

HaRe Group newsletter: 18 November 2014

Subject: Don't burn great employees with a promotion

In your organisation, what's the highest pay level that employees can reach before they become supervisors? Do you have "top expert" positions that don't require people to manage others?

In many companies, large or small, the best employees are expected to advance their careers into the ranks of management. However, all HR professionals will know of cases where very productive individual contributors have been burnt by a promotion into management. For all their technical prowess, they have no interest or skill in managing people, but to earn their due reward for performance, they have to step up into the management grades. Unfortunately, too many of these valuable employees fail as managers and they become lost to the organisation.

Traditional job grade structures don't cater for some highly productive individuals. Quite often, it's the job evaluation methodology that's at fault – there's too much weight on people management and on team accountability for an individual role to gain the work value and pay level that the employee deserves. So is there a new millennium solution?

Dual career "pathways" have been adopted by some organisations. Along one pathway, there are the familiar career levels into management; along the other pathway, the most talented individuals may rise to higher pay levels based on their special contributions to business success.

However, these dual pathways should be designed carefully, with the prime objective of retaining truly valuable and highly skilled employees. Each non-management level should have specific criteria for skills and proficiency, as well as the qualifications required to reach each level – mere seniority should not be any part of advancement.

The career opportunities presented by the dual pathways should be well communicated so employees are motivated to keep developing their skills and to do some serious future planning. By rewarding a few specialists well beyond traditional levels, the organisation can also demonstrate how much it values key contributors who share their institutional knowledge. Operational efficiency should improve in many areas, like software programming, where ignorance of precedents can be very expensive.

Many employers could find that the use of dual career pathways will provide some golden handcuffs that can help reduce the loss of talent, mitigate replacement costs and improve productivity. Accordingly, higher pay levels for exceptional non-management people are becoming a key feature of remuneration management in successful organisations.

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