

The Journey to a Modernised, Integrated HR Infrastructure

By Valerie Hearn

**Ways HR Consulting
1 Portland Street
Manchester
M1 3BE
T: 0870 890 9882
F: 0871 431 0655
W: wayshrconsulting.com**



Contents

- 1 Overview
- 2 What is a modernised, integrated HR infrastructure?
- 3 The Job Family Modelling Approach
- 4 Modernised HR functions
- 5 The Job Family / Career Framework: a conceptual model
- 6 The causal relationship of good people management to customer satisfaction
- 7 Implementation success factors
- 8 Conclusion and contact information

1

Overview

As a result of implementing the national single status agreement, public sector organisations are focused on ensuring they have a new and equal value compliant approach to pay. Many have already created new or modified existing structures to meet this requirement. Others may still be in the planning stage.

Organisations that are yet to implement a compliant and integrated or “modernised” pay structure may wish to consider the Job Family Modelling (JFM) approach as a pragmatic route to achieving required pay structures. Also organisations who have used a more “traditional route” may wish to implement JFM to maintain the pay structure.

Many public (and private) sector organisations have adopted JFM methodology as it provides:

- A pragmatic, quicker and more consistent approach to massive job evaluation exercises;
- Equal value compliance, when implemented carefully;
- Modernised pay and grading;
- Fairness; and
- A foundation for modernised people management.

A Job Families approach can not only “get pay right”. It can open up opportunities for major advances in organisational performance and improvements in the way people are managed. This paper demonstrates how, by building on JFM, organisations are well-positioned to move towards a modernised and integrated HR infrastructure.

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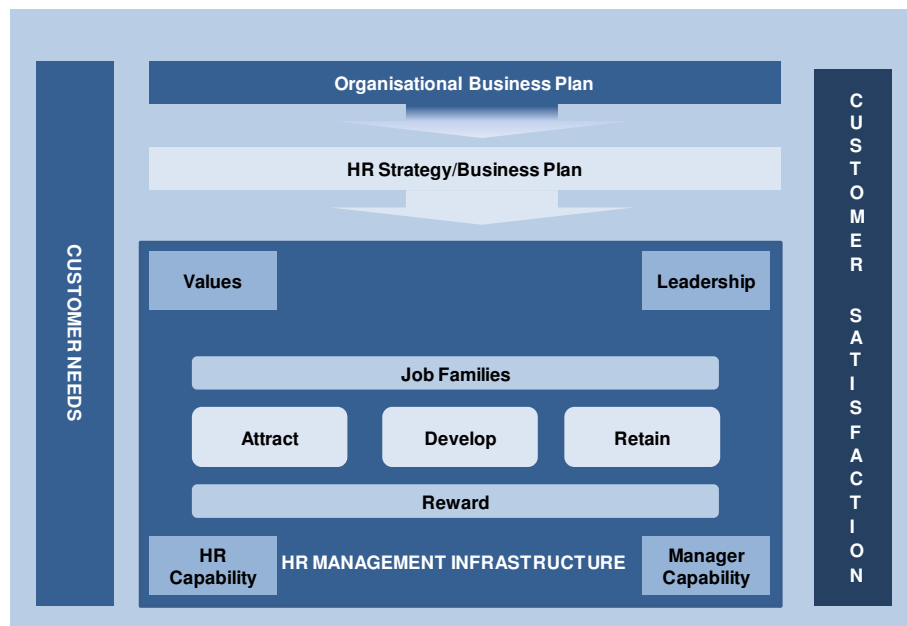
What is a modernised, integrated HR infrastructure?

The model below shows how a modernised and integrated HR infrastructure can be aligned with customer requirements, driving an organisation's business plan and forming the basis for HR strategy.

The infrastructure should ideally be built on an equal value compliant reward structure. The approach to pay should also be strategic in its ability to attract, develop and retain the people needed to meet the organisation's goals and provide required customer services.

Attraction, development and retention strategies, programmes, practices and policies can be built on the specific roles and Job Family structures that determine the organisation's design and work.

Integrated HR model



Achieving the associated benefits depends on four "pillars":

- The organisation's values

- HR's capacity to support managers and the business

- Leadership capability

- The ability of managers to be good people managers

For the rest of this paper we will use the Job Families as a starting point for the journey to a modernised and integrated HR infrastructure.

We will provide you with an overview of the key components of Job Families, followed by examples of how Job Families, as core to HR functions, benefit individuals and the organisation.

Then we will look at how the JFM approach can be extended to create a conceptual model called the Career Framework, an effective tool that integrates performance and career planning, and provides links to attraction, development and retention tools and strategies.

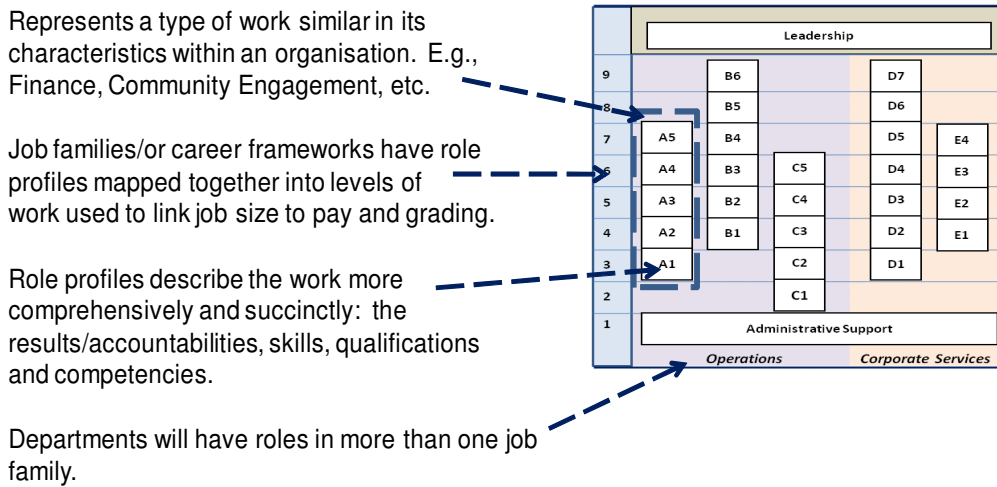
Following this will be a discussion of the links between JFM and good people management, employee engagement and high performance.

Lastly we will give our recommendations for implementation and our offer to provide advice and support if your organisation is ready to begin the journey.

3

The Job Family Modelling Approach

The following diagram provides a brief description of the key components of Job Family Modelling.



It is important to note that the content of role profiles in Job Families can vary from a straightforward description of just the work content, to the additional option and added value of utilising competence and competency descriptions.

3.1

Competence is defined as the tangible knowledge and skills relating to a particular job or task. This might be measured through qualifications such as the National Qualification Framework, professional accredited exams (Chartered, etc), National Vocational Qualifications and simple workplace assessment (e.g. a driving test).

Competence also requires aptitude to apply knowledge or skills: the practical experience of applying taught knowledge in real situations.

3.2

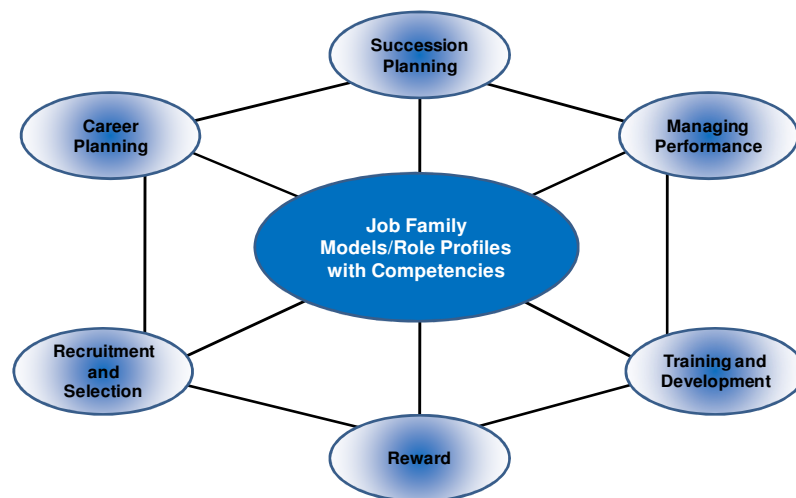
Competencies are behavioural, stemming from an individual's traits and motives. They contribute to the desire and attitude of the individual to apply their aptitude and skills. These may in turn be divided into directly job-related behaviours, such as analytical thinking in a job analyst's role or empathy in a caring role, or more organisation-wide behavioural traits, such as openness, integrity, etc, which apply to everybody.

3.3

Including competencies in specific roles is a major benefit to improving performance and changing the core nature of role definition. It enables Job Family Modelling to be much more than just defining roles for compliant pay structures – they form the core of all the major HR functions to create a modernised and integrated HR infrastructure as described below.

4

Modernised HR functions



Job Families and role profiles can be central not only to defining compliant and fair pay structures but also to a range of people management improvements. They provide organisations with an integrated and aligned infrastructure, critical for good people management, employee engagement and high performance.

4.1



Job Families provide a manageable route to new compliant reward structures. They also massively reduce requirements for job evaluation.

Job Families provide a managed solution to pay challenges arising from single status and will manage equal value risks. Councils who use this approach gain a huge benefit.

From a manager and employee perspective, the framework provides a transparent structure that illustrates clear and understandable pay progression steps.

A description of the process and components, with case studies of some of the JFM work we have done, is available on our website: <http://www.wayshrconsulting.com/services/reward/job-family-modelling/> and <http://www.wayshrconsulting.com/category/case-studies/>

4.2



Using role profiles as a foundation for performance management helps to create an environment that benefits everyone: employees, managers and the organisation overall.

Employees:

- Have clear expectations of the “what” and the “how”;
- Know where they fit;
- See their contribution to the organisation;
- Have good and fair information that provides a basis for positive discussions for performance and career development;
- Have access to self-management tools.

Managers benefit through:

- Agreements to core role expectations;
- Potential to align with team goals;

- A more objective basis for ongoing coaching and feedback;
- More flexibility in deployment;
- A consistent approach to appraisal and development; and
- Positive relationships with team members.

For the organisation, an integrated performance management system promotes:

- The alignment of individual, team and organisational goals;
- Appropriate resources to meet business needs;
- The delivery of high quality services to the public; and
- A culture of continuous improvement and engagement.

4.3



Role profiles provide the basis for effective recruitment, starting with knowing what skills and competencies are needed, and hiring and selecting them.

From a manager’s perspective, the framework is a valuable practical tool. It provides a fair and consistent approach to job advertising, selection and promotion criteria, ensuring requested skills, competencies and experience are aligned with the pay structure. The framework can also provide access to role-appropriate competency-based interview questions, resulting in a better selection outcome.

The benefits of competency based recruiting have been shown to be significant. Unlike interviews that focus exclusively on education and experience, competency-based interviews allow the manager to better predict how an applicant is likely to perform in a job. Attitudes and behaviours (encompassed in competency descriptions) are proven to be key to high performance.

Typically the interview involves the hiring manager asking for examples of the candidate’s experience that demonstrates the key characteristics the organisation needs. This allows the candidate to relate their answers to real life (and not recite a “text book” answer). He or she can reveal the most relevant information in the context of the current opportunity. This approach helps to remove barriers and provides more equal opportunities in terms of diversity.

A transparent and accessible Job Family framework is beneficial for employees. It provides an understanding of the qualifications, competencies and experience required for future jobs, and clearly illustrates the basis on which selections are made. The transparency

and objective data creates a sense of fairness and trust in the recruitment and selection process.

The organisation benefits overall by having the right tools, information and processes in place to ensure it gets the right skills and competencies in the right places at the right time. Using the framework's processes and tools also helps to create an environment of trust and fairness, particularly important in times of change.

The framework helps to position the organisation as an employer of choice. It demonstrates to potential employees an organisation committed to offering challenging opportunities, rewarding and recognising career growth.

4.4



Identifying individual and team development needs becomes a more effective and efficient process due to clear accountabilities, defined qualifications and role-associated competencies.

Role profiles can be enhanced to include links to organisational training and development programmes. These can include job enrichment activities, job rotation opportunities, onboarding / induction programmes, and in-house and external learning sources.

As another key benefit the framework can be used as a basis for workforce development strategies. Processes and tools can be developed that allow individual, team and departmental training and development requirements to be rolled up to senior management and HR. This places organisational workforce development strategies as an integral component for overall business planning.

4.5



Effective career management is possible with Job Families and role profiles available as tools for discussion and decision-making for employees and managers.

A complete Career Framework can be developed, which:

- Provides good ideas for development;
- Allows and encourages current and future employees to see other opportunities in the organisation, within and across Job Families; and
- Is a key tool for succession planning and overall talent management.

4.6



Succession planning is a critical business process that is often neglected. Employees often have little understanding of how decisions are made, what criteria are used for selection for placements or promotions, and what they must do to advance their own careers.

While Councils have an open selection process, Job Families and role profiles can provide further information on career development options without entering an application for an advertised post.

Succession planning has evolved. For private sector organisations it has typically been thought of as “putting names in boxes” to fill specific positions at senior levels. But in today’s environments there are new and ever-changing demands for talent.

Instead of developing one person for each key position, the focus is on developing many people with the capacity to be effective leaders in any number of positions, in any department. In an equality of opportunity based approach, more can be done to leverage benefit from talent management.

Succession planning can take a specialised or generalised approach. The specialised approach targets gaps in selected job categories, levels, functions or locations. It is usually adopted as the result of a crisis in the targeted areas. The generalised approach focuses on creating leadership continuity by preparing individuals for advancement in all job categories, levels, functions and locations.

Regardless of the approach, the process should be one of openness along with equality of opportunity where work accountabilities, competencies and success factors at all levels are identified and communicated.

Input should be sought from everyone involved to ensure performance assessments and development processes and opportunities are seen as fair and equitable. This leads to a programme seen as trustworthy and credible, and based on equal opportunity.

The advantages of an effective succession planning programme cannot be understated. They include:

- Providing a seamless service to citizens, clients, users and customers;

- Identifying replacement needs as a means of targeting necessary training, employee education and development;
- Providing increased opportunities for engaging high potential employees;
- Increasing the talent pool of promotable employees;
- Contributing to implementing the organisation's strategic business plans;
- Helping individuals to realise their career plans within the organisation;
- Encouraging the advancement of diverse groups in the future;
- Improving employees' ability to respond to changing environmental demands;
- Improving employee morale; and
- Allowing the organisation to cope with the effects of attrition (e.g. retirements, restructuring, etc).

By focusing on defining the impact of roles, diversity goals can be enhanced by targeting opportunities for under-represented staff to develop into more senior levels. This goes outside of traditional progression routes that may have hindered equality of opportunity.

Larger organisations can gain a very competitive edge when recruiting talented staff by providing a career path as well as a particular job.

As outlined above, the benefits of using JFM to define an organisation in terms of Job Families and role profiles are many. But the notion of building this structure may seem daunting to organisations where many initiatives and strategies are currently being developed or are still in the planning stage. Especially in situations where there are restructures, mergers, etc.

In our experience organisations that have already focused on building Job Families and role profiles to meet new reward structure requirements, can gain great ground by creating what is often referred to as a Career Framework.

A comprehensive Career Framework is a strategic tool for building individual and organisational capacity and is a natural next step for modernising HR.

5

The Job Family / Career Framework: a conceptual model

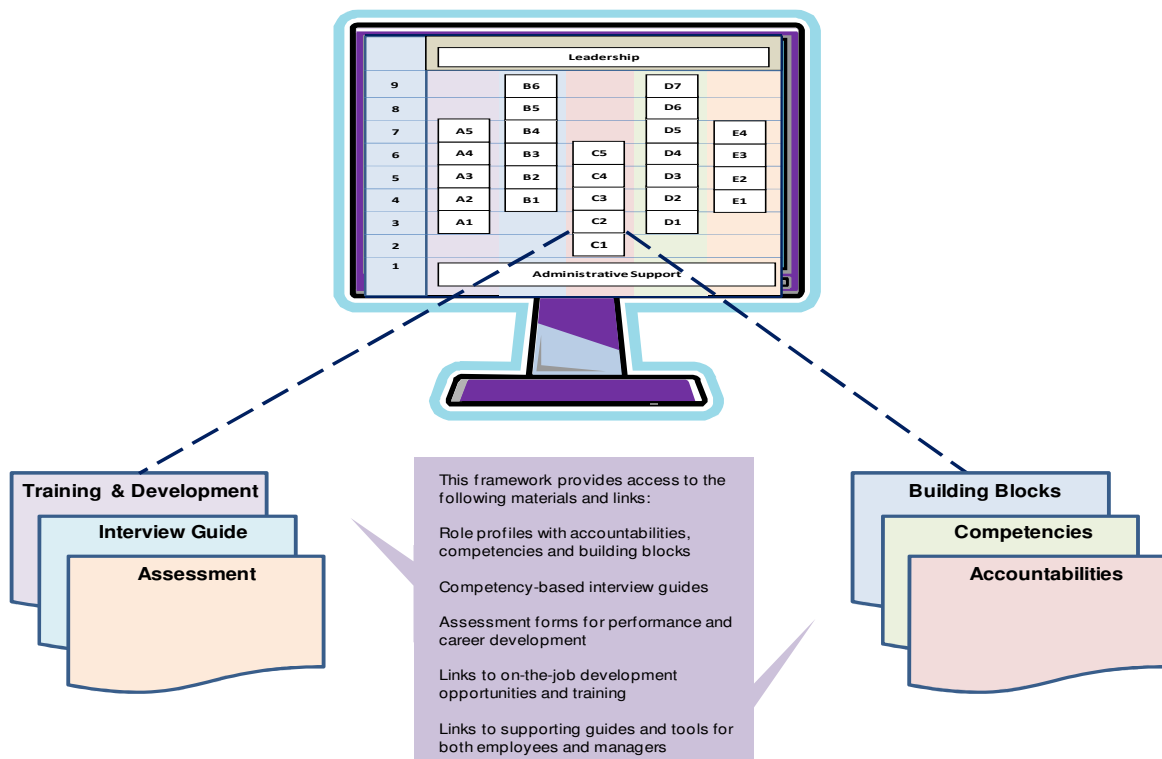
To provide a big picture and create a tool that is simple to understand, user-friendly, which can be further developed, we suggest a model such as the one below.

It builds on an organisation's core Job Families and role profiles, and provides a visual overview of the whole organisation.

We suggest calling this extension a "Career Framework" as it can be an effective "selling point" for an organisation's communications, with links to all HR management. The framework can be modelled and presented in a user friendly format (web or paper based) that provides "one stop" shopping for the users.

As depicted in the following diagram, much of the framework would already be in place as a result of the JFM approach to reward.

The additional elements would be to conclude work on competencies (if not already included in the job profiles), development and training building blocks, and links to other HR tools such as interview guides, performance management, etc.

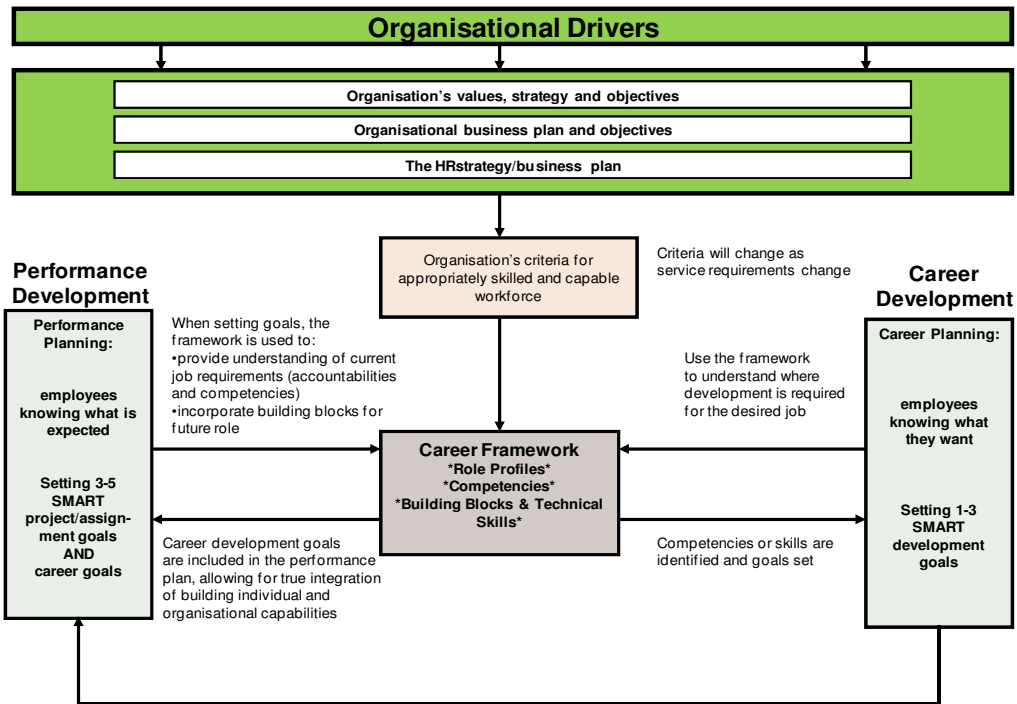


The Career Framework is an important tool for performance management and career development goal-setting and discussions. It has been designed through its Job Families and role profiles to provide an organisation with a structured approach to defining how employees can move from one role to another, and progress in their careers.

These frameworks chart possible career directions. Importantly, while career paths have traditionally been defined in terms of upward advancement, today they are also used for “bridging” (lateral moves).

To be effective, Career Frameworks do not stand alone. As the skills and competencies defined in the profiles need to fit with the organisation’s direction and customer requirements, the frameworks must be based on the organisation’s values and business strategy, as shown in the diagram below.

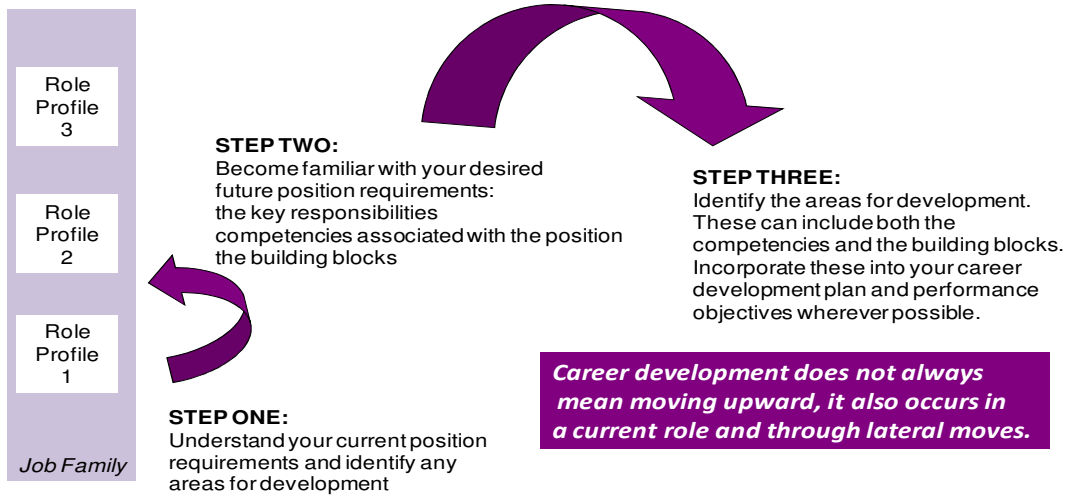
The diagram illustrates how current and future customer requirements (the drivers) determine an organisation’s strategy, drive business plans and, in turn, determine what the organisation needs in terms of roles, skills and competencies. The “building blocks” (an additional value-add component for role profiles) provide the information that managers and their team members can access to ensure that the “right” skills are continually being learned, meeting individual and organisational needs.



Wherever possible, development goals are incorporated into performance plans

The integration of career goals into performance plans helps to facilitate positive and motivating discussions between managers and employees. But it is important to note that successful implementation depends on having tools, training and support for all users.

The concept for using the framework for performance career planning is simple, as illustrated here:



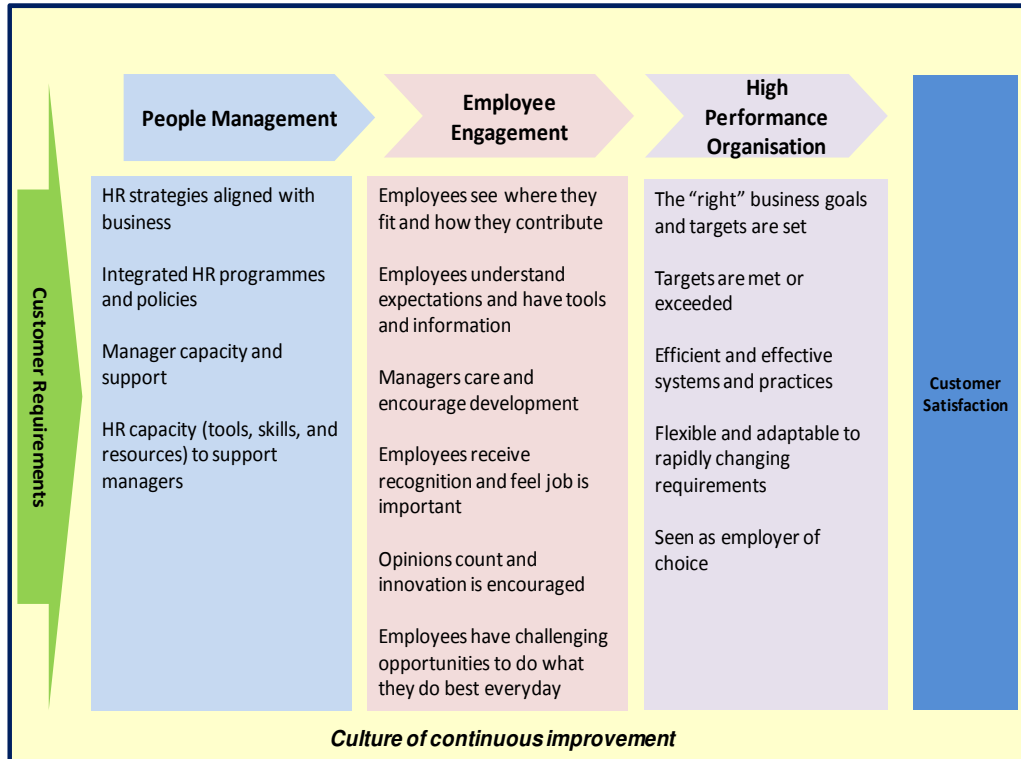
Experience has shown that as organisations adopt this framework, it has been extremely effective in developing a culture of good people management, employee engagement and high performance.

6

The causal relationship of good people management to customer satisfaction

There is a plethora of research that demonstrates the causal relationship of good people management with employee engagement, high performance and customer satisfaction: in the private and public sectors.

Developing and implementing Job Families and role profiles provides information and tools that address many of the factors required for good people management, employee engagement and high performance, as this model illustrates:



Managers gain numerous benefits, including:

- Knowing what jobs are needed and where;
- Knowing what skills and competencies are required to meet business needs; and
- Gaining tools and processes that are based on the required skills and competencies for attraction and selection, people development, and retention.

Managers who use the information, tools and processes are able to better motivate, develop and manage their teams, thereby creating a positive and engaging work environment.

A positive work environment where employees have the information and tools they need to do their work is a key factor in employee engagement. The Job Family / Career Framework, along with management capability will provide an environment where employees

can grow and develop; be engaged in their work and with the organisation.

This is built on employees:

- Trusting that the pay structure is fair and will reward and recognise their performance based on objective, consistent and articulated role expectations;
- Having access to information which helps them to manage their own performance and career development; and
- Seeing how they can contribute and where they fit in the organisation.

As the quality of people management programmes and policies improves, and management capacity is developed and supported, the relationships between employees and managers are enhanced.

Research shows that organisations with high levels of employee engagement are high performing, have high customer satisfaction, and are considered employers of choice.

7

Implementation success factors

The manager's role is central to good people management practices. It is critical that they have the necessary skills and competencies, but also that the organisation provides the right structure to support them. Not only short term as they deal with the outcomes of the pay structure project, but longer-term as they lead and motivate their teams through major organisational changes.

The role profile for managers should clearly articulate their accountabilities in terms of people management. Additionally and very importantly, the organisation must:

- Hold managers accountable for achieving the results through performance management;
- Promote the right behaviours through the reward and recognition programmes; and
- Support managers through training and development.

Alongside the changes associated with modernising HR are changes to HR itself. Managerial roles must change to support organisational transformation and so too those of HR. HR will need to play a more integral and influential role in the organisation, supporting managers as they develop their capacity to be effective people managers.

The organisation must support HR professionals by using the role profiles to define new accountabilities, competencies, etc. Support must also take the form of training and development, the provision of tools and techniques to improve HR effectiveness.

Ways HR Consulting can also advise on supporting the new frameworks with software applications that enable communications of the content and support managers and staff in interacting and benefiting from the career family approach.

8

Conclusion and contact information

We believe that as organisations work to ensure they have a compliant and integrated approach to pay, the required changes open up opportunities for major advances in an organisation's performance and improvements in the way people are managed.

Creating and / or developing Job Families into a full Career Framework (as illustrated earlier) provides all employees with the bigger picture of the organisation. They will gain valuable information and tools, helping to move the organisation's culture into one of good people management and high performance.

Management and HR capability is critical to any successful implementation. We suggest organisations need to focus on developing managers' capacity for people management, and HR's capacity for supporting them and the organisation as it evolves into a modern and integrated HR infrastructure.

Ways HR Consulting would be pleased to provide advice and services as you take the journey towards a modernised and integrated HR infrastructure.

To discuss any of the issues raised in this document in more detail, please contact:

Valerie Hearn, Senior Consultant

Ways HR Consulting

1 Portland Street

Manchester M1 3BE

T: 0870 890 9882

M: 07595 568 921

E: valerie.hearn@wayshrc.com

Or visit our website: www.wayshrconsulting.com

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