SHRM Compensation and Benefits

Module 8: Pay Equity



Module 8: Pay Equity



Time:  2 minutes

Running time: 2 minutes

**Objective**: Introduce the topic of Pay Equity.

**Description**:  Introduction to the topic and why it is important to compensation and benefits

**Instructional Method**: Lecture/ice breaker

**Script:**

Pay equity is a hot-topic issue that just doesn’t seem to be making the progress necessary to ensure equal pay and opportunity across genders, races, and disabilities in many organizations. Organizations that work hard to achieve equal pay for equal work are rewarded with better employee attraction and retention rates, a better employer brand image, and happy employees with higher profit margins.

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Time:  2 minutes

Running time: 4 minutes

**Objective**: Introduce the learning objectives.

**Description**: Show the objectives.  Answer any questions.

**Instructional Method**: Lecture

**Script**:

Here are the objectives for this module:

* Define terms related to Pay Equity.
* Distinguish between pay equity and pay equality.
* Identify the various methods for ensuring internal pay equity.
* Evaluate the various methods for ensuring external pay equity.
* Discuss equity theory and how it influences employee perceptions.
* Assess various pay equity issues relating to race, gender, sexual orientation and gender identity, religion, and disability.

**Facilitator Notes:**

Use the objectives topics to create evaluation for the review.

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Time:  5 minutes

Running time: 9 minutes

**Objective**: Define key terms related to pay equity

**Description**: Match Key terms to the correct definition.

**Instructional Method**: Game

**Script**:

Let’s play a game to define some key terms used in the compensation and benefits profession.

**Exercise**:  Key terms

1. The instructor will state the definition of each term.
2. Have students choose which term fits the definition.
3. Click to “light up” the correct answer.

*Virtual*

1. Use chat or annotate/stamp.
2. Read the definition and have students choose the term.

**Define Terms:**

1. **Pay Equality**- A broad concept that refers to not only equal pay for equal work, but also equal access to opportunity, motivation, and acceptance of personal factors out of our control (such as race and ethnicity).
2. **Pay Parity**- Used to explain the lack of a pay gap between men and women who perform the same tasks. Many organizations strive to achieve pay parity.
3. **Pay Transparency**- Providing transparency in terms of compensation ranges, incentives, benefits, and perks within a single organization
4. **Internal Equity-** Equity of compensation between jobs of similar value within an organization.
5. **External Equity-** Equity of compensation between jobs requiring similar KSOA’s within the market.

**Facilitator Notes:**    
On the next slide

**6**. [**Pay Equity**](https://www.youtube.com/watch?v=-3vBFQl7Rkw) **(Equal Pay)**- The concept that people who perform

       essentially the same work should receive essentially the same compensation.

**7**. **Job Analysis-** The collection of data from a specific job which aids in the identification of required KSAO’s and allows organizations to define and organize jobs within a pay system.

**8.   Gender Pay Gap-** The difference in pay between men and women for

      performing similar work.

**9.  Comparable Worth-** When jobs are different in their structure and function, but of similar value to the organization in terms of importance to the overall functionality in the workplace.

**10.** [**Internal Alignment**](https://www.youtube.com/watch?v=-3vBFQl7Rkw)- Internal alignment refers to how compensation is distributed within your organization. In other words, how is pay distributed among those who are managers even though they work in different departments? Do clerical workers throughout the organization make similar wages? How about your executives? Are they also compensated fairly in comparison to other executives?

**11.** [**Market Competition**](https://www.youtube.com/watch?v=mh6WTD1E3gE)- Market competition refers to how your organization compares to your competitors and the labor market as whole. Competitors are not only those who make the same products or deliver the same services. They are also those organizations that are competing for labor in the marketplace, regardless of industry.

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Time:  5 minutes

Running time: 14 minutes

**Objective**: Define key terms related to Benefits

**Description**: Match Key terms to the correct definition.

**Instructional Method**: Game

**Script**:

Let’s play a game to define some key terms used in the compensation and benefits profession.

**Exercise**:  Key terms

1. The instructor will state the definition of each term.
2. Have students choose which term fits the definition.
3. Click to “light up” the correct answer.

*Virtual*

1. Use chat or annotate/stamp.
2. Read the definition and have students choose the term.

**Define Terms:**

1. [**Pay Equity**](https://www.youtube.com/watch?v=-3vBFQl7Rkw) **(Equal Pay)**- The concept that people who perform essentially the same work should receive essentially the same compensation
2. **Job Analysis-** The collection of data from a specific job which aids in the identification of required KSAO’s and allows organizations to define and organize jobs within a pay system.
3. **Gender Pay Gap-** The difference in pay between men and women for performing similar work.
4. **Comparable Worth-** When jobs are different in their structure and function, but of similar value to the organization in terms of importance to the overall functionality in the workplace.
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Time:  5 minutes

Running time: 19 minutes

**Objective**: Distinguish between pay equity and pay equality.

**Description**: Describe the difference between pay equity and pay equality using the Marvel example.

**Instructional Method**: Lecture

**Script:**

The difference between pay equity and pay equality is that Equal Pay, or pay equity is based on the concept that people who perform the same work that requires the same KSAO’s should receive the same compensation.

Pay Equality looks at the motivations and underlying factors of why pay inequality exists in the first place. It identifies social issues that impact discrimination in compensation practices, and ways to address them.

**Facilitator Notes:**    
Here’s an excellent example from [Lianne Fonseca](https://www.barley.io/post/whats-the-difference-between-pay-equity-and-pay-equality) of [Barley](https://www.barley.io/).

        She wrote:

Equity and equality in pay are complicated concepts that have very real financial and social implications.

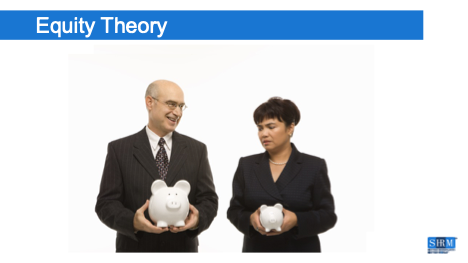
From 2008 to 2020, Marvel released 20 movies featuring a male superhero before we got 1 about a female superhero.

**Pay equity** is about paying a female superhero the same as a male superhero for the comparable work of saving the world. But **pay equality** is about changing our systems and culture so that more women can become superheroes in the first place.

At your company, you can think about achieving pay equity as the bedrock foundation upon which to build an ongoing commitment to equality for all. When employees feel that they aren’t being compensated fairly compared to others who do the same job, they are dealing with a pay equity issue. If they feel there are not sufficient opportunities to advance within the organization for persons of protected classes, they are experiencing a pay equality issue.

Organizations should strive to achieve pay parity so that there is no pay gap between persons who perform the same tasks, regardless of gender, race, sexual orientation/identity, religion, age, disability status, etc.

Graphic: Interaction Institute for Social Change | Artist: Angus Maguire [interactioninstitute.org](https://interactioninstitute.org/) [madewithangus.com](http://madewithangus.com/)



Time:  8 minutes

Running time: 27 minutes

**Objective**: Discuss equity theory and how it influences employee perceptions.

**Description**: Define and explain equity theory (2 optional videos)

**Instructional Method**: Lecture (optional video)

**Script:**

According to Equity Theory by J. Stacey Adams, he believed that for equity to be achieved in the workplace, employees needed to find a balance between what they put into a job and what they get in return for their labor. If they feel that their inputs are higher than the outputs they receive, they will become demotivated to perform at the highest standards.

This comes into play in terms of the concepts of equal pay. When people perceive that others are receiving higher wages, better benefits, or more opportunity for advancement based on protected characteristics (like race, age, gender), their sense of fair outputs from the employer diminishes and employees are more likely to be demotivated.

In terms of attracting and retaining quality employees, organizations need to have a strong understanding of how employees perceive fairness and ensure that compensation plans are designed in such a way as to remove barriers for all employees to receive an equitable compensation, both internally and externally*.*

**Facilitator Notes:**    
Video 3:28 minutes[**Equity Theory**](https://www.youtube.com/watch?v=WRuE2oz-MC8&t=1s)

Video 3:17 [J. Stacey Adams introduced the concept of Equity Theory in 1963](https://www.youtube.com/watch?v=x_YIM230b_0).

Diagram

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Time:  10 minutes

Running time: 37 minutes

**Objective**: Assess various pay equity issues relating to race, gender, sexual orientation and gender identity, religion, and disability.

**Description**: Have students assess various pay equity issues relating to race, gender, sexual orientation and gender identity, religion, and disability.

**Instructional Method**: Lecture - Exercise

**Script:**

Social Issues Impacting Pay Equity and Equality are:

Sex, race, sexual orientation/gender identity, pregnancy, religion, national origin, age, disability status, Bona-fide reasons for compensation differences

**Exercise**:

1. Put students into 8 groups
2. ASK: How does your issue relate to equality and equity?
3. Debrief: Have each group give a 1-minute (or less) answer.

**Facilitator Notes:**

1. [**Sex**](https://www.eeoc.gov/laws/guidance/sex-discrimination)- While progress has certainly been made, it is no secret that men still make more than women. According to the [U.S. Census, in 2020 women made 83 cents for every dollar men made](https://www.census.gov/newsroom/stories/equal-pay-day.html). While many organizations have figured out pay equity in terms of offering equal pay for equal work, they are still behind in terms of pay equality in that fewer women and minorities are given opportunities to advance into positions of upper management. According to both the [U.S. Census](https://www.census.gov/newsroom/stories/equal-pay-day.html) and the [American Association of University Woman (AAUW)](https://www.aauw.org/), [Equal Pay Day for 2022 was March 13](https://www.aauw.org/resources/article/equal-pay-day-calendar/). That is the day that illustrates how far into the year women (on average) have to work in order to make as much as men (on average). Remember, these are overall average numbers. These issues impact people of color and LGBTQIA+ even more substantially.
2. [**Race**](https://www.eeoc.gov/youth/race-color-discrimination-1)- First, it is important to understand that the term ‘race’ refers to skin color. While it’s been illegal to discriminate against people of color since the early 1960’s, the information below indicates the country is not where it should be.
3. **Black Women’s Equal Pay Day (September 21)**- “Black women are paid 58 cents for every dollar paid to white men” (<https://www.aauw.org/resources/article/equal-pay-day-calendar/>)
4. **Latina’s Equal Pay Day (December 8)**- “Latinas are paid 49 cents for every dollar paid to white men” (<https://www.aauw.org/resources/article/equal-pay-day-calendar/>). Any compensation policy or practice that has the result of discriminating against a person based on their race is illegal.
5. [**Sexual Orientation/Gender Identity**](https://www.eeoc.gov/sexual-orientation-and-gender-identity-sogi-discrimination)- The same laws that protect women from discrimination in employment also protects those of various sexual orientations and gender identities. It is illegal to compensate someone at a lower rate for the same work on the basis of their sexual orientation and/or gender identity.

* **LGBTQIA+ Equal Pay Day (June 15)**- “Without enough data to make calculations, this day raises awareness about the wage gap experienced by LGBTQIA+ folks” (<https://www.aauw.org/resources/article/equal-pay-day-calendar/>).

1. [**Pregnancy**](https://www.eeoc.gov/youth/pregnancy-discrimination-1)- It seems counter-intuitive to discriminate against mothers in terms of compensation in the workplace. If women don’t have babies our society will cease to exist, yet women are often financially punished for choosing to become mothers. We often think of pregnancy discrimination only in terms of while the woman is actually expecting, but women also typically bear the higher burden of raising children as well and are more likely to lose time at work due to the care of children.

* **Mom’s Equal Pay Day (September 8)**. “Moms are paid 58 cents for every dollar paid to dads” (<https://www.aauw.org/resources/article/equal-pay-day-calendar/>)

1. [**Religion**](https://www.eeoc.gov/youth/religious-discrimination-1)- A employee’s religious beliefs are theirs and employers are not permitted to evaluate the validity of the religion. If an employee is compensated differently than others in similar positions with similar KSAO’s, then discrimination is occurring.
2. [**National Origin**](https://www.eeoc.gov/national-origin-discrimination)- The term national origin refers to the “country or part of the world, because of ethnicity or accent, or because they appear to be of a certain ethnic background” (eeoc.gov).  Employees should not be compensated differently because of the place they were born. This doesn’t have to be from another country, either. It can be discrimination based on the part of town the applicant lives in. Compensation decisions cannot be based on national origin.

* **Asian American, Native Hawaiian and Pacific Islander Women's Equal Pay Day (May 3)**- “Asian American and Pacific Islander women are paid 75 cents for every dollar paid to white men” (<https://www.aauw.org/resources/article/equal-pay-day-calendar/>).
* **Native Women’s Equal Pay Day (November 30)**- “Native women are paid 50 cents for every dollar paid to white men” (<https://www.aauw.org/resources/article/equal-pay-day-calendar/>).

1. [**Age**](https://www.eeoc.gov/laws/guidance/age-discrimination)- Age discrimination only applies to employees over 40 under federal law. It is illegal to reduce an employee’s wages based on their age, and it is illegal to pay them less than a younger worker for the same work. It is also illegal to terminate an older, higher-paid employee and hiring a younger, less experienced worker and pay them less to perform the same duties.
2. [**Disability Status**](https://www.eeoc.gov/youth/disability-discrimination-01)- Under the [Americans with Disabilities Act](https://www.ada.gov/), employees who are disabled must be able to perform the essential functions of the job, with or without accommodation. If an employee is capable of performing the essential functions of the job, they are deserving of the same compensation as any other employee performing the same job duties.

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Time:  5 minutes

Running time: 42 minutes

**Objective**: Describe the Bona-fide reasons for compensation differences.

**Description**: Describe and ask students for examples for each reason.

**Instructional Method**: Lecture

**Script:**

Of course, the law does allow for legitimate differences in compensation for the same job based on level of skill, effort, responsibility, working conditions, and establishment.

1. **Skill- “**Measured by factors such as the experience, ability, education, and training required to perform the job. The issue is what skills are required for the job, not what skills the individual employees may have” (DOL.gov).
2. **Effort- “**The amount of physical or mental exertion needed to perform a job” (DOL.gov).
3. **Responsibility- “**The degree of accountability required to perform the job” (DOL.gov).
4. **Working Conditions**- “This encompasses two factors: (1) physical surroundings like temperature, fumes, and ventilation; and (2) hazards” (DOL.gov).
5. **Establishment-** “The prohibition against compensation discrimination under the EPA applies only to jobs within an establishment. An establishment is a distinct physical place of business rather than an entire business or enterprise consisting of several places of business. In some circumstances, physically separate places of business may be treated as one establishment. For example, if a central administrative unit hires employees, sets their compensation, and assigns them to separate work locations, the separate work sites can be considered part of one establishment” (DOL.gov).

**Facilitator Notes:**

[**Bona-fide reasons for compensation differences**](https://efaidnbmnnnibpcajpcglclefindmkaj/https:/www.dol.gov/sites/dolgov/files/OASAM/legacy/files/20180326-Equal-Pay-for-Equal-Work.pdf)

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Time:  8 minutes

Running time: 50 minutes

**Objective**: Define Internal pay equity.

**Description**: Define Internal pay equity and ask for examples of what could happen to an organization if there are Internal inequities.

**Instructional Method**: Lecture and Discussion

**Script:**

Internal pay equity means that employees who perform the same jobs receive the same compensation. Internal inequities are one of the fastest ways to spread dissatisfaction among employees. Here are some impacts that internal inequities can have on employees/organizations.

**Ask**: What are some impacts that internal inequities can have on employees/organizations?

**Click** after discussion to show examples

**Facilitator Notes:**

1. **Impact on employee morale & motivation**- As stated previously throughout this course, issues with pay inequity make employees very unhappy. When morale is low, production, work ethics, attendance, and attitude are less than desirable. Making sure there is internal pay equity is a major tool in ensuring employees are happy.
2. **Impact on retention**- Happy employees tend to stay with an employer much longer than those who are unhappy. If internal compensation rates are unfair, they are more likely to be looking for another job (likely while still employed with your organization).
3. **Employer image-branding**- The ability to attract employees can be directly impacted by internal pay equity as well. Organizations do not want to be known as discriminatory as that hurts their public image. Who wants to work for a company that has a reputation for unfair pay practices.
4. **Impact on strategic objectives**- Loss of employees and a poor employer brand image can absolutely keep organizations from being able to achieve strategic objectives. After all, if your organization is sued for internal pay discrimination, they may have to shift focus from important projects to deal with the complaints.
5. **Wage Rate Compression**- Wage rate compression occurs when newly hired employees are hired at a pay rate close to or equal to what employees who have been in the same position a long time are making. This happens when the internal pay structure hasn’t been updated, but an organization is unable to hire new employees at the old pay rates due to changes in external compensation rates of competitors.
6. **Pay Transparency**- Pay transparency is a great tool for organizations who want to avoid internal pay equity issues (and even external pay equity issues). By educating employees about compensation plans, and making all compensation information public knowledge, it drives better equity within the organization.

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Time:  5 minutes

Running time: 55 minutes

**Objective**: Identify the various methods for ensuring internal pay equity.

**Description**: Define job analysis and describe how it can help fix an internal equity problem.

**Instructional Method**: Lecture and Discussion (Optional video)

**Script:**

Of course, even with a lot of hard work to prevent it, sometimes an internal equity issue will arise. Fortunately, we have tools to help us identify issues and take corrective action. The best tool is a Job analysis.   
A Job analysis is the application of critical thinking and assessment to identify job duties, required skills, abilities (KSAO’s), and desirable traits and characteristics in job candidates.

**Ask**: How can a job analysis help with each of these HR areas?

**Facilitator Notes:**

Video 5:58 minutes [**Job analysis**](https://www.youtube.com/watch?v=qy09Ls6NqEo)

**Job Analysis**- A thorough job analysis will provide you with sufficient data to effectively determine what knowledge, skills, abilities, and other qualities that you are looking for in a good candidate, as well as identify trends between various jobs that help identify and group jobs into families and compensation ranges in a pay plan. Having a solid and correct job analysis is going to help you as an HR professional be successful in several areas of your day-to-day work. When you have performed job analysis on your positions, you can more easily write or update job descriptions, better identify key skills when recruiting or selecting, make more informed decisions during performance appraisals, make better choices about training and development, and create compensations that are accurate, fair, and legally sound.

    Some common uses are identified below: (you can do this better once you have a good JA)

**1.  Writing job descriptions**- a job analysis is the foundation upon which job descriptions are built. It is impossible to write an accurate, legal job description without first conducting a job analysis.

A thorough job analysis will provide you with the data you need to begin developing your job descriptions. You can even create or adapt a simple form that will allow you to fill in the blanks for information that is repeatable from one job description to another. For example, if you have three different levels of Administrative Assistant, all three will have many job requirements that are identical. These can be copied and pasted from one job description to another. Then, all you need to do is add the additional KSAO’s required to receive the rank of Administrative Assistant II and III.

By establishing the difference in KSAO’s required to achieve the different levels of administrative assistant, you will have established an acceptable defense for paying a more qualified administrative assistant more money than a lesser qualified candidate who performs highly similar (but not exactly the same) duties. Be sure that your job requirements for higher-paid positions are based on verifiable requirements and not vague statements.

Alternatively, you can establish a pay range for employees based on seniority. If that is the case, you might pay entry-level Administrative Assistants less than Administrative Assistants who have been employed for two or five years.

**2.  Recruiting and Selections**- Identification of the pertinent details concerning job duties and desired applicant qualities are an essential step in identifying the right candidate for a position.

We are all looking for that perfect employee match, right? The unicorn employee. The one who is dependable, consistent, trainable, knowledgeable, friendly, low-drama, and amazing at their job? Oh, and we want them for a bargain-basement price, and we want them to be happy about it, right?

The job analysis can be used to really hone our recruiting efforts. Through the process of conducting the job analysis, everyone involved becomes highly aware of the qualities that should be targeted in the recruiting process. This will help you develop better marketing materials, tweak your applicant search engines, and draw a better, more qualified pool of applicants.

**3.  Performance appraisals**- Performance appraisals are measured against a performance standard previously determined by the employer. A job analysis provides the foundational knowledge for creating and implementing a performance appraisal system.

Performance appraisals are a great way to establish a merit-based pay system and justify difference in wages for employees who perform essentially the same job. For example, imagine that you have two restaurant managers at different locations in the same city. These employees are very different in terms of race and gender and perform the exact same job duties. Both restaurants are in excellent locations and have similar sales volume.

As a matter of policy, your company awards a monthly pay bonus based on individual restaurant performance. A percentage of overall sales is dedicated to management incentives. The amount of the percentage that each manager receives is based directly on three performance measures that were identified in the job analysis and job description.

Those performance measures are:

•management of overtime and staffing levels

•keeping overhead costs low by reducing and/or eliminating

  waste

•meeting monthly product promotion sales goals

If one manager does a better job of managing overtime and staffing levels and doesn’t throw a lot of food away due to efficient management of resources than the other manager, they would receive a higher performance evaluation and therefore are entitled to a higher percentage of the monthly bonus pool. This could create a perceived inequity, so it is important to educate your managers frequently about ways they can improve their bonus percentage. Be sure that all managers have equal access and opportunity to receive training if you offer it, and be certain to document, document, document!

Establishing a policy now will help ensure you have time to educate your employees about any new or changed evaluation processes that your organization adopts as a result of the job analysis before the law goes into effect.

**4.  Compensation Planning**- ​​Compensation decisions are typically based on job requirements, skill and education levels, responsibilities, workplace hazards, etc. A job analysis provides detailed information for each position so that compensation decisions can be fair, equitable, and legal. It is more critical than every to be transparent in the way you compensate your employees.

     The job analysis process will make it easier to develop a compensation system that is based on job requirements and performance and avoids inequity among employees who perform the same job.

**5.  Training and Development**- Job analysis is used to identify gaps in employee KSAO’s. An employee either has the required knowledge, skill, or ability - or they do not. When gaps between  the current state and the desired state are present, it presents a clear path for employee training and development.

The formal identification of job requirements through the job analysis process produces a clear needs analysis for employee training and development. Establishing current employee skill levels provides justification for differences in compensation along the pay range for employees who perform similar work. It also gives employees a path to earn more as they learn more.

Going back to our Administrative Assistant example from earlier, if you establish 3 levels of Administrative Assistant that can be achieved through completion of further training, achieving certification, etc., then you have met one of the requirements of the Equal Pay Act for justification of pay differences. You can combine this with an established seniority system and/or a merit system as well, so that employees can only advance in their role as they achieve a combination of milestones (time on the job, AND good performance evaluations, AND advanced training). This provides an employer multiple layers of justification for pay differences between employees who perform highly similar work, and, if communicated clearly and consistently educates employees on how they can earn more and grow in their career if they wish to do so. If everyone knows what the pay range is for each position and knows the requirements for advancing and earning higher rates of pay, then it is less likely that employees will feel inequity in their compensation.

As you can see, a thorough job analysis can be used to begin to address a wide range of issues. When you begin to understand how impactful a quality job analysis actually is, it is much easier to justify the time and expense of performing one.

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Time:  5 minutes

Running time: 60 minutes

**Objective**: Identify the various methods for ensuring internal pay equity.

**Description**: Discuss how laws influence Internal pay equity.

**Instructional Method**: Lecture

**Script:**

With a solid job analysis, you will be able to defend your positions in regard to Equal Employment, FLSA, Equal Pay, Title VII, OSHA and ADAAA.

When you have a clear and concise process articulating what each position does, and you stick to those defined parameters you are better equipped to handle the unknown that comes from being an employer in a changing business climate.

**Facilitator Notes:**

Various methods for ensuring internal pay equity:  
       **1. Equal Employment**- A good job analysis can provide legal defense against claims of inequity in access to employment.

For example, does your business require that anyone driving a delivery van be at least 25 years old due to insurance restrictions?  If so, it isn’t an unfair hiring practice to eliminate applicants who don’t meet the age restriction, it’s a bona fide occupational qualification. Your hiring practice is legal because your job analysis identified that one of the requirements for drivers is reaching a minimum age. Employees who are younger than 25 are simply not yet eligible to meet this occupational qualification.

Are the skills you require related to the job? For example, does your  job description require someone to be able to lift 25lbs repeatedly, but they never actually need to do so? The job analysis process will provide you a clear picture of the job requirements so that you can remove anything that is not related to the actual job.

Is the assessment tool you are using to qualify employees related to the job? For example, do you require applicants to pass a typing test at 80 wpm when typing is not an essential function of the position?

What are the essential functions of the job for ADA purposes? Without a good job analysis, it is hard to determine if a job duty is considered an essential function that must receive consideration for reasonable accommodation.

**2. FLSA**- How are you determining who is exempt and non-exempt? All employees must be classified according to the rules in the Fair Labor Standards Act, by including this information as part of the job analysis, it provides a legal basis for your decisions.

**3. Equal Pay-** Are differences in compensation due to differences in required job duties or KSAOs? Recall the bona fide reasons for compensation differences discussed earlier in the module. Decisions about pay differences must be based on skill, effort, working conditions, responsibility and/or establishment. Also keep in mind that individual states may have additional requirements under their own equal pay laws.

**4.  Title VII**- A quality job analysis can help ensure that your organization is hiring based on the required KSAs for the position and not discriminating against protected classes. When hiring managers understand the requirements of a position, they can more effectively evaluate a candidate’s qualifications.

The last thing any employer needs is a claim of discrimination, even if the employer is small enough that Title VII doesn’t apply to them. The court of public opinion is a strong one and most business owners can’t afford the appearance of discriminatory practices in terms of local reputation. Therefore, using a job analysis to create realistic and accurate job descriptions will help your organization to focus on the applicant’s ability to perform job duties successfully, and not protected characteristics.

**5.  OSHA and Workplace Safety**- Job analysis will identify potential job  hazards and safety standards required for each position. This is an essential part of maintaining a safe workplace.

Knowing the inherit risks associated with a particular position or job duty helps to determine required KSA’s, and identifies appropriate safety measures, equipment, and personal protection equipment that an employee might need to perform his or her job.

Again, we are back to gathering position-specific job data through a job analysis process that will make identification of potential safety hazards easy to see so that you can develop policies and processes to keep your workplace accident-free! Remember, safety rules are only useful if they are followed, enforced, supported, reinforced, and practiced; over and over again!

**6.  ADA**- When determining if an employee should be provided with a reasonable accommodation for a disability, an employer must first be able to identify the essential functions of the job. The employee must be able to perform the essential job functions with or without accommodation in order to be able to remain in the position. If a claim of failure to accommodate is made, you don’t want to be scrambling to identify what the essential job functions are in the middle of an investigation. Identify them now, use them as criteria for hiring, and be willing to provide reasonable accommodation to employees who need it.

One quick item to note from an employee motivation perspective.

Not every employee accommodation requires that an employee qualify for accommodations under the ADA. For example, this author once worked with a lady who was always cold- even in the summer. No matter how warm we tried to keep a balance, it seemed that either she was freezing or everyone else was burning up. One day, the boss came in with a small space heater and moved her to an adjacent office along with a little sign that read, “If my door is closed, it is because my heater is running efficiently and helping me stay focused on my work. Please feel free to knock if you need me. If you would rather visit with me in a cooler room, please send me a message and I will happily come to you.”

It was a joke for a few days, but she appreciated it so much and none of us minded. Her job kept her on the phone all day mostly anyway and we didn’t have to be as quiet now that she was in a private office with the door closed. The employer recognized that the coldness wasn’t his fault or responsibility, but it only cost him $30 to keep the peace in the office and hang on to a really great employee. Don’t consider requests for accommodations a burden. Employees who receive this type of consideration are far more likely to remain with that employer.

Diagram

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Time:  5 minutes

Running time: 65 minutes

**Objective**: Explore HR resources.

**Description**: Open websites and explore the three resources.

**Instructional Method**: Lecture - Pair and share exercise - Discussion

**Script:**

One of the most important things for HR professionals to learn is that we are never alone. Whether you have university degrees in Human Resources, or you are the office manager that handles payroll, there are free and low-cost tools available to help you succeed!

Efficient HR people know that we don’t have to re-invent the wheel every time we need to make changes to policies. Use the resources available to you and remember there are no dumb questions except the ones you didn’t ask!  Three of the best resources are:

* O\*Net
* BLS
* SHRM

**Exercise**:

1. Pair students

2. Have students open a browser on their phones or computers and explore the 3 websites.

3. Have students discuss the resources in their pairs

**Ask**: What types of resources do you see to be the most valuable to compensation?

**Facilitator Notes:**

**1.  O\*Net**- The first resource is O\*Net. This is a free tool that is sponsored by the U.S. Department of Labor and it connects you with some of the tools for writing job descriptions, determining fair compensation rates, finding out what skills and training are typically required for a position, and so much more! Every person who routinely performs HR-related duties should have a working knowledge of this website. Each of the links above take you to various resources to help you learn how to use the site to your advantage.

**2.  BLS**- The next resource is the Bureau of Labor Statistics. The BLS website is a wealth of job-related information such as current employment and pay data for the entire U.S., data about pay and benefits, and the [Standard Occupational Classification System](https://www.bls.gov/soc/). You may not be acquainted with SOCS if you have never dealt with federal agencies, but it is a useful tool for helping you conduct a job analysis. “All workers are classified into one of 867 detailed occupations, . . . detailed occupations are combined to form 459 broad occupations, 98 minor groups, and 23 major groups”. Other great tools are current labor market and demographic information, as well as historical trends for unemployment, etc. Take the time to get familiar with this excellent resource and determine which resources work for you!

**3.  SHRM**- The Society for Human Resource Management is another excellent resource for job analysis activities. Some of the tools they offer include:

•Job Analysis Questionnaire Templates

•Current research and information on trends in compensation, benefits, etc.

•Sample job descriptions for a variety of jobs.

•Networking and learning opportunities from other professionals.

Chart, diagram, funnel chart

Description automatically generated

Time: 5 minutes

Running time: 70 minutes

**Objective**: Evaluate the various methods for ensuring external pay equity.

**Description**: Discuss External pay and market competition

**Instructional Method**: Lecture

**Script:**

We spoke about some of these topics when evaluating internal pay equity. When evaluating external pay equity in terms of market competition, you must consider the following:

* **How it impacts recruiting/retention**
* **Employer image/branding**
* **Impact on strategic**

If your organization decides to lead the market, you will likely get the highest quality employees because you are able to woo them away with your excellent base salary. If you can offer an outstanding benefits package as well, then your organization will likely have very high labor costs but can also expect the experts you’ve hired to produce high returns.

If you decide to lag the market as an organization, then you are likely to keep labor costs lower, but may also have trouble attracting top talent.

Municipal governments have used benefits to attract and retain quality employees for many decades. The pay is much less than most professionals could make in the public arena, but the retirement is outstanding, the benefits historically low-cost, and the turnover very low.

Some organizations put all their resources into salaries and encourage employees to purchase their own healthcare in the market. This became more common after the Affordable Care Act went into effect.

Does your organization want to share the wealth with employees? Not all organizations do so, but those who do report a sense of ownership among employees that directly contributes to bottom-line savings.

Most organizations offer some variety in their compensation plans, perks, and benefits based on the level of the employee. For example, hourly employees might have one set of benefit options, while middle management has a different set, and upper management has an even different set. This is also true for compensation plans overall.

**Transition**: But what do you do when you discover you have an external equity issue?

**Facilitator Notes:**

Various methods for ensuring external pay equity.

**1. How it impacts recruiting/retention**- When we find great employees, we want to keep them, we don’t want them to be lured away to another company because our compensation packages aren’t competitive. There are plenty of other reasons that employees might leave or choose to remain with an organization, and employees who feel appreciated and compensated fairly tend to stay longer than those who do not. Compensation won’t make up for poor treatment for long, but when employees feel that their work is appreciated and their compensation level is competitive, they are more likely to stay where they are, especially in an uncertain economy.

**2. Employer image/branding**- •I know you’ve heard the old saying, ‘you get what you pay for’, and it’s true. [Richard Branson, CEO of Virgin Airlines says, “Take care of your employees and they’ll take care of your business.](https://ee.linkedin.com/posts/rbranson_ive-always-said-that-if-you-take-care-of-activity-6404299697552392192-y9Dd?trk=public_profile_like_view)” If you don’t pay employees competitively, not only will you be left with the lowest paid workers who couldn’t get hired by your competitors, but they will know they weren’t good enough to be hired by your competitors and will resent the fact that they can only get a low-paying job. This will translate into poor service for your customers, because it is as simple as that. Even if a few employees have a great work ethic, even that will only last so long before even they become disgruntled.

**3. Impact on strategic objectives**- The decisions about how to approach the job market are critical to your organization’s success. Without a clear understanding of the strengths, weaknesses, opportunities, and threats approaching not only your organization as a whole, but your compensation system specifically, there is no way to determine what the best strategy for attracting and retaining top talent will be.

Text

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Time: 10 minutes

Running time: 80 minutes

**Objective**: Evaluate the various methods for ensuring external pay equity.

**Description**: Explore and evaluate salaries for various professions using salary survey resources.

**Instructional Method**: Lecture - Pair and share exercise - Discussion

**Script:** It is not uncommon for an organization to find itself in hard competition for employees, especially if the organization’s external pay equity is problematic. The only way to determine if your organization’s compensation strategy is competitive is to conduct a market pay analysis. Here are some things to do when you discover you have an external equity issue.

**Exercise**:

1. Pair students (can use same pairs in previous exercise)
2. Have each pair decide on a profession to research. (Click on “Professions” button for a list of some professions if needed)
3. Have each group open a browser and research salaries in the marketplace for that profession
4. Have each group decide on a salary range for that profession
5. Share results with the class and discuss.

Calendar

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**Facilitator Notes:**

Once your organization has conducted a market pay analysis by identifying a pay philosophy, and conducting job evaluations, and classified employees, it’s time to look at what external competitors are paying. If you have determined that you want to have a lead the market pay strategy, there is no way to accomplish this unless you know what your competitors are paying. Remember that your competitors are not only competing for your customers, but they are also competing for your employees and other talent that comes into the labor pool.

There are several ways to accomplish this, but the most common is to use a [salary survey](https://www.youtube.com/watch?v=YkMdzhVTRcI). We don’t have time in this class to teach you how to conduct a salary survey. It can be a very time-consuming task and since every industry is different there is not ‘one best way’ to teach you. If your organization can afford it, I recommend that you pay a professional to conduct the salary survey.

However, there are some lower-cost options that will help you identify the market compensation for your organization.

* [**O\*Net**](https://www.onetonline.org/)- O\*Net is an excellent tool used not only in job analysis but also in external equity analysis. It is simple to look up various jobs and see what they typically require and how much they are typically paid, across the nation, and in individual states and localities.
* [**Bureau of Labor Statistics**](https://www.bls.gov/)- Provides information on labor market trends and compensation data from around the nation. It can be filtered for a number of specific results.
* [**Industry Wage Reports**](https://www.dol.gov/general/topic/statistics/wagesearnings)- Many industries publish salary survey on a regular basis. It’s always a good idea to pull those for comparison for with your organization’s compensation plan.

Graphical user interface, text, application, email

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Time: 5 minutes

Running time: 85 minutes

**Objective**: Students will review the material by answering the question on the slide.

**Description**: Students will review the material by answering the question on the slide.

**Instructional Method**: Pair and share discussions, exercises, homework

**Script:**  
As we have learned, pay equity and pay equality are issues that are deeply sensitive and important to both employers and employees. The failure to properly identify areas of opportunity to improve the compensation plan will frequently lead organizations in the opposite direction of where they’d like to be going.

**Facilitator Notes:**

**Discussion Prompts:**

1. Some people strongly believe that the gender pay gap is a myth. How would you respond to someone you met who believes that? What proof could you share to help educate them?
2. Under President Obama, some businesses opted to sign the [White House Equal Pay Pledge](https://obamawhitehouse.archives.gov/blog/2016/06/14/businesses-taking-equal-pay-pledge). The companies that signed it are listed in the link. A lot has changed in our world since these employers signed the pledge in 2016, look into one or two of the companies today. Can you find evidence they are keeping their pledge in terms of compensation equity?

**HR Skills Exercises:**

* The focus on pay inequities in women’s sports is nothing new. Read this article about Tennis legend Billie Jean King. [No One Plays the Game Like Billie Jean King](https://www.glamour.com/story/billie-jean-king-2020-cover-story)    
  What types of pay inequality and equity issues did she have to deal with that women aren’t dealing with now in professional sports? Are things still the same or have we made progress in pay equity?
* Today, your department received an [equal pay complaint](https://www.dol.gov/agencies/oasam/centers-offices/civil-rights-center/internal/policies/equal-pay-for-equal-work). Apparently, the female department directors feel they are being compensated at a lower rate than male department directors and they feel they are expected to work more hours and produce more than male department directors.
* The CEO has asked you to explain the differences between internal and external equity, and comparable worth of jobs to the Board of Directors in a short presentation. She has given you 5 minutes, max. You get to choose the presentation style. Your CEO is often impressed by your presentation skills, and this is your chance to use your imagination and shine!

A picture containing logo

Description automatically generated

Time:  5 minutes

Running time: 90 minutes

**Objective**: Review main points in this module.

**Description**:  Be sure that students have a fun way to remember the material.

**Instructional Method**: Game – Review

**Script**:

Let’s see how much we remember about this module.

**Facilitator Notes:**

Review Exercise:  Create a fun game to review the material.  Remember to use the objectives to measure learning:

* Define terms related to Pay Equity.
* Distinguish between pay equity and pay equality.
* Identify the various methods for ensuring internal pay equity.
* Evaluate the various methods for ensuring external pay equity.
* Discuss equity theory and how it influences employee perceptions.
* Assess various pay equity issues relating to race, gender, sexual orientation and gender identity, religion, and disability.
* Have each student submit a question on a piece of paper, crumple it up and toss it in a bucket (clean wastebasket), Instructor will then read them and give points to each team with the correct answer.
* Any game show – Family Feud, Jeopardy, $10,000 pyramid, Password, Tic Tac Toe
* Extra credit quizzes

*Virtual*

There are many ways to review material virtually or in person.  Students can use their phones or computers to navigate to various online review websites.

A few are:

* Kahoot
* Quizlet

**Appendix**

**Extra Information about Job Analysis**

**Objective**: Identify the various methods for ensuring internal pay equity. – Job analysis

**Job Analysis Methods**- Now that you’ve learned the functions of the job analysis and how they benefit our organization, exactly who should be involved?

Let’s look at the different roles crucial to completing a job analysis.  Of course, we need to involve those directly performing the job itself – the employees.  They are the best ones to actually state what is being done in the current circumstances.  Then, involve the supervisors responsible for the product completed for the position.  They may capture aspects vital to the job that may not be currently performed.

Where does upper management fall in this process?  Even though they may be somewhat removed from this position, you need their support and commitment to the project since it requires time and resources to do a thorough job.

We have defined our team members, but who should spearhead this project?  If your organization has a human resource department, then they should drive this project.  If you don’t, choose a coordinator that has the time and skillset to pull it all together.

**1.  Who is involved?** The most thorough job analyses involve multiple stakeholders.

**a. HR-** HR typically directs the analysis and is the keeper of official records. HR provides support and education on the process to all participants and ensures that legal compliance is maintained in all areas.

**b. Upper Management**- Upper management needs to publicly support and require that everyone actively participate in the analysis process. Without strong support from upper management, any job analysis initiative is likely to experience major setbacks and lack the thoroughness necessary to produce a quality product.

**c. Supervisors**- Supervisors are a vital part of the job analysis process. They should complete a thorough assessment of each position for comparison to that of the employee who is working in the position and successfully performing the job duties. This not only ensures more objectivity but also requires that the supervisor completely understand the job that subordinates are performing.

**d. Employees**- Employees are also an important part of a job analysis because they are the people performing the work. Who better to consult with when conducting a job analysis?

**e. Others-** Any number of other people and/or sources of information can be used to conduct a job analysis, if they are knowledgeable about and/or related to the job being analyzed.

**Choosing a method**- Defining your team members in this project is only the first step.  After we know who will be helping us, we need to determine how to gather the information needed.

More than likely, you will utilize more than one method in gaining insight into the duties performed.  Sometimes, these methods involve face-to-face techniques, such as interviews and actually observing the job.  Other times, a more structured, written tool garners more detailed responses, such as different types of questionnaires or work diaries.

Of course, which method might depend on who your audience is.  If you start with the employee level, you might conduct an interview or watch how they perform the job.  This works well with production type positions.  However, a questionnaire or work journal might produce better results with service-related duties.

Whichever method you choose, be sure to capture information from more than one employee in that category.  It is imperative to gain diverse insight into how the job is performed!

**a. Open-ended questions**- Open-ended questionnaires are useful for a variety of job analysis purposes. If you are creating a new position, these questions can help narrow a broad field of possible job duties. If you are analyzing an established position, using open-ended questionnaires can help analyze the position from multiple points of view like multiple employees who perform the job, supervisors, and more. This type of method produces a LOT of data to comb through, so it takes time to analyze it properly.

For example, a common question you might find on an open-ended questionnaire might be:

Describe your job duties or describe your typical workday.

These types of questions will provide more data than you will likely ever need.

How much feedback you get on this type of questionnaire will depend on a few factors:

1.The employee’s individual personality. Are they easy-going and open to questions, or are they stubborn and suspicious of anything HR is doing? The former will likely give you much more detailed responses. This is just part of it. I recommend starting by helping employees understand how this process will result in the assurance of equality and fairness throughout the organization.

2.How much time the employee is given DURING work hours to perform this task. Are you asking them to do it in addition to their regular work, or are you buying them lunch and giving them a two-hour UNINTERRUPTED break to take care of it? The work has to be done, but you have to prioritize this process or it is useless. Work out a plan to cover the employee’s regular job duties while they are involved in job analysis.

3.How much support do you have from executive management and front -line management? Like it or not, if we don’t have the full support of our management team, you will be unlikely to get good feedback with this method. The employees will see it as a waste of time and so will not put much effort in it.

**b. Highly structured questionnaires**- ​​A highly-structured questionnaire is useful when the job is well-established, and you are analyzing for productivity improvements, physical requirements of the job, and identification of specific KSAO’s.

This type of questionnaire is really effective for determining job requirements in terms of physical ability

For example: The position requires that the employee must able to lift 25lb sacks of feed repeatedly and load them into customer vehicles, throughout the work-day., and you need to know if they can meet this essential  job function with or without accommodation. A highly-structured questionnaire can help you very specifically identify exactly what specific KSAO’s are required for the position.

**c. Interviews**- There are many types of interviews, and these are frequently conducted by HR during the job analysis process, although any number of departments and individuals can be involved. It is often a good idea to have both someone completely unfamiliar with the job as well as someone who is highly familiar with the job involved in the interview processes. This provides opportunity to ask relevant, pertinent questions, but also to ask questions that are broader.

For example, an HR professional might not thoroughly understand a work process, but that ignorance can actually be helpful because they are more likely to ask foundational questions that really need to be included in the analysis, whereas someone more familiar with the job might skip over the basics.

**d. Observations**- Workers are observed by supervisors, HR professionals, or others and their work tasks are documented. This can be accomplished using video as well.

In a world where someone is always watching us (literally), this seems to be a no-brainer. If you want to know what an employee does all day long, watch them work!

This author actually recommends a different approach to observing your employees. I call it “GETTING OUT OF YOUR OFFICE”.

Some of you are already really good at this, but others not so much. When I was hired as the HR Director for a local municipality, I had literally no idea what a city government did. I grew up in a very rural area and had never lived inside a city limits before. So, I spent the first month or two on the job riding around in dump trucks, fire trucks, police cars, and ambulances. I got to drive a front loader at the landfill. I spent a day feeding and playing cards with Senior Citizens at the Senior Center. I read books to kids at the library. I toured the Waste-water treatment plant (don’t ask). I didn’t just stand there and watch either. I wore whatever they were required to wear, and I jumped in and helped with whatever tasks they deemed I was competent enough to handle. I dug ditches, took a non-emergent 911 call, sat in on planning meetings, wrote code enforcement citations, you get the picture.

I learned more than I ever would have imagined, but more importantly, I developed relationships with those employees. There were not names on a spreadsheet, and they knew I actually understood what they did. They spoke to me the in the grocery store after that, waved at the ball game on Friday night, and they learned I was just like them and I was there to help them. As an HR professional, you can’t buy that, you only earn it.

**e. Work Diary**- The employee documents how frequently they perform various tasks. This method requires analysis and coding to develop task statements.

A work diary is pretty effective if your employees are willing to document their day. I’ve found it is a pretty low-impact activity. While you do want them to write down everything they do over the course of the day, remind them that their customers and job duties still have to be done. The point is to make a rough outline of activities throughout the day, as they are able to do so. Then, give them some time at the end of the day to make more detailed notes. Do this several times with each employee, and not necessarily three days in a row. Taking a random snapshot this way of all employees will provide an emerging picture of what the task statements should be.

This list of methodologies is not exhaustive, there can be other methods that involve complex equations, professional subject matter experts, and computer skills beyond the skill level of most people. The point is that you can use any kind of method you would like to use to analyze your jobs, and the best analysis use multiple methods to analyze each job. This provides validity and reliability of your results, thereby  adding one more layer of legal protection to your organization from claims of discrimination.

**Data Collection and Interpretation**- In this section, we will identify six steps for conducting a job analysis and discuss some best practices for gathering data. Then, we are going to look at the various types of data you will be collecting, and which type of data might be most useful for your job analysis, as well as the relationships between various types of data and their impact on other business functions. Finally, we will point  out some common errors that occur during job analysis process and talk about ways to avoid them.

**a. Steps for Conducting a Job Analysis**

**1.  Identify the purpose of the information**- The purpose of the job

analysis will directly impact what method you choose. While

the creation of an entirely new job description might be most

effectively analyzed using observations as the job duties are

developed, a job analysis that is conducted for the purpose of

establishing salary ranges might be better achieved through the

use of a series of questionnaires. It is not uncommon to use

more than one method for the same position, to ensure validity

of the analysis. If you already have baseline job descriptions to

work with, it is very easy to simply ask the employee (and

supervisor) to review the job description and see if it is accurate

or not. Employees want their work to be recognized and

typically are more than happy to provide input for the purposes

     of job analysis.

**2.  Review background information**- Never conduct a job analysis

     without reviewing any and all previous versions of job

     descriptions and visiting with incumbent employees and

     supervisors. Having a strong understanding of how an

     employee has historically moved from a Clerk I to a Clerk II

     position (for example), is valuable organizational knowledge,

     especially in light of the new equal pay law. Being able to

     document that movement from one pay grade to another is due

     to seniority, added skills and/or responsibility, or additional

     required training/education is exactly what the law is requiring.

     It may be that your organization does have a seniority system in

    place “in practice” even if it isn’t written specifically in policy

    yet. It’s also critical that you have a complete understanding of

    how the position fits into the overall workflow of both the

    department and the organization overall.

**3. Select representative positions**- ​​Depending on the size of the

     organization, this issue might not apply but it can. For a large

     organization employing 600 machinists who all do the exact

     same job, it is not necessary to interview or survey all 600

     employees. You can take a sample of 10% and use that

     information to obtain data. However, for a small organization

     that has only one or two people performing a job, you would

     not need to choose a sample. However, in a small organization,

     it is very easy to identify desirable behaviors in an employee

     and determine that you would like to make those behaviors a

     part of the job description. For example, if you have two

     employees who are both mechanics and one of the employees

     has advanced knowledge of diagnostics due to an additional

     certification and this knowledge means that the job is

     completed faster and more accurately, you might determine

     that this knowledge should be a requirement of the position

     from now on. You can certainly send the other employee for the

     same training, or you can create a new compensation level to

     justify paying the employee with additional skills a higher

     wage.

**4.  Analyze the job**- Now it’s time to employ whatever method you

     chose. Conduct the interviews, deploy the questionnaires, make

     detailed observations, etc. The idea here is to learn about the

     job from the people who are performing the job and from those

     who supervise them. Remember, this isn’t an employee

     evaluation, don’t get caught up in whether or not you (or the

     supervisor) think the individual currently performing this job is

     doing it well or not. There is another time and place for that.

     This is a task assessment, a desired work behavior identification

     process, an opportunity to review a position for essential job

     functions, and the chance to document differences that drive

     compensation, promotion, and training decisions.

**5.  Verify the information**- This is just good HR work. It’s always a

     good idea to verify all the data you gather with both the

     employees (or a representative sample) and the supervisor. This

     is critical to ensure accuracy. For example, an employee once

     insisted to that it was part of her job to open and close the safe

     each shift. She was the most senior person in the department

     and she always arrived early and opened the safe, made the

     coffee, etc. Except, it was actually in the supervisor’s job

     description to perform that task and always had been. The

     former supervisor just let her do it because she liked to do it,

     but it wasn’t actually her job and did not justify a higher pay

     category.

**6.  Develop the job description**- Now for the fun part! Take all the

     information you have learned and begin to develop your job

     descriptions. Remember that you need to ensure that your job

     descriptions are worded legally, and accurately reflect the

     position.

You don’t need to re-invent the wheel to do this either! Use forms that SHRM offers as a baseline and then edit them as needed. These forms have been vetted already and you can combine several different forms to create a truly unique one if you like, but it’s really ok to use those already written!

So I’m about to say this out loud. Plagiarize shamelessly on job descriptions. It’s ok. Everybody does it. Go ahead, try it, you’ll like it . . .

Seriously, the resources are there for a reason!

Finally, pay a lawyer. Your job descriptions and employee handbook, along with your policies and practices are the most controllable factors in your organization. These documents are what will help you stay out of court. When you have finished all your analysis, written your job descriptions, created your employee handbook, updated your compensation system, and tied everything to employee evaluations, the organization should hire a qualified employment law attorney to review all of it. Not just any attorney, a specialist. You wouldn’t go to an eye doctor for a heart problem, right?

**Types of Data Collected-** Let’s take a closer look into each of these data types so that we can better understand what we are looking for.

**1.  KSAO’s**- This seems to be overtly obvious, but a discussion of

     knowledge, skills, abilities, and other characteristics is

     appropriate to this conversation. When identifying these critical

     elements it is important to tie them to one or more of the main

     job duties required of the position. For example, if a job requires

     that the employee answer phones and greet customers to direct

     them to the appropriate department as one of the main duties

     of the position, it would be appropriate to require that the

     employee be able to handle multiple phone lines, provide clear

     and consistent directions, use judgment to distinguish urgency

     of issues, and work with a professional, courteous attitude.

     There should not be any required KSAO’s in a job description

     that are not tied directly to a major function of the position.

     Ever. In a small organization, it is easy to forget that you are

     identifying the minimum required KSAO’s to perform the job

     effectively when you have a great employee that has all the

     required skills and then some. You can certainly add desirable

      traits to your “unicorn employee list”, but if they aren’t actually

      a requirement, don’t include them in the list of KSAO’s

**2.  Work activities and Behaviors**- This is where you identify what tasks are actually performed during the completion of a job. If you think of a job as a collection of the various tasks required for each position, it makes it easier to identify work activities.

For example, O\*Net Online lists the following tasks for a [Medical Records and Health Information Technician](https://www.onetonline.org/link/summary/29-2071.00):

•Protect the security of medical records to ensure that confidentiality is maintained.

•Review records for completeness, accuracy, and compliance with regulations.

•Retrieve patient medical records for physicians, technicians, or other medical personnel.

Each of these tasks would be further tied to desired KSAO’s:

* English Language (knowledge)
* Active Listening (skill)
* Oral Expression (ability)
* Detail-Oriented (other)

In other words, if you consider each task that an employee is expected to perform as a critical function of their job and then identify which behaviors are required to successfully complete those tasks, you begin to build a solid understanding of what an employee must do, know, have, and be in order to be successful in that role.

**3.  Interactions with others**- Who the employee is expected to interact on a daily basis is a critical component of any position. This can include customers, vendors, co-workers, supervisors, and anyone else that an employee comes into contact with throughout the normal course of their workday. An organization can (and should) set clear expectations for employee interactions with all stakeholders. This section is a good place to identify to whom the position reports and if it is a supervisory position, who reports to them.

**4.  Performance Standards**- Performance standards are included to ensure that employees understand what is considered a successful work outcome and what is not. Using the Medical Records Clerk position from above, an employer might want to add a performance standard to the tasks:

•Protect the security of medical records to ensure that confidentiality is maintained by maintaining a margin of error of less than 1%.

•Review records for completeness, accuracy, and compliance with regulations with an accuracy rate of 95% or better.

**5.  Financial and Budgeting Impact**- A thorough job analysis also takes a hard look at how the position is compensated. Is this position paid from the correct department or fund? Is there frequent overtime required and who is that compensated? Is the position compensated fairly in comparison to similarly situated positions? How are differences in KSAO’s compensated between positions? Is the compensation range in alignment with both the organizational strategy and the market?

**6.  Machines and Equipment Used-** While it’s not necessary to identify every piece of equipment used, it is appropriate to identify generalizations such as “typical office tools and equipment such as computers, copy machines, or fax machines” or “typical construction tools such as hammers, saws, screwdrivers, etc.” However, if an employee must know how to operate specialized equipment such as forklifts, industrial lathes, or a crane, then it is appropriate to identify those individually- particularly if the operation of the equipment requires any sort of certification, license, etc., that can be identified as an essential function of the job and used as a basis for compensation decisions.

**7.  Working Conditions**- A job analysis always considers the work environment. It is important to note if the employee works outside in extreme temperatures and/or weather, if they work in a warehouse environment, an office environment, a hospital environment, etc. Each of these working environments carries a unique set of risk factors and skills. Additionally, work location is one of the acceptable justifications for paying one employee more than another for performing essentially the same work under the law. For example, if you pay one delivery driver $20 per hour to deliver your products in the local community and pay another delivery driver $25 per hour to deliver the same products to other towns and cities, this is an acceptable difference in compensation for performing essentially the same work. The additional risk of the additional time on the road is a justifiable reason for paying the distance driver a higher wage.

**Common Errors**- As with any system, there are a number of errors  that frequently occur during job analysis. Some of the most common are described below:

**1.  Inflating job responsibilities**- This often happens during a job analysis, for various reasons. Regardless of the analysis methods chosen, there is always room for error. Some employees feel that inflating their job responsibilities might lead to higher pay or at least acknowledgment of what they are actually doing. Employees who feel underpaid and unappreciated are the most likely to inflate their responsibilities, as well as employees who might feel they need to make sure their contributions are properly acknowledged to ensure continued job security.

**2.  Not getting a representative sample**- How big a sample size you choose depends on any number of factors and this is not a statistical analysis class. Without getting into deep details, a representative sample size is enough to ensure you are getting an accurate picture of the job. If you have only 5 employees in the same position, you should absolutely include all of them in the analysis, but 500 employees in the same position would make it more difficult and time-consuming to analyze. However, if you choose only 5 out of 500, that number is unlikely to return as accurate results as you would if you included 50 out of the 500.

**3.  Not fact-checking information**- We know that most of our employees are honest, but mistakes are made sometimes. Just because an employee reports that a task is their responsibility, don’t assume that it is true. A thorough job analysis is checked and cross-checked for accuracy, and it should be. If the foundation of your work (the job analysis) is flawed, then so will be everything else that is built upon it.

**4.  Overlooking what the employee actually does and focusing on what  the employer thinks the employee  does**- Let’s face it, sometimes employees routinely perform tasks that are not in their job description but are in addition to that work. Just because you think that a position only includes certain duties, be open to the realization that there could be other things that the employee does that you don’t know about.