

Chapter Review

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Job Evaluation

Objectives...

- 1 explain what is meant by job evaluation
- 2 contrast job evaluation methods

Key Terms

job evaluation	A technique for determining the size of one job compared with another, and the relationship between the two; job evaluation schemes can broadly be divided into analytical and non-analytical; the technique forms the basis for wage and salary administration.
job grading	A job evaluation scheme based on an organisation's hierarchy of job grading
job ranking	A job evaluation scheme based on job descriptions

15. There is a general recognition that some jobs are worth more than others since their overall contribution is greater because they carry more responsibility, but measuring these attributes in any kind of objective way is very difficult to achieve in practice. There are different types of pay system (methods used by organisations to determine pay): basic rate schemes are clear and tend to be job-based (i.e. the pay rate is based on the job). A grading structure may be developed through a job evaluation scheme, used to link jobs to appropriate pay grades or bands. One of the main tasks associated with the administration of such a system is setting the differential gaps. In doing so, evaluators will need to give consideration to the market rate for a particular role, equity and the individual's performance within that role. Job evaluation is the most common method used to compare the relative values of different jobs in order to provide the basis for a rational pay structure. Job evaluation is the name given to a set of methods designed to compare jobs systematically with a view to assessing their relative worth. We outlined a Job evaluation process and various job evaluation methods. Finally we reviewed Job evaluation and the law. When designing a job evaluation scheme it is particularly important to bear in mind that only analytical schemes are likely to be capable of demonstrating an absence of sex bias.