

## **Career Banding Terminology and Definitions**

**Adult Learning Principles** - ways in which adult learning differs from child learning. Principles include difference in self-concept, importance of mutual respect, learning through practical experience, responsibility for learning, ability to self-evaluate, differences in professional and personal experiences, the need to unlearn fixed habits, and the importance of applicability to real life problems.

**Appointment Change** – after successful completion of the probationary period, an employee is granted a permanent appointment. This may or may not include a salary increase.

**Assessment** - an evaluation/appraisal of the individual employee's skill(s)/competency(s) and monetary worth as it relates to the needs of the organization.

**Average Market Rate (AMR)** - the average salary of competitors in the relevant labor market for a banded class as determined by comparisons of benchmark jobs.

**Banded Classification** – a broadly defined class concept that incorporates related groups of graded classifications resulting in vertical and/or horizontal integration of work.

**Banded Classification Series** - a group of banded classification(s) that, collectively, represents the full range of work performed from entry level through the management level in a field of work or occupational area.

**Banded Class Pay Range** - a range of pay for a banded class determined through market surveys that defines the minimum and maximum spread.

**Benchmark** - a role(s) identified to represent all roles (journey level competencies) in classes that have been assigned to a banded class. Compensation information collected for the benchmark will be used to establish, at the journey level, the banded class average market rate.

**Career-banding** - the practice of managing compensation within a few expanded pay ranges rather than a large number of narrow pay grades.

**Career Development Plan** - a structure of competencies, knowledge, skills, training, or other distinguishing criteria developed for a banded classification. This structure is used to assess employees for initial placement within the banded class levels and to guide their progression through the pay band.

**Career Growth Recognition Award (CGRA)** – an annual salary increase awarded to an employee whose final overall summary rating is at or above the Good level of the rating scale and who is not in final disciplinary procedure. This is determined and granted by the General Assembly.

**Career Progression Adjustment** - a salary increase within the pay range of the banded class to which an employee is assigned.

**Career Tracks** - career development paths. A broad-banding system that supports dual-track opportunities: a supervisory and a non-supervisory track.

**Competencies** - sets of knowledge, skills and behaviors that contribute to the success in a job. They are usually observable and can be measured.

- **Advanced Competencies** - the highest or broadest scope of knowledge, skills, and work behavior demonstrated on the job that illustrates attained knowledge, skills, and competencies that are beyond journey competencies.
- **Journey Competencies** – fully acquired knowledge, skills, and successful work behavior demonstrated on the job that are beyond the contributing competencies.
- **Contributing Competencies** - the span of knowledge, skills, and successful work behavior minimally necessary to perform a job from entry up to the journey competencies recognized for the class.

**Competency Base Pay (CBP)** - a career banded system that requires identification of specific competencies and behaviors needed to perform work, develops ways to determine whether an employee has acquired competencies and demonstrated behaviors, and awards employees through recognition and/or adjustment in pay for the acquisition of competencies.

**Competency Set** - set of competencies specific to a role/job in its most basic form.

**Core Competencies/Skills** - common to all positions in an agency/university. Core competencies should work in concert with the organization's management philosophy and reflect the mission and core values of the organization. In skill and competency base pay programs, core competencies have been defined as:

- Teamwork
- Customer Service
- Effective Communication
- Organizational Awareness

**Cost Of Living Adjustment (COLA)** – a general salary increase in response to inflation and labor market factors awarded to an employee whose final overall summary rating is at or above the Below Good level of the rating scale, and who has not received a suspension or demotion. This is determined and granted by the General Assembly.

**Delivery of Training** - the implementation of formal and/or informal training such as workshops, career development, On-The-Job Training (OJT), and written or computer-based self-study programs.

**Demographics** - the selected characteristics of a population. Those characteristics may be physical (race, age, gender), economical or sociological.

**Demotion** - change in employee status due to disciplinary action as outlined in Section 7 of the State Personnel Manual resulting in: employee movement from one banded class to another with a lower journey market rate; or reduction in salary within the same class.

**Exempt** - a classification for employees who are not subject to the hours of work and overtime provisions of the Fair Labor Standards Act because they meet certain definitions and conditions to qualify for exemptions as an Executive, Administrative, or Professional employee.

**Focus Group** - employees, supervisors, and/or management members from a technical and/or administrative area selected to work on a particular functional area or task in order to assist with the development of career banding, and skill and competency base pay programs. Members identify knowledge, skill, and ability requirements, determine appropriate training and experience requirements, and develop competency measures.

**Functional Competencies/Skills** – may vary from position to position within a work group, an organization, and/or an occupational group. They relate more directly to the occupational specialty within the unit.

**Grade-Band Transfer** - employee movement from banded and graded classes.

**Hiring Rate** - the established entry rate of the salary range for the classification involved.

**Horizontal Banding** - a banding structure that collapses numerous separate class series into logical career alignments and reduces the number of separate class series.

**Job** - set of duties and associated competencies and/or skills assigned to an individual employee.

**Job Family Pay Band** - a broad-banded pay structure developed for a job family that includes average market rates, statewide average market ranges, and pay range guidelines for all assigned banded classes.

**Just-In-Time Training** - training given on an as needed/as anticipated basis, and initiated for the purpose of preparing the employee to complete a given or upcoming task (job) and to fulfill new or expanding job roles.

**Labor Market Data** - labor market information about a particular occupational group that is used to establish the statewide average market range and salary range guidelines.

**Level** - within the career banded classification pay range, a market range that is utilized for a specific collection of competencies or skills and identifies the complexities of the work. The three different zones are "Contributing," "Journey," and "Advanced," and are defined as such.

**Market Reference Rate (MRR)** - an average market rate as determined by agencies and universities when comparing their benchmark jobs to relevant local, state, or national market data that allows market and geographical flexibility in establishing appropriate market relationships.

**Maximum** - the highest salary which may be paid to an employee in that salary range.

**Maximum In-Grade Adjustment (MIA)** - the amount of increase an employee may receive when a special entry rate is established. Initially, this is the difference between the hiring rate and the special entry rate.

**Minimum** - the lowest established salary that may be paid to an employee in that salary range.

**Needs Assessment** - the process of identifying, prioritizing, and documenting gaps between performance goals/standards, and actual performance for a target population. Also includes determining likely causes of gaps in performance. May uncover training needs as well as other types of needs; e.g., need for positive consequences, feedback, clear performance standards, etc. Focuses on uncovering and documenting training needs.

**New Hire** - initial employment of an individual to a position in a banded class.

**Non-Exempt** - a classification for employees who are subject to the hours of work and overtime provisions of the Fair Labor Standards Act, and must be paid overtime, equal to time-and-a half of the employee's regular hourly rate for hours worked over 40 hours a week or should be given compensatory time off.

**On-The-Job-Training (OJT)** - this can be a formal or informal program of instruction by subject matter experts who coach, advise, and mentor workers in need of training while they are performing real job tasks.

**Orientation** - the provision and dissemination of information, verbal and visual, to employees that explains organizational-related concepts, methodologies, expectations, and mutual agreements regarding a specific program or programs. Orientation includes the provision of periodic, relevant updates.

**Oversight Committee** - supervisory/management members from technical and/or administrative areas that provide direction and review for Focus Groups by ensuring consistency between groups and evaluating current workforce skills/competencies.

**Pay Factors** - the set of requirements, qualities, etc., that are used to determine an employee's salary in a career banded class, such as:

- Agency business needs (budget);
- Minimum qualifications for class;
- Related education and experience;
- Knowledge, skills, and competencies, including abilities;
- Duties and responsibilities;
- Training, certifications, and licenses;
- Journey market rate guidelines/market reference rate guidelines and related market information (average market rate);
- Market dynamics;
- Internal pay alignment (equity);
- Current salary and total compensation.

**Pay Range** - the actual range of pay (guidelines, minimum to maximum) assigned to a banded classification within the designated pay band.

**Performance Management** - a system for appraising employee performance, elevating the standard of performance and correcting performance that falls below acceptable levels.

- **Development Plan** - a key responsibility expectation(s) and/or behavioral expectation(s) improvement process, as developed by the supervisor/manager and explained to the affected employee, to progressively improve performance/behavioral expectations as initially established in the performance management work plan for an individual employee.
- **Dimensions/Behavioral Expectations** - categories of behaviors/skills/competencies needed to achieve specific results.
- **Key Responsibility Expectations** – goals to be met in a given time period within a particular key responsibility.
- **Performance Rating** - measurement of individual and overall employee's performance of key responsibilities and behaviors.

**Probationary Period** - an extension of the hiring process that provides time for an employee to adjust effectively or elimination of those whose performance will not meet acceptable standards. This will last no less than 3 months and no more than 9 months after initial employment.

**Promotion** - employee movement from one banded class to another with a higher journey market rate.

**Reassignment** - employee movement, due to organizational needs or employee/employer agreement, from one banded class to another with a lower journey market rate or to a different position within the same class.

**Reinstatement** - re-employment of an individual to a position in a banded class.

**Role (Job Role)** - the different set of skills/competencies recognized in a banded classification.

**Scarce Skills** - specialized expertise (knowledge, skills, and/or abilities) and/or training that is applied, and if lost, could be detrimental to the organization.

**Self Study** - an educational process where employees learn independently and often at their own pace.

**Skills** - the expectation or demonstration of the proficiency, ability, and knowledge of specific indicators that enable an employee to accomplish a part of or an entire task or duty.

**Skill Set** - the progression of work, competencies, knowledge, and skills recognized in a banded classification that may be designated as contributing, journey, and advanced.

**Statewide Average Market Range (SAMR)** - the average salary market range for a banded class as determined by comparisons of benchmark jobs to relevant labor market information or where no labor market information is available. The average market range includes a market high, market low, and the average market rate.

**Trainee Salary Progression** - a special salary plan with provisions for scheduled (but not automatic) increases, usually at six-month intervals, prior to reaching the minimum of the banded class pay range.

**Training and Development (T&D)** - planned learning, both formal and informal, to develop needed skills, knowledge, and abilities to improve performance in an employee's current position and/or to help employees advance to more responsible positions.

**Training and Experience (T&E)** - requirements serve as indicators of the possession of the skills, knowledge, and abilities that have been shown, through job evaluation, to be important to successful performance, and serve as guides to primary sources of recruitment.

**Training Need** - a learning need. A gap in the knowledge, skills, behaviors, or competencies required to perform a job.

**Vertical Banding** - banding structure that collapses current class series into a broadly defined and generically described class.

**Work Plan** - a collection of key responsibilities and behavioral expectations with documented ways to measure an employee's performance.

**Zone** - the level of proficiency of an employee that recognizes the quality and understanding of work demonstrated by employees in a career banding, skill, and competency category