

**Job Evaluation Explained**

Many large organisations make use of Job Evaluation (JE) to inform their pay strategies, and the MoD has used JE since 1970 to deliver a ‘consistent and systematic means of defining relativities between jobs’. JE is a very detailed process which examines trades against a set of common questions, or Factors, to enable a relative assessment of ‘job weight’ of different trades. Job weight is expressed in a numerical score, known as a Whole Trade Score (WTS) which is used to inform pay differentiation of one group compared to another.

**Who conducts JE for the Armed Forces?**

JE is conducted by the Joint Service JE Team (JSJET) which consists of a C1 Civil Servant, as Team Leader, supported by 4 WO1 military JE analysts, including at least one from each Service. The rank by rank JE scores are determined by an independent judging panel of 3 x OF5s; one from each Service. Unlike many other organisations that choose to ‘buy in’ JE assessments on a periodical basis, the Ministry of Defence has for many years invested in a permanent JE capability: importantly, this provides continuity of understanding of the many variations of military jobs, and enables a more agile response to dealing with change.

**What are the JE Factors?**

The JE process used by Defence assesses positions against 6 Factors, described in the table below:

JE FACTOR	DESCRIPTION
1	Knowledge, skills and experience needed for the post and the range of application required.
2	Complexity and mental challenge of the job.
3	Judgement and decision-making, and the impact of the job’s output on the success of the organisation.
4	Use of resources (Personnel, Equipment, Budgets etc); the level of supervision undertaken and the jobholder’s influence in the organisation.
5	Communication; the level of internal and external communications and their significance.
6	Working conditions; health and safety aspects, bodily constraints and physical environment of the job in question.

Each factor has two or more ‘elements’, each of which has ‘level descriptors’ which set out to define and rank the demands of the job. The levels accorded to each element are used to generate a numerical score for the factor by reference to a pre-determined Scoring Matrix. Each factor has a different weight within the overall score and the proportion of the overall score generated by each factor can vary significantly from job to job, depending on its range of duties and its level within the organisation. Added together, the combined scores of the factors provide the WTS and reflect the ‘job weight’.

**How Does the JE Process Work?**

A detailed analysis is undertaken of how a trade is employed at each rank (this is known as Statistics of Coverage). This analysis determines how each rank within the trade is sampled. Each job sampled should be representative of a number of other jobs within the same trade. Statistics of Coverage are agreed with the appropriate Trade Sponsor/Branch

Manager who also selects individual jobs for evaluation in accordance with the criteria set out in the Statistics of Coverage and, where appropriate, representing a cross section of experience.

Each representative job is analysed and a detailed job description prepared for it. Each job is examined in detail against the JE Factors described above to define and rank the demands of the job. Once all the representative jobs have been evaluated to provide the 'job weight' a Whole Trade Score (WTS) is calculated.

The WTS is a weighted average score for the rank/trade, based on the Statistics of Coverage. In practice, this means that if one job is representative of 30% of the trade and rank, the resultant job score will make a 30% contribution to the WTS. The greater the percentage covered by a representative job or jobs, the greater the impact on the WTS.

The representative posts evaluated must amount to a minimum of 70% of the total liability for that trade and rank; this is designed to ensure that resultant JE scores are indeed representative of employment within each trade. Typically, statistical coverage of 85% or more is achieved, providing a very extensive evidence base on which the JE Judges can base their decisions.

The process includes considerable interaction with members of the trade undergoing the JE. This includes JE analyst interviews (conducted by Service WOs who form part of the JSJET) with personnel serving in representative posts. In addition, 'benchmark visits' are conducted by JE Judges who visit a unit or units where there is an opportunity for the trade to 'showcase' itself by demonstrating and explaining the requirements of their jobs. These visits are invaluable to understanding the nuances contained in the written job descriptions and enable the judges to gain a genuine understanding of the trade and the requirements of individual jobs. Service personnel are generally good at selling themselves and what they do, and are keen to have a role in a process that affects their pay.

The whole JE process is open and transparent to the trade managers/sponsors and those involved in the process. Full judging sessions are formal affairs held in front of trade managers and specialist advisors each of whom emerges from the experience feeling that their trade has been fairly examined. The judges have to achieve consensus in their scores for each factor of each job; this can lead to rigorous debate on any contentious issues, demonstrating the very careful consideration that underpins JE.

Defence recently commissioned an independent re-validation of the JE process by an external consultant. This assessment found the Armed Forces approach to JE was the most detailed and comprehensive examination of any identified in the Public or Private Sectors, and was deemed to be fit for purpose. Defence is reassured that the process delivers accurate outcomes.

### **Application of the JE WTS Under Pay 2000.**

Under Pay 2000, pay differentiation for Other Ranks is achieved through the use of two Pay Bands – High and Low. The 2 bands are separated by a High/Low Pay Boundary Line (PBL), and the level of the PBL is set at a different score for each rank (as agreed by the single Services). For example, the PBL for OR6 (Petty Officer/Sergeant/Flight Sergeant) is set at a WTS of 290 points. Ordinarily, a trade scoring above or below this line at OR6 would be placed (respectively) in the High or Low Pay Band. However, in instances where the WTS for a particular rank/trade is very close to the PBL<sup>1</sup>, the relevant single Service is

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<sup>1</sup> Fundamentally, where the WTS is within 5% above or below the PBL (e.g. for OR6, with a Pay Boundary of 290 points, the Discretionary Zone is between 275-305 points).

able to make a case for placing the group in either Pay Band, under a process known as 'Management Discretion' (MD).

Pay 2000 applies differentiation at each rank within OR Trades. One of the consequences of this approach is that, within a single trade, individuals can find themselves placed in the High Pay Band at one rank and then, on promotion, find themselves placed in the Lower Pay Band at the higher rank; or vice versa. This is known as 'flip-flop'. Other Ranks have expressed considerable dissatisfaction with 'flip-flop' and the resultant effects which include early topping out of incremental pay progression. This dissatisfaction, relayed to - and highlighted by - the independent Armed Forces Pay Review Body, has been addressed in the design of the NEM Pay System. Additionally, the Pay Boundary Lines have not been reviewed under Pay 2000 and we have seen the number of roles in the High Pay Band increase as the nature of roles change through the advent of new technology or changing operational requirements. This has resulted in an increasing pay bill, and at the same time has reduced the effectiveness of the pay model in terms of its ability to differentiate pay across the wide range of different OR Trades.

### Application of WTS under the NEM Pay Structure

The NEM pay structure will continue to use JE evidence to inform pay differentiation. However, informed by Other Ranks' dissatisfaction with some of the Pay 2000 outcomes (such as 'flip flop') NEM will apply JE evidence in a different way to Pay 2000. The changes are as follows:

- a. The rank by rank JE scores are incorporated<sup>2</sup> into a Through Career Whole Trade Score (TC WTS) which enables the relative job weight of trades to be assessed and compared on a through career basis. This avoids situations such as 'flip-flop' and better enables personnel to understand their through career pay 'journey'.
- b. The NEM Pay Model replaces the 2 band (High/Low) differentiation with a 4-Supplement structure for Other Ranks. Importantly, and unlike Pay 2000, Supplement boundaries are not governed by a fixed-point boundary (PBL). Instead, and informed by the JE evidence, the trade-to-supplement placement reflects tri-Service judgement/agreement on which trades should feature within each of the 4 supplements. This judgement includes consideration of the need to differentiate (or target) pay, fairness, and affordability. This approach is more agile and resilient than the prescriptive PBL approach of Pay 2000, and ensures that decisions on pay supplement groupings can focus on the most important output of JE – the relativity of job weight across different trades.

### JE & JE Light

When Pay 2000 was introduced there was a full re-evaluation of all trades, which took nearly 6 years to complete. A work programme was then introduced to re-examine all trades on a rolling basis. This was subsequently amended to focus specifically on re-evaluating trades where there had been significant changes to structure and/or role. With the arrival of NEM, the primary focus for work became updating JE data in preparation for the new Pay Model. Since then the JE team has completed all the full evaluations that had already been started and introduced a new process entitled JE Light to update the scores of those trades not evaluated in the previous 5 years or so, on a case by case basis. The JE Light process focuses on what has changed since the last full evaluation. The judges are briefed

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<sup>2</sup> Using a mathematical formula developed by statistical experts in the Defence Statistics (Def Stats) organisation.

thoroughly on each trade in terms of numbers, structure, training and role. A one day benchmark visit is undertaken, with the opportunity to speak to trade personnel in depth about their jobs. This information is compared with any historical JE data for that trade. Representative jobs are selected for each rank and the judges make evidence based judgments on variations to the scores for each factor. This is completed in front of trade managers and specialists.

All this activity has been undertaken to ensure good quality JE evidence, with the work programmes agreed with the single Service Pay Colonels. It was completed at the end of February 2015 to enable subsequent decisions by the three Service's Principal Personnel Officers on where different trades will be placed within the new pay model.

Looking ahead, the JSJET will continue to conduct JE for both Officers and Other Ranks, and this information will continue to be used by the independent Armed Forces Pay Review Body to inform pay comparability assessments.