

# New System Of Effective Levels For Card Operations

Members will be aware that Card Operations are proposing to introduce a new performance and reward structure known as Effective Levels with effect from 1st July 2006. Card Operations say they believe that the reward and development opportunities that Effective Levels can offer will help address long standing recruitment and retention difficulties. Whilst in other areas of

the Bank LTU has been broadly supportive of the system of Effective Levels, it should not be seen as a panacea for all the problems associated with the existing performance and recruitment structure.

LTU is still discussing the Bank's proposals and I will report back to members shortly.

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## What Are Effective Levels?

The main features of Effective Levels are that:

- Staff will be measured on a regular basis against a number of clearly defined performance targets and behaviours.
- There will be three Effective Levels, 'Foundation', 'Competent' and 'Expert', at Band 8 and three Levels, Foundation Level for new to Bank employees, 'Competent' and 'Expert' at Band 7.
- The Levels within each Band will then attract specific rates of pay, which are currently being discussed with the Bank.
- When individuals, in agreement with their Line Managers, decide that they wish to work towards the next Level, their performance will be assessed against the performance standards for that Level. If the standards are met they will be promoted to the higher Level with an automatic salary increase.
- Conversely, if as part of the ongoing assessments, performance falls below the standard for their Level, staff would be subject to the Managing Performance Improvement Procedures and ultimately could drop back down to the next Level.

One advantage of Effective Levels should be that the expectations for staff development and pay increases are clear. New staff will be expected to be 'Competent' within 9 months of entry to the Bank and therefore paid the rate for the job - 100% of Market Indicator.

# Effective Levels - The Background

When the Effective Levels system was introduced in Retail Distribution Telephony Contact Centres, LTU said that there was a great deal of merit in adopting the then new approach to recognition and career development. However, we made the point then that the success of any new system would be judged on the progression of staff through the Levels.

On the basis of the lack of progression so far seen within Contact Centres, the Effective Levels system must be deemed to have failed to deliver. As even now, several years after its introduction, large numbers of staff are still only at Level 1.

However that said, last year following agreement

with LTU, Telephony Senior Management introduced a number of key changes to Effective Levels, many of which have been incorporated into the system that will be introduced in Card Operations, and we are as confident as we can be that those changes should produce real improvements in development and, most importantly, pay.

Moreover, the experience of staff in Group Operations on Effective Levels, those in Personal Lending Decisions, has been very good with over 95% of staff moving to 'Competent' and 'Expert' Levels.

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## Appeals and Representation .... But For Members Only

Over the next two months staff will be invited to meetings with their Line Managers to discuss moving onto Effective Levels. Following those meetings if members of staff believe that the Effective Levels they will be read across onto are incorrect they will be able to Appeal and the Bank will review the decision. If a member of staff is still not happy with his or her Level, LTU will then become involved and will pursue an individual case on behalf of members.

But our services will be available only to members.

**LTU membership is like a form of insurance. Members pay monthly subscriptions and these pay for all our services including the Individual Advice and Representation Service. Non-members pay nothing and cannot take out membership only when they have a problem. We will not advise or represent non-members under any circumstances.**

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