

Introduction

A Guide to Pay Equity and Job Evaluation

The Canadian Human Rights Commission has produced this Guide in order to provide practical direction in pay equity both to Commission staff and to practitioners from organizations in the federal jurisdiction.

Each Volume of the Guide deals with one general subject:

A Summary of Experience and Lessons Learned is a detailed overview of the job evaluation process as it applies to pay equity. The different steps of the process are described chronologically. Various options and gender neutrality are discussed at each step. This volume focuses on the “how to” aspects of job evaluation and avoiding gender bias.

The Makings of a System is a collection of job evaluation factors that may be used to either design a customized evaluation system, or to examine an existing system for comprehensiveness and gender neutrality. This volume focuses on the “what” elements of a job evaluation system, i.e., the content.

The Commission has made this Guide as clear as possible in the hope that it will prove helpful to specialist and novice alike. Its publication reflects our strong commitment to the legal requirements of equal pay for work of equal value, combined with a recognition that the implementation of pay equity can be a technical challenge necessitating a certain degree of expertise.

We recommend taking some time to read the Guide — for many, it will be more comprehensible if digested in smaller portions — and to consider how the material and suggestions it contains might be adapted to your organization. If you have any questions or comments, please do not hesitate to contact the Commission’s Pay Equity Directorate. The phone number is (613) 943-9061 (toll-free: 1-888-214-1090) and the address is:

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Guide to Pay Equity and Job Evaluation Limitation

The Canadian Human Rights Commission is providing this Guide to educate and give practical assistance to organizations as they establish pay equity systems. Organizations are responsible for ensuring gender neutrality in the pay systems. *Experience and Lessons Learned* is provided as raw material, to minimize gender bias and maximize awareness of potential problems. Each organization is expected to adapt and mould the content to fit its specific needs, and the result will remain its own product. The Commission cannot endorse any particular organization's use or adaptation of the Guide's content.

In the event of a pay equity complaint in an organization that has used these manuals, the Canadian Human Rights Commission will investigate the resulting pay system for fairness, appropriateness, and gender neutrality. It cannot accept responsibility or liability for an organization's use of these manuals.

An Introduction to the Makings of a System

Purpose of *The Makings of a System*

A key task in achieving pay equity in determining the value of work—in other words, determining the value of a job or a cluster of jobs. Usually, arriving at a value entails using a job-evaluation system to examine the details of the work. This system must be able to focus on the individual features or demands of a particular job. Accordingly, the purpose of *The Makings of a System* is to describe and explain how the key employment-equity concepts of job criteria, components and factors enable a job-evaluation system to focus on discrete features of work with a view to determining its value. *A Summary of Experience and Lessons Learned* covers all three concepts in detail. Please refer also to “Criteria, Components and Factors”, below.)

More specifically, the purpose of the volume *The Makings of a System* is to explain how to develop a custom-made job-evaluation system for a particular workplace. Its examples of components and numerous illustrations of possible factors should provide practitioners with ideas for creating or adapting job-evaluation systems. From the Commission’s perspective, that volume should help investigators to:

- assess an employer’s job-evaluation system, particularly from the standpoint of gender bias;
- resolve any bias problems in a system; and
- develop an appropriate job-evaluation system if necessary.

Using *The Makings of a System*

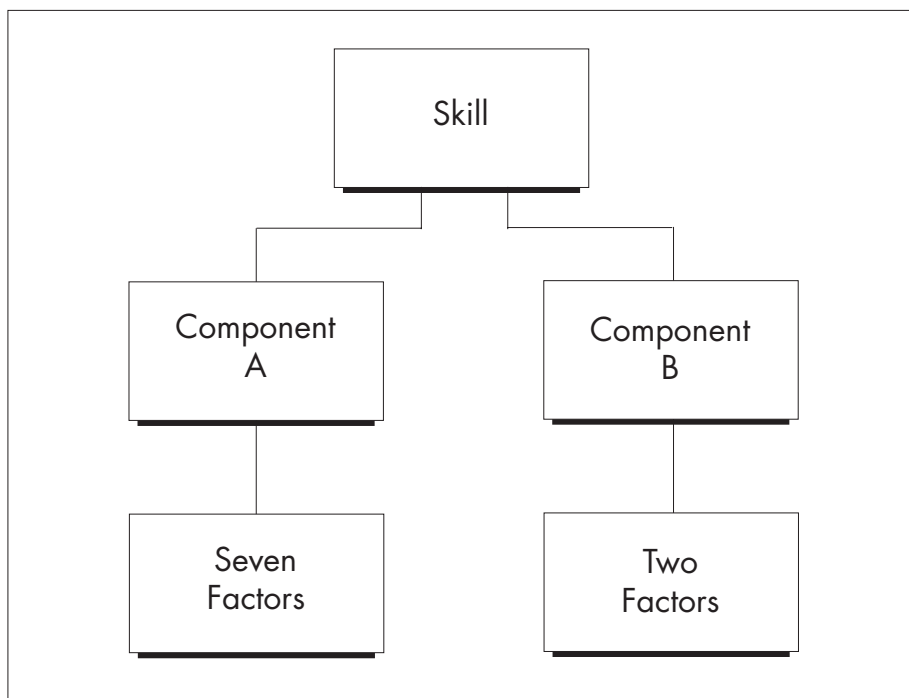
This volume contains four main sections. Each covers one of the four criteria: Skill, Effort, Responsibility and Working Conditions. For each criterion, two or more components are listed. In turn, at least one factor (and often several) is presented for each component. A description of each factor and its function in measuring an aspect of a component of a job follows, along with practical questions that evaluators can use to develop questionnaires to collect factor - specific information on job requirements.

Please note that the examples of factors in this volume are possible choices only. The list is not exhaustive. It merely illustrates the range of factors that organizations can choose from to either assess the value of work, or audit their current approach to evaluating jobs. (An audit may be useful if an organization wants to determine whether its pay practices reflect the pay-equity principle, or whether its methods for evaluating jobs are gender-neutral.)

The Canadian Human Rights Commission is not recommending any particular choice of factors. However, regardless of which factors you use in creating a job-evaluation system, they must comply with the legal requirements of Section 11 of the *Canadian Human Rights Act* and the *Equal Wages Guidelines*, 1986 (the Guidelines). (See Appendices A and B in the *Summary of Experience and Lessons Learned*.)

Criteria, Components and Factors

The diagram below shows how criteria, components and factors relate to each other.



To illustrate these relationships, we have chosen the “Skill” criterion and its components and factors.

The Equal Wages Guidelines define specific components for each criterion. For example, the Act defines two components—”physical skill” and “intellectual skill” for the Skill criterion. Similarly, the Responsibility criterion (see p. 117) has three components: responsibility for technical, financial and human resources.

As shown in the diagram, each component has a number of factors associated with it. For example, seven factors appear under “intellectual skill”. Each factor is designed to measure or recognize a certain aspect of the intellectual skill component.

Variables, Ranges and Levels: Promoting Objectivity in Job Evaluations

The two “factor matrices”, below, illustrate how variables, ranges and levels contribute to job evaluation. Similar matrices appear throughout this Guide as part of the discussion of factors relating to the four criteria. After each matrix, we have included a text-based summary that complements the matrix presentation.

Matrix A: Job Knowledge Factor

Depth	Breadth			
	Narrow	Moderate	Broad	Extremely Broad
Minimal	Level 1	Level 2	Level 3	Level 4
Moderate	Level 2	Level 3	Level 4	Level 5
Extensive	Level 3	Level 4	Level 5	Level 6

Level One

- Job requires very little job specific knowledge.
- Job requires *minimal* knowledge of a narrow range of duties and procedures.

Level Two

- Job requires a small amount of job-specific knowledge.
- Job requires *minimal* knowledge of a *moderately* broad range of duties and procedures, or job requires *moderate* depth of knowledge of a narrow range of job duties and procedures.

Level Three

- Job requires a moderate amount of job knowledge.
- Job requires *moderate* knowledge of a *moderately* broad range of duties and procedures, or job requires *extensive* knowledge of a *narrow* range of duties and procedures, or *minimal* knowledge of a *broad* range of duties and procedures.

Level four

- Job requires a large amount of job knowledge.
- Job requires *extensive* knowledge of a *moderately* broad range of duties and procedures, or job requires *moderate* knowledge on a *broad* range of duties and procedures, or *minimal* knowledge of an *extremely broad* range of duties and procedures.

Level Five

- Job requires a significant amount of job knowledge.
- Job requires *extensive* knowledge of a *broad* range of duties and procedures, **or** *moderate* knowledge of an *extremely broad* range of duties and procedures.

Level Six

- Job requires a very significant amount of job knowledge.
- Job requires *extensive* knowledge of an *extremely broad* range of duties and procedures.

Matrix B: Communication Factor

Receiving (Reading/Listening)				
Providing (Writing/ speaking)	Simple	Somewhat Complex	Complex	Very Complex
Simple	Level 1	Level 2	Level 3	Level 4
Moderately Complex	Level 2	Level 3	Level 4	Level 5
Very Complex	Level 3	Level 4	Level 5	Level 6

Level One

- Job requires little or no communication skill.
- Job may require employee to provide *simple* information and receive *simple* information.

Level Two

- Job requires some communication skill.
- Job may require employee to provide *moderately complex* information and receive *simple* information, or provide *simple* information and receive *somewhat complex* information.

Level Three

- Job requires moderate communication skill.
- Job may require employee to provide *very complex* information and receive *simple* information, or provide *moderately complex* information and receive *somewhat complex* information, or provide *simple* information and receive *complex* information.

Level Four

- Job requires strong communication skills.
- Job may require employee to provide *very complex* information and receive *somewhat complex* information, or provide *moderately complex* information and receive *complex* information, or provide *simple* information and receive *very complex* information.

Level Five

- Job requires very strong communication skills.
- Job may require employee to provide *very complex* information and receive *complex* information, or provide *complex* information and receive *very complex* information.

Level Six

- Job requires extremely strong communication skills.
- Job may require employee to provide *very complex* information and receive *very complex* information.

1. Variables

A factor typically has two variables associated with it. The variables for the job knowledge factor (Matrix A) represent the **depth** of knowledge and **breadth** of knowledge a job requires. Similarly, the variables for the communication factor (Matrix B) depict the requirement to **provide** or **receive** information.

2. Ranges

Each variable has a range (or scale) associated with it. A range allows one to measure or compare requirements for different work. For example, (Matrix A displays a range from “minimal” to “extensive” for depth and a range of “narrow” to “extremely broad” for breadth. In essence, ranges measure some aspect of a variable. In the case of job knowledge, the ranges measure the extent to which depth and breadth of knowledge are required. In the

case of communication, the ranges measure the degree of complexity of the information that one must provide or receive in doing a particular job.

3. Levels

Levels are clearly displayed on each matrix. A level represents a value that (in the case of Matrix A) is a combination of how much depth and breadth of job knowledge are required to perform a given job. Similarly, for Matrix B, a level represents the complexity of the information associated with a job. The essential task in arriving at the appropriate level for a job *for a given factor* is determining where it would fit in terms of the vertical and horizontal axes. The appropriate level would be where the two points intersect on the factor matrix.

By looking at job factors in terms of their variables, ranges and levels, evaluators can bring a disciplined, uniform, analytical approach to their work. Using either the factor matrix or the text-based approach promotes objectivity in ranking all jobs in relation to each other. Both approaches help the evaluator to focus clearly on the characteristics or requirements relating to the various factors. By assigning a level to a job for each factor, evaluators can establish equivalencies between very different kinds of work.

Using the “Notes for Evaluators”

In the discussion of most factors, we have included a section entitled “Notes for Evaluators”. The purpose of these notes is to answer questions that might have about factors and variables. Please refer to Chapter 2 of the volume *Summary of Experience and Lessons Learned* for general principles relating to factors, variables, ranges and levels.

The notes to evaluators are written to be thought-provoking and as a start. Each organization is expected to adapt these notes to capture the specific issues for the jobs being evaluated. Definitions and sample ranges or scales for each variable are included. In this Guide, the same variables are purposely defined differently to provide as many examples as possible for evaluators to consider.

The sample range should not be considered to be anything more than they are — samples. Each organization must consider the appropriateness of the scale for the work to be evaluated. If the range scale does not have enough steps or degrees, then the scale should be adapted. In some cases, this might require lengthening the scale to include more extreme possibilities. In other cases, the scale may require finer differentiation in the middle, e.g., term between moderate and extreme.

About the Sample Factors in this Guide

This volume contains 30 factors. Organizations can use them as they are, or adapt them to revise an existing system.

Please note that you do not have to use all 30 factors. Use only those which appear appropriate. Remember that the more factors you use, the less significant each factor becomes because the weight must be distributed over all of them. A reasonable number of factors would be twelve to sixteen. Fewer than twelve may leave features of work not considered. Therefore, these features will not be valued. On the other hand, using more than sixteen may result in factors being given so little weight that they are not truly being valued.

Questions for Collecting Job Information

A section that contains questions for collecting job information is included in the discussion of each factor.

The reader may find the question useful for better visualizing what a particular factor aims to measure. Even where a questionnaire approach has not been used in collecting job information, these questions may be helpful in reviewing work descriptions to ensure that all features of work have, in fact, been brought out — made “visible” (to use the language of recent pay equity literature).

The questionnaire sections have been included, along with information on the factor and the notes for evaluators as a “factor package.” This package should provide information on each factor which should be useful at the revision stage. After the organization has finished revising the package, the questionnaire sections should be separated from the factor package. Then they should be combined into a questionnaire document and distributed to the people that are to complete it, i.e. the employees.

Remember: the information for the evaluation must be about the job, not the employee. The evaluation process must always be about job requirements, not about employee capabilities or employee performance.

Some open-ended questions have been included in the sample questionnaire sections. Organizations may want to change these close-ended questions given their advantages, including the ease of employee response and evaluation analysis. The questions that were created as open-ended types were impossible to create as close-ended given the degree of variability and the fact that there are certain unknowns about the potential users in the organization. If an organization chooses any of the factors in the Guide, it would be much

more reasonable to consider the range of possibilities for the jobs to be evaluated and to create a list of close-ended responses with a space to add and describe any detail.

Please refer to appendix A for sample questionnaire instruction sheets for employees and appendix B for a sample job fact sheet which can be included with the job questionnaires.

Note that each organization is responsible for deciding its own approach to valuing work.