



Job Evaluation, Job Grading and Salary Structure Design: Building Pay Scales



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Technical depth: Practitioner · **Practical mode:** Modelling build

Introduction

Pay structures that grow through individual negotiation rather than design end up with overlapping grades, unexplained pay gaps and ranges that no longer match the market. The result is internal equity complaints, difficulty hiring for scarce roles and payroll cost that nobody can justify. This Core Concept course equips reward and HR managers to evaluate jobs with recognised methods, convert the results into grades and build salary ranges anchored to market data. Participants apply each step to a multi-sector case and leave with a Grade and Salary Structure Model, including its cost to implement.

Course Objectives

- Diagnose an existing pay structure for grade overlaps, compression, anomalies and weak links to pay policy
- Select and apply a job evaluation method suited to the organisation, from job ranking to point-factor schemes
- Run an evaluation panel that produces consistent, documented and gender-neutral job scores
- Convert evaluation results into a grade structure and price it against salary survey data
- Design salary ranges, progression rules and assimilation policies, and test them with compa-ratio and equal pay analysis
- Present a Grade and Salary Structure Model with its cost to implement to a reward committee

Target Audience

- Reward and compensation managers responsible for pay structures and pay reviews
- HR managers accountable for pay policy and grading decisions
- HR business partners advising line leaders on job levels and salary offers
- Organisation design managers defining job families and career levels
- Finance business partners responsible for payroll cost budgets and headcount plans

Course Outline

Day 1: Reward Strategy and Job Architecture Foundations

- WorldatWork Total Rewards Model and Pay Philosophy Statement
- Pay Positioning Policy: Internal Equity Versus External Competitiveness
- Job Architecture: Job Families, Sub-Families and Career Levels
- Job Analysis Questionnaire and Job Description Template
- Current Pay Structure Diagnostic: Grade Overlap, Compression and Anomalies

Day 2: Job Evaluation Methods

- Non-Analytical Methods: Job Ranking, Paired Comparison and Job Classification
- Hay Guide Chart-Profile Method: Know-How, Problem Solving and Accountability
- Mercer International Position Evaluation IPE Factors and Dimensions
- WTW Global Grading System Factors and Levels
- Gender-Neutral Point-Factor Design Using the ILO Promoting Equity Guide

Day 3: Evaluating Jobs and Building Grades

- Job Evaluation Panel Procedure and Consensus Scoring Record
- Benchmark Job Selection and Evaluation Sign-Off
- Points-to-Grade Conversion and Grade Boundary Setting
- Salary Survey Job Matching and Market Pricing
- Market Pay Line Construction by Regression Analysis

Day 4: Salary Ranges, Anomalies and Pay Equity

- Salary Range Design: Midpoint, Range Spread and Midpoint Progression
- Broadbanding Versus Narrow-Graded Structures
- Compa-Ratio and Range Penetration Analysis
- Red-Circle and Green-Circle Cases and Assimilation Rules
- Equal Pay Review Under ILO Convention No. 100

Day 5: Modelling Build and the Grade and Salary Structure Model

- Evaluated Job Hierarchy Build for a Multi-Sector Case Organisation
 - Grade Structure and Salary Range Model Construction
 - Cost-to-Implement and Payroll Budget Impact Calculation
 - Merit Increase Matrix and Pay Progression Rules
 - Model Defence Before a Reward Committee Panel
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Skills You Will Gain

- Job Architecture Design
- Job Evaluation
- Grade Structure Design
- Market Pricing
- Salary Range Modelling
- Pay Equity Analysis
- Reward Cost Modelling

Why Attend This Course

- Return with a Grade and Salary Structure Model, costed and already defended before a peer reward committee
- Answer "why is this job in this grade?" with evaluation evidence rather than precedent
- See how the leading proprietary evaluation schemes compare before committing to one
- Benchmark grading and pay practice with managers from other sectors and organisation sizes

Conclusion

A salary structure is only as credible as the job evaluation beneath it and the market data used to price it. This course moves from pay philosophy and job architecture, through the principal evaluation methods and panel practice, to grade building, salary ranges and the anomalies and equal pay risks that follow any restructure. The final day brings these steps together in a Grade and Salary Structure Model with its cost to implement, giving participants a defensible basis for the next grading exercise or annual pay review.
