A Review on Job Evaluation in HR Management.

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ABSTRACT
Classification and job evaluation systems have come under attack in the public sector. A literature review was conducted to help public sector human resource professionals make informed decisions about whether or not to change or even abandon traditional classification and job evaluation systems for compensation purposes. It is concluded that traditional classification and job evaluation procedures continue to have relevance in public sector settings. However, current classification and job evaluation systems need to be broadened to adapt to the changing nature of work in public sector organizations. Recommendations to shift the focus from “job” to “work” evaluation are offered. Now in almost every organization has a performance management system or conducts performance reviews with employees. However there is review that demonstrates the performance management system is effective at modifying performance, especially in knowledge workers. The intent of this paper is to provide a reference for management to use to better understand the process of performance management within their organization. The paper provides a summary of the guidelines laid out in current literature, which we found had considerable consistency. The paper provides recommendations to managers for how they can work within the boundaries of their system to conduct more effective performance reviews.

Keyword: Job evaluation, Job analysis, Job review, and Performance management.

INTRODUCTION
Job evaluation is the process to determine in a systematic and analytical way, the value/worth of a job with an organisation. The value of job is determined in relation to other jobs in terms of the skill needed, responsibility involved, efforts required and the surroundings in which it is performed. Job and arrive at their respective worth and place them in their relative order. Job evaluation tries to make a systematic comparison between jobs to assess their relative value for the purpose of establishing a rational pay structure.

Job evaluation need to be differentiated from job analysis. Job analysis is a systematic way of gathering information about a job. Every job evaluation method requires at least some basic job analysis in order to provide factual information about the jobs concerned. Thus, job evaluation begins with job analysis and ends at that point where the value of a job is ascertained for achieving pay equity between jobs.

1 JOB ANALYSIS
Job analysis is a process of collecting, evaluating and analysing information about a job. Job analysis is a very valuable source of information for human resource planning and development. Job analysis, which is a step in the job evaluation process, consist of analysing the job in details. The idea of such analysis is to find out all relevant facts in respect of the job through either interviews or questionnaires. Information is collected through a questionnaire wherein the workers fill the particulars about their jobs. On the other hand where workers are illiterate or unable to express themselves in written languages, pertinent job information is collected through interviews.
1. Job analysis provides information on the following:
1. Educational qualifications, training, experience, skills, traits, attitudes required to perform the job.
2. Structure and design of job to make it meaningful and enhance the jobholder’s performance.
3. Plans for future human resource requirements and career planning.
4. Placement to the right person on the right job to utilise skills.
5. Setting up performance standards.

1.2 Steps in job analysis:
1. Determine how each job fits into the total organisation with the help of organisation structure and process chart.
2. Determine when the job analysis information will be used.
3. Purpose of the analysis.

1.3 Applications of job analysis:
1. Preparation of “Job Description” which includes the job objective and the principal activities required to perform the job.
2. Preparation of “Job Specification” which provides the educational qualification, experience, critical skills, special knowledge, abilities and aptitudes required to perform the job.
3. Development of “Key Result Areas” (KRAs) which state clear goals and targets the job holder has to achieve in a specified time.
4. Design of “Training Programmes” based on the knowledge and skills essential for a job.
5. Development of “Compensation Structure” since compensation is commensurate with duties and responsibilities of a job.
6. Job analysis can help in “Strategic Planning” by identifying jobs that need to be changed, eliminated or restructured to meet the demands of a changing environment.

2. JOB DESCRIPTION

Job description is what the job holder does, how it is done, under what conditions it is done and why it is done. It describes what the job is all about, throwing light on job contents, environment and conditions of employment. It is descriptive in nature and defines the purpose and scope of job. The main purpose of job description is to differentiate the job form other jobs and state its outer limits.

2.1 JOB SPECIFICATION

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Job specification is a employee specification of educational qualifications, specific qualities, level of experience, physical, emotional, technical and communication skills required to perform a job, responsibilities involved in a job and other unusual sensory demands.

JOB EVALUATION SYSTEM

The system of evaluating a job involves roles determining the value of a position within an organization. It differs from performance evaluations and assessment in that the main goal of a job evaluation is to rate the job in itself, not the person responsible for doing it. Job evaluation determines the value of one job in relation to others in the organization in order to ensure a fair job hierarchy and/or salary system is in place. There are many different types of job evaluation systems to choose from. The most common are job ranking, factor comparison, point evaluation and job comparison methods.

JOB EVALUATION METHOD

There are a number of different job evaluation methods but in broad terms only two types of methods are used.

NON-ANALYTICAL METHODS

1.1 RANKING SYSTEM

Ranking system for job evaluation is simply rank the jobs in order from highest to lowest in regards to their importance to your organization. “Ranking system is frequently used by small organizations” and is the fastest, easiest and least expensive job evaluation method to employ.

1.2 JOB CLASSIFICATION

“Job Classification method is frequently used by government and university employers”. The purpose of using the classification method of job evaluation is to establish pay grades. When using this method first a description is generated for each job category and then standards is set for each job category. In final step, the positions are matched to categories based on the similar duties and overall value to the organization.

ANALYTICAL METHODS

2.1 FACTOR COMPARISON METHOD

Factor comparison uses several evaluation methods in order to evaluate jobs within an organization. This method allows for customizable job evaluation, but it is also very time consuming. In factor comparison evaluators first rank jobs using a point assessment and then jobs are analyzed in regards to the skill set ranked in the points assessment. Jobs in an organization are then compared to the standard set by point assessment and then jobs established in conjunction with the market value of a position's compensable factors. Finally, a salary is determined.
2.2 POINT RANKING METHOD

Points ranking is the most commonly used method of job evaluation. In this method, a point ranking system is made based on the overall monetary value of a position within the company. The first step in a points evaluation is determining what skills a group of jobs is expected to possess. Points are assigned based on these characteristics that represent the importance of the job within the organization.

CONCLUSION

Job evaluation is the process to determine in a systematical manner the value of job within the organization. It is very time consuming and complex process and hence must receive whole hearted support from everybody. The process of job evaluation involves job analysis which consists of job description and job specification. Trade union is directly concerned with job evaluation. Analytical and non-analytical techniques are used for the measurement of jobs. Simply ranking and grading are placed in the non-analytical category while point system and factor comparison methods come under the analytical category.

REFERENCES


