

Job Analysis and Job Evaluation

Job Analysis

Overview

- What is job analysis?
- Why is it done?
- How is it done?

Job Analysis Defined

- Process of defining a job in terms of its component tasks or duties and the knowledge or skills required to perform them

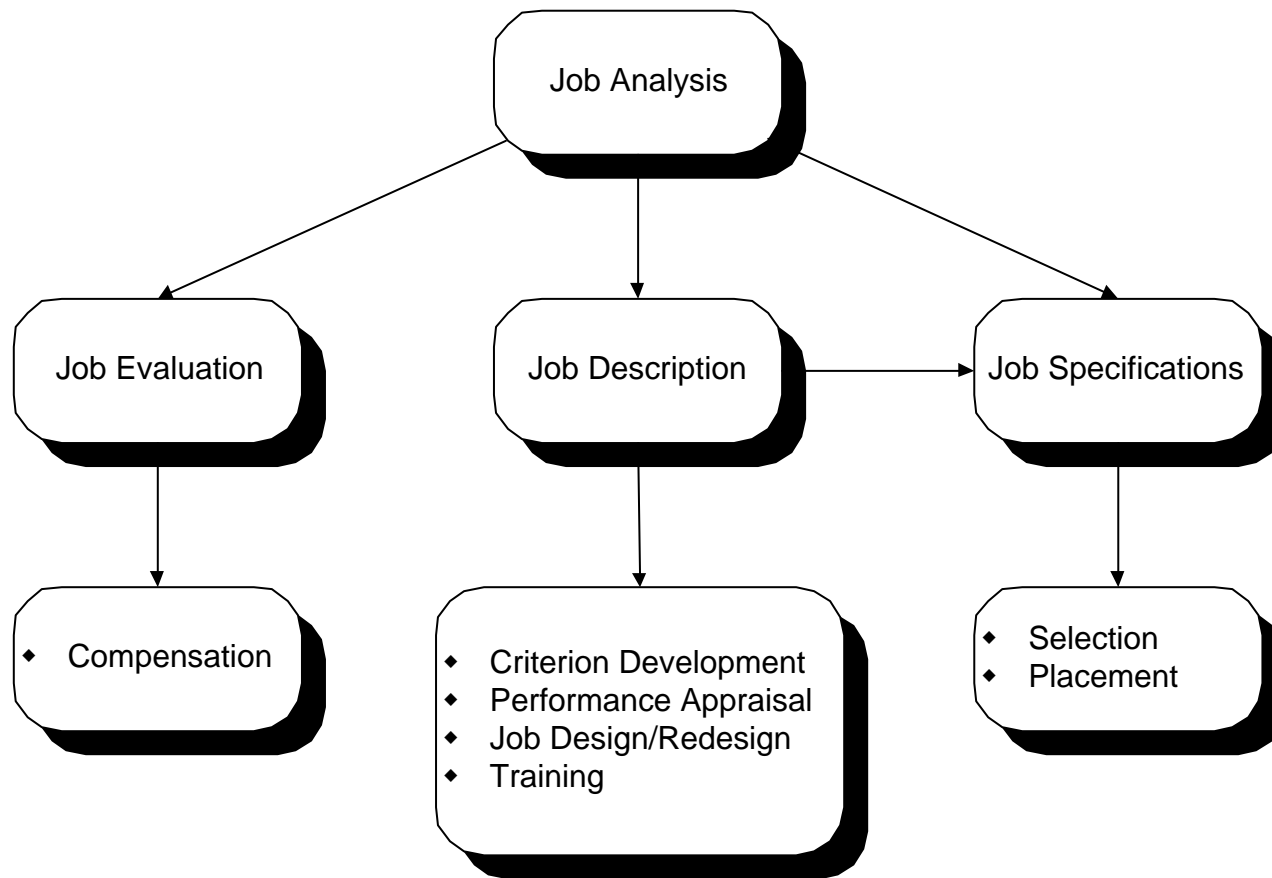
NOTE: JA focuses on the **job** rather than the job holder

Purpose of a Job Analysis

- Necessary to success of human resource functions and provides a legal foothold for organizations to defend themselves against employment-related litigation
- Always where we start!

Products of Job Analysis

- *Job Description* – Written statement about what job holder actually does, how, and why
 - **Specifies the task requirements**
- *Job Specifications* – Delineate the KSAOs that seem necessary for job
 - **Specifies the people requirements**
- *Job Evaluation* – Determine the worth of a job
 - **Used to establish compensation rates**



Job Analysis

Job Evaluation

Job Description

Job Specifications

◆ Compensation

- ◆ Criterion Development
- ◆ Performance Appraisal
- ◆ Job Design/Redesign
- ◆ Training

◆ Selection
◆ Placement

Job Analysis Strategies

Exercise

How would you conduct an analysis of the job of “fire fighter”?

Can you anticipate any problems that you might have?

Standard Methods for Conducting Job Analysis

Standard methods generally take one of two forms:

1. Job-Oriented

- Focus on describing various tasks that are performed on the job
- Very specific task description

2. Worker-Oriented

- Examine broad human behaviors involved in work activities
- Description of general facets of the job

Standard Methods for Conducting Job Analysis

- Job-Oriented Approaches
 - Task Inventory Approach
 - Functional Job Analysis
- Worker-Oriented Approaches
 - Job Element Method
 - Position Analysis Questionnaire
 - Common Metric System

Job-Oriented Approaches

Task Inventory Approach

- Task statements generated by Subject Matter Experts (SMEs)
 - SMEs – Individuals who are incumbents or experts regarding the target job
- Incumbents then put a check next to statements that describe their job
- Data provide a picture of the job

Job-Oriented Approaches

Functional Job Analysis

- Obtain information about what tasks a person performs and how those tasks are performed
- Uses task statements, but they are rated on the following dimensions:
 - ***Data*** – Extent to which cognitive resources are needed to handle info, facts, ideas
 - ***People*** – extent to which interpersonal resources are needed
 - ***Things*** – Extent to which physical resources are needed (strength, speed etc)
- Used to Create the Dictionary of Occupational Titles (DOT)

Worker-Oriented Approaches

Job Element Method

- Identify the characteristics of superior workers on a job
- Element here means – Knowledge, Skills, Abilities, and Other characteristics (KSAOs) necessary for effective perf.
- Use SMEs to develop list of job elements
- SMEs provide work examples of elements
- Notice differences with Task Inventory

Worker-Oriented Approaches

Position Analysis Questionnaire (PAQ)

- Standardized instrument that focuses on general work behaviors
- 194 items; SMEs decide about whether the item pertains to their job and evaluates it along a series of dimensions (importance to job, amount of time spent on this item, etc.).
- Items fall into six Dimensions
- Concerns:
 - Not for white-collar jobs
 - College reading level
 - Too abstract, so many jobs look similar

Worker-Oriented Approaches

Common Metric System

- newly developed instrument (Harvey)
- 2,077 items organized along 80 dimensions
- Takes 3 hours to complete on-line
- Items are more behaviorally specified than PAQ items and has a lower reading level
- Relevant for both Managerial and Non-Managerial jobs

Job Evaluation

Overview

- What is it?
- How is it done?
- What is “pay equity” (or comparable worth)?
- How can job evaluation be used to achieve pay equity?

Job Evaluation Defined

An assessment of the relative value of jobs to determine appropriate compensation

Objectives in Setting Compensation Rates

Internal equity:

- Fairness across jobs within the organization
(job evaluation)

External equity:

- Fairness within jobs across organizations
(wage surveys)

Standard Methods for Conducting Job Evaluation

		Unit of Comparison	
		Whole Job	Job Components
Target of comparison	Other Jobs	Job Ranking	Factor Comparison
	Common Standard	Job Classification	Point System

The Point System

Typical Procedure

- Step 1: Identify compensable factors
- Step 2: Define degrees within factors
- Step 3: Assign points for each degree and factor

Note. All of the above involve judgments made by SMEs.

Hypothetical Point Values for Job Factors

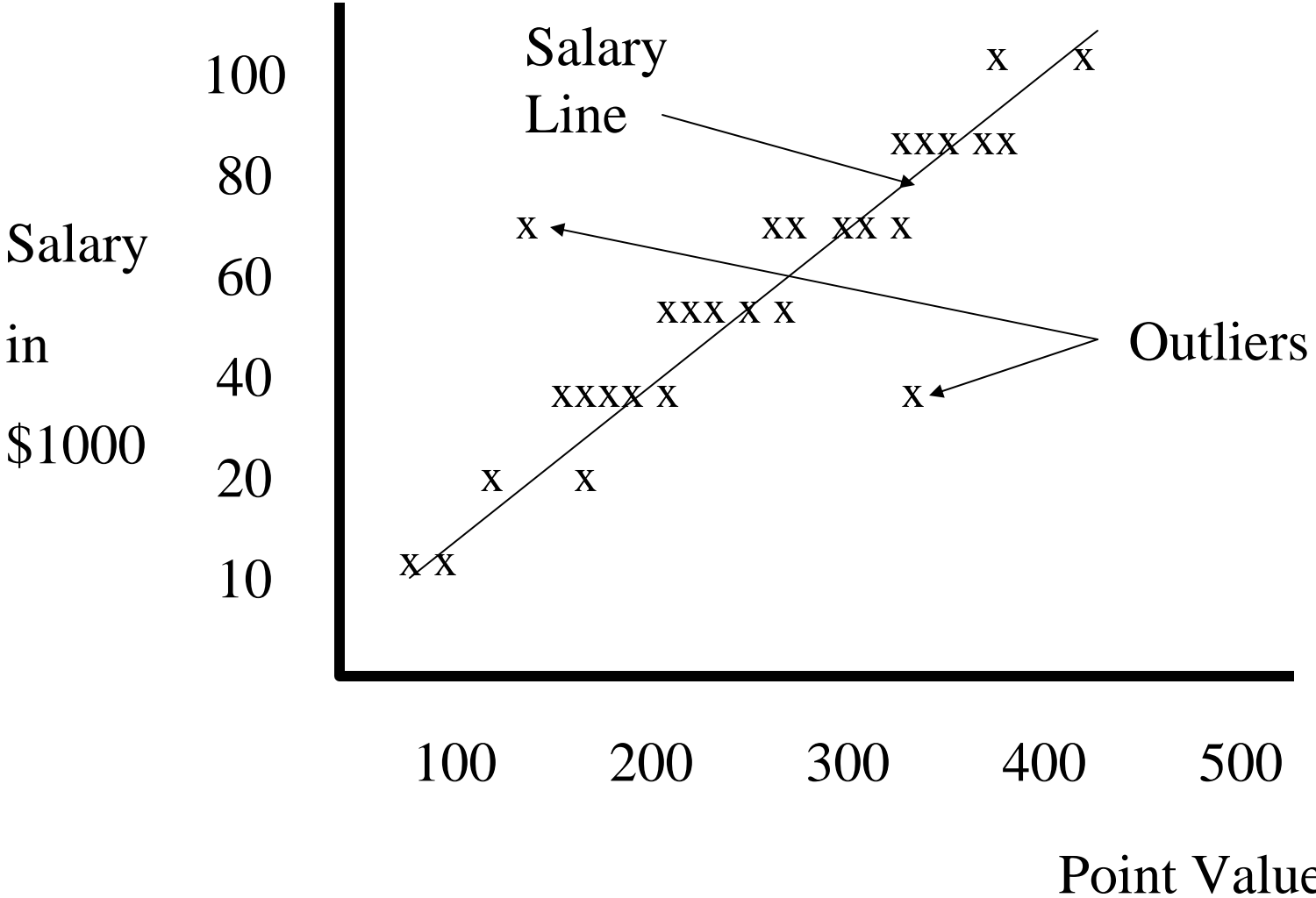
Factors	Lowest Degree	Next Degree	Next Degree	Next Degree	Highest Degree
Mental demand	15	30	45	60	75
Experience	20	40	60	80	100
Physical demand	15	35	55	--	75
Hazards	10	20	30	40	50
Education	10	20	30	40	50
Personal contact	10	30	--	--	50
Equipment Responsibility	10	20	30	40	50
Initiative	10	23	37	--	50

The Point System

Typical Procedure

- Step 4: Rate each job on each factor to determine point value
- Step 5: Examine relation between value and pay (e.g., create a salary plot)
- Step 6: Set or adjust pay rates to ensure internal and external equity

Hypothetical Salary Plot



Common Problems in Job Evaluation

1. Identification of a common set of compensable factors
2. Rating errors
 - Halo error
 - Gender composition
 - Stereotype bias
 - History effects
3. Conflict between internal and external equity

Pay Equity

The Problem: pay inequity

- Women's wages are between 70% - 90% of men's wages
- Why?

Legislative Attempts to Remove Inequities

- **Equal Pay for Equal Work**
 - introduced in Ontario in 1951
 - gradually changed to include “similar” work
- **Equal Pay for Work of Equal Value**
 - introduced in Ontario in 1987
 - companies required to evaluate jobs on the basis of skill, effort, responsibility and working conditions
 - must pay jobs according to value

A Case of Inequity

1978 – Canadian Human Rights Act

- made it illegal to pay women less than men for work of equal value

1984 – Case brought against the federal treasury board

1998 – CHRC Tribunal rules that 200,000 employees deserve \$5 billion in back pay; government appeals

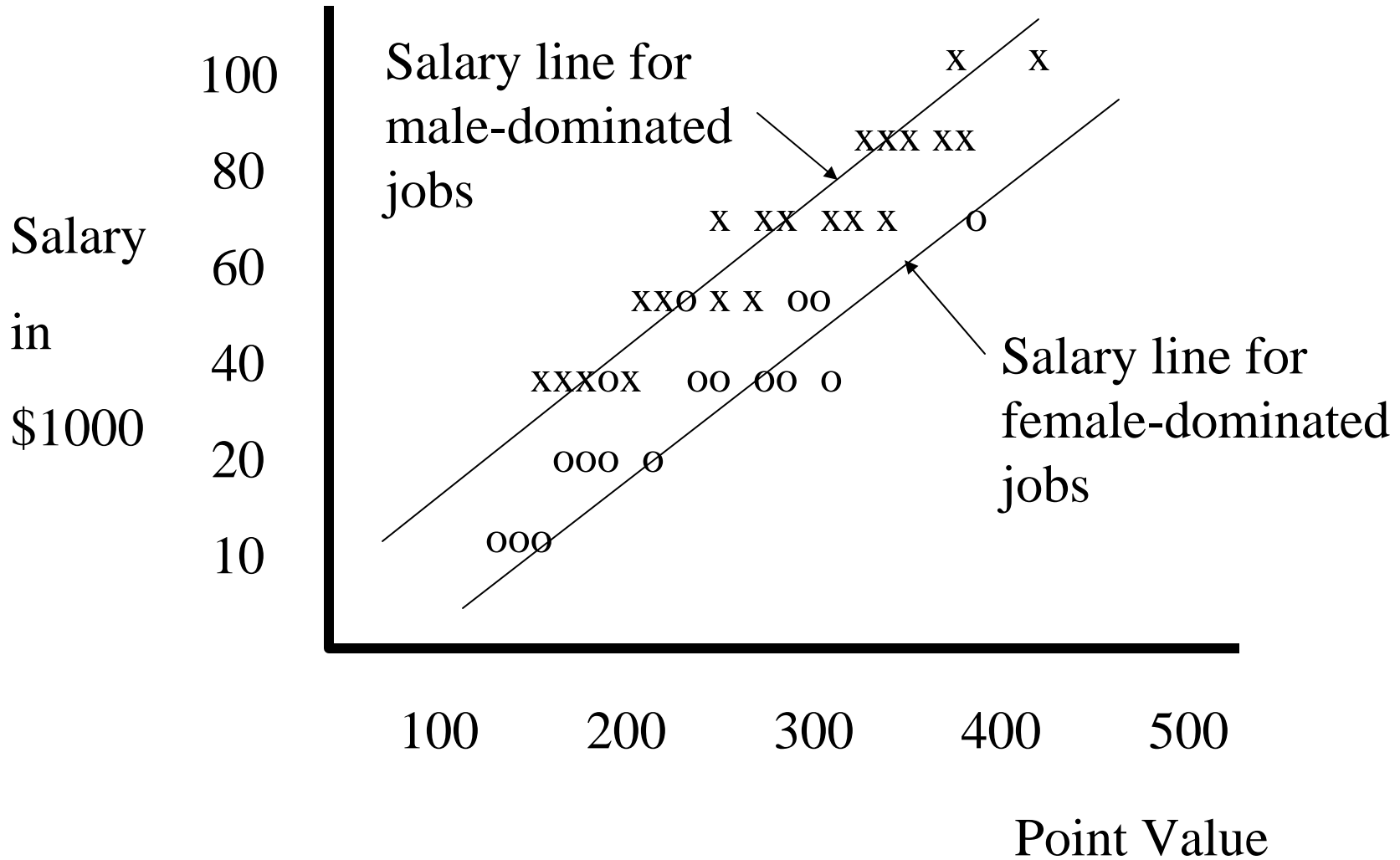
1999 – Federal court upholds decision

Use of Job Evaluation to Achieve Pay Equity

Procedure

- Step 1: Identify job classes occupied mainly by men and by women
- Step 2: Determine a common set of compensable factors
- Step 3: Rate and compare jobs
- Step 4: Make wage adjustments where necessary

Salary Plot in Pay Equity Evaluation



Use of Job Evaluation to Achieve Pay Equity

Potential Problems

1. Lack of comparable jobs
2. Difficulty in finding a common set of compensable factors
3. Potential rating biases
4. Conflict with other determinants of wages
5. Making wage adjustments

Pay Equity: Lessons Learned from the Canadian Experience

Source: Gunderson (*Journal of Social Issues*, 1989)

1. Proactive (vs. complaints based)

- requires all employers over a certain size to have a pay equity policy

2. Phase in

- start with the public sector and then larger organizations in the private sector

3. Flexibility

- Allow for exemptions based on market value (where there are shortages), merit, seniority, etc.

Pay Equity: Lessons Learned from the Canadian Experience

Source: Gunderson (*Journal of Social Issues*, 1989)

4. Adjustment Ceiling

- keep yearly adjustments to a reasonable level

5. Phase in

- involve unions in attainment of pay equity objectives