Job Family Modeling
Tools to Support Job Evaluation and Career Development
October 21, 2009

Vincent Milich
What is job family modeling?
What can job family modeling do for an organization?
Unique Hay Group capabilities
  - Core role framework
Case examples
  - Philips
  - Goldman Sachs
  - Hess
How CEOs think about human capital

- “Many of the future jobs of our company will be different in size, nature or activities from those we now have”.

- “Why can’t we use one approach for compensation, promotions, development, succession planning, and managing performance?”
A job family describes a number of different roles which are engaged in similar work. A job family model considers how many levels of that type of work there are and describes them in a way which clearly differentiates the levels.

Job family modeling is a tool that can serve as the foundation for many Human Resource processes and systems, including an approach integrating people and jobs.
An integrated approach to Talent Management, Rewards and Performance Management

- An approach that provides:
  - A clear and rigorous description of how work changes at each career level in an organization
  - Robust management and individual contributor career paths, customized to an organization
  - The foundation for performance and talent management, as well as your reward programs
At the foundation of a job family model is an effective description of levels of work.

- Identify a family of work
- Clarify what differentiates one level from the next, and how many levels there are:
  - Individual Contributor
  - Management
- Provide a description of the nature of work at each level
# Job Family Modeling

## Families of Work in an IT Function

<table>
<thead>
<tr>
<th>Level</th>
<th>Operations</th>
<th>Technology Engineering</th>
<th>Applications Business Solutions</th>
<th>End User Services</th>
<th>Business Analysis</th>
<th>Project Management</th>
<th>Management Career Track</th>
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<tbody>
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<tr>
<td>9</td>
<td></td>
<td>Senior Technical Architect</td>
<td>Senior Systems Architect</td>
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<td>Senior Manager</td>
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<tr>
<td>8</td>
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<td>Senior Systems Specialist</td>
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<td>Senior Applications Analyst</td>
<td>Client Computing Analyst</td>
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<td>Business Analyst</td>
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<td>Technology Analyst</td>
<td>Applications Analyst</td>
<td>Client Computing Technician</td>
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<td>Associate Business Analyst</td>
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<td>Associate Operations Specialist</td>
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</table>

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Job Family Modeling

Sample Job Family Description

Overview of the Job Family

This job family exists to optimize the work of the assigned customer area through participation in business planning, needs analysis and business risk assessment, leading process redesign, identifying the implications of business process changes on technology, and consulting with the user on how best to support the business through the effective use of technology. Members of this job family are responsible for helping to develop and advance a long-range vision of how IT will support the business.

<table>
<thead>
<tr>
<th>Key Differentiating Criteria</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Level 4</th>
<th>Level 5</th>
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<tbody>
<tr>
<td>Technical Knowledge</td>
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<td>Communication Skills</td>
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<td>Decision Making</td>
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<td>Budget Role</td>
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<td>Experience and Education</td>
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<th>Level 4</th>
<th>Level 5</th>
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<td>Performance Measures</td>
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<td>Competencies</td>
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<td>Career Path Options (from and to)</td>
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<td>Selection Criteria</td>
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</table>
Hay Group Job Family Modeling

A Foundation for Integrated Human Resources Management

- **Rewards**: Consistent Approach to Levels and Grades
- **Performance Management**: Aligns Metrics
- **Recruitment/Selection**: Identifying Criteria for Selection
- **Succession Planning**: Defines Criteria for Advancement, to Assess Candidates
- **Job Family Model**:
  - Description of Work
  - Competencies for Success
  - Measures of Performance
- **Career Paths/Promotion**: Defines Career Path Opportunities and Criteria
- **Training & Development**: Links to Development Needs and Resources

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Career Paths and Career Development

• The Job Family model describes the work along logical career paths.
• To provide a complete and comprehensive career development plan, the following are also required:
  • Competencies and skills associated with each job family and level
  • Development resources employees can use to become more prepared for career advancement.
  • Assessment tools, for manager and/or employee
  • Training for management on:
    • Assessment versus the model
    • How to coach and develop staff
Integrating with other HR programs

Job Slotting

- Job family modeling can be used as a basis for streamlining job measurement in organizations. When a position matches 80%+ of what is described in the model, it can be slotted at that level.
- It is important that Hay Guide Chart job evaluation underlies the core roles and Hay Group job family modeling efforts.
  - It can ensure calibration across families, for example, ensuring that a level 3 in one family is equivalent to a level 3 in another family.
  - The Hay Guide Charts can always be used to evaluate jobs that do not fit into the job family model. There will always be positions in an organization that do not fit in a job family model.
Integrating with other HR programs

New Approach to Total Reward Management

• Job family models can represent an important first step in the development of a new compensation structure for an organization.
  • In this case the job family model may serve as the format to document job content in the organization. Rather than writing new job descriptions or collecting job questionnaires, the job family models are developed and jobs in the organization are mapped to the model(s).
• The jobs/structure then needs to be priced against the marketplace to develop appropriately competitive salary ranges.
• This also provides the organization with the opportunity to customize their compensation package by job family and/or job type.
Integrating with other HR programs

Performance Management and Promotions

• Job family models provide the basis for a new or enhanced performance management process:
  • The job family models contain information on the most typical performance measures for the roles
  • The competencies associated with the role profiles can be incorporated into the performance management process.
  • The job family models readily lend themselves to supporting the promotion process. They identify the criteria that differentiate one level from the next, and can be used as a tool to support the management decision making process on promotions.
Employee Communications

• Job family model(s) can become the basis for communicating a number of aspects of the organization’s human resource programs to employees.
  • It can explain the basis for the grade structure, describing to employee’s the meaning of each grade in a language they are familiar with.
  • It can describe the salary structure as well, providing a meaningful description of the grades.
  • It can provide them with a basis for career paths and promotions, showing the employee how the role at the next level in their job family differs from their role.

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Integrating with other HR programs

Organization Design

- Job family model(s) can represent the implementation of a new organization structure in a client where Hay Group has lead a redesign effort.

- The Organization Design effort will result in a new operating model and organization structure for the client.

  - Many jobs may change in nature and scope. To implement the new organization, it will be necessary to quickly define the new roles, their accountabilities, and potentially the competencies critical to success in those roles.
  - The Core Roles Framework is an ideal way to describe these new or changed jobs quickly, thoroughly, and in a way that integrates with other human resource processes.
Hay Group is uniquely positioned to develop job family models and their applications:

- Hay Group’s unparalleled understanding of work and job levelling – 60+ years of experience, research and work with organizations
- Integrated approach to HR services with professionals in reward, career planning, development
- Hay Group has developed the Role Profile Matrix and Core Roles Framework to serve as the foundation for our work in job family modelling
## Hay Group’s Unique Capabilities

### Role Profile Matrix for Leadership Jobs

<table>
<thead>
<tr>
<th>Levels of Work</th>
<th>A1</th>
<th>A2</th>
<th>A3</th>
</tr>
</thead>
<tbody>
<tr>
<td>76%</td>
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<td>66%</td>
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<td>57%</td>
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<tr>
<td>43%</td>
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</table>

<table>
<thead>
<tr>
<th>Proximity to Results</th>
<th>Planning &amp; Policy</th>
<th>Co-ordination &amp; Commercial</th>
<th>Business &amp; Operations</th>
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<tbody>
<tr>
<td>Enterprise Leadership</td>
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<tr>
<td>Strategy Formulation</td>
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<tr>
<td>Strategic Alignment</td>
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<tr>
<td>Strategic Implementation</td>
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<tr>
<td>Tactical Implementation</td>
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</tbody>
</table>
Core Roles Framework

- Build on the foundation of our understanding of the different natures of work:
  
  - **Analysis and Support** – Roles that support the organization’s success (e.g. staff roles)
  
  - **Balancing** – Roles that enable and directly contribute to success (e.g. matrix roles)
  
  - **Delivery** – Roles that produce success outcomes (e.g. sales, production)
## Hay Group’s Unique Capabilities

### Extending the matrix for individual contributor and management roles

<table>
<thead>
<tr>
<th>Levels of Work</th>
<th>Analysis &amp; Support</th>
<th>Balancing</th>
<th>Delivery</th>
</tr>
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<tbody>
<tr>
<td>A1 A2 A3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>43%</td>
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<td>38%</td>
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<td>33%</td>
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<tr>
<td>29%</td>
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</tbody>
</table>

Manager (1, 2, 3)  
* * *

Senior Professional (6-8)  
* * *

Professional (3-5)  
* * *

Entry Professional (1-2)  
* * *

* Role profile prepared
The Core Roles Framework includes descriptions covering up to 50 core roles found in all organizations. In addition to a description of the work, they provide:

- Metrics to link with performance management
- Competencies to provide the basis for talent management
- Levels and families of work to align with grade levels and reward strategies
- Career development level and opportunity

These core roles can be customized to cover nearly all professional and management jobs, below the executive level
### Hay Group’s Core Role Framework

**Role Summary:**
Role provides specialist technical support and/or service within a specific organizational unit.

**Nature of Contribution:**
- Undertakes specified technical support tasks of varying complexity to support professional colleagues in the:
  - Implementation of business processes
  - Management of projects
  - Analysis and resolution of issues and problems.
- Selects and uses appropriate procedures, equipment, techniques and computer aids and provides required support reports.
- Analyses technical information, interpretation and opinions.
- May provide technical guidance to junior colleagues.

**Competencies:**
- Expertise: Has sound knowledge of specific area, able to help and assist others. Demonstrates ability to resolve complex problems.
- Analytical Thinking: Sees basic relationships in order of importance.
- Impact and Influence: Appends to support of business outcomes.
- Customer Service Orientation: Takes responsibility for and corrects problems promptly.
- Concern for Others: Has success quality of own work.

**Performance Criteria**
- Accuracy and timeliness of work

**Skills & Experience**

**Career Development**
- Entry
- Developing
- Principal

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**Role: Individual Contributor (50% A1)**

<table>
<thead>
<tr>
<th>Level: Entry</th>
<th>Role Type: Analysis &amp; Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Role Summary:</td>
<td>Role provides specialist technical support and/or service within a specific organizational unit.</td>
</tr>
</tbody>
</table>
| Nature of Contribution: | Undertakes specified technical support tasks of varying complexity to support professional colleagues in the:
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- Customer Service Orientation: Takes responsibility for and corrects problems promptly.
- Concern for Others: Has success quality of own work. |
| Performance Criteria: | Accuracy and timeliness of work |
| Skills & Experience: | |
| Career Development: | |

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**Role: Individual Contributor (30% A1)**

<table>
<thead>
<tr>
<th>Level: Developing</th>
<th>Role Type: Analysis &amp; Support</th>
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<tbody>
<tr>
<td>Role Summary:</td>
<td>Role provides technical or specialist analysis and/or support within a specific part of the organization.</td>
</tr>
<tr>
<td>Nature of Contribution:</td>
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<tr>
<td>Competencies:</td>
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<td>Performance Criteria:</td>
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<tr>
<td>Skills &amp; Experience:</td>
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<tr>
<td>Career Development:</td>
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</tbody>
</table>

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**Role: Principal**

<table>
<thead>
<tr>
<th>Level: Principal</th>
<th>Role Type: Analysis &amp; Support</th>
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<tbody>
<tr>
<td>Role Summary:</td>
<td>Role provides technical or specialist analysis and/or support within a specific part of the organization.</td>
</tr>
<tr>
<td>Nature of Contribution:</td>
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<td>Competencies:</td>
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<td>Performance Criteria:</td>
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<tr>
<td>Skills &amp; Experience:</td>
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<tr>
<td>Career Development:</td>
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</tbody>
</table>

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**Career Development**
- Entry
- Developing
- Principal

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**Salary Evaluation:**

<table>
<thead>
<tr>
<th>Entry</th>
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<th>Principal</th>
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<tbody>
<tr>
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<tr>
<td>$282,450</td>
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</table>
Hay Group’s Core Role Framework

Work in Job Families described based on the function and nature of work

- Role Summary
- Characteristics/ Key Accountabilities
- Competencies
- Performance Criteria
- Skills & Experience
- Career Development/ Potential Next Moves

Different types of jobs within the same Job Family and level
Hay Group’s Core Role Framework

Work in Job Families described based on the function and nature of work

<table>
<thead>
<tr>
<th>Level</th>
<th>Management</th>
<th>Sales</th>
<th>Finance</th>
<th>Technical</th>
<th>etc.</th>
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<tbody>
<tr>
<td>5</td>
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</table>

- **Manager**
- **Specialist**

*Different type of jobs within same Job Family and level*

*Dual Career Paths*
Hay Group’s Expanded Role Profile Matrix

A Foundation for Integrated Human Resources Management

Case Studies
- Philips North America
- Goldman Sachs
- Hess

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There is often a need to develop a common “language” about jobs, titles, and levels during mergers and acquisitions, or when aligning between business units.

- Job family models can provide a streamlined approach to calibrating a job structure between diverse units or businesses.
Case Study: Philips North America Organization

**Situation**
- 30,000 employees in 6 different organizations
- Very diverse businesses
- Frequent acquisitions
- Historically no common jobs, structure, salary program, incentive pay programs,

**Problem**
- Redundancies across HR organizations
- Inability to move people across the organizations
- Employee dissatisfaction with inequities in pay, incentive levels, advancement opportunities
Case Study: Philips North America Organization

Solution
- Developed job family models for 50+ job functions
- Developed more robust individual contributor paths as well as management paths
- The different businesses “mapped” current jobs and people to this new common structure
- Job family models are now used for:
  - Quickly integrating acquisitions
  - Communicating job opportunities across North America
  - Served as the basis for a common reward structure
  - Job slotting and market pricing
Career development historically ranks among the areas where employees are least satisfied, as measured in employee engagement surveys.

- This represents an opportunity to make great gains, impact turnover, enhance employee engagement.

- Link training, development, and availability of advancement opportunities with a well managed employee development and mobility process.
Dramatically Improve Career Opportunities

Case Study: Goldman Sachs Global IT Organization

- **Situation**
  - Paying extremely well
  - Working with leading edge technologies
  - No budget or resource constraints
  - Experiencing increasing turnover and employees expressed dissatisfaction with career development

- **Problem**
  - Employees feel “pigeon holed”
  - Increased pay without changes in job duties or systems supported
  - IT staff feeling stuck, new skills but no new experiences
  - Managers disinclined to release employees for development opportunities
  - No information on opportunities across IT

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Dramatically Improve Career Opportunities

Case Study: Goldman Sachs

Solution

- Web Based Career Development System:
  - Job families to describe role opportunities
  - Skills and competencies for each role/opportunity
  - Self-assessment tools
  - Project opportunities and business issues
  - Development advisor

- Governance Process
  - Factor employee career interests into selection and project staffing
  - Tracking of inter-divisional movement
  - Employees targeted for moves by date certain
  - Balance opportunities for prime projects, new technologies to ensure “star” employees are satisfied
  - Professional Development Fund - Employees “vest” $2,000 per year to be spent in consultation with management
In many industries a dramatic shortage of senior technical talent looms on the horizon as “baby boomers” begin to retire.

- A majority of senior engineers in the US will retire in the next 5 to 10 years.
- Organizations need to quickly develop junior technical talent to fill these roles, increasing their breadth and depth of expertise.
Case Study:
Hess Global Refinery Organization

- **Situation**
  - Very few senior engineers
  - Some with “deep and narrow” experience

- **Problem**
  - Need to shorten the development time for junior staff
  - Need to provide more opportunities to broaden expertise in all areas of refinery operations
  - Need to provide more opportunities for advancement to retain the junior and middle level talent
Dramatically Improve Career Opportunities

Case Study: Hess Global Refinery Organization

Solution

- Developed job family career paths for all the types of work in the refinery
- Developed detailed skill and competency requirements
- Identified a learning curriculum to accelerate development of junior staff
- Source coaches to provide technical coaching and development
- Enhance cross-organizational moves to develop breadth of expertise and improve retention of junior talent
How Hay Group approaches a job family modeling project

1. Understand
- Key Actions
  - Understand scope of job families to be included
  - Collection of material
  - Meetings with key stakeholders
  - Value Chain Analysis
- Deliverable(s)
  - Job Family Architecture
  - Criteria for differentiating levels of work

2a. Design
- Key Actions
  - Description of Job Family levels
  - Development/ Calibration of Grading Structure
  - Check for cross functional consistency
  - Define Management and Individual Contributor paths
- Deliverable(s)
  - Job Family Model
  - Role/ Level profiles
  - Grading Structure (new or calibrated)
  - Performance Metrics

2b. Integrate
- Key Actions
  - Development / calibration of salary and benefits policy
  - Cost Analysis
  - Define competencies
  - Link with career development resources
  - Establish selection criteria
  - Create career paths
  - Align with performance programs
- Deliverable(s)
  - Integrated career program aligned with promotions, rewards, development, selection and career planning

Implement
- Key Actions
  - Mapping – Allocation of jobs and/or people to career levels
  - Communication to staff
  - Management training
  - Establish governance process
- Deliverable(s)
  - Integrated career model “up and running”