



Job evaluation helps ensure a competitive pay structure for Stannah Stairlifts



The situation

Stannah decided to carry out a review of the pay rates for 320 hourly paid employees from its manufacturing, warehousing and distribution areas. It was felt that since the last review a decade earlier, the pay structure had become outdated. This was due to a number of reasons, but in particular the way that the skills required to perform many roles had changed in that time.

"We had a grading structure in place but over the years things had started to drift," says Catriona Heathcock, Stannah's HR Director. "This had potential problems within departments, where clearly any perceived unfairness about pay would be a problem. An accurate evaluation in the context of the present day skills was therefore required, including a new look at the differences between various roles. We also wanted to benchmark against local market rates for similar roles."

The solution

It was decided that external reward specialists should be brought in to deliver a job evaluation process, as Catriona explains: "We felt that this would bring significant credibility and legitimacy to the process. Choosing NorthgateArinso certainly achieved this, thanks of course to their experience of similar exercises for other companies."

About Stannah Stairlifts

Stannah Stairlifts is the world's largest supplier of stairlifts and has supplied over 400,000 units worldwide. The company is part of the Stannah Group, which manufactures a variety of equipment, from the Microlift (Europe's most popular dumb waiter) to a range of goods lifts, escalators and moving walkways.

From the start, the evaluation was completed in a highly consultative way, beginning with a presentation in which the process and the reasons behind it were explained to employees and their managers.

The process began with one of NorthgateArinso's Reward Consultants working with Stannah to identify the various unique roles. Discussions were then held with one employee from each role and their managers, with the information gathered informing the evaluation itself.

The evaluation was completed using the five main factors of the analytical Universal Job Evaluation scheme. Once all the roles had been consistently evaluated they were arranged in an order which reflected the skills required to complete them. A suitable pay structure was then developed.

"We delegated all of the evaluation process to NorthgateArinso, who used their own Compensate Job Evaluation and Pay Modeller tools," says Catriona. "Although we didn't have hands on experience of the software, we benefitted from the way it delivered updated information to us in real time, rather than having to wait for reports on employee impact and costs.

"The result was that we were soon able to make decisions and finalise our proposals before presenting them to senior management and the consultative committee."

Creating a new pay structure

The new structure now provides Stannah with a job and pay structure which more accurately reflects the work people are doing. It is also competitive within the local job market, which is beneficial in terms of recruitment and retention.

Catrina says there is another benefit: "The new structure is highly transparent, with everyone now able to see the difference between roles. Managers are able to use this tool for managing development and progression. The skills matrices and competencies can be used to help people understand why they are in a certain grade and what they can do to move up to the next grade, where opportunities are available.

"We have clearly gained a lot from the pay and grading project, which was delivered under budget and to the agreed timescales. We now hope to carry out a similar exercise for the rest of our 500 employees to ensure we have the right structure across the company."

For an initial discussion about your requirements call us on 01244 572722.
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