



Value Based Job Grading

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A value- and performance-based direction for your company

In a dynamic market environment shaped by restructuring, integration and performance, there is an ever greater demand for enhanced interplay between business processes on the one hand and the organization of structures and workflows on the other. A forward-looking performance-based system has to incorporate the entire company. It also has to be reflected in the compensation system and take account of the value each function brings to the whole.

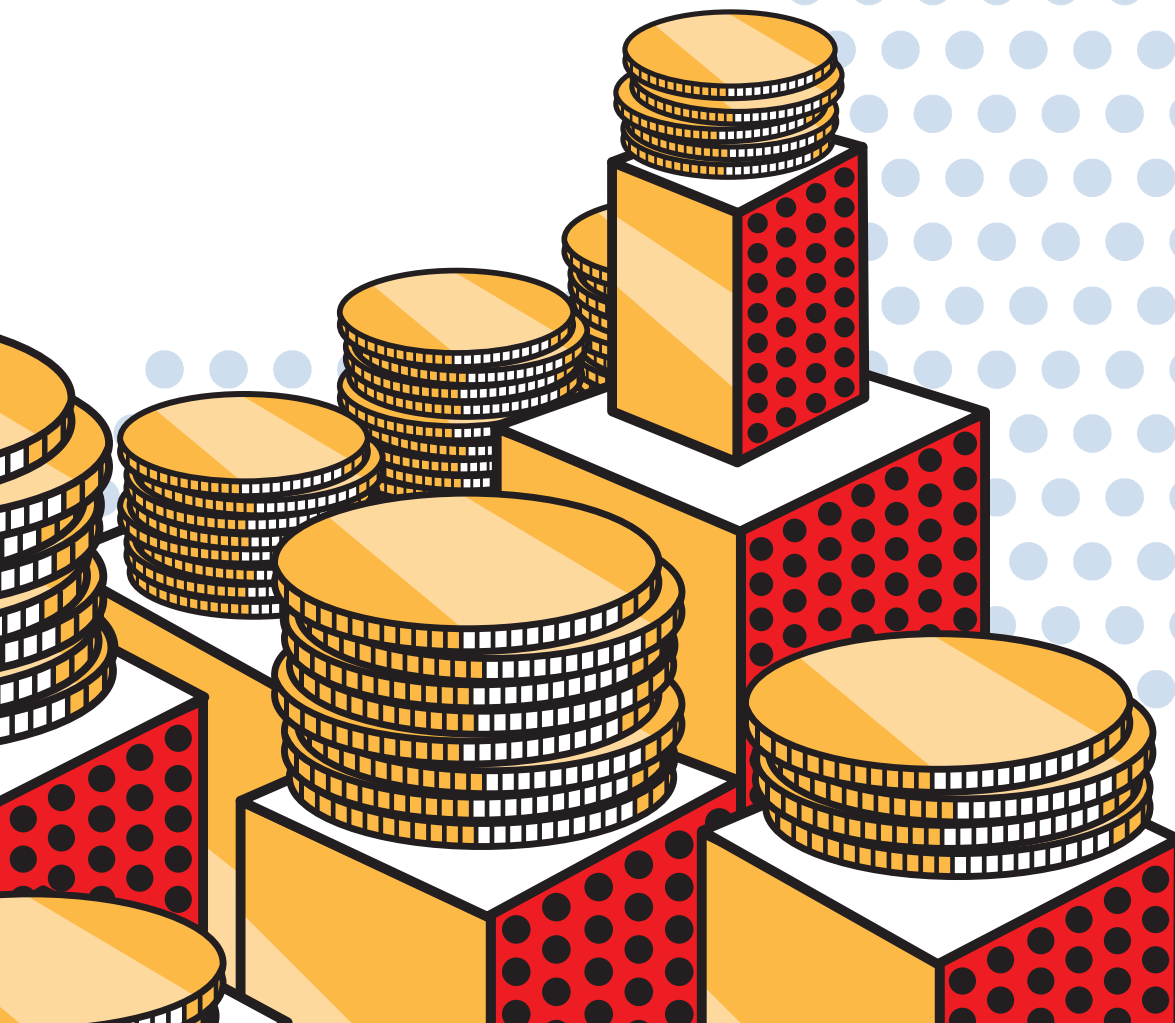
Whilst reorganizing, improving processes and enhancing the compensation system, the following core questions have to be asked:

- » What business processes are critical to success and who designs and controls performance in these processes?
- » What positions deliver significant contributions to adding value to the company?

Starting point:

Do the levels and steps in the functions reflect the value they add to the company or are they just illustrations of who reports to whom?

Do the grading criteria used take account of the contribution made to the success of the company or do they primarily reflect such input-based factors as education and tenure at the company?



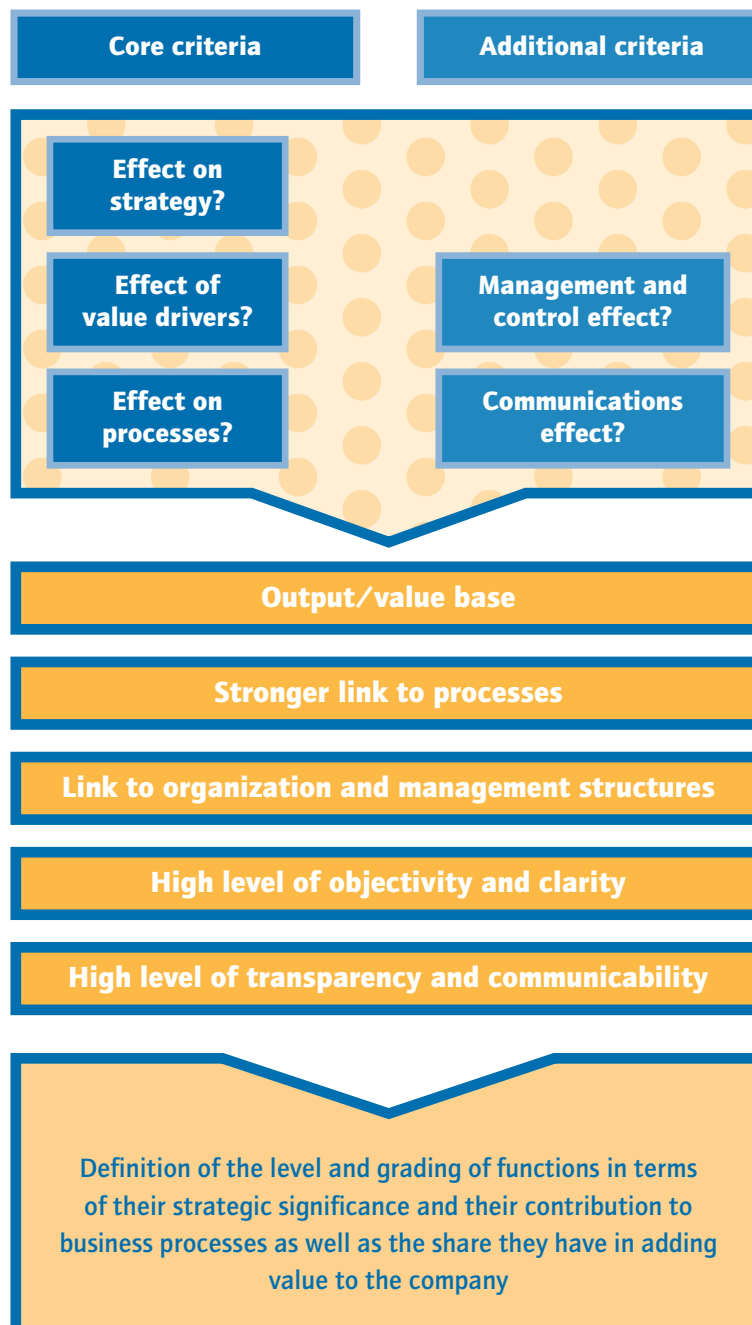
The Kienbaum Approach:

The entire contribution made by the job position to the success of the business and to adding value is gauged on the basis of the following questions:

- » What contribution does the position make to the decision-making and to the development of group/ corporate strategy?
- » What contribution does the position make to controlling and enhancing value drivers?

- » What contribution does the position make to designing and controlling business sectors and processes?
- » What is the dimension of the management and control tasks entrusted to the position in the organization?
- » What is the specific effect the position has in communications?

Grading of positions



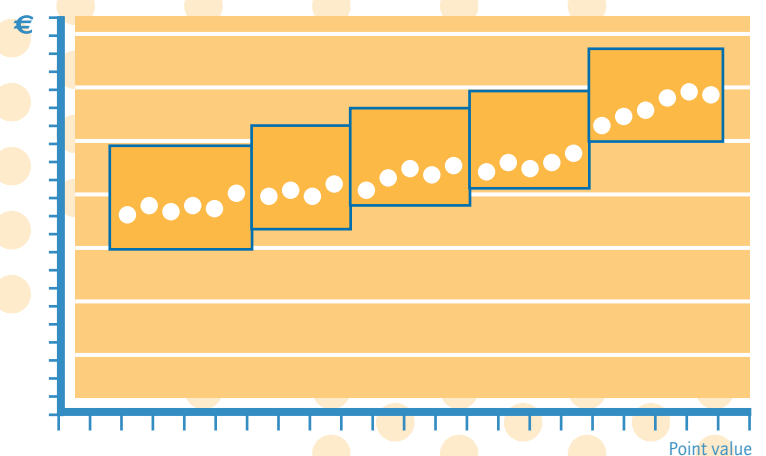
Project Steps

A typical grading project encompasses the following steps:

- » System calibration:
Adaptation of the system to the client's business model
- » Process and organizational analysis:
Inclusion and cataloging of business processes and the organization
- » Selection of reference functions:
Selection of suitable reference functions so that the range of functions in the company can be illustrated
- » Position analysis:
Analysis of reference functions using job descriptions and interviews as a basis for grading
- » Grading of positions:
Tool-aided grading of reference functions based on Kienbaum criteria
- » Definition of management spheres and allocation of functions
- » If required, implementation in process and structural organization
- » Layout including salary ranges
- » If required, development of specified competence management instruments
- » Know-how transfer to the organization for further use in the company on its own

Sample grading of a position

1	Effect on strategy	1
2	Value driver level	2
3	Effect on process	3
4	Process level and value	1
5	Leadership and control	2
6	Effect on communication	1



Project results

A close link to your business resulting from support through value and process management:

- » Identifying the effect of positions on value drivers in the company
- » Identifying the role of positions in association with business processes
- » Identifying redundancies in the perception of work functions, possible deficits in control and a lack of roles in processes critical to success

- » Job grading demarcates the various spheres of management
- » Job grading is the basis for defining salary bands
- » A realignment of management echelons and a restructuring of management titles based on the contributions they make to value and the role they play in company processes
- » A basis for competence management geared to value levers and process-specific roles
- » Harmonization of the organization, HRM instruments and the compensation system

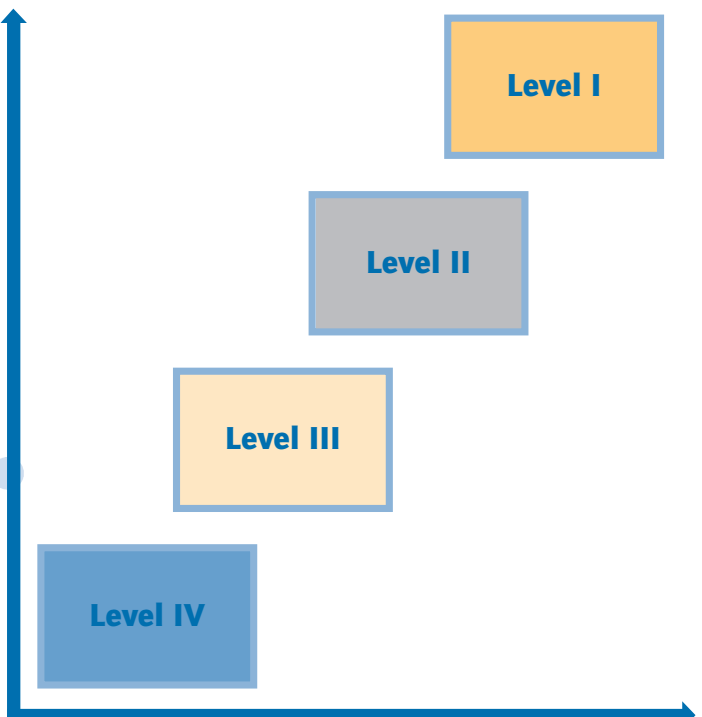
Significance of positions based on value

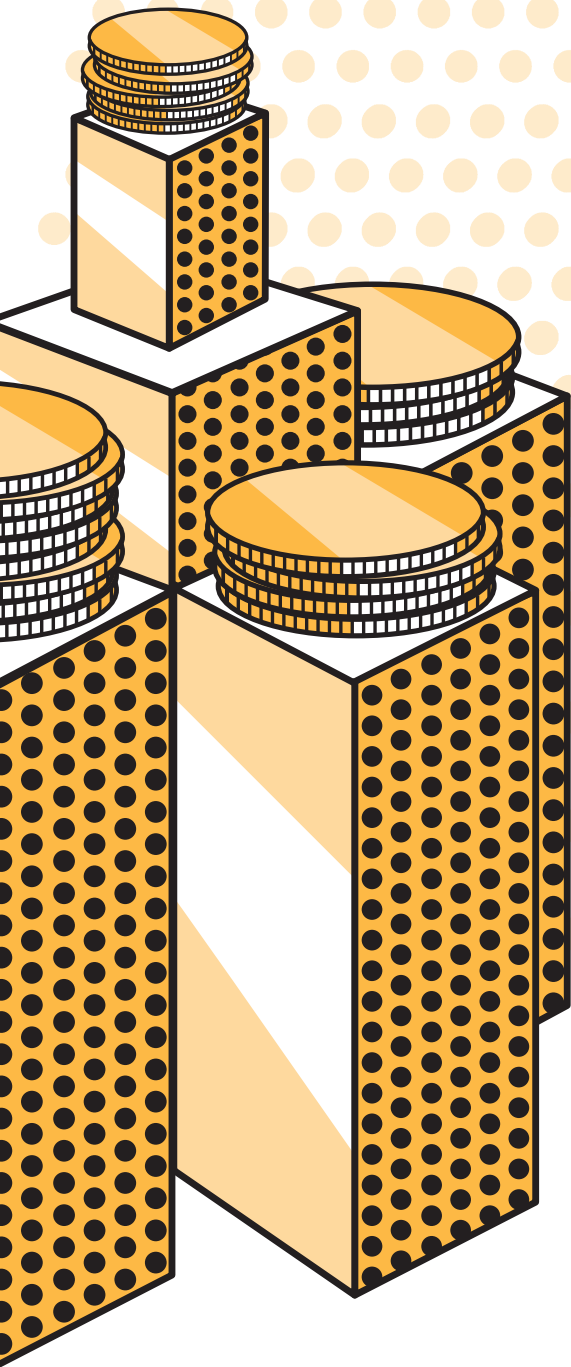
- » participates in setting strategy
- » has a significant value driving effect
- » designs the most important business processes

- » designs and controls important business processes and thus has an effect on value drivers

- » has significant control functions in business operations and influences process performance

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Why Kienbaum?

» We listen to you before we do anything

Our first job as your partner is to gain an insight into your company. Taking account of your objectives and your living corporate culture, we then develop solutions relevant to the value- and performance-based direction your company takes. An essential part of our work is listening carefully and attentively to you first.

» We accompany you until you've achieved your goals

We recognize possible solutions and work together with you to achieve them. We also back you up when it comes to implementing solutions that will help you reach your goals. We enjoy supporting you in implementing each practical step.

» We make our entire system available to you

We transfer our system know-how to you and thus give you a flexible IT tool you can use to grade other functions and adapt such grading to any circumstances that may occur in the future. You can then work on these circumstances without any further consulting work necessary.

» We develop solutions that meet with approval

Your staff is your company's greatest asset. We design and implement solutions that will meet with your management's and your staff's approval. Our work is successful when we are all convinced of the result. A persuasive result for us is made up of flexible systems that will work for you in the long term and can be easily adapted to meet future challenges. We actively support you whilst communicating changes.