



**UNIVERSITY OF GOTHENBURG**  
**SCHOOL OF BUSINESS, ECONOMICS AND LAW**

# Individual pay, the right way?

- Individual wage setting from managers' point of view

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## Abstract

**Division:** Bachelor thesis, Management

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**Title:** Individual pay, the right way? Individual wage setting from a managers' point of view.

**Key words:** Individual wage, wage criteria, assessment process, wage setting manager, Folktandvarden Vastra Gotaland, the University of Gothenburg.

**Background:** Individual wage can be defined as the individual supplement of wage that employees may receive at the wage revision based on their *individual performance* in relation to the wage criteria determined by the organization. Wage setting managers within areas of nurturance and knowledge sharing possesses the most challenging assignment in assessing employees since work tasks within these areas are mainly qualitative rather than quantitative. Most employees hold a scepticism regarding the manager's wage setting role. What wage setting managers consider about this scepticism seems unclear.

**Purpose:** The purpose of this paper is to examine the opinions of the wage setting managers within areas of nurturance and knowledge sharing regarding the topic of individual wage setting.

**Questions:** The main questions that we wish to answer in the thesis are the followed;

1. How do managers apply individual wages in practice?
2. How educated are managers in individual wage setting?
3. What potential difficulties do the managers encounter when setting individual wages?
4. How do managers handle the assessment process, which forms the basis for an individual wage setting?
5. What do managers think of individual wage setting as a concept?

**Method:** To examine our purpose we interviewed four wage setting managers at two different organizations, Folktandvarden Vastra Gotaland and the University of Gothenburg. These organizations are consistent with the areas of nurturance and knowledge sharing as mentioned in the purpose. The study is qualitative and deductive.

**Result:** Clinic managers at Folktandvarden Vastra Gotaland works actively with the organization's developed wage model, while the heads of departments at the University of Gothenburg do not. The interviewed managers are poorly educated in wage setting. Managers' biggest challenge in wage setting seems to be in dealing with injustices of various kinds. All managers believe they have a sufficiently good insight into the employees' performance in order to make a good assessment of their work. The interviewed managers think that the concept of individual wage is essentially good.

## **Acknowledgement**

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Charlotte Vighagen & Malin Jönsson

## 1. Introduction

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*The intention of this chapter is to give the reader an introduction to the subject of wage. The chapter begins with a discussion of wage formation and its history in the Swedish labour market. Next, the subject of individual wage, its meaning and use is introduced. The chapter is concluded with a problem discussion followed by the purpose for the thesis. The intention is that the chapter shall raise interest in the topic and lead to curiosity for the following parts of the thesis.*

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### 1.1 Background

For the typical adult human, the labour market is a central part of life. A central part of the labour market is in turn determined by wages (Neergard, 2006). It can be assumed that it is generally accepted that the depiction of wage is compensation to a worker for a job he performs for an employer. The employer can be said to have bought the worker's time, labour and skills, and he or she pays the worker's wage in return. This wage payment is seen as a necessary cost for the employer to operate and generate revenues. For the employee, on the other hand, the wage is an important revenue to allow a decent standard of living (Nilsson & Ryman, 2005).

The process that determines the wages of labour is called wage formation. The wage formation has evolved differently over the years and developed at different rates at different labour unions. In short, the history of wage formation is summarized in three phases (Granqvist & Regnér, 2004). The first two phases reflects the egalitarian wage policies that have made significant developments in the Swedish wage formation. During the period from 1956 to the end of the 1960s the principle "equal pay for equal work" constituted the backbone of wage formation. Meanwhile wage equalization between industries and companies occurred. The second phase, from late 1960s to 1983, had an even more radical take on solidarity. The matter was mainly driven by the LO union, a central organisation for fourteen affiliates which organise workers within both the private and the public sectors (LO, 2011), for the political objective "equal pay for all work". The aims were to increase the wages of the lowest paid and thus decrease the gap between the blue-collar and the white-collar workers. Hence the most of the wage share was tied-up in national agreements. The wage compression that took place during this time is still clearly visible in today's wages, as Sweden still has one of the most compressed wage distributions in the world (Katz & Author,

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1999). Employers eventually began to question the centrally coordinated agreements and criticized the limited opportunities for them to influence wage formation locally (Lundh, 2002). In 1983 the coordinated central negotiations came to an end. During this third phase, from 1983 onwards, the wage formation process was moved down to the industry- and federal level and to a more market-oriented wage formation. The slogans were now, the first phase opposite, "unequal pay for different work." The ideas that the wage would be based on companies' ability to pay and that highly educated should earn more were raised (Granqvist & Regnér, 2004).

In conclusion, the wage formation devolved over time. TCO and SACO collectives have been at the forefront of this development with the LO and SAF-collectives as prudent successors. The development has also been a key for the public sector, however with a slightly later starting point (Granqvist & Regnér, 2004).

The labour market has during a short period of time undergone a rapid change. Increased global competition in the traditional industrial society has to a great extent been shifted to countries with cheaper labour, which has forced a more knowledge-intensive focus on the Swedish labour market. Unique expertise is increasingly in demand and companies are looking for key people who can contribute to the differentiation and value of products rather than pure manpower. In line with this development a more modern view of wage formation has emerged (Edgren, 2001). The wage is not only seen as a cost to the company today, it is also said to consist of a revenue factor. The idea is based on a view that the wage is relevant to the employee's performance and can thus be seen as an instrument by which income can be created. In "Företagandets villkor" it is written that a modern wage formation should be company-related and *individual-oriented*. A wage system that not only takes into account *what* is being done but also *how* it is done has emerged (Nilsson & Ryman, 2005) and the concept of individual wage has gained a foothold.

A consistent definition of individual wage, however, does not seem to exist. The term is used in a wide view and can in practice mean collective bargaining between unions and employers as well as an individual dialogue between employees and managers (Nilsson & Ryman, 2005). In The Swedish National Encyclopaedia, it is written that individual wages are based on individual characteristics and job performance. In the article "Att få vad man förtjänar" the

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authors define individual wage as the part of the wage that is variable and based on employees' performance in relation to certain predetermined criteria. They write further that the basic idea of individual wage is that this would lead to an improved job performance. The Confederation of Swedish Enterprise write in their report "Företagandets villkor" that individual wage is a powerful tool to motivate capacity building and that it is considered the cornerstone of modern wage setting.

Since individual wage seems to lack a consistent definition, it is clear that the term has a different meaning to different people and employers. Thus, the individual wage setting varies with different companies. According to Nilsson and Ryman (2005) a wage setting by individual terms consists of three basic factors: the formal factors, individual factors and market forces. Formal factors affect work requirements (*what* is done) and formal educational level (*who* does it). Aspects such as, the number of duties, authorisation level, responsibilities and level of work experience are examples of what is included in formal elements. Individual factors (*how* it is done) affect performance and capability. This is where the quality of the work result and the individual's ability to cooperate and take initiatives is taken into consideration. The third and final factor, the market force, has an impact on individual earnings based on the availability and demand of labour. Thus, this is a factor that the organisation has no control of.

### 1.2 Problem Discussion

The wage setting should be determined by the nature of the work. For some jobs the wage can be associated with an output of production, while in other professions the wage must be set in relation to the work effort of the employee. In many professions the production result of the employee is difficult to measure (Granqvist & Regnér, 2004). Of the above-mentioned factors of the individual wage, the factor of performance and capability is considered the hardest one to deal with from the employers' point of view (Nilsson & Ryman, 2005). This is because the factors are difficult to measure and quantify and therefore must be assessed. Because of this it is difficult to transform these factors into concrete and understandable pay criteria. The white-collar professions, in which the capability of the worker has a central role, will therefore be problematic in the context of wages. Wage setting managers within areas of nurturance and knowledge sharing possesses the most challenging assignments since work tasks within these areas are mainly qualitative rather than quantitative (Anderson-Stråberg, Hellgren & Sverke,

2005).

It is important that employees have trust in the wage setting manager, especially in professions of a imponderable character. (Anderson-Stråberg et al., 2005). However, it seems as a certain scepticism regarding the manager's wage setting role is held by most employees. A report from "Kommunal" shows that employees of the municipality are questioning the legitimacy of the individual wage setting on five grounds, one of which is the manager's qualifications and abilities. The employees do not believe that their manager is able enough to manage an individual wage setting in a good way and they are anxious that the manger's assessment will be arbitrary (Strandås, 2003). Weaknesses in managers application of individual wage setting is also highlighted as a stumbling block in obtaining a desired company-related and individual-oriented wage formation in the report "Företagandets villkor" from The Confederation of Swedish Enterprise (2001).

What wage setting managers consider about this scepticism seems unclear. Nilsson and Ryman emphasize that we do not know much about wage setting managers view on individual wage setting. The vast majority of what has been written previously in the subject of individual wage is based on the employee perspective. Thus we find a problematization on which research on individual wage appear to reflect a "knowledge gap". Our aim in this bachelor thesis is therefore to seek to contribute in filling this knowledge gap.

### 1.3 Key concepts

In order for the meaning of the terms used in the thesis to be clear and the text more understandable, the key concepts of the thesis are defined below.

**Individual wage:** In this paper we have chosen to define the concept of individual wage to the individual supplement of wage that employees may receive at the wage revision based on their individual performance in relation to the wage criteria determined by the organization.

Thus, the thesis definition of individual wage does *not* include the entry-level of wage offered to the employee when hired. The definition is also limited to exclude any adjustments that, in some organizations, are made between wage revision periods.

**Manager:** We aim at wage setting managers in areas of nurturance and knowledge sharing with at least two years of experience with individual wage setting.

**Quantitative wage criteria:** Measurable criteria to be included in the wage of the employee. Examples of quantitative criteria are the revenue or number of units produced the employee has generated.

**Qualitative criteria:** The non-measurable criteria to be included in the wage of the employee. Examples of qualitative criteria are the employee's skills in the professional role, his ability to cooperate and be a noble colleague.

### **1.4 Purpose**

Since our initial research for this paper revealed that employees often doubt the manager's qualifications and abilities to manage an individual wage setting in a good way, we find it interesting to investigate how managers actually work with individual wage in practice and how educated they are in the area. We have also noted that many employees feel a concern for arbitrariness in the managers' judgment that underlies the wage and therefore we find managers' handling of the assessment process particularly interesting. Furthermore, we have found that the work of individual wage setting in areas of nurturance and knowledge sharing are considered consistent with a particular challenge. This has brought us interest to examine what managers in these areas deem challenging in the process of setting wage. Since an individual wage setting is emphasized as desired in the report "Företagandets villkor" from The Confederation of Swedish Enterprise, we finally find it interesting to investigate whether managers' views on individual wage are consistent with this depiction.

The purpose of this paper is, based on the above arguments, to examine the opinions of the wage setting managers within areas of nurturance and knowledge sharing regarding the topic of individual wage setting.

Thus the main questions that we wish to answer in the thesis are as followed;

1. How do managers apply individual wages in practice?
2. How educated are managers in individual wage setting?
3. What potential difficulties do managers encounter when setting individual wage?
4. How do managers handle the assessment process, which forms the basis for an individual wage setting?

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## **2. Theoretical framework**

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*This section presents the theory underlying the thesis. Initially three significant wage theories are examined. Secondly, a section of fairness and discrimination follows, which are essential concepts in the context of wage, and related theories of these concepts are studied. The theoretical framework guides the interpretation and analysis of the empirical evidence and helps to strengthen the assumptions in the conclusion.*

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### **2.1 Microeconomic theory of wages**

The Encyclopaedia Britannica defines wage theory as the portion of economic theory that attempts to explain the determination of the payment of labour. Like other economic theories wage theory can be divided into a macroeconomic and a microeconomic level. The macroeconomic level aims to explain the comprehensive and overall development of the economy (NE<sub>1</sub>, 2011). The microeconomic level, on the other hand, treats the behaviour and interaction of individual economic decision makers (NE<sub>2</sub>, 2011). Since the purpose of this thesis is to examine the views on individual wage setting managers, it is relevant to study the microeconomic theory of wages rather than the macroeconomic theory.

Microeconomic theory of wages mainly tries to determine how differences in wages arise. Three significant wage theories have emerged in which the appearance of wage differentials is explained from different aspects (NE<sub>3</sub>, 2011). These theories, efficiency wage theory, the theory of compensating wage differentials and human capital theory, are reproduced below. The theories are essential for the purpose of the thesis since they may be helpful in interpreting the answers to the question of how managers apply individual wage in practice. This is because what managers' reward and not reward in the wage setting reasonably should result in wage differentials. Furthermore, the efficiency wage theory is important to study to be able to understand the basic idea behind an individual wage. What managers consider about individual wage setting as a concept can either support or oppose the efficiency wage theory.

#### **2.1.1 Efficiency wage theory**

Efficiency wage theory is the basic theory of reasoning to an individual wage. The theory reasons that the company's wage setting affects the employee's work motivation and job

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performance. The individual wage is thus considered to act as an incentive for the employee to perform in unison with business objectives.

The relationship between the company's wage setting and the employee's productivity can be explained by several factors (Granqvist & Regnér, 2004). For example, a higher pay can result in higher average quality of the job applicants. Since the company offers a wage that exceeds the one in a perfectly functioning labour market, efficiency wage theory can also explain the presence of unemployment. Unemployment is considered to affect employee behaviour and to encourage them to perform in order to avoid losing their work. Thus the company can keep costly turnover of labour down and reduce shirking. Since it is likely to believe that the cost of poor work efforts and high turnover of labour depends on the nature of the work, efficiency wage theory can also explain the existence of wage differentials between occupations, firms and industries.

Whether it is a positive correlation between individual wage and job performance, there are divided views within science. Jenkins et al. (1998) have conducted a meta-analysis of 39 studies regarding the subject and found a positive correlation between economic incentives and the quantity of the work performance. However, the analysis showed no evidence that financial incentives would be related to the quality of the performance. This seems to support critics' argument (e.g. Kohn, 1993) that financial incentives only control the employee's behaviour externally and encourage them to focus narrowly on a task, to do it as quickly as possible and to take few risks (Jenkins et al., 1998).

### **2.1.2 Theory of compensating wage differentials**

The concept of this theory is that the differences in pay between employments can be explained by the characteristics of the employment. The theory advocates that positions that are associated with difficult tasks, burdens or disadvantages should be compensated with higher wages than jobs with easier tasks. The theory can therefore explain the occurrence that increased responsibility for the employee results in a higher wage (Villhelmsson, 2004).

### **2.1.3 Human capital theory**

An asset that pays interest, i.e. conveys more value than its input, is within economics known as capital. As the workforce can be seen as an asset to the company, which generates returns through the work they perform, the concept of human capital has been coined. Both innate and acquired characteristics of the employee are included within the concept and helps

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determine the size of the return. Human capital within an employee is valued differently depending on what knowledge, skills and experience the employee possesses. The differentiated human capital among people is considered to be the reason why they perform variously. Consequently, the theory assumes that education and work experience improve individual productivity. From this perspective, individual wage rewards individuals with more education and work experience and result in a higher pay for them (Villhelmsson, 2004).

### 2.2 Justice

In the context of discussions of wages and salaries the concept of fairness or justice often appears. Further, in the context of pay or rewards to be allocated the individual's perception of fairness is fundamental (Greenberg, 1987). It is only considered possible for the wage setting manager to use the individual wage as a management tool to increase the employees' job performance if the employees accept the wage criteria used and perceives that the wages are fair (Anderson-Stråberg et al., 2005). In the academic version of Encyclopaedia Britannica, fair; just; equitable and other synonyms are defined as *marked by impartiality and honesty: free from self-interest, prejudice, or favouritism and an equal treatment of all concerned*. This feature of equal treatment is the spine of the Swedish discrimination legislation that regulates and prohibits discrimination in the labour market (Regeringskansliet, 2011). Consequently, justice, and also its opposite injustice, is central concepts in wage determination.

It is usual to refer to four different dimensions of justice that can be applied to various aspects of the activities of organizations. Employee experiences whether wages are fair or not can be linked to all dimensions. These dimensions of justice are essential to study to be able to draw conclusions in the final stage of the thesis whether managers' practical handling can be considered fair or not.

#### 2.2.1 Procedural justice

This dimension of fairness is about how decisions regarding processes, such as wages, are taken and how they are applied within the organization. For individuals to perceive procedural justice in relation to wages, they must feel involved in the process and feel that they can influence it. For these feelings to appear (Leventhal, 1976) have demonstrated that the process must be applied on a consistent basis, be unprejudiced, wide and accurate, and that there should be opportunities to correct problems that arise (Andersson-Stråberg et al, 2005).

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### 2.2.2 Distributive justice

How fair individuals experience the actual payroll is called distributive justice (Andersson-Stråberg et al, 2005). By comparing their work inputs and its outcome against other people the employee evaluate whether the wage is distributive fair or not (Fredholm, 1989). Persons with high appreciations about their own performance often feel that the salary does not reflect their performance and therefore they do not find it distributive fair. Since individuals' self-perceived workload often differs significantly from the wage setting manager's perception, (Motowidlo, 1982) distributive justice, or rather the employees feeling of its absence, is found to be a problem in the process of setting wage.

### 2.2.3 Organizational justice

For the feeling of organizational justice to appear in one individual, the information communicated to the individual must be considered comprehensive and clear. In the context of wage setting the organizational justice primarily is about whether the arguments and justifications to the wage level given to the employee is perceived as fair or not. An employee who considers to be given good feedback on the work performed and receives well-founded reasons for the distribution of earnings will therefore experience the organizational justice as greater than an employee who does not consider this (Andersson-Stråberg et al., 2005).

### 2.2.4 Interactional justice

If individuals perceive that certain information is supplied to them in an honest and respectful way they will also feel that the information itself is fairer. This kind of dimension of justice is called interactional justice. Interactional justice will also apply equally applicable in the context of wage setting and therefore a poor pay still can be considered fair from the employee's point of view if it is communicated in a dignified way. Thus, Erdogan (2002) notes that it is not only a matter of *what* the setting wage manager says for the employee to feel that the wage is fair, but also *how* the manager say it (Andersson-Stråberg et al., 2005).

## 2.3 Discrimination

If injustice is considered to prevail the concept of discrimination becomes topical. There is considerable disagreement about what discrimination is in reality. A definition in its simplest form however is that discrimination is a negative treatment of a person that belongs to, or is assumed to belong to, a particular group. Such a group may for example be based on the member's sex, ethnicity, age or profession. Discrimination within the labour market is often expressed through the employer's different treatment of different employees in situations such

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as the hiring process, wage negotiations and promotion decisions (Neergard, 2006). This form of discrimination, practiced by individuals, is called individual discrimination. The individual discrimination must be distinguished from the institutional discrimination. Institutional discrimination is hidden within the rules, regulations and procedures that organizations and other social systems wield and has a discriminatory impact on the members of the system (NE). The company's approach in the process of setting wage is an example of a practice that could be a subject for institutional discrimination. However, since the purpose of the thesis focuses on the managers' process of setting wages rather than the organizations', the individual discrimination is of interest.

Within economics there are two essentially discrimination theories in the context of individual discrimination; preferential discrimination and statistical discrimination (Agerström, Carlsson, Rooth, 2007). These discrimination theories are significant since there is a risk that managers' handling of the assessment process, which is included in one of the main questions of the thesis, can result in discrimination of this kind.

### **2.3.1 Preferential discrimination**

Preferential discrimination means somewhat simplified that the employer (or another party) has a negative attitude towards employees that belongs to, or is assumed to belong to, a certain group (Agerström et al., 2007). Thus preferential discrimination can be considered the form of discrimination that is commonly known. Preferential discrimination takes the form of a direct discrimination (Neergard, 2006) and the employer predicates ones actions on personal preferences and taste (Vilhelmsson 2004). When preferential discrimination prevails these preferences is the basis of the wage setting manager's assessment of the employee. Thus, the employee's wage will be defined by the manager's liking for his or hers group affiliation.

### **2.3.2 Statistical discrimination**

Statistical discrimination is based in the manager's lack of information about the employee's qualities and work executions that are hard to observe. When individual measurements about the employee's performance and productivity are missing, the managers use the average performance of the group that the employee is assumed to belong to as a source for decisions. (Agerström et al., 2007 and Vilhelmsson, 2004). Actual observable characteristics such as ethnicity and gender, and the manager's assumptions about individuals based on these properties will then be the basis for the decision. When a foreign-born individual is removed in a recruitment process based on the assumption that the person do not speak the local

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languish well enough since foreign-born *in general* have less knowledge in the language, it is a case of statistical discrimination (Neergard, 2006).

### 2.4 Theoretical summary

Three significant wage theories have emerged within the microeconomic theory of wages in which the appearance of wage differentials is explained from different aspects. *Efficiency wage theory* is the basic theory of reasoning to an individual wage. The theory reasons that the company's wage setting affects the employee's work motivation and job performance. Since it is likely to believe that the cost of poor work efforts and high turnover of labour depends on the nature of the work, efficiency wage theory can explain the existence of wage differentials between occupations, firms and industries. *The theory of compensating wage differentials* advocates that positions that are associated with difficult tasks, burdens or disadvantages should be compensated with higher wages than jobs with easier tasks. The differentiated human capital among people is considered to be the reason why they perform variously. Consequently, *the human capital theory* assumes that education and work experience improve individual productivity, and therefore their wage.

It is only considered possible for the wage setting manager to use the individual wage as a management tool to increase the employees' job performance if the employees accept the wage criteria used and perceives that the wages are fair. It is usual to refer to four different dimensions of justice that can be applied to the wage setting process. *Procedural justice* is about how decisions regarding the wage process are taken and how they are applied within the organization. For individuals to perceive procedural justice they must feel involved in the process and feel that they can influence it. How fair individuals experience the actual payroll is called *distributive justice*. By comparing their work inputs and its outcome against other people the employee evaluate whether the wage is distributive fair or not. For the feeling of *organizational justice* to appear in one individual the information communicated to the individual, such as the arguments and justifications to the wage level, must be considered comprehensive and clear. In addition, if individuals perceive that the information is supplied to them in an honest and respectful way they will also feel that the information itself is fairer. This is called *interactional justice*.

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If injustice is considered to prevail the concept of discrimination becomes topical. Within economics there are two essentially discrimination theories in the context of individual discrimination. *Preferential discrimination* means somewhat simplified that the employer (or another party) has a negative attitude towards employees that belongs to, or is assumed to belong to, a certain group. When individual measurements about the employee's performance and productivity are missing, the managers use the average performance of the group that the employee is assumed to belong to as a source for decisions. This is called *Statistical discrimination*.

### 3. Method

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*In this chapter the approach to achieve the purpose of the thesis is presented. The choice of method of collecting data, sampling and analysis will be presented and discussed. Finally, the chapter is concluded by a section on method criticism and criticism of the sources.*

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#### 3.1 Selection

As mentioned above we have found that individual wage setting is perceived as a greater challenge in the areas of nurturance and knowledge sharing. In order to examine our purpose and find answers to our questions, we intend to do case studies in companies within these areas. The choice has fallen on Folktandvarden Vastra Gotaland and the University of Gothenburg (GU) since these organizations are consistent with the areas of nurturance and knowledge sharing as mentioned in the purpose. In addition, these organizations administer distinct wage criteria, which will facilitate our understanding of the individual wage setting and thus simplify the interview situation.

We have conducted four interviews with wage setting managers within each organization. The sample of the participants for the interview has been based on three selection criteria. The participant must work within Folktandvarden Vastra Gotaland or the University of Gothenburg, the wage setting should be included in the participant's work tasks and the participant must at least have two years' experience of individual wage setting. In addition, we intend to find both female and male participants on a fairly even distribution.

#### 3.2 Data Collection

When the author(s) takes part of data that are collected by other people, including scientists that are called secondary data. Primary data is data that is collected by the author(s) for a particular purpose.

##### 3.2.1 Secondary Data

During the progress, the secondary data was gathered from the library of the University of Gothenburg as well as the City Library. We have also reviewed scientific articles and reports on the subject, mainly through relevant databases such as GUNDA, LIBRIS and Business Search Elite. During the research there have been some studies that we found more interesting for our thesis. One of them is Andersson-Stråberg's "Att få vad man förtjänar", since the article is about how employees experiences fairness in relation to the individual wage setting.

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This served as a starting point in the search of answers whether managers wage setting can be considered as fair or not. We also found Edgren's "Strukturrapport- Företagandets villkor" interesting since it is about the drive towards a modern wage formation within Sweden. The report points out both the employees and the organizations view of the formation and thus it worked as a backbone for a first understanding in the subject. The books and articles found are the sources underlying the report's theory. We refer regularly to the text and all sources are gathered in the last section of the paper.

### **3.2.2 Primary Data**

We will in this thesis mainly use raw data collected through the interviews with wage setting managers at Folktandvarden Vastra Gotaland and the University of Gothenburg (appendix 1 shows the interview guideline used). The quantitative data such as age, education and experience was gathered with help of a questionnaire, which the respondents were asked to complete before the interview (appendix 2). After approval from the respondent the interview was recorded in order to reassure that nothing of importance would be forgotten. As a complement to the recording we took notes that prevails our own reflections and thoughts during the interview.

### **3.2.3 Interview design and implementation**

The first contacts with the interviews were made by e-mail where we introduced ourselves and the purpose of this thesis. In this e-mail we also mentioned that we would take telephone contact with them (our e-mail presentation can be seen in appendix 3). Most of the interviews were booked over the phone, but in cases where the interviewee was not possible to reach over the phone, this was made via e-mail.

The interviews were made at the interviewee's office and lasted about 45 minutes. According to Krag Jacobsen (1993) an interview is a communication between three people; an interviewer, an interviewee and a spectator. Since both authors were present during all interviews this requirement were fulfilled. During the interviews one of us have had the role as an interviewer who asked the questions and brought the conversation forward. The other one had the role of a spectator who simultaneously noted down what was said, only interfering with additional questions if necessary. This led to a good dialogue with the interviewee while making sure that the interview was carefully recorded.

The interviews were recorded in order to be able to listen to them once again to make sure

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that we had not fail to note something relevant to the thesis results. This has been to a very helpful use when we transcribed all of what had been said. Our summaries of the interviews have then been mailed back for approval after the interviews. This seemed essential to us to ensure that no factual errors occurred, or that we misinterpreted the interviewees in any way. To get accurate background information, we also interviewed one person in every interviewee's organization who has been involved in developing the wage criteria used today.

### **3.3 Study Participants**

At Folk tandvården Västra Götaland all interviewed were clinic managers with an educational background as trained dentists. The first respondent was a woman, 50 years old with 10 years' experience of individual wage setting and wage setting manager for 40 people. The second respondent was also a woman, 57 years old, with over 20 years experience of individual wage setting and responsible for the assessment of 33 persons. The third respondent was a 58-year-old man who has been wage setting manager for 5 years and is responsible for the assessment of 60 persons. The fourth and last respondent, a 55-year-old man, has had seven years' experience in individual wage setting and is responsible for the assessment of 34 people.

At the University of Gothenburg all interviewed were heads of departments. Their educational background differs but is generally highly related to the matter of the institution. The first person interviewed was a 60-year-old man with 7 years' experience as the head of department and a wage setting responsibility for 30 people. The next respondent was a 49-year-old woman who is responsible for 100 people and has 7 years of experience of individual wage setting. The third person was a 53-year-old man who worked as head of the department during 8 year with an end in 2010 and was wage setting manager for 60-70 persons during the time. The fourth and last respondent was a 55-year-old man who just resigned as head of department after 5 years' of service. He was responsible for 100 people.

### **3.4 Analysis method**

This thesis is based on qualitative data. Since we seek an understanding of the phenomenon of individual wage, we believe that personal interview is the most appropriate method for collecting empirical data. Through personal interviews the causes and beliefs can be traced more easily and the method is more controllable than for instance surveys, since follow-up questions can be added. We intend to interpret the compiled interviews based on a qualitative

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content analysis to investigate whether there are shared or divided view among the managers. We then intend to draw conclusions about managers' opinions in individual wage setting. We will thereafter examine whether these findings can be generalized for the wage setting managers in the areas of nurturance- and knowledge sharing in general.

### **3.5 Method Criticism**

In our sample selection, we concluded that the interviewees should be wage setting managers with at least two years' experience of setting wage. During the period we perused to find managers to interview, we realized that it was more difficult than we had expected to find wage setting managers at the University of Gothenburg that fulfilled these requirements. This is due to the fact that a wage-setting manager at the University of Gothenburg, called a head of department, is elected every three years and there were several heads of departments that were new in their role this year. Therefore, we chose to interview two previous heads of departments that retired from the role last year. However, we believe that this has only given even greater credibility to the thesis' result since both these heads were in charge for more than one term of office and therefore has great experience in the subject.

Unfortunately we were not able to find a perfectly even distribution of female and male participants. The respondents are a slight majority of men. This could possibly make the result skewed based on a gender issue. However, since the noted differences in the managers' opinions cannot be established based on the interviewees' gender, the risk for a skewed result can be considered low.

We believe that the thesis credibility would have been greater with even more interviews. More interviews would also been helpful to draw a more general conclusion on the managers' views on individual wage. However, we believe that we have done enough interviews to draw the conclusions that emerge in the end of the thesis.

### **3.6 Reliable of the sources**

When collecting material to the theoretical framework primarily literature found at the University of Gothenburg's library were used. To get reliable sources we also used the databases that are available through the University of Gothenburg to find scientific articles within the subject. Since the research about managers' view on individual wage is limited, not

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all sources are up to date. However, since the authors used in the theoretical framework is gathered from well-known articles and books our sources are considered to be reliable. To the small extent that we used Internet, these sources has high reliable and are strongly connected with the subject of the thesis.

## 4. Empirics

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*The chapter begins with a brief presentation of the organizations where the interviewed respondents' works and their respective models for wage setting are presented. This is followed by summaries of the interviews divided in five themes.*

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### 4.1 Introduction of Organizations

#### 4.1.1 University of Gothenburg (GU)

The University of Gothenburg is one of the largest universities in Northern Europe and was founded 1954. The university has more than 5 000 employees and houses over 37 000 students enrolled at about forty institutions. The University of Gothenburg shows in its annual report of 2010 a capital surplus of EUR 232 million.

The University of Gothenburg has established rules for determining the wages in order to have a mutual wage policy for all the employees. In a publication where the broad principles of wage determination at the university is stated, it clearly indicates that the wage should be individually determined, unless the employer or a local work organisation has found reason to agree on exceptions for certain groups. The wage will be determined primarily at employment and the annual wage revision, but may also occur when a significant change in tasks is added to the position. It is the head of department at the various faculties that is responsible for determining the wages at one's institution.

The wage criteria used today were established in May 2010. The criteria were developed after that wage setting managers expressed their criticism for the previous model, which they found difficult to apply in practice. In this model, there were significantly more criteria's intended to serve as a smorgasbord for the wage setting managers. When setting wage the head of department should select the criteria as were considered most appropriate for each profession. This was thought as too complicated and therefore a workgroup, in the coordination of personnel matters, made a review of wage criteria. The emerged proposal was discussed by the management council in October 2009 and lead to an assignment for the university's "negotiating team" to make a recast of the proposal against the background of the expressed arguments. The goal was to find quantifiable and concrete factors that despite the many different organizations and personal groups highlighted the University of Gothenburg as *one*

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employer. The criteria would also facilitate the manager application and clarify the grounds for the employees on which wages are set and what one can do to influence one's wage. New wage-setting rules, largely inspired by the corresponding rules at Lund University, were established in May 2010.

The current model includes wage criteria for two categories of staff, teaching- and researching staff as well as technical- and administrative staff and librarians. Regarding both categories of staff the wages should be based on the work severity, the employee's skill and performance, and the wages in the external market. The criteria that are established are from now known as rules. Director of Human Resources, Hilding Sjöden, says that the regulations do not preclude the consideration of each institution to make its own applications, as long as these are not in conflict with the University's criteria.

The question of if individual wage is a reasonable model for the public sector is an on-going discussion. One problem is that the University of Gothenburg is included by the principle of open acts, which means that anyone can find out his colleague's wage. A more fundamental question is whether an individual wage is at all compatible with the demands on public officials, to act autonomously under the laws rather than adapted under their manager.

However, Sjöden points out that no model can be considered as ultimate, negative aspects can be found in all systems. There is also a problem in trying to correct the negative aspects as it often leads to deterioration in another aspect. In today's local wage rules, he illuminates the librarians as a rather forgotten group thus they are not considered to be the teaching staff but cannot be said to fall under the category of administrative staff either. The wage criteria are therefore complex to apply to their profession. Another problem is that wage setting is an extremely costly process where almost everyone is involved, mainly through the wage discussion (For a link to a website where the wage criteria of the University of Gothenburg can be seen in detail, see appendix 4).

### **4.1.2 Folktandvarden Vastra Gotaland**

Folktandvarden Vastra Gotaland was formed on January the first, 2007. The administration is the result of a merge between five smaller, independent parts, and currently works for the vision "*Frisk i munnen hela livet*". A board as well as a director govern Folktandvarden Vastra Gotaland. The administration has 2900 employees and a turnover of around 2 billion in 2010.

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Simultaneously as the merge and the formation at Folktandvarden Vastra Gotaland in 2007 it was decided that joint guidelines for wage setting should be determined. Until then the five merged parts had followed various models for this purpose. It was the Human Resource department with its manager Anneli Bernhardsson that pushed the initiative for these common guidelines, which resulted in the wage criteria. These criteria are supposed to make it easier for managers in their role as wage setting managers and contribute to a consensus within the organization. In addition to that the individual wage would work as a management tool to guide and motivate staff to work towards the organizations goal. The criteria are applied at the annual wage revision. In the case of a new recruitment, the wage is set in consultation between the clinic manager and the Human Resource department since assessments of the new employee cannot be done.

The criteria were developed by a group of about ten people, consisting of clinic managers, dental managers, union representatives and two representatives from the Human Resource department. The wage criteria were based on the collective agreements, Vastra Gotaland wage policies, discrimination law, and the policy documents and objectives of Folktandvarden.

The result became a so-called spider model in which four perspectives are assessed; economics perspective, customer- and patient perspective, business perspective and employee perspective. Within each perspective, there are three criteria for assessing within three grades; partially achieved, achieved and often achieved. The model has evolved over time and a supporting document that gives a detailed description of what and how employees must perform in the different assessment grades has been developed. This support document was developed after the Human Resources department's discovery that many clinic managers in general were very generous in their assessments. The document was a result of a meeting between clinic managers where they discussed what should be expected of employees in each assessment grade. Since then, clinic managers meet in groups before any wage revision to have a dialogue about the assessment process in an attempt to reach a consensus.

The spider model should serve as a tool for the clinic manager in the wage discussion. They perform an assessment of the employee, which is then left to the Human Resource department. The Human Resource department then sets, in dialogue with the union, the actual amounts based on the current year's budget for wage increases. The wage consists of three parts including work assessment (what each specific position is worth), experience/competence based on number of years within the profession ("work experience

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wage supplement”) and individual performance. The same assessment grade results in the same amount, regardless of clinic. The model does not speak of a priority order of the wage criteria. The Human Resource department means that the clinic managers themselves may determine what criteria have most weight in the matter, depending on the situation and current need of the clinic.

In conversation with the Human Resource manager, Anneli Bernhardsson, she revealed that the Human Resource department are aware of some weaknesses of the model. She points out that the current framing leaves no room to even out gaps between similarly performing employees who in the initial situation have a wage difference between them. The model is therefore not flexible. In addition, she believes that the “work experience wage supplement” which the organization uses today, that gives an automatic pay increase every fifth year as long as the employee has achieved the required, has reached the end of its purpose. The “work experience wage supplement” was initially introduced to justify the unfair wage gap that existed between the employees of the five merged parts due to the previously separated wage systems. These unfair differences of wages are considered corrected today. Bernhardsson says that the goal is for the “work experience wage supplement” to be abandoned within two years. The surplus, which then will be formed, can be used to free funds for such adjustments that the model currently cannot provide.

In a situation like the one described above the manager would be able to provide the employee with a lower initial wage a compensatory sum, beyond the amount related to the assessment, in order to even out the difference in pay between him and the equivalent colleague with a higher initial wage (Appendix 5 shows the wage criteria of Folktandvarden Vastra Gotaland in detail).

### **4.2 Interview Results**

We have sought answer to the main questions by conducting detailed interviews with four wage setting managers within each organization mentioned above. Each question has in the following interview compilation led to five different themes in which answer to related questions has been gathered in the same order as they are stated in the purpose. The headings below are therefore an assembly of the most interesting and recurring within each theme. To maintain the best possible anonymity of the interview result we title both clinic managers and

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heads of departments as wage setting managers unless a precision of a given category is required.

### 4.2.1 The wage system and the criteria

The interviews with clinic managers at Folktandvarden Vastra Gotaland shows that all managers use the organizations' determined wage model when assessing their employees. Some criteria are perceived clearer than others and are therefore easier to work with (see below), but all the interviewees try to use every criteria, the spider model and the support document in the best possible way.

*I'm trying to follow the model the best I can.*

Most clinic managers believe that the wage model and the wage criteria used in their organization today essentially is good.

*I think the model is all right. There are certainly some criteria I miss, but nothing I can think of right now.*

All clinic managers have wage discussions with their employees. Some employees, however, choose to waive the wage discussion since it is not mandatory. Three out of four interviewed clinic managers depicts the wage discussions as a forum to justify the wage of the employee rather than as a wage negotiation.

*There are people who believe that the wage discussion is a negotiation, but that's not really the case. I see the discussion as an opportunity to justify a decision that's already been made.*

In order of the use of the organization's determined wage model, it seems as if the heads of departments at the University of Gothenburg differ significantly from the managers at Folktandvarden Vastra Gotaland. Of the four interviewed heads of departments, only one of them used the organization's wage criteria in the process of setting wage. Other heads of departments use specific wage models for their own particular institution, which they consider to be more appropriate. The influence of the organizations' wage model differs at the institutions. To some extent, the common wage criteria serve a purpose in these models, and to some extent they do not.

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*I've looked at the criteria of the organization at a single occasion and found that they are very general and that they are virtually covered in my own model. But actually, I cannot really remember the criteria stated in the organization's model right now.*

*GU's criteria have no effect in the pay packet more than by fundamental factors such as what education and experience the employee have. It is those who are the most important ones.*

The heads of departments are therefore not as positive towards the model and criteria of the organizations as the clinic managers are.

*No one questions the criteria's existence, but it is rarely a benefit with central directives.*

*GU's criteria are usually not applicable. The model must be manageable, easy to understand, be reasonably acceptable and possible to apply by the book.*

Since every institution works with its own model of wage setting the practical approach to wage setting differs between the heads of departments. An example from one institution follows, where the handling of the process of setting wage may be considered relatively representative for the wage model of other institutions, of course with some exceptions. The head of department of this exemplified institution collects information about employees' measurable and verifiable performances, such as individual serialisation (research output), how much and in what courses the employee has taught and the amount of research grants he or she has contributed with. This performance is then scored based on quantity and rank, etc. The score is then divided into four groups with 25% of employees in each group. This creates reasonable wage dispersion according to the head of department. Each group will then receive a certain wage bill.

*It's a fairly conservative model. It's only the score that makes it a bit bolder. We try to steer the business through the wage. The interest in teaching some courses are not so great and therefore we try to compensate the teachers that address these courses by giving them a higher score.*

*We can be said to liken a company, we are surviving due to the research grants. More or less all research is funded by external grants. Obviously, the individuals that bring in grants are rewarded.*

As the clinic managers at Folktandvarden Vastra Gotaland the heads of departments at the University of Gothenburg have wage discussions with employees who request it. However, it

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seems that fewer people are interested in the wage discussion within the university. The wage discussion does not seem to function as a negotiating between the employees and the manager at this organisation either.

*I believe that employees are satisfied with the institution's payroll system. This is obvious since nobody wants to have a wage discussion. They know that it wouldn't help. They assume that if I follow the model of the institution the wage will be correct, and they trust me to do so.*

In conversations with both heads of departments and clinic managers it becomes clear that the organizations' criteria in many cases are unclear. Many managers say that they interpret the meaning of the criteria.

*The model can never be clear enough. And what is clear to me might not be clear for someone else. I have developed my own strategies and interpret the criteria based on what I think is important.*

When asked whether managers believe that one criterion weigh more heavily in the assessment than others, the answers are clear. The economy is essential for clinic managers in Folktandvarden Vastra Gotaland. Research output is considered the most important criterion, for the teachers' wages, of the heads of departments at the University of Gothenburg.

*I think it's important to focus on the question "Why are we here?" It is not primarily to have fun. We are here to produce high-quality dental care at a reasonable speed, so that we can pay our wages.*

*You can never get the highest assessment if you don't generate money. And I think everyone agrees. The work becomes more fun if there is money at the clinic. We all want bread rolls to the Friday-coffee and not crisp bread.*

*The government grant will only depend on the output, how much research we produce. And therefore it's obvious that this matters for the pay. Previously, we had a criterion called "good ambassador and colleague". But that one is gone now. The emphasis is on research.*

Today, there are qualitative criteria within both organizations' wage models. There are differing views among managers as to whether these should be included in the wage model or not. Several managers emphasize that the qualitative aspects, such as being a good colleague, is part of the basic conditions of an employment.

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*I don't think we should have employees who don't meet the qualitative requirements. It is obvious that one should help out and be a good colleague.*

Some managers pointed out the opposite of the view above. They believe that qualitative criteria are important and should be rewarded in the pay packet.

*To show loyalty, will to cooperation and be a good colleague was something that was better highlighted in the old criteria. I can miss such factors in today's criteria.*

*It's extremely important with the qualitative criteria. You cannot just go for the money. That would reduce the employees.*

One manager emphasized that the qualitative criteria are not consistent with the organizations goals and vision.

*As the criteria looks right now they have a large proportion of soft values. And that's a bit controversial as the administration itself is rather focused on the economics. And so it does not feel quite as if the wage criteria are in harmony with the organization.*

### 4.2.2 Education

When we ask the wage setting managers if they have been undertaking education in individual wage, the majority answer that they have not done this. A few have considered the question of wage in the full context of a manager training. None of these managers believed that this training was meaningful.

*Until a few years ago, management education was not obligatory for heads of departments. Today it is, but wage is still not a mandatory course.*

*I attended a management education that was mandatory. But I find it hard to assess how valuable it has been.*

Most managers note however that the organizations specific wage model has been introduced to them at meetings or education days. Some managers, however, feel that they in the beginning of the role as a wage setting manager had too little education in the field. For some of them the complexity of wage setting came as a shock.

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*It was a rather unpleasant surprise. I think they could have prepared me better for the role as manager.*

When asked if it would be desirable to have training in individual wage setting we got various answers. It must be noted that the majority of managers do not consider it necessary to have a general course of individual wage setting. It is rather desirable for deeper studies in the organizations' specific wage model and its assessment system, as many managers seem to doubt that there is a consensus among managers.

*Whether you're employed here or there within the region, you should of course be evaluated in the same way. I don't think that's the case today. This is a matter of education.*

One manager point out the fact that some of his colleagues make the assessments of the employees very high in order to avoid conflicts. Education in how to deal with conflicts is considered a good idea by this manager since conflicts is something that often comes with wage setting.

*My general feeling is that I have colleagues who think this is very hard and tend to try to avoid friction. To discuss the harder pieces, such as how to handle conflicts, would have been useful in order to give a shot in the arm to people who are more afraid of conflicts than I am.*

One of the heads of departments at the University of Gothenburg is distinct to point out that he is a head of department and not a manager. The interviewee says that the University of Gothenburg have an ambition to send the heads of departments to a management education. This, the head of department consider to be wasteful.

*Putting good researchers on management education is inhibitory for the conduct of research, our basic employment. I think recruitment is essential, to find talented researchers to the institution. This is far more important than being educated in the manager's role.*

### 4.2.3 Challenges

The manager's biggest challenge seems to lie in dealing with injustices of various kinds. The majority of managers think that professions that are linked to quantitative criteria are

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easier to assess. Nurses and administrative staff are therefore presented as more difficult to assess since quantitative criteria rarely are useable for them.

*Nurses are more difficult to assess, to apply the criteria on their job. They have some contribution to the money made, but it is not visible.*

Many managers also believe that these professions are more sensitive to injustice and that this can cause problems. Also the employees wage-comparing is highlighted as challenging.

*The individual wage setting can easily cause tensions between people. Especially among the nurses, who are in the "bottom" in terms of both prestige and wage. Among them may even a 50 kroners' difference be a big deal .*

*The individual discussion is rarely a problem, but afterwards when they compare themselves with each other, certain dissatisfaction can appear. Questions like "Why do you perceive me like this?" and "How is it that you think she's better than me in this area?" is tough to answer since I'm not aloud to discuss the wage of other staff members with their colleagues.*

Many managers believe that it is a challenge to deal with employees who are dissatisfied. They believe that dissatisfaction usually occurs when the employees do not have an accurate perception of their own performance.

*At the wage discussions there are people who comes in and introduces them selves as God's gift to humanity. My sad duty is then to bring them down on earth. It is a hassle.*

*One year I asked the employees to assess themselves by checking the model's boxes before the wage discussion. Almost everyone had checked "often achieved" in all criteria. There were even employees who had checked outside the model. I thought the Jante Law would be noticeable in their assessments, but it did not turn out that way. Some people don't seem to know them selves.*

The union has in several interviews been highlighted as something negative. When the wage setting manager and the union cannot agree on certain wages, injustice is said to prevail. Many managers consider it a hassle to face the employee, as the wage verdict has not fallen to the manager's sole discretion.

*I know my employees a lot better than the union does. It would have been easier if I could have had a wage setting session with the employee himself, without negotiations.*

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*Sometimes you can't justify an employee's wage because it can take a different turn in the negotiations with the union than the one I had in mind.*

One manager pointed out that the economic situation in the nation could create injustice in the individual wage settings.

*If a person is given a top-assessment a year of an economic boom the percent increase on the wage will be large and the person's wage will take a giant leap. If his colleague is given a top-assessment the following year, when there is a recession, he won't receive an increase that large, despite equivalent performance. It will be unfair!*

Salary discrepancies are sometimes considered to create unfair wages in the event of a disagreement between the Human Resource department and the clinic manager.

*As a manager, I can only enlighten the Human Resource department when I think that salary discrepancies exist. It is sad when we are of different opinions and therefore cannot get along. I have been fighting for increased pay for one of my employees for two years without result.*

“The work experience wage supplement” that is a part of Folkvandvarden Vastra Gotalands' wage model is criticized by all clinic managers and is considered to contribute to unfair wages.

*“The work experience wage supplement” is completely ridiculous. Peoples' wages dash off for no reason. It leads to a skewed distribution since experience and competence not always are related to the number of years within the profession.*

*I don't think you automatically should have a higher wage just for getting older. In some cases it would be rather more suitable to talk about a lower wage. Some totally lose their ambitions when they get older. Above all, they may be reluctant to change and unwilling to learn new things.*

One clinic manager pointed out the problem of removing “the work experience wage supplement”.

*The Human Resource department argues that the supplement is fair because everyone will get it. But if I get the supplement at year one, I will have received an additional wage of 60 000 kroners' in year five. If you get the supplement at year 4, you will only have received an additional wage of 12 000 in year 5, since you've only had time to be in the system for one year. Then we suddenly change the wage model and remove it. In that case I've got a*

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*total of 48 000 kronors' more than you. People are of course smart enough to count this out. Should we then end "the work experience wage supplement" in a fair way we have to end it gradually. And that's really complicated.*

Most clinic managers at Folktandvården Västra Götaland points out the difficulty in separating individual performances within a team. A less competent dentist can be backed up by a competent nurse and vice versa. In those cases it is difficult to discern who is performing well and who is not.

*I can guarantee that a dentist spend more time with ones nurse than with ones spouse, and vice versa. Some relationships can be liken as an old marriage. There is considerable loyalty between them and they don't want to disclose their closest colleague, since he or she often is a friend. This complicates the process of assessing individuals.*

Several managers also emphasized that the wage model restricts their freedom of action.

*I want to be able to reward someone who has gone from "poor" to "good". This journey can be a greater achievement than going from "good" to "better". But there is no room for such a reward in this system. That's a shame since it becomes difficult to encourage the person to continue to develop oneself.*

*It is sad that there is no room for me to correct the salary discrepancies. Or set the initial wage for a new employee. I feel a bit tied behind my back by the system.*

*We are supposed to do much work that is not included in our job description. So it's important that there are people who volunteer. For those whom do so I would like to give a bonus, but as the model is designed I can't do so. Those performances can't be included in my assessment.*

### 4.2.4 Assessment Process

When asked if it is possible to make completely objective assessments of employees, nearly all managers' answer that this is not entirely possible. To some extent the manager's personal preferences matters in the pay packet.

*Wage setting is a very subjective work. But there is much action done to make it look objective. But basically it's me who decides.*

*Of course I try to disconnect my own views in the assessment. But if I were weighing between 2.5 and 3 points, a person I like would get 3 points while a person I don't really care for would get 2,5 points. It is difficult to completely disconnect.*

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However, all managers point out the importance of striving towards the most objective and unbiased assessment. In several interviews it was pointed out that the manager would lose the trust of the employees in the event that the assessments would be based on personal preferences.

*Would I be unfair in my assessments, it is something that the rest of the group would pay attention to and make a fuss about. I use to say that the employees have one supervisor who controls them, while I have 34 supervisors controlling me. Therefore, you must always lead by example. As a manager you set the norm.*

*It is extremely important to be able to justify the employee's wage based on any given criterion. It forces me to leave the personal preferences aside.*

Many highlights that a co assessment with other colleagues is a way to strengthen the objectivity of the assessment. Discussing employee performance with supervisors and coordinators are considered to make the assessment less partial.

*In my defence, we are three people doing the assessment. So if I have a relationship with a colleague it is hopefully balanced by the fact that the other two don't.*

It also emerged that the objectivity of the assessment is considered dependent on the wage setting system that are used. Are the criteria diffuse will also the assessment be so. As mentioned before, quantitative and measurable criteria is identified as significantly easier to use in the assessment process than qualitative criteria. Many note the subjectivity of assessing what is a great achievement and not.

*I mean, what makes a teacher good? Is the best teacher the one who gains popularity tests among students or is it the teacher that students after 10 years of work looks back at and realise that "that teacher was for sure the best one, although I didn't like him back then"?*

*How do you assess what is good nursing care? Some dentists don't speak at all during the treatment, and some talks constantly. Different patients prefer different dentists. If you get treated by one who talks a lot you won't consider that you received a good nursing care in the case you prefer a dentist that is quiet. What is right and what is wrong?*

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Because quantitative criteria are thought as easier to use most managers find occupations, which are strongly linked to these criteria, easier to assess.

*With teachers it's easy, it's output that control the wage. The assessment of the administration staff is fuzzier. Since it's not so quantifiable it becomes more difficult to avoid injustice.*

*It is easier with dentists and hygienists since there are revenues to look at. Therefore it's harder with the nurses and reception staff.*

One head of department was distinct to point out the importance of only evaluate measurable accomplishments in order to achieve an objective assessment. Because of this the head of department excludes all criteria related to qualitative and soft aspects.

*It is possible with this system. In other wage models I do not think an objective assessments can be achieved.*

All managers believe they have a good insight into employees' work and achievements.

*When I was in the position of an employee, I thought that the manager didn't see me and my particularly performance. But now, when I'm the manager my self, I realize how much I actually see. Probably much more than what my employees think.*

Even the head of department who completely ruled out the qualitative aspects of assessing claims to have a good view of the employee's performance.

*If you would ask me if I see enough to actually be able to set a wage based on soft criteria, I would answer yes, definitely! It is included in my role as a manager to have that kind of insight.*

But this insight does not seem to exist due to that the manager is constantly present in the employee's daily work. Many speak of a sense they build up and that they learn to recognize employees' achievements in the class- and treatment room over time.

*I make some sort of overall assessment based on a gut feeling I've build up.*

The managers emphasize staff meetings, employee sessions and various follow-ups as forums

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where employees' job performances, competence and commitment are reflected well. The clinic managers at Folktandvarden Vastra Gotaland claims to see indicators of the employees' patient treatment via customer surveys and complaints through either the reception or one self. This is comparable to the course evaluations that the heads of departments consider a good basis for assessing the teachers' education. An awareness that the response rate is often low and that individuals who have negative aspects to highlight rather fill out the customer surveys and course evaluations than those who are satisfied seems to be well spread.

*It is certainly more fun to whine than to praise, but I am of course aware of this. And after all, there're employees who gets complaints all the time and those who never gets it. This can say a lot of an employee.*

### 4.2.5 Concept of individual wage

It is noted that the majority of the interviewed managers think that the concept of individual wage is good. It is considered obvious that anyone who performs better also should earn more.

*The wage must be individualized. The idea of a collective wage is absurd.*

*The good thing is of course that I can reward individuals who work well and want to drive the business forward. There are lazy people too and they should not be rewarded, they've chosen to be lazy.*

Furthermore, many managers mean that the individual wage *can* work as an instrument to motivate employees to perform well, develop themselves in their profession and improve their weaknesses. They point out that different individuals are motivated differently by economic incentives and the individual wage as an instrument for management control is therefore considered to serve a great variety of different individuals.

*The employees' outcome after receiving the wage is individual. Some gets really spurred by the wage discussion and I can see how they make efforts to improve things that I highlighted as lacking about them. Some, however, don't believe that they can achieve what I asked of them and therefore they don't even bother to try. Everyone probably wants higher wage, but it is not all who have the strength to work for it.*

All managers' points out that individual wage are difficult. There seems to be unanimity in the view that the wage setting has become more complex for managers with the introduction of individual wage.

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*For me as a manager, the old wage system, where you got paid based on profession and number of years within the business, was easier to work with. I did not need to justify the wage back then.*

Despite the complexity of individual wage no manager has a proposal on a wage setting system that would work better. The managers seem to be in agreement that there are negative aspects of all types of systems and in several interviews they depict that no system is ultimate.

*Certainly the assessment process sometimes can be difficult, but I don't know if that's the same as saying that individual wage is a poor system. I don't understand what the alternative would be.*

*All systems are more or less good. Previously, we had a mass of wage that a group of managers would divide between themselves and then distribute at ones department. Then it was the managers who could speak for themselves, which succeeded in engaging most of the money. And that's not fair, that the person who talks most get most.*

It is also stressed that it is important that all wage setting managers within the organization works with the individual wage setting in the same way for it to function properly.

*If the model we work with in our organization is used as intended, I believe the wage will be as fair as it could be. But at the moment, I'm pretty sure that we work with the criteria in different ways.*

*If not all managers use the model in the same way the individual wage will be quite unfortunate since the wages will be unfairly distributed between employees at different departments.*

One of the interviewed heads of departments at the University of Gothenburg was distinct to point out that wages must be linked to the nature of the business. This particular manager does not consider individual wage to be an appropriate wage setting system within the university sector.

*Within a business like ours, where you cannot relate the revenues to individual performances, it is not appropriate with individual wage. It's different within the private sector where this type of relation exists, and therefore it's important to reward those who contribute more to the business. But since we don't have this type of system, more than indirectly, it's only creating undesirable effects.*

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### **4.3 Empiric summary**

An initial understanding of managers' opinions regarding individual wage can be seen above where the most interesting and persistent regarding each question related to the thesis purpose has been summarized under five different themes. The ambition of this summary is to sum up and clarify what we have attained, and based on the interview results answer each question concrete and separately.

#### **6.2.1 How do managers' apply individual wages in practice?**

Clinic managers at Folktandvarden Vastra Gotaland works actively with the organization's developed wage model. All managers take the four perspectives and related wage criteria in account in their assessment process. However, the wage criteria that are included in the economic dimension are considered to weigh slightly heavier than the others, since managers think that a good economy is a requirement for conducting organizations. The assessment forms the basis for the employee's wage, but the managers have no influence over the actual outcome in figures. The Human Resource department determines the actual wage in negotiations with the union.

The heads of departments within the University of Gothenburg do not work actively with the organizations developed wage model. The institutions are instead working with their own, well-established models for determining the wages that the head of department points out as better than the wage model that the University of Gothenburg has developed. A general tendency in the institutions' own wage models is that they overlook the qualitative criteria and essentially takes the measurable criteria into account, such as research output. Heads of departments highlights these models as objective. It is the head of department that set the actual wage in figures in cooperation with the union.

Both organizations offer wage discussions to the employees before the wage revision. These serve as a forum for the manager to justify the wage of the employee rather than as a bargaining between employees and managers.

#### **6.2.2 How educated are managers in individual wage setting?**

The interviewed managers at Folktandvarden Vastra Gotaland and the University of Gothenburg are poorly educated in wage setting. A few managers have treated the issue of wage setting in the full context of a manager education. They have however found it difficult

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to determine how valuable this education has been. Still many of the managers highlighted them self as knowledgeable in this area but that skills for this comes down to experience rather than education.

Within Folktandvarden Vastra Gotaland there is an interest in further studies in the organizations wage model. The managers here believe that the consensus within the organization is deficient and that the wage model is not applied in a similar manner at the various clinics. The managers believe that this may be achieved through increased education in the area.

The heads of departments' interest in education in wage setting seems to be weak. Thus the organizations wage model have not won full acceptance, they consider that an education in the model is irrelevant to them. Furthermore, they consider that education in wage issues are time consuming and are inhibitory for research.

### **6.2.3 What potential difficulties do managers encounter when setting individual wage?**

Managers' biggest challenge in wage setting seems to be in dealing with injustices of various kinds. The sense of injustice is arising from the employee when he compares his wage with an, according to his eyes equal colleague and finds that this one has a higher wage. Wage comparisons between employees often lead to questioning and dissatisfaction that the manager must deal with. Dissatisfaction may also arise when the employees do not have an accurate perception of their own performance. Employees who overestimate themselves are a problem and force the manager to "bring the employee down on earth," which is perceived as a hassle.

The union's involvement and Folktandvarden Vastra Gotalands work experience wage supplement also provide a basis for unfair wages to occur. It is a challenge in order to be able to justify the wage or the wage differences that incurred for employees in cases where these are controlled by external and for the manager uncontrollable factors.

Several managers emphasized the difficulty of the fact that the organizations wage model limits their freedom of action. Many managers wish for increased possibility for deciding wage issues. To correct the salary discrepancies oneself, in order to reward employees who

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contribute to the organization outside the given work description and encourage individuals who improved their work performance but not to the extent that the model requires are examples of performance managers wish to perform but are unable to.

Finally, most managers at Folktandvarden Vastra Gotaland points out the difficulty in separating individual performances within a team.

### **6.2.4 How do managers handle the assessment process, which forms the basis for an individual wage setting?**

All managers believe they have a sufficiently good insight into the employees' performance in order to make a good assessment of their work. The insight is not based on that the managers constantly are present in the employee's daily work, it is rather based on that they over time has learned to recognize the employees accomplishments and built a "gut feeling". Staff meetings, staff appraisals and various follow-ups are highlighted as forums where the employee's work performance, competence and commitment are well reflected.

Manager's do not believe that it is possible to obtain completely objective assessment but emphasizes the importance of striving towards it. Many note the subjectivity of assess what is a good performance or not. Co assessment with, for example supervisors and coordinators, are considered to make the assessment less partial. The quantitative and measurable criteria are considered easier to use in the assessment process than the qualitative criteria. Therefore the managers think that professions that are strongly linked to quantitative criteria, such as professions where there is revenue to look at, is easier to assess. In the University of Gothenburg almost no attention are given to qualitative criteria in the assessment process to avoid the subjectivity, which is considered compatible with these.

### **6.2.5 What do mangers think of individual wage setting as a concept?**

The interviewed managers think that the concept of individual wage is essentially good. It is considered as given that an employee who performs better also should have a higher wage. Since different individuals are considered to be motivated different of financial incentives, the managers hold that the individual wage works as a good instrument to steer *certain* employees to perform well.

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Certain scepticism whether the individual wage is a good concept within the University of Gothenburg or not is however prevailed since the revenues of the university cannot be linked to individual performances.

Furthermore, the managers at Folktandvarden Vastra Gotaland have highlighted the individual wage as more complex and time consuming. However they cannot give a suggestion on a wage setting system that would work better than the individual wage. However, they point out that there are negative aspects of all types of systems. Finally it is contended by the managers at Folktandvarden Vastra Gotaland that it is important for all wage setting managers to work with the individual wage in the same way for it to function correctly.

## 5. Analysis

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*In this section, what was found interesting in the empirical part is emphasized. An attempt to understand the achieved results is made and a correlation between the result and the theory studied in the theoretical framework is performed.*

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### 5.1 Introduction Analysis

The interview results show a clear difference in the practical work between the studied organizations. Clinic managers at Folktandvården Västra Götaland works with the organizations developed wage model more actively compared to the managers at the University of Gothenburg. The definition of individual wage in this thesis is the individual supplement of wage that employees may receive at the wage revision based on their individual performance in relation to the wage criteria determined by the organization. We note that the managers at the University of Gothenburg do not apply individual wage by the definition since they do not follow the organizations developed wage model. The separate application of individual wage between the organizations has made it difficult to make a general analysis of managers' opinions. For this reason the chapter is formed so that the organizations initially are analyzed separately. Some similarities in the managers' stories have arisen and therefore the chapter's final section is focused on the analysis of these common denominators.

### 5.2 The University of Gothenburg

Our empirical work has shown that in practice only one out of four interviewed heads of departments based the employees' wage on the organizations developed wage criteria. The discovery is interesting since it can be seen as an indicator that the common wage policy within the University of Gothenburg is deficient. Furthermore, the observation perceived as surprising since the results were not expected in advance. For this reason, it is in our interest to investigate the cause of why the University of Gothenburg's wage model is not fully applied within the organization. We therefore seek an understanding of the heads of departments diverge handling of the wage-setting process, to reach an understanding of how they apply individual wage setting in practice.

The heads of departments' circumvention of the organizations wage model may depend on several aspects. During the interviews, we found clear indications that the University of

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Gothenburg is, or at least is perceived as, a fragmented organization. There seems to be a feeling of "us versus them" between institutions as well as faculties. The heads of departments seem to see their own institution as an organization in itself, disconnected from the main organization the University of Gothenburg. An indication that this has attracted attention to the organization's board can be seen in the university's rules for wage setting where it in the opening sentence has been deemed essential to make clear that the University of Gothenburg is *one* employer. This sense of decoupling from the organization's totality could be presumed to effect the head of departments will to implement the organization's wage model. Thus, steps to strengthen the heads of departments' feelings that the University of Gothenburg is in deed *one* employer might improve their applying of the organization's wage model.

Steps with a purpose like the one mentioned above could be inhibited by the traditional procedures and values that are inherent in each institution. During the interviews it has become clear that many institutions are applying their own, well-established methods of wage setting. All heads of departments points out that their own wage model is better than the wage model the University of Gothenburg has developed. A general tendency of the institutions' own wage models is that consideration is given to measurable aspects, such as research output and the number of courses taught. Meanwhile, qualitative aspects, such as employee's interpersonal skills and ability to co-operate, have less impact on the employee's actual wage. Since the current wage systems are so heavily entrenched within the institutions there is a difficulty in switching to the model developed by the University of Gothenburg. Several heads of departments pointed out that a head of department who advocate a new wage system than the existing one, would not win any trust among the employees. Thus, if an ambition to apply the university's wage model would exist, the opposition would prevent it. The institutions' embedded traditions can be seen as an obstacle to a common wage policy within the University of Gothenburg.

Another aspect that may complicate a common wage policy within the University of Gothenburg is that the head of department's term of office only last for three years. There is therefore a temporal limitation on what is possible to perform during their term. To build employee trust, which the heads of departments emphasized as necessary to enable the introduction of a new wage system, may require more time than the three specified years.

Furthermore, the development of the institutions' wage models are held back by some heads

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of departments that seem to be involuntary leaders and whose interest in dealing with wage issues are little. As seen in the empirical, the institutions are focused on research and the ambitions to lead are little. One head of department described the role like a military service. Wage setting is thus overshadowed by what these heads of departments consider as more important, such as recruitment. A solution can possibly be to lift the responsibility of wage setting from the head of department and dedicate it to another person. This, however, is pointed out to be problematic by the heads of departments since it is difficult to get the organization to accept managers that are not taken from their own guild.

A final reflection about why the University of Gothenburg's individual wage model has not achieved full acceptance by the heads of departments is the fact that it to some extent is considered an inappropriate wage setting system within the university sector. As one of the interviewed heads of departments was distinct to point out, individual wage setting is a poor system for the university due to the fact that the revenues cannot be linked to individual performances. Another reason is that the organization acts under the principle of open acts. This means that all wages are public and anyone can take part of them. This principle has in many interviews been pointed out as something negative for the applying of individual wage. The director of Human Resources, Hilding Sjöden, points out that there is skepticism whether individual wage setting is a good system in this type of organization since public wages results in that many employees are dedicated to compare their wage with each other. The heads of departments have highlighted it as difficult to justify for the employee why his colleague with the same duties at another institution have a higher wage. This they consider particularly difficult regarding the administrative staff, where the difference in wage cannot be caused by variety of research output. To avoid employees' questioning, which often also is consistent with dissatisfaction, has one of the heads of departments completely abandoned individual wage setting of the administrative personnel. The wage is instead based on the wages of persons in comparable positions. The principle of open acts must therefore be found inhibitory to the common wage policy at the University of Gothenburg.

### **5.3 Folktandvarden Vastra Gotaland**

The empirical chapter has made it clear that all interviewed clinic managers at Folktandvarden Vastra Gotaland apply the organizations wage model when setting wage of employees. Therefore the individual wage in the organization is agreed with the definition of the thesis. Since the clinic managers follow the organization's wage model it means that a wider

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consideration of the employees' qualitative characteristics is made at Folkvandarden Vastra Gotaland compared with the University of Gothenburg. In turn the process seems to become more complex. Significantly more clinic managers than heads of departments have emphasized individual wage as difficult and described some unavoidable subjectivity in wage setting. Furthermore, it is reasonable to believe that the risk of feelings like injustice and discrimination in employees is increasing as qualitative aspects play a more significant role in the pay packet.

Since the individual wage works in unity with the thesis' definition, it has enabled an analysis of whether the managers' opinions regarding the concept of individual wage supports or contradicts the efficiency wage theory. Furthermore, the question about how managers apply individual wage in practice has enabled an investigation in what managers' reward and not reward in the assessment of the employee, and thus the reason for the organization's wage differences between employees has been analyzed. Given that the employees' feelings of injustice and discrimination increases when the qualitative aspects play a greater role in the pay packet, managers' way of handle the assessment process and the consequences of this have been analyzed.

### **5.3.1 Partial support for the efficiency wage theory in managers' views**

As the efficiency wage theory is presented in the theoretical framework the theory, which says that the company's wage setting affects the employee's motivation and work effort, is the basic theory of reasoning to an individual wage. This view, however, does not appear to be the managers' main argument for why individual wage are preferable. They rather point out the individual wage as positive since this form of wage setting can reward employees who perform well.

To some extent they believe that individual wage are preferable since it serves as an instrument for guiding employees in a particular direction or to a particular behavior. It seems however as if individual wage as an instrument for management control works differently well for different individuals. A general perception among managers is that different people are varying affected by financial incentives. Thus, the efficiency wage theory cannot be said to be true for all employees. However, since it seems as if the individual wage setting is able

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to guide and boost the work motivation and work effort for some employees, a partial support for the efficiency wage theory can be noted.

The theoretical framework has also made it clear that research on whether there is a positive correlation between individual wage and job performance have shown varying results. If the clinic managers' experiences can be generalized, regarding that different individuals are differently motivated by economic incentives, the research's divided opinions are understandable. Reasonably researchers ought to get different results depending on whether the majority of employees in the surveyed organization are motivated by financial incentives or not. Because our analysis shows only a partial support for the effective wage theory it may be considered to match other researches.

### **5.3.2 No support for human capital theory in managers' views**

As described in the theoretical framework the human capital theory adopts that education and work experience improves the individual productivity. According to the theory, individual wage therefore results in a higher pay for individuals with more education and work experience. Within Folktandvården Västra Götaland the “work experience wage supplement” that is used in the wage model is a concrete example of the outcome of human capital. This supplement gives an automatic increase in wage every fifth year as long as the employee has achieved the required supplement. Work experience must therefore be noted to have an impact in the pay packet. There is strong reliance that the wage differences within the organization can be explained by the human capital theory.

Our empirical has shown a clear tendency that managers do not appreciate the “work experience wage supplement”. All managers have criticized the supplement and highlighted the wage differential it creates as unfair. As individuals are considered to be controlled to a varying degree of financial incentives, individual work performances is also considered differently affected by education and work experience. Several managers have emphasized that greater work experience is not always compatible with an improved performance. According to the managers rather the reverse situation may prevail as some people tend to be “saturated” and “tired” the longer they have practiced the profession, and thus their performance have deteriorated with time.

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The interviews show that managers are aware of the employees' differentiating human capital and those natural and obtained qualities that are included in the concept plays a crucial role in the wage setting process. The more knowledge and skills the employee possesses, the more wage the individual receives. Managers seem to reward the qualities that are included in human capital as described in the theoretical framework, but does not necessarily mean that these qualities are obtained through education or work experience. Since consideration for these qualities already has been made within the practical applying of the wage criteria, the work experience wage supplement could therefore be found as rewarding top-performing individuals twice. Furthermore the work experience wage supplement rewards less talented individuals against the manager's preference. This the managers also have highlighted as unfair, as a less-talented individual can achieve a higher wage than a talented individual solely based on that the first-named has worked in the profession longer.

It can be concluded that we have found support for the human capital theory in the wage model for Folktandvarden Vastra Gotaland, but not in the clinic managers' views. The knowledge and skills the employees possess have impact on their wage, but these qualities are not necessarily believed to be obtained by education or work experience.

### **5.3.3 Hints of statistical discrimination**

One of the empirical themes has highlighted the managers' assessment process, which forms the basis of an individual wage. Similar, as the theoretical framework made clear, there is a risk of discrimination in such an assessment processes. Our interview results show no tendency that preferential discrimination would prevail within Folktandvarden Vastra Gotaland. This discrimination means that the employer has a negative attitude towards a certain group of employees. The preference discrimination can be assumed to be the commonly known form of discrimination that is more easily noticed than the statistical discrimination. All managers have pointed out the importance of leaving personal preferences aside in the wage setting process. They emphasize that their employees would notice if they did not do so. Thus it can be concluded that managers are aware of that wage setting is associated with a risk of preferential discrimination and that they therefore do their utmost to avoid it.

This result, that no evidence for preferential discrimination within managers' practical applying of wage setting was found was expected in advance. It can be assumed that a

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manager who deliberately practices preferential discrimination in the wage setting process does not admit so in an interview context. Thus there is a certain risk that preference discrimination still exists, but that the managers chose not to share this in the conducted interviews. However, as the managers themselves pointed out, the employees would notice this behavior. Therefore the risk for preference discrimination is not believed to be great. Furthermore, it would be in conflict with Swedish law and thus convictable.

The theoretical framework has described another form of discrimination, statistical discrimination. Statistical discrimination is based on the manager's lack of information regarding the individual employee's performance and productivity. If statistical discrimination exists, the managers use the average result of the employee's group as a basis for decisions. The interview result indicates that statistical discrimination exists in the wage setting process at Folktandvarden Vastra Gotaland. Despite the managers' general perception that they have a good insight into employees' daily work, they at the same time points out that it is impossible to see *everything*. Most managers emphasize the difficulty in separating individual performances within a team. It is considered that a less competent dentist can be backed up by a competent nurse and vice versa. Since the teamwork between dentists, nurses and dental hygienists is the backbone of the business, this could be concluded to be a significant problem.

This result, that support for statistical discrimination but not for preference discrimination has been found, may possibly be due to managers' differencing awareness of the various forms of discrimination. Preferential discrimination is probably the form that has captured most attention of the public and is covered most by media. Preferential discrimination is essentially also the form in which discrimination is forbidden by law. An interpretation of this fact is that Swedish legislation considers preferential discrimination as more serious than statistical discrimination. Also the managers seem to be of this opinion. As the assessment process has been discussed during the interviews, all managers have pointed out the importance of ignoring personal preferences for the assessment to be considered correct from a justice point of view. No one, however, emphasize the importance of distinguishing individual achievements within a team. The statistical discrimination can therefore be concluded as unaware of managers, but thus existing in their wage setting.

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### 5.3.4 Support for organizational justice

All managers have stressed the importance of being able to justify the wage of the employee based on each given criterion. This has been identified as a key in reaching an objective and impartial assessment. The fact that managers feel it is important to be able to justify why the employee has received a particular amount has primarily been clear whenever the topic of the unions' involvement in the wage setting has been raised. The managers have emphasized that the wage sometimes takes a different turn in the negotiations with the union and that they therefore cannot always justify the wage of the employee. Furthermore, the salary discrepancies are highlighted as a problem of the same reason. Clinic managers can only inform the Human Resource department when they consider salary discrepancies to exist. It is then the Human Resource department's responsibility to correct them. When the clinic manager and the Human Resource department does not agree, the problem arises once again for the manager to justify the actual wage for the employee.

That the managers emphasized the importance of being able to justify the wage of employees indicates that they consider the organizational justice as important. This justice brings that the employee shall consider the information communicated to him or her as comprehensive and clear. The wage context in the organizational justice is primarily about the managers giving well-founded arguments and justifications for the wage level. There seems to be a strong support for that the organizational justice is perceived important by the clinic managers and that it therefore exists in the actual applying of the wage setting process.

The fact that managers consider the organizational justice as important when setting wage may be due to that they through such an approach will win acceptance from its employees also in other issues related to their role as a manager. If employees perceive the wage as fair information-wise the general trust in the manager might be strengthened, which is to his or hers advantage in other contexts. Furthermore, it is clear that managers let their practical applying to be characterized by organizational justice in order to avoid conflicts. If the managers do not induce revealing the reasons for the employee's wage level it is believed that the employees would be upset and complain openly, which of course can be found to be something that managers would be glad to avoid.

The theoretical framework has shown that employees who consider to be given good feedback on the work performed are experiencing the organizational justice as greater than those who

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do not consider this. It can therefore create problem for the manager when employees choose to refrain the wage discussion, which is the forum where the manager otherwise justify the wage. Thus there is a risk that employees who refrain from wage discussions to a higher extent perceive the wage as unfair from an organizational point of view. Reasonably it should therefore be in the manager's interest to promote wage discussions for all employees.

### 5.4 Common analysis

#### 5.4.1 No support for preferential discrimination

As mentioned in the analysis of Folktandvarden Vastra Gotaland the empirical has found no support for that preference discrimination would occur within the organization. This is also true for the University of Gothenburg. The interview result showed that the heads of departments at the University of Gothenburg largely deviates from the qualitative aspects, or the so-called soft criteria, in the assessment of the employee. By doing so, they consider that wage setting becomes more objective. This can be seen to facilitate efforts to prevent preferential discrimination because the personal preferences can easily be put aside when the wage is based solely on measurable data.

#### 5.4.2 Hints of distributive injustice

Within both studied organizations the fact that employees often compare their wages with each other has been highlighted as a problem for the manager. At Folktandvarden Vastra Gotaland it has been pointed out as a problem when an employee questions why a colleague received a higher wage than ones own, since the manager has no right to discuss an employee's wage with someone else. At the University of Gothenburg the employee's comparing of wages is found even a bigger problem due to the principle of open acts. Even though principle of open acts prevails within both organizations, it is only the heads of departments who have highlighted it inhibiting in the wage setting process. They emphasize it as difficult to justify why a colleague with the same duties at a different institution have a higher wage. This they consider especially difficult for the administrative staff since the difference in pay can't be explained by the variety of research output.

As stated in the theoretical framework, employees compare their work inputs and their wage outcomes with other persons to evaluate whether the actual sum is fairly distributed. It is

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noted that the easier this comparison is the easier it is for the employee to create an own impression of the wage justice or injustice from a distributive point of view. The risk that employees perceive their wage as distributive unfair is therefore great at the University of Gothenburg and Folktandvarden Vastra Gotaland due to the principle of open acts.

Several managers have in the interviews mentioned that there are some employees who tend to overestimate their own performance. This reinforces Motowidlos (1982) finding from the report "Relationship Between Self-rated Performance and Pay Satisfaction Among Sales Representatives" that individuals' self-perceived workload often differ significantly from the wage setting manager's view. Furthermore, the theoretical framework has shown that employees with high perceptions of their own performance more often feel that the wage is not distributive fair since they argue that it do not reflect their work input. Hence it is clear that a feeling of distributive injustice, based on the manager's applying of wage setting, exists among employees within both organizations.

The feeling of distributive injustice among employees can be said to be one of the challenges that managers must address in their wage setting. The fact that managers have highlighted the employees wage comparisons as a problem, could at least in the case of Folktandvarden Vastra Gotaland depend on the managers' focus on the organizational justice. As highlighted above, the managers find it essential to be able to justify the specific wage for the employee. If employees compare their wages and finds an unreasonable wage differential, the sense of distributive injustice that then arises could potentially inhibit the managers' quest for organizational justice in the wage process.

### **5.4.3 Hints of procedural unfairness**

In interviews with several managers within both organizations wage discussions were described as a forum where the wage is justified for the employee rather than as a negotiation between employee and manager. A head of department within the University of Gothenburg said that the turnout to the wage discussion in ones institution were low since employees are aware of that the discussion would not affect the wage. Thus, the employee's ability to influence the actual wage can be said to be limited. To feel involved in the wage process and experience an influence is essential for the feeling of procedural fairness to appear within the employee. This means that managers' practical applying of the wage discussion will result in procedural unfairness to the employee.

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That the wage discussion does not apply as a negotiation may be due to the fact that such a process is time-consuming for the manager. Since managers also emphasize that they consider themselves to see their employees daily work inputs well, it can be assumed that they consider wage discussions as an unnecessary process since the employee is unlikely to present information regarding ones work that the manager have not already taken into account.

## **6. Conclusion**

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*In this chapter conclusions from the conducted case studies are drawn and the thesis purpose is answered by providing managers' responses to the five main questions. An investigation whether these responses can be generalized in the areas of nurturance and knowledge sharing are then made. Finally, suggestions for further research within this area are provided.*

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### **6.1 Introduction conclusion**

The purpose of this paper is to examine the opinions of the wage setting managers within areas of nurturance and knowledge sharing regarding the topic of individual wage setting. Five main questions were formed and interviews were conducted with four wage setting managers at Folktandvarden Vastra Gotaland and the University of Gothenburg. In the empirics these questions were answered based on the interview results. In the analysis a search for an understanding of the results were made and connections between the results and the theoretical framework were performed. The ambition of this conclusion is to sum up by terminate the wisdoms brought by the thesis.

#### **6.1.1 Wisdoms**

It is hard to consider the thesis results as revolutionary. To a large extent the answers to the overall questions were, if not expected then anticipated in advance.

An interesting discovery, however, was the fact that managers highlighted it as difficult when employees compare their wages. Since both organizations prevail under principle of open acts this difficulty is hard to avoid. The procedures are in other words not constructed for comparisons, but leads in fact to exactly that. In addition it is puzzling that only the heads of departments have highlighted the principle of open acts inhibiting in the wage setting process while clinic managers have not mentioned the open acts at all during the interviews. Maybe this is due to the fact that the managers at Folktandvarden Vastra Gotaland have the habit to follow the organizations wage model without analyze its pro and cons, while the heads of departments follow their own praxis and therefore has a lot of opinions concerning the issue.

Furthermore, the fact that the heads of departments at the University of Gothenburg do not follow the organization's adopted wage model was an unpredicted result. This can be viewed as insufficient for the common wage policy within the organization. For this reason, it turned

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out that the questions we formulated in the thesis initial phase was not fully adequate for interviews at the University of Gothenburg. Although a couple of interesting aspects could be inferred from the interviews, more differentiated questions could have investigate more about why the University's wage model is not applied and whether a common wage policy within the organization is desirable, and in such a case how this model should be constructed and achieved.

Finally, we found the managers' practical applying of the wage discussion surprising. Our own belief in the initial phase of the study was that the wage discussion would be in the form of a negotiation between manager and employee. This turned out to not be the case.

Employees within both studied organizations will therefore have limited ability to influence their wage and the wage discussion will result in procedural unfairness for the employee.

### **6.1.2 Theoretical conclusions**

During the work it has been concluded that not every theory within the theoretical framework has been applicable. The procedural justice can for instance be looked at from two perspectives; the employee point of view and the wage setting managers point of view. We have examined the managers handling of the wage setting process and its effect on the employee. In the case of the University of Gothenburg it might rather have been appropriate to examine the department of Human Resources' handling and its effects on the heads of departments since this dimension of fairness is about how decisions regarding the wage process are taken and how they are applied within the organization. Since the heads of departments do not follow the organizations' model the process might not be unprejudiced, wide and accurate as the theory advocates.

Regarding the University of Gothenburg the theory of statistical discrimination can be considered a less useful theory since professions within the organization are mostly conducted one-by-one and not in teams.

Moreover, the interactional justice has been hard to determine since it is unlikely to believe that managers' would admit that they do not supply information in an honest and respectful way if that should be the case. For an analysis of such a theory a study of observations would be more appropriate.

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Furthermore, it is also interesting that the study have not been able to conclude whether an individual wage can affect employees' willingness to perform better. According to the underlying theory of individual wage the organizations wage setting can affect the employee's work motivation and performance. However, the thesis results show no clear support of that the managers would confirm this theory. This question is still of interest and the efficiency wage theory is therefore an important theory for further research. Also the human capital theory should be included in a theoretical platform for a new study within the area since it can be concluded that we have found support for the human capital theory in the wage model for Folktandvarden Vastra Gotaland, but not in the clinic managers' views. This theory is therefore essential to find out whether the system used and the managers' views are uniformed.

### **6.1.3 Credibility**

The thesis results cannot with certainty be generalized to other organizations in areas for knowledge sharing. Wage setting managers that are applying individual wage on lower levels in areas of knowledge sharing should reasonably give more attention to qualitative criteria since the quantitative criteria the heads of departments at the University of Gothenburg highlighted as important, such as research output, are non-functioning for teachers in elementary- and high schools. The same fragmented organization with traditional procedures and conservative values inherent in its different parts can neither be assumed to exist there.

Within the areas of nurturance, we believe that the thesis results can be generalized. Clinic Managers at Folktandvarden Vastra Gotaland has highlighted individual wage setting as complex and that qualitative criteria are difficult to assess. This should reasonably be the result achieved if wage setting managers in areas of health care were interviewed instead. The structure of the various organizations that are included in the concept of nurturance could also conceivably be relatively similar.

However, it is important to elucidate that both studied organizations is included within the public sector. A potential generalization can therefore only be made for organizations in areas of nurturance and knowledge sharing within the public sector. The thesis cannot conclude the opinions of managers' within the private sector.

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### 6.1.4 Further research

The results can possibly have generated more questions than they answered in the thesis, therefore more studies in this areas would be interesting. It would be exciting to see results of a study based on the employees' perspectives in the examined organizations. Since the study have not been able to investigate whether the employees' willingness to perform better can be motivated of an individual wage, a quantitative survey in which the number of employees who see the wage as an incentive has been separated from those who do not would be appealing reading. Furthermore, it would be interesting to investigate what factors can motivate those individuals who are not experiencing the financial incentives as a motivation for improved performance.

Since Sweden appears to be at the forefront in the development of individual wage, it would be interesting to explore the opinions regarding individual wage of wage setting managers outside Sweden.

It would also be insightful to examine the views of the wage setting managers in areas other than nurturance and knowledge sharing to compare with the results of this thesis and see if parallels can be drawn. Also comparable studies in the same areas but within the private sector would be fascinating.

Last but not least, we call for a study with a similar purpose as the one for this thesis but where the method is a study of observations. To observe the managers' preparation and daily work regarding the wage setting and to examine the wage discussion in real life would probably give the result more of a depth.

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## 8. Appendix

### 8.1 Appendix 1 – Interview guideline

- Vad anser du om individuell lönesättning som koncept?
- Vilka positiva aspekter vill du lyfta fram?
- Vilka negativa aspekter kan du se?
- Hur stor del av din totala arbetstid skulle du uppskatta att lönesättningen (dess hela process) tar?
- Har du genomgått utbildning inom individuell lönesättning?
- Om ja; berätta!
- Om nej; hade du önskat detta? Vad hade du velat lära dig?
- Anser du det möjligt att göra objektiva/ opartiska bedömningar av de anställda?
- Om ja; Hur gör du för att lämna personliga åsikter vid sidan?
- Anser du dig ha en god inblick i var specifik anställds prestation/ utförande?
- Om ja; Hur?
- Om nej; Vad/ vilka åtgärder skulle bidra till att öka denna inblick?
- Har du som lönesättande chef fått vara med och påverka/ ta fram den individuella lönens kriterier?
- Om ja; Hur gick det till?
- Om nej; hade du önskat detta? Varför?
- Anser du att rätt kriterier bedöms inom din organisation idag?
- Om nej; vilka kriterier saknar du?
- Anser du att det är tydligt vad som skall bedömas och vad som innefattas i varje specifikt lönekriterium?

## 8.2 Appendix 2 - Questionnaire

### Bakgrundsinformation till Intervju

Kvinna / Man

Ålder \_\_\_\_\_

Befattning \_\_\_\_\_

Utbildningsbakgrund \_\_\_\_\_

Arbetat som lönesättande chef i \_\_\_\_\_ år

Tack på förhand

Vänliga Hälsningar

Charlotte Vighagen & Malin Jönsson

## 8.5 Appendix 3 – E-mail presentation

Hejsan!

Vi är två studenter på Handelshögskolan vid Göteborgs universitet som läser sista terminen inför en kandidatexamen inom Management. Därav är vi för närvarande i startgrupparna med att skriva en C-uppsats på temat *Individuell lön ur ett chefsperspektiv*. Då individuell lönesättning i verksamheter inom omvårdnad och kunskapsförmedling anses extra komplex eftersom arbetsuppgifterna är kvalitativa snarare än kvantitativa, ämnar vi studera chefs åsikter inom just dessa verksamheter. Inom verksamheten för omvårdnad har valet fallit på Folk tandvården Västra Götaland då ni inom er organisation arbetar efter tydliga lönekriterier.

Vi hoppas nu att du som lönesättande chef inom Folk tandvården Västra Götaland har möjlighet att ställa upp på en kortare intervju (ca 45 minuter lång) på temat individuell lön. Vi skulle bli oerhört tacksamma då ditt bidrag skulle ge oss de bästa av förutsättningar för att skriva en bra uppsats med hög kvalitet. Vi utlovar högsta anonymitet; den intervjuades åsikter skall i uppsatsen inte kunna spåras till en specifik individ. Vi hoppas på att kunna genomföra intervjuerna under vecka 15 och 16.

Vi vill med detta brev informera dig om att vi under någon av dagarna torsdag 7/4 och fredag 8/4 kommer att ta kontakt med dig per telefon med förhoppning om att få möjligheten att boka in en intervjutid. Om du av någon anledning inte önskar att vi kontakter dig per telefon, vänligen svara i vändande mail.

Vi hoppas innerligt att du vill bidra med din kunskap och dina åsikter till denna uppsats!

Vänliga hälsningar

Charlotte Vighagen och Malin Jönsson

*Management-studenter Handelshögskolan*

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**8.3 Appendix 4 – Link to the University of Gothenburg's wage criteria**

<http://www.pa.adm.gu.se/personalhandbok/loner>

## 8.4 Appendix 5 – Folktandvården Vastra Götaland's wage criteria

### Tillämpning av Folktandvårdens lönekriterier med utgångspunkt från kraven inom verksamheten

Kriterierna utgår från styrkortets fyra perspektiv

- Patientperspektivet
- Verksamhetsperspektivet
- Medarbetarperspektivet
- Ekonomiperspektivet

Vid tillämpning av Folktandvårdens lönekriterier görs en bedömning av varje enskilt kriterium som ska ligga till grund för en samlad bedömning av medarbetarens prestation där samtliga kriterier har vägts in.

Klinikchefen avgör den inbördes viktningen av kriterierna med utgångspunkt från kraven i verksamheten. Vid lönesamtalet presenterar klinikchefen sin bedömning i spindeldiagrammet. Dokumentet beskriver vad som kännetecknar de olika bedömningsnivåerna.

#### Kund-/Patientperspektivet

<b><i>Att ha ett professionellt bemötande gentemot patienter, anhöriga, studenter, andra vårdgivare och myndigheter</i></b>	
Uppfyllt förväntad prestation	Att bemöta ovanstående grupper professionellt och korrekt. Mötet ska kännetecknas av service, respekt och förståelse för individens behov.
Överträffat förväntad prestation	Att utöver ovan nämnda beskrivning ha ett särskilt gott bemötande gentemot patienter med särskilda behov, till exempel patienter som är svårbehandlade och eller svåra att motivera vad gäller tandhälsa. Behåller sin professionella roll i alla situationer gentemot mottagaren.
Inte nått upp till förväntad prestation	Har inte i tillräcklig utsträckning ett professionellt och korrekt bemötande gentemot ovan nämnda grupper. Visar inte alltid tillräcklig respekt och förståelse för individens behov.

<b><i>Att vara serviceinriktad, flexibel och ha förmåga att se helheten</i></b>	
Uppfyllt förväntad prestation	Att vara serviceinriktad så att patienten får ett gott omhändertagande i alla delar, från tidsbokning till betalning och avslut. Att sätta patienten i centrum och sträva efter samverkan för bästa vård och samordning till nytta för patienten. Att kunna växla mellan olika arbetsmoment så att patienten får bästa tänkbara service. Till exempel att, vid behov, byta administrativ tid mot klinisk tid och vara anträffbar för patienter på telefon.
Överträffat	Att, utöver ovan nämnda beskrivning, självmant ta egna initiativ för att

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förväntad prestation	hjälpa patienter genom ett serviceinriktat och effektivt omhändertagande. Att alltid sätta patienten främst och visa flexibilitet och lösningsinriktat om det uppstår problem. Ser till verksamhetens bästa och agerar självständigt utifrån verksamhetens behov.
Inte nått upp till förväntad prestation	Har svårt att se patientens behov och strävar inte efter samverkan för bästa vård. Har svårt för att växla mellan olika arbetsmoment så att patienten får bästa tänkbara service. Byter inte gärna ut administrativ tid mot klinisk tid och är inte i tillräcklig utsträckning anträffbar på telefon under arbetstid.

### ***Att ge korrekt information om behandling, kostnadsförslag och fastställda revisionsintervall.***

Uppfyllt förväntad prestation	Att ge patienter och adepter korrekt och tillräcklig information om behandlingen. Att tillämpa Folktandvårdens prislista, tandvårdsstödet och debiteringsregler på ett korrekt sätt för de åtgärder som är aktuella. Att kunna ge patienter kostnadsinformation för planerade behandlingar och kunna förmedla hur tandvårdsstödet är upplagt. Hitta alternativa lösningar för patienterna vid akuta tillfällen.
Överträffat förväntad prestation	Att vara särskilt duktig på att informera patienter och studenter om behandlingen. Besitta särskild erfarenhet och kompetens angående tillämpningen av prislistan, tandvårdsstödet och debiteringsregler även för situationer som inte är särskilt vanligt förekommande utifrån sin yrkesroll.
Inte nått upp till förväntad prestation	Ger inte patienten och adepten i tillräcklig utsträckning korrekt och tillräcklig information om behandlingen. Är inte tillräckligt insatt i tillämpningen av Folktandvårdens tandvårdstaxa och debiteringsregler och har svårigheter att tillämpa den korrekt. Brister i att ge patienter kostnadsinformation och har svårt för att förmedla hur tandvårdsstödet är upplagt eller inte följer överenskomna revisionsintervaller.

## Verksamhetsperspektivet

### ***Att hålla en hög odontologisk kvalitet och omvårdnad som bygger på en jämställd och effektiv tandvård och tandhälsovård.***

Uppfyllt förväntad prestation	Att hålla en hög odontologisk kvalitet med utgångspunkt från beslutade riktlinjer och praxis utifrån sitt kompetensområde. Att verka för en effektiv vårdprocess genom att kontinuerligt medverka till att överenskomna arbetssätt och rutiner förverkligas. Att behandla/ha en omvårdnad som är lika oberoende av kön, ålder, sexuell, etnisk, social eller kulturell tillhörighet.
Överträffat förväntad prestation	Att ta egna initiativ och lämna förslag till hur vårdkvaliteten kan förbättras samt bidra till en effektivare vårdprocess genom att lämna förslag till hur klinikens arbetssätt och rutiner kan utvecklas och deltar vid behov i genomförande arbetet. Att aktivt bidra till en ökad jämställdhet genom att lämna förslag till åtgärder.
Inte nått upp till förväntad prestation	Uppfyller inte normala krav för vårdkvalitet. Brister i att följa överenskomna arbetssätt och rutiner i den dagliga verksamheten vid kliniken. Behandlar inte alla lika oberoende av kön, ålder, sexuell, etnisk, kulturell eller social tillhörighet.

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<b><i>Att kontinuerligt utveckla sin kompetens utifrån verksamhetens behov och ha förmåga och vilja att tillämpa den samt förmedla den till sina kollegor.</i></b>	
Uppfyllt förväntad prestation	Att uppfylla överenskomna mål enligt den individuella kompetensutvecklingsplanen. Att kunna tillämpa inhämtade kunskaper och förmedla dem både till kollegor och kunder/patienter.
Överträffat förväntad prestation	Att självständigt följa utveckling och forskning inom ämnesområdet och delar med sig av nya resultat, idéer och utvecklingslinjer utifrån verksamhetens behov. Tar egna initiativ för forskning, utveckling och samverkan t ex får artikel publicerade i vetenskaplig tidskrift, kvalitetsprojekt mm utifrån verksamheten.
Inte nått upp till förväntad prestation	Uppfyller inte överenskomna mål enligt den individuella kompetensutvecklingsplanen och förmedlar inte inhämtade kunskaper till sina arbetskamrater.

<b><i>Att vara öppen för olika arbetsformer/arbetsfördelning som utgår från patientens vårdbehov.</i></b>	
Uppfyllt förväntad prestation	Att arbeta effektivt utifrån de arbetsformer och den arbetsfördelning som beslutats vid kliniken samt vara öppen för att pröva nya arbetsformer och arbetssätt som gynnar verksamheten.
Överträffat förväntad prestation	Att själv komma med konkreta, genomtänkta förslag och vid behov delta i genomförande arbetet för hur arbetsformer och rutiner kan förändras till verksamhetens och patienternas fördel.
Inte nått upp till förväntad prestation	Arbetar inte i tillräcklig utsträckning i enlighet med de arbetsformer och arbetsfördelning som beslutats vid kliniken. Har inte förmåga att växla mellan olika arbetsmoment/-former.

### **Medarbetarperspektivet**

<b><i>Att på ett positivt sätt bidra till en stark gemenskap som kännetecknas av respekt för medarbetaren och mellan yrkesgrupper.</i></b>	
Uppfyllt förväntad prestation	Att delta i klinikkens interna arbete och ha goda relationer och till sina arbetskamrater och adepter som kännetecknas av respekt och förståelse. Verka för ett aktivt medarbetarskap och/eller gott chefskap. Att aktivt motverka konflikter och gruppbildningar inom kliniken.
Överträffat förväntad prestation	Att ha en särskilt god förmåga att värna om och utveckla goda relationer till sina arbetskamrater och adepter. Att få medarbetarna att växa.
Inte nått upp till förväntad prestation	Är oengagerad i klinikkens interna arbete. Har inte i tillräcklig utsträckning goda relationer till sina arbetskamrater och adepter.

<b><i>Att vara lojal med Folkandvårdens värderingar, mål, fattade beslut och riktlinjer samt bidra till klinikkens och förvaltningens utveckling.</i></b>	
Uppfyllt förväntad prestation	Att känna till Folkandvårdens övergripande vision och mål samt vara lojal med det som organisationen står för samt fattade beslut. Delta i klinikkens utveckling för såväl patienter och anställdas bästa. Vara en god ambassadör för Folkandvården. Bidrar till en utvecklande dialog i rätt forum.

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Överträffat förväntad prestation	Att självständigt komma med konkreta, genomtänkta förslag för hur kliniken och Folk tandvården kan utvecklas på ett positivt sätt samt också är delaktig i genomförandet.
Inte nått upp till förväntad prestation	Känner inte till Folk tandvårdens vision och mål samt är inte lojal med fattade beslut och riktlinjer. Bidrar inte till klinikens och förvaltningens utveckling.

### ***Att aktivt bidra till en god arbetsmiljö vid kliniken samt aktivt långsiktigt förbättra den egna hälsan.***

Uppfyllt förväntad prestation	Deltar aktivt i klinikens arbete med att skapa en god fysisk och psykisk arbetsmiljö. Är uppmärksam på arbetsrelaterade problem med hälsan och deltar aktivt för att förebygga egen sjukdom och skada. Ha en god och växande kommunikation på kliniken.
Överträffat förväntad prestation	Att visa ett givande engagemang i arbetsmiljöfrågor och kommer med egna förslag till förbättringar och vid behov vara delaktig i genomförande arbetet. Att aktivt stimulera till ett medarbetarskap som ger en sundare livsstil.
Inte nått upp till förväntad prestation	Bidrar inte tillräckligt till att skapa en god arbetsmiljö vid kliniken samt är inte uppmärksam på arbetsrelaterade problem eller hur de kan förebyggas genom att regelbundet motionera och träna.

## Ekonomiperspektivet

### ***Vara medveten om klinikens ekonomiska förutsättningar, intäkter och kostnader***

Uppfyllt förväntad prestation	Att kunna och använda/förverkliga de grundläggande förutsättningarna för klinikens ekonomi. Att genomföra inköp enligt Folk tandvårdens och Västra Götalandsregionens gällande regelverk.
Överträffat förväntad prestation	Att själv kunna föreslå effektiviseringar, inkomstförstärkningar eller kostnadsreduceringar för kliniken.
Inte nått upp till förväntad prestation	Är ointresserad och dåligt insatt i klinikens ekonomiska förutsättningar. Respekterar inte Folk tandvården inköspolicy.

### ***Att bidra till att skapa utvecklingsutrymme genom att nå upp till individuellt satta prestations- och intäktsmål***

Uppfyllt förväntad prestation	Att känna till och sträva efter att de budgeterade intäkterna genereras. Utför den kliniska tid som överenskommit med klinikledningen och utnyttjar patienttiden och tidboken så effektivt som möjligt, t ex genom att fylla uppkomna luckor. Samverkar över yrkeskategorierna för att uppnå detta mål. Tillämpar tandvårdstaxan på rätt sätt.
Överträffat förväntad prestation	Att överträffa förväntade prestations-/intäktsmål. Är särskilt duktig på att sköta och använda tidboken effektivt.
Inte nått upp till förväntad prestation	Når inte upp till satta prestations-/intäktsmål. Utnyttjar inte tidboken på ett effektivt sätt samt samverkar inte med övriga yrkeskategorier för att nå målen. Tillämpar inte tandvårdstaxan korrekt.

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*- Individual wage setting from a managers' point of view*

<b><i>Att aktivt medverka till att kliniken bedrivs effektivt genom en flexibel inställning till arbetstid, arbetsplats och arbetsformer</i></b>	
Uppfyllt förväntad prestation	Att på uppdrag av klinikledningen anpassa arbetstider/-schema och arbetsformer som gynnar klinikens ekonomi och verksamhet. Att ändra sin arbetstid utifrån verksamhetens behov t ex akut sjukdom. Att tjänstgöra på annan klinik. Att vid behov ändra sina arbetsformer och/eller arbetsinnehåll
Överträffat förväntad prestation	Att aktivt föreslå förändringar/lösningar och erbjuda sig vid arbetsanhopning och/eller vid behov.
Inte nått upp till förväntad prestation	Är inte tillräckligt flexibel när det gäller att anpassa arbetstider och arbetsformer som gynnar verksamheten. Är inte villig att ändra sitt schema vid frånvaro på kliniken.