

Job design

Understanding the relationship between job design, pay and performance (for organisations)

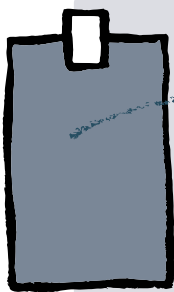
The foundation of best practice person-centred people management is achieved through the alignment and application of the relationship between an organisation's strategy, jobs, pay and performance.

The relationship is 'one-way':

- * Define the strategy.
- * Align jobs.
- * Align pay.
- * Align performance.

For the purpose of this resource:

- * **Jobs** mean job roles and organisational structures established to successfully achieve business goals and meet the needs and aspirations of customers.
- * **Pay** means the remuneration practices in place in an organisation, including internal relativities between roles and external competitiveness with remuneration in other organisations and sectors.
- * **Performance** means the required level of employee performance to meet agreed business goals and customer needs and aspirations, achieved through the application of performance planning, supervision and development practices.



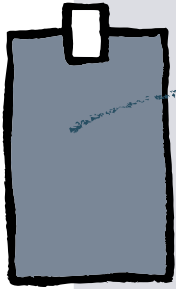
Tips

Jobs

Base the organisation structure or changes to the structure (at either an organisation and/or team level) on the job levels and capability levels defined in the **Workforce Capability Framework**.

Grade individual jobs across the organisation in a consistent way using the Workforce Capability Framework. Consistent job grading is important for all jobs types - whether they are paid or unpaid, new or existing roles, etc. Existing job grades should always be reviewed following any significant changes to the role's responsibilities to determine whether a change in job level is required.

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Tips

Ensure position descriptions are drafted to match and reflect the level of the job in accordance with the relevant job level capabilities set out in the Workforce Capability Framework.

Pay

Maintaining appropriate pay practices and relativities between job levels will enable an organisation to achieve consistent value for money from their payroll investment. Poor pay practice and relativities will result in financial inefficiencies and difficulties in managing performance, reward and retention.

To ensure internal pay relativities are sound, undertake an analysis of the organisation's existing job grading and remuneration practices by using the Workforce Capability Framework to grade all jobs and then comparing pay.

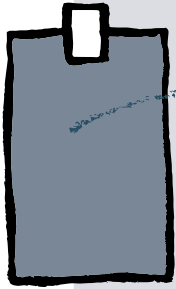
Ensure that job levels and pay appropriately take into account the complexity of the roles and the capabilities required, rather than being inappropriately based on past practice, existing pay, job titles, etc. Develop a process for resolving significant discrepancies. It is appropriate to ensure sound internal relativities in pay practice align the external pay market for financial or other reasons.

An organisation can compare current pay for each job role with relevant external market pay. Market pay information can be obtained through external remuneration benchmarking experts. Published salary surveys are also useful but it is critical to ensure pay data accurately takes into account the relevant job capability level.

Decide from a strategy and policy perspective, where the organisation's pay market competitiveness will be positioned. Take into account the pay analysis, financial constraints and local competition for employees, to achieve a reasonable balance between affordability and competitiveness.

Examine the results of the pay comparison for each role and identify any significant differences between current pay and external market pay across these jobs in the organisation. Develop a process for resolving significant differences between current and market pay levels that appear to be the result of inconsistent grading and the alignment of jobs and pay.

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Tips

Use the Workforce Capability Framework consistently to design, analyse and grade all jobs. This will enable job and pay anomalies to be identified and resolved effectively over time across the organisation.

Performance

Develop performance management/development policies and procedures including a sound performance appraisal process that can be implemented in the organisation in a consistent way.

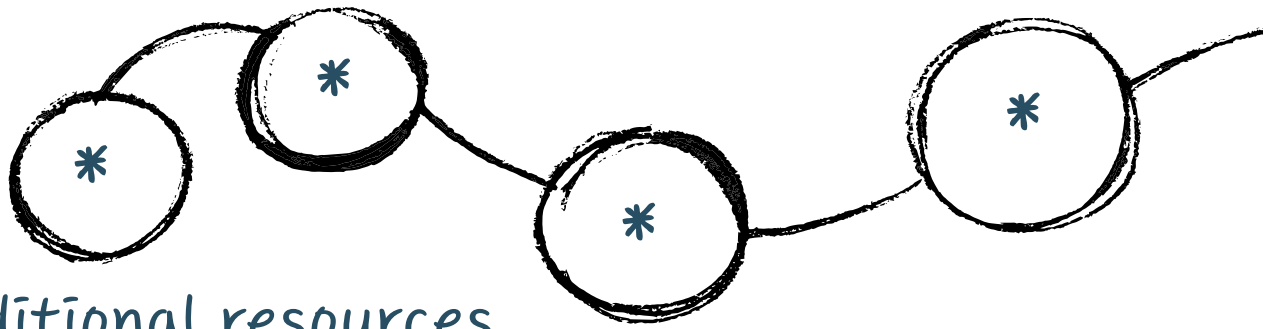
Ensure that people managers devote time and priority to managing good performance. The foundation of effective performance management and development is ensuring a clear understanding of and regular communication by all parties about what constitutes the role and what defines good performance in the role.

Define the performance requirements for each role so that the staff member and their manager and, where appropriate, the individual being supported or key stakeholders, can monitor and respond to performance on the job in a consistent way.

Regularly review performance in each role in comparison to the pay being received. At an organisation level, this assists in determining whether the organisation is managing payroll outlay efficiently i.e. whether the organisation is receiving value for money in terms of the remuneration provided.

Consider the development of a 'pay for performance' framework to support the organisation in recognising and rewarding different levels of performance. This can contribute to positive perceptions from employees about an organisation's recognition of their individual contributions.

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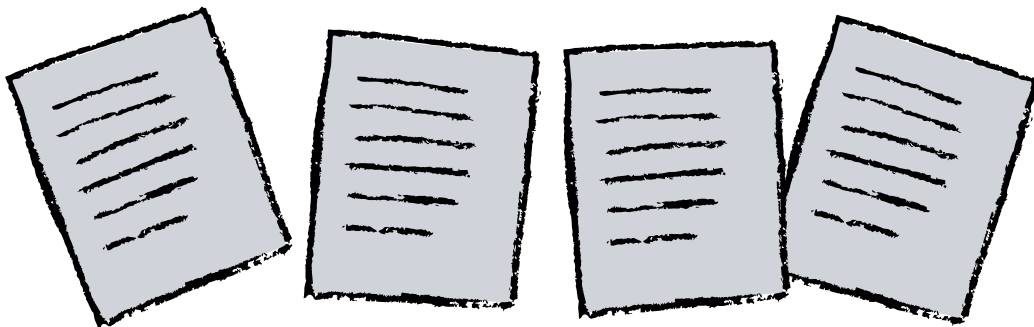
Additional resources

- * The disability career planner and capability framework implementation guide
- * Tips – managing job structures and job grades [for organisations]
- * Tips – managing job structures and job grades [for organisations]
- * Technique and Tool – designing, analysing and grading jobs
- * Technique, Tips and Template – writing position descriptions.

Definitions

The term **individual(s)** refers to an individual with a disability and their family and/or circle of support.

The terms **staff/employee(s)** refer to paid or unpaid members of the workforce regardless of their employment relationship with their employer i.e. permanent, casual, full-time, volunteer, etc.



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