

North Carolina Department of Commerce

CAREER-BANDING SALARY ADMINISTRATION PLAN

It is the policy of the Department of Commerce to compensate its career banded employees at a level that promotes:

- Successful work behavior
- Emphasizes demonstrated competencies that are linked to organizational goals
- Reinforces high standards of performance
- Maintains the labor market competitiveness necessary to recruit, retain and develop a competent and diverse work force.

Employees in the career banding program will receive fair and equitable treatment for career opportunity and compensation. Career Banding Salary Administration policy and guidelines will be applied consistently for all employees.

HR Office Responsibilities:

The Division of Human Resources' Classification and Compensation Analyst will serve as the career banding administrator. With assistance from the various HR specialists, this individual will administer the Career Banding program with final approval from the HR Director, ensuring that all necessary components are in place for an effective program. This will include:

- Policy Communication
- Education and Training
- Technical Consultation
- Program Evaluation
- Program Accountability
- Equal Opportunity

HR will govern a phased approach for granting salary decision authority to managers as follows:

Upon implementation within each area, managers will make recommendations for salary decisions with final authority in the HR office. All salary decisions will be reviewed by HR.

As a manager consistently demonstrates accuracy with salary recommendations for all salary administration policy provisions, the HR office will grant salary decision authority to the manager.

After granting authority for any salary decisions, HR will audit 20% of the manager's decisions. At any time that problems are identified, authority may be withdrawn.

HR will administer the following provisions regarding inappropriate career banding salary decisions or other career banding responsibilities by a manager:

- Review managers' work plans to ensure inclusion of responsibility to make appropriate salary decisions.

Notify appropriate authority relevant to work plan responsibility when inappropriate salary decisions are determined.

Incidental, infrequent, and/or inappropriate salary decisions will result in additional training and assistance provided to the manager through the HR office.

Ensure that agency performance management plan indicates that a manager's failure to comply with expectations for career banding responsibilities may result in a lower performance rating.

Ensure that agency disciplinary policy requires that warning or other disciplinary action will apply with continued inappropriate salary decisions that are made by supervisors/managers.

HR staff will conduct periodic self-assessments of career banding program operation including, but not limited to the following:

- Tracking dispute resolution decisions resulting from career banding salary decisions.

- Ensure that management has provided complete career banding information to employees in areas where career banding has been implemented.

- Determining if managers have applied pay factors appropriately and consistently.

- Determining if employees have been provided equitable opportunities for development and advancement

- Ensuring that DOC does not engage in unlawful discrimination

HR staff will report results of the career banding program self-assessments to the Office of State Personnel at least annually, more often if required by OSP. Detailed information will be released to OSP for monitoring purposes as requested.

Executive Management Responsibilities:

DOC senior leadership must comply with the following career banding salary administration provision.

Performance workplans for managers who make salary decisions must include a key activity on following correct salary administration policy when making career banding salary administration decisions.

Executive management is accountable for all salary decisions.

DOC executive management has the authority to set the performance rating level and/or the degree of disciplinary action in any case where a manager with salary decision authority misuses this authority to grant pay increases by misapplying pay factors or applying salary administration policy inappropriately.

Managers and Supervisors Responsibilities:

DOC managers and supervisors must comply with the following career banding salary administration provisions:

Manager/supervisor will develop a performance management plan and provide orientation to the employee regarding Career Banding within 30 days of hiring an employee.

Management will ensure that all employees have had the necessary training and access to information necessary to understand the career banding concepts that affect them.

Management will establish career-development plans and provide employee coaching with a goal of enhancing each employee's contribution to the DOC mission and goals.

Management with assistance from HR, when necessary, will evaluate an employee's competencies upon entrance into any career banded position to determine competency level. Thereafter competencies will be evaluated upon attainment and demonstrated use of additional competencies.

Management will provide feedback to employees on ways to achieve new or higher level competencies and provide suggestions for training, education, or other opportunities to develop their competencies.

Management will apply pay factors correctly and equitably in determining employee salaries in compliance with State Personnel Career Banding Salary Administration Policy. Managers must apply pay factors with each action as defined in New Hire, Promotion, Reassignment, Demotion, Grade-Band Transfer policy found in the State Personnel Manual.

Management must provide documentation for each salary decision, describing the relevance of pay factors to the decision. A salary decision is a manager's determination of the amount of pay that an employee will be granted after applying all pay factors if budget money is available.

Employee Responsibility:

Employees will comply with the following:

Employees, in conjunction with supervisors/managers, will establish workplans that are relevant to the mission and goals of DOC.

Employees will attend meetings, information sessions, etc. that will provide explanation of the career banding program.

Employees will provide feedback on the career banding program when requested.

Pay Factors to be Applied to Salary Administration Decisions:

- Financial Resources
- Appropriate Market Rate
- Internal Pay Alignment
- Required Competencies

Pay factor evaluation may also occur with the following situations to determine if a Career Progression Adjustment is warranted:

- Attainment and demonstrated use of competencies or skills within the same class
- Acquisition of additional or different duties within the same class
- Recognition of low employee salaries in relation to average market rate or market reference rate
- Addition of temporary duties within class or to a different class

A Retention Adjustment may be granted for a key employee, who is in a difficult to fill role and no other employees are eligible for this role. Employee must also have an outside offer of a higher salary for the same level of work.

Management will provide documentation for each salary recommendation, describing the relevance of pay factors to the decision. A salary recommendation is defined as a manager's determination of the amount of pay that an employee will be granted after applying all pay factors in any situation. Management must obtain approval for salary recommendations from appropriate Division Director/Deputy Secretary. Final decision authority for salary decisions rests with the DOC Secretary.

Career Banding Pay Dispute Review Process:

A dispute resolution process within DOC will allow employees with career status to have salary decisions reconsidered by a source beyond the initial decision-maker or evaluator. Career status is defined as a State employee who is in a permanent position appointment; and has been continuously employed by the State of North Carolina in a position subject to the State Personnel Act for the immediate 24 preceding months.

Salary decisions that are eligible for consideration in the dispute resolution process must be based on one of the following in conjunction with a promotion, reassignment, demotion, or career progression adjustment as defined in policy.

Amount of salary adjustment is less than appropriate amount as determined through pay factors.

No salary adjustment has been granted when application of pay factors would support an adjustment.

Skills/competencies have been inappropriately evaluated.

The Human Resources Director, will establish and adhere to a plan for distribution of limited funding in regard to Career Banding salary decisions to ensure fairness. Salary decisions that are restricted solely because of limited funding are eligible for dispute resolution consideration only if the plan is not followed.

An employee must document the basis for salary reconsideration on the Career Banding Pay Dispute Form, which must be submitted to the DOC Employee Relations Manager within 15 calendar days of the salary decision notification. Note: the designated time limits begin the day the employee's form is stamped "Received" by the DOC Employee Relations Manager. For purposes of this procedure, where time deadlines are provided, if the deadline for taking action falls on a weekend or holiday, the deadline shall be the next working day following the weekend or holiday. Failure of the employee to file a timely dispute relieves the Department of any and all liabilities for such occurrence, action or situation and constitutes a waiver of all dispute rights under this procedure.

Upon receipt of the Career Banding Pay Dispute Form, the DOC Employee Relations Manager shall acknowledge receipt within 5 calendar days from the day the form is stamped "Received". The Employee Relations Manager shall screen all requests for salary reconsideration to determine eligibility under this procedure prior to approving an investigation to be conducted. The investigation shall be completed within 10 calendar days after acknowledgement of receipt of dispute.

The DOC Human Resources Director has 5 calendar days from the date the date the Employee Relations Manager's written recommendation is received in which to review and recommend resolution to the Secretary of the Department of Commerce. The final decision made by the Secretary of the Department must be sent to the disputant by certified mail or hand delivered within 15 calendar days after receipt to the Human Resources Director's recommendation. The Secretary's decision is final and binding upon the employee with no further dispute rights.

Resolution must be completed within 60 days from the date the employee's written dispute is stamped "Received" by the Employee Relations Manager.

Employee Advisory Committee:

DOC will maintain a pool of qualified employees from whom Committees can be formed as needed on a case by case basis. A Committee of three employees from the pool, representative of demographics, organizational level, and occupational areas, will be called to review implementation and operation of the career banding program to ensure that employees are being treated fairly in opportunities for career development and compensation levels. A

representative from HR who has not been previously involved in the decision-making of the case in question will act as facilitator for each case. Results of such review will be presented to DOC Secretary and HR Director.