

# **SUBJECT- HUMAN RESOURCE MANAGEMENT**

- **CHAPTER NAME- JOB EVALUATION AND PERFORMANCE APPRAISAL**
- **SECTION- 2B, 2E**
- **SEMESTER- II**
- **TEACHER'S NAME- PUJA GUPTA**

# JOB EVALUATION

- **MEANING:-** job evaluation is a systematic and orderly process of determining the worth of a job in relation to other jobs.
- **SIGNIFICANCE/IMPORTANCE/ADVANTAGES OF JOB EVALUATION:-**
  - Helps to build a sound pay structure
  - Enables in proper selection of employees
  - Provides a basis for bonus and incentive calculation
  - Settlement of disputes regarding wages
  - Helps in resolving conflicts
  - Elimination of biasness and nepotism
  - Helps to assess job requirements
  - Enables in proper assessment of new jobs.

## *DISADVANTAGES OF JOB EVALUATION:-*

- Inaccuracy of job analysis
- Selection of improper method of job evaluation
- Time consuming and expensive
- Impractical assumptions
- Requires technical personnel for calculation and formulation
- Complex nature

# STEPS OF JOB EVALUATION:-

- **Job analysis**
- **Selection of a method**
- **Selection of proper factors**
- **Ranking of jobs**
- **Pricing in order of ranks assigned**
- **Periodical review and revision of pay structure.**

# METHODS OF JOB EVALUATION

- **ANALYTICAL OR QUANTITATIVE METHOD:-**

- **POINT RATING METHOD:-** It enables its evaluators to give a point score to each job. There is no uniform point system available for all organizations. A job manual is usually used in this system. The selected jobs are then analysed and some common factors such as skill ,physical effort, mental effort, etc. are identified.
- **FACTOR COMPARISON METHOD:-** In this method all jobs are compared and ranked on each of a number of factors which are common, more or less to all jobs. Normally the factors include mental requirement, skill, physical exertion responsibility and working condition.

# METHOD OF JOB EVALUATION ( CONTINUED)

- **NON ANALYTICAL OR QUALITATIVE METHOD:-**

- **RANKING METHOD:-** jobs are examined as a whole, rather than on the basis of factors. Each job is compared with others in terms of responsibilities , duties etc. and its position is fixed .The evaluator gives them ranks on the basis of his understanding.
- **GRADING OR JOB CLASSIFICATION METHOD:-** The job categories are first described and decided upon by a committee, after which, the standards are set. Job grades are organized in the order of their importance in the form of schedule.

# JOB ANALYSIS

- **MEANING:-** Job analysis is a systematic procedure for securing and reporting information defining a particular job.
- **IMPORTANCE:-**
  - Basis for job evaluation
  - Enables creation of fair and justified pay structure
  - Helps in manpower planning
  - Helps in selection and recruitment
  - Aids in training and development of employees
  - Assists in job designing
  - Formal process.

# JOB DESCRIPTION

- **MEANING:-** It is a written statement of a particular job in the business organization. It include –
  - Job title, code number along with the department
  - The job summary
  - The content of the job
  - The working condition
  - Supervisory responsibility
  - Relationships.



# JOB SPECIFICATION

- **MEANING:-**it is a written narrative of the minimum required qualifications for employees to perform a specific job. It is prepared on the grounds of minimum level of qualifications relating to education, skill, experience, competencies and knowledge and aptitude requirement for an employees' performance of a job satisfactorily in the work place.

# PERFORMANCE APPRAISAL

- **MEANING:-** performance appraisal evaluates systematically performance of individual with regard to his or her performance on the job and his potential for development.
- **ADVANTAGES OR SIGNIFICANCE:-**
  - Basis for training and development
  - Assessment of job performance
  - Fixation of pay package
  - Facilitates job evaluation
  - Gives feedback and amends area of improvement of employees
  - Career planning and growth
  - Motivation for employees
  - Helps to arrive at significant decisions.

# PERFORMANCE APPRAISAL

- **DISADVANTAGES:-**

- Supervisor's biasness may effect in rating
- Generalisation error
- Error due to sampling tendency
- Creates negative impact
- Time consuming
- Costly.