



Equal Pay for Work of Equal Value Newsflash – Edition 4/2016

## Determining “Value” under Equal Pay for Work of Equal Value

For many, the trickiest concept to understand about Equal Pay for Work of Equal Value is ‘value’. After all, how we quantify value will depend entirely on the uniqueness of our business and the impact of the role within the business structure.

To guide us, section 5.4 of the Code of Good Practice for Equal Pay for Work of Equal Value, says that “value” includes:

- The **responsibility** demanded of the work, including responsibility for people, finances and material.
- The **skills, qualifications**, including prior learning and **experience** required to perform the work, whether formal or informal.
- Physical, mental and emotional **effort required to perform the work**.
- The assessment of **working conditions** may include an assessment of the physical environment, psychological conditions, time when and geographic location where the work is performed.

This is not new. All grading systems would take these factors into account when determining the value of a role in regards to remuneration.

Whilst a grading system is a logical way of assessing work conducted throughout an organisation, it relies heavily on the accuracy of the job profiles associated with each function. As the profiling process can be tedious, time-consuming and costly, many companies have job profiles that are several years old.

Business today is highly dynamic and with advancing technology it is almost a given that most job profiles would be out of date within a year. Because ‘value’ is largely dictated by the scope of the job, it is absolutely critical that a business regularly reviews and updates the job profiles (and associated grading where appropriate) within their organisation.

*Does your business make use of a grading system? If yes, when last were the job profiles and associated grading reviewed?*





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### It's about the job and not the employee

Throughout my years of experience running job profiling projects, the single biggest area of confusion is that the profile should be written about the requirements for the job, and not about the employee who currently occupies that role.

It is a given that additional 'value' could be created by an individual who, through their additional expertise, skills, knowledge and productivity, adds significant positive impact on the business. And the equal pay legislation does allow you to reward that person by paying them differently to their counterparts.

A variety of justifiable reasons have been listed within the Code but it is not sufficient to simply associate one of these reasons with an employee. Proper thought, and supporting documentation, should be applied when considering paying an employee who performs the same, substantially the same or similar work, differently.

I will be hosting another webinar on Equal Pay and the concept of 'value' on 17 November 2016. A webinar is a great way to access essential information from the comfort of your own desk and is one of the innovative ways that Global Business Solutions is offering value to our customers.

Click [here](#) for more information on the webinar, and to secure your seat.

Kind Regards

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