



Introduction to Job Grading, and the system used at Danshaw.



Job grading is a systematic and objective process of analysing and comparing jobs within an organisation to determine their “relative value”.

The primary purpose is to determine “fair remuneration” structures, to clarify lines of reporting and levels of authority, and to correctly classifying employees according to occupational levels.

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The basic elements in the process of Job Grading:

- **Job analysis and job descriptions** – This is a foundational step that involves determining what a job entails, including its duties, skills, responsibilities, knowledge, and abilities. Accurate, current, and written job descriptions are crucial, as they detail the current key performance areas, levels of authority, reporting relationships, and other decision-making levels.
- **Assessment** – Systematically and consistently assessing job factors relative to the demands of other jobs.
- **Grading / Evaluation** – This is where you classify jobs according to a chosen job grading system, in our case it is the Paterson system. This involves determining the intrinsic value of jobs based on their content and requirements, independent of predetermined remuneration standards, or even the characteristics and performance of the jobholder.
- **Quality assurance and appeals process** – Ensuring the integrity, validity, and reliability of the evaluation system by reviewing results and providing mechanisms for appealing decisions that are perceived as unfair or inconsistent.

The types of bands (Paterson system):

The Paterson Job Evaluation System is the one that we use, combined with the platform **QuikEval**. It primarily measures jobs based on the “decision-making” required of the job, arguing that decision-making is common to all jobs and serves as a fundamental factor for comparison.

The Paterson system defines **6 decision bands (A to F)**, which represents increasing levels of complexity, seniority, and difficulty of decisions.

Beyond these 6 broad bands, the Paterson system further refines the grading:

- **7 Classical Sub-Grades:** Each band, except for Band A, is divided into a supervisory/coordinating part (Upper Grade) and a non-supervisory part (Lower Grade). This creates 7 classical sub-grades, forming the "spine" of the system, which are easy and objective to use for job placement.

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This is an overview of the types of bands in the Paterson system. For the full Paterson Grading, see the appendix.

F

Top management (policy decisions)

Involves framing policy decisions that affect the entire company. Decisions are regarded as “superior” to all others and give the overall direction for the organisation, with wide limits of discretion.

Example: CEO of a holding company.

E

Senior management

Within policy limits, the execution is broadly planned for major functions (such as sales, finance, personnel). This includes establishing capital investments and budgets. Long-term planning at this level affects jobs at the same or lower levels.

Example: CFO of a holding company, General Manager, Managing Director.

D

Professionally qualified / middle management

Limits of discretion are set by the master plan, program, or budget. The interpretive aspect comes from choosing the best decision from a range of possible actions to implement the program within a functional area. These decisions often determine the best use of available manpower, money, and machines to achieve agreed targets.

Example: Finance Manager, HR Manager.

C

Skilled / advanced staff

Once rules and procedures are set by interpretive decisions, execution begins. The employee chooses how to carry out tasks from established processes, practices, systems, trade knowledge, and rules. This level requires qualifications or considerable experience (3+ years) to understand the theoretical and systematic components of the process.

Examples: Program Manager, Portfolio Manager, Team Leader.

B

Semi-skilled / operational staff

Processes are defined, and freedom of choice is restricted to operations. Decisions relate to how to do operations within the job, where and when to carry them out. Basic skills can be taught, but additional experience and practice are needed for an acceptable standard of performance.

Examples: Accounts Clerk, Receptionist, Junior Project Administrator.

A

Basic / primary-skilled staff

Decisions are clearly defined, with little choice for the employee other than the speed of work. The why, where, how, what, and when of the job are decided for them. Equipment and movements are clearly laid down, and deviations make no real difference to the end result.

Examples: General Assistant, Security Guard.

How to identify bands for a specific job:

1. **Band the job** – Based on the job description, the consultant reads and assesses the job's responsibilities, dimensions, and requirements to place it into the appropriate Decision Band (A to F) based on the type and complexity of decisions made. This is the initial and overarching classification. This is what we call the "job evaluation interview".
2. **Grade the job** – Next, determine if the job has supervisory or coordinating tasks. If it does, it is placed in the Coordinating (Upper) part of the Decision Band; otherwise, it's in the Non-coordinating (Lower) part. 'Coordinating' implies responsibility for allocating work, ensuring correctness, and disciplining a team.
3. **Sub-grade the job** – This involves placing the job into a specific sub-grade within its Decision Band. This is now the A1, A2, A3; B1, B2, B3 for Lower Grades and B4, B5 for Upper Grades. This step considers additional criteria such as:
 - a. *Complexity*
 - b. *Pressure of Work*
 - c. *Independence of Operation*
 - d. *Supervision Given*
 - e. *Consequence of Actions/Decision*
 - f. *Competencies Required*
 - g. *Accuracy / Tolerance*
4. **Develop a job family / job evaluation matrix** – This matrix provides a comparative overview of all graded jobs within the organisation, helping to ensure consistency. As an example, Roedie has elaborately mapped this on the whiteboard in the boardroom.

As a final deliverable, the consultant/Danshaw will compile a detailed Job Grade Report, with in-depth explanation on why certain grading and sub-grading were chosen for that job, and then, to wrap things up, an explanation on the Band in which this job is placed.



It is crucial to remember that this assessment focuses solely on the job content, and the job's contribution to the organisation, NOT the individual characteristics, personality, or performance of the employee holding the position.

Note:

1 Appendix:

OCCUPATIONAL LEVELS	Paterson Classic (levels)	Paterson Modern (bands)	ReMeasure ©(points)	Hay Units ©(points)	Hay Decision Tree ©(points)	Peromnes ©(points)	Task © (levels)	JEasy © (levels)	DESCRIPTION
Top Management/ Executives	F+1 – F+5	G Band ¹	300-349	3581-7160		1++			Controls the functional integration of the business. Determines the overall strategy and objectives of the business. Directs the company into the future. The nature of the work and focus is long-term. Sign-off on policy or strategy
	F1 – F5	F Lower-F Upper	250-299	1801-3580	225-275	1 to 1+	23-26	6a-6e	
Senior Management	E1-E5	E Lower-E Upper	200-249	735-1800	175-224	4-2	18-22	5a-5e	Knowledge of entire business area/BU/company or group. Provide inputs for/formulation of the overall Organisational strategy. Translates the overall strategy into business plans for BU/Functional Unit, thereby operationalising organisational strategy. Implements and manages business plan, goals and objectives and ensures the achievement of overall key Organisational/BU/Functional outputs. Manages the development of innovation and change
Professionally Qualified & experienced specialists/mid-management	D1-D5	D Lower-D Upper	150-199	371-734	125-174	7-4	14-18	4a-4e	Professional knowledge of sub-discipline or discipline. Provide input in the formulation of Organisational/Functional Unit business plans. Formulate and implement departmental/team plans that will support the BU business plans. Optimisation of resources (finances, people, material, information and technology) to achieve given objectives in most productive and cost effective way.
Skilled Technical & Academically Qualified/ Junior Management/ Supervisors/ Foremen/ Superintendents	C1-C5	C Lower-C Upper	100-149	192-370	75-124	11-7	9-13	3a-3e	Applies broad knowledge of products, techniques and processes. Evaluates procedures and applies previous experience. A good solution can usually be found. Determines own priorities. What has to be done is stipulated; but may require initiative in terms of how it should be done
Semi-Skilled & discretionary decision-making	B1-B5	B Lower-B Upper	50-99	85-191	25-74	15-11	4-8	2a-2e	Accountable for direct product, process or service quality. Incremental improvement of existing processes and procedures according to clear guidelines. Choosing of correct action on the basis of set standards, training procedures and past experience
Unskilled & defined decision-making	A1-A3	A	20-49	54-84	0-24	19-16	1-3	1a-1c	Steps to accomplish work or processes are clearly defined and understood. Tasks are sometimes repetitive and uncomplicated and the work cycle is short

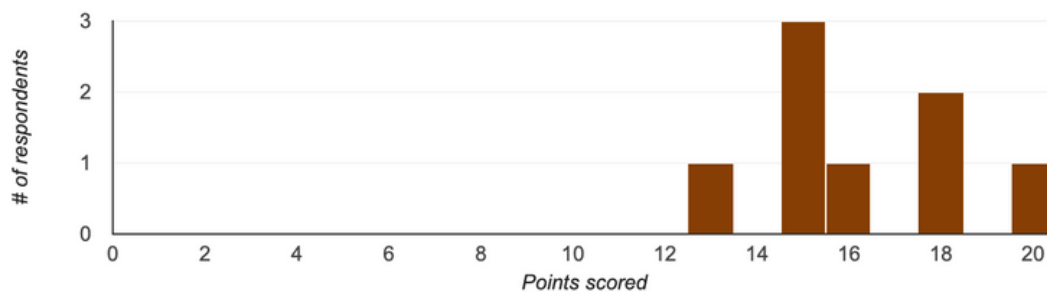
Quiz Insights:

Average
16.25 / 20 points

Median
15 / 20 points

Range
13 - 20 points

Total points distribution

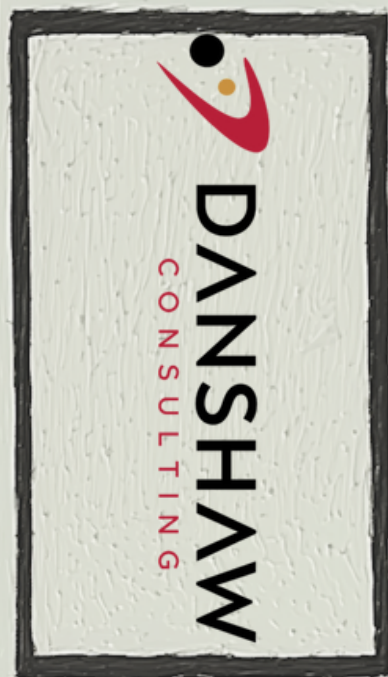


Thanks to everyone who participated in the quiz.

And a **big thank you** to the subject matter experts who explained the topic of Job Grading so thoroughly:

- Jason van Rooyen,
- MaryAnn Dos Santos,
- Roedie Bates, and
- Jaco Jordaan

Great work, team! The results from the Job Grading quiz show a strong overall understanding of the topic!



Job Grading Think Tank

