

## THE ROLE OF JOB EVALUATION IN TALENT ACQUISITION AND RETENTION: ALIGNING ROLES WITH MARKET STANDARDS -CAPITAL IQ

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### ABSTRACT

Job evaluation is a systematic process used by organizations to determine the relative value or worth of different jobs within an organization. It plays a crucial role in establishing a fair and equitable pay structure by analyzing job roles, responsibilities, skills required, working conditions, and the level of accountability associated with each position. The primary objective of job evaluation is to ensure internal equity among employees and to support effective compensation management practices.

This study focuses on understanding the importance of job evaluation in human resource management and its impact on organizational efficiency. Various job evaluation methods such as ranking method, job classification, point factor method, and factor comparison method are examined to identify their effectiveness in determining appropriate wage structures. Proper job evaluation helps organizations reduce wage disparities, improve employee satisfaction, and enhance motivation by ensuring that employees are rewarded according to the value of their work.

The research also highlights how job evaluation contributes to better workforce planning, transparency in compensation decisions, and improved organizational productivity. By implementing structured job evaluation systems, organizations can maintain fairness, promote employee trust, and align compensation strategies with organizational goals. Thus, job evaluation becomes an essential tool for effective human resource

management and sustainable organizational development.

### I. INTRODUCTION

Job Evaluation is a systematic and structured process used in Human Resource Management to determine the relative worth of different jobs within an organization. It focuses on the job itself rather than the individual performing the job. The main objective of job evaluation is to establish a fair, rational, and consistent pay structure by analyzing job duties, responsibilities, required skills, effort, and working conditions.

Job evaluation helps organizations design equitable salary structures and reduce wage inequalities. It ensures that employees are compensated fairly according to the value of their job role, thereby promoting internal equity and transparency. This process plays a vital role in compensation management and supports organizational goals by aligning job responsibilities with reward systems.

There are various methods of job evaluation such as ranking method, classification method, point factor method, and factor comparison method. Among these, the point factor method is widely used as it provides a quantitative basis for determining job value.

In modern organizations, job evaluation contributes to improved employee satisfaction, motivation, and retention. It also assists management in workforce planning, performance appraisal systems, and organizational restructuring.

Overall, job evaluation is an essential HR function that ensures fairness, consistency, and strategic alignment in compensation decisions.

#### **NEED FOR THE STUDY:**

Job evaluation is needed to ensure fairness and consistency in determining the relative worth of different jobs within an organization. It helps in developing a rational and equitable pay structure by systematically analyzing job roles, responsibilities, skills, and working conditions. Through job evaluation, organizations can reduce wage inequalities, prevent salary-related conflicts, and maintain internal equity among employees. It also supports effective recruitment, performance management, and workforce planning by clearly defining job value and compensation levels. Moreover, job evaluation enhances employee motivation and job satisfaction by promoting transparency and trust in salary decisions. Overall, it plays a crucial role in establishing a balanced and structured compensation system that aligns with organizational objectives.

#### **SCOPE OF THE STUDY**

The study with the prime objectives of ascertaining the employees towards the Job Evaluation program, which are required to perform their jobs effectively. In Capital IQ the studies include managers and employees.

- The study is confined and relevant only to Capital IQ not applicable to any organization.
- The study covers motivational practices in Capital IQ at various levels of employees.
- The study assists the management in determining the decision regarding the performance of the employee.

#### **OBJECTIVES OF STUDY**

- To determine the relative worth of jobs within the organization.
- To establish a fair and equitable wage structure.
- To maintain internal equity among different job positions.

- To eliminate wage discrimination and pay inequalities.
- To provide a basis for wage and salary administration.
- To ensure equal pay for equal work.
- To support recruitment, promotion, and transfer decisions.
- To reduce employee grievances related to compensation.
- To improve employee morale and motivation.
- To align compensation policies with organizational goals.

## **II. RESEARCH METHODOLOGY**

### **1. Research Design:**

Descriptive research design was used to understand and evaluate job evaluation practices.

### **2. Data Collection:**

- **Primary Data:** Collected through structured questionnaires and personal interviews with employees and HR managers.
- **Secondary Data:** Collected from company records, HR manuals, books, journals, websites, and previous research studies.

### **3. Sampling Method:**

Convenience sampling method was used to select respondents from different departments.

### **4. Sample Size:100**

### **5. Tools for Analysis:**

Data collected were analyzed using percentage analysis, charts, tables, and graphical representations.

### **LIMITATIONS:**

- Subject to evaluator bias despite structured methods.
- Focuses on job content, ignoring employee competency and performance variations.
- Requires frequent revision due to technological and organizational changes.

- Expensive in terms of time, expert consultation, and administrative cost.
- Difficult to evaluate hybrid or multi-skilled job roles.
- May create dissatisfaction if employees perceive unfair grading.
- Overemphasis on internal equity while ignoring external market rates.
- Complex documentation and maintenance process.
- Limited flexibility in dynamic and rapidly growing organizations.
- Risk of rigidity in pay structure once evaluation grades are fixed.
- Communication gaps may lead to misunderstanding among employees.
- Implementation may face resistance from trade unions or staff groups.

### III. REVIEW OF LITERATURE

#### Job Evaluation Methods

There are three basic methods of job evaluation: (1) ranking, (2) classification, (3) factor comparison. While many variations of these methods exist in practice, the three basic approaches are described here.

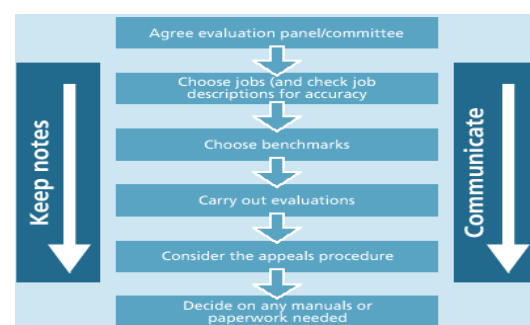
#### Ranking Method

Perhaps the simplest method of job evaluation is the ranking method. According to this method, jobs are arranged from highest to lowest, in order of their value or merit to the organization. Jobs also can be arranged according to the relative difficulty in performing them. The jobs are examined as a whole rather than on the basis of important factors in the job; and the job at the top of the list has the highest value and obviously the job at the bottom of the list will have the lowest value.

Jobs are usually ranked in each department and then the department rankings are combined to develop an organizational ranking. The following table is a hypothetical illustration of ranking of jobs.

The variation in payment of salaries depends on the variation of the nature of the

job performed by the employees. The ranking method is simple to understand and practice and it is best suited for a small organization. Its simplicity, however, works to its disadvantage in big organizations because rankings are difficult to develop in a large, complex organization. Moreover, this kind of ranking is highly subjective in nature and may offend many employees. Therefore, a more scientific and fruitful way of job evaluation is called for.



#### Improving Employee Relations

Employee relations must be strengthened in an organization. To do so, following points must be taken care of:-

- Employee has expectation of fair and just treatment by the management. Thus, management must treat all employees as individuals and must treat them in a fair manner. Employee favoritism should be avoided.
- Do not make the employees' job monotonous. Keep it interesting. Make it more challenging. This can be done by assigning employees greater responsibilities or indulging them in training programmes.
- Maintain a continuous interaction with the employees. Keep them updated about company's policies, procedures and decisions. Keep the employees well-informed. Informed employees will make sound decisions and will remain motivated and productive. Also, they will feel as a member of organizational family in this manner.

- iv. Employees must be rewarded and appreciated for a well-done job or for achieving/over-meeting their targets. This will boost them and they will work together as a team.
- v. Encourage employee feedback. This feedback will make the employers aware of the concerns of employees, and their views about “you” as an employer.
- vi. Give the employees competitive salary. They should be fairly paid for their talents, skills and competencies.
- vii. Be friendly but not over-friendly with the employees. Build a good rapport with the employee. The employee should feel comfortable with the manager/supervisor rather than feeling scared.

The importance of employee relations and organizational communication cannot be emphasized enough. To maintain a strong relationship the culture must be acknowledged and looked upon frequently.

There are several different sub organizations or organisms within a company that need to communicate well in all directions, up, down and horizontally.

#### **Employee Relations often includes:**

- Employee issues
- Management coaching
- Discipline
- Harassment

#### **Overview**

Industrial relations has three faces: science building, problem solving, and ethical. In the science building face, industrial relations is part of the social sciences, and it seeks to understand the employment relationship and its institutions through high-quality, rigorous research. In this vein, industrial relations scholarship intersects with scholarship in labor economics, industrial sociology, labor and social history, human resource management, political science, law,

and other areas. In the problem solving face, industrial relations seeks to design policies and institutions to help the employment relationship work better. In the ethical face, industrial relations contains strong normative principles about workers and the employment relationship, especially the rejection of treating labor as a commodity in favor of seeing workers as human beings in democratic communities entitled to human rights."The term human relations refers to the whole field of relationship that exists because of the necessary collaboration of men and women in the employment process of modern industry."It is that part of management which is concerned with the management of enterprise -whether machine operator,skilled worker or manager.It deals with either the relationship between the state and employers and workers organisation or the relation between the occupational organisation themselves.

Industrial relations scholarship assumes that labor markets are not perfectly competitive and thus, in contrast to mainstream economic theory, employers typically have greater bargaining power than employees. Industrial relations scholarship also assumes that there are at least some inherent conflicts of interest between employers and employees (for example, higher wages versus higher profits) and thus, in contrast to scholarship in human resource management and organizational behavior, conflict is seen as a natural part of the employment relationship. Industrial relations scholars therefore frequently study the diverse institutional arrangements that characterize and shape the employment relationship—from norms and power structures on the shop floor, to employee voice mechanisms in the workplace, to collective bargaining arrangements at a company, regional, or national level, to various levels of public policy and labor law regimes, to "varieties of

capitalism" (such as corporatism), social democracy, and neoliberalism).

When labor markets are seen as imperfect, and when the employment relationship includes conflicts of interest, then one cannot rely on markets or managers to always serve workers' interests, and in extreme cases to prevent worker exploitation. Industrial relations scholars and practitioners therefore support institutional interventions to improve the workings of the employment relationship and to protect workers' rights. The nature of these institutional interventions, however, differ between two camps within industrial relations. The pluralist camp sees the employment relationship as a mixture of shared interests and conflicts of interests that are largely limited to the employment relationship.

#### HISTORY DEVELOPMENT

The concept of job evaluation gained importance during the industrial expansion of the early 20th century. Scientific management theories proposed by **Frederick Winslow Taylor** emphasized systematic analysis of work tasks. Later, researchers such as **Edward N. Hay** developed structured job evaluation systems like the Hay Guide Chart Method, which became globally popular.

The evolution of job evaluation reflects the shift from wage determination based on bargaining power to structured compensation systems based on job content.

#### Objectives of Job Evaluation

Literature highlights the following objectives:

- To establish a rational wage structure
- To ensure internal equity
- To reduce wage discrimination
- To assist in salary administration
- To provide a basis for promotions and transfers

#### Methods of Job Evaluation

Scholars classify job evaluation methods into two major categories:

#### A. Non-Quantitative Methods

1. **Ranking Method** – Jobs are arranged in order of importance.
2. **Job Classification Method** – Jobs are grouped into predefined grades or classes.

#### B. Quantitative Methods

1. **Point Factor Method** – Jobs are evaluated based on compensable factors such as skill, effort, responsibility, and working conditions.
2. **Factor Comparison Method** – Key jobs are selected and compared based on specific factors.

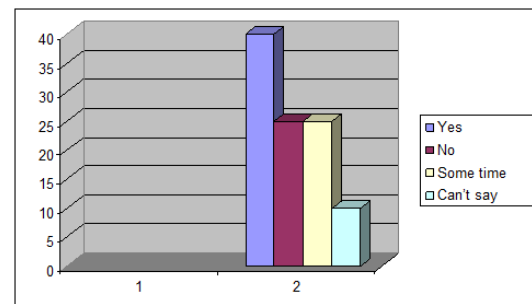
Modern systems like the Hay Method combine point-factor techniques with structured factor definitions.

#### IV. DATA ANALYSIS & INTERPRETATION

##### SUPERVISION:

1. Is the physical working conditions are taken care by superiors?

A) Yes      B) No      C) Some time      D) Can't say



##### Interpretation

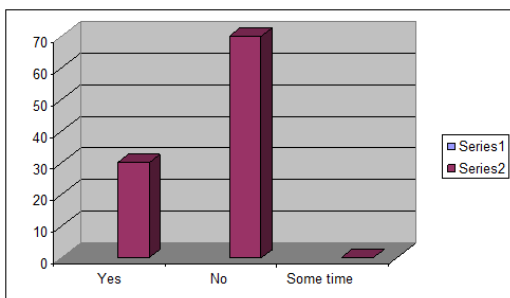
40% agreed with the above proposal

25% disagreed with the above proposal

25% may be may not

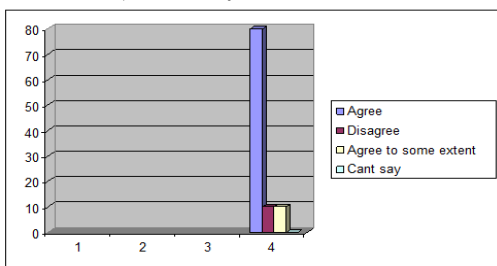
10% can't say

1. Do you feel to do your duty out of your commitment to job or because of the fear of survival? A) Yes      B) No      C) Some times



**Interpretation**

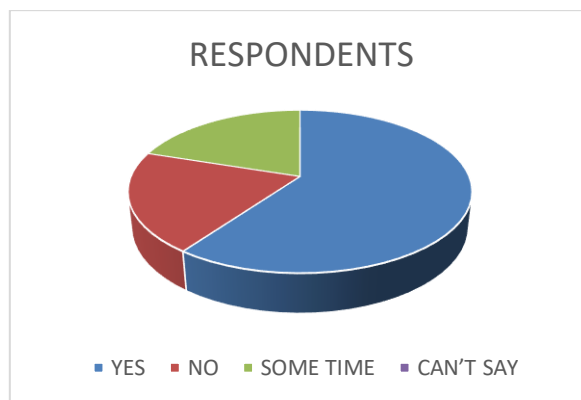
30% agreed with the above proposal  
70% disagreed with the above proposal  
2. Do you feel that working atmosphere is friendly in nature at your work place?  
A) Agree B) Disagree C) Agree to some extent D) Cant say



**Interpretation**

80% agreed with the above proposal  
20% disagreed with the above proposal  
3. Are you willing to take additional responsibilities?  
A) Yes B) No C) Some time D) Can't say

PARTICULARS	RESPONDENTS
YES	60
NO	20
SOME TIME	20
CAN'T SAY	0



**Interpretation**

60 % of employee said “yes” for above proposal  
20% of employee said “no” for above proposal  
20% are neutral

**V. FINDINGS**

- The organization is giving good job valuation programs to the employees in Capital IQ

Most of the respondents have expressed that they are interested in the job valuation programs in Capital IQ

- Most respondents expressed that feedback is collected from all the participants in the program.

The employee in the organization are well participated in the job valuation programs in Capital IQ.

- The training is being given to the employees at regular interval.
- Most of the employees are very much satisfied about the selection of the candidates for training.

Most of the employees are expressed that the job valuation programming in Capital IQ is imparting the latest technology in the market.

- Most of the employees agree with the training programmed meet pre-specified objectives.
- Most of the employees are respond positive with the training programmers conducted in the organization.
- It is found that some of the employees are not aware or the job valuation

programs in Capital IQ Hence they are made to be aware.

- Most of the employees agree with the training help you to upgrade soft skills like communication skills, leadership, team building etc.
- Most of the employees agree with the organization provide training for both present and new employees.

#### VI. SUGGESTIONS

The conclusions so far drawn from the study tempts to offer the following suggestions for making the organization ready for Evaluation. The conclusions drawn above convince anybody to identify the following areas to chart out for job evaluation programs for the executives to make them completely ready for Evaluation

- A general training program covering the importance of and need for employee Evaluation in the light of global competition is to be designed in brainstorming session involving internal and external experts.
- The present study identifies the following areas in which training is to be undertaken.
- A training program may be undertaken for Executives in general and to Senior Executives in particular to convince and make them accept the Evaluation concept.
- Executives working in technical areas to be trained effectively in the areas of their role and interpersonal dependence and relations to make Evaluation more fruitful.
- A training program may be undertaken about "Shared Leadership" which brings high morale and high productivity and makes the Evaluation a success.
- The subordinate staff that is going to be empowered must be ready to take up this responsibility. A study is to be

conducted among the subordinate staff to find out their readiness to discharge the new roles under this Evaluation program. This helps in identifying the training areas, to make the subordinate staff completely ready for undertaking Evaluation.

#### VII. CONCLUSIONS

- In the above perspective, the present chapter makes an attempt to draw some conclusions. It should be confessed here that the investigator is conscious of the limitations of the study and the conclusion drawn on the basis of the sample from a single unit cannot be generalized about the entire manufacturing sector.
- The study examines the readiness for employee Evaluation in six aspects, namely effective Communication, Value of people, Clarity, Concept about power, Information and Learning.
- A perusal of data pertaining to combination makes us to conclude that the Executives have agreed to the effective down ward communication flow, which is a prerequisite for Evaluation.
- With regard to value of people, the analysis leads to the conclusion that the Executives give a reasonable value to the Human Resources in the Organization. However, in respect of concept about power, they are somewhat agreed to share the power.
- As far as information sharing with lower rungs is concerned, they are very positive.
- One significant conclusion with regards to learning opportunities, which is a basic for Evaluation, is that the executives are favorable and feel that sufficient learning opportunities should be there for the rank & file.

- As far as clarity is concerned, the executives are somewhat agreed i.e., neutral. The aspect wise percentage analysis leads to the conclusion that the organization is somewhat ready for

employee Evaluation because the majority of the Executives in almost all aspects are concentrated in somewhat ready group

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