

Case Study: The Paterson System at a Factory in Cape Town

This study is an examination of the application of job evaluation at a specific factory in Cape Town. This particular enterprise is concerned with fish processing, and has three factories in Cape Town, which in 1982 (when this study was done) employed a total of 1,400 weekly paid workers and about 163 salaried staff. Altogether, on a national scale, the company employed 6,500 people. The Paterson system has been used since 1975, but neither the union involved nor the workers were consulted about its introduction. It was only many years later that the workers became aware of Paterson and the union took it up as an issue.

This case study only deals with job evaluation for employees in the A and B Bands, for it is in these bands that the majority of employees fall. (See Len le Roux's article elsewhere in this edition) The A Band is at the bottom end of the hierarchy of jobs and wage rates, and consists of workers defined by management as "unskilled". Examples of workers in this Band are fish skinners, packers, cleaners, machine feeders, fish cutters, weighers, tally clerks, drivers, checkers and security guards. According to management, A Band workers' decisions are defined for them, and they are not required to make any decisions "which may materially affect the accepted standard of performance of the Company". A Band workers are regarded as fully trained after 2 - 4 days. There is little or no formal training, and performance cannot be improved with further training. The equipment and movements used in the job are either self-evident or clearly specified. The workers are told exactly and precisely what to do, often down to the last movement.

Workers performing heavy work all the time are graded A2. Workers are usually recruited into A1 jobs and if they "prove their ability and reliability" they may move into A2 work. One subgrade higher, the "Table Heads" or "Leading Hands" are employed as A3 workers. All A Band workers work under close supervision (the supervisors being in the B

- evaluation -

Band) and are thus at no time given the opportunity by supervisors or management to make decisions.

The B Band consists of workers defined by management as "semi-skilled", and, according to management, jobs in this Band require "both training and practice (expertise) to ensure that the operators automatically make the correct judgements required in the execution of their duties." While the overall process of activity is specified by management, the workers make decisions regarding the final details in the carrying out of operations, decisions regarding tools, sequence and timing.

Workers graded B1 are weekly paid. Jobs falling into the B1 category are: various machine operators, drivers, quality inspectors, and refrigeration plant attendants. Of the 1,400 weekly paid workers employed in Cape Town in 1982 by the firm, 1,306 fell into the A Band, of which 932 workers were in A1, 266 in A2, and 108 in A3.

Workers' basic wages are determined by their grade. In mid-1982 the weekly wages were: for an A1 worker R49,44; for an A2 worker R51,30; for an A3 worker R55,90; for a B1 worker R70,15; and for a B2 worker R77,87. Workers might receive an incentive bonus above this basic wage, as well as long service increases.

A grading committee was set up by management with the responsibilities of grading jobs. This committee consisted of eleven managers ranging from the group personnel manager to the managers of the various divisions in Cape Town. No workers or union officials were represented, and thus grading and the decision making about the important criteria of a job occurred totally above the workers' heads.

An important part of the Paterson package, sold to management by the consulting agencies and used by management to acclaim their "fair, rational and scientific" system of grading and wage determination was a collection of graphs and diagrams, as well as a system of job evaluation media, involving slide-tape shows, overhead transparencies and briefing lectures intended to inform workers of the Pater-

son system. At an ideological level, these graphs and diagrams had a scientific and academic allure, often serving to obscure the real situation.

Management claimed that these graphs and diagrams, and the job evaluation system as a whole, could be used to encourage workers to plot their careers and to aim towards promotion. For the majority of workers in the lower bands, however, the prospects of promotion are very slight. Furthermore, by talking (as Paterson recommends) in terms of grades rather than wages, management sought to reduce the "emotional disturbance" of workers during wage bargaining.

The majority of workers at this factory belonged to a registered democratic trade union. The union was not informed about the Paterson system at the time of its introduction and only became aware of it afterwards. Paterson's grades and bands actually corresponded exactly to the Industrial Council grading system, and at negotiations the union simply talked in terms of the Industrial Council grades one to four (corresponding to Paterson grades B1 to A3). The union organisers believed it was important to counter management's assertion about the scientificity and equity of the job evaluation system, to counter the media offensive that management was planning, to develop their own ideology based on a different set of assumptions from those of management and to educate the workers about how job evaluation affected them. Significantly, the union did not use Paterson terminology.

The union felt it was important to realise that management's notion of career-pathing was unrealistic for the majority of workers, that job evaluation did not affect the mobility of workers favourably, and that promotion-seeking encouraged individual advancement and divided the workers. Furthermore, the union strongly rejected the notion that the grading hierarchy and pay structure were two separate issues. The union organisers simply translated grades into wages for the workers.

Why then, if the Paterson grades were exactly the same as the already existing Industrial Council grades, had manage-

- evaluation -

ment invested a great deal of time and money on the installation and maintenance of this system?

The personnel manager claimed that job evaluation was important because it "systematises the whole personnel function". It was also, according to him, "invaluable in the face of union agitation" as it generated a "defensible, logical, scientific" pay structure which he hoped would, for those reasons, not be challenged by workers or the union. The union, in opposition to this, felt that job evaluation could not be seen as scientific and that it was important to attack such an assumption.

Far from eliminating conflict in collective bargaining management therefore increased the terrain of disagreement between them and the union by the introduction of the Paterson system.

(Cathy Mathews, Cape Town)

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