# Job Evaluation Practices: A Comparative Study of Selectpublic and Private Sector Organisation

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**Abstract**

One can determine the worth of one job relative to another and this eventually results in wage or a salary structure or hierarchy. The basic principle of job evaluation is this: Jobs that require greater qualifications, more responsibilities and more complex job duties should be paid higher than other jobs. Job Evaluation is a judgemental process and demands close cooperation among supervisors, hr specialist and union representatives Practices helps in establishing pay rates and structures that are competitive. The main objective of this paper is to evaluate job practices of Canara bank, TDDCFL, HDFC & Mother Diary. The study focuses on the information regarding employee selection, placement, training & numerous other similar procedures and the standard procedures for determining the worth of each join in the organization

**Keywords:** Job evaluation; Wage differentials; Public sector; Private sector.

## Introduction of the Study

Job Evaluation is a process of determining the relative worth of a job.

*Aims at…*

- Reduction in inequalities in salary structure
- Importance of Specialisation
- Selection in employees
- Harmony between employees and manager
- Standardisation
- Creating relevance for new jobs

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A Job evaluation is a systematic way of determining the value/worth of a job in relation to other jobs in an organization. It tries to make a systematic comparison between jobs to assess their relative worth for the purpose of establishing a rational pay structure.

Job evaluation begins with job analysis and ends at that point where the worth of a job is ascertained for achieving pay equity between jobs.

*Need of the Study*

Job evaluation helps the management in evolving a rational and consistent wage policy and salary structure by providing criteria for fixation of salaries and wages.

The process of determining the wage differentials for different jobs becomes standardized through job evaluation. This provides uniform standards to be applied to all jobs in the organization. So, there is a need for understanding the process and consequences in framing of job evaluation method.

## Objectives of the Study

1. To explore the information regarding,employee selection, placement, training and numerous other similar procedures.

2. To study the standard procedure for determining the relatives worth of each job in the organisation.

3. To explore fair practices followed in advancement and transfer of all employees.

4. To study the factual basis for consideration of wage rates for similar jobs in the industry.

5. To explore standardization of wage differentials for various types of employees.

## Scope of the Study

The scope of this study deals with the coverage area and the possible extents we want to reach while conducting the research. Owing to the research topic and title one couldeasily discern that since we are talking about the private and public companies oursearch light should beam on the totality of the companies in Hyderabad. But that is not the case. For the purpose of this study we have designed to use about Two (2) PrivateOrganizations and Two (2) Public Organizations in GHMC (Greater Hyderabad Municipal Corporation) Area.

### Limitations of the Study

• The study will be carried out to understand the views and opinions of the respondents about the job evaluation process in public and private sectors.

• There were constraints with combining company official works and the academic pursuits which were very cumbersome and tiresome.

• Respondents may fail to articulate their opinions, therefore, the in-articulation error may creep into the study, despite the care taken.

## Review of Literature

According to the Bureau of Labor Statistics (USA), "Job evaluation is the evaluation or rating of jobs to determine their positions in the job hierarchy. The evaluation may be achieved through assignment of points or use of some other systematic method for essential job requirements such as skill, experience and responsibility".

"Job evaluation may be defined as an effort to determine the relative value of every job in a plant and to determine what the fair basic wage for such a job should be."                *-Kimbal and Kimbal*

"Job evaluation may be defined simply as an attempt to determine and compare demands which the normal performance of particular jobs makes a normal worker without taking into account of the individual abilities or performance of the workers concerned."                                *-I.L.O.*

"Job evaluation is the process of analysis and assessment of jobs to ascertain reliably their relative worth, using the assessment as the basis for a balanced wage structure."

*-British Management Institute*

"Job evaluation is a practice which seeks to provide a degree of objectivity in measuring the comparative value of jobs within an organization and among similar organizations. It is essentially a job rating process, not unlike the rating of employees."

*-Dale Yoder*

"Job evaluation is a systematic procedure for measuring the relative value and importance of occupation on the basis of their common factors (skill, training, effort) for the purpose of determining wage and salary differentials."                *-A.Shubin*

## Job Evaluation Methods

*There are four basic methods of job evaluation currently in use which are grouped into two categories:*

1. *Non-quantitative Methods*:

a. Ranking or Job Comparison

b. Grading or Job Classification

2. *Quantitative Methods:*

a. Point Rating

b. Factor Comparison

## Research Methodology

*Primary Data:* Primary data collected through structured questionnaire.

*A questionnaire is designed using 5 point scale*

a. Strongly Agree

b. Agree

c. Can't Say

d. Disagree

e. Strongly Disagree

*Secondary data -* The secondary data collected from various sources of bulletins, journals, magazine, newspaper, previous research records and e-sources also.

*Sampling Design*

*Sample Size*

Total Sample size is from Respective respondents from twin cities of Telangana state, using convenient sampling method .

The organizations considered for study are

| PUBLIC | PRIVATE |
|---|---|
| CANARA BANK | HDFC |
| TDDCFL | Mother Diary |

Telangana Dairy Development Cooperative Federation Limited　　　( TDDCFL )

*Sample Size*

80(20*4) respondents from both the private and public sectors (40 from each sector) administered the Questionnaire.
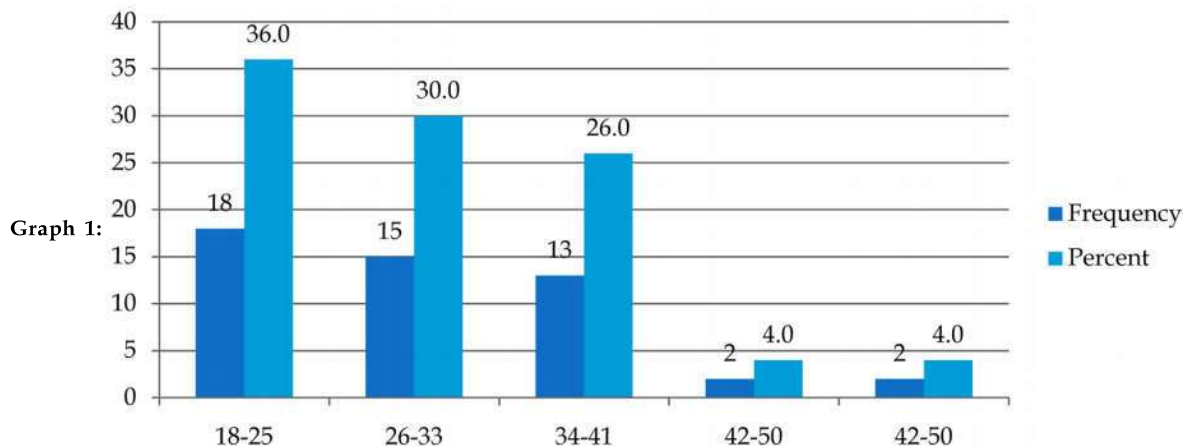
## Reliability Test

The filled in questionnaire is tested for its Reliability by calculating the Cronbach's alpha. The Cronbach's Alpha is arrived at 0.800

**Reliability Statistics**

| Cronbach's Alpha | N of Items |
|---|---|
| .800 | 25 |

## Results

From the Table and Grpah 1 it deals about the age groups of the respondents, Majority of the respondents are 18-25 years age group followed by 26-33 years age group of respondents (66%). However, companies should not neglect the remaining (34%) employees.

From the Table and Grpah 2 it deals about the gender of the respondents, Majority of the respondents are male.

From the Table and Graph 3 it deals about the education of the respondents, Majority of the respondents are post graduate (PG) group (54%) followed by graduation  of respondents (22%). However, companies should not neglect the remaining (24%) employees.

From the Table and Graph 4 it deals about the experience of the respondents, Majority of the respondents are 0-5years experience respondents (54%) followed by 11-15years experience of respondents (22%). However, companies should not neglect the remaining (24%) employees.

From the Table  and Graph 5 it deals about the income groups of the respondents, Majority of the respondents are 26,000-40,000 income group respondents (30%) followed by 25,000 income group of respondents(24%). However, companies should not neglect the remaining (46%) employees.

**Table 1:** Profile of Respondents – Age

| Age | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|
| 18-25 | 18 | 36.0 | 36.0 | 36.0 |
| 26-33 | 15 | 30.0 | 30.0 | 66.0 |
| 34-41 | 13 | 26.0 | 26.0 | 92.0 |
| 42-50 | 2 | 4.0 | 4.0 | 96.0 |
| 42-50 | 2 | 4.0 | 4.0 | 100.0 |
| Total | 50 | 100.0 | 100.0 | |



**Graph 1:**

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**Table 2:** Profile of Respondents – Gender

| Gender | Frequency | Percent |
|--------|-----------|---------|
| Male | 41 | 82.0 |
| Female | 9 | 18.0 |

**Table 3:** Profile of Respondents – Education

| Education | Frequency | Percent |
|-----------|-----------|---------|
| Degree | 11 | 22.0 |
| PG | 27 | 54.0 |
| Professional/Mtech | 8 | 16.0 |
| PHD | 2 | 4.0 |
| Others | 2 | 4.0 |
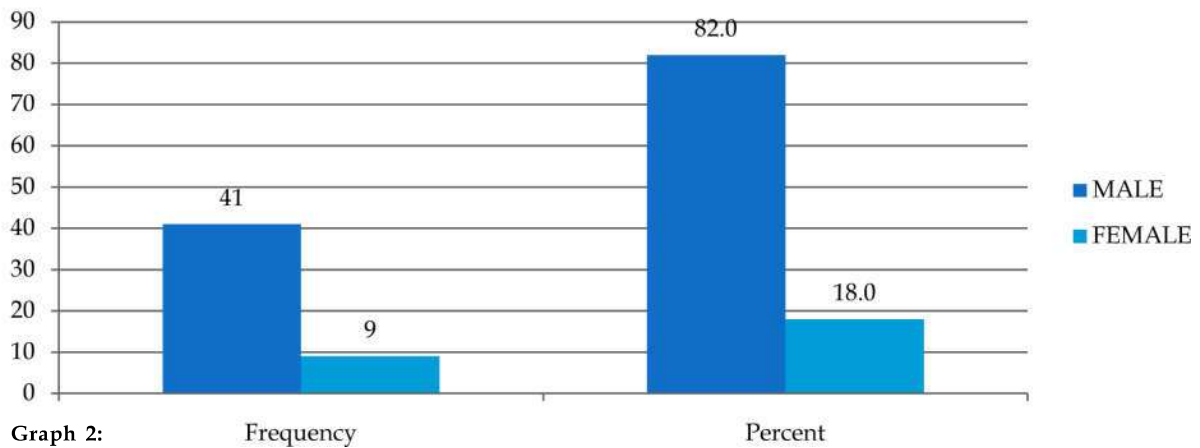


**Graph 2:**
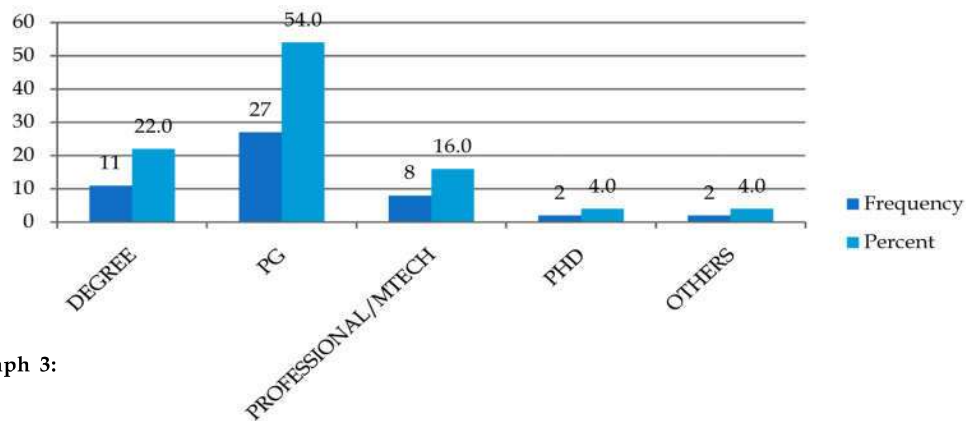


**Graph 3:**

**Table 4:** Profile of Respondents –Experience

| Experience | Frequency | Percent |
|------------|-----------|---------|
| 0-5 | 27 | 54.0 |
| 6-10 | 9 | 18.0 |
| 11-15 | 11 | 22.0 |
| 16-20 | 1 | 2.0 |
| 21-25 | 2 | 4.0 |

**Table 5:** Profile of Respondents – Income

| Income | Frequency | Percent |
|--------|-----------|---------|
| UPTO 25,000 | 12 | 24.0 |
| 26,000-40,000 | 15 | 30.0 |
| 41,000-60,000 | 11 | 22.0 |
| 61,000-80,000 | 2 | 4.0 |
| ABOVE 80,000 | 10 | 20.0 |

**Graph 4:**
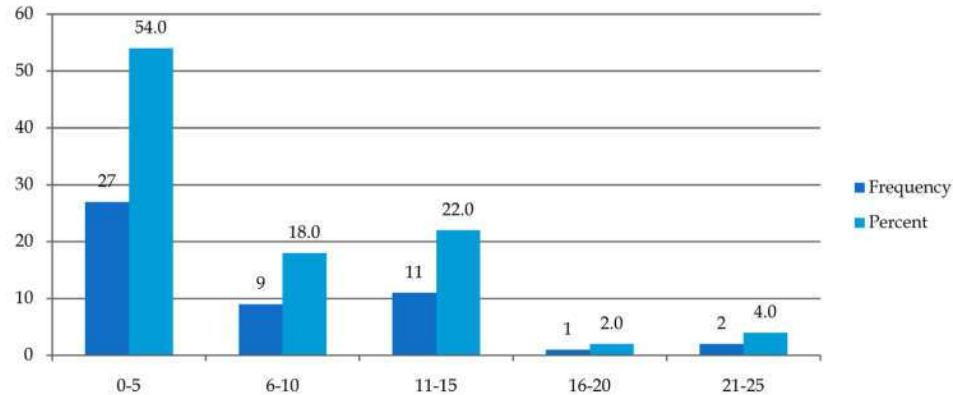


**Graph 5:**
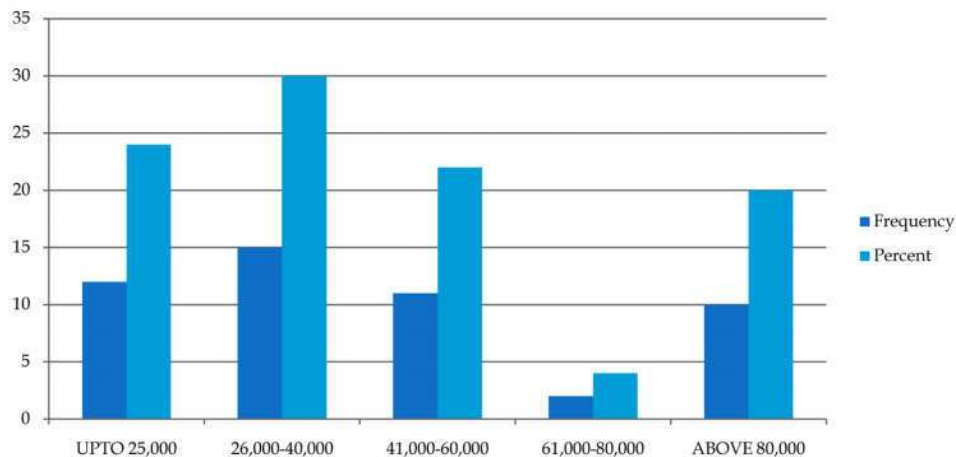


### Findings

1. Majority of the respondents(66%) are young.so the companies should use them in to more productive & Service's purpose.

2. Majority of the respondents are male

3. Majority of the respondents are post graduate (PG) group followed by graduation of respondents.

4. Majority of the respondents are 0-5years experience respondents(54%) followed by 11-15years experience of respondents(22%)

5. Majority of the respondents are 26,000-40,000 income group respondents (30%) followed by 25,000 income group of respondents(24%)

### Suggestions

• Majority of the employees are young.so the companies should use them in to more productive & Service's purpose. Majority of the respondents are male so company s try to use their services in three different shifts the customer can be served 24/7.

• Since majority of the employees are well educated so here suggested to use their services at optimum level .

• As most of the employees are well experienced so the companies should focus to satisfy the customer.

• The companies should increase the salaries of the employees so that they can achieve the objectives of the organisations.

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