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Stay up to date with the latest developments in Equal Pay for Work of Equal Value

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Equal Pay: Importance of defining “work”

Amendments to section 6 of the Employment Equity Act outlines the requirements for enabling Equal Pay for Work of Equal Value, and where Equal Work defined as “*employees of the same employer doing work of the same or substantially the same value*”

Important to note is the fact that in order to be considered “equal” the work does not have to be identical or even interchangeable, but only that it be sufficiently similar to be reasonably considered the same. In effect, this means that organisations need to take care in defining “work” within their environment in order to guide this comparison.

Defining Work

Work is the prerogative of the employer who should determine what it requires from its employees in regards to their output. Whilst there will of course be certain commonalities between individuals performing a function such as “Accountant” in different organisations, there can also be nuances specific to the unique operational requirements of an organisation.

The EEA Regulations do mention a number of criteria, such as responsibility, working conditions, skills and qualifications and effort required, that should be considered in the assessment of work, and this should be the basis upon which work, broken down into a job/role/function, should be defined.

Many organisations have job descriptions in place that assist in defining the tasks that they expect the incumbent employee to complete, however traditional job descriptions do not necessarily contain sufficient information to assist in determining the value of the work for the purposes of comparison under equal pay provisions. Rather, a detailed job (work) profile should be created that contains all relevant information, aligned to the Occupational Level framework, that clearly outlines the scope of the work, the level of skill required and the impact that position would have on the business overall.

Typically, a job profile should include the following core elements:

- Knowledge requirements
- Skills requirements
- Experience requirements
- Key Performance Areas (KPA)
- Scope of work
- Impact on the business
- Responsibilities (resources)
- Level of Decision-Making
- Accountability
- Remuneration guideline (grade/pay scale)

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Most importantly, the job profiles should be up-to-date especially as business today is highly dynamic and the realities of the role may differ from the profile that is filed on the system. When last did you review your job profiles?

GBS is proud to offer job profile review services as well as assistance to organisations to create and implement job profiles (and grading) enabling the accurate definition of work and a creation of an organogram that assists in assessing “same or similar work” for the purpose of determining remuneration equity.

It is about YOUR business, not the market

It may be tempting to default to remuneration benchmarking aligned to a grading system as a means of addressing Equal Pay, but organisations that choose this option run the risk of creating remuneration structures that are unaffordable – and ultimately unsustainable- because they are not specific enough for their unique operational requirements.

Equal pay is not about parity with the market, but rather about achieving internal equity.

Interestingly, the Equal Pay for Work of Equal Value Code of Good Practice in section 6.2 clearly points out that simply relying on traditional job evaluation does not guarantee compliance. It says, “*The use of job evaluation does, in itself, not ensure that there is an absence of unfair discrimination.*”

We believe that every business should be considering their unique operational requirements when contextualising Equal Pay within their organisational structures, including definitions (and comparisons) of work and pay structures.

Equal Pay provides a unique opportunity for businesses to assess, evaluate and rectify outdated remuneration policies and practices and to revert to the original value exchange equation, aligning pay with productivity.

Kind Regards

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