

## How to Conduct An Effective Job Evaluation Exercise

**Author: Ifeoma Obi . February 2020**

The [Job Evaluation](#) is the process of evaluating the relative value of an organization's jobs. Based on its content and the complexity involved in its operations, the jobs are evaluated and thus positioned according to their significance. The purpose of the job assessment is to provide a satisfactory wage differential. A job assessment is an assessment of the relative value of various jobs based on a consistent set of work and personal factors, such as required qualifications and skills.

The aim of the job assessment is to determine which jobs should receive more pay than others. Many approaches are used in the job assessment, such as work ranking, task rating, and factor comparison. Nonetheless, research indicates that each approach is almost as accurate and reliable as the other when it comes to rating and pricing different jobs. Job assessment forms the basis for salary and wage negotiations.

### Background of Job Evaluation

Job assessment evolved from the classification practices of the civil service and some early-employer work and pay classification systems. It is now over 120 years old and still of great value, whether formal job evaluation began with the United States Civil Service Commission in 1871 or with Frederick W. Taylor in 1881. During the 1920s the first point system was developed. Employer associations have made a considerable contribution to the adoption of some plans. The spread of unionism has influenced job evaluation installation in that as unionism advanced, employers have given more attention to rationalized wage structures. The National War Labor Board promoted the development of job appraisal as a means of eliminating pay inequities during World War II.

As organizations grew larger and larger and more bureaucratic it became evident the need for a rational system of paying employees. Wage structures became more complex and some way was needed to bring order to the chaos perpetuated by supervisors setting pay rates for their own employees. Job assessment became a big part of the response. During this time period of the late 1950s, the techniques and processes of job evaluation were developed and perfected.

## Job Evaluation Methods

There are non-analytical and analytical job evaluation methods that are employed by organizations to realize the worth of a set of jobs.

### Non-Analytical Methods

1. **Ranking Method:** This is the simplest and cheapest method of job evaluation in which the jobs are ranked from the highest to the lowest based on their organizational importance. In this process, the overall job is compared with the other set of jobs and is then graded according to its quality and complexity. The research is not divided into the variables here, and an overall review of the work is done. The rating method's main advantage is that it is very easy to understand, and is less costly. But it is not free of limitations, however, it is subjective in nature because of which employees may feel offended, and it may also not be fruitful in the case of large organizations.
2. **Task grading system:** Also known as a Work grading system. The task grades or classes are decided under this method and then each work is assigned to them and assessed accordingly. This method has the advantage that it is less subjective than the ranking method and acceptable to the employees. Often, the whole job is related to the other work and is not divided into factors. The main limitation of this approach is that the tasks may vary in terms of their quality and difficulty and the results may be overestimated or underestimated by putting them all under one category.

### Analytical Job Evaluation Methods

1. **Factor-Comparison Method:** The job is evaluated using this method, and the ranks are given on the basis of a set of Viz variables. Mental effort, physical effort, skills required supervisory responsibilities, conditions of work, and other factors relevant. For each set of jobs, these factors are presumed to be constant. Therefore, on this basis, each work is compared with each other and ranked accordingly. The benefit of this approach is that it is transparent and less subjective, and therefore appreciable by all. But it is the most complex and costly method, however.
2. **Point-Ranking Method:** This method defines the key factor of each task, and then decides the sub-factors. Then the points are allocated to these sub-factors by their value. The system of point rating is less arbitrary and is error-free as the rater sees the job from all angles. But it is a complex method and time-consuming since the points and wage scale for each factor and sub-factors have to be decided.

The important thing to note is that the work assessment is only taken into consideration when evaluating a task and not with the jobholders.

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*Ifeoma Obi is a Business Analytics and Research Consultant at Industrial Psychology Consultants (Pvt) Ltd, a business management and human resources consulting firm.*

**LinkedIn:** <https://www.linkedin.com/in/ifeoma-obi-92b4b9121/>

**Phone:** +263 242 481946-48/481950

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