<u>**HR-RELATED SKILL DEVELOPMENT**</u>

# Job evaluation

The formal job evaluation process is concerned with assessing the relative worth of different jobs in an organization rather than the performance of the individual employee occupying the position. As we have emphasized in this chapter, the process is systematic rather than scientific, depending on the judgement of people. To give you experience of the job evaluation process using the point method, we have devised a fairly realistic simulation of what would go on in a job evaluation committee.

**Exercise: Job evaluation at Sun Mountain Hotel**

*Objective*
The purpose of this activity is for you to experience the activities of job evaluation, and to be able to consider the issues involved in job evaluation.

*Procedure*
Working as members of a job evaluation committee of Western Pacific Hotels, your task is to evaluate six jobs at the newly opened Sun Mountain Hotel, based at Sun Peaks Ski Resort, using the point system matrix and supporting material. The six jobs are maintenance technician, dishwasher, snowboard instructor, chef, room cleaner, and front-desk manager.

1. Working individually, each participant determines the points to assign to the six jobs; do this one job at a time.
2. Share your decisions with your group. As a group, arrive at a consensus. Make sure the group spokesperson records the reasons for the differences that cannot be reconciled.
3. Locate each job in the exercise on the graph, showing points scored (horizontal line), and current basic rates of pay (vertical line).
4. On completion of the job evaluation exercise, as a group discuss the following questions:
   (a) Identify the reasons for the initial differences in the points assigned to the job.
   (b) How were the differences reconciled?
   (c) What further information would you seek?
   (d) Does the process contain hidden biases?

**EXERCISE: JOB EVALUATION AT SUN MOUNTAIN HOTEL**
**PROFILE FORM**

**JOB NAME:** _____

|   | CRITICAL FACTORS | LEVELS | | | |
|---|---|---|---|---|---|
|   |   | MINIMUM I | LOW II | MODERATE III | HIGH IV |
| 1. | RESPONSIBILITY |   |   |   |   |
|   | a. Use of company resources | 20 | 40 | 60 | 80 |
|   | b. Assisting trainees | 5 | 20 | 35 | 50 |
|   | c. Service quality | 20 | 40 | 60 | 80 |
|   | d. Safety employees/guests | 25 | 50 | 75 | 100 |
|   |   |   |   |   |   |
| 2. | SKILL |   |   |   |   |
|   | a. Education/training | 25 | 50 | 75 | 100 |
|   | b. Experience | 45 | 90 | 135 | 180 |
|   |   |   |   |   |   |
| 3. | EFFORT |   |   |   |   |
|   | a. Mental (e.g. judgement) | 35 | 70 | 105 | 150 |
|   | b. Physical (e.g. dexterity) | 25 | 50 | 75 | 100 |
|   |   |   |   |   |   |
| 4. | WORK ENVIRONMENT |   |   |   |   |
|   | a. Unpleasant conditions | 20 | 40 | 60 | 80 |
|   | b. Hazards | 20 | 40 | 60 | 80 |
|   |   |   |   |   |   |
|   |   | Total points |   |   | 1000 |

Profiled by:_____     Date: _____

Agreed: _____     Date: _____

# PLOTTING JOB EVALUATION RESULTS

Plotting each job on the graph is one method of presenting the information in a form which enables some experimentation with grade and pay structures. In this example the lowest scoring jobs at 240 points have a current basic rate of $300 per week ($7.50 @ 40 hours). While the highest scoring job at 980 points has a current basic rate of $880 per week ($22 @ 40 hours).

$   Basic Pay

| | 240 | 320 | 400 | 480 | 560 | 640 | 720 | 800 | 880 | 960 | 1040 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 22 | | | | | | | | | | | |
| 21 | | | | | | | | | | | |
| 20 | | | | | | | | | | | |
| 19 | | | | | | | | | | | |
| 18 | | | | | | | | | | | |
| 17 | | | | | | | | | | | |
| 16 | | | | | | | | | | | |
| 15 | | | | | | | | | | | |
| 14 | | | | | | | | | | | |
| 13 | | | | | | | | | | | |
| 12 | | | | | | | | | | | |
| 11 | | | | | | | | | | | |
| 10 | | | | | | | | | | | |
| 9 | | | | | | | | | | | |
| 8 | | | | | | | | | | | |

Points scored in evaluation