

PRIVATE SECTOR TYPICAL JOB FAMILIES

- |                               |   |
|-------------------------------|---|
| 1. ACCOUNTING/FINANCE         | MANAGEMENT OR FINANCE ACCOUNTANT<br>JUNIOR ACCOUNTANT<br>BOOK KEEPER<br>ACCOUNTS CLERK<br>COST CLERK  |
| 2. ENGINEERING                | ENGINEER UP TO 7 YRS EXPERIENCE<br>ENGINEER 3 - 5 YRS EXPERIENCE<br>GRADUATE ENTRANT<br>SENIOR TECHNICIAN<br>JUNIOR TECHNICIAN                                  |
| 3. SECRETARIAL                | SECRETARY/PA.<br>DEPARTMENTAL SECRETARY<br>SHORTHAND TYPIST<br>DICTAPHONE TYPIST<br>COPY TYPIST   |
| 4. OFFICE SERVICES            | ADMINISTRATION MANAGER<br>ADMINISTRATION OFFICER<br>SENIOR CLERK<br>CLERK<br>TELEPHONIST<br>RECEPTIONIST<br>CHAUFFEUR/DRIVER<br>HEAD SECURITY<br>SECURITY GUARD |
| 5. ELECTRONIC DATA PROCESSING | SENIOR SYSTEMS ANALYST<br>SYSTEM ANALYST<br>PROGRAMMER/ANALYST<br>PROGRAMMER<br>DATA PREP<br>COMPUTER OPERATION   |

6. SUPPLY/PURCHASING	PURCHASING MANAGER PURCHASING OFFICER WARE HOUSE SUPT STORES CLERK/STORE MAN FORK LIFT OPERATOR LABOURER DRIVER
7. SALES	SALES MANAGER SALES EXECUTIVE SALES REPRESENTATIVE VAN SALESMAN SALES/ORDER CLERK
8. PERSONNEL	PERSONNEL MANAGER EMPLOYEE RELATIONS OFFICER EMPLOYEE SERVICES OFFICER RECRUITMENT OFFICER PERSONNEL CLERK WELFARE OFFICER
9. LEGAL/SECRETARIAL	HEAD OF LEGAL COMPANY SECRETARIAL LAWYERS (COMPANY) CLERKS
10. MARKETING	MARKETING MANAGER PRODUCT MANAGER PRODUCT SPECIALIST ADVERTISING PRODUCT RESEARCH/DESIGN
11. PRODUCTION	FACTORY MANAGER WORKS SUPERINTENDANT PRODUCTION PLANNER LINE SUPERVISORS CHARGE HANDS SKILLED OPERATIVES NON SKILLED OPERATIVES

JOB EVALUATION METHODOLOGY

FIRST PAPER  
TO  
PAY LEVEL SURVEY ADVISORY COMMITTEE

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## BACKGROUND

Hay Management Consultants Hong Kong Limited (hereafter known as Hay or the Consultant) has been commissioned by the Standing Commission on Civil Service Salaries and Conditions of Service to provide information by way of a pay level survey, which will enable the Commission to assess whether or not the present remuneration of Hong Kong's Civil Service, below the Directorate level, including both salary and fringe benefits, is broadly in line with that of employees in the private sector doing comparable work.

The work of the Consultant will consist of three broad phases :

- I. the design and planning of the pay level survey,
- II. the execution of the pay level survey, and
- III. the production of a report containing the findings of the pay level survey.

A Pay Level Survey Advisory Committee has been set up to advise the Commission on the results of the work carried out by the Consultant. This Paper is the first of a series presented to the Advisory Committee during Phase I of the work. The purpose of this First Paper is to present to the Advisory Committee an overview of the Consultant's methodology to be used for comparing jobs between the Civil Service and the private sector. Other issues specific to Phase I of the work will be covered in subsequent Papers.

## INTRODUCTION

For a pay level survey to be valid, accurate and reliable, it is absolutely essential that it be based on a sound, tested and authoritative process of job evaluation. Those people who will use the pay level survey results must have complete confidence that jobs in their organisation have been compared accurately with jobs in other organisations. Attempted job matching can never achieve this, and a systematic process for measuring jobs on a factor basis is essential.

The Hay method of job evaluation is far and away the most widely used job factor system in the world. It is used extensively in the public and private sectors. Upwards of 8000 organisations, including the world's most prestigious Governments, private sector companies and many other kinds of organisation rely on Hay system to measure job size accurately and to manage their salary administration programmes.

THE HAY GUIDE CHART PROFILE METHOD  
OF JOB EVALUATION

The Place of Job Evaluation

Job evaluation is about the relative size of jobs. It is a process which involves the exercise of judgement in identifying and assessing differences in value between jobs. It is not directly concerned with people, their performance, or pay - only with the size of each job in relation to other jobs.

Pay scales and grades reflect many things other than job size. Such things include age, qualifications, working conditions and market rates. All these are part of employer-staff negotiations on terms and conditions. Job evaluation does not determine them, but rather provides the foundation on which other parts of a pay system can be built. Negotiating pay ranges for grades, and terms and conditions for people in grades, are subsequent matters.

Jobs cannot be measured scientifically. Evaluations will always be judgements, just as most significant organisational decisions must be judgements. However, judgements can be disciplined within a systematic framework which facilitates consistency and fairness through measuring all jobs with a common yardstick. It would not be equitable to measure one job according to one set of criteria and another by a different set. Job evaluation permits different jobs to be assessed in a consistent way by applying a common framework for judgement.

### Evaluation Rules

Five ground rules apply to the evaluation of jobs.

1. Jobs can only be evaluated if they are UNDERSTOOD.
2. It is JOBS which are evaluated, not JOB HOLDERS.
3. The evaluation is based on a FULLY ACCEPTABLE level of performance by occupants of the job.
4. The job is evaluated as it exists TODAY.
5. Present pay, status or grading are NOT RELEVANT.

### Constituents of the Process

The job evaluation process consists of the following stages :-

1. Developing job understanding.
2. Making judgements.
3. Using a common method to facilitate consistency of judgement.
4. Checking the judgements.
5. Reviewing the total process.
6. Properly recording the evaluations.

## The HAY Guide Chart Profile Method of Evaluation

The aim of the HAY method is to bring consistent criteria to bear in establishing the relative worth of different jobs to an organisation. Consistency implies using the same elements against which to measure all jobs, however much the jobs differ.

In all types of organisation we have found that the value of jobs depends on three common elements :-

### . KNOW-HOW

The knowledge, skills and experience required for fully acceptable job performance. It has three dimensions :

- i) The requirement for Know-How in practical procedures, specialized techniques, and scientific or professional disciplines.
- ii) The requirement for Know-How in integrating and harmonising the diverse elements involved in planning, organising, directing, evaluating and innovating.
- iii) The requirement for Know-How in "dealing with people". Some jobs may require ordinary courtesy; some may require effective communication and negotiation skills; and some may require skills in developing and motivating people.



• PROBLEM SOLVING

The span, complexity, and level of analytical, evaluative and innovative thought required in the job expressed as a utilisation of Know-How. It has two dimensions :

- i) The environment in which the thinking takes place.
- ii) The challenge presented by the thinking to be done.

• ACCOUNTABILITY

The discretion given to the jobholder either to direct resources of all kinds or to influence or determine the course of events, and his/her answerability for the consequences of his/her decisions and actions. It has three dimensions :

- i) Freedom to act - the degree of personnel or procedural control and guidance exercised by the position.
- ii) Impact of the job on end results whether primary, shared, contributory or incidental.
- iii) Magnitude as indicated by the general size of the area(s) most clearly affected by the job.

Guide Charts

These three common elements are judged using a separate guide chart for each. The guide charts are further sub-divided into a number of dimensions or factors and are designed as grids on which there is a numerical scale. Jobs are located on the grid by selecting the definitions which are most appropriate to the job under consideration. The intersect indicates a points or job units score for that element of the job. The total score is determined by adding the separate scores from each of the three charts.

## Profiles

The Guide Charts have been used in the evaluation of many thousands of jobs. The experience has been that when jobs have been carefully evaluated the percentage distribution of Know-How, Problem-Solving and Accountability within jobs takes on certain patterns. These percentage patterns, or profiles, can be used as an independent check on the validity and reliability of the judgements about job size. Profiles describe the nature of the contribution expected from a job by the organisation: whether the job is predominantly problem solving or accountability orientated.

The Hay method of job evaluation is based on the three Guide Charts and profiles, which measure job shape; hence the name HAY GUIDE CHART PROFILE METHOD.

### CLOSING COMMENTS

The foregoing has provided an overview of the Hay Guide Chart Profile Method, which is essentially a logical framework developed over time for analysing and evaluating jobs. We cannot emphasize more the importance of job evaluation in any pay level survey. As we evaluate jobs for the current assignment, we should stress that Hay recognises there is no private sector 'analogue' for many public sector jobs. Indeed, there is no perfect job match between many private sector companies, or even within a single private sector company. It is precisely because there is a need to compare apples and oranges that job factor systems are designed and developed, and Hay is clearly the world's leading authority in this area.