Job evaluation with the STRATA method
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STRATA provides structure
Job evaluation with the STRATA method provides structure and hence clarity, transparency and comparability with regard to the comparative worth of each job within the company. This is particularly important in organisations that have grown organisational structures and inconsistent HR policies. The use of STRATA helps companies to create consistency and transparency as a basis for a variety of HR policies and instruments.

Once jobs have been evaluated in line with the STRATA grading structure, different HR instruments can be linked to it (e.g. compensation, benefits, career paths, etc).
STRATA

- Workforce planning
- HR cost management
- Reward
- Performance management
- Career path and succession planning
- Job titles and descriptions
- Organisational and interface analysis
- Benefits
Advantages of the STRATA method and our consultancy approach

• **Flexible**: We do not push you into a set framework. Our goal is to develop a grading structure, which reflects your specific organisational reality.

• **Transparent**: Our approach is transparent for you and your employees. Managers are involved in the process of evaluating the jobs directly reporting to them. In this way they get to know the system, understand it and support the evaluation results.

• **Simple**: The instrument is easy to use and the evaluation scale is clear. In the course of the project we enable you to use the STRATA method so that you are able to use and administer it independently after the project. This makes you independent and avoids recurring costs. After completion of the project we remain available as your sparring partner.

• **Independent**: We are an independent partner. We are happy to use any HR systems and data (e.g. salary benchmarks), which you already use internally and thereby avoid duplication and inconsistencies.
We do not aim at standard
The STRATA method provides a solid framework, which can be tailored to each organisation’s individual needs.

- **Passionate**: We work with passion and it is our ambition to excel in implementation. We work together with you to ensure that the implementation of a grading structure supports your HR strategy and assist you with putting it into practice.
- **International**: With our global network of STRATA professionals we can support the implementation of a new grading structure on a European as well as a global level. As the Centre of Excellence for STRATA we regularly train our PwC colleagues worldwide to ensure consistently high quality standards.
The STRATA scales

Simple and transparent:
Every job is evaluated on the basis of eight STRATA criteria. Every criteria is defined by a scale consisting of STRATA points. Adding these points provides every job in the organisation with an overall STRATA score. This score is the basis for building an organisation specific grading system.
The STRATA scales

**Knowledge & Skills**

A **Technical knowledge** (describes the breadth, depth and range of function specific knowledge)

B **Knowledge of the business** (describes the knowledge and understanding of the organisation’s internal structures, processes and markets)

C **Management of relationships and staff** (describes the ability to convince and motivate others within and outside the company)

**Problem Solving**

D **Scope of thinking** (describes the cognitive abilities required to develop concepts and procedures for solving assigned tasks)

E **Degree of difficulty** (describes the complexity and uncertainty of information in the evaluation and development of solutions)

**Influencing & taking responsibility**

F **Discretion to make decisions** (describes the ability to take decisions and actions autonomously)

G **Amount of influence** (describes the scope of responsibility, including resources that are directly and indirectly controlled)

H **Influence on achievement of objectives** (describes the extent to which a position influences the achievement of targets)
STRATA in practice

Kick-Off & Analysis
- Introducing the STRATA method
- Analysis of objectives and existing HR instruments

Conducting evaluation workshops and cross comparison workshops

Developing a grading structure with the project team

Application
- Sign-off of the results by management

Change, communication, training and project management
Our approach
Together with you we develop a project plan that is tailored to your needs. This typically includes the following core elements.

- Developing salary bands and/or career paths
- Linking the grading structure to existing HR instruments
- Communication and sign-off by committees
# A selection of reference projects

<table>
<thead>
<tr>
<th>Client</th>
<th>Our role</th>
<th>Indicators of success</th>
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<tbody>
<tr>
<td>Non-governmental organisation (NGO)</td>
<td>• Definition of jobs within the organisation</td>
<td>• Fairness and internal equity with regard to remuneration</td>
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<td>(&gt;200 employees)</td>
<td>• Development of job descriptions together with the client</td>
<td>• Improvements to performance management process</td>
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<td></td>
<td>• Evaluation of jobs for the entire organisation in Germany as well as in relevant European countries</td>
<td>• Improved acceptance resulting from intensive employee communication</td>
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<td></td>
<td>• Development of a new grading structure and salary bands on the basis of the evaluation results</td>
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<td></td>
<td>• Support with employee communication and with negotiations with the works council</td>
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<tr>
<td>Public service organisation</td>
<td>• Organisation and moderation of job evaluation workshops for management jobs</td>
<td>• Improved allocation of the jobs to the tariff groups of the applicable collective wage agreement</td>
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<tr>
<td>organisation (&gt;2,500 employees)</td>
<td>• Cross comparison analysis of the evaluated jobs</td>
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<tr>
<td></td>
<td>• Proposal for a new reallocation of jobs to the tariff groups of the applicable collective wage agreement</td>
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Our references

STRATA is an established job evaluation tool used by small and medium-sized firms, non-profit and governmental organisations as well as large global organisations. Our clients especially value the flexibility of the STRATA method.

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</table>
| Medium-sized company (>5,000 employees) | • Individual analysis of all jobs  
• Development of a new grading structure and salary bands tailored to the organisation  
• Benchmarking of different jobs in order to verify the location within the salary bands  
• Simulation of cost implications resulting from the implementation of the new salary bands  
• Introduction of a Merit Increase Matrix to link salary adjustments to appraisal outcomes | • Accepted partner for management, the HR function and employee representatives  
• Increased transparency of remuneration decisions  
• Strengthened performance culture |
| DAX-listed company (>100,000 employees) | • Development of a grading system for the entire organisation worldwide based on the STRATA evaluation results  
• Trainings in the application of the STRATA method  
• Regular coaching concerning the application of the method, as required | • Increased transparency of the global structure of jobs |
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About us
Our clients face diverse challenges, strive to put new ideas into practice and seek expert advice. They turn to us for comprehensive support and practical solutions that deliver maximum value. Whether for a global player, a family business or a public institution, we leverage all of our assets: experience, industry knowledge, high standards of quality, commitment to innovation and the resources of our expert network in 157 countries. Building a trusting and cooperative relationship with our clients is particularly important to us – the better we know and understand our clients’ needs, the more effectively we can support them.

PwC. 9,800 dedicated people at 29 locations. €1.65 billion in turnover. The leading auditing and consulting firm in Germany.