

Effective Levels To Be Introduced In Credit Operations

In my last Newsletter I reported that Group Operations had drawn no firm conclusions from its pilot of Effective Levels (a new performance and reward structure based upon the system already in use in Contact Centres and other parts of the Bank) and whether or not the system should be rolled out further within the business.

Whilst that remains the Group Operations position I can now report to members that Effective Levels will form an integral part of the business transformation programme taking place within Credit Operations. According to the Bank the Credit Operations programme is an attempt to develop the business whilst addressing long standing recruitment and retention difficulties by utilising the development and reward capabilities that Effective Levels offer.

The Credit Operations version of Effective Levels will define and measure:

- **Core Ability** i.e. product and systems knowledge, policy and compliance, and procedures and processes.
- **Behaviours**
- **Performance**
- **Qualifications.**

Whilst LTU has been broadly supportive of Effective Levels it is no panacea and has not, certainly within the Telephony area, produced

the level of progression expected. Indeed, within Telephony the overwhelming majority of staff is still paid at the lowest of the 3 Levels - 90% of Market Indicator. Given that it is still likely that Group Operations will want to introduce some system of Effective Levels on a wider basis it is imperative that this system is genuinely clear, understood and that higher levels are achievable.

Our negotiations are well underway and the intention is that an initial assessment will be made in October with performance reviewed over the following three months with any salary changes taking place in April next year.

I will keep members informed of developments but in the meantime it is worth reiterating the main features of the Effective Levels system already operated by Group Operations:

- Staff have a set of performance measures and behaviours for their role against which their individual competency or effectiveness is regularly assessed.
- Depending on their level of competence, staff are paid at one of three Effective Levels.
- The Pay Rates for Effective Level 1 (Foundation) is equivalent to 90% of the Market Indicator, for Level 2 (Competent) 100%, and for Level 3 (Expert) 115%.

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