

Building Successful and Inclusive Organisations: Why gender-neutral job evaluation and classification pays off

Executive summary

Despite decades of policy effort, the EU's gender pay gap remains high, at 12 %. One of its drivers is the undervaluation of jobs predominantly held by women. This not only perpetuates gender inequality and contributes to poverty, but also suppresses economic growth and weakens Europe's competitiveness by hindering efforts to attract and retain skilled workers.

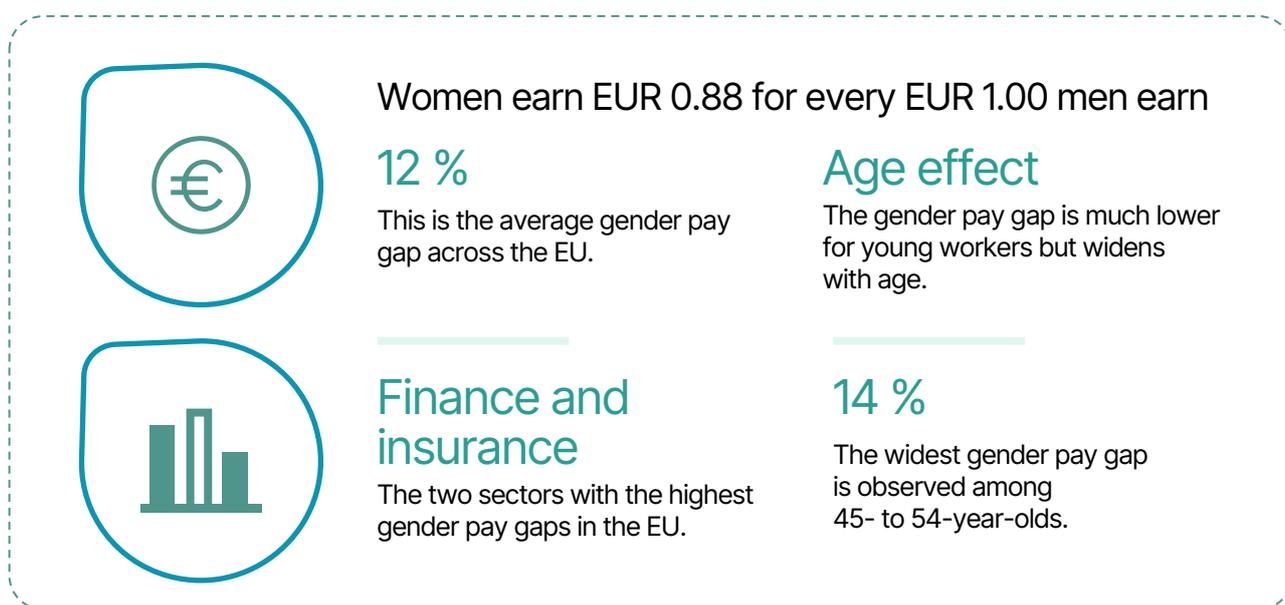
Gender-neutral job evaluation and classification is a structured process for determining the value of jobs and establishing pay structures based on objective, gender-neutral and bias-free criteria, including skills, responsibility, effort and working conditions. It can help organisations, workers and policymakers (including the social partners) build fairer pay structures in workplaces or through collective agreements. This, in turn, enhances the ability of pay transparency reporting tools to identify gender pay gaps among categories of workers, strengthens workers' trust and supports compliance with EU and national equal pay legislation. When applied effectively, it can lead to higher employee engagement, retention and performance; help address gender pay gaps; and support individual workers' right to equal pay.

This policy brief highlights the key benefits of implementing gender-neutral job evaluation and classification for employers and provides additional insights for workers and social partners, who can likewise apply these methods in their collective agreements. The policy brief also introduces the step-by-step toolkit on gender-neutral job evaluation and classification, developed by the European Institute for Gender Equality and the European Commission to support the implementation of the EU Pay Transparency Directive (Directive (EU) 2023/970). The toolkit updates the EU guidelines on gender-neutral job evaluation and classification, turning the principle of equal pay for equal work or work of equal value between women and men into practical guidance, templates and case studies. Eurofound's work on equal value and equal pay complements this by exploring how the concept can be put into practice by companies and social partners (Eurofound, 2025a).

The value of equal pay in the workplace

Over the past decades, various policies and initiatives have aimed to promote gender equality in employment across the EU. These include laws on equal pay, support for work–life balance, gender balance in corporate decision-making and efforts to tackle job segregation. Yet the gender pay gap ⁽¹⁾ remains a reality in nearly all EU Member States, and progress towards closing it has been slow (Eurostat, 2025a). As shown in Figure 1, women in the EU still earn about 12 % less per hour than men, the equivalent of working around six extra weeks a year to take home the same annual pay (EIGE, 2025a; European Commission, undated). The gender pay gap varies by Member State ⁽²⁾, widens with age and is substantially higher in the private sector than in the public sector (Eurostat, 2025b).

Figure 1. Key features of the gender pay gap in the EU



Sources: Eurostat (2025a, 2025c, 2025d).

Several structural factors contribute to the gender pay gap. Women are concentrated in lower-paid sectors such as care, cleaning, hospitality and food services, retail and administrative work, where collective bargaining tends to be weaker, reducing their capacity to negotiate pay and leaving wage setting more open to bias (Milner, 2025). Even within individual sectors, women tend to be disproportionately concentrated in lower-paid positions and in smaller and lower-paying organisations, where career progression opportunities tend to be more limited (Livingston et al., 2025; Milner, 2025). Within organisations, 'sticky floors' keep women at lower organisational levels, even when they hold similar qualifications to their counterparts who are men (Livingston et al., 2025).

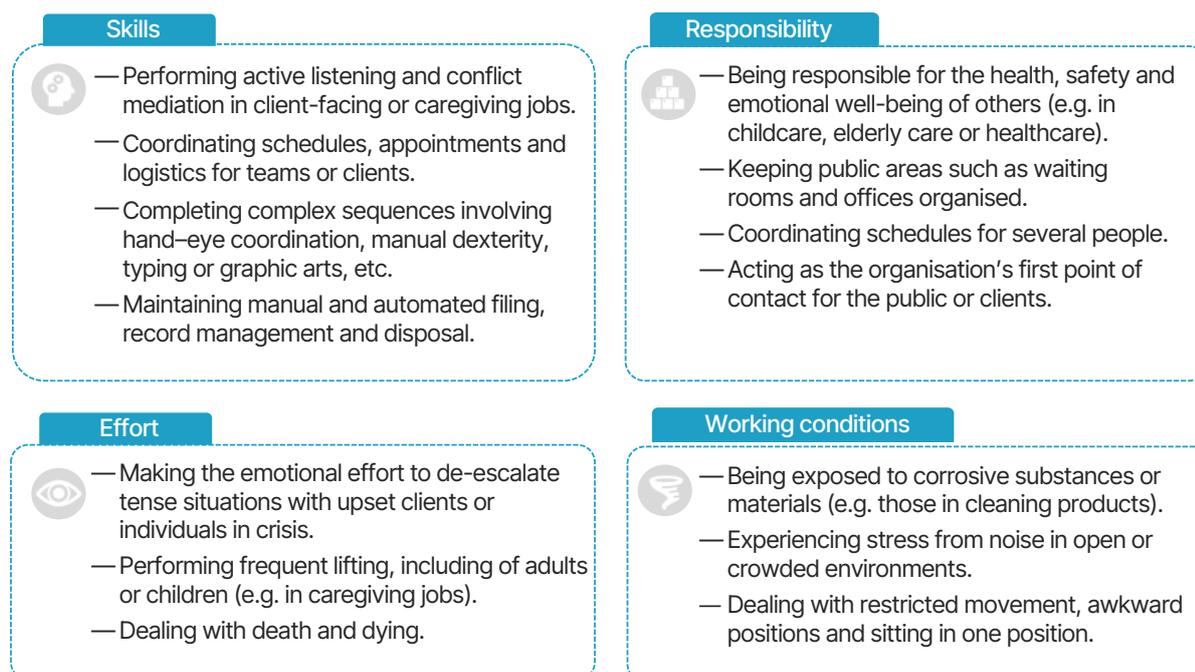
Workplace practices and social norms also mean that the skills and responsibilities typical of women-dominated jobs are often systematically under-recognised and undervalued (Pillinger, 2021). These include active listening, care work, coordination, emotional resilience and even

⁽¹⁾ This refers to the difference between the average gross hourly earnings of employed women and men, expressed as a percentage of the average gross hourly earnings of employed men. For more information, see Eurostat's glossary entry on the gender pay gap ([https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:Gender_pay_gap_\(GPG\)](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:Gender_pay_gap_(GPG)))

⁽²⁾ The latest data shows that Latvia has the highest gap (19 %) and Luxembourg the lowest (– 0.9 %) (Eurostat, 2025a).

physical skills and efforts often required in women-dominated jobs (e.g. manual dexterity when giving injections, physical effort involved in lifting patients), among other examples. Their undervaluation persists because these demands and skills are often viewed as personal traits rather than professional competences. As a result, they are often overlooked or undervalued in job evaluation and pay systems – even in jobs dominated by men – which contributes to lower pay levels and the gender pay gap. Figure 2 provides more examples of job characteristics that are frequently overlooked or undervalued.

Figure 2. Examples of job characteristics frequently undervalued or overlooked in the evaluation of jobs mostly done by women



NB: The examples of job characteristics included here are illustrative and not exhaustive. For more information, see Eurofound (2025a, Table 5, p. 32).

Source: Adapted from ILO (2013) and the list compiled by New Zealand's Department of Labour (2008).

Gender stereotypes and explicit or implicit gender biases in workplaces shape who gets hired and promoted and how much people are paid. These dynamics create a 'glass ceiling', an invisible barrier that blocks women (and individuals from marginalised or minority groups) from reaching senior leadership roles, even when they have the right skills and qualifications. The result is that women remain under-represented in the highest-paid jobs (EIGE, 2025b). In the EU, women hold only 23 % of executive positions in the EU's largest listed companies, and just 9 % of chief executive officers are women (EIGE, 2025c, 2025d). Furthermore, even when women reach the most senior roles, they are often concentrated in positions without supervisory responsibilities, leaving them both under-represented in terms of power and overstretched in their duties (Eurofound, 2018).

Finally, because women take on more unpaid care and housework than men, they spend less time in paid employment and are more likely to work reduced hours (EIGE, 2024). Across the EU, women are around 20 percentage points more likely than men to work part-time (EIGE, 2025e). This, in turn, limits their opportunities for promotion and career advancement. Reduced participation in paid work and slower career advancement also translate into lower lifetime earnings for women.

The EU legal and policy landscape: what employers need to know

Gender-neutral job evaluation and classification puts into practice the **principle of equal pay for equal work or work of equal value between women and men**. This principle is firmly established under Article 157 of the Treaty on the Functioning of the European Union. Over time, rulings by the Court of Justice of the European Union have reinforced the principle that pay systems must be based on objective and transparent criteria, free from gender bias. Women and men must therefore receive the same pay not only for doing the same job, but also for different jobs that are of equal value.

The **Pay Transparency Directive** (Directive (EU) 2023/970) ⁽³⁾ builds on this foundation. In line with the case law of the Court of Justice of the European Union, it requires employers to assess and compare jobs using specific **criteria**, including skills, effort, responsibility, working conditions and any other factors relevant to the specific job, where justified (Article 4). These criteria must be applied equally, objectively and in a gender-neutral manner. They must be agreed upon with workers' representatives (where they exist) and cannot directly or indirectly be linked to a worker's sex. In practice, gender-neutral job evaluation and classification is one way to help employers meet the requirements of the directive. It provides a structured, evidence-based approach to building pay structures that uphold the principle of equal pay for equal work or work of equal value between women and men.

The directive directly supports Principle 2 of the **European Pillar of Social Rights** on equal pay for work of equal value (European Commission, 2021). It also reflects the EU's vision of a labour market that is both competitive and inclusive. In January 2025, the European Commission launched the competitiveness compass, based on Mario Draghi's 2024 report on the future of European competitiveness (Draghi, 2024). Focusing on innovation, talent mobility and quality jobs, the compass highlights the need to attract and keep skilled workers (European Council et al., 2025). Gender-neutral job evaluation can support these goals by creating fair and transparent pay structures that make workplaces more attractive, helping businesses secure the talent and skills they need for innovation and long-term growth.

Ultimately, the EU policy framework aims to redress the persistent undervaluation of women's work while fostering inclusive and sustainable economic growth. **The European Commission's 2025 roadmap for women's rights** reinforces the EU's overall commitment to gender equality in the workplace by mainstreaming gender equality across other EU strategies, such as the **quality jobs roadmap** and the **start-up and scale-up strategy**. Equal pay is both a fairness issue and a way to strengthen the economy and innovation (European Commission, 2025).

Gender-neutral job evaluation and classification: overview of the key principles

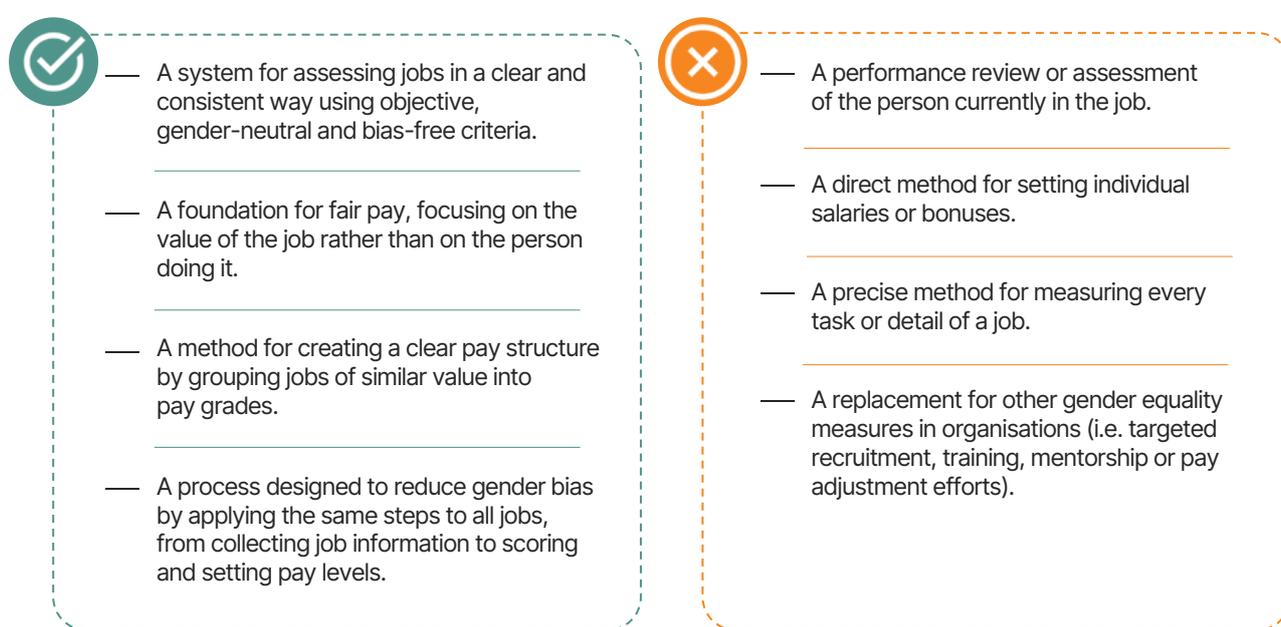
Gender-neutral job evaluation and classification is a systematic process of assessing and comparing the value of different jobs within the same organisation, providing a transparent basis for establishing fair pay structures (ILO, 2013). By applying clear, objective and gender-neutral criteria, such as skills, effort, responsibility and working conditions, this approach ensures that all jobs are assessed consistently. It helps to uncover and properly value aspects of work that may previously have been invisible, taken for granted or unaccounted for in job evaluation frameworks, thereby preventing the systematic undervaluation of certain skills or types of work and the perpetuation of gender inequalities (Eurofound, 2025a).

⁽³⁾ Directive (EU) 2023/970 of the European Parliament and of the Council of 10 May 2023 on strengthening the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms (OJ L 132, 17.5.2023, p. 21, ELI: <http://data.europa.eu/eli/dir/2023/970/oj>).

The process is usually carried out within a single organisation ⁽⁴⁾ and, ideally, includes all jobs, to ensure fairness and consistency across the workforce. Job evaluators assess the value of each job using specific criteria and a scoring system. Then, jobs of the same or similar value are grouped into the same pay grade, a step known as **job classification**, which forms the basis for a clear and consistent pay hierarchy. It is important to note that the process determines the relative value of jobs, while pay levels can be negotiated later through processes for pay setting or collective bargaining.

Gender-neutral job evaluation and classification focuses on the requirements of the job itself, not the individual's characteristics or performance in that job. Hence, it is very different from a performance review. Figure 3 contrasts what gender-neutral job evaluation and classification is and is not, clarifying its key features and limits in practice.

Figure 3. What gender-neutral job evaluation and classification is and what it is not



Source: Created by the authors.

The Pay Transparency Directive (Directive (EU) 2023/970) promotes the use of **analytical job evaluation and classification methods**, as they are more transparent than non-analytical ones (ILO, 2013; OECD, 2021). The analytical methods also provide organisations with a stronger defence in the case of an equal pay claim (Armstrong, 2018). Unlike non-analytical methods, which often rely on general impressions or comparisons of job titles, analytical methods break down job elements into specific components. This makes the whole process more structured, objective and transparent.

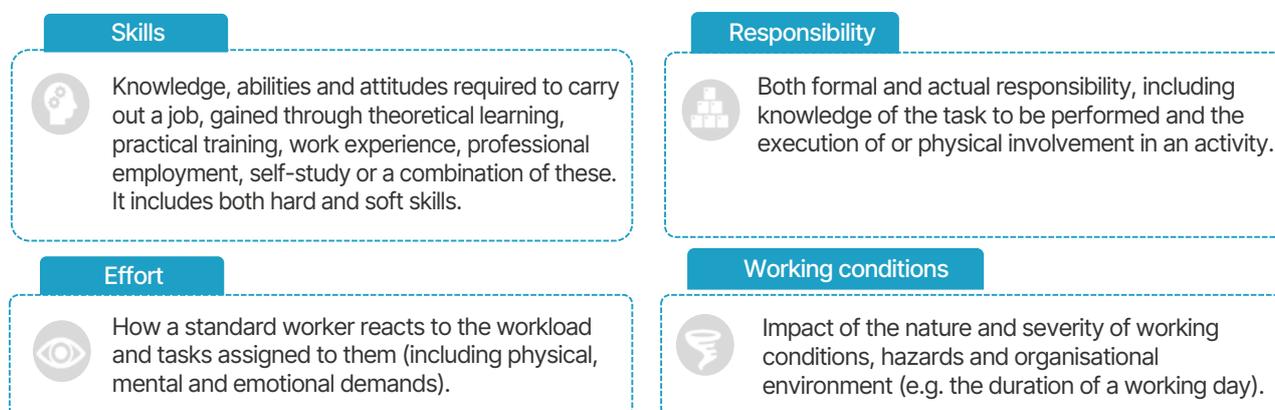
The first step is to gather information about what different jobs involve. Each job is then evaluated against a set of criteria, known as **factors**, as shown in Figure 4. Each factor can be further divided into **sub-factors** to capture job demands more precisely. For example, under the factor 'skills', sub-factors might include technical knowledge, communication skills or problem-solving. In this way, the skills required, including coordination and other soft skills that can often be overlooked, are recognised and fairly valued.

To avoid reinforcing existing gender inequalities, factors and sub-factors must be defined and weighted carefully. Overemphasising traits such as physical strength while omitting emotional

⁽⁴⁾ However, it could also be applied to pay structures within a (sectoral) collective agreement. To facilitate readability, the text will mainly refer to 'organisations' as the location of the process.

effort or manual dexterity, for example, risks reproducing gender bias. A sound analytical system ensures that all relevant factors are considered without disadvantaging jobs predominantly held by women. In other words, they must be accounted for, and they must be applied in a gender-neutral manner.

Figure 4. Key job evaluation factors



Source: European Commission (2013).

The exact method used for job evaluation may differ depending on the organisation's size and available resources. What matters is that the process applies the criteria consistently and transparently, rather than relying on job titles or impressions. Even when job evaluators act in good faith, they might unknowingly rely on personal ideas of what seems 'fair' or on common gender stereotypes, or they might inadvertently overlook certain skills or demands, which can lead to the undervaluing of certain tasks, skills or attributes often linked to jobs mostly done by women (Pardon et al., 2010). Gender-neutral job evaluation aims to make the process as objective as possible, producing outcomes that reflect the fair and unbiased value of different jobs, regardless of who performs them. However, objectivity on its own is not sufficient. Additional safeguards to avoid gender bias should be included throughout the various steps of the process; such safeguards may involve, for example, setting up gender-diverse evaluation committees, providing equality training for evaluators or ensuring gender-neutral language is used in job descriptions (Eurofound, 2025a, p. 36).

It is important to note that workers doing the same job or work of equal value may still receive different pay when it is based on gender-neutral factors such as performance, seniority, competence or skills development (according to recitals 17 and 35 of the directive, and based on rulings of the Court of Justice of the European Union).

Five benefits of gender-neutral job evaluation for employers

Assessing jobs without gender bias ensures compliance with equal pay legislation and delivers tangible business benefits (see Figure 5). Transparent and fair pay systems foster trust between workers and employers, boost morale and attract a wider range of skilled candidates. By valuing all types of work accurately, organisations can strengthen employees' motivation and productivity, increase retention and achieve better results and overall organisational performance. These outcomes enhance competitiveness, helping companies innovate and adapt in a rapidly changing product and labour market. The Pay Transparency Directive (Directive (EU) 2023/970) reinforces these advantages by requiring employers to implement measures that

put the principle of equal pay between women and men into practice (see Eurofound, 2025b, for a comprehensive discussion of pay transparency's broader organisational impacts, both intended and unintended).

Figure 5. Benefits of gender-neutral job evaluation for organisations



Building trust through transparent pay

Gender-neutral job evaluation makes the job classification and pay-setting process transparent and evidence-based. Unlike some types of job evaluation – which often rely solely on job titles, market rates ⁽⁵⁾ or subjective impressions – organisations undertaking gender-neutral job evaluation must explain and document how jobs are valued. By applying clear and objective criteria, the process generates verifiable evidence showing how decisions about pay for each job role are made. Establishing a gender-balanced job evaluation committee, gathering accurate job information with worker input and recording how roles are scored and graded also ensure that the basis for pay decisions is visible and understandable to everyone. Workers can see how jobs are assessed and compared, which builds confidence that pay outcomes are grounded in objective factors rather than hidden judgments (see the example in Box 1).

When workers understand how their pay is determined, they are more likely to view it as fair, which strengthens motivation, engagement and loyalty to the organisation. In contrast, secrecy around pay breeds mistrust (McGregor et al., 2017). Evidence shows that pay transparency matters. A 2024 study in Germany found that 86 % of workers supported pay transparency (Stiewe, 2024). A commitment to fair pay also enhances an organisation's reputation and competitiveness. Transparent, gender-neutral pay systems signal social responsibility and credibility, which are values recognised by clients, investors and the public.

⁽⁵⁾ Market conditions can influence pay, but they must be handled with care so as not to weaken the principle of equal pay for work of equal value. Courts have allowed market forces as a defence in some cases, although they are not listed in Article 4(4) of the Pay Transparency Directive (Directive (EU) 2023/970). Employers must be able to show how genuine recruitment pressures affect pay and confirm that this has not shaped the evaluation of the job's value. Market conditions relate to the pay offered, not to the intrinsic value of the work. They cannot be used to adjust the assessment of skills, responsibility, effort or working conditions or to justify systematic differences between women- and men-dominated jobs. The *Enderby* case (C-127/92) confirms that only the part of a pay difference strictly due to labour market shortages may be justified. In practice, market rates may be considered when setting pay, but not when valuing jobs. Any market-based adjustment must be evidence-based, proportionate and clearly separate from the gender-neutral job evaluation. See the judgment of the Court of Justice of the European Union of 27 October 1993, *Dr. Pamela Mary Enderby v Frenchay Health Authority and Secretary of State for Health*, Case C-127/92, ECLI:EU:C:1993:859, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:61992CJ0127>.

Box 1. Gender-neutral job evaluation can increase transparency and employee understanding of the organisation

A retail organisation in Belgium used the protocol for function classification scheme (*protocol en vue de la mise en oeuvre d'une classification de fonctions*) for its job evaluation. The protocol, developed to guide companies in setting up job classifications in a structured and fair way, follows the principles of analytical job evaluation and aims to help reduce gender bias. The outcomes resulted in more transparency regarding the organisation's functional structure. While employees initially feared pay cuts, they eventually appreciated having better knowledge about tasks and roles in their company.

NB: The organisation has been anonymised.

Source: Based on interviews conducted by national researchers as part of the preparatory work for the toolkit on gender-neutral job evaluation and classification.

Attracting and retaining talent

Stable workforces are especially important in sectors with labour or skills shortages, such as healthcare and technology, and in the fields most affected by the digital and green transitions, where demand for talent is rising (De Luca, 2023; Kustova et al., 2024; Amand-Eeckhout, 2025). In these contexts, ensuring that jobs requiring similar skills, effort, responsibility and working conditions are valued fairly helps employers attract and retain the talent they need.

Studies show that those who believe their pay is fair are likely to experience higher levels of job satisfaction and are more committed to their work. This makes them less likely to leave (Chordiya et al., 2023). Fair pay is now ranked as the second most important reason employees stay with their employers (Mercer, 2025). For employers, this means lower recruitment and training costs, stronger knowledge retention and more motivated teams, which are vital to sustaining innovation, performance and long-term growth. Box 2 gives an example demonstrating the role that gender-neutral job evaluation can play in retaining talent.

Box 2. Gender-neutral job evaluation's role in retaining talent in organisations

A flagship performing arts institution in Germany implemented a job evaluation system, motivated by its new management team's belief that equal pay was a basic prerequisite for the organisation's future social sustainability, and by insights from an audit that identified pay equity as an area for action. The job evaluation method was an internal process, developed and led by the human resources department and the Director of Administration. The job evaluation resulted in a direct reduction in pay inequality for women, with women stage managers receiving a noticeable increase in pay. Job evaluation created a basis for pay determination and improved recruitment and employee retention, with some employees explicitly stating that they stayed due to the fair pay system.

NB: The organisation has been anonymised.

Source: Based on interviews conducted by national researchers as part of the preparatory work for the toolkit on gender-neutral job evaluation and classification.

Supporting human resources and strategic workforce planning

Gender-neutral job evaluation helps organisations to better and more accurately define the duties, responsibilities and required skills of each job. By providing a consistent set of rules for comparing and valuing jobs, it also gives human resources (HR) a reliable basis for making workforce decisions. This makes it easier to plan pay budgets fairly, align pay with job value and ensure resources are used effectively.

Regularly reviewing and defining job roles also supports a broader HR strategy. It improves recruitment processes by ensuring that job adverts match actual job requirements, promotion criteria are transparent and training programmes address the evolving demands of specific roles rather than individual performance gaps (Acas, 2014; Suwarsono et al., 2019). The results of gender-neutral job evaluation and classification can help HR define clear progression levels and design structured development or upskilling programmes to meet organisational needs (Acas, 2014). Looking closely at tasks and working conditions can also reveal hidden health and safety risks, such as physical strain in cleaning roles or emotional stress in care roles, helping employers improve workplace safety and pay fairness.

At the sector level, employer organisations can further support workplace planning by benchmarking job value and pay, sharing examples of gender-neutral job evaluation and promoting joint training and capacity-building programmes (see the example in Box 3).

Box 3. Gender-neutral job evaluation leading to a better understanding of job characteristics

A professional association for organisations in the metal and new technologies sectors in Spain used the job evaluation tool developed by the Spanish Ministry of Labour and Social Economy and Ministry of Equality as part of the preparation of the organisation's equality plan. The process helped identify jobs for which the pay was not aligned with the actual responsibilities involved, leading to more accurate job titles and clearer role definitions. These improvements also strengthened strategic workforce planning, as clearer and more consistent job profiles allowed member organisations to benchmark roles and align training and recruitment with real workforce needs. It was regarded as a positive and necessary step towards improving gender equality within the association and among its member organisations in a sector traditionally dominated by men.

NB: The organisation has been anonymised.

Source: Based on interviews conducted by national researchers as part of the preparatory work for the toolkit on gender-neutral job evaluation and classification.

Protecting employers from costly legal risks

When organisations carry out gender-neutral job evaluation and openly communicate the process with workers, these measures reduce the risk of pay discrimination claims and costly regulatory fines (Acas, 2014). The Pay Transparency Directive (Directive (EU) 2023/970) places a duty on employers to take measures to uphold equal pay for equal work or work of equal value (Article 4). Employers must apply transparent, gender-neutral criteria when evaluating and classifying and creating pay structures (Article 4). Workers and their representatives have the right to request pay information (Article 7). In addition, employers with 100 or more workers are expected to identify and report on gender pay gaps and act to remedy discrepancies where gender pay gaps of 5 % or more cannot be justified (Articles 9 and 10).

Where a case is brought, it is up to the employer to prove that no direct or indirect discrimination has occurred (Article 18).

A lack of compliance with equal pay obligations can carry serious risks. Under the directive, Member States must impose on employers penalties that are 'effective, proportionate and dissuasive' (Article 23). This can result in substantial fines, compensatory damages and legal costs that can easily run into the hundreds of thousands or more for a single case (see Box 4 for an example).

Risks are not only legal; they can also be commercial. In Spain, for example, companies with 50 or more employees are required to have a gender equality plan that includes gender-neutral job evaluation, in accordance with Royal Decree 901/2020 (Ministry of the Presidency, Relations with the Cortes and Democratic Memory, 2020). Organisations without such a plan are barred from public procurement (Public Procurement Observatory, 2024), closing off access to significant business opportunities. Using gender-neutral job evaluation ensures compliance with such requirements and helps protect market access.

Box 4. Equal pay claims as a result of discriminatory job evaluation

Neglecting to ensure equal pay can be extremely costly. In 2006, Glasgow City Council (United Kingdom) introduced a new pay and grading structure (the Workforce Pay and Benefits Review) to achieve equal pay. However, jobs done mainly by women continued to be paid less than jobs typically done by men, leading to long-lasting disputes and legal challenges. Frustration over the lack of progress culminated in a significant strike in October 2018, when around 8 000 council workers, overwhelmingly women, walked out. In 2019, the council was forced to pay over EUR 600 million in settlements after jobs dominated by women workers were found to be undervalued and underpaid compared with jobs of equal worth that are dominated by men. This case has led to the Glasgow City Council adopting a new job evaluation programme, grounded in the principles of non-discrimination and thorough training of job evaluators.

Source: Summarised by the authors based on McCarthy (2022), Sandelands (2025), Glasgow City Council (undated) and interviews conducted by the research team as part of the preparatory work for the toolkit on gender-neutral job evaluation and classification.

Supporting employers with data-driven pay systems fit for today's work

Pay transparency measures, such as publishing pay ranges, defining clear progression criteria and reporting gender pay gap figures, make organisations more accountable (OECD, 2023). When combined with gender-neutral job evaluation, they enable employers to identify unjustified pay gaps, track who advances into higher-paid roles and monitor career progression by gender. Ongoing monitoring and public reporting of data replace assumptions of fairness with measurable, evidence-based insights. This allows organisations to set clear targets and ensures decision-makers are answerable for action and progress on gender inequality (Castilla, 2015; Wagner, 2022). Box 5 provides an example of how gender-neutral job evaluation has been used as part of an organisation's pay survey cycle to help close gender pay gaps.

Box 5. Gender-neutral job evaluation turning evidence into equal pay action

In a transport organisation in Sweden (2 200 staff members, 55 % women), gender-neutral job evaluation is embedded in an annual, legally mandated and collectively agreed pay survey cycle. HR and union representatives run 5–10 collaboration meetings each year, extract payroll data into a database and issue an action plan that is followed up on the next year. In 2023, this process pinpointed groups requiring pay rises, and the necessary increases were costed and implemented. The 2024 review found that no measures were needed, meaning that gender-neutral job evaluation is gradually closing gender pay gaps. Beyond immediate adjustments, job evaluation produces job groupings and comparable pay statistics that feed into the annual pay review and management dialogue, strengthening transparency and enabling further targeted changes.

NB: The organisation has been anonymised.

Source: Based on interviews conducted by national researchers as part of the preparatory work for the toolkit on gender-neutral job evaluation and classification.

How gender-neutral job evaluation and classification empower workers and social partners to advance equal pay

Gender-neutral job evaluation and classification is also a powerful tool for workers and their representatives, trade unions and employer organisations. Making pay systems more transparent and job classifications more objective and gender-neutral gives workers the means to question unfair practices. Social partners, in turn, have an important role in ensuring that collective agreements – which often serve as the backbone for companies' pay setting – adhere to the equal pay principle and that job classifications reflect the reality of today's work. This is the most important support they can provide to their members, followed by practical guidance on implementation (Eurofound, 2025a, 2026).

Equipping workers to demand transparent and gender-neutral pay systems

For workers, gender-neutral job evaluation is a safeguard that ensures their organisation's pay decisions are fair and transparent, as required under the Pay Transparency Directive (Directive (EU) 2023/970). They have the right to see how jobs are assessed, grouped and rewarded, and to compare this with others in the same or similar roles (Article 7). Having this clarity makes it easier to spot and challenge unjustified pay differences, check whether grading and pay structures are regularly reviewed and see if action is taken when problems appear. When they understand the principles of gender-neutral job evaluation and classification, workers are better equipped to engage in pay discussions with their employers and assert their right to equal pay for equal work and work of equal value.

Supporting trade unions and workers' representatives in negotiations

For trade unions and workers' representatives, gender-neutral job evaluation and classification offers a robust, evidence-based basis for advancing gender equality and fairness in the workplace (see the example in Box 6). It highlights which jobs mostly held by women are undervalued compared with other jobs within an organisation or agreement. With this evidence, representatives can enter negotiations with hard facts, thereby strengthening their case for pay adjustments or fairer grading systems.

While collective agreements often define job categories and pay scales, the Pay Transparency Directive (Directive (EU) 2023/970) requires that the value of work be assessed using objective, gender-neutral criteria. Gender-neutral job evaluation and classification therefore provides a systematic methodology for applying these criteria. It enables trade unions and workers' representatives to verify whether existing job classifications comply with these principles and identify where revisions may be needed. Gender-neutral job evaluation can be applied not only to companies' job classifications and pay structures but also to sectoral collective agreements or any other form of collective wage agreement. It can support workplace-level negotiations and legal claims under equal pay legislation.

The active involvement of trade unions and workers' representatives from the outset fosters transparency, participation and trust (Unison, 2021). Depending on the national framework for workplace-level social dialogue and anti-discrimination laws, trade unions or workers' representatives may already sit on job evaluation and classification committees, take part in monitoring linked to gender pay gap reporting or auditing or cooperate informally in smaller enterprises. Article 4(4) of the Pay Transparency Directive (Directive (EU) 2023/970) obliges Member States to ensure that job evaluation and classification systems, where such systems are used, are gender-neutral and are applied in cooperation with workers' representatives, positioning them as essential partners in implementing gender-neutral job evaluation and classification.

Box 6. Gender-neutral job evaluation helps trade unions confirm equal pay for cleaners

In Austria's cleaning sector, the trade union Vida and the state equality body used gender-neutral job evaluation to compare two types of cleaning work: one mostly done by women and the other mostly done by men. The assessment showed that, despite differences in tasks, the jobs required equal skills, effort and responsibilities. This evidence gave the union a solid basis to argue for the same pay rate for both groups. It led to proposals for collective agreements and contracts to include fair, non-discriminatory criteria that properly value aspects of work often overlooked in women's jobs, such as physical strain, time pressure and responsibility for people's well-being. This shows how gender-neutral job evaluation can expose hidden bias and create opportunities for change that benefit all workers.

Source: Summarised by authors based on Pillinger (2021).

Supporting employer organisations in maintaining high management standards

Gender-neutral job evaluation and classification means standardising job titles and descriptions, rooting out gender bias and inconsistencies and improving the accuracy of job information that informs hiring, pay and progression decisions (Bender et al., 2017; Chordiya et al., 2023). Promoting gender-neutral job evaluation and classification also helps organisations anticipate and adapt to shifting skills demands. By updating and adapting criteria as technologies and environmental standards change, employer organisations can help HR teams spot new skills, reclassify jobs, adjust role structures and ensure fair pay for emerging roles (Acas, 2014; Armstrong, 2018). This collective approach supports upskilling and reskilling, helps retain talent in fast-changing sectors, reduces disruption and strengthens sector competitiveness.

Implementing gender-neutral job evaluation and classification

The benefits of gender-neutral job evaluation and classification are clear: fair pay, stronger workplaces and compliance with EU law. Article 4 of the Pay Transparency Directive (Directive (EU) 2023/970) requires employers to base pay structures on objective, gender-neutral criteria. To support this, the European Commission, in consultation with the European Institute for Gender Equality, has updated the EU guidelines on gender-neutral job evaluation and classification and prepared **a practical [step-by-step toolkit on gender-neutral job evaluation and classification](#) that helps employers put the principle of equal pay for equal work or work of equal value into practice.**

The toolkit is designed for all employers, public and private, of any size or capacity and in any sector. It offers **three pathways**, each designed to match the needs of different organisational types:

- **simplified approach** for micro-organisations,
- **simplified approach** for small and medium-sized organisations,
- **standard approach** for larger organisations.

Each pathway follows the same gender-neutral principles and has the same core factors, but the methods are adapted to ensure that they remain practical and manageable. Each pathway includes a detailed factor and sub-factor plan, worker questionnaires and interview guides to collect further information about jobs, along with Excel templates to calculate scores and rank jobs.

The toolkit also serves as a practical resource for trade unions and workers. It includes a negotiation aid to strengthen collective bargaining and also an equal pay conversation guide to help workers understand their rights and raise concerns constructively.

Putting the toolkit into practice

- **Employers** can start by selecting the pathway that best fits their organisation. The toolkit then takes them through each stage of gender-neutral job evaluation and classification, from setting up a job evaluation committee and gathering job information to evaluating roles, adjusting job descriptions and tracking progress. By following this process, employers can establish transparent and gender-bias-free pay structures that align with their responsibilities under the EU Pay Transparency Directive (Directive (EU) 2023/970), while also fostering a more trusting and committed workforce.
- **Trade unions and workers' representatives** can use the toolkit's negotiation aid to ensure that job evaluations and classifications across organisations are participatory and free from gender bias.
- **Workers** can start using the toolkit's equal pay conversation guide to understand their rights, compare roles and raise queries or concerns about pay constructively.
- **Employer organisations** can start coordinating benchmarking and training to spread gender-neutral job evaluation and classification practices across sectors.

Key takeaways

Gender-neutral job evaluation and classification can help close the gender pay gap and put into practice the principle of equal pay for equal work or work of equal value. It does so by addressing the structural undervaluation of work in women-dominated sectors and jobs by systematically applying objective criteria, such as skills, effort, responsibility and working conditions, rather than relying on job titles or subjective assumptions.

Compliance and competitiveness go hand in hand. Gender-neutral job evaluation and classification helps organisations meet their legal obligations under EU law, particularly under the Pay Transparency Directive (Directive (EU) 2023/970), while also delivering clear advantages:

- greater trust and engagement from workers,
- improved recruitment and retention,
- a stronger reputation as a fair employer and fewer legal risks.

Regular, transparent gender-neutral job evaluation and classification strengthens organisational performance and competitiveness. This builds trust, boosts employee loyalty and reduces turnover, creating a more diverse, engaged and productive workforce.

Social partners play a key role. Employers' organisations, trade unions and workers' representatives can use gender-neutral job evaluation to promote fairness in pay systems, support negotiations and ensure compliance with EU and national law. Workers' participation brings practical insights that make job evaluations more accurate and trusted.

Support is available for all employers to implement a gender-neutral job evaluation and classification system. The practical step-by-step toolkit provides tips, templates, examples and automated Excel tools to help organisations apply objective criteria, calculate job value scores and define pay grades, thereby building fairer, more transparent and more productive workplaces.

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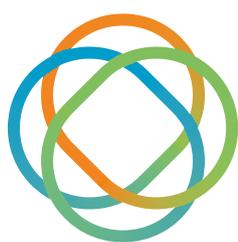
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