

Chapter 2: Critical Literature Review

2.1 Introduction

In order to compete in today's economic environment, companies must consistently maintain a productive work environment. Human resource planning (or management) is one of the tools employed by companies to reach their goals and anticipate the needs of the market. Among the tasks of human resource planning is the prediction of the traffic of individuals who may enter or leave an organization, and knowing how best to use them as resources in order for the company to achieve its ends (Marie, Muller and Bezuidenhout, 2006, p.248). Healthcare management systems around the world have taken on an increasingly market driven tone in today's economy. Different services in the healthcare industry such as patient care, insurance, service accessibility, and specialists' care may be treated akin to commodity rather than privilege.

The management of healthcare organizations is a relatively new field of research, which is considerably different and challenging as compared to management in other sectors (Fried, 2000). This may be attributable to the complex nature of the healthcare industry in both public and private sectors (Ozcan and Smith, 1998). According to a theory proposed by Anderson and Black, the deteriorating status of healthcare delivery in the United Kingdom and, in turn, around the world may be attributable to the disproportionate level of care provided to the people. It may also show that within a market delivery system, the people who seek healthcare become consumers who have the choice of buying their own preferential level of healthcare (1997). Thus the prices and level of services in healthcare may become essential to healthcare organizations who may wish to constantly improve the quality of their services while maintaining profitability (D'Aunno, et al., 2000).

It can be concluded that in order for healthcare organizations to maintain a certain level of service, they must rely on a quality workforce to deliver the needed work quality. However, in order for the workforce to do so, careful consideration must also be given to the process of job evaluation and the pay equity system. Enabling the workforce to receive pay which they are due on legal and ethical grounds would invariably improve the standards and quality of healthcare delivery.

It has become important in this new era of globalization for companies to look beyond the traditional process of labor deployment and see how it is undergoing a fast transformation, both in terms of quality and quantity (Lemieux-Charles, et al., 2003). With the advent of information and communication technology, there have been several changes in the models of the work environment which may have made it necessary for both employers and job aspirants to be updated of the various improvements that are replacing older models of office efficiencies (Franco, et al., 2004).

The literature review will focus on the various aspects of the main thesis, seeking to know whether job evaluation really contributes to the implementation of the principles of pay equity in the healthcare organizations. First, a reference will be made to the concept of human resource planning and how it relates to job evaluation and pay equity. This will provide an understanding of the core concepts of job evaluation and pay equity by dissecting, analyzing, and presenting various aspects of job evaluation and pay equity as well as their connections to both the public and private sectors in the healthcare industry.

In this chapter, the differences in the quality of healthcare in various areas around the world will then be discussed, and statistical data will be provided to prove its claims. This will not only provide an outlook of the National Health Service with regard to the

concepts of job evaluation and pay equity; it will also provide information regarding the current standards and quality of healthcare in the United Kingdom through the use of previous studies. This literature review will conclude by showing how these previous studies relate to the main thesis.

2.2 Human Resource Planning

It has become essential to break down the job description in order to attract employees by means of advertising, and to create an analysis of the job that gives the relative worth of employment within an organization. This can facilitate the recruitment of individuals into the company. Recruitment is a process through which the most qualified applicant can be selected in order to be placed in the organization and help it to achieve its goals most effectively (McConnell, 1993, pp.36-37).

The main purpose of this form of management has been to provide conditions that can satisfy future human resource demands for an organization and to nullify any inconsistencies within the interest of the organization's employees. It also attempts to eliminate losses to the company caused by less productivity, absenteeism, ineffective training regimens, and decreased revenue. It has become an integral part of an organization's structure and function due to its relatively low cost and highly effective results (Advisory, Conciliation and Arbitration Service, 2008).

2.3 Job Analysis

One of the most important aspects of human resource management is job analysis. "Job analysis is the process of systematically obtaining information about jobs by determining what the duties, tasks and responsibilities of those jobs are in the context of a specific job" (Marie, Muller and Bezuidenhout, 2006, p.254). What this has essentially entailed is the analysis of the

job's description and distinction from other jobs in order to form a valid hypothesis concerning its evaluation to human resource managers. It is composed of two stages. The first is the compilation of data and the second is the use of this data in the preparation of job descriptions, job specifications, and job standards. When job description is given, it provides a written statement which contains the obligations, capacity, principle and tasks associated with the job. The job specification discusses the qualifications required, including ability, expertise, knowledge, capacity to meet physical and mental demands, as well as aptitude required to complete tasks that would be assigned (Marie, Muller and Bezuidenhout, 2006, pp.254-257; Rowland, 1997, p.456).

The evaluation of a job is different from its analysis; however, both have shared many of the same data functions which have precluded their involvement in the establishment and recruitment of individuals within a company. It is also important to note that although job evaluation and pay equity may be taken as separate entities, they would not be mutually exclusive terms and may not be taken as such.

2.4 Job Evaluation

Keeping serviceable levels and maintaining quality control have become some of the biggest challenges faced by HR managers and supervisors. This has led to the advent of policies and practices that have made the determination of job description, specifications, and resulting pay rates counter-intuitive. Today's market has grown to require a more systematic and objective approach to job placement and responsibility. In turn, it has become equally essential that supervisors have a working knowledge of current laws and methodologies in the decisions related to evaluating performance and thus deciding wages for their employees.

Armstrong and Baron said that “Job evaluation is a systemic process for defining the relative worth of jobs within an organization” (1995). This has been used to conclude that job evaluation is a coordinated plan that has been used to methodologically ascertain data, leading to suitable conclusions. These conclusions have provided the means to conclude the value of various jobs within an organization. These values assess the contribution to the workplace by the specified jobs and not the people themselves. In effect, it would not show the value of the job within the market in which the company has been said to be competing; rather, it would show the hierarchy of the job within the organization. Thus, it is contended that job evaluation does not have any direct link to pay equity when related to the market, but it is used to determine internal equity among other jobs in an organization (Armstrong and Baron, 1995, pp.13-15).

The main purpose of job evaluation has included the following:

- Quantify the constant quantity of job significance in a manner that is understood by everyone
- Involve managers from the commencement until its dispensation and its eventual modification
- Quantify the significance of the job itself and not the individuals who are doing it
- Pertain to broad clusters in functional groups (Armstrong and Baron, 1995, p.16).

2.4.1 Basic Approach

The basic approach toward job evaluation begins with decisions made by the administrative body regarding the nature of the organization. Decisions need to be made concerning the number of jobs required and how many of them need to be evaluated.

Additionally, there have been decisions regarding which schemes need to be employed in these evaluations, whether they must be done on a case-to-case basis or using separate with different

levels of responsibility. Once these decisions are made, the actual methodology of job evaluation is put into place.

The methodology of job evaluation consists of four stages. The first stage is comprised of the collection of data which is directly related to the responsibilities of the job itself and the prerequisites required in order to function effectively within the organization. The second includes the selection of compensable factors which determine the significance of the job within the organization. This is said to include common factors such as ability, effort, familiarity, responsibility, problem-solving ability, accountability, and physical and mental demands. The identification of these factors has been followed by the definition of their significance within the work concerned. The third stage has been argued to be the most essential. It is one where the schemes in the jobs that may be evaluated are discussed (Marie Muller and Bezuidenhout, 2006, p.258; Rowland, 1997, p.456).

There are two scheme types by which jobs are evaluated. They are analytical and non-analytical job evaluation schemes. Analytical schemes have been used to define the extent to which the aforementioned compensable factors may be defined in order to present the relative worth of the job in question. Non-analytical schemes have been employed to ascertain the value of the job without considering such factors or the essential elements of the job being referred to. Other schemes which encompass its broad definition include single factor based schemes, market pricing and management consultants' schemes (Armstrong, Cummins, Hastings and Wood, 2005, pp.4-7).

2.4.2 Analytical Schemes

Analytical schemes are divided into two fundamental methods: the factor comparison and the point method. The factor comparison is a quantitative method that employs the use of the mentioned compensable factors by ranking each one in order of significance in relation to the job at hand. Once each aspect of the job has been ranked, the factors are allotted fiscal merit depending on their importance in the concerned job. However, it has been seen as a cumbersome process since assigning the financial values to these factors in order to translate their worth into actual pay equity can be time consuming (Thorpe and Homan, 2000, p.238).

In the case of the point method, it has been said to be the most widely used method to evaluate jobs. It is based on the same principles as the factor method, but it differs by using the concept of points rather than revenue in order to gauge the importance of the aforementioned compensable factors. A range of points may be assigned to each individual factor, which provides the company the importance of each factor in comparison to another. When the points of these factors are allocated to the aforementioned job, it can be used to arrive at a conclusion regarding the overall hierarchy of the job in question. Once such a hierarchy has been established, the financial value of the job can be ascertained within the chain of command (International Labour Office, 1986, p.80; Solomon, 1997, p.88-89).

An example of this would entail paying more to those above the chain rather than below. This, as previously mentioned, is the most commonly used job evaluation scheme in organizations today. However, although its use provides a secure system over time, it has the weakness of having high administrative costs and it does not prove itself open to practical use within smaller organizations (Berger, 2008, pp.100-104).

2.4.3 Hay Method

The Hay Method of job evaluation is an analytical method developed by the Hay Group that has been the most widely used proprietary method in both public and private sector organizations in Britain for the past 30 years. It was developed by the use of a research program which employed data from several thousand jobs, identifying the key elements which formed a basic relationship to most jobs. The Hay Method may be used to employ the analysis and measurement of three elements, which are know-how, problem solving, and accountability (Poels, 1997, p.57).

The Hay Method further states that these three elements have further sub-elements and are affected by environmental and physical factors. The know-how element consists of an understanding, ability, and aptitude to not only do the job but also to have the ability to employ specialized knowledge related to the work, organize and manage a network of relationships, and keep them established in order to achieve results (Bramham, 1994, p.54). The problem-solving element may show an aptitude to analyze and evaluate a situation and offer suggestions within the boundaries of originality and policy set by the company in question. Finally, accountability includes the responsibility of the individuals within their job set. It may be directly affected by the amount of freedom of the individuals to act within the job and the amount of impact they have on their peers. The factors that can contribute to the performance of these elements, namely the physical and environmental factors, are concerned with the amount of pressure placed on the individuals as well as the working conditions provided for them carry out their daily tasks (The Hay Group, 2009).

2.4.4 Skill-Based Schemes

These schemes are used to determine the various compensable factors required by individuals at various levels. These factors are then equated toward the responsibilities held by individuals within their job description in order to ascertain whether they can carry out their tasks at that level. Thus, in order to ascertain the amount of skill the individual has with regard to the job, various factors are assigned importance within the job description (Cooper and Locke, 2000, pp.18-20).

2.4.5 Market Pricing

Market pricing is a scheme that has been used either individually or in conjunction with other job evaluation schemes in order to ascertain the pay equity within various organizations. This method has employed the use of market appraisals of various jobs in order to fix rates and employ policies within an organization. It should be noted, however, that this is not considered a method of job evaluation in certain academic circles and merely provides a guideline for the pay structure, which may be adopted by various companies. Oftentimes, internal evaluations directly related to analytical schemes may be used in conjunction with this scheme in order to ascertain the pay grade of various employees (Armstrong, Murlis and Group, 2007, pp.139-140; Armstrong, Cummins, Hastings and Wood, 2005, pp.23-25).

2.4.6 Single-Factor Schemes

Single-factor schemes are those that, in accordance with its name, employ the use of one compensable factor in order to evaluate various jobs. There are two methods which may be employed: the first is decision banding and the second is time span of discretion. The decision banding scheme is based on the principle that every job demands a certain standard of decision

making. The hierarchy of the job in question within the organization provides the level of responsibility attributable to various decisions.

Time span of discretion is the maximum amount of time in which an employee may act with anonymity without any authority imposed by the supervisors. The various components of these schemes are dependent on certain variables such as the difficulties of the job itself and the employees' perception of time; thus, this cannot be seen to be feasible in practice (Rees and Porter, 2001, p.154).

2.4.7 Non-Analytical Schemes

As mentioned before, non-analytical schemes have not taken the compensable factors into consideration. Rather, they have compared the entire jobs with each other without considering the factors that provide their makeup. The schemes that may comprise this form of job analysis can consist of four types. The first method may be one of job ranking, which establishes the hierarchy within various jobs (Solomon, 1997, p.83). The second can be paired comparison, which also establishes the ranks of various jobs by using statistical measurements. Job classification is the scheme which establishes a correlation between various jobs and job grades by comparing both. The last scheme is considered to be internal benchmarking in which jobs are compared with benchmarked jobs that have already been graded. These benchmarked jobs are assumed to have been graded correctly and may be used to correlate jobs according to a broad comparison (Treiman, 1979, pp.2-3).

2.4.8 Management Consultant Schemes

Management consultant schemes are various methods of job evaluations, which are developed by external organizations and leased to various industrial, service and public organizations. Once the various schemes detailed above have established the evaluation of

various jobs, the use of benchmark jobs may be employed in order to understand the evaluation of jobs with less obvious qualifications. They may also be used to match these jobs with other organizations in order to establish a market rate for these types of jobs. As mentioned before, benchmarking is also one of the schemes used to evaluate jobs. However, in this case, it may be used to identify a less obvious range of job descriptions.

Once the benchmarking is completed, there may be an exploration of the relative values inherent in various jobs. Characteristic elements such as the relationship with other jobs, level of responsibility, and impact on resources are also considered. The penultimate part of job evaluation is role analysis where the systematic information regarding the role the job requires from the employee may be presented as an answer to a structured questionnaire. Finally, the last portion of the job evaluation establishes pay rates or fixes individual rates for the job in question (Wright, 2004, pp. 54-55).

2.4.9 Compensation Strategy

In order to meet their goals, it is essential for various organizations to adopt strategies that not only meet their goals but also meet the needs of their employees. The compensation strategy is geared toward creating an environment that can attract and keep employees. In order to accomplish this task, the compensation strategy follows four key elements. The first is the compensation philosophy, which is based on an organization's structure and culture. Financial constraints, which show how much the company is willing to compensate its employees, is an element based on the financial situation. The total rewards program details how an organization may reward those who perform well and provides the structure for administering pay. The structure for administering pay may encompass a strategy that allows certain elements to be

managed fairly. Among these strategies include elements such as pay grades, pay ranges, and salary guidelines (Bogardus, 2004, pp. 88-92).

2.5 Legislations in the United Kingdom

2.5.1 Equal Pay Act of 1970

It was not until 1970 when the United Kingdom Parliament passed the Equal Pay Act following the passage of a similar act in the United States in 1963. This act allowed the enforcement of several laws which brought equal rights for treatment and employment of women in the workplace. It modified all existing employment contracts in order to make them more equitable to those of men in the workplace. It also demanded equal value within the workplace for all women as long as their job descriptions are broadly related to those employments held by men. However, these differences must not be of practical importance in the workplace. It was fully legislated on December 29, 1975. It should be noted, however, that although this legislation encompassed equal pay for women, it does not include any proposal for equal pay for minorities who have a much larger pay gap in the United Kingdom than women (United Kingdom Parliament, 1970).

2.5.2 Sex Discrimination Act of 1975

The Sex Discrimination Act of 1975 was an amendment to the Equal Pay Act of 1970. It was created in order to affect laws that prevented both direct and indirect discrimination against women. It was written in various law provisions, which defined discrimination against women in the workplace. It spoke of discrimination as being defined by certain considerations within areas of employment. It could encompass situations in which men had advantages over women in terms of treatment. It also wrote into effect a statute which proposed that discrimination encompassed women not being treated equally to men as long as the number of women who

were under such conditions are considerably lower than the number of men as well as in such cases where they were in larger number than the men (United Kingdom Parliament, 1975).

2.5.3 Equal Value Regulations of 1983

The Equal Value Regulations of 1983 were another significant amendment of the Equal Pay Act of 1970. The original Equal Pay Act was a huge step for the women's civil rights movement in the United Kingdom in the 1970s. It instituted conditions of employment, which specified that women in the workplace must be paid the same as the men as long as their work could be compared to that of men in the workplace. However, the term "like work" within the document created certain difficulties for women who sought equal pay. The term merely specifies that employment pay held by women is comparable to those of men according to their job description and not the standard definition of such work. Employers may have often taken liberties in their compliance with the act's original intent. These regulations passed in 1983 changed this by standardizing women's pay as being comparable to pay over various types of employment (McCrudden, 1983).

2.5.4 Race Relations Act of 1976

This was the first act in the United Kingdom that was solely developed toward Pay Equity for people of different races. The document is notable for defining direct and indirect discrimination in terms of race, ethnic, or national origins. It also passed into legislation proposals that protected such individuals from maltreatment and imposed drawbacks as when compared to other people in the workplace. Such proposals were suggested in the areas of social security, healthcare, social protection, and social advantage. It was further amended in 2003 to include a new definition for indirect discrimination according to the legislation and a new definition of harassment according to a person's race, ethnic, or national background. The new

amendments also removed the size of partnerships that could discriminate against such people and also spoke of the proof required to bring prosecution against charges of discrimination in a court of law (United Kingdom Parliament, 2003).

2.5.5 The Disability Discrimination Act of 1995

This act was passed in 1995 and may have been created to hinder the unlawful discrimination against disabled people in regards to employment, procurement of goods, facilities, services, administration of a property, make stipulations regarding the employment of the disabled, and to establish the National Disability Council. The act not only defined a disabled person as a person who has a disability related to his or her physical or mental functioning that may have a long-term undesirable effect on his or her day to day activities, it also provided regulations for properly defining an individual as being disabled. The act may also be notable for creating proposals to protect disabled people from discrimination in the workplace and ensuring the educational rights of such people. The act also brought in law statutes that formed the National Disability Council (United Kingdom Parliament, 1995). The act was further amended in 2003, adding new definitions for discrimination and harassment as well as imposing fines on employers who undertake such actions. It added several new sections, which specifically speak of proposals forbidding harassment and discrimination of such individuals in the workplace. It also authorized the Disability Rights Commission to enforce such legislation (United Kingdom Parliament, 2003).

2.5.6 The Employment Equality Regulations of 2003

These regulations enacted on December 1, 2003 were created to protect individuals from victimization and harassment due to their sexual orientation by defining the statutes surrounding employment contracts in the United Kingdom. It provides regulations that give details on how

such contracts may be decided. It also provides protection for individuals from sexual discrimination by their employers in the workplace. It has several sections that specify the terms of discrimination in various areas of employment in the United Kingdom and also prohibit discrimination against the procurement of goods, facilities, education, and public services (United Kingdom Parliament, 2003).

2.5.7 The Employment Equality (Age) Regulations 2006

The Employment Equality (Age) Regulations was passed into law in 2006. It protects individuals from harassment and discrimination in the workplace on the grounds of their age. The regulations may not only provide protection for the employee but also for the employer as it establishes regulations regarding age which would allow an employer to keep an employee under contract. It also provides the employee with legislations protecting their pensions and death benefits (United Kingdom Parliament, 2006).

2.5.8 Equality Act of 2006

The Equality Act was passed in January 2007 and was created to provide equity in all areas of employment and services in the United Kingdom. It speaks about outlawing discrimination on the basis of religion or belief and also against discrimination in provision of services due to sexual orientation as well as promoting equity in gender roles in the workplace. The act also proposed the creation of the Equality and Human Rights Commission, which replaced the Commission for Racial Equality and the Equal Opportunities Commission and the Disability Rights Commission (United Kingdom Parliament, 2006).

2.5.9 Equality Act of 2007

The Equality Act of 2007 provides further legislation to prohibit discrimination on grounds of sexual orientation in the procurement of facilities, goods, education, and public

services. It also provides requirements by which standards of discrimination may be addressed and an assertion of unlawful action may be brought before a court of law (United Kingdom Parliament, 2007).

2.5.10 Equality Bill

The Equality Bill is a proposal that has been published in 2009 with the aim of being passed as a law by spring the following year. The goal behind this bill may be to merge the framework for discrimination legislation in the United Kingdom as well as tackle problems with equality and discrimination, which continue to persevere. The bill not only harmonizes previous legislations, it also provides proposals to lessen socioeconomic boundaries and gender pay gap using public services to improve equality and changing definitions of discrimination and harassment to include a much broader viewpoint (Government Equalities Office, 2009).

2.6 Link of Pay Equity to Job Evaluation

As mentioned before, Job Evaluation and Pay Equity are not mutually exclusive concepts. Rather, they are part of the same process of wage determination within organizations. The importance of job evaluation may be directly related to the establishment of Pay Equity. Job evaluations are essential to the determination of both internal and external equity. Internal equity is the value of the job within the organization according to an established internal hierarchy while the external equity is the comparison of internal equity to market rates. Generally, the compensation plans for jobs within organizations are set according to the internal or external equity rates. Thus, those individuals in a managerial position may be paid more than those in a candidate position. It may follow that the financial revenue of the organization is dependent on the increasing or decreasing number of employees (Caruth and Handlogten, 2001).

2.6.1 Outlier

Occasionally, there will be certain occupations that have higher or lower compensation rates due to market demand thus causing the underpayment or overpayment of such individuals. Such occupations are known as outliers. Outliers may not be affected by market rates and are more prone to compensation rates decided by internal equity. Hence, it is important to give consideration to the fact that certain professions have a high and low outlier due to a higher or lower number of candidates respectively. An example of a high outlier would be of physicians practicing cardiac surgery who tend to be overpaid and one of low outlier being nurses who tend to be underpaid (Solomon, 1997).

2.6.2 Incentive Plans

Incentive plans are those in which an employee may receive some form of bonus due to an increase in performance judged by pre-decided indicators. Incentive plans have generally been seen as essential in organizations in order to achieve integration among staff. The application of such incentives may be in the form of annual leave, payment rates, sickness policy, improving working lives initiatives, flexible working initiatives, and the overall terms and conditions of employment (Solomon, 1997, pp.95-99).

2.6.3 Pay for Performance

Pay for performance refers to the implementation of a new organizational structure, which has been adopted by the Health Maintenance Organizations in the United States and the National Health Service in the United Kingdom within the last 10 years. The pay for performance plan is used to decide internal equity within these public organizations using performance indicators similar to those used in incentive plans. A 2007 annual survey conducted

by Hewitt Associates found that 90 percent of companies in the United States use some form of pay for performance program (Berger, 2008, p.544; Kovner, Knickman and Jonas, 2008, p.423).

2.7 Job Evaluation and Pay Equity in Private Sector Health Organizations

In order to construct a compensation plan, which may include considerations for job evaluation and pay equity private hospitals and organizations, companies may delegate such work to a consultant. However, it should be noted that companies who undertake the decision to outsource their compensation concerns merely delegate the process of data collection, published wages, and salary surveys. All administrative decisions are undertaken within the organization. Two systems which are most commonly employed for job evaluations in private sector health organizations are point systems and the Hay Method. A survey of 316 companies, of which 55 percent were from the private sector, found that 32 percent of the private sector companies that used a job evaluation system used the point systems while 68 percent used the Hay Method (Armstrong and Baron, 1995, pp. 279-84).

2.8 Job Evaluation and Pay Equity in Public Sector Health Organizations

Compensation plans, job evaluation, and pay equity in public healthcare organizations are usually decided by the use of alliances and networking between different hospitals. Thus, they may conduct their own evaluations of internal equity in order to ascertain the pay rate. They can do this by employing a joint task force, which can identify several performance factors directly related to different professions within the medical industry. The other method to accomplish this internal evaluation is for individual hospitals to employ a point plan in order to form their own database for job analysis and evaluation. The difference between these two methods is that by employing a taskforce, public health organizations can employ standard pay grades for different occupations while the hospital job evaluations can provide information to establish individual

hospital pay grades. The system that is most commonly employed in public sector health organizations is the Hay Method. A survey of 316 companies, of which 66 percent were from the public, found that 32 percent of the public sector companies that used a job evaluation system used the point systems while 68 percent used the Hay Method (Armstrong and Baron, 1995, pp.279-284).

2.9 Quality of Health Care in Private and Public Health Care Organizations

In order to assess the effectiveness of private and public healthcare organizations, it is important to use quality of care as one of the measures of assessment. Implementation of performance measures and the use of these results are essential in order to promote the best healthcare standards. This is essential in attaining patient and physician satisfaction (Tooker, 2005). In China, arguments against the quality of care have actually resulted in the legislation banning private practice in rural areas. They have provided data which shows that the level of private care is lower than that of public institutions since they are not geared toward promoting preventative care (Meng, Liu and Shi, 2000).

On the other hand, in Africa, it has been found that private healthcare providers are the most important sources of healthcare and pharmaceutical needs in the country. However, its public health sector is severely lacking in proper funding and providing benefits for its constituents (Prata, Montagu and Jefferys, 2005). Another study conducted in middle- and low-income countries found that there is a growing concern over the guidelines and protocols established by local pharmacies despite their importance in promoting healthcare (Smith, 2009).

Another comparative performance survey conducted in Sierra Leone found that the workforce in government hospitals to maintain a higher level of HIV-infected supplies in comparison to private hospitals due to a shortage of knowledge and resources among the

population (Kingham, Kamara, Daoh, Kabbia and Kushner, 2009). In order to maintain the quality of healthcare in several countries, the decentralization of the healthcare delivery and financial system has been recommended in order to cut costs without impacting the quality of care provided. Decentralization refers to separate entities assuming responsibility for both these institutions in an effort to create better performance levels (Geyndt, 1994, p.55).

2.10 Working Conditions in Private and Public Health Care Organizations

Companies in private and public healthcare organizations are constantly trying to improve working conditions and environment for their staff as one of the incentives for their continued performance at work. With the increasingly deteriorating world economy, there have been apprehensions regarding the quality of work life in the public sector. This is especially true considering the increasing practice of non-permanent employment (Virtanen, et al., 2006). There has been a growing concern within the public sector, however, of the increasing privatization of hospitals due to financial incentives. There are concerns within the healthcare industry that with increasing privatization of healthcare, the call for individual contracts within the public sector will cause the equal pay for work aspect to disappear and affect the rights and dignity of medical practitioners (Soumeli and Nergaard, 2002). However, there is evidence that there is a greater deal of stability in the public sector compared to the private sector and that if public organizations paid wages that were comparable to those in the private sector, it would increase employment in said sector (Bellante and Link, 1981).

2.11 Public-Private Partnerships

Before this aspect of the healthcare system is delved into, it is important to first consider what public-private partnerships actually are. Public private partnership rather than be defined as privatization of certain aspects of public sector healthcare may actually be an undertaking by

both sectors in order to share the responsibilities of a task in order to reach a successful outcome. Perhaps, the most prolific example of this system is in Africa, where the public sector healthcare does not have many inroads into the African population and thus, cannot effectively deliver unto them the medicines and healthcare they would require to survive. In order to resolve this problem, the government is using its partnership with companies in the private sector to ensure that there is a wider distribution net not only for pharmaceuticals but also for healthcare among its people (Widdus, 2001). Other partnerships in recent years have included the medicine and reason project in Austria, which was created to provide flyers with disease and treatment options for patients as well as an online component with the same information accessible, along with guidelines for doctors. The project printed 260,000 flyers and provided 18,000 guidelines, all at a reasonable price. Another project from Denmark known as the Infomatum has an objective to increase the existing standard of knowledge of doctors regarding medicines so that they may make better decisions regarding their patients. To date, a website along with a book has been created in order to complete this task (Pharmaceutical Forum, 2008).

2.12 National Health Service

The National Health Service was launched 60 years ago and is currently the world's largest publicly-funded health service under the Department of Health. It operates upon the ideal of free universal healthcare and is open to 60 million residents of the United Kingdom. The name of the National Health Service may be used in reference to four public sector healthcare organizations in the United Kingdom. The system of NHS operates not only in England but also in Northern Ireland, Scotland and Wales. Each of the system operates without a central body, meaning, they are autonomous from each other and is politically attached to its respective government. It does not discriminate against any individual in terms of services in the

United Kingdom. Any resident who is a member of the National Health Service may receive treatment in another.

The NHS is known to employ more than 1.5 million people in the United Kingdom. 1.3 million of these individuals are situated in England. It hires 90,000 hospital doctors, 35,000 general practitioners (GPs), 400,000 nurses, and 16,000 ambulance staff who cater to patients in England, Scotland, Wales, and Northern Ireland. On a 36-hour average, the system deals with 1 million people, with each general practitioner treating 140 patients every week on average. It spends 60 percent of its budget to pay the staff and 20 percent on drugs, with the rest being used for various reasons such as equipment or training (National Health Service, 2009).

Currently, there is an allocation of one hundred and £64 billion pounds to the National Health Service between 2009 and 2011, of which £80 billion will be used in 2009-10, and £84 billion will be used in 2010-11. It has recently established a new agreement in November 2008 with successful negotiation of the new Pharmaceutical Price Regulation Scheme. This scheme will save their companies' funds to the tune of 350 million pounds a year in 2009-10 and 550 million pounds thereafter.

Although the National Health Service was originally established as a free universal healthcare system, it has since been systematically started to become more privatized and has dismantled various health services. Due to their increased capital spending in the 1970s and increased financial losses in the '90s, the NHS changed their modus operandi and became more business-like. It has consulted its staff and general practitioners to act more like businessmen rather than doctors offering free healthcare. The original concept of service integration and cost sharing disappeared and the current organization adopts a more case by case based policy (Pollock, 2004, pp.1-46).

In 2008, the National Health Service began an expansion of its patient choice program based on survey, which showed that an overwhelming number of patients, 65 percent, wanted choice of treatment. This program entails that patients would be given a choice which specialist they wished to see within any hospital covered by the National Health Service, and they may choose between being treated by private hospitals as well as National Health Service providers. These choices would not be applicable when it comes to maternity issues and mental health (Department of Health, 2009). The National Health Service currently provides several services including those related to doctors, hospitals, social care, opticians, minor injuries and walk-in centers.

2.13 The Constitution

The National Health Service Constitution was published on the 21st of January 2009 and established the principles and values of the National Health Service. It provides for the first time in its history guidelines for what its patients, staff, and the general public can expect from the healthcare system. It also provides guidelines regarding rights and responsibilities of the patients and staff affiliated with the National Health Service.

The National Health Service Constitution provides seven key principles which are said to embody the guiding values of the NHS. They are as follows:

- Provision of comprehensive health services to all individuals regardless of age, gender, race, disability, sexual orientation, religion, or belief. It further speaks of its duties regarding the promotion of equality in its services and providing improvements in sectors which require it
- Provision of health services according to need, not payment, with an emphasis on free healthcare

- Provision of the highest standards of healthcare, with an emphasis on training and management toward achieving said goals
- Provision of services according to the preferences of the patients, their families or those who take care of them
- Working with private, public, and third sector organizations to provide improvements in healthcare for the interests of their patients
- Providing the best healthcare indicative of public funding
- Accepting accountability for its decisions regarding the organization and the patients and the communities it serves (Department of Health, 2009).

2.14 Previous Studies

A survey conducted by the job evaluation handbook of approximately 1,000 organizations concerning their job evaluation methods had a response rate of 33 percent with 316 organizations responding. According to the book, 24 percent of the respondents were from the public sector, 33 percent from the private manufacturing sector, 36 percent were from the voluntary sector, and 7 percent were described as being from another sector altogether. The survey showed that 59 percent of these organizations employed 500 people or more, 32 percent employed between 100 and 499 people, and 8 percent employed between 50 and 99 people, with 1 percent employing less than 50 people (Armstrong and Baron, 1995, pp.13-35).

Of these respondents, a total of 55 percent were found to use job evaluation techniques. Of these, 66 percent were in the public sector, 52 percent were in the private sector, and 55 percent were respondents who described themselves as being from another sector.

Among the ones who said they did not use a proprietary system, the point's factor rating classification scheme was said to be widely used. However, 34 percent said that they had to customize the scheme for their own uses.

According to the answers provided by the questionnaire, 68 percent of them used a proprietary brand scheme of which the Hay Guide Chart was the most popularly used at 78 percent of the respondents at some or all levels of their organization. Forty-six percent of respondents said they used the Hay Guide Chart at a managerial level while 28 percent said they used it at all levels of their organization (The Hay Group, 2009).

Among the respondents who did not use job evaluation, 41 percent said they used supervisory judgment in these cases. While 36 percent made use of market rates, 26 percent said they used skill-based systems. Moreover, 14 percent used pay statistics and 12 percent cited union negotiations. Six percent cited individual negotiations, and finally, 6 percent said they used other means to decide the pay rate of their staff. Among these, 45 percent did not use job evaluation techniques, and 22 percent cited plans to implement such a system in order to establish a fair and balanced pay rate. Sixty-one percent of these individuals purported to establish their own customized scheme of job evaluation while 19 percent said they would employ proprietary systems in this case. Sixty-five percent of the respondents said they were satisfied with their current job evaluation scheme, with 21 percent expressing some dissatisfaction and only 4% being completely dissatisfied (Armstrong and Baron, 1995, pp.279-84).

According to the Department of Health, the biggest constraint facing the National Health Service today is the shortage of human resources (Department of Health, 2000). With the increasingly rising demand for healthcare, surveys have shown that the National Health Service

is experiencing one of the worst shortage of nurses in its history. The survey found a fall of 26 percent in qualified nurses between 1990 and 1998. Additional information from the survey showed that the biggest issues facing the organization involve the retention of nurses who have already been recruited (Newman, Maylor and Chansarkar, 2002).

According to Humphrey and Ehrich, when they studied the real-world implications of the policies set by the National Health Service, they found that the policies of the National Health Service directly impacted human resource management and had a direct effect on the standard of care despite not being intended for such a purpose. The article also stated that the long-term effects of such policies are vague due to effects detailed previously (2003).

A survey by Newman, Maylor and Chansarkar found that the Health Service had considerable difficulties retaining nurses of Grade D and E. Grade D refers to those nurses who are responsible for direct care and Grade E nurses are considered as replacements for Grade G nurses as well as providing direct care. Grade E is considered senior to Grade D. Reasonings behind the fall in retention included but were not limited to longer working hours, heavy workloads, staff shortages, inability to finish work at the end of shifts, overtime work not rewarded, lack of funds for training, vacancies not being filled, and a fostering of a culture where nurses pay for their own training. The survey further found that job satisfaction was the number one reason for retention among nurses with job characteristics and personal motivations taking subsequent places (Newman, Maylor and Chansarkar, 2002).

Another study on the methods employed by the National Health Service to benchmark its various institutions found that the main method used by the NHS to gauge performance was a balanced scorecard. This balanced scorecard not only acted as an indicator of performance, but also provided a framework for future financial growth (Chang, 2007).

However, the study found that this scorecard was not viable as a strategic management tool since it does not take into account the various goals of healthcare organizations. The study also found that the scorecard did not serve the public trust, rather, was more politically motivated and cited targets for delivery of healthcare which were unfeasible and did not significantly impact local operations or performance. Instead, it merely created perceived performance levels from its various constituents in order for the NHS to secure its various shareholders and thus its monetary concerns (Chang, 2007).

Within these performance evaluations are also proposals for clinical governance of doctors, which have been perceived by doctors in the National Health Service as being an imposition rather than a prospect. They see such governance as a compulsion put upon them rather than an opportunity (Som, 2005). Another study showed that the fault may not lie in clinical governance of doctors but rather in the management which does not have the skills or training to engage with their colleagues (Davies, 2006).

2.14.1 Job Evaluation in the National Health Service

After the Second World War and the formation of the National Health Service, there was no formal job evaluation or pay equity system in place within the organization. The negotiations for pay structures would be primarily handled by bargaining on a case by case basis and would remain relatively unchanged for the next 40 years. The General Whitley Council and several other committees and sub-committees were responsible for these negotiations.

It was only thereafter that in the 1930s when the NHS abandoned the bargaining structure and introduced a system of clinical grading. One of the most well-known forms of this system was the type that was attributed to nurses and midwives. The grading system used grades A to I to gauge the skills and competency of various nurses. This methodology was similar to the job

evaluation analytical scheme known as the point method. Much like the point method, the grading system used various factors inherent to nursing or any other position in an effort to form a financial hierarchy within its hospitals.

The establishment of such grading practices was followed by the introduction of independent pay reviews in 1971. These pay reviews held a similarity to the market pricing scheme as it took information from various sources and using this recommended pay increases. It also used these sources to do various job analyses and to form various job descriptions. Despite this, certain staff continued to use bargaining in order to increase their pay grades.

It was not until 1992 that the NHS introduced new grading and pay structures which were based on existing job evaluation systems. One of the systems this structure was based on was the Hay System, which was purported to be one of the most widely used evaluation systems in the world. Once the new system was in effect, discrepancies emerged in salaries between individuals with the same job description but differing in occupational backgrounds. Problems with establishing pay grades also cropped up and this led to low pay grades in the National Health Service, leading to problems with employment and retention of individuals. It can be clearly seen through this that the National Health Service at this time did not only have a compensation strategy for its employees, but had also not fully implemented any job evaluation system, leading to unequal pay among its employees. Thus, inevitably, the path to the decentralization and increased privatization of the National Health Service was paved (Department of Health, 2004).

2.14.2 Pay Equity

Before the inception of the Pay Equity Act of 1970, the female medical staffs were paid lower rates than their male colleagues despite equal pay being promised by The Royal Commission on Equal Pay in 1948. As mentioned above, although the Equal Pay Act made such

gender gaps illegal, the concept of “like work” or similar work under a job evaluation scheme restricted the effect of such laws in healthcare. It was not until 1984 that an amendment to this act considered that women could carry out work of equal value as their male counterparts. Currently, the National Health Service has a single-job evaluation scheme, which supports a review of their pay policies. They have created three pay hierarchies that cover doctors and dentists, professional groups, and remaining non-pay body staff (Department of Health, 2004).

2.14.3 First Job Evaluation Working Party

Created in the mid-1990s, the First Job Evaluation Working Party was to review various job evaluation techniques and to develop a “kitemarking” system in order to meet equality standards set by the health reform legislation in 1992. Through kitemarking, they would use a number of schemes within the National Health Service in order to determine which one of them functions best.

Not only did this committee wish to find a job evaluation scheme that would meet all the criteria of the National Health Service but also employ a system that would ensure that there was no discrimination among its employees. The findings of these tests showed that not all criteria would be met by kitemarking schemes. It was decided that the only way for the National Health Service to achieve its criteria would be to tailor its own schemes according to its own specifications (Department of Health, 2004).

2.14.4 Agenda for Change Proposals

In 1999, the National Health Service, in an effort to modernize its pay structure published a set of proposals known as the Agenda for Change, which proposed a single-job evaluation scheme to cover all employments in the National Health Service and using it in order to review payment plans as well as other terms and conditions for their health service employees.

Following the publishing of this paper, the National Health Service reformed the Job Evaluation Working Party to create a new job evaluation and payment structure for their organization. In order to accomplish this, they first identified the key factors that were central to any work associated with the National Health Service. Once they identified these draft factors, they refined them by means of a questionnaire and then set “draft levels of demand” for each factor. These draft levels were then used to create a specific questionnaire, which was reviewed by job analysts to ensure their accuracy. Then, results of this survey were input into a computer database, and the results of the scoring were used to match them to jobs which would be suitable. This was continued to be developed over time. This development includes the use of computerization in order to automate the job evaluation system (Department of Health, 2004).

2.14.5 Equality Features of the Scheme

In order to ensure equality in its job evaluation scheme, the National Health Service certified that there were certain characteristics in its construct. The features which promote equality in this system are as follows:

- There were a significant number of factors being considered.
- There was an inclusion of specified factors in order to ensure that jobs, which are predominantly occupied by the female gender such as nursing, are fairly measured.
- A conscious avoidance of the use of the factor level definitions in defining the skills of an individual and thus operating in a discriminatory manner.
- The scoring and weight portion of the evaluation are fabricated in order to reflect the principles of gender neutrality. It is also to ensure that no responsibility factor is given preference over another.

- A detailed overview of the matching procedure was also taken in order to ensure that all the jobs being evaluated were done according to the national benchmarks associated with them.
- Insurance that there is no bias within the process.
- The use of a thorough job analysis questionnaire in order to make all pertinent information was made available for local examinations (Department of Health, 2004).

2.14.6 Job Evaluation in the National Health Service

The current job evaluation structure of the National Health System is based upon a mixture of the Point and Hay's Method. The job evaluation measured various factors that were used to conclude further based on the skill level of the individual in the given factor and the nature of the factors being measured. The factors which encompassed the job evaluation included communication and relationship skill, knowledge, training and experience, analytical and judgmental skills, planning and organizational skills, physical skills, responsibilities for the care of the patient, policy and service responsibility implementation, financial and physical resources as well as for human and information resources. Other factors included the freedom for research and development as well as the freedom to act, the physical, mental and emotional effort and finally the working conditions available (Department of Health, 2004).

2.14.7 Current Job Evaluation Structure

With the inception of the agenda for change, the National Health Service instituted eight pay bands within the organization. These pay bands are gauges for financial incentives within the organization, which are attributed to various individuals on the basis of the National Health Service Job Evaluation Scheme.

This job evaluation scheme begins with collaboration between the Department of Health and various representative unions. The two parties endeavor to work together to ensure that the job evaluation scheme is equitable to both the company and its employees.

At first, employees will be asked to complete a job analysis questionnaire that gives consideration to certain specific job-profiling factors (Department of Health, 2003). These factors have been pre-decided within the job evaluation scheme along with the questionnaire that will assess them. The job factors which are profiled include the following:

- Interaction Skills
- Experience, Expertise and Education Received
- Investigative and Reasoning Skills
- Preparatory and Managerial Skills
- Physical Skills
- Accountability for Patient Care
- Accountability for Strategy and Service Developmental Implementation
- Accountability for Monetary and Physical Resources
- Accountability for Human Resource Management
- Accountability for Research and Development
- Liberty to take Action
- Physical Effort
- Mental Effort
- Emotional Effort
- Working Environment

Once the questionnaire has been completed, it is then assessed by a job evaluation committee, which creates a job profile for the post in question based on the answers given in the questionnaire. This job profile may be further altered according to the requirements of the staff where it is being implemented. The creation of the job profile can follow nationally established guidelines along with changes that may be made locally to the job framework.

Aside from the factors that were considered above, there are also other factors which are taken into consideration in the questionnaire. These factors are directly related to the working conditions within the post in question. These factors can range from level 1 to level 5. Level 1 gives consideration to occasional exposure to unpleasant or dangerous working conditions, while level 5 gives consideration to frequent exposure to such hazardous working conditions.

The completion of the initial profile allows it to be considered by various agencies and parties until changes can be implemented, which give it more recognizable features of the post in question. Thus, the creation of the job posting is a combination of organizational, personal and specific job descriptions (Savage, 2004).

2.15 Critical Article Analysis

2.15.1 Job evaluation for clinical nursing by implementing the NHS JE system

This study focuses on evaluating all the clinical nursing jobs that implement the NHS job evaluation system in four hospitals. The aspects of job evaluation are used by many organizations and job evaluation is considered as systematic procedures that are actually designed to know the relative worth of a job. It is a measurement between the worth of the job and wages (Kahya and Oral, 2007). Different organizations of the world have adopted this phenomenon, and the ultimate role of job evaluation is salary administration. The National Health System was developed in UK and initiated by the Department of Health. In the healthcare

system, this job evaluation system is considered as a significant change in the last few years. A number of 13 national nursing jobs in the nursing service arena are associated with NHS JE system. The common jobs in the nursing circle like nurse specialists, nurse team leader, and nurse team manager among others are evaluated through this system. This system strengthens up the human resource system of an organization and this NHS system strengthens up the HR systems of hospitals.

The NHS JE is considered as one of the most viable changes in the nursing sector (Kahya and Oral, 2007). This system changes the conventional methods of pays and the career structure, payment scales and the condition of employment. There are about 16 factors on which the NHS JE system evaluates. These factors are classified into five groups which are skills, responsibility, freedom to act, responsibility, effort and the working conditions. Different factors are allocated to these groups. Besides that, certain weights are also allocated to these groups which are 48 percent, 42 percent, 7.5 percent, and 2.5 percent. In this system, there are certain job scores that are calculated and they range from 340-385 points for the nursing job. Furthermore, there are certain bands that are linked to the points and the range of these points and band are given below:

Band 1= 0-160 points

Band 2=161-215 points

Band 3=216-270 points

*There are 9 bands. Only 3 are discussed here.

Strategists suggest that the element of job evaluation can be conducted through two different processes (Kahya and Oral, 2007). These two processes are matching and local evaluation. Similarly, these two processes are further divided as the matching process involves

three stages. The first one is the 44-page questionnaire of job analysis, seeking the assistance from the line manager and reviewing the questionnaire.

The NHS system has been reviewed extensively by different experts and is accepted in different parts of the world. However, it has also been agreed upon by different analysts that this system is fit for the purpose. The second edition of this system was published in the year 2004.

A total of 13 job titles are used in the nursing services and these service categories are linked with the meaning to staff in terms of career development and are associated with the nursing profession. The ultimate aim of this study is to score all the nursing jobs in the study hospitals (Kahya and Oral, 2007). Therefore, it can be said that the NHS system is appropriate. This case study was developed in four hospitals and the procedure includes: 1) selecting the job category; 2) gaining the information using the job analysis; 3) evaluating and the scoring the jobs; and 4) comparing the job scores. Similarly, the participants who took part in this project are nurses and their supervisor who belong to regional and local hospitals. Among the entire population, 158 nurses were sampled in this research. A questionnaire was used to collect the data, and the questionnaire was designed with the factor headings of NHS. However, the response rate of the questionnaire was 79.11 percent, and certain questionnaires were cancelled because of contradictory comments (Kahya and Oral, 2007).

In order to attain the results, the questionnaires were analyzed through different factors and preference was given to a particular given factor. The differences of views were resolved through the superior nurses. When proper consensus level was achieved, an appropriate level was applied to every relevant factor. The results were repeatedly checked for consistency, and against NHS and other relevant jobs. However, disagreements in the study were quite rare and all the evaluation processes took a total of three months to complete (Kahya and Oral, 2007). The

results were calculated for all the fields related to the nursing profession, and the results for nurse team leader and nurse team manager were calculated through this approach.

This research analyzed around 94 jobs in the clinic categories and these categories are placed in four hospitals that are located outside the UK. This can also be concluded that pay bands are quite different within the different jobs of the nurses. However, it is also evaluated that it is not difficult to match the jobs of clinical nursing in a healthcare organization. It has also been evaluated that NHS JE systems have certain flaws such as the weights being improperly devised such that the results achieved are not accurate. Some aspects are given more weight age and this causes difficulty in evaluating. Similarly, the responsibilities of the staff management would focus on two dimensions and these dimensions are: 1) the number of staff to be managed and 2) the depth of professional knowledge. However, the NHS JE does not include the variations that are present in staff management (Kahya and Oral, 2007).

Thus, in a nutshell, it can be said that NHS JE is considered as the most appropriate and robust system available in the recent years, besides its faults and repercussions. The benefits of NHS are wide and varied and they supersede the flaws. This is the reason why it is regarded as the one of the best and most viable job evaluation system over the years (Kahya and Oral, 2007). Although the flaws are a major concern of NHS JE, analysts and strategists believe that the issues attached to NHS JE would be resolved after some years.

2.15.2 Job and Work Evaluation

Job evaluation systems are considered to be an important system in every organization, and the human resource department usually puts great emphasis on job evaluation system. However, they are more common in the private sector and have come under serious attack in the public sector. In the public sector, the criticisms are ranging from favoritism to organizational

politics (Heneman, 2003). The ultimate purpose of this review is to help the human resource professionals of the public sector and train them to avoid using job evaluation systems for compensation purposes. The collected literature review is more on work evaluation, a concept which is broader than job evaluation. It incorporates different aspects in an organization's setup such as the evaluation of competencies, roles, and work. However, it is believed that the current techniques that are associated with job evaluation should be changed and must be aligned with the changing nature of the work (Heneman, 2003). It can be said that job evaluation techniques must be aligned with the work evaluation techniques so that the organizations, especially those in the public sector, will benefit in both the short and the long run.

The methods that are associated with job evaluation are quite common, such as classification, while the less known methods are market pricing, and so on. However, there are two approaches that are involved in the work evaluation method: single and multiple standards for work evaluation (Heneman, 2003). The single standards are in comparison with marketing pricing, banding, and ranking, as far as other jobs are concerned. Similarly, the written standards that are associated with it are classification and single-factor plans. In the same way as multiple approaches, the comparisons for other jobs are factor comparisons, and point factor system and competencies for written standards. These phenomena are discussed in the paragraphs below. Ranking is considered as the most straightforward method used in work evaluation. In this phenomenon, jobs, teams, and individuals are ranked on the basis of different factors. In this approach, each entity is compared with the other entity, and the basis of comparison is the value to the organization. The advantages of this approach are that it requires less time, it is simple to use, and requires minimum amount of administration (Heneman, 2003). However, the disadvantages of this approach are that the criteria for evaluation is not understood, the ranking

between the evaluators are not comparable with each other, there is a huge possibility of biasness, and inequity may enter the system.

The market pricing system stresses on the external markets which include jobs, teams, and groups, which are factors compared with internal aspects. However, careful measures must be taken in order to make sure that jobs are comparable with each other. The advantages of this approach are its quick procedures in the job market, the market facing validity of employees, and market data being available in abundance (Heneman, 2003). Similarly, the disadvantages of this approach are measurement and sampling errors, the difficulty in locating market data, and possible discriminatory practices.

Another system that is widely used in the job evaluation is banding and it takes place when the jobs are grouped together and certain bands are formed. These groups are arranged in ranks and are placed in different bands. The advantages of this approach are that it is easy to produce, it allows the organization to be flexible, and minimum administration is required in it. However, the disadvantages of this method are that differences among groups can be ignored and it may invite different inequity perceptions (Heneman, 2003). The classification method defines the value of the people and the work with the written standards. The factors are classified in this process and evaluation is done on the basis of classification. The advantages of this method are its easy formation of structure, the explicit values designed in this process, among others. However, the disadvantages of this approach are that it creates hierarchies within organizations and it requires extensive amount of administration. Besides those, there are certain other systems such as point factor system, factor comparisons, competencies, and so on.

There are certain major perspectives that are involved in this research which are critically developed to conduct the entire research and frame its literature. These major perspectives are

traditionalists, realists, strategists, market advocates, social reality perspective, the development of organization, competencies, and so on (Heneman, 2003). However, the work evaluation factors are closely related to certain aspects: evaluator characteristics, evaluate characteristics, environmental conditions, organizational conditions, and work evaluation outcomes. Similarly, the work evaluation process relates the work with work analysis, and work description with work evaluation and hierarchy of work.

Therefore, it can be concluded that there has not been enough research on this aspect of work evaluation but in the current scenario of the rising trends of human resource management organizations stressing on work evaluation and job evaluation. In this way, the job of an individual can be easily analyzed. Therefore, it can be said that work evaluation is not static, but is an ongoing process. Work evaluation can be a viable source of competitive advantage for the organization in both the short and the long run (Heneman, 2003). The stress is on the phenomenon that jobs still exist in the market place and people are willing to do these jobs. Numerous processes are involved in job evaluation, and power influences the decision of organizations. However, there are many evaluation systems, most of which are not evaluated, creating a gap between the employer and the employee. However, it can be said that job evaluations and work evaluation techniques are quite viable in both the short and the long run.

2.15.3 First Steps of the Journey: Job Evaluation for Agenda for Change

First Steps of the Journey: Job Evaluation for Agenda for Change by Angela Watts and Simon Green was the next article to be analyzed in the context of this study. The article was published in 2004 in volume 10 of the *Nursing Management Journal*. According to the authors, job evaluation is a primary concern for trusts. The authors believed that if pay modernization was to be effectively introduced, it would have to rest heavily on job evaluation systems. The article

began by providing a basic insight into job evaluation, and proceeded by introducing the NHS (Watts and Green, 2004). However, it was observed that the authors chose to subject the NHS to a critical perspective since they expressed that the NHS Job Evaluation System was still in a testing phase and it would be too early to consider it an outright success.

The authors were of the opinion that the NHS Job Evaluation was based on the degree of validity of the knowledge, skills, and experiences that a person held. The authors further elaborated that in consideration of the fact that these three categories were far too broad to perform an effective job evaluation, they had been broken down further into a total of 16 factors that were considered at the time of the job evaluation. It was established that each job is evaluated and is assigned a quantitative measure that is then used to judge the exact remuneration that a person holding the job should receive (Watts and Green, 2004). Generally, the quantitative measure assigned is based on the analysis of the 16 factors with respect to the job as it is positioned alongside its supplementing job.

The article was quite different from other articles analyzed in the study as the authors chose to shed light on the actual processes that were undertaken by the evaluators in carrying out job evaluation. It was established that matching and local evaluations are two techniques used by job evaluators. In a brief elaboration on the two job evaluation techniques, it was presented that in cases where the specifications, responsibilities, and requirements of a job match that of another job, the pay scale of the job under consideration is matched with the pay scale of the job to which it is similar (Watts and Green, 2004). In the case where the pay of the job under consideration is not similar to any other job to which it can be matched, then the job is evaluated locally.

The authors highlighted the fact that matching is used more often than it is credited in job evaluation. They highlighted that although it would be pointless to ignore the fact that the debate for the determination of the authenticity of matching is still ongoing, it can be agreed upon that in cases such as those of nurses working on the same level with the same degree of utilization of knowledge, skills, and responsibility with only a minor difference in tasks assigned, there is hardly any room left to doubt the authenticity of matching as an evaluation technique (Watts and Green, 2004). Matching, according to the authors, is brought about effectively through the establishment of core job descriptions that can then be used to acquire an understanding of numerous jobs in a hospital or a medical institute in order to establish characteristics that may allow matching. However, as the authors point out, matching is not a process that is as easy as it may appear to be on paper. It is in essence a highly volatile process since it calls for the extensive judgment of jobs, and it is therefore essential that it is performed by professionals who are not only qualified in the process of matching but are also aware of the intricacies of the jobs they are evaluating.

Further, the article sheds light on local evaluation and describes the three-stage process that local evaluation incorporates. The first stage, as the article elaborates, is the filling out of a job analysis questionnaire by the person holding the position. The authors are careful to mention the fact that the job analysis questionnaire is designed to be incredibly in-depth and seeks to bring to light as many attributes of the position holder's position as possible. The authors highlight the fact that it is common for job evaluation questionnaires to span lengths of over 40 pages at times. Once the questionnaire has been filled out, it is submitted to highly trained job analysts who review the questionnaire (Watts and Green, 2004). The analysts also check the filled out questionnaire for contradicting answers, clear responses, and concise replies to

mandatory questions. Once the analysts have ensured that the filled out questionnaire is ready for evaluation, it is forwarded to a panel of that is constituted primarily of two members of the staff and two members of the management of the institute/organization/hospital that the subject employee is working in. The questionnaire responses are then evaluated in light of the 16 factors to determine the exact value of the job to the institute/organization/hospital.

It is essential to realize that this article makes extensive use of secondary data and while it presents the findings in exquisite detail, the absence of primary data puts the research performed in the article in a position where the credibility of the findings of the article suffer significantly (Watts and Green, 2004). This can be concurred on the basis of the fact that the larger share of articles that were considered for evaluation for the purpose of this paper included primary data and the analysis of that data in a manner that was nothing less than in depth. In light of this fact, while the article is highly detailed and presents credible elaborations, the findings of this particular article can only be considered as a minor contribution to the research into job evaluation in NHS.

The authors bring the article to a conclusion with recommendations for the matching process and the evaluation process. The matching process is one that requires extensive incorporation of enhanced levels of flexibility, and the evaluation process has become far too complex and time consuming in attempts to make it as accurate as possible (Watts and Green, 2004). The authors end with an optimistic note on the NHS Job Evaluation System, stating that errors such as those of the NHS Job Evaluation System can be trusted to be ones of only minor significance and should evolve out of the system as time passes and modifications and amendments are brought about.

2.15.4 A Revision of a Job Evaluation System

The next article on the list to be evaluated was a revision of a job evaluation system by Emin Kahya, the Associate Professor in the Department of Industrial Engineering of the Eskisehir Osmangazi University. The article was published in 2006 in the *Journal of Advanced Nursing*. The researcher sought to determine the exact effectiveness of the NHS in the UK by applying the same within the perimeters of four Turkish hospitals (Kahya, 2006). The research was conducted in consideration of the context that modern day job evaluation is a relatively new area of professional development in the UK, and a large number of the related studies performed have chosen to direct their attention to the actual implementation of the system. The author was of the opinion that it is just as imperative to consider the authenticity of the constituents of the NHS in light of the fact that the implementation of an effective, efficient, and productive NHS was next to impossible unless the constituents of the same were clearly established, defined, and prioritized. The research singled out five key areas that were of primary concern to the analysis performed in the research: knowledge, education, experience, environmental conditions, and hazards.

According to Kahya (2006), as most studies have focused on the implementation of the whole system in a health organization and not on the proficiency of the system in terms of factors and their level definitions, a job evaluation system was developed in the United Kingdom in 2003-2004.

The primary data in this research was accumulated by making use of the implementation of a survey questionnaire. As mentioned earlier, a total of four hospitals were incorporated into the research, and the survey questionnaires implemented on the personnel of the four hospitals were ones that were designed to test the degree of significance of a total of 19 variables. The

primary participants for the survey were nurses and clinics (Kahya, 2006). The primary data was extracted from around 90 participants, out of which the larger number was that of nurses and the smaller number was that of clinics.

It is essential to highlight that the purpose of this research, unlike other certain researches discussed in this paper, was not to determine possible errors that were being ignored or overseen in the implementation of the NHS but to identify possible areas and methods for improvement.

The research initiated by highlighting the fact that recent economic trends had put hospitals and medical institutions into a position where they have no other option but to bring about transformations in their human resource infrastructure. Generally, these transformations have incorporated the heavy remodeling of the human resource infrastructure in an attempt to cut back on costs. The research highlights the fact that other medical institutions and hospitals have countered the same scenario by incorporating a heavy degree of performance-based remuneration in their human resource infrastructure (Kahya, 2006). This functions primarily by remunerating employees on the basis of the targets that they manage to achieve. The research further sheds light on the fact that this modernization of human resource systems is often brought about by either allotting the employee with a fixed pay while linking it to a job evaluation score for which the employee is periodically tested, or a scenario where the employee's pay is considered for continuous revision with regard to performance scores.

The research diverted a considerable degree of attention to the fact that a large number of hospitals and medical institutions chose to adopt the point-based job evaluation system. According to the author, the point-based system, when implemented on white collar positions, was based heavily on skill-oriented, responsibility-oriented, effort-oriented, and working-condition-oriented factors. Skill-oriented factors included those such as knowledge, education,

problem-solving, experience, decision making, language, complexity, communication, and software knowledge (Kahya, 2006). Responsibility-oriented factors were established to be inclusive of financial and physical resources, delegation, and HRM. Effort-oriented factors included emotional, mental, and physical factors, whereas working-condition-oriented factors included hazards posed by environmental conditions.

The author was of the opinion that it had been after World War II that these factors had come to light, highlighting that half the employees in the United States were affected by wage rates based on job evaluation. The author presented that the modern day NHS Job Evaluation System had come forth in 2003 and had been subjected to a revision in 2004, both of which were of a nature so profound that the NHS had never been revamped so directly in the last 50 years of its history.

When the research was practically conducted by putting the survey questionnaires into implementation, the achieved response rate was around 60 percent (Kahya, 2006). It is, however, highly imperative to highlight at this point that almost all of the survey participants were women and had an average length of nursing experience that spanned around 10 years if surgical and intensive care unit nurses were to be considered together. The research made use of the T-test to carry out statistical analysis, and made use of a statistical hypothesis in the same regard. When the survey findings were accumulated, it was observed that a significant degree of difference was going unnoticed. This difference was amongst the clinic categories if nursing tasks were to be considered.

It was concluded in the research that while current NHS practices may be providing a stable degree of effectiveness and efficiency, there was still need for more personnel. The research therefore suggested that two new positions should be generated in the NHS system.

These new positions were ones that belonged to the emergency unit, and the intensive care unit (Kahya, 2006).

On a more specific level, the research concluded that it would be unwise to generalize wage rates for nurses since every specific nursing position in a hospital entailed a unique set of characteristics. These characteristics spanned across not only the nurses responsibilities but also across financial and physical resources, as well as information resources (Kahya, 2006). The research attempted to bring to light that while the NHS Job Evaluation System was a system unlike no other in terms of its effectiveness and efficiency, there is still significant room for improvement with regard to the number of jobs developed and implemented in order to carry out the large number of clinical supervisor nursing jobs.

2.15.5 An Analysis of Job Evaluation Committee and Job Holder Gendered Effects on Job Evaluation

An Analysis of Job Evaluation Committee and Job Holder Gendered Effects on Job Evaluation was the article selected for discussion, analysis, and evaluation. The research had been conducted by Chad T. Lewis and Cynthia Kay Stevens in 1990 and was from Volume 19 of *Public Personnel Management*. The research was based heavily on primary data analysis to develop a case and made use of previous research studies in the form of secondary data to strengthen the claims and findings of the research.

The rationale of the research was based on the fact that remuneration trends in regions such as Great Britain and Australia had taken on a rather uniform outlook, and the research appeared to be motivated by the presence of the trend in the public sector. The authors initiated the research by presenting fundamental definitions of the key constituents of the research. The primary key constituent in this regard was that of the very definition of job evaluation

methodology itself. The authors continued by stressing on the differences between the ideological perception of job evaluation and the practical form of the concept (Lewis and Stevens, 1990). It was their perception that job evaluation, when put unto its practical form, incorporated a heavy degree of biasness, and it was for the same reason that they chose to highlight the causes of the development of biasness in job evaluation.

They were in agreement with the previous research studies such as those that chose to single out the reasons for the generation and development of biasness in job evaluation scenarios. One such research was of a nature such that it presented four potential causes that could be attributed as the causes of the development of biasness in a job evaluation scenario. The first was that of the dimensions selected to be performed in the job evaluation. The second was that of the degree of significance that each dimension was attributed with (Lewis and Stevens, 1990). The third was the actual application and implementation of the specific system designed to carry out job evaluation in the organization. The fourth was that of the procedures brought into use to determine the salaries of the employees. The article seconded the motion that each one of these steps is vulnerable to the development of biasness, and as a result of this vulnerability, the very practice of job evaluation can be expected to suffer.

The research also sought to employ the Z-test in an attempt to incorporate statistical accuracy into the research, but it became highly implausible when the research findings were accumulated and was therefore limited in its application in the research. The research methodology was one that was based on a sample size of over 200 participants. Considering the nature of the subject of the research, the research methodology implementation participants were ones who were primarily students of business studies. The participants were either from the

University of Washington or from Everett Community College (Lewis and Stevens, 1990). The research proceeded by presenting the participants an orientation on the Willis Position Job Evaluation System, after which the participants were divided into segments and were provided with a job evaluation task of an external person. The gender details of the external person were not provided to the participants and once the participants had spent a considerable amount of time analyzing the subject and the professional position of the person with respect to the person's job, they were asked to guess whether the subject they were analyzing was a male or a female.

The research continued to employ the Z-test and it was established that a total of three factors of Willis Position Evaluation System would be brought into use in the research. These three factors were job accountability, knowledge and skills, and mental demand. Job accountability in this regard was considered as the actual perimeters that a job entailed with respect to the freedom that the position gave to the subject to take action. In this area, job accountability also gave regard to the financial implications that the decisions made by the position entailed (Lewis and Stevens, 1990). The factor of knowledge and skills was based on the blend of managerial capabilities that the subject had and required in order to effectively carry out the functions and operations of the position in which the subject was placed. The third factor of mental demand was the degree of authority that a position entailed with regard to the extent of independent judgment that the holder of the position could exercise in order to carry out problem-solving operations. It was established that these three factors were such that they could be considered as compensable.

It is at this point in the research that one cannot help but feel that by focusing centrally on gender-based biasness in job evaluation, the authors have left out a significant number of variables that have even more profound implication on job evaluation than gender biasness. The

very methodology of the research appears to be one that is designed to centrally address gender biasness trends in job evaluation. While the research took off with an appreciable note by shedding light on the numerous intricacies of job evaluation, it appears to have narrowed down the scope of its analysis far too much than a research on the subject of job evaluation merits.

Also, the selection of the sample size has been limited to only two institutes, whereby the limitation of gender biasness amongst the research participants can be expected to increase (Lewis and Stevens, 1990). This is primarily because of the fact that by taking participants from only two institutions, the research has limited itself to the observation of only two sources: forms and natures of gender biasness. If a generalized understanding of gender biasness in job evolution was to be sincerely developed, a more reliable approach would have been to acquire participants from as varied institutes as possible, even if the sample size was maintained at the same limit.

Another customization that was performed in the research was that of the elimination of the extreme values observed in the charts. It is essential to note at this point that observations were collected from the participants in a highly organized manner. Once the participants had been given the orientation had been divided into segments, they were only approached once a significant amount of time had passed to allow them to consider the task that had been assigned to them (Lewis and Stevens, 1990). However, even though the extreme values were not incorporated into the study, the incorporation of two independent Seattle City Personnel Analysts serves to add a considerable degree of authenticity to the research findings.

The research concluded with the results that gender biasness did, indeed, have significant implications in the area of job evaluation. However, in consideration of the three compensable factors that the research had brought into consideration at the time of the implementation of the

research methodology, it was observed that the most profound of implications were in the areas of the knowledge and skills required for the job, as well as the mental demands that the position entails. It was concluded that job accountability has the lowest level of significance in the case where Willis Position Job Evaluation System is concerned (Lewis and Stevens, 1990). As the research came to a conclusion, it was fair in highlighting the vulnerabilities to which it had been exposed as a result of the chosen and implemented research methodology, but claimed all the same that the trends uncovered by the research were ones that previous research studies had failed to do effectively.

2.15.6 Designing a Comparable Worth Based Job Evaluation System: Failure of an a Priori Approach

Designing a comparable worth based job evaluation system: Failure of and a priori approach was published in volume 19 of the *Public Personnel Management Journal*. The article initiates by bringing to light the latest trends in public sector job evaluation practices. According to the authors, the renewed concern in this regard is one that has been brought forth due to concerns in the area of pay equity. The authors however seem to be established in their opinion about the presence of gender bias in job evaluation practices as they highlight the essential reasons because of which job evaluation and pay equity are given supplementing significance (Tompkins, Brown and McEwen, 1990). For its foundations, the research relied heavily on a study by the National Academy of Sciences. The research highlighted the fact that it was essential to realize that modern day employers choose to employ varying job evaluation procedures to different job categories. This practice makes it increasingly difficult and complex to ensure that pay equity principles are followed. The second attribute in this case that the research highlights is that the frame of reference established and used in the purpose of job

evaluation by modern day employers is one that is designed to reflect upon market-based wage rates. According to the research, this aspect has significant implications on the authenticity of the outcomes of the job evaluation.

The research proceeded by giving special attention to the Montana Project and by doing so shed light on the point based job evaluation system. According to the research, the point-based evaluation is one that is extremely time consuming and requires further modifications in order for it to be implemented in a manner such that the desired degree of effectiveness can be achieved (Tompkins, Brown and McEwen, 1990).

The authors gave special consideration to the methods that were employed in the selection of factors used to perform point-based job evaluations and the attribution of weights to the same. The research highlighted a developmental process which incorporated the selection of an advisory council, the establishment and elaboration of benchmark jobs as a frame of reference, the selection of tentative compensable factors, the establishment of a standard for the assessment of the authenticity of the factors established, and the weights assigned to each factor, as well as the validation of job factors.

The article was based heavily on the development process that was employed in the case of the latest attempt by the State of Montana to establish and implement an effective Job Evaluation System. In doing so, the article in essence advocated for the need of a policy-based approach in job evaluation in order to ensure pay equity (Tompkins, Brown and McEwen, 1990). In this regard, the authors argue that the implementation of a job evaluation system based on a policy-capturing approach can be trusted to deliver a job evaluation-based wage structure that is compatible with an organization's present hierarchy.

The article was quite limited in its scope because of the absence of any primary data, and this particular implication was observed to be most clear in the conclusion where the article was only able to present a summary of sorts of the research findings (Tompkins, Brown and McEwen, 1990). The article addressed the central issues of this research but was quite narrow in its approach, and it is for the same reason that the scope of the article was limited to only a retrospective analysis of sorts.

2.17 Summary

It is desirable for healthcare organizations today to establish a system which is not only economically viable but draws in and retains its employees. One of the methods by which it can accomplish this task is by the use of human resource management. Human Resource Planning is the prediction of the traffic of individuals who may enter and leave an organization and how best to use these individuals as resources in order for the company to achieve its ends. The management of human resources is a relatively new field and its application in healthcare involves its own opportunities and challenges. The main purpose is to satisfy the demands for human resources and nullify any inconsistencies. In order to accomplish this task, HRM uses methods known as job analysis and job evaluation. Job analysis is the process of systematically obtaining information about jobs by determining what the duties, tasks, and responsibilities of those jobs are in the context of a specific job. Job evaluation is a systemic process for defining the relative worth of jobs within an organization. The uses of different schemes in job evaluation are essential to establishing pay equity within an organization.

Due to companies not meeting equality of pay within its organizations, the UK parliament has proposed several legislations into law which provide for the equality in public and private sectors for women, various ethnicities, and disabled individuals. The first major act

toward this cause was the Equal Pay Act of 1970. Although these laws have existed for years, their enforcement in public and private organizations has left much to be desired. Pay equity within organizations is essential to maintaining quality of care and worker satisfaction.

One such healthcare organization which employs these methods is the United Kingdom's National Health Service. It is currently the world's largest publicly-funded health service under the department of health, and operates upon the ideal of free universal healthcare open to 60 million residents of the United Kingdom. Though the National Health Service was originally established as a free universal healthcare system, it has since been systematically started becoming more and more privatized and has dismantled various health services.