

The Job Architecture Imperative

Creating and maintaining a dynamic, future-proofed job architecture is increasingly becoming a strategic imperative for all organisations.

There have been significant shifts in the world of work that have driven creating a job architecture to the top of the priority list for leading organisations. Companies are growing globally and operating in ever-changing, volatile markets with increased legislation – particularly around pay equity and transparency. A new generation has entered the workforce, expecting a more employee-centric, self-service model. This means that jobs across an organisation need to be visible; and a skills-based approach is being woven through the employee lifecycle.

All these changes have catapulted the need for a dynamic job architecture into the epicentre of strategic workforce management.

The Challenge with Current Job Structures

Many organisations exist as a long list of job titles and associated job codes that have been added to organically as the organisation has grown, changed, merged or acquired. Or, where an organisation does have a job structure in place, it is often the case that this exercise has been done but, over time, has been difficult to govern and manage.

In both scenarios, there is often a resulting state of chaos – hundreds of job titles, many just slight variations of others; job levels all over the place; and inconsistencies in salary ranges across roles, business areas and regions. Having such a disordered job structure creates a shaky foundation, which can have negative impacts on all the processes that rely on a job architecture, leaving the organisation wide open to pay equity claims.

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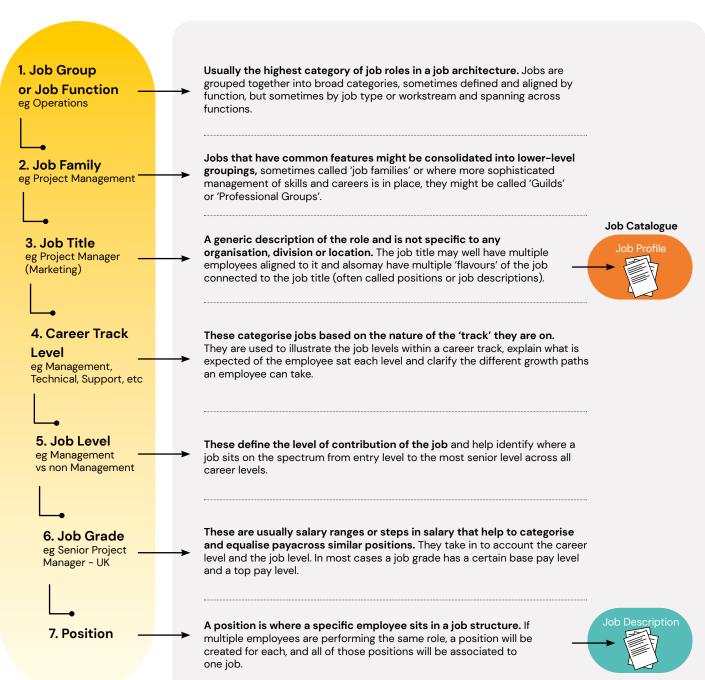
What is a Job Architecture

So, what is job architecture? A job architecture forms the building blocks of an organisation. It provides a framework for defining and aligning jobs within your organisation based on the type of work performed.

In its simplest form, a job architecture provides you with a mechanism to consolidate all your job titles into a consistent framework that provides clarity and transparency on career levels and pay.

There are several key components that make up the structure of your job architecture. Here we have simplified what each of these are and provided definitions and examples.

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Job Group or Function

A job group or job function is usually the highest category of job roles in a job architecture. Not all organisations have this level, it depends on the scale and complexity of the job structure.

Here jobs are grouped together into broad categories – sometimes they are defined and aligned by function e.g. "Sales," "Operations," "Marketing", "Human Resources", but also by job type or workstream that span across functions e.g. "Project Management", "Change Management".

Job Family

Jobs that have common features can be consolidated into lower-level groupings, sometimes called "job families", or where more sophisticated management of skills and careers is in place, they might be called "Guilds" or "Professional Groups".

Grouping roles into job families helps articulate potential career routes to employees, identify training opportunities and can also enable organisations to look broadly across the organisation when succession planning.

Job families simplify the job evaluation process and help ensure consistency and equity in pay.

Job Titling

As these job families or guilds are created, each will contain a number of job titles and levels reflecting different jobs, outputs, skills, knowledge, and experience.

Introducing standardisation of job titling is a key component of any job architecture and supports compensation strategies, pay equity and compliance reporting.

A standard job title is the generic description of the role and is not specific to any organisation, division or location. The job title may well have multiple employees aligned to it and also may have multiple "flavours" of the job connected to the job title (often called positions or job descriptions)

For example, a Project Manager job title could have connected to it a Project Manager (Marketing) role, a Project Manager (Finance) role and a Project Manager (HR) role.

A standard job title and job titling structure is used to power systems and people processes and provides the foundation for job levelling, salary structures and other equitable compensation programmes based on job value. Using the previous example, a Project Manager job title would have a salary range associated with it, within which the salaries for each of the 3 example roles would have to fall.

Job Profile

A job profile is an outline or a high-level overview of a role. It provides general information about a role to support levelling and pay benchmarking.

Sometimes the terms job profile and job description are used interchangeably, but a job profile is generally a summary document of a role. Using the previous example, a job profile would be created for a Project Manager role – this would be used as a summary document for pay and grading purposes, then job descriptions would be written for each individual Project Manager job.

Job Catalogue

A job catalogue is the name given to the consolidated group of all job profiles within a job architecture. So, effectively a job catalogue is a library of job profiles.

Job Description

Whereas a job profile is an outline or a high-level overview of a role, a job description is business-owned document that is a translation of that role into the specific position within a region or team. For each job profile, there may be multiple positions and corresponding job descriptions that align to variations within regions and/or teams.

Some organisations are moving away from having long, detailed job descriptions and instead providing employees with objective or goal-based job descriptions which help contextualise the job within the wider job structure.

Position

A position is where a specific employee sits in a job structure. If multiple employees are performing the same role, a position will be created for each, and all of those positions will be associated to one job.

Position management allows each team within an organisation to define the positions that they need to perform the function that they are set up to do. This includes positions that currently have people in them and also vacant positions.

When all the positions in an organisation are defined, there is a single source of data which can be used for activities such as tracking individual positions, creating an overview of vacancies, making hiring decisions, analysing budgets, looking back at historical data and mapping the movement of employees through the organisation.



A job architecture forms the building blocks of an organisation.

What is Job Levelling?

Overlaid onto your job architecture is job levelling. Job levelling, also known as job classification or grading, is a process which sets the level of responsibility and expectations of roles in an organisation, based on their complexity, impact, business need and talent drivers.

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Job levelling allows jobs within a job architecture to be organised from least to most complex and provides a way of showing how different career categories relate to one another.



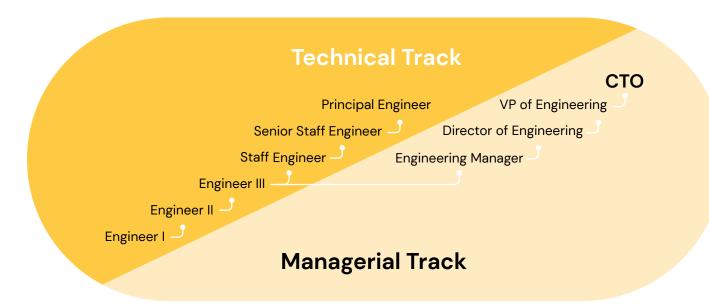
1. Career Track Levels

These categorise jobs based on the nature of the "track" they are on for example, Management, Technical, Professional, Support, etc.

Within certain professions or guilds, companies often create career ladders (or lattices) that illustrate the job levels within a career track, explain what is expected of employees at each level, and clarify the different growth paths an employee can take.

The categorisation of job levelling by the career track provides an input into salary structures and compensation programmes based on the nature and value of the career track.

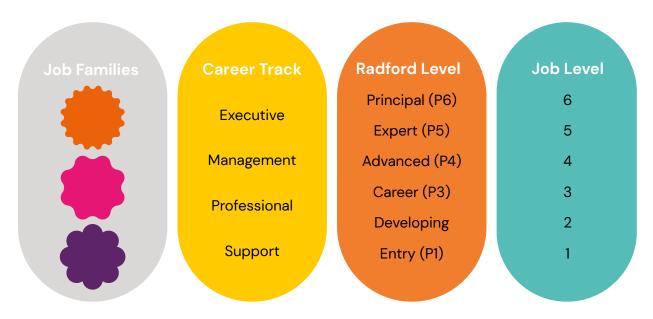
For example, a common pattern at tech companies is to provide a dual-ladder approach, in which there is a technical ladder for individual contributors and a management ladder for more senior employees.



2. Job Levels

Job levels define the level of contribution of the job and help identify where a job sits on the spectrum from entry level to the most senior level across all career levels (e.g., management and non-management).

As an example of one model of job levelling, the Radford model comprises six job levels – **Principal, Expert, Advanced, Career, Developing, Entry.**



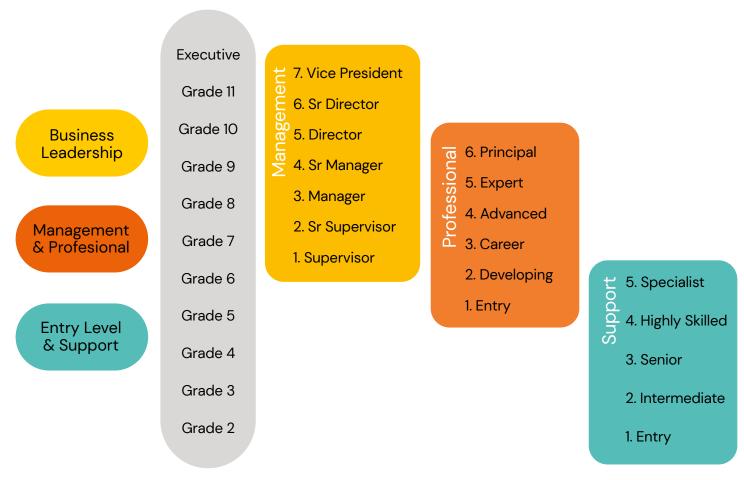
Job Grading

Job grades are usually salary ranges or steps in salary that help to categories and equalise pay across similar positions. They take in to account the career level and the job level. In most cases a job grade has a certain base pay level and a top pay level.

Job grades help to quickly understand where specific jobs and level of jobs fall in relation to pay and overall hierarchy of the organisation.

In most cases, organisations use job grading by pay banding to help increase and manage pay equity and transparency.

Sample Career Ladders within a Global Levelling System



Source: Radford

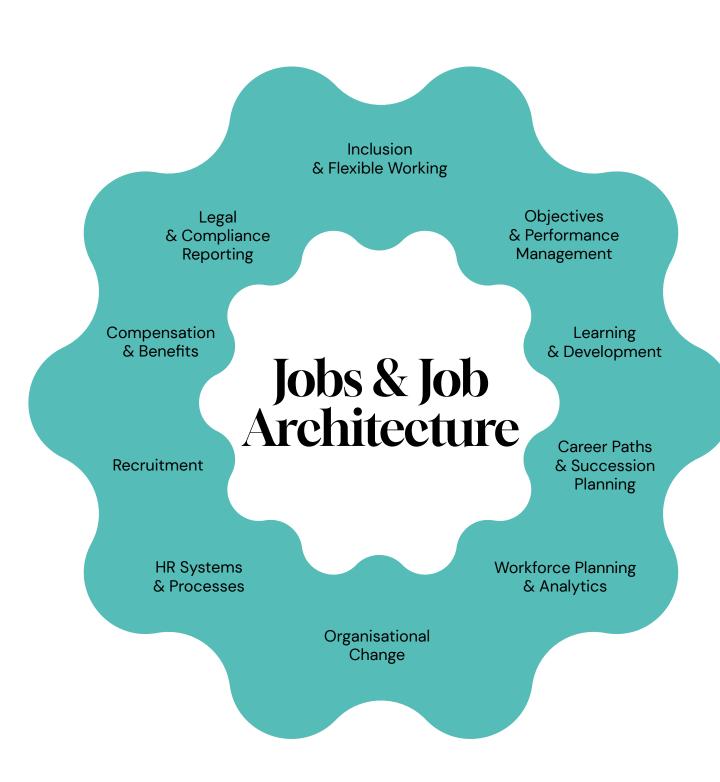
Job Evaluation or Job Matching

Job evaluation is a systematic way of determining the value or worth of a job in relation to other jobs in an organisation. It is often used to make a systematic comparison between jobs to assess their relative worth for the purpose of establishing a rational pay structure.

A structured job evaluation process will assess and score each job in terms of the demands made on the employee against a number of 'job factors', such as level of people management, financial responsibility and knowledge and skills required in the role.

What are the Benefits of a Job Architecture?

Here are the main reasons why many organisations are looking to build a simple, dynamic job architecture as the building blocks of their strategic workforce management.



Having a job architecture in place can bring many benefits to an organisation.

1. Providing the foundation for pay and reward, enabling external benchmarking

One of the main uses of a job architecture is that it provides an organisation with a framework for managing pay and reward. Once job functions and job families have been determined, and organised within a structure (i.e., a job architecture), a job levelling process can be used to assess the relative value of jobs in the organisation and to put in place compensation parameters for each job level. This helps ensure a consistent approach across job functions and in different global locations.

A job architecture also helps with external salary benchmarking to make sure that salaries are competitive when compared to the external market. It can be used to determine factors such as comp-ratio (how competitive a salary is against the market). This is vital to ensure that key talent is attracted to the company.

2. Enabling and managing pay equity

With increasing pay equity legislation being introduced around the world, along with the requirement to report on equitable pay practices, a job architecture is fast becoming a critical tool for organisations to implement, monitor and govern pay equity strategies. As organisations start to focus on pay equity, they are looking at their job architecture to support this. Many high-performing organisations are trying to get a better understanding of how jobs are placed within the organisation and mapping comparability of positions and titles.

With a job structure in place, pay equity analysis is made significantly easier – it is easier to look across the organisation and compare different roles to each other to see if there are any pay disparities. These can then be examined further, and actions taken to address any areas of concern.

With a job framework in place, organisations have a structure to share with leaders, managers, and employees that provides clarity on pay decisions and career levels. The job architecture gives more structure to decision-making around promotions and any associated salary rises. It removes the management discretion around jobs and pay and the resulting chaos that ensues.

3. Managing compliance reporting

As well as pay equity legislation, there is a multitude of other compliance legislation being implemented globally (such as OFCCP requirements in the U.S). What these requirements all have in common is that they require an organisation to report on data by job title and this is made much easier by having a job architecture in place.

From a compliance perspective, there is a need to have a job architecture in place that connects jobs to people and their pay and also links to various other people processes such as recruitment. A job architecture makes compliance reporting more straight-forward, less error-prone and make it easier for organisations to adapt their reporting when new legislation is implemented.

There has been much talk recently about organisations moving away from traditional job structures and introducing more skills-based approaches where jobs don't exist as such in the way that we are used to. However, not having an organising structure for your jobs can create many issues – in particular, it can expose organisations to risk and make it challenging to analyse and report on compliance requirements that are dependent on being able to connect jobs to people.

4. Maximising HR technology investment and optimising processes

Job architecture (job titles) drives core HR Processes and Human Capital Management (HCM) systems workflow: job titles are linked to positions, job grades, pay ranges, compensation, etc.

HCM systems require a job architecture in place before implementation. The mistake many companies make is simply loading in their existing job architecture, which is likely to be out-dated, rigid, and not fit for purpose.

The structure of your job architecture powers various workflows from payroll to recruitment to skills matching.

An out-of-date or inaccurate job architecture will hinder the value you can get from your technology investment. Updating your job architecture is essential to get full value and maximum return on investment from your HCM system. Savvy organisations leverage the business change process with an HCM implementation to drive through a job architecture update, which will not only support the digitisation of the organisation but will have all the wider benefits that we outline in this guide.

5. Creating alignment following mergers and acquisitions

When two companies merge, there is likely to be a mismatch in their job structures, the job levels and grades that they have in place, and also their compensation and reward processes. What often happens is that everything is allowed to stay the same during the merger or acquisition process, then this state of mismatch continues afterwards as no-one wants to take on the task of sorting it out.

Aligning two different job architectures through a manual process, involving multiple spreadsheets, can be laborious and time consuming, taking up to 18 months in some cases. However, keeping the old structures can have many negative impacts, one being disgruntled employees. "Why am I getting paid less than someone who has only recently been brought into the organisation and is at a different job grade even though our job roles are essentially the same?"

Having a job architecture in place enables you to rapidly map the roles in the acquired or merged organisation to bring everything in line. It is even possible to do this during the deal process in order to map out the cost of transitioning employees over, as well as identify possible synergies and the potential benefits of the merger or acquisition.

6. Learning, career paths and succession planning

A job architecture helps an organisation map out possible career paths and communicate these to employees, so they are clear about any training and development opportunities and possible routes up and around the organisation. Using a Learning Management System linked to the job architecture, employees can be automatically assigned learning content based on their job.

Employees will have clear visibility of roles across the organisation and can identify possible roles in different teams and departments rather than simply focussing on movement within their current team.

Grouping roles into job families within an overall framework also enables a L&D teams to look broadly across the organisation when succession planning and identify those with the right transferable skills to move across or up the organisation within a certain timeframe.

7. Surfacing your skills - shifting to a skills-based organisation

Many organisations are moving to a skillsbased approach and redesigning their operating models and strategies to have skills at their core. This enables them to become more agile, to have higher levels of employee engagement, to encourage innovation and to show faster rates of growth.

Job architectures are a key tool to enable a move to a skills-based approach. Organisations use their job architecture to map jobs to skills. This provides them with a rich source of data on the current skills in the organisation and importantly whether there are any skills gaps. It creates a common currency of skills across the employee lifecycle to optimise talent management and can enable skills-based pay decisions.

8. Workforce planning and analytics

By using a job architecture to standardise job titles, organisations can ensure that their workforce data is consistent and comparable across different departments and functions.

This makes it easier to analyse workforce data, such as headcount, turnover and diversity metrics, and identify trends and patterns in the data, such as turnover rates, retention rates and employee engagement levels.

It also enables compliance with legislation that requires information at a job level.

Where to start

It can sometimes be difficult to know where to start with a job architecture. When faced with a chaotic picture of multiple job titles across various business areas and regions, the response can be to put this task into the "too hard" box and delay it for another year in the hope that it sorts itself out. But this can cause issues and open organisations up to compliance risk and slow down strategic people initiatives.

As a starting point for any organisation, we recommend using technology to fast track the harmonisation of your organisation's job titles.

RoleMapper is an Al-powered job description management solution

Our proprietary AI and advanced Natural Language Processing can transform your existing job titles and/or job data into a robust, future-focused job architecture and job titling framework. This will eliminate the cost and time burden on Reward and HR teams to create job architecture and job titling to review with the business, and provide an accurate representation of the organisation for various strategic business and people initiatives.

For more information on our product and service offering, see our <u>four-step</u> <u>process</u> to job title harmonisation.

How RoleMapper can help with Job Architecture Implementation

RoleMapper enables you to:

- Create, consolidate, or harmonise your job architecture, grading and levels
- Streamline and automate the creation, editing and governance of job descriptions
- Automate the scoping of jobs to sync into your job evaluation process
- De-bias and design inclusion into all your jobs
- Manage varying compliance and pay transparency requirements
- Easily manage and adapt your job architecture and job descriptions
- Extract and map the skills across your jobs

Our team of experts works with you to design an Al-enabled solution or service that best suits your business requirements.

Control the chaos Talk to one of the team at RoleMapper to learn more or to arrange a demo. **Contact: Ruth Evans** M: +44 7904 984304 E: ruth.evans@rolemapper.tech www.rolemapper.tech RoleMapper RM © RoleMapper 2023. All rights reserved 13