Advanced Reference Rate – A market-based reference rate that reflects appropriate market pay for demonstrated advanced competencies. Initially set halfway between the Journey and Maximum rates.

Adverse Impact Assessment - A demographic review of all employees in a banded classification to ensure consistency in applying pay factors.

Appropriate Pay – The rate of pay that an employee should be receiving after considering their demonstrated competencies and the pay factors associated with the competency level of the banded class.

Banded Classification (Banded Class) - A broadly defined class concept that incorporates related groups of graded classifications resulting in vertical and/or horizontal integration of work (i.e. Administrative Support Associate).

Banded Classification Series – A group of Banded Classifications that, collectively, represents the full range of work performed from entry level through the management level in a field of work or occupational area.

Banded Classification Specification – A generalized description of the duties, responsibilities and competencies characteristic of positions in a Banded Classification.

Banded Class Pay Range – The entire range of pay (minimum to maximum) assigned to a banded classification.

Benchmark (Journey) - A role(s) identified to represent all roles (journey level competencies) in classes that have been assigned to a Banded Classification. Compensation information collected for the benchmark will be used to establish the journey level, the banded classification's average market rate.

Branch – A subset of a Job Family containing Banded Classifications with similar functions, competencies and T&E (i.e. Administrative Support branch or Accounting branch).

Broadbanding – The practice of managing compensation within a few expanded pay ranges rather than a large number of narrow pay grades.

Career-banding – A competency-based human resources system that manages classification, compensation and career development using broad classes of jobs based on competencies required to meet organizational needs. In a Career-banding system pay movement for employees is based on demonstration of competencies and career development planning is emphasized for employees.

Career-banding Coordinator – The individual at each agency/university who oversees the Career-banding program, ensuring that all necessary components are in place for an effective program within the agency/university. This person is the primary contact with OSP for Career-banding implementation.

Career Development Planning – The process used to identify areas to be developed so that an employee (1) will have the competencies he/she needs to meet the organization's goals and objectives, and (2) is given an opportunity to develop competencies that will allow them to be successful in the future.

COLA - Cost of Living Adjustment, as determined and granted by the General Assembly.

Competencies – Sets of knowledge, skills, and abilities an employee needs to successfully do their job. Competencies must be (1) demonstrated on the job; (2) measured according to standards set by the organization; and (3) required of the job based on the organization's needs.

Core Competencies are those set by Agencies and Universities as critical to all jobs within the organization.

Functional Competencies are tied to demonstrated knowledge, skills, and abilities that can be observed and measured. Functional competencies have distinct Contributing, Journey and Advanced levels.

Key Competencies are essential competencies required of an individual job.

Statewide Competencies are those developed by the statewide occupational Transition Teams for specific occupational families or branches. They are derived from the Universal Competencies and are occupationally specific to the jobs defined. Statewide competencies as listed on the banded class specification should be sufficient for most universities and agencies, and no further competency development should be necessary. Statewide competencies are functional competencies only.

Universal Competencies are those competencies identified by the Office of State Personnel to be used statewide in order to provide consistency from agency to agency and from job to job within the State Government system. As approved by the Office of State Personnel, they are placed in the Dictionary of Universal Competencies for the statewide occupational Transition Teams to consider when developing specifications and competency profiles.

Competency Levels – Each competency is further described in what one would see, hear, or measure when an employee is demonstrating proficiency - for that particular competency. The Career-banding system in North Carolina has three competency levels. They are Contributing, Journey, and Advanced levels as follows:

Contributing - The span of knowledge, skills, and abilities minimally necessary to perform a job from entry up to the journey competencies recognized for the class. Contributing competencies generally describe what is also known as "entry-level," at which minimally qualified employees typically function for their first few years of employment.

Journey - Fully acquired knowledge, skills and abilities demonstrated on the jobs that are beyond the contributing competencies. Competency-based pay revolves around the journey level, and compensation for a banded class is built off of the journey level. This is generally the level at which competent, fully functioning, seasoned employees with experience beyond the minimum requirements should be compensated.

Advanced - The highest or broadest scope of knowledge, skills, and abilities demonstrated on the jobs that are beyond journey competencies. Advanced competencies describe work that is above and beyond the journey-level work functions seen in a banded class, i.e. "senior-level." It is expected that few employees in a banded class will reach the Advanced level, though most may reach the Journey level. Advanced-level competencies are typically rare and reserved for the most highly competent, uniquely skilled employees.

Competency Dictionary – A summary of competencies and their definitions universally used by Transition Teams and by agencies/universities when considering adding a competency.

Competency Library - A "collection" of all approved competencies and level descriptions currently used by agencies/universities. It will be maintained by the Office of State Personnel and can be used to identify additional competencies and level descriptions that were developed by agencies and universities.

Competency Profile – Examples of demonstrated behaviors for each of the competencies for a banded classification, described at the Contributing, Journey, and Advanced levels; and the minimum training and experience level for the class.

Contributing Reference Rate -- A market-based reference rate that reflects appropriate market pay for demonstrated contributing competencies. Initially set halfway between the Minimum and Journey rates.

Crosswalk – A reference tool indicating the graded classifications that were included in the new-banded classifications as developed by each Transition Team and approved by the State Personnel Commission.

Final Allocation List - The final list of all employees and positions to be included in the new banded classifications in a job family/branch. At a minimum it includes the following information: position number, employee name, current classification title and salary grade, new banded classification title, position competency level, employee competency level, current salary, market index, target rate, and variance from target.

Focus Group – A diverse group of experienced managers and employees from the occupational group or work unit being banded. They identify behaviors and competencies that lead to success on the job.

Goals - Job specific assignments linked to larger organizational goals and objectives. Goals have specific results expectations and time frames for delivery. Mangers should also specify how goals progress will be tracked and monitored.

Implementation Team – A team responsible for implementation of Career-banding for a particular job family or branch at an agency/university. An Implementation Team is formed by the Career-banding Coordinator and is typically comprised of a project leader from Human Resources and representatives from varying HR functions and management and/or employees from the occupational job family to be implemented. It may also include a representative of the Agency/University budget office to understand the impact to the budget process or funding resources.

Initial Allocation List - A preliminary list of employees and positions to be included in the new banded classifications in a job family/branch. It is prepared by the Implementation Team based on the Job Family Crosswalk.

Job - The set of duties and the associated competencies assigned to an individual employee.

Job Evaluation – A process by which jobs within an organization are compared with one another to determine their relative worth.

Job Family – Major groupings of jobs that represent general fields of work. The State of North Carolina has defined ten Job Families – Administrative and Managerial, Information and Technology, Law Enforcement and Public Safety, Human Services, Information and Education, Medical and Health, Institutional Services, Operations and Skilled Trades, Engineering and Architecture, and Environment, Natural Resources and Scientific.

Job Family Coordinator – An OSP representative assigned to direct and/or assist Transition Teams and to coordinate implementation efforts for a particular job family and associated branches with the OSP HR Partners and agencies/universities.

Journey Market Rate (JMR) - The average rate of pay for the journey level benchmark job selected. This rate is used by Agencies/Universities unless it is determined that

there is a significant recruitment and retention problem that cannot be addressed through non-pay solutions.

Lead Worker – A position that may provide day-to-day administrative and/or technical guidance to an employee or a group of employees but does not have full supervisory authority.

Manager – A person who provides middle to upper level supervision over several work units or major sections of an organization. A manager typically supervises other supervisors and/or professional-level positions and has managerial duties as their primary function.

Market Data – Market information about a particular occupational group that is used to establish the journey market rate, statewide average market range and salary range guidelines.

Market Index – A ratio of an employee's salary to the appropriate market rate. It is calculated by dividing the employee salary by the market rate. The index is expressed as 100 being at market, with 95 indicating 5% below market and 105 indicating 5% above market.

Market Reference Rate (MRR) - An average market rate as determined by agencies and universities when comparing their benchmark jobs to relevant local, state or national market data that allows market and geographical flexibility in establishing appropriate market relationships. These rates are determined by conducting and analyzing market data gathered through in-house salary surveys or published survey reports. The primary reason to establish a Market Reference Rate is to address significant recruitment and retention problems that have resulted from using the established Journey Market Rate. The need for a market reference rate is typically evidenced by unsuccessful recruitment and/or retention efforts tied to uncompetitive salary rates.

Pay Factors – The general parameters within which pay decisions must be made. The four pay factors are:

Financial Resources - The amount of funding that a manager has available when making pay decisions.

Appropriate Market Rate - The market rate applicable to the functional competencies demonstrated by the employee.

Internal Pay Alignment – The consistent alignment of salaries among employees who demonstrate similar required competencies in the same banded class within a work unit or organization.

Required Competencies - The functional competencies and associated levels that are required based on organizational business need and subsequently demonstrated on the job by the employee.

Pay Guidelines – Directions on how to address unique market and pay situations that may arise for an agency/university and/or occupation within an agency/university. Pay guidelines are developed by an agency/university in conjunction with the OSP HR Partner.

PMIS – Personnel Management Information System is an on-line, real-time IMS database mainframe system that houses NC's human resource database for university employees subject to the State Personnel Act.

Recruitment Range -- A range of pay used to recruit for competencies and skills of a specific position within a defined banded class.

Role - The different types of work recognized in a banded classification, e.g., for the banded classification of Law Enforcement Officer, the roles include Highway Patrol Trooper, Marine Fisheries Officer, and Wildlife Officer.

Salary Range - The range of pay for a banded classification determined through market surveys that defines the minimum and maximum pay spread.

BEACON – Systems Applications and Products in data processing is an on-line, real time IMS database system that houses NC's human resource database for agency employees subject to the State Personnel Act.

Supervisor – A person who provides the first line of supervision (generally defined as competency development, performance management, competency evaluation, hiring, and discipline/dismissal) for an employee or employees on a constant basis. A supervisor may or may not supervise professional-level positions and may or may not perform professional level duties apart from their supervisory duties. To be classified as a Supervisor, supervision should be the primary role of the job.

T& E – Training and Experience requirements for the banded class.

Transition Team – A team that is led by OSP to develop the job family crosswalk, banded class specifications, competency profiles, pay range, and market rates for a particular job family or branch. A Transition Team is typically composed of Human Resources and occupational area representatives from agencies/universities and representatives from the Office of State Personnel.