An Illustration on Developing an Analytical Job Evaluation System

Free of Sex Bias

Supplementary Book 1

Equal Opportunities Commission

The Equal Opportunities Commission has developed a set of guidebooks to strengthen public understanding on the concepts of Equal Pay for Equal Work (EPEW) and Equal Pay for Work of Equal Value (EPEV), for the purpose of eliminating pay discrimination on the ground of gender.　These guidebooks are:

Main Guide	Guide to Employers on Equal Pay between Men & Women under the Sex Discrimination Ordinance
Supplementary Book 1	An Illustration on Developing an Analytical Job Evaluation System Free of Sex Bias
Supplementary Book 2	A Systematic Approach to Pay Determination Free of Sex Bias
Supplementary Book 3	Equal Pay Self-Audit Kit: A Proactive Approach for Employers to Achieve Equal Pay

An Easy Read Guide is also available as a quick reference for all users including employers of small business and employees in general.

The publications are available at the EOC website.　Should you require clarifications on these publications or obtain the hard copies, please contact the Equal Opportunities Commission.

Enquiries	: 2511-8211
Fax	: 2511-8142
Email	: eoc@eoc.org.hk
Website	: www.eoc.org.hk

AN ILLUSTRATION ON DEVELOPING AN ANALYTICAL

JOB EVALUATION SYSTEM FREE OF SEX BIAS

TABLE OF CONTENTS

INTRODUCTION

This is a supplementary book to the "Guide to Employers on Equal Pay between Men & Women".   *The purpose is to illustrate the mechanism of an analytical job evaluation system that is free of sex bias.   The tool presented is not intended to be a prescribed job evaluation methodology for compliance with equal pay requirements under the Sex Discrimination Ordinance (SDO).*

Analytical job evaluation is a process for putting a value on jobs and establishing a job hierarchy through an objective system assessing important elements of work.   Information on other alternatives of job evaluation (non-analytical methods) can be found in the Main Guide.

If you wish to adopt analytical job evaluation in your organization, you can consider choosing proprietary systems in the market if you do not have the required expertise in-house.   For sizeable organizations, a proprietary system may be more suitable as you have access to professional advice and the systems are more universal and well tested. Some systems also support external comparison of jobs with linkage to pay levels in the market.   Alternatively, you can start by developing a simple system of your own if your organization structure is simple and you do not have the resources to acquire proprietary systems.

This book contains the process for putting together a customized analytical job evaluation system with examples, ready-to-use tools and practical tips for establishing and implementing a system that is free of sex bias.   The steps are easy to follow and you can fine-tune contents of the off-the-shelf format to incorporate elements relevant to your particular business.

There are five parts in this book:

Part 1   Analytical Job Evaluation
Part 2   Selection of Factors for Job Comparison
Part 3   Defining Factor Levels
Part 4   Developing a Scoring System
Part 5   Introducing a Gender-neutral Job Evaluation System

The concept of equal pay applies to both men and women.   To avoid repetition, any reference of sex discrimination to women in this book shall be read as applying equally to the treatment of men.

The information in this supplementary book is the property of the Equal Opportunities Commission and is prepared for general reference by employers. Whilst every effort has been made to provide relevant information on the subject, only the courts can give authoritative interpretations and application of the law.

Job evaluation is conducted to compare jobs in order to provide a basis for determining pay. It may be part of a sophisticated pay system or it may be an informal assessment to rank different positions in a small business in order to decide how much to pay for a particular job.   The major difference between analytical job evaluation and non-analytical job evaluation is that the former measures jobs by considering a range of factors with established yardsticks and the latter compares jobs as a whole based on some pre-set criteria.   In the context of equal pay, analytical job evaluation is preferred as the mechanism is more objective (despite the inherent subjectivity involved in making judgements).   With non-analytical methods, traditional views on jobs undertaken by men or women may affect the assessment when jobs are compared as a whole, sometimes resulting in undervaluation of female dominated jobs.   Well-defined criteria should be set when using non-analytical methods.

1.1 Job Analysis

In order to compare job values, thorough understanding of the job contents is necessary. This is done through a process of job analysis by collecting and analyzing essential information related to a job such as responsibilities and job requirements.   Job information may be gathered through various means including questionnaires to be completed by jobholders, interviews conducted by job analysts or a combination of these methods. Information collected are contained in a ***job description***.

1.2 Job Description

A job description is a useful document setting out detailed information about a job for the purpose of recruitment; job grading; and performance, reward and career management. Job descriptions should be written with a standard format for an organization to ensure that information collected for the assessment of job values are relevant and consistent for all jobs.   The contents of a job description may be extensive or concise as required by different organizations.   Key items usually include:

- Purpose of the job
- Key responsibilities (preferably with performance measures)
- Working relationships
- Work environment
- Job requirements

A job description is not just a detailed task list or detailed description of processes.   It should contain accurate and sufficient information for clear understanding of the demands of the job.   Training or guidelines should be provided for preparation of job descriptions to ensure the quality of information presented.

Practical tips for preparing a job description that is free of sex bias:

- A job description should be equally applicable to jobholders of either sex as the information should be about the job, not the incumbent.

- Work demands reflecting different natural attributes of male and female workers should be fairly represented in the job description.

- Ensure job requirements do not result in unfavourable treatment of either sex. For example, setting a service length requirement (which cannot be proved to be necessary) when only male workers would be eligible.

- The responsibilities described should be as accurate as possible, representing work to be actually performed. This will alleviate disputes resulting from a job being rated based on paper instead of actual work observed to be done.

- Take note that working conditions are described to genuinely reflect work requirements and not to discourage employment of a particular sex.

- If the job description is used for a number of incumbents, make sure jobholders of both genders are performing the same tasks.

- Information should be collected from a range of sources to ensure accuracy, including input from the supervisor and jobholder.

- Training should be provided for the preparation of job descriptions.

- To ensure consistency across units, the job description should be endorsed at a senior level above the direct supervisor and reviewed by the Human Resources Department.

- Job descriptions should be periodically reviewed and updated for validity.

- Proper records should be maintained for job descriptions.

A job description template with explanatory notes and a sample job description are set out in the following pages to illustrate the information to be contained in a job description. A blank template is attached as Appendix 1.

JOB DESCRIPTION TEMPLATE
(Explanatory Notes)

Position: Job title	**Job Holder:** Name of incumbent (for record) **(To be omitted in the job evaluation process)**
Department: Unit within which the position is placed	**Reports to:** Position of immediate supervisor
Prepared by: Jobholder or supervisor (Date)	**Endorsed by:** Position senior than supervisor (Date)

Job Purpose:
A brief description (2 to 3 sentences) of why the job exists, summarizing the unique contribution of the position towards achieving company or department objectives

Key Responsibilities: What	**Performance Measures:** Output/Standards
Around 4 to 6 most important items in order of importance or logical flow	Expected outcome of work with quantitative/qualitative results & timeline
Example: Contribute to the completion of monthly accounts by maintaining records and ledgers and preparing summary reports	**Example:** All transactions to be completed and checked by the 10th of each month

Working Relationships:
- Brief information of reporting relationship including subordinates reporting directly & indirectly (attach team organization chart)
- Nature & purpose of internal & external contacts (customers, business partners, linkage to other teams, other frequent contacts etc.)

Work Environment:
- Decision making authority
- Major challenges
- Working conditions
- Resources controlled & financial responsibilities etc.

Job Requirements:
- Academic/professional qualifications
- Work experience
- Language ability
- Computer skills
- Specific requirements (skill to operate special equipment, frequency of travel, critical competency for successful performance etc.)

SAMPLE JOB DESCRIPTION

Position: Recruitment Officer	**Job Holder:** Chan Tai Man **(Hide during job evaluation process.)**
Department: Human Resources	**Reports to:** Assistant HR Manager
Prepared by: Job holder and Assistant HR Manager (Date)	**Endorsed by:** HR Manager (Date)

Job Purpose: This position is responsible for the provision of recruitment services and the overall coordination of recruitment advertisements and activities.

Key Responsibilities:	**Performance Measures:**
1. Advise hiring units on their staffing requirements and the most effective approach to fill vacancies.	■ Headcount & staff cost to be within budget. ■ Good response to recruitment advertising.
2. Execution of a full range of selection activities including screening of applications, interviewing, testing and assessing candidates.	■ Appointments to be made within the timeline specified in the performance pledge. ■ Maintain low staff turnover rate.
3. Execution of recruitment formalities including reference checks, salary proposal and offer & acceptance.	■ High success rate of offers being accepted. ■ All recruitment formalities to be completed within the specified timeline. ■ Achievement of fair and equitable pay.
4. Liaise and negotiate with employment agencies and advertising suppliers for the sourcing of candidates.	■ Agency fees and advertising costs to be within budget. ■ Sufficient sourcing of qualified candidates.
5. Oversee work of recruitment assistants for efficient workflow and record keeping.	■ Well-organized personnel records and protection of confidentiality.

Working Relationships:
■ Supervision of 2 Recruitment Assistants responsible for providing administrative support.
■ Work closely with hiring units to provide professional advice during the recruitment process.
■ Liaison with suppliers for sourcing and advertising activities and negotiation of fees and charges.
■ Project positive image for the company as an employer of choice to candidates.

Work Environment:
■ Follow recruitment policy for compliance with company and legal requirements.
■ Monitor recruitment budget of $2 million per annum. Spending to be approved by seniors.
■ Salary proposals to be approved by seniors in HR and hiring units.

Job Requirements:
■ Degree Holder with 4 years of relevant experience as a human resources practitioner.
■ Fluent in Cantonese, English and Putonghua. Good writing skills for drafting of advertisements.
■ Experience with maintenance of computerized HR management systems.

1.3 Developing an Analytical Job Evaluation System

There are three major steps for developing an analytical job evaluation system:

(a) Selection of Factors for Job Comparison – Analytical job evaluation measures work based on job factors considered to be of value to an organization. These job factors represent what are required of the workers to deliver end results. For a customized analytical job evaluation system, individual organizations may choose different job factors for job comparison, representing genuine and common work demands over a broad range of jobs as relevant to each organization. These factors may be weighted in accordance with the values of individual organizations. As an example, some commonly used job factors for evaluation include qualifications, experience, problem-solving, decision-making, leadership, complexity of work, impact on end results, accountability for resources, working relationships, working conditions etc. For proprietary systems, these job factors are already defined.

(b) Defining Factor Levels – To measure the degree of importance of each job factor for different jobs, definitions are established to describe various levels of each job factor. The more detailed the factor levels are defined, the more effective it is to differentiate between jobs. A set of sample factor level definitions is attached as Appendix 2.

(c) Scoring System – A points system is used to put numerical value on a job. The total score of each job is compared against other jobs to arrive at a job hierarchy.

Details on how to select job factors that are free of sex bias for job comparison, use factor levels to analyse jobs and an illustration of a scoring system are covered in Parts 2 to 4 in this book.

Part 2   Selection of Factors for Job Comparison

2.1 Job Factors

Job factors are common elements of work considered to be of value to an organization and important for its business success.   Factors chosen for job comparison should represent significant features of all jobs to be evaluated under the same evaluation system.   These may be different for individual organizations in view of the nature of business, culture and operating environment.   Factors chosen should be clearly defined to ensure that jobs are assessed with a common understanding and yardstick.   Through an analytical job evaluation exercise, the ranking of jobs is established by putting a value on the job based on assessment of job factors for individual positions.

Example 1: Selection of Job Factors

A consumer products company is in a growth mode.   It has adopted a team-based work culture and has identified the following factors for assessing job values across all job levels.   The emphasis for this organization is to ensure that staff are developed to work as a team to improve revenue according to the long-term growth plan of the business.   The job factors selected are grouped under the headings of knowledge, effort, responsibilities and working environment.

Knowledge
- **Education**

    (level of education completed to meet minimum requirement of the job)
- **Experience**

    (depth and breadth of knowledge gained through previous jobs)

Effort
- **Leadership/Team Membership**

    (role to lead or work as a member of a team)
- **Creative Thinking**

    (need to generate innovative ideas, solutions & new ways to do things)
- **Working Relationships**

    (nature and impact of interaction with others)

> ### *Responsibility*
>
> ■ **Complexity of Work**
>
>   (span of control, results to be delivered etc.)
>
> ■ **Revenue Contribution**
>
>   (accountability to deliver revenue targets)
>
> ■ **Management of Human Resources**
>
>   (involvement in the supervision, motivation and development of staff)
>
> ■ **Process Management**
>
>   (involvement in process improvement)
>
>
> ### *Working Environment*
>
> ■ **Company Image**
>
>   (need to project a positive & professional image to external parties)
>
> ■ **Compliance with Standards**
>
>   (comply with legal, ethical, professional & performance standards etc.)

2.2 Sample List of Factors for Job Comparison

A list of commonly used factors for job comparison is provided below for your easy reference.   You can choose from the list to mix and match factors that are relevant to your specific requirements or add in your own.   Remember, job factors selected should represent significant features of all jobs in an organization.   Therefore, some factors shown may only be relevant to particular industries.   The factors are set out with a brief description.   You can expand or fine-tune the descriptions to suit your own situation.

Knowledge (formal training, experience and skills)

Factor	Definition
Education	Knowledge of business, industry, management principles and technical disciplines etc. gained through formal training in school.
Work Experience	Exposure to relevant work gained through practical and on-the-job training.
Professional Qualification	Academic achievement through recognized professional bodies.

Industry Specific Knowledge	Specialized knowledge critical for job performance gained through vocational training or recognized through public examinations or ability to operate special equipment.
Language Skills	Language abilities as a basic requirement or high standards critical for jobs in specific fields such as language schools, translation service, publishers etc.
Computer Skills	Computer literacy and up to date knowledge on information technology are critical job requirements for the nature of business.

Effort (job demand in the work process)

Factor	Definition
Planning & Organizing	Requirement to approach work in a methodical manner involving effective scheduling, coordination and integration of activities.
Problem-solving	Research and analysis to identify problems, gather information, find alternatives and choose solutions.
Decision-making	The extent of independent judgment required.
Leadership/Team Membership	Role to lead or work as a member in a team to establish cooperative work relationships and achieve team goals.
Creative Thinking	The need to generate innovative ideas and solutions and to find new ways of doing things.
Working Relationships	The nature and impact of internal and external interaction with people. The need to influence, persuade, negotiate, inspire and motivate etc.
Customer Services	Involvement in understanding customer needs, meeting customer expectations, providing information to customers and serving customers in a professional manner. Customers may be external or internal.

Responsibilities (linked to measurable end results of work)

Factor	Definition
Scope of Activities	Extent of involvement/contribution in the operation of the relevant unit/function, the size of business and span of control etc.
Impact on End Results	Effect of the job on achieving business objectives.

Complexity of Work	Control over work standards, availability of guidance and support, degree of difficulties and obstacles encountered to deliver output etc.
Revenue Contribution	Accountability to deliver revenue targets.
Contribution to Product Delivery	Nature and degree of involvement in production and product/service support.
Contribution to Corporate/Unit Goals	Nature and degree of involvement in establishing and delivering long-term and short-term business goals.
Control of Financial Resources	Control of budgets, custody of corporate assets, involvement in funding and investment activities etc.
Management of Human Resources	Manpower planning, supervising, motivating, mentoring, training, performance monitoring, reward management, conflict handling, staff development and team building activities.
Process Management	Role in the development and implementation of processes and continual process improvement to streamline process steps, reduce costs and enhance customer satisfaction.

Working Environment (factors relating to the nature and scope of work)

Factor	Definition
Authority	The freedom to take action in work and authority for approving financial and business commitments.
Challenges	Opportunities and threats, requirement to take calculated risks, need to adapt to constant changing environment etc.
Company Image	Need to deal directly with the public or key stakeholders and to project a positive and professional image.
Working Conditions	Location, hazardous working environment, unsocial work hours and need to adapt to different work cultures in different locations etc.
Safety & Security	Requirement to protect lives, data and property through strict adherence to policies, procedures, equipment and training.
Compliance with Standards	Work in accordance with legal requirements, business ethics, corporate governance, professional standards, operational standards, performance pledge and a high degree of accuracy etc.

2.3 Practical Tips for Identifying Job Factors that are Free of Sex Bias

When setting up an analytical job evaluation system, it is important to note how the selection of factors for job evaluation might impact upon the evaluation results and whether the job evaluation system is gender neutral in design or not. The following are some points to assist you in identifying factors that are free of sex bias:

- Job information should be collected accurately to ensure that work demands which are equally applicable to male and female dominated jobs are fairly considered in the evaluation process.

- Factors chosen should represent significant features of all jobs to be evaluated.

- Factors should be clearly defined with gender-neutral elements. For example, if physical demand is measured, it should be defined neutrally to include physical efforts and physical discomforts etc. instead of using factors which would favour a particular gender in the evaluation.

- Exclusion of factors critical to one gender would lead to under-valuation and discrimination. For example, physical demands such as dexterity should also be considered (if it is a genuine demand) when physical strength is being included.

- It is important to recognize genuine work demands such as numerical ability or communication skills as a job factor instead of treating it as a natural attribute of men or women and not counting the requirement in the evaluation.

- Job factors should be clearly defined to ensure common understanding.

- Ensure that there is no double counting of factors that are closely alike.

- If there is a need to use more than one evaluation system with different job factors for different categories of staff, the rationale must be clear and free of sex bias and the resulting effect should not have an adverse impact on either sex.

- Jobs should be evaluated according to actual work performed and should not be affected by different job titles for the same kind of work performed by male and female staff.

3.1 <u>Factor Levels</u>

Factor levels define the various degree of importance of each job factor by describing the requirements by level in detail for job comparison.

The number of levels for each factor depends on the nature and size of the company, the organization structure, the type of jobs involved and job requirements.   Naturally, the finer the levels are defined, the easier it is to differentiate between jobs.   Under normal circumstances, 4 to 6 levels are sufficient to reflect discernible differences in jobs.   The number of levels does not have to be the same for all factors.

When developing the levels for each factor, it may be easier to identify the requirements for the top job and the most junior position first, to be followed by distinctive definitions to describe the levels in between.   For example, a company may define the highest level of work experience as "15 years and above" (no apparent difference above this level) and the lowest requirement is "no experience required".   The 3 or 4 levels in between can be determined according to actual requirements.

When you define factor levels, the wordings or descriptions should be as clear as possible to enable evaluators to make appropriate decisions.   Avoid using definitions such as small, medium and large without actual dimensions.

An example on "defining factor levels" is set out as Example 2 on the following pages.   You will notice that not all factors have the same number of levels.   The table should be read horizontally and not vertically.   Different levels of individual job factors would apply to a particular job in accordance with the actual demands of the job.   A simplified set of factor level definitions is shown for illustration.   In reality, the more detailed the factor levels are defined, the more effective it is to differentiate between jobs.

3.2 <u>Using the Factor Level Table for Job Analysis</u>

As an illustration, the sample job description for the position of Recruitment Officer (refer to page 5) is analysed based on factor level definitions as set out in Example 2.   The appropriate factor levels for the position are identified and highlighted in shade.

3.3 <u>Sample Factor Level Definitions</u>

To help you to develop a set of factor levels for your organization, a generic set of factor levels with brief definitions are shown at Appendix 2 for your easy reference.   The definitions may not be all applicable to you.   You should adjust details and add or delete levels as appropriate to suit your own requirements.

Example 2: Defining Factor Levels (page 1)

Factors	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
KNOWLEDGE						
Education	■ Basic	■ Secondary	■ Vocational / tertiary	■ Degree	■ Post-graduate	■ Multi-discipline qualifications or professional mastery is critical for job
Experience ■ total experience ◆ learning curve to be fully competent	■ No experience required ◆ Can be trained in days or weeks	■ Less than 2 years ◆ Job specific knowledge can be learned in months	■ 2-5 years ◆ Able to work independently within a year	■ 5-10 years ◆ Relevant practical experience required for operational efficiency	■ 10-15 years ◆ Already possess good grasp of concepts, principles & practice	■ Over 15 years ◆ Already proficient in specific discipline or in a general management role
EFFORT						
Leadership / Team Membership	■ Sole contributor or work as a member of a team	■ Leading role for work with common goals involving cooperation of others	■ Role to lead projects or functions and resolve conflicts of internal & external parties	■ Role to drive a team-based culture for a significant part of business	■ Responsibility to steer diversified groups & businesses	
Creative Thinking	■ Work must strictly adhere to standards & procedures	■ Work allows new approach & innovative solutions	■ Work involves development of new initiatives to achieve business goals	■ Work constantly demands original ideas & need to turn abstract ideas into reality	■ Need to see the big picture & steer change & growth	
Working Relationships	■ Normal interaction with courtesy	■ Effective communication is important & affects end results	■ Major role is to influence & negotiate	■ Relationships bear significant impact on end results	■ Internal & external relationships at all levels are crucial	

☐ Recruitment Officer

Example 2: Defining Factor Levels (page 2)

Factors	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
RESPONSIBILITY						
Complexity of Work	■ Routine work processes/ operation of simple equipment/work to instructions	■ Work according to standards & procedures under close supervision	■ Work within specific scope of a function with general guidance	■ Activities to achieve specific business objectives	■ Define goals & strategies & direct activities for a broad range of functions or businesses	
Revenue Contribution	■ No direct contribution to revenue	■ Provide supporting services for generating revenue	■ Direct interaction with customers to produce revenue	■ Manage a unit to deliver target revenue	■ Manage a number of units & accountable for regional revenue	■ Critical impact on corporate revenue
Management of Human Resources	■ No responsibility for human resources	■ Supervise daily work of subordinates	■ Involved in staff planning & development or act as internal consultant on HR matters	■ Accountable for overall management of human resources for a unit/function	■ Major role in developing corporate strategies & systems for HR management	
Process Management	■ Take part in the implementation of work processes with awareness to related activities	■ Accountable for smooth implementation of processes	■ Involvement & contribution in process improvement	■ Owner of key processes & change agent for process improvement		
WORKING ENVIRONMENT						
Company Image	■ Minimal contact with external parties of an insignificant nature	■ Positions projecting first impression of organization	■ Involved in development & execution of PR programs	■ Represent organization as a spokesperson	■ Provide direction on goals, strategies & plans for corporate communication	
Compliance with Standards	■ Adherence to internal policies	■ Work requires high standards of accuracy & compliance	■ Compliance in ethical, legal & professional standards has significant impact	■ Role to set standards for compliance and ensure corporate governance		

☐ Recruitment Officer

When both factors for job comparison and factor level definitions are in place, a scoring system is needed to quantify the results of job evaluation and subsequently slot jobs into grades.   There are three steps in the process.

Step 1   Determine the weighting for each job factor.

Step 2   Determine the scores for each level of each job factor.

Step 3   Determine the range of scores for each job grade.

4.1 Weighting for Job Factors

The first step for developing a scoring system is to determine the weighting for each job factor.   Not all job factors are of equal value to an organization; weightings can be assigned to factors in proportion to their importance.   This will vary for different organizations.   For example, a public relations company may assign a heavier weighting on working relationships and company image while a manufacturing company may assign heavier weighting on process management and safety and security.

Example 3: Determining the Weighting for Job Factors

Using the same consumer products company in Example 1, the following weightings have been assigned to the job factors chosen for job evaluation:

Factor	Weighting
Education	9%
Experience	9%
Leadership/Team Membership	10%
Creative Thinking	10%
Working Relationships	12%
Complexity of Work	10%
Revenue Contribution	18%
Management of Human Resources	10%
Process Management	4%
Company Image	4%
Compliance with Standards	4%

4.2 Scores for Factor Levels

Once the weighting for individual job factors is determined, the scores for each level of the job factor should be established.   Since both the weighting and number of levels for each job factor may vary, scores for each level may be determined as follows:

$$\text{Score for Each Factor Level (column 5)} = \frac{\text{Total Score for Each Job Factor (column 3)}}{\text{the Relevant Number of Levels (column 4)}}$$

Example 4: Establishing Scores for Factor Levels

For illustrative purpose, the factor level definitions in Example 2 are adopted.   The scores for each level are established by dividing the total score for each job factor with the relevant number of levels.   *For ease of assessment during the job evaluation process, a total score of 1,000 points is used.

(1) Factor	(2) Weighting	(3) Total Score for Each Factor	(4) Number of Levels	(5) Score for Each Factor Level
Education	9%	90	6	15
Experience	9%	90	6	15
Leadership/Team Membership	10%	100	5	20
Creative Thinking	10%	100	5	20
Working Relationships	12%	120	5	24
Complexity of Work	10%	100	5	20
Revenue Contribution	18%	180	6	30
Management of Human Resources	10%	100	5	20
Process Management	4%	40	4	10
Company Image	4%	40	5	8
Compliance with Standards	4%	40	4	10
Total	100%	1,000*		

Based on the above weighting, number of levels and score for each level, a score table by job factor by level is shown below for easy reference when conducting job evaluation.

Example 5: Score Table	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
Education	15	30	45	60	75	90
Experience	15	30	45	60	75	90
Leadership/Team Membership	20	40	60	80	100	N/A
Creative Thinking	20	40	60	80	100	N/A
Working Relationships	24	48	72	96	120	N/A
Complexity of Work	20	40	60	80	100	N/A
Revenue Contribution	30	60	90	120	150	180
Management of Human Resources	20	40	60	80	100	N/A
Process Management	10	20	30	40	N/A	N/A
Company Image	8	16	24	32	40	N/A
Compliance with Standards	10	20	30	40	N/A	N/A

The difference between each factor level does not have to be always of constant value. Varying scores may be used to reflect changing levels of importance by referring to the definitions of each factor level.   The important point is to be able to explain the variation and that it is applicable to jobs performed by both male and female staff.

A job evaluation template is provided on page 19 to facilitate the process of job evaluation. The position of Recruitment Officer is used as an illustration (refer to Example 2).   The score for the position is 463 points out of 1,000 points.

4.3 Determine the Range of Scores for Each Grade

The company has decided to use a simple 5-tier structure for grading positions in accordance with the values established through the analytical job evaluation process.   The boundaries between various grades have been set where a natural break is observed to separate jobs with distinguishable differences.

Grading Structure	Range of Scores
Senior Management	831 to 1,000
Management	661 to 830
Senior Executives/Professional	491 to 660
Junior Executives/Supervisory	321 to 490
Support	Below 320

☐   Grading for Recruitment Officer

The position of Recruitment Officer falls within the Junior Executives/Supervisory grade.

4.4 Practical Tips for Establishing a Scoring System that is Free of Sex Bias

- Check that the weightings of individual job factors reflect the importance of each job factor to the organization.

- It is not mandatory to apply a linear scale for factor level scores. Scores of varying scale determined in accordance with the factor level definitions may be used. In such case, care must be taken to ensure that the effects of a varying scale are not sex biased.

- Check if jobs predominantly performed by either sex are consistently scoring higher or lower scores in a particular job factor. If so, there is a chance that the factor or the factor level definitions might be sex biased.

- Factors chosen should not be overlapping in nature to avoid double counting and distortion of the importance of job demands.

JOB EVALUATION TEMPLATE

Position: Recruitment Officer   Department: Human Resources

Column 1   Enter factors selected for job comparison.
Column 2   Enter weighting (%) for each job factor.
Column 3   Multiply weighting by 10 (maximum score = 1,000).
Column 4-9   Determine score for each level (refer to examples 4 and 5).   Indicate level assessed for each factor during evaluation.
Column 10   Enter score for each job factor at the relevant level.   Add total score for the job being evaluated.

1	2	3	4	5	6	7	8	9	10
Factors for Job Comparison	**Weighting**	**Total Score for Factor**	**Level 1**	**Level 2**	**Level 3**	**Level 4**	**Level 5**	**Level 6**	**Score for Factor**
Education	9%	90	15	30	45	60	75	90	60
Experience	9%	90	15	30	45	60	75	90	45
Leadership/Team Membership	10%	100	20	40	60	80	100	N/A	40
Creative Thinking	10%	100	20	40	60	80	100	N/A	40
Working Relationships	12%	120	24	48	72	96	120	N/A	72
Complexity of Work	10%	100	20	40	60	80	100	N/A	60
Revenue Contribution	18%	180	30	60	90	120	150	180	30
Management of Human Resources	10%	100	20	40	60	80	100	N/A	60
Process Management	4%	40	10	20	30	40	N/A	N/A	20
Company Image	4%	40	8	16	24	32	40	N/A	16
Compliance with Standards	4%	40	10	20	30	40	N/A	N/A	20
	100%	1,000						**Total Score**	463

☐ Recruitment Officer

5.1 Considerations for Establishing a Job Evaluation System

(a) <u>Is Job Evaluation Necessary</u> – If you think you can benefit from a structured approach to pay determination such that you can pay at the right level for individual positions, then job evaluation provides a good basis to establish pay rates according to the comparative value of jobs in your organization.   In the context of equal pay, you need to identify jobs with equal value in order to comply with equal pay requirements.

(b) <u>What Type of Job Evaluation System</u> – An analytical job evaluation scheme has the benefit of analyzing jobs in depth based on factual information and objective yardsticks (job factors).   Less formal schemes such as job ranking and job classification to compare jobs as a whole may be more appropriate for smaller companies with fewer positions.   Analytical schemes require technical expertise in its design and implementation.   The use of proprietary schemes and professional consultants may be considered for sizeable organizations.   For a small to medium size organization, if you decide to customize your own scheme, you can make reference to the information contained in this book for the design and process.

(c) <u>Jobs to be Evaluated</u> – Ideally, all jobs should be evaluated in order to establish their respective job values.   In practice, it may not be possible to evaluate all positions in view of constraints in time and resources.   Therefore, benchmark positions may be selected for evaluation with the rest of jobs to be matched with these benchmarks. When selecting the jobs to be evaluated, care should be taken to include both male and female dominated positions.

(d) <u>Job Matching</u> – In order to put a grading on all positions, jobs not being evaluated should be matched with benchmark jobs <u>prior to</u> the availability of job evaluation results.   This should be carried out based on a set of clearly defined criteria for the matching with input from a range of sources including supervisors, jobholders and human resources professionals.

(e) <u>How Many Systems</u> – You should decide the number of job evaluation systems needed to cover jobs in your organization.   A single system will ensure consistency and is preferred.   However, it may be necessary to set up more than one system if jobs are diversified in nature.   For example, separate sets of job factors may be required for senior and junior positions.   For the purpose of consistency and equity, it is not advisable to use too many job evaluation systems within the same organization. The same methodology with some variations on the factors and weighting is preferred to using completely different methodologies.   You should ensure that the decision to use more than one system will not negatively impact upon the value of jobs dominated by a particular gender.

5.2 <u>Setting Up a Job Evaluation System</u>

The following are the key steps for introducing a job evaluation system:

(a)   Set out clearly the objectives of the job evaluation exercise, including the achievement of equal pay between men and women.

(b)   Identify the methodology to be used, examine every detail in the system design to ensure that the job factors, definitions, weighting, criteria etc. are equally applicable to men and women.

(c)   Establish a system for collection of necessary information for job evaluation.   Use a standard format for job descriptions and ensure that contents are agreed by the jobholder, supervisor and personnel responsible for job analysis.   Provide training to those involved in the process.

(d)   Establish a job evaluation panel with terms of reference, procedures and timetable. Membership should comprise both men and women who possess good knowledge about the organization and are trained on the job evaluation methodology and equal pay issues.

(e)   Establish an appeal mechanism to review disputes over evaluation results and a maintenance system to update evaluations and assess new jobs.

(f)   Identify jobs to be covered in the job evaluation exercise and select benchmark jobs to be evaluated.   Benchmark jobs should include both male and female dominated jobs.

(g)   If job-matching is to be performed for grading purpose, the criteria for job-matching must be clearly stated and equally applied for men and women.   Job descriptions for positions to be matched are still required for comparing job contents objectively and for record.

(h)   Ensure proper documentation of the decisions of the evaluation panel.

(i)   Prepare for staff communication to explain how the evaluation system works and how it impacts upon staff, e.g. the grading of individual positions and policies on career progression and promotion.

5.3 Checking Job Evaluation Results

The evaluation results of a new scheme should be checked for validity and sex bias.   This can be done by reviewing the ranking of jobs based on the evaluation scores to see if a reasonable order is observed and if there are imbalances between male and female dominated jobs.   As it is your decision as an employer to determine how jobs should be graded, you need to decide where grade boundaries are set to avoid segregating male and female dominated jobs of similar scores into different grades.   Remember, it is your responsibility to provide equal pay for work of equal value.

5.4 Practical Tips for Designing & Implementing an Analytical Job Evaluation System that is Free of Sex Bias

Every step in the job evaluation process would impact upon evaluation results and consequently pay decisions.   The following are highlighted for your easy reference:

- ■ Job Descriptions – Job descriptions should be prepared based on the same format and provide sufficient information for job analysis.   The name and gender of the jobholder should be withheld during the evaluation process.

- ■ Job Factors – The job factors chosen for evaluation should be equally applicable to both men and women.

- ■ Factor Definition & Factor Level Definitions – Definitions will affect the outcome of the evaluation results.   Definitions should not favour a particular gender or put them in a disadvantaged position.

- ■ Weighting – The weighting on factors should reflect the relative importance of each factor to the organization.   Attention should be drawn to situations where male dominated jobs consistently score higher on the factor with heaviest weighting and if the factor with lowest weighting seems to be more relevant to female dominated jobs.   This may be an indication that the factors or the weightings might be sex biased.

- ■ Job Requirements – Only minimum requirements should be stated.   Inflated requirements might create a hurdle for entrance for a particular gender.

- ■ Job Evaluation Panel – It is preferable to set up a panel to perform job evaluation.   The panel members should have a good understanding of the

organization and business and must be trained for the process to ensure fair and consistent evaluation results. The evaluation panel should consist of both male and female members.

- Analysis of Evaluation Results – The evaluation results should be examined to identify potential systemic discrimination of segregating men and women into jobs paying differently when work values are similar.

- Sore-thumbing & Appeal – A sore-thumbing process to review evaluation results would ensure coherent job hierarchy.   An appeal mechanism should provide a channel to resolve potential disputes about job values.

- Documentation of Evaluation Results – Records on job evaluation decisions should be kept properly.

- Grading Structure – Grade boundaries should be set carefully to ensure appropriate differentiation of jobs with similar scores.

- Pay Equity Issues – The panel should be aware of pay equity issues.

- Transparency – The job evaluation system should be transparent and understood by staff.   Although it may not be possible for staff to understand the technical aspects of the methodology, information to explain the principle, methodology in brief, the process and timetable should be communicated to staff.

JOB DESCRIPTION TEMPLATE

Position:	Job Holder:
Department:	Reports to:
Prepared by: (Date)	Endorsed by: (Date)

Job Purpose:

Key Responsibilities:	Performance Measures:
1.	
2.	
3.	
4.	
5.	

Working Relationships:

Work Environment:

Job Requirements:

SAMPLE FACTOR LEVEL DEFINITIONS

As an illustration, a set of factor levels with brief definitions for each of the following job factors are set out in this Appendix for your easy reference.   You can choose job factors that are relevant for job evaluation in your organization; adjust details and add or delete levels as appropriate to suit your own requirements:

Job Factors:

1.   Authority
2.   Challenges
3.   Company Image
4.   Complexity of Work
5.   Compliance with Standards
6.   Contribution to Corporate/Unit Goals
7.   Contribution to Product Delivery
8.   Control of Financial Resources
9.   Creative Thinking
10. Customer Services
11. Decision-making
12. Education
13. Impact on End Results
14. Leadership/Team Membership
15. Management of Human Resources
16. Planning & Organizing
17. Problem-solving
18. Process Management
19. Professional Qualification
20. Revenue Contribution
21. Safety & Security
22. Scope of Activities
23. Work Experience
24. Working Conditions
25. Working Relationships

1. Authority

The freedom to take action in work and authority for approving financial and business commitments.

Level	Definition
1	Work to instructions or standards set.
2	Authority within assigned limits for a small work unit.
3	Authority within assigned limits for a functional unit.
4	Authority within assigned limits across functional units.
5	Authority for significant financial and corporate commitments.

2. Challenges

Opportunities and threats, requirement to take calculated risks, need to adapt to constant changing environment etc.

Level	Definition
1	Stable environment with minimal change.
2	Changes are tackled with guidance from superiors.
3	Creative thinking and adaptability are essential requirements for nature of work.
4	Leading role to identify opportunities and threats and manage change within own area.
5	Pioneering role for business growth and accountability to deliver end results under uncontrollable external environment.

3. Company Image

Need to deal directly with the public or key stakeholders and to project a positive and professional image.

Level	Definition
1	Minimal contact with external parties of an insignificant nature.
2	Positions projecting first impression of organization through own work process.
3	Involvement in the development and execution of public relations programs or products/services promotions.
4	Represent company as a spokesperson in specific areas of the business.
5	Provide direction on goals, strategies and plans for corporate communication.

4. Complexity of Work

Control over work standards, availability of guidance and support, degree of difficulties and obstacles encountered to deliver output etc.

Level	Definition
1	Routine work processes with little training required. Operation of simple equipment. Work to instructions.
2	Work according to standards and procedures with some training required. Operation of special equipment. Under close supervision.
3	Work within specific scope of a function with general guidance. May involve supervising work of others. Require special training or proficiency in specific work area.
4	Work requiring understanding of concepts, theories, principles and practices to lead in the achievement of business goals.
5	Define goals & strategies & direct activities with broad exposure or complex practices in technical, professional or business aspects.

5. Compliance with Standards

Work in accordance with legal requirements, business ethics, corporate governance, professional standards, operational standards, performance pledge and a high degree of accuracy etc.

Level	Definition
1	Adherence to internal policies and procedures. Work to achieve or surpass performance pledge.
2	Work must be performed with high standards of accuracy for the purpose of safety and security, cost implications and overall efficiency. The consequence of errors is critical.
3	Compliance with ethical, legal and professional standards has significant impact on work.
4	Role to set standards for compliance and ensure corporate governance.

6. Contribution to Corporate/Unit Goals

Nature and degree of involvement in establishing and delivering long-term and short-term business goals.

Level	Definition
1	Work in a supporting role without direct accountability for business goals.
2	Clearly defined individual goals contributing to short-term goals of work unit.
3	Accountable for achievement of part of unit goals through controlling the work of a sub-unit.
4	Participate in the development of unit short-term and long-term goals by contributing information and proposing initiatives for consideration by seniors.
5	Accountable for unit short-term and long-term goals and provide direction to unit for achievement of goals.
6	Participate in the development of corporate short-term and long-term goals and provide strategic direction to units.

7. Contribution to Product Delivery

Nature and degree of involvement in production and product/service support.

Level	Definition
1	Provide supporting services for product delivery.
2	Directly engaged in frontline production process, provision of technical support or sales related services directly to customers.
3	Involvement and execution of product research and development, product marketing or sales plans.
4	Accountable for product research and development, product marketing or sales strategies.

8. Control of Financial Resources

Control of budgets, custody of corporate assets, involvement in funding and investment activities etc.

Level	Definition
1	No direct involvement in the control of financial resources apart from prudent usage of company resources.
2	Accountable for the processing and maintenance of financial records to facilitate financial control.
3	Execution of financial control measures, accounting procedures, cash flow management etc.
4	Accountable for budget preparation and control of expenses for own unit.
5	Engaged in one or more activities such as custodian of corporate assets, management of funding activities, development of accounting policies, assessment of financial viability of investments etc.
6	Overall control of corporate or unit financial resources of significant amounts (to be defined by individual organizations).

9. Creative Thinking

The need to generate innovative ideas and solutions and to find new ways of doing things.

Level	Definition
1	Work must strictly adhere to standards and procedures.
2	Work allows new approach and innovative solutions.
3	Work involves development of new initiatives to enhance efficiency or to achieve business goals.
4	Nature of work constantly demands generation of original ideas and innovative solutions to problems such as the function of research and development. Need to turn abstract ideas into reality.
5	Need to see the big picture and to steer development and growth.

10. Customer Services

Involvement in understanding customer needs, meeting customer expectations, providing information to customers and serving customers in a professional manner. Customers may be external or internal.

Level	Definition
1	Contact with customers requires basic courtesy, provision of accurate information and assistance of a simple nature, either personally or over the phone.
2	Work involves direct contact with customers, which requires active listening to understand customer needs and delivery of services in an efficient and timely manner.
3	Work mainly dealing with customer complaints with need to act professionally and resolve problems as much as possible without referring the matter to other staff members.
4	Need to develop relationships with customers, gather comments and propose measures to enhance services in order to provide personalized services and proactive solutions.

11. Decision-making

The extent of independent judgment required.

Level	Definition
1	Follow procedures for actions to be taken.
2	Guided by procedures but may choose alternatives.
3	Independent judgment within authority and own job scope.
4	Considerable judgment on issues linking to/impacting on other areas.
5	Strategic/directional decisions with significant business impact.

12. Education

Knowledge of business, industry, management principles and technical disciplines gained through formal training in school.

Level	Definition
1	Basic.
2	Secondary.
3	Vocational/tertiary.
4	Degree.
5	Post-graduate.
6	Multi-discipline qualifications or professional mastery is critical for job.

13. Impact on End Results

Effect of the job on achieving business objectives.

Level	Definition
1	No direct influence on end results.
2	Supporting role with minimal impact.
3	Advisory/facilitating role influencing end results.
4	Jointly accountable with others to achieve end results.
5	Controlling impact on end results.

14. Leadership/Team Membership

Role to lead or work as a member in a team to establish cooperative work relationships and achieve team goals.

Level	Definition
1	Sole contributor or work as a member of a team.
2	Leading role for work with common goals involving cooperation with others.
3	Role to lead projects of a non-routine nature or a business function by setting team goals, providing direction, delegating and monitoring progress. Resolve conflicts of internal and external parties.
4	Role to drive a team-based culture for a significant part of business.
5	Responsibility to steer diversified groups and businesses.

15. Management of Human Resources

Manpower planning, supervising, motivating, mentoring, training, performance monitoring, rewarding, conflict handling, staff development and team building activities.

Level	Definition
1	No responsibility for human resources.
2	Role to supervise daily work of subordinates, provide on-the-job training, monitor and assess performance.
3	Involved in the planning of manpower requirement, training and staff development activities, reward recommendation, grievance handling and team building activities or act as internal consultant on personnel matters.
4	Accountable for the overall management of human resources in a sizeable unit/function.
5	Major role in formulating corporate strategies for the management of human resources through development of systems and policies and provision of direction and advice.

16. Planning & Organizing

Requirement to approach work in a methodical manner involving effective scheduling, coordination and integration of activities.

Level	Definition
1	Work is planned on a day-to-day basis involving routine tasks to be completed efficiently and on time.
2	Work with varying tasks to be prioritised and carried out independently within set guidelines.
3	Planning involves accountability to achieve a specific objective, to be performed by self or work with a team.
4	Planning mainly involves an immediate business cycle such as a fiscal year or on project basis. Work is organized through leading a team to deliver end results.
5	Planning is of a strategic nature with long-term business implications. Implementation is usually through delegation and oversight of results.

17. Problem-solving

Research and analysis to identify problems, gather information, find alternatives and choose solutions.

Level	Definition
1	Simple issues and supervision readily available.
2	Routine issues with clear guidelines.
3	Similar issues requiring analysis and search of alternatives.
4	Diversified issues requiring significant degree of interpretation and judgment.
5	Broad issues with long term and significant implications.

18. Process Management

Role in the development and implementation of processes and continual process improvement to streamline process steps, reduce costs and enhance customer satisfaction.

Level	Definition
1	Take part in work processes with awareness to related activities.
2	Accountable for smooth implementation of standard processes.
3	Involvement and contribution in process improvement.
4	Owner of key processes and change agent for process improvement.

19. Professional Qualification

Academic achievement through recognized professional bodies.

Level	Definition
1	Not required.
2	Preferable.
3	A pre-requisite.
4	Advanced standing.

20. Revenue Contribution

Accountability to deliver revenue targets.

Level	Definition
1	No direct contribution to revenue.
2	Provide supporting services for generating revenue.
3	Direct interaction with customers to produce revenue.
4	Manage a unit to deliver target revenue.
5	Manage a number of units and accountable for regional revenue income.
6	Critical impact on corporate revenue.

21. Safety & Security

Requirement to protect lives, data and property through strict adherence to policies, procedures, equipment and training.

Level	Definition
1	Work requires general awareness of safety and security related issues.
2	Work involves adherence to safety and security procedures and standards.
3	Safety and security a priority in the work process of the position.
4	Work involves development and monitoring of safety and security related policies and procedures and the training of personnel in these areas.
5	Work requires high proficiency and specialized knowledge to formulate strategies and programs and to handle complex safety and security related matters.

22. Scope of Activities

Extent of involvement/contribution in the operation of the relevant unit/function, the size of business and span of control etc.

Level	Definition
1	Activities confined within a work unit.
2	Work within a specific area involving others outside own unit.
3	Integration of a wide spectrum of activities with linkages to other work units.
4	Diverse activities to achieve specific business objectives of a functional group, perhaps of a regional nature.
5	Define goals and strategies and direct activities for a broad range of functions or businesses.

23. Work Experience

Exposure to relevant work gained through practical and on-the-job training.

Level	Definition
1	No experience required, can be trained within days or weeks.
2	Less than 2 years of related experience, job specific knowledge can be learned in months.
3	2-5 years of experience, able to work independently within a year.
4	5-10 years of relevant practical experience required for operational efficiency.
5	10-15 years of professional experience with good grasp of concepts, principles and practices.
6	Over 15 years of professional experience covering all aspects of a specific business discipline or general management experience across a broad range of functions.

24. Working Conditions

Location, hazardous working environment, unsocial work hours and need to travel etc.

Level	Definition
1	Work in a safe and comfortable location on normal schedules.
2	Work in remote locations with inconvenient accessibility/facilities or in conditions with minor risk of harmful effect, long durations of unsocial work hours or frequent need to travel away from home.
3	Work causing certain degree of physical discomfort or mental stress and moderate risk of harmful effect.
4	Work of obnoxious nature or high risk of harmful effect.

25. Working Relationships

The nature and impact of internal and external interaction with people. The need to influence, persuade, negotiate, inspire and motivate etc.

Level	Definition
1	Normal interaction with courtesy.
2	Effective communication is important and affects end results.
3	Major role is to influence and negotiate.
4	Work relationships bear significant impact on end results.
5	Internal and external relationships at all levels are crucial.