



THE UNIVERSITY
of NORTH CAROLINA
at CHAPEL HILL

Career Banding Overview

Office of Human Resources
Spring 2008

AGENDA

- What is Career Banding?
- How is it Different?
- Banding Structure: Job Families/ Branches/ Roles
- What are Competencies?
- Compensation in Career Banding
- The Role of Management, Employees, and OSP
- Further Information



What is Career-banding?

Career banding is the North Carolina Office of State Personnel's classification and compensation system. The career banding system:

- ◆ Reduces the number of classification titles and increases the size of pay ranges.
- ◆ Compensates employees based on development of demonstrated competencies required in the position.
- ◆ Allows managers greater decision making flexibility and accountability for pay decisions.



What Are the Goals of Career Banding?

- Align employee pay with job scope, level of contribution and competitive labor market rates
- Emphasize development of competencies required for the position.
- Promote proven successful work behaviors and job proficiency.
- Improve recruitment and retention of our diverse workforce.



Old to New...

| TRADITIONAL STATE SYSTEM | CAREER BANDED SYSTEM |
|-----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none">▪ Narrowly defined classes | <ul style="list-style-type: none">▪ Broadly defined roles |
| <ul style="list-style-type: none">▪ Many class levels | <ul style="list-style-type: none">▪ Fewer levels |
| <ul style="list-style-type: none">▪ Emphasis on classification | <ul style="list-style-type: none">▪ Emphasis on development of competencies within roles |
| <ul style="list-style-type: none">▪ Pay based on longevity | <ul style="list-style-type: none">▪ Align pay with market average |
| <ul style="list-style-type: none">▪ Career growth through promotion | <ul style="list-style-type: none">▪ Career growth in current role |

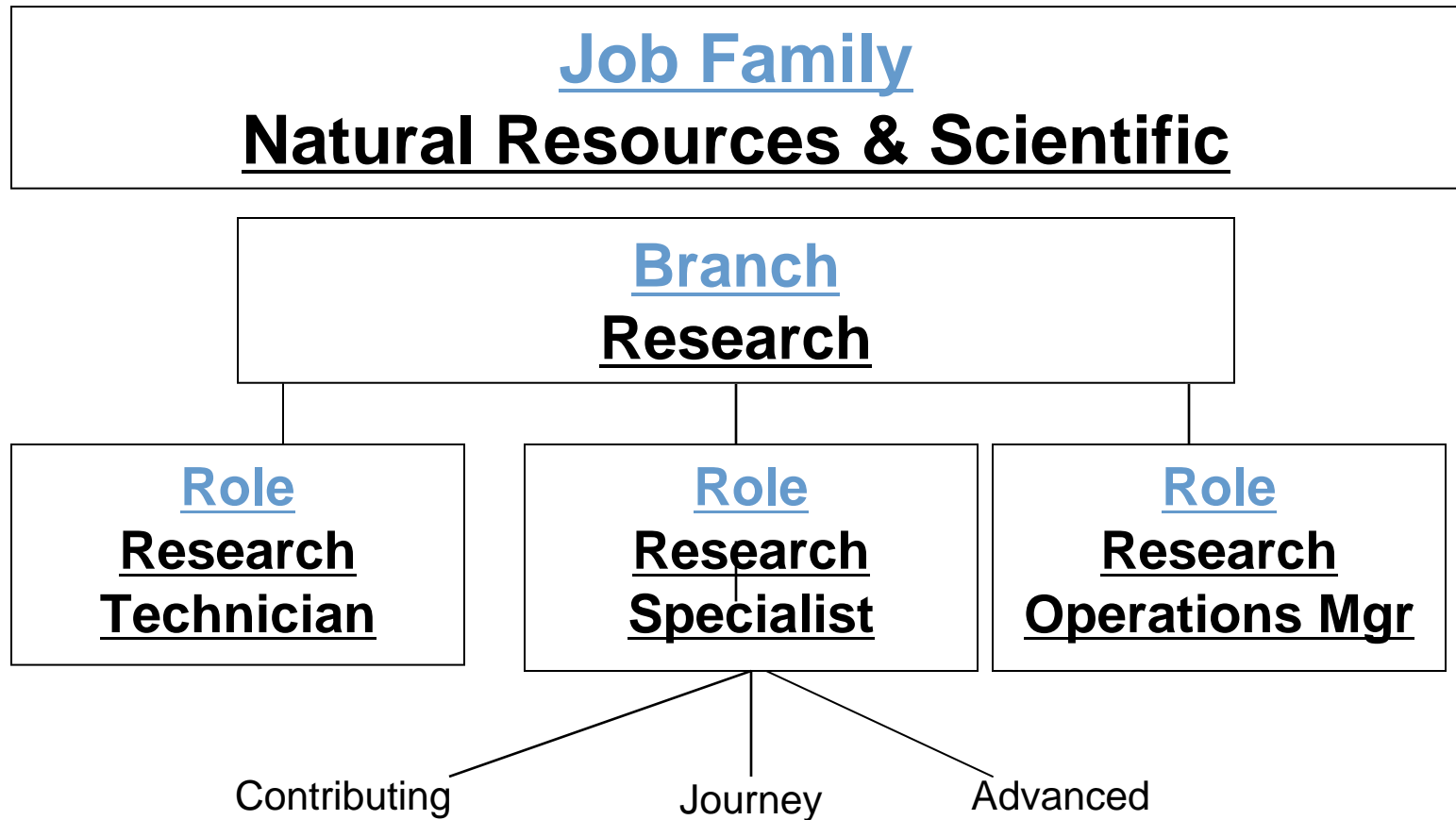


Banding Structure: Statewide Job Families

- Administrative and Managerial
- Information Technology
- Law Enforcement & Public Safety
- Information and Education
- Human Services
- Medical and Health
- Institutional Services
- Operations and Skilled Trades
- Engineering and Architecture
- Natural Resources and Scientific



Banding Structure



What is a Crosswalk?

- A crosswalk is a “job map” or table of current position classification titles and their new titles in the career banding system.
- The Office of State Personnel (OSP) has developed crosswalks for all current classifications in the State system.
- Each position will have a new job family, branch, role, and competency level assignment under career banding.



Position Competencies Are...

- Sets of measurable knowledge, skills, abilities, and work behaviors applied on the job.
- Required for each role based on the organization's needs.
- Created by career banding transition teams, and reviewed by focus groups.
- Approved by State Personnel Commission.



Position Competency Levels

- **Contributing**
 - ◆ Knowledge, skills, abilities, and successful work behaviors minimally necessary to perform a job from entry to Journey.

- **Journey**
 - ◆ A fully-applied body of knowledge, skills, abilities, and successful work behaviors.

- **Advanced**
 - ◆ The highest or broadest scope of knowledge, skills, abilities, and work behaviors.



Employee Competencies

- **Developing**

- ◆ Required position competency is not fully applied by employee at the level defined by the manager as being necessary to meet stated business needs.

- **Applied**

- ◆ Required position competency often demonstrated by employee as necessary to meet business needs.

- **Broadly Demonstrated**

- ◆ Required position competency consistently demonstrated at, and is occasionally above level necessary to meet business needs.

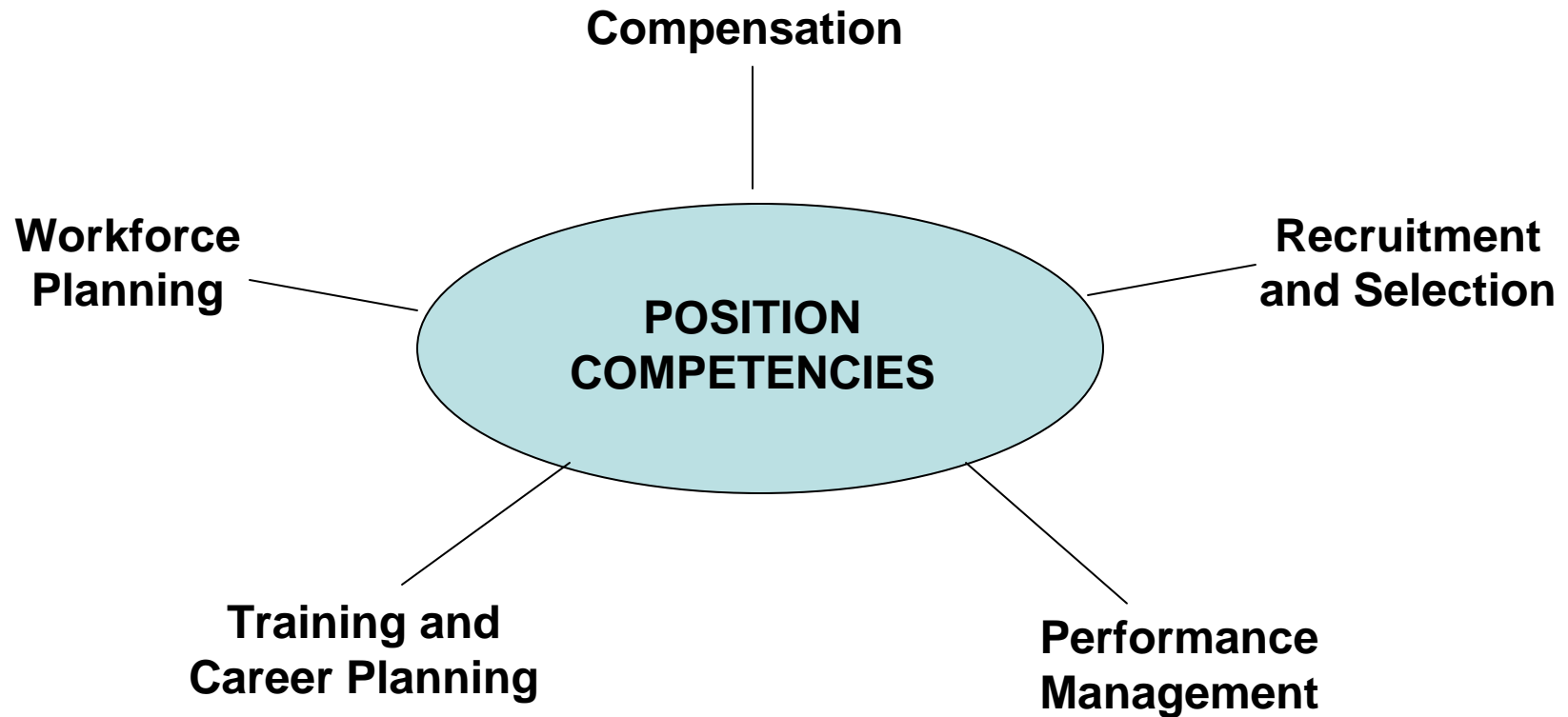


Evaluating Position and Employee Competencies

- Manager completes a **Position Competency Review (PCR)** when changes occur.
- Manager completes an **Employee Competency Assessment (ECA)** within 90 days of a PCR.
- During Performance Reviews
 - ◆ Manager indicates on the Performance Review form if employee competencies have changed.
- Manager should complete Position Competency Reviews and Employee Competency Assessments as changes occur throughout the life-cycle of a position.



Position Competencies are the basis for...

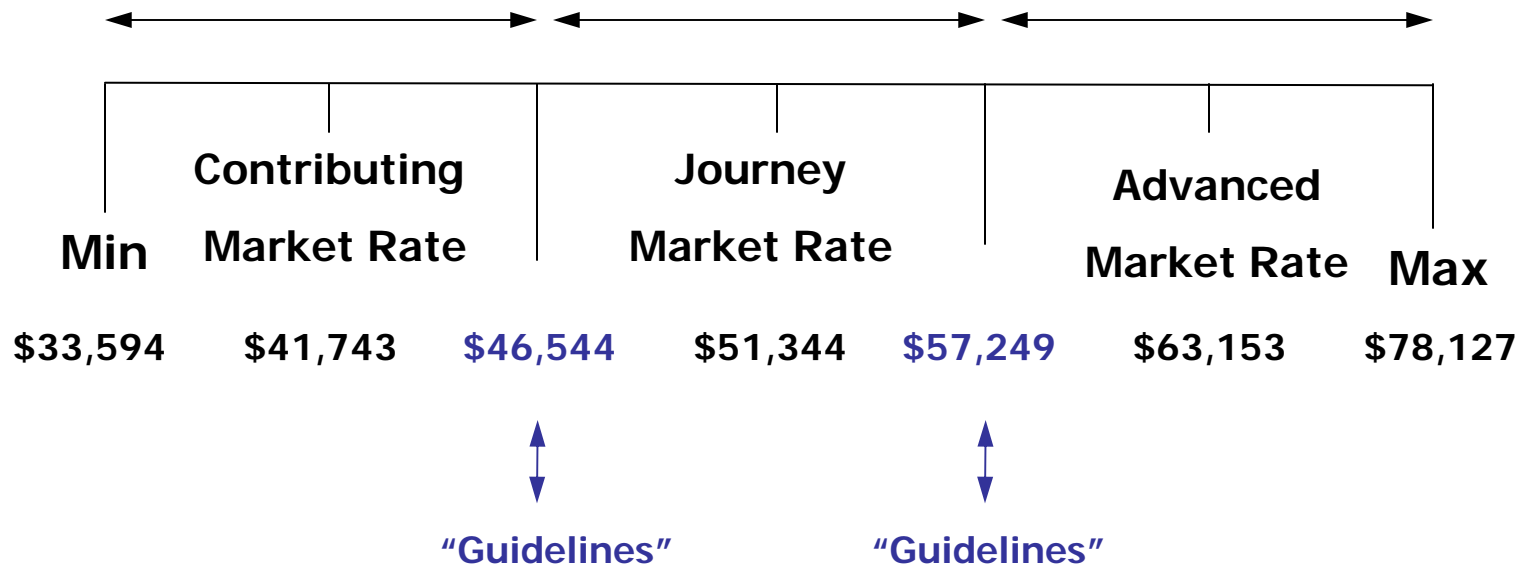


Compensation in Career Banding

- **Pay Bands:** Based on labor market rates as determined by OSP through market surveys. Employees shall not be paid below the minimum, nor above the maximum of pay band.
- **Market rates:** Established at each competency level by OSP using relevant market data for benchmark positions.
- **Market Index (MI):** Relationship of internal salary to market rate. Calculated by dividing employee's salary by the competency level market rate. Expressed as a percent of market rate. (At 100% the employee is paid at the Market Rate.)



Social/Clinical Research Specialist Pay Band



Factors that Influence Pay

- **Financial Resources**
 - ♦ The amount of funding (budget) that a manager has available when making compensation decisions based on business need.
- **Appropriate Market Rate**
 - ♦ The market rate applicable to the competencies required in the position as determined by the manager to meet stated business needs. Consideration is given to contributing, journey, or advanced market rates, related labor market information, and market dynamics.
- **Internal Pay Alignment**
 - ♦ The consistent placement of salaries among employees. Consideration is given to: market index; position-based attributes such as branch, role, competency level, and job scope; and person-based attributes such as demonstrated competencies.
- **Required Competencies**
 - ♦ The competencies and associated levels that are required based on organizational business need. Consideration is given to: minimum qualifications for the position; knowledge, skills, abilities, and competencies required in the position; related education and experience requirements; duties and responsibilities (job scope); and training, certifications, and licenses required in the position.

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Funding

- Cost Neutral on Implementation
 - ◆ Impact is assessed during market development.
- Funded through redistribution of promotion, reallocation, in-range and other increases currently being awarded in the graded system.
- Overlay the career banding program on the current agency/university budget
 - ◆ There is no additional funding guaranteed in the state budget



OSP's Role

- Lead and manage the career banding process.
- Establish job family structure, roles and pay bands.
- Establish market rates and salary guidelines.
- Provide labor market information to agencies and universities.
- Provide training and consultation.
- Monitor the career banding implementation for fairness and consistency.



Human Resources' Role

- Establish and communicate processes under Career-Banding.
- Orient management and employees.
- Train and consult with managers on competency and compensation issues.
- Guide management in implementing career banding.
- Evaluate changes in labor market.
- Monitor the management of pay.



Management's Role

- Introduce, educate, and train employees to the career banding system.
- Recruit, select and develop a qualified, motivated and diverse workforce.
- Determine the level of competencies required in a position to meet business needs.
- Assess the competencies of employees.
- Assist employees as they develop competencies that are needed and valued by the organization.
- Advise employees on career development and jointly develop an individualized career development plan.
- Use pay factors in determining and managing employees' pay.
- Document and explain pay decisions.



Employee's Role

- Develop competencies and skills that are valued by the organization.
- Contribute to the accomplishment of the organization's mission through continued demonstration of required competencies.
- Take a greater responsibility for career development.



Further Information

- Career banding information is available on The Office of Human Resources website:
<http://hr.unc.edu/Data/SPA/paysystems/careerbanding>
- Classes on career banding are offered through the Office of Human Resources Training and Development Department:
<http://www.training.unc.edu>
- Questions may also be addressed to your Manager and/or your department's Human Resources Facilitator.

