

KEN MOORE ASSOCIATES

Presents

JOB DESCRIPTIONS – ARE THEY NECESSARY

- In a word – Yes!
- Are they worth the paper they're printed on? - In a word – No!

That's because most of the job descriptions that I have read have little bearing on business reality, talk about inconsequential activities, and fail to describe and measure the value contributions that each job function is expected to deliver. What's wrong with this picture?

Let's re-think. Let's go back to the theoretical beginning of business and cover some fundamental issues and then match it with today's reality. Today's work base is principally knowledge driven, not activity driven. Work creates value when its accomplishment contributes to the success of the department or the larger organization. Ergo, job descriptions are supposed to describe duties and performance standards that are directly linked to organizational success factors established by the leadership, and for which it is willing to pay a salary.

In far too many cases, job descriptions talk about activities that the incumbent does rather than critical contributions he or she makes to the company's success. We are now in an information age culture where appropriate application of knowledge is the desired value creator. For example, the administration of employee benefits is an activity that must be done, but adds no inherent competitive advantage to the organization that will materially help the company to stay in and grow the business. Indeed, such activities can be digitized, outsourced, re-formatted, and in some cases, possibly eliminated in order to achieve cost savings. However, it is the design of the benefit program that requires specific knowledge and an ability to link the design strategies towards other critical performance factors such as competitive pricing, employee turnover and market share criteria.

There are three critical points that must be addressed in a job description if it is to have relative meaning and advances the objectives of the organization.

1. **The Narrative Summary.** The first item is to write a 2-3 sentence summary that articulates why the job exists and what it is expected to achieve for the company. If written correctly, it should answer two basic questions: a) why is this position important to the success of the company, b) how will it help sustain and grow the business? This is hard work. For many managers, it might be difficult for them to articulate and justify the job in terms that focus on value creation rather than cost overhead activities. They just want a clean, simple job description supplied by the HR department that will keep the Feds off their back and provide something that they can refer to when conducting performance reviews. Sorry, Charlie. If I'm paying you \$40,000 per year for this job, I want to be crystal clear of my ROI regarding your work contribution toward the success of my company.
2. **Principle Duties.** Here's where a list of every task performed in this position is listed and then prioritized based upon its contributions to the company's performance success factors. Then, eliminate those tasks from evaluation consideration that do not materially and directly relate to the company's performance metrics. Those should be reassigned elsewhere and possibly outsourced or digitized. Organizing the annual Christmas party may be an important task, but if it does not directly relate to a value-added need (e.g. customer or shareholder focus) then it subtracts from more substantive applications of knowledge. In the banking industry, for example, a bank's leadership may determine that a low efficiency ratio is critical to their success factors. All knowledge applications should then include measurements against the impact that they will have on that ratio.

3. **Performance Measurement Standards.** If the narrative summary is well written and the principle duties are properly identified, then performance standards must be developed that measure the achievement of those standards. This is also hard to do – particularly if you are trying to measure traditionally qualitative items instead of quantitative ones. You must be able to measure contributions to the organizational success instead of activities. Things that are easy to quantify, such as increased sales volume, employee turnover, and inventory turns are easy to measure. Negotiating a new health care contract may be a principle task for an HR professional. However, the value of the negotiation effort is only realized if it is determined that the company's competitive position has been enhanced or, alternatively, has not been jeopardized. Commission schemes must be developed that will reward sales behaviors that sustain the cost of sales ratios and other metrics necessary to insure a profit. You must measure only the important things that are within the control of the incumbent. Remember, measurement standards must be clearly articulated at the beginning of a rating period, not during the performance review.

Administrivia will take care of those items that are required by law, such as exempt/non-exempt classifications and qualifications, the possession of which suggests probable success of the incumbent. Skill sets for technical jobs or jobs requiring specific capabilities are easier to describe. Certain professions like engineering and electricians may require licenses, certifications, apprenticeships, etc. and are justifiably required. Professional and academic designations such as PhD, M.D. or CPA may also be necessary. The key here is to insure that whatever qualification you desire can be reasonably linked to successful performance in the position.

Word Count: 881