

An Introduction to **BAND-IT**<sup>®</sup>

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## What is Broadbanding?

- + Job sizing methodology
- + Clusters jobs with similar market worth together
- + Based on a common set of descriptors
- + Underpinned by competency levels
- + Reflects career levels
- + BAND-IT<sup>®</sup> is a legacy proprietary broadbanding system

## BAND-IT<sup>®</sup> Dimensions

+ Each band is based on two key dimensions:



This is what the market pays for.

# BAND-IT® Features

6 Bands (A to F) - 12 Sub-bands

Number of bands determined by organisation size

| Band | Sub-band | Description                               |
|------|----------|---|
| A    | A        | Task-oriented                             |
| B    | B1       | Discretionary/Support                     |
|      | B2       |   |
| C    | C1       | Specialist/Supervisory                    |
|      | C2       |   |
| D    | D1       | Tactical Management/High-level Specialist |
|      | D2       |   |
| E    | E1       | Operational/Strategic Management          |
|      | E2       |   |
| F    | F1       | Strategic Management                      |
|      | F2       |   |
|      | F3       |   |

# Banding the Jobs

- + Job content is assessed against the Band utilising job descriptions and or HR/Managers' knowledge of the role

| B1   |  |   |
|--|--|---|
| <b>B Discretionary/Support</b>   | <b>Accountability &amp; Influence<br/>(People, projects, budgets;<br/>nature of supervision<br/>/management)</b>   | <b>Specialist Expertise<br/>(Knowledge &amp; Experience)</b>  |
| <p>Roles in this Band are typically support roles</p> <ul style="list-style-type: none"> <li>- Work is of a routine nature with some degree of repetition</li> <li>- Judgement requires a level of discretion .</li> <li>- Able to use common computer software packages, e.g. word processing, spreadsheets or DTP</li> </ul> | <ul style="list-style-type: none"> <li>- Work is subject to clearly defined procedures with in-progress reviews a common feature</li> <li>- Contributes as part of a team</li> <li>- No staff or budget accountability</li> <li>- Results are supervised</li> <li>- Outputs/results can be monitored daily</li> <li>- May deal with customers on a reactive/routine basis</li> </ul> | <ul style="list-style-type: none"> <li>- Problems are routine in nature and the answer will generally be readily available in manuals, rules or procedures</li> <li>- UE and work experience (e.g. 1-2 years)<br/>AND/OR<br/>Formal course<br/>work/technical training</li> </ul> |



## **BAND-IT<sup>®</sup> Outputs – Three components**

There are 3 components to the broadband system:

- + BAND-IT<sup>®</sup> Broadband Descriptors
- + Job Title Matrix
- + Customised Pay Structure



# The Job Matrix

+ This serves as a map for your organisation

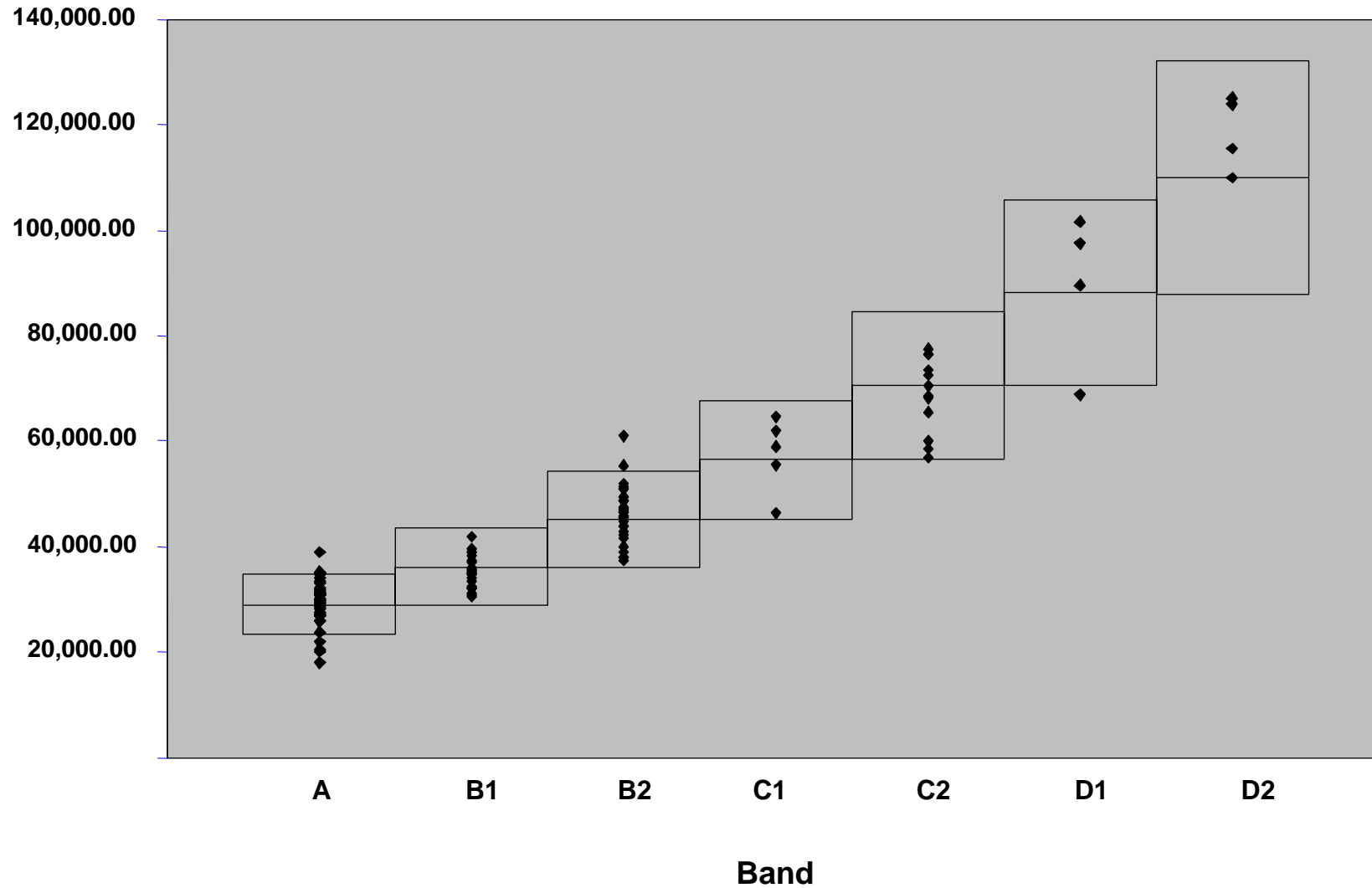
| <b>BAND-IT®<br/>Band</b> | <b>Finance</b>       | <b>I.T.</b>             | <b>Operations</b> | <b>Human Resources</b> |
|--------------------------|----------------------|-------------------------|-------------------|------------------------|
| B1                       | Accounts Clerk       |                         |                   | Payroll Clerk          |
| B2                       |                      | Helpdesk Support        | Sales Rep         |                        |
| C1                       | Financial Accountant | Network Engineer        |                   | HR Advisor             |
| C2                       |                      | Senior Network Engineer |                   |                        |
| D1<br>etc                | Mgmt Accountant      |                         | Branch Manager    |                        |

# The Pay Structure

+ Example:

| <b>BAND-IT®<br/>Band</b> | <b>Minimum</b> | <b>Midpoint</b> | <b>Maximum</b> |
|--------------------------|----------------|-----------------|----------------|
| A                        | 23,900         | 28,100          | 32,300         |
| B1                       | 27,400         | 32,200          | 37,000         |
| B2                       | 36,200         | 42,600          | 49,000         |
| C1                       | 36,200         | 42,600          | 49,000         |
| C2                       | 56,600         | 66,600          | 77,000         |
| D1                       | 69,800         | 82,100          | 94,400         |
| D2                       | 84,300         | 99,200          | 114,100        |

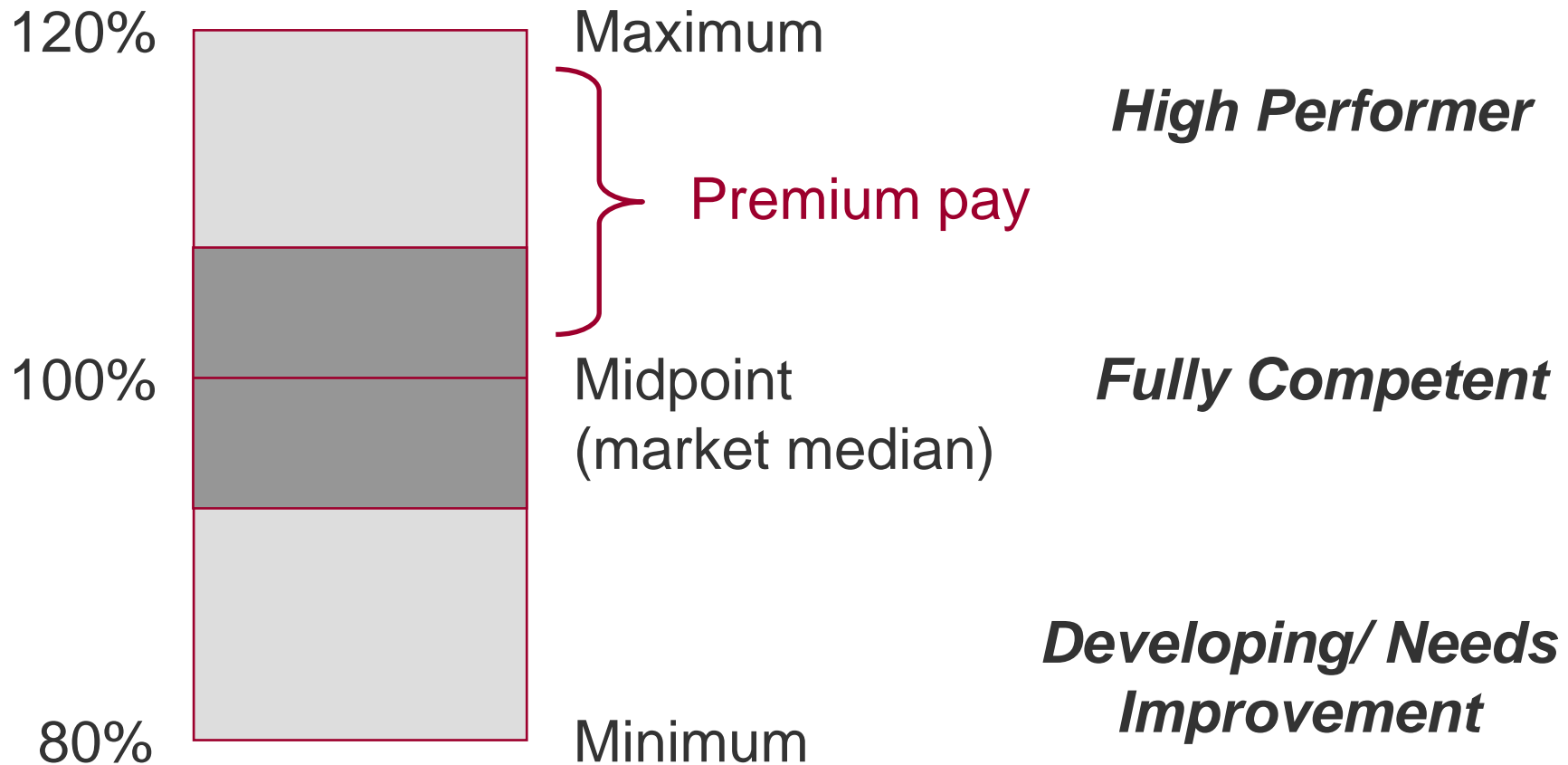
# Scattergram



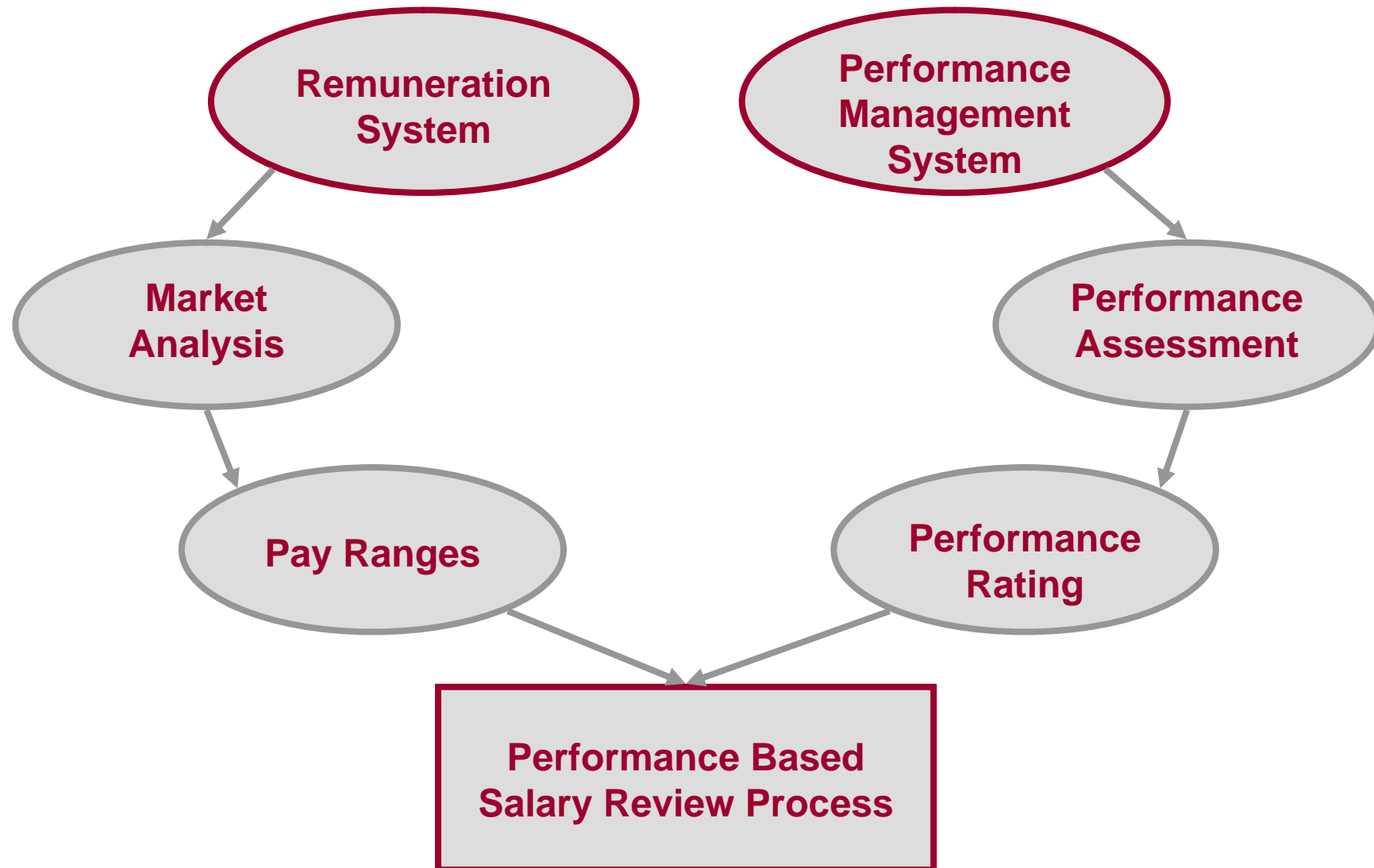
# Pay Ranges & their link to Performance

**Pay Range**

**Value to the Organisation**



# pay and performance systems



# Advantages of Broadbanding

- + Encourages lateral movement within band as well as upward movement - supports the flatter organisational structure
- + Allows for greater differentiation between individuals
- + Provides flexibility to recognise and reward individuals based on their contribution/value to the organisation
- + De-emphasises titles, individual job size and emphasises performance and competencies
- + Takes cognisance of performance, market relativity and internal equity
- + Band descriptors are distinct - therefore significant change is required before a job changes band

## Why should I choose BAND-IT®

- + Customises pay ranges based on your own market
- + Allows for performance differentiation – a person is paid within the range based on their performance/ contribution (shifts from “paying for the job” to “paying for the person” within a broad range)
- + Transfers knowledge to ensure you can proactively and effectively manage own remuneration systems and processes

# Aligning your remuneration system to your organisation and its objectives

**Tight cost control**

**Flexibility/Performance**



Points on Regression Line

- Cost Control
- Narrow pay ranges for each job/position
- Focuses on exactness of notional market data
- Incremental changes in job require re-evaluation
- Pay tends to increase based on points/job size
- Typically one for each unique job/position in company (i.e. 150)

Pay Grades/Steps

- Pay ranges for each grade
- Grades reflect incremental skill/responsibility distinctions
- Reflects levels within job families
- Supervisor/staff relationship considerations
- Management philosophy (how many grades are too many?)
- § Typically 15 – 25 grades

Broadbanding

- Flexibility in resources
- Broad pay ranges which reflect market relativity (but not exact market value)
- Clusters jobs of similar market worth based on career levels
- Takes emphasis off market & places it on performance
- Pay tends to increase based on individual performance
- Requires fundamental changes in job to move to different band
- Typically 6 – 10 bands

