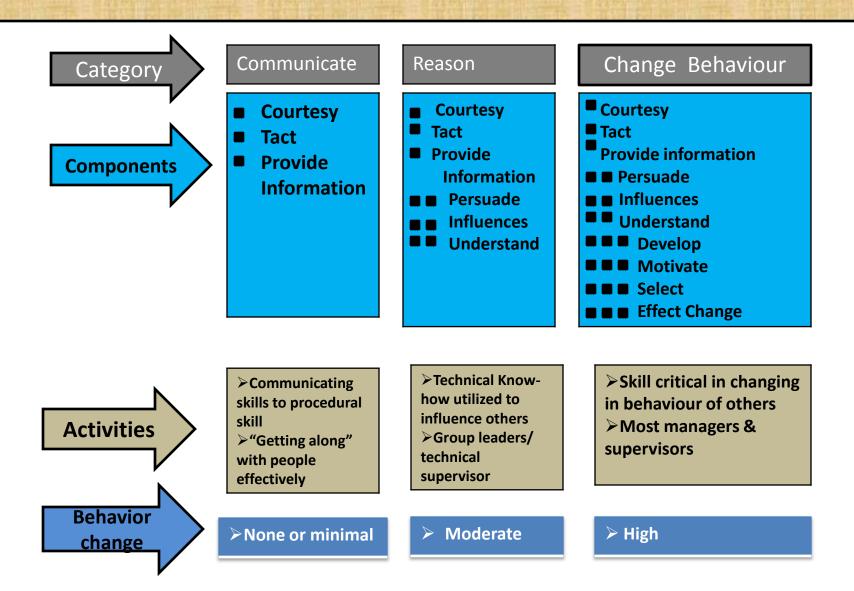


3. Change Behaviour

Requirement to motivate, develop, negotiate, mediate or cause communicate (to cause actions to occur that would not likely occur human relationships interaction)



"Of course I can accept you for who you are. You are someone I need to change."



Exercise 4: What are the Communication & influencing required for these 2 roles

Role1- Plant Head of a chemical Plant which
 manufactures 4 different type of chemicals & has end to
 end responsibility of all the plant functions such as
 Production, Maintenance, HR, Security, Administration,
 Quality etc.

Role2- Secretary which manages all the administrative requirement of the finance department of an organization(e.g. booking flight, scheduling meetings etc)

Know how slotting

GUIDE CHART FACTORS PROBLEM SOLVING FACTOR



Problem Solving

Problem solving is the amount & nature of thinking required in the job in the forms of analyzing, reasoning, evaluating, creating, using judgment, forming hypotheses, drawing inferences & arriving at conclusions.



Problem solving deals with the intensity of the mental process which uses know-How to identify & solve problem

Problem solving has two dimensions:

- •Thinking Environment- Freedom To Think
- Thinking Challenge

Thinking Environment- Freedom of thinking

The degree to which thinking is constrained by rules, methods, procedures, precedents, policies, strategy, etc



Thinking environment is limited by factors such as:

- Charter, mission & goals of the organisation/area
- Regulations/laws
- Department/Functional policies, practices & procedures
- Direct supervision/guidance expected to be provided

Thinking Environment- Freedom of thinking

A. Strict routine	Thinking within very detail & precisely defined rules & instructions &/or continually present assistance.
B. Routine	Thinking within detailed standard practices & instructions &/or with immediately available assistance or examples.
C. Semi-routine	■Thinking within well-defined, somewhat diverse, procedures with many precedents covering most situations &/or readily available assistance.
D. Standardised	Thinking within multiple, substantially different procedures, standards & precedents &/or access to assistance.
E. Clearly defined	■Thinking within clearly defined policies, principle & specific objectives.
F. Broadly defined	■Thinking within broadly defined policies & objectives.

Thinking Environment- Freedom of thinking

TO PARTIE	Level	Overview	Job comprehension	Thinking guided by	Latitude permitted	Typical jobs
	A	Strict routine	What to do	Simple rules & detail instruction	Rigid supervision	Production & Assembly Jobs
En M	В	Routine	and	Established routines & standing instruction	Variation in sequence, continuous supervision	Recreationalist , Assembler, Clerical Jobs
W.	С	Semi-routine	How to do	Somewhat diversified procedure & precedent	Organizing workflow in best sequence, interpret customs practices	Secretary, Accounting Clerk, Lead Worker, Technicians
0	D	Standardised	Told what to do: option on how	Somewhat diversified procedure & specialized standards	Choices of procedure & sequence of implications	Accountant, Engineer, First line supervisor, Jr. Management
. !	E	Clearly defined	told what to do; free to think about how	Clearly defined policies & principles	Development of new procedure	Department Manager, Sr. Professtional
	F	Broadly defined	Told what to do in very board terms	Board policies & specific objectives	Development of plant priorities & process to achieve objectives	Functional Executive, Sr. Management
	G	Generally Defined	Free to think about all of the organization under board guidance	General policies & ultimate goals	Latitude to consider organizational direction	Core Executives, Board level position

Exercise 5: What is the Thinking Environment for those 2 roles

 Role1- Plant Head of a chemical Plant which manufactures 4 different type of chemicals & has end to end responsibility of all the plant functions such as Production, Maintenance, HR, Security, Administration, Quality etc. <u>This role will receive quidance from</u> the corporate regarding best practices in production technology, which products should be manufactured etc.

 Role 2- Sectary who manages all the administrative requirement of the finance department of an organization (e.g. booking flights, scheduling meetings etc.). <u>This role will receive guidance</u> <u>from the corporate regarding how bookings should be made, what cost</u> <u>centers to use, who will provide approvals etc.</u>

Thinking Challenges

- The complexity of the problems encountered & the extent to which original thinking must be employed to arrive at solutions.
- Concerned with the type of thinking predominantly used.
- The mental process used to resolve the problem (ranges from rote/instinct to deliberation/contemplation)

Variables that impact types of challenges:

- Quantity
- Complexity
- Abstractness
- Stability

Challenges increases when variables constantly change

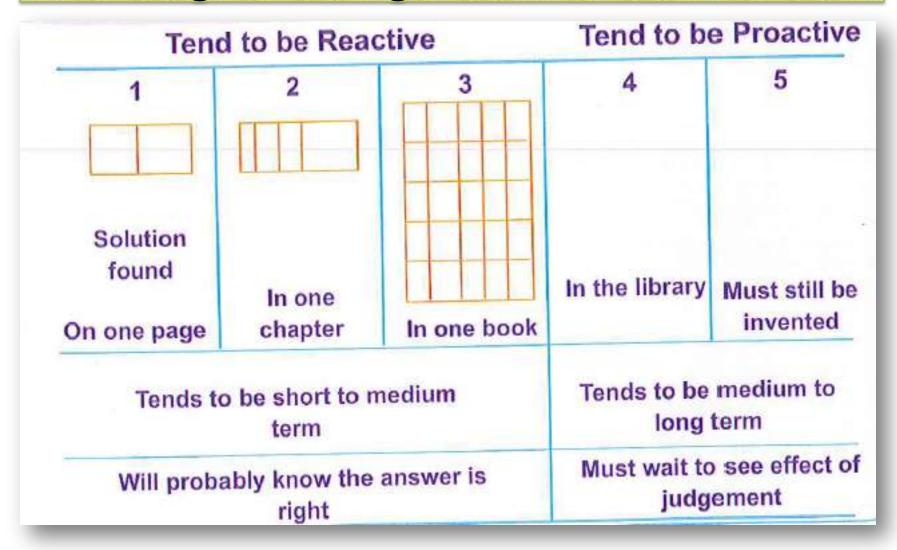


1. Repetitive	•Identical situation requiring solution by simple choive of things learned.
2. Patterned	•Similar situations requiring solution by the discriminating choice between known alternatives.
3. Variable	•Different situation requiring the identification of issues, the application of judgment, and the selection of solutions within the area of expertise & acquired knowledge.
4. Adaptive	•Situation constantly requiring adaptation or development of new solution through analytical, interpretative, evaluative, creative & innovative thinking.
5. Uncharted	•Novel & path finding situations, requiring the development of new concepts & imaginative solutions for which there are no precedents.

Thinking Challenges

	1	2	3	4	5
Column1 💌	Repetitive 💌	Patterened 💌	Variable 💌	Adaptive 💌	Uncharted 💌
Overview	"this is the	"Which is the	"where is	"Is this right	"Change the
	answer	answer"	the answer'	Question"	Paradigm"
Situations	Identical	Similar	Differing	Variable	Novel
encountered					
Thinking	Simple	Discriminating	Seach for	Search	Develop
Response	Choice	Choice	Solution	Outstande	New
				Available	Approaches
				Sources	
Thought	Recognize/	Recognize/	Recognize/	Recognize/	Recognize/
Process	Recall	Recall Short	Recall Short	Recall Short	Recall Short
			Search	Search Analyze	Search
				Interpret	Analyze
				Evaluate	Interpret
					Evaluate
					Create
Typical jobs	Production	Middle	Executive/	Senior	CEO, Core
	Line Jobs	Management	Senior	Professional,	Exec Pure
		Roles	Roles	Strategic	Research
				Management	
				Roles	
	PREDIFINED S	OLUTION ←		> CREAT	TED SOLUTION

Simple Benchmarks For Scoring Thinking Challenge



Exercise 6: What Is Thinking Challenge for these 2 roles

 Role1- Plant Head of a chemical Plant which manufactures 4 different type of chemicals & has end to end responsibility of all the plant functions such as Production, Maintenance, HR, Security, Administration, Quality etc. <u>This role will receive quidance from the</u> <u>corporate regarding best practices in production technology, which products</u> <u>should be manufactured etc.</u>

 Role 2- Sectary who manages all the administrative requirement of the finance department of an organization (e.g. booking flights, scheduling meetings etc.). <u>This role will receive quidance from the</u> <u>corporate regarding how bookings should be made, what cost centers to use,</u> who will provide approvals etc.

Understanding of the Various Problem Solving percentages

PS%	Interprotation	Interpretation of Problem So ving Percentages		
57	Functional strategy	Strategic direction		
50	Functional policy	Strategic impact		
43	Tactical content	Heavy tactical or light strategic		
38 Broad operational; strong functional		Tactical or experienced professional		
33	Operational or functional advisory	Heavy supervisory or technical professional		
29	Junior operational/junior advisory	Supervisor or junior professional		
25	Broad administration	Light supervisory or heavy clerical		
22	Basic administration	Clerical with some reasoning		
19	Light administration	Some element of initiative		
16	Data input	Fairly routine procedures		
<16	Basic clorical or manual	Very low degree of mental demands		

Relationship between Problem Solving & Know-How

Typical combination, but do not use them as a rule of thumb!

Know-How Points						Pro	blem S	olving	1 %	20			MARK N	
50	10	12							-			_		
57	10	12	14							-				
66		12	14	16				_		_				
76			14	16							_			
87				16	19			_				-		
100					19	22								
115					19	22	25			-				
132						22	25	29						
152							25	29						
175								29	33			-		
200								29	33	10.00				
	-								33	38			-	
230	-								33	38	43			
264	-	-								38	43			_
304				-						38	43	50		_
350				_	-						43	50		
400				-	-	-	-				43	50	57	
460						-	_	_				50	57	
528					-		-		-			50	57	66
608							1	-	1			50	57	66
700						1	1 00	1 00	D3	D4	D4	E4	F4	F5
PS Slots	A1	A1 B1	B1	B2	B2 C2	C2	C3	C3	E3	E3	E4	F4	G4	G4

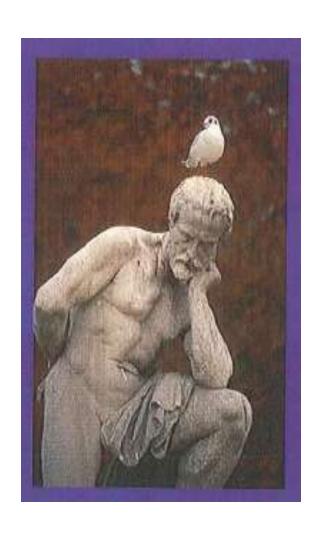
Problem Solving Slotting

		Thinking Challenge									
e	e.g., D3+ (33%) 50 8 3 → (2%%)	1. Repetitive	2. Patterned	3. Variable	4. Adaptive	5. Uncharted					
T	A. Strict Routine	10%	14%	19%	25% - 29%	33%					
-	B. Routine	12%	16%	22% 25%	29% 33%	38% 43%					
ent	C. Semi Routine	14%	19%	25%	33%	43% 50%					
Environment	D. Standardized	16%	22%	29%	38%	50%					
	E. Clearly Defined	19%	25%	33%	43% 50%	57%					
Thinking	F. Broadly Defined	22%	29%	38%	50%)	66%					
F	G. Generally Defined	25%	33%	43%	57%	76%					
	H. Abstractly Defined	29%	38%	50%	66%	87%					
	KH PS AC Total	KH	PS AC	Total	KH PS	AC Tota					
1		304	152 1		700 I 460	1					
	152 I 50 I I Bookkeeping Supervisor		incipal Enginee	r	Executive \	/ice President					

Select the lower percentage in the cell unless there is pull up or down on Thinking Challenge and/or Thinking Environment.

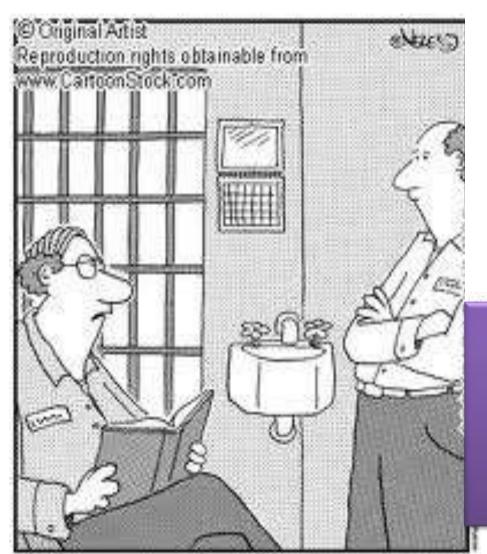
See point conversion table to calculate Problem Solving points.

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- 7. Chart Factors- Accountability Factors
- 8. Quality Assurance
- 9. Job slotting
- 10. Implementation of Job Evaluation
- 11. Application of Job evaluation
- 12. Frequently Asked Question

THE accountability RELIEF EFFORT...



"When I was hired, the boss asked if I could handle a job with lots of accountability, and like an idiot, I said 'Yes!'"



Chart Factors-Accountability Factors

Accountability

Accountability assesses the extent to which a job/role is answerable for actions and their consequences.

- It measures the effect the position has on end results.
- Assume expected outcomes not "worst case scenario."

Accountability has three dimensions:

- Freedom to Act
- Nature of Impact
- Magnitude (Area of Impact)



 The extent to which the job/role decides on the measures & actions to be taken to achieve results.

Freedom to Act is a function of-

- Existence or absence of personal/procedural control & guidance
- Direct relationship to organizational structure
- Defines authority to act, to approve, to make decisions
- Related to time frame of impact of decisions



"I realize our new, automated factory has made your job easier, but can you at least look busy?"

A. Closely controlled	Operating within direct and detailed instructions with very close and continuous supervision. Told: What to do, How to do it, When to do it May be supervised by a machine or process Typical jobs: Production line jobs, shop floor workers etc
B. Controlled	Subject to instructions and established work routines, under close supervision. Told to do as you are supposed to do Typical jobs: Technicians, clerical roles
C. Standardised	Operating within standardised practices and procedures, general work instructions and supervision of progress and results. Told: Here is what and how Told: Keep me informed on progress Typical jobs: First line supervisory jobs

D. Generally regulated	Operating within practices and procedures covered by precedents or well defined policies and review of end results. Told: Tell me when you have done it Typical jobs: Engineer, Senior Accountant, Junior Management roles
E. Clearly directed	Subject to broad practices and procedures covered by functional precedents and policies and managerial direction. Told: This is what must be done Typical Jobs: Department manager, plant manager
F. Generally directed	Subject to general direction and broadly defined policy objectives. Typical Jobs: Senior management roles (generally CEOs, COOs etc)

G. GUIDED

•Subject only to overall guidance on broad organizational objectives & collection of strategic policy

•Typical Jobs: Senior management roles (generally CEOs) MDs of every large business



Exercise 7: Freedom to Act for these 2 roles

- Role 1 Plant Head of a Chemical Plant which manufactures 4 different types of chemicals and has end to end responsibility of all the plant functions such as Production, Maintenance, HR, Security, Administration, Quality etc. <u>This role will need to report to the regional CEO in relation to budgets, changes in production schedule, plant down time, senior level recruitments etc</u>
- Role 2 Secretary who manages all the administrative requirement of the finance department of an organization (e.g. booking flights, scheduling meetings etc).

 This role will report to the Administration Manager in relation to all approvals, attendance, sundry spending etc

Magnitude (Area of Impact)

- How much of the organization is affected by the end results upon which the position can be measured? Why does the job exist?
- Magnitude and Impact are considered together (the nature of the impact on how much of the organization).
- What unit or function is most clearly and directly affected.
- Not a measurement of financial accountability.
- Represented by dynamic rupees in annualized terms actual dollars are adjusted for inflation (AMI = accountability magnitude index – multiplier of 6.75 in 2009 dollars).
- Not intended to be a precise measure, but rather to put the job into the right broad category of responsibility.

Magnitude (Area of Impact)

Magnitude is expressed as follows-



Accountability Magnitude Index

- The Magnitude in your guide charts has been provided in the form of Indian Rupees
- In order to align the magnitude values to your country, please use the below.
 Accountability Magnitude Index table

Country	Currency	0	1	2	3	4
India	INR	< 25 LACS	25LACS TO 2.5 CR	2.5 CR TO 25 CR	25 CR TO 250 CR	250 CR TO 2500 CR
Sri Lanka	LKR	< 4 million	4 million to 40 million	40 million to 400 million	400 million to 4 billion	4 billion to 45 billion
Singapore	SGD	< 92,000	92,000 to 920,000	920,000 to 9.2 million	9.2 million to 92 million	92 million to 920 million
Indonesia	IDR	<353.5 million	353.5 million to 3.535 billion	3.535 billion to 35.35 billion	35.35 billion to 353.5 billion	353.5 billion to 3535.0 billion

Magnitude (Area of Impact)

Operations

- Operating Budget
- Annual Payroll
- Expenses Controlled
- Units Produced
- Capital Budget
- Employees (Professional, Hourly, Managerial)

Sales/Marketing

- Annual Sales Revenues
- Value Added
- Gross Margin
- Operating Budget
- Marketing Costs
- Employees (Professional, Clerical)

Human Resources

- Total HR Costs
- Salaried Personnel Costs
- Hourly Personnel Costs
- Employees (Professional, Clerical)

Purchasing

- Annual Cost of Purchases
- Department Budget
- Employees (Professional, Clerical)

Financial

- Revenues
- Operating Costs
 - Capital Budget

Technical/R&D

- New Product/Service Revenues
- Average Annual Project Costs
- Average Annual Capital Budget
- Department Budget
- Employees (Professional, Clerical)

Question to be answered: What is the job designed to impact and in what way?

Nature of Impact

Impact of position on end results

- The nature of the influence (direct or indirect) the job has on end results (quantifiable or non-quantifiable).
 - Quantifiable: dynamic Rupees (revenues or expenses) in annualized terms (to ensure consistency when comparing jobs in this dimension).
 - Non-Quantifiable: not determinable or too small to be meaningful. Typically non exempt positions (receptionist, payroll clerk, production employee, etc.).
 - Organizational: may relate to impact on organization (e.g., total, group, divisional, department, unit).

Note: Impact is always viewed relative to magnitude or scope, which is the next factor.

Nature of Impact

Impact of Quantifiable positions

Indirect (Support/Advise)

Remote

- Informational, recording services
- Timely and accurate
- Information used by others to make decisions
- Primarily nonexempt

Contributory

- Interpretive, advisory or facilitating services
- Measurable impact on results
- Value-added
- Staff functions
- Project/Service orientation

Direct (Makes Decisions)

Shared

- Team decision-making
- Not shared with superiors/subordinates
- Matrix structures
- Facilitating orientation

Prime

- Line accountability
- Controlling impact
- Leadership, sponsorship, ownership orientation

Nature of Impact

Impact of Non-Quantifiable positions

. I. Minor

- Incidental support with very indirect effects
- Clerk, Data Entry, Custodian

III. Important

- Tasks that directly affect the results of the work unit
- Maintenance, customer service

II. Moderate

- Support with indirect effects
- Secretary, Process Operator

IV. Critical

- Leadership for activities that directly effect the work unit
- Operators, lead workers

Exercise 8: What is the Magnitude & Nature of Impact for those 2 roles

Role 1-Plant Head of a Chemical Plant which manufactures 4 different types of chemicals & has end to end responsibility of all the plant functions such as Production, Maintenance, HR, Security, Administration, Quality etc.

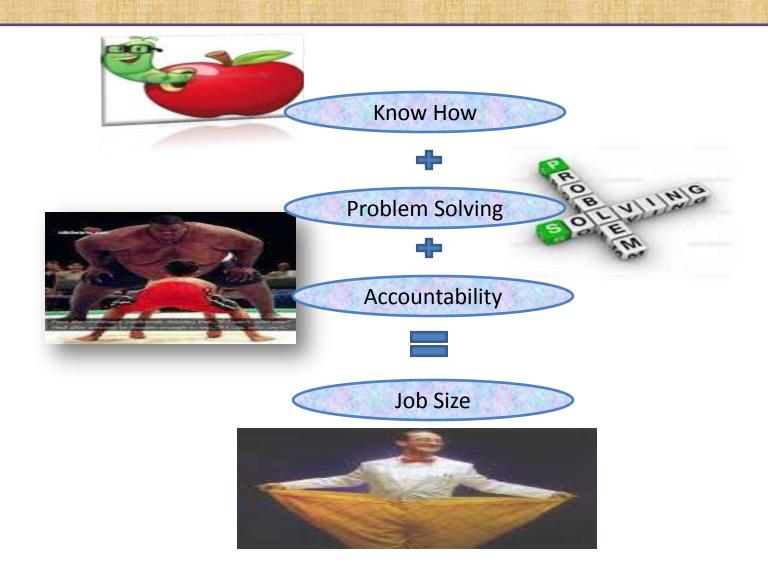
Role2- Secretary which manages all the administrative requirement of the finance department of an organization(e.g. booking flight, scheduling meetings etc)

Accountability Slotting

C	1 P 66 Magnitude	1) Very Small				2) Small				3) Medium			
	Impact	R	c	s	Р	R	С	s	Р	R	С	s	P
	A. Closely Controlled	10 12 14	14 16 19	19 22 25	25 29 33	14 16 19	19 22 25	25 29 33	33 38 43	19 22 25	25 28 33	33 38 43	43 50 57
	B. Controlled	16 19 22	22 25 29	29 33 38	38 43 50	22 25 29	29 33 38	38 43 50	50 57 56	29 33 38	38 43 50	50 57 66	68 76 87
	C. Standardized	25 29 33	33 33 43	43 50 57	(66)	33 33 43	43 50 57	57 68 75	76 87 100	43 50 57	57 66 76	76 87 100	100 115 132
ACT	D. Generally Regulated	38 43 50	50 57 68	66 76/ 88	87 100 115	50 57 66	66 76 87	87 100 115	115 132 152	66 76 87	87 100 115	115 132 152	152 175 200
rreedom to	E. Clearly Directed	57 66 76	76 87 100	160 115 132	132 152 175	76 87 100	100 115 132	132 152 175	175 200 230	100 115 132	132	175 200 230	230 264 304
opa	F. Generally Directed	87 100 115	152 152	152 175 200	200 230 264	115 132 152	152 175 200	200 230 264	264 304 350	7/2 175 200	200 230 264	264 304 350	350 400 480
E	G. Guided	132 172 175	175 200 230	230 264 304	304 350 400	175 200 230	230 264 304	304 350 400	458 528	230 264 304	304 350 400	400 460 528	608
	H. Strategically Guided	200 230 264	264 304 350	350 400 460	460 528 608	284 304 359	350 400 460	450 928 603	608 700 800	350 400 460	460 528 608	603 703 800	800 920 1056
	I. Generally Unguided	304 350 400	400 460 528	528 608 700	700 800 920	400 480 520	528 603 700	700 800 920	920 1056 1216	528 603 700	700 800 920	920 1056 1216	1216 1400 1600
KH	PS AC Total		ı	KH	PS	AC	Total			КН	PS	AC	Tota
52	1 50 66 268		3	304 I	152 I	132	588	1		700 I	460 1	608	1 1768
Во	ookkeeping Supervisor		Principal Engineer						Executive Vice President			sident	

^{*} Select the middle number in the cell unless there is pull up or down on any of the factors. However, Freedom to Act is weighted the heaviest.

Job Size





Job Shape / Short Profile

- •Evaluation Factors can be compared within a job(i.e., the relationship between Problem & Accountability)
- •Job "shape" or Short Profile is the relationship between Problem Solving points & Accountability points.

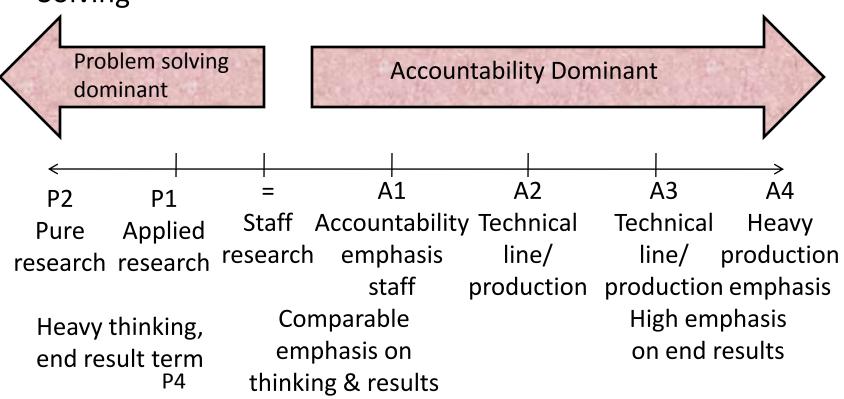
To calculate :

- Find Problem Solving Points on the Step Value table
- Count up or down until you reach the Accountability Points
- If you counts up two levels, the job is said to be +2 or A2 or "up2." if you count down one level, the job is said to be -1 or p1 or "down 1." if the points are equals, the job is said to be = or level



Evaluation types

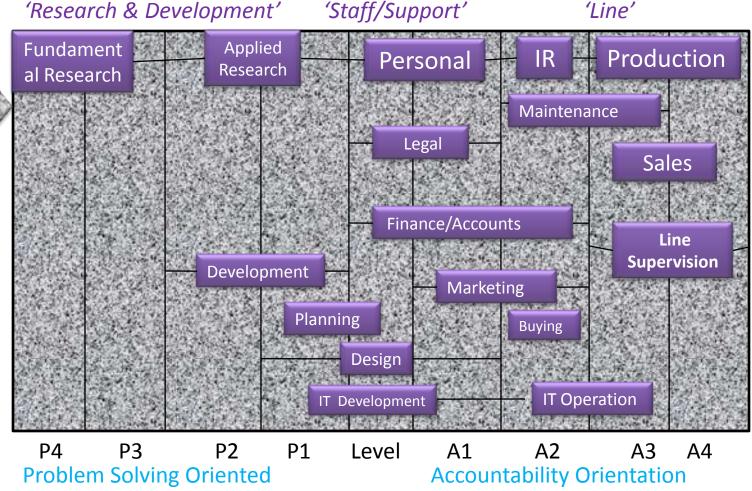
 Relationship between factors- Accountability to Problem Solving



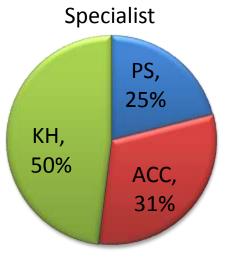
Our research indicate that the job Shape/Short Profile will vary depending on the type of the job- therefore alignment between the 2 is critical

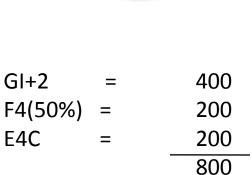
ACC>PS: "A Profiles PS>ACC: "P" Profiles PS=ACC: Level Profiles

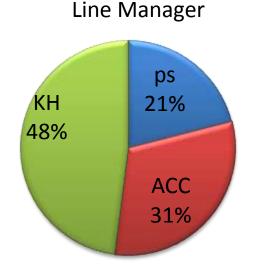
Typical profiles of different functions



Sample Job profile Specialist v\s Line Manager



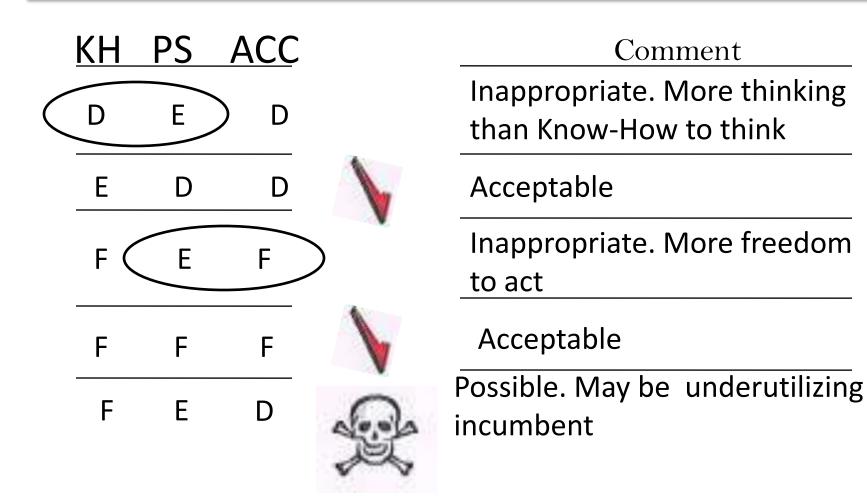




We have done the evaluation & the desired profile but does that mean that we have got the evaluation right?

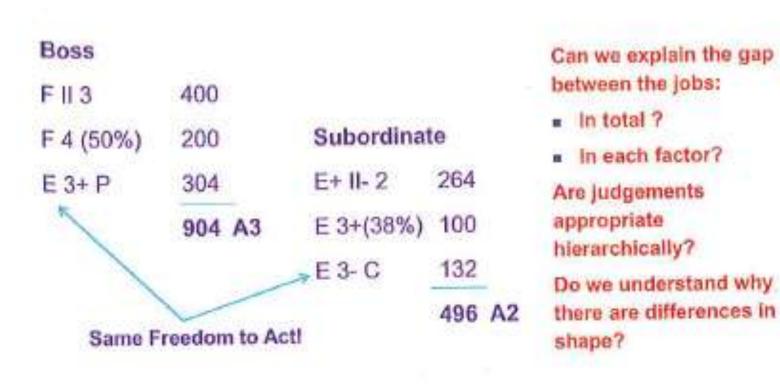


The final check we need to do before freezing on our evaluation is called "sore thumbing" i.e. does any factor stick out like a sore thumb?

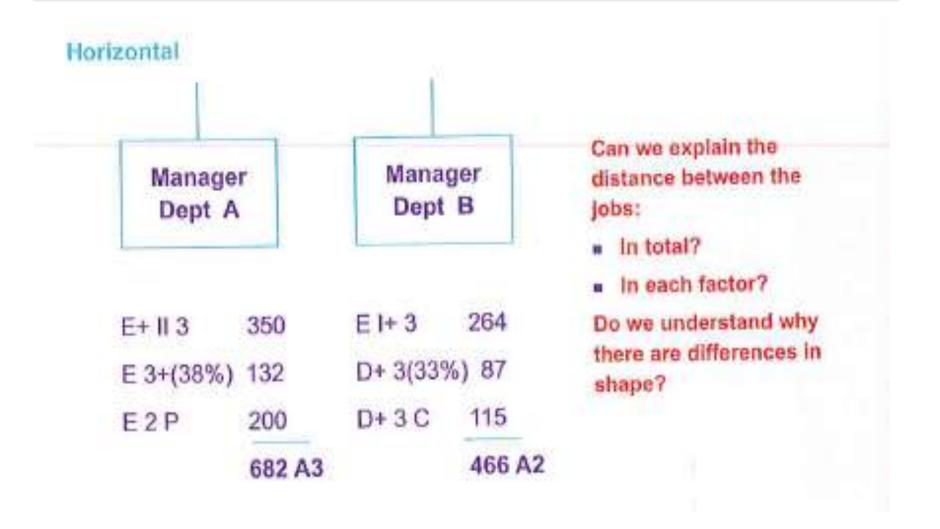


Example: is it possible for the boss & the Subordinate to have the same Freedom To Act?

Hierarchical

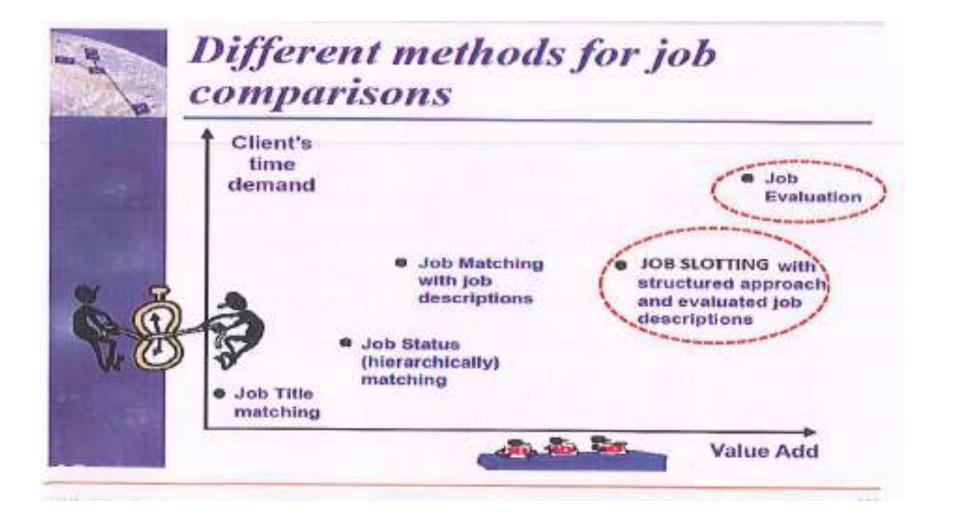


Example: is it possible that 2 Managers at the Same grade have a such a huge difference in evaluation Scores?





JOB SLOTTING



JOB SLOTTING

Job Slotting is a method used to align jobs to a relativity framework, anchored around evaluated benchmark roles The output from a job slotting exercise would entail allocating Hay reference levels to all jobs in the business.

How Do We Slot Jobs?

- We use a Relativity Matrix of jobs, organized by job family(Vertically)
 and Hay reference levels (Horizontally)
- For your own operating companies, such a matrix will also exist
- Based on decision rules, we will slot each job role into a "box" in this matrix, hence attaching a relevant reference level to the job role
- This will allow us to make consistent comparisons across job families within and across operating companies.

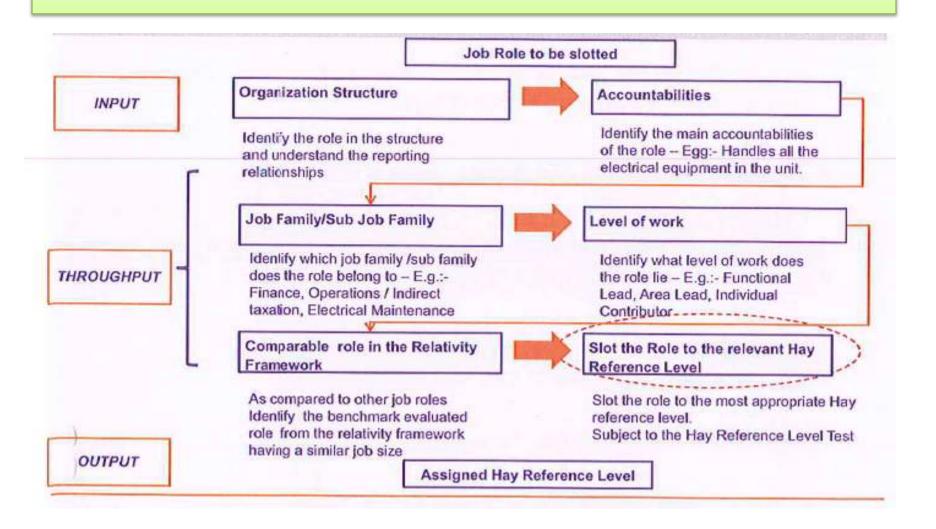
How Do We Slot Jobs?

ILLUSTRATION: - To Slot a Head Mechanical Maintenance role in the framework below

Columns: The columns in this framework represent a job family/ sub job family Role Relativity Framework base the evaluation of the identified benchmark roles in M5-M11 Hay Maintenance rations **Human Resources Finance** Procurement Levels 19 **Head Maintenance** Role G 18 17 Role F Role D 16 15 Manager Mechanical Role A Maintenance

Rows:- Each row in the framework consists of a single Hay Reference Level.

Decision Rules for Job Slotting



Hay Reference Level Test

If the comparative job role :-

- Definitely feels like a different, bigger job
- b) But feels like a comfortable, natural step up
- c) Is seen as a natural "career ladder" move
- d) It is possible to make the jump to be performing fully within weeks or 2-3 months

This is a just noticeable difference of 1 Hay Reference Level.

If the comparative job role :-

- Feels like a different and bigger role altogether
- b) Takes some time to adjust
 to a period of months
- c) Is a "real", rather than a career ladder promotion
- d) Means that you consider it to be a solid role change / promotion

This is a clear difference of 2 Hay Reference Levels. If the comparative job role :-

- a) Is much bigger than
 anything you are used to
 a different world entirely
- Sees you struggle to make the step up, and there is doubt as to whether you will succeed.
- c) If successful, full competence would take at least a year or more.

This is a very obvious difference of 3 Hay Reference Levels.



Alternative Evaluation Approaches

	HR evaluates	HR evaluates With Line Manager Input	HR establishes grading structure, line populates	Committee / Panel based		
Advantages	 Good knowledge of evaluation Methodology Low resource utilisation 	 Line Involvement increases acceptance Greater understanding of jobs 	 Local Ownership Job Information gathered via short questionnaire 	Seen as Democratic Process Best level of acceptance		
Disadvantages	 No ownership by line – low credibility Shallow knowledge of jobs – detailed documentation required 	Still seen as centralised control	 Maintaining consistency Maintaining standards 	 High resource utilisation Slow turnaround Detailed position documentation required 		

Factors not considered in the Job Evaluation & Slotting process

- Individual qualifications, performance, length of service, past or expected future status, gender, race, religion, etc.
- Negative performance or possible impact of errors.

Existing internal pay relationships.

• External market conditions.



JE & JS Team Ground Rules

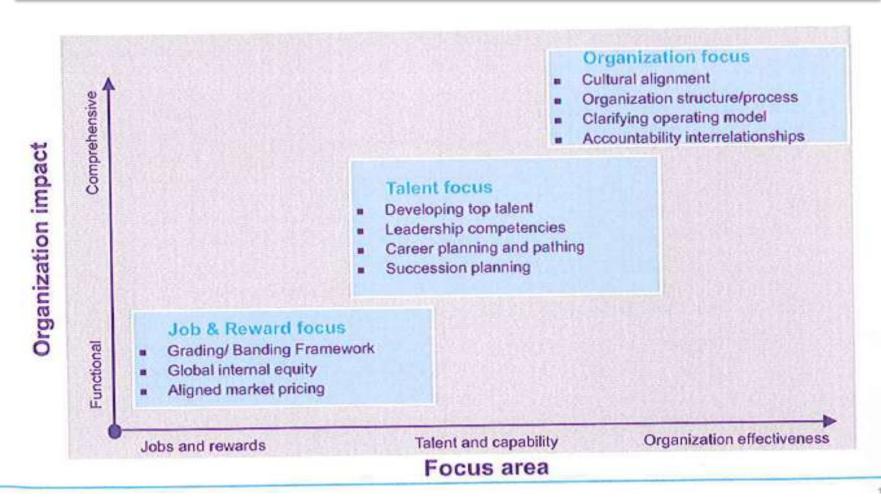
There are several guidelines to consider during the process of job evaluation and slotting. These include:

- Do not bargain or negotiate during the job evaluation process.
- Discussions about jobs are confidential.
- All job slots are team decisions.
- Each member should actively participate in the process.
- Decisions reached by consensus (not votes) are preferred.
- If the team cannot reach consensus within a reasonable amount of time,
 either get more information or table the job until later.

HAL TO STEPROVE BY ELECURITIES

Applications of Job Evaluation YOU'RE RUDGE HOW TO MATERIAL?!

Job Evaluation Methodology Spans All Focus Areas



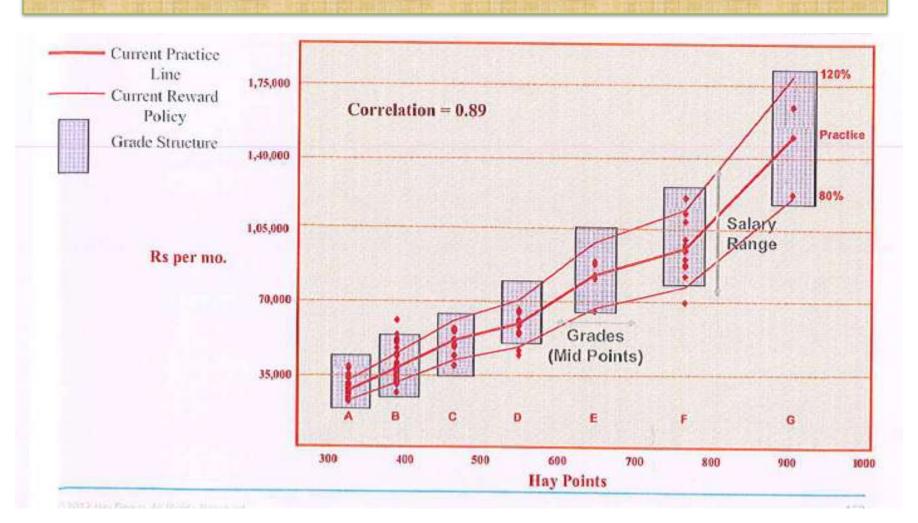


Job focus – job evaluation enables organizations to design jobs which are aligned to their operating model & a robust reward architecture to keep the job holders motivated

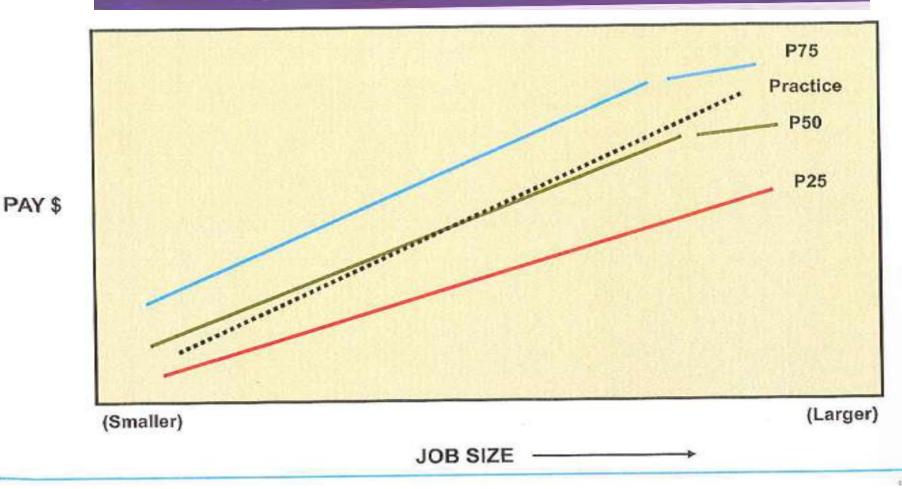
Hay levels can be clustered into management bands and this banding framework can be used to take all policy related decisions

Bands	Area/ scope	Band Definition				
O Group		Governance Band - Drive overall strategy and direction of the sector from a perspective of current business				
1000		growth and new areas of growth				
A	Group/ Business	Group Management Band - Roles that are responsible for single large site, cluster of sites or large				
		businesses at a site from an strategic, operational and administrative perspective.				
В	Business/ Large Function	Top Management Band - Roles with operational and administrative responsibilities for secondary businesses				
		at a site; large scale plants within a single site which are comparable in scale and complexity to secondary				
		businesses; from a strategic operational and administrative perspective. Functional roles which are responsible for critical functions which impact site efficiency and operations	20			
C	Unit/ Medium Sized Function	Senior Management Band - Purely operational roles which are only responsible for the functioning of large				
		units within a plant. Functional roles are primarily responsible for managing critical but medium size functions				
D	Smaller Unit/ Large Sub Unit or Function	Middle Management Band - Purely operational roles which are responsible for smaller units, large sub units				
		or functions. Functional roles which are either business partners at the plant level or managing smaller functions at the corporate				
E	Medium or Small Sub	Junior Management Band - Purely operational roles which are responsible for smaller sub units; large				
	Unit/ Large Process Incharge	departments within sub units; production shifts or critical production processes to ensure production targets are met. Functional roles are either managing small non-critical functions or departments				

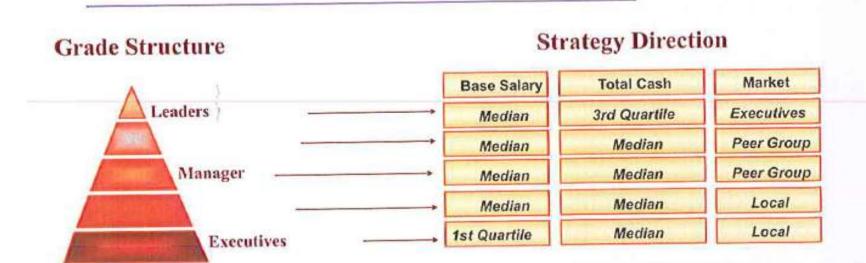
By comparing across & within, Hay Level, HR manager can get a clear indecation of internal equity



An organization's salary levels can be compared visa-vis the market using Hay Levels (instead of gross title match) offering more accurate market positioning



Grading/ Banding framework enables organizations to design & implement reward related decisions in a structured & consistent manner

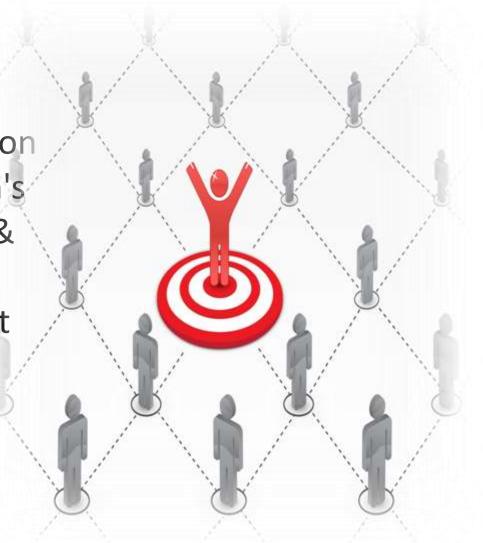


		SALARY RANGE						
		MINIMUN	4	AVERAC	MÁXIMUN			
GRADE	HAY PTS	80%	90%	100%	110%	120%		
STRUCTURE	ALLES	1	11	Ш	IV	V		
25	1136	3.200	3,600	4,000	4.400	4.800		
24	988	2.712	3.051	3.390	3,729	4.068		
23	850	2.298	2.585	2.873	3.160	3.447		

Analysis and Recommendations

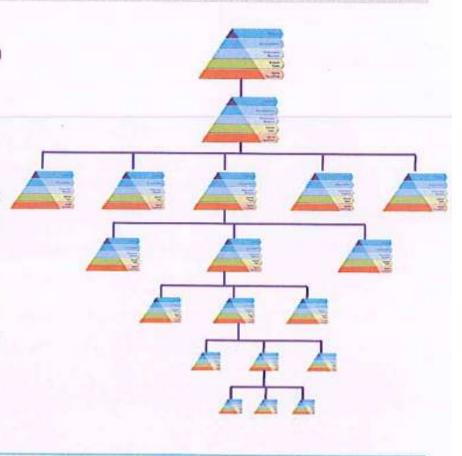
- · Cost Analysis
- Payroll Impact
- Individual Analysis
- Implementation Guidelines

 Talent Focus-Job Evaluation aligns to the organization's competency framework & enables organization to developed a robust talent management framework

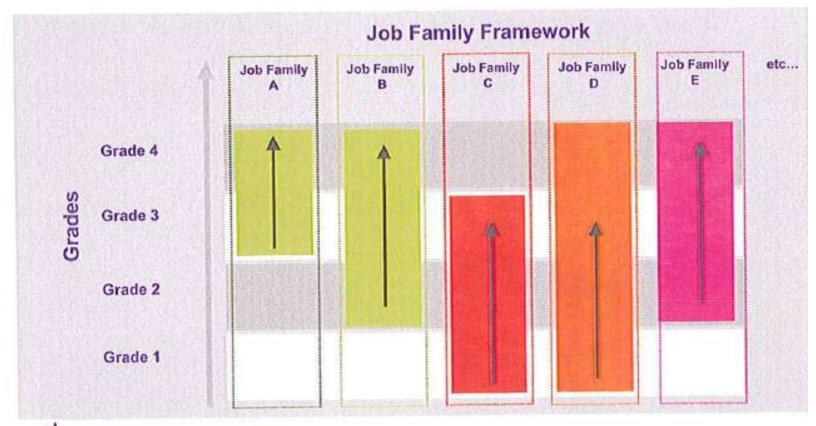


JE enables HR managers to challenge the fundamental design of each roles & ensure minimal role overlaps across the organization

- Accountabilities and performance measures cascade down the organisation from the Top Job.
- Emphasis and focus will change as they move down.
- All accountabilities and performance measures at the lower levels should have a clear connection to accountabilities and performance measures at a higher level.
- Job/Org design should consider what is being passed down to each job and what is being passed down to its direct reports.
- Provide direct reports with the Boss's position description with accountabilities and performance measures clearly stated.



JE framework provides a clear career path for employees within a particular job family



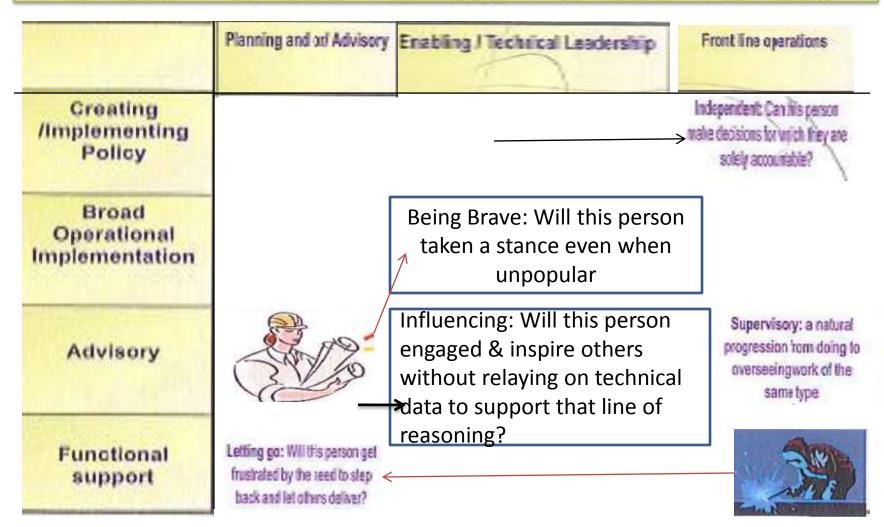
= Indicates typical career paths

Each grade in a Job Family groups jobs with a similar nature (purpose and accountabilities) and job size (hay-points)

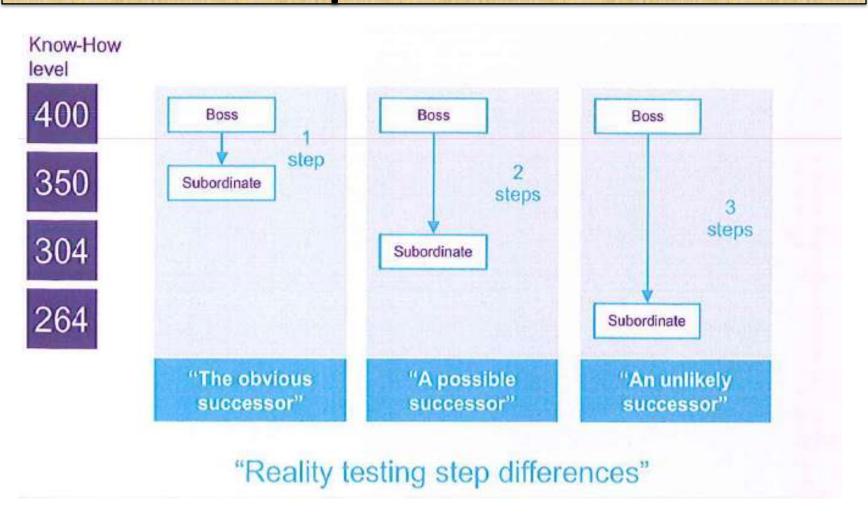
Organization can align their competency framework to the JE framework thus providing clarity on the desired behavior for each type of role

	Planning and/or advisory	Enabling / Technical Leadership	Front line operations
Creating / Implementing policy		Impact and influence: Takes multiple actions to persuade others Relationship building: Builds and maintains relationships within and outside the organisation	
Broad operational implementation			
Advisory			Drive for success: Keeps track of and measures outcomes against standard of excellence
Functional suppor	Analytical thinking: Sees basic relationships Information seeking: Investigates to collect relevant data		Drive for success: Tries to do the job well

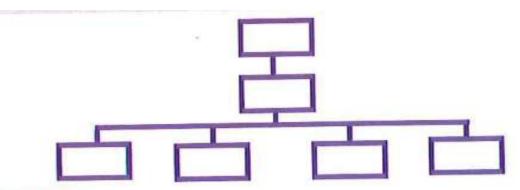
Using JE & the competency frame, organization can define the behavior required to transition across job families



Job Evaluation enables organizations to better plan for succession



Job Evaluation can be used to asses the need for a 1to-1 relationship from a succession point of view



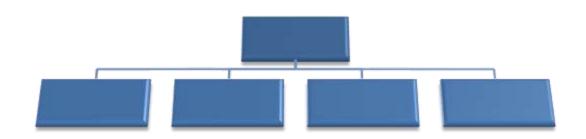
Step Differences:

КН	PS		ACC	% OF SUPERIOR
	%	PTS	700	10.50
1	0	(1)	1	78 - 87 %
1	1	(2)	2	

- one subordinate
- boss/subordinate function as a team
- usually a temporary "grooming" position for subordinate prior to taking over the top position
- appropriate where critically of top job dictates (i.e. CEO) or where there is a need for a split between external focus and internal focus

Organization Focus- Job Evaluation enables organizations identify structural anomalies & help them create truly accountable organizations

Job Evaluation can be used to test the extent of overlap between a manager & subordinate

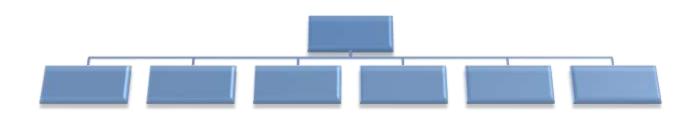


Step Differences:

KH	PS		400	
	%	PTS	ACC	% OF SUPERIOR
2	1	(3)	3/4	65 - 68%

- reasonable span of control
- clear channels of communication
- balance between subordinates
- management delegation

Job Evaluation can be used to plan whether an organization wants to be broad banded or narrow banded

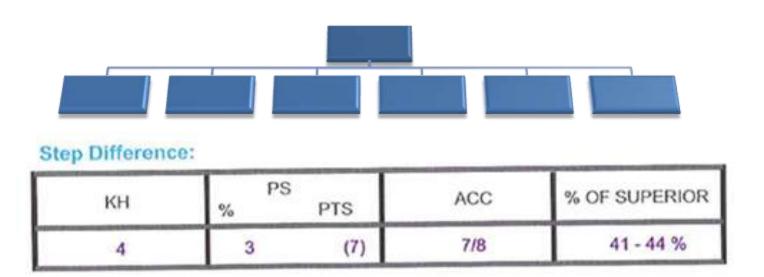


Step Differences:

KH	PS %	PTS	ACC	% OF SUPERIOR
3	2	(5)	5/6	52-55%

- broad span of control
- communication process fuzzy
- imbalance between subordinate positions
- management and decision making highly centralised

Job Evaluation can be used to evaluate the difference in the roles between managers & their direct report thus identifying missing levels



- ■Large span of control
- Communication of task only
- Large differentials in subordinate position
- •Management decision-making highly centralized



Frequently
Asked
Question on
Job Evaluation

Approach To Tackling FAQs



- Proactive resolution of concerns / issues through discussions sessions
- Follow the process of resolving concerns, but please do not express personal judgment
- Actively participate in the communication and capability building sessions
- Remember & reiterate the board principles of evaluations

FAQs (1/3)



My job should be higher than what I have got

- First round of redresses should be at the manager level, using the broad principles
- If the issue is not resolved and the manager, escalate to the local helpdesk
- If still unsolved, local helpdesk will escalate higher

Does the evaluation impact my compensation?

The level identified is based purely on the job.
Compensation takes into account market
conditions, demand and supply, organizational
resources and capability/ performance of the individual
on the job. JE is also one of the many inputs into
compensation

FAQs (2/3)

How did the evaluators gain an understanding of my role?

- They invested time into understanding the organisation context through senior management interview , field visit
- Evaluations were based on JDs that had been validated by your line manager

How were the evaluations validated?

- Internally, a management committee has been set up to validate each of the evaluation and it is only after much discussion and debate has the evaluation for each role been finalized
- Besides, the evaluations have also been validate by comparisons across other similar companies / organisations.

FAQs (3/3)



- My job description does not include everything that I do. Does this affect the valuation of my role?
 - JD has been document for evaluation. But information on the Job, wherever the JD has been found to be insufficient, has been added by the management committee and by your line manager
 - Besides , there have been plant visit and discussions with the managers wherever found necessary