Choosing a pay structure that works for the practice

Sociology

It is pursued to gain vital information used as a basis for the operations of an organization within its needs and goals. To resolve whether the existence of a job is one that is critical for an organization during the appropriation of company resources such as time, money, and manpower - job analysis gives the answer. It is also used to oversee proper internal alignment, finding the right person to do the job. I

Between the three pay structures implemented by organizations across the globe, competency-based pay can be considered most effective in achieving employment satisfaction (Shimko). Because job-based pay is limited to creating a base salary range after the job description and work responsibilities, more often than not the result is stagnant growth for both employee and organization, with the latter not being able to view the potentials of an employee placed in that position, and the former not progressing in terms of a fair share in market value. With skill-based pay, it rests its value solely on the technical know-how of the person regardless of the task at hand. Competency-based pay, however, gears towards the ability to handle the workload by engaging in activities that will enhance and develop skills and knowledge towards accomplishing the task. This then enables the person to learn more and be highly effective - which then increases his or her market value, a strong beneficial point for the employee.

Primarily the job analysis process is dependent on the assessment of the job activities, its worth to the organization, as well as the required knowledge and experience - all of which are factors within the job-based pay structure. The bonus and demerit structure will also be based on the results of the job

analysis.

Traditional research methods in job analysis involve standard questions such as what the job is about, how it should be accomplished, and who is best qualified as a job descriptor. Quantitative research methodology involves going through a strict systematized questionnaire that utilizes a wide range of questions imperative in the job analysis, including job content and context factors, worker and work attributes, and relation to other jobs -the results of which are calculated using a point system. Job analysis can be verified if indeed working towards the company's objectives once growth on the part of both the employer and the employee is imminent.