The Ultimate Guide to Employee Development

How to use job levels, competencies, and growth plans to make career advancement crystal clear

Lattice

Introduction

Today's "best places to work" already prioritize their employees' long-term success and career growth. Fortunately, the rest are starting to catch on. [Survey data from LinkedIn](#) shows that corporate investment in career development programs is at an all-time high, with over half of HR teams expecting to dedicate more budget to them going into next year.

In the context of work, development refers to the process of improving, honing, or expanding an employee's skill set to achieve a certain aim. In most cases, that aim is a promotion, lateral move, or ownership over a project. It might be as simple as becoming a more well-rounded professional. At some companies, there are dedicated roles or even entire teams responsible for facilitating development. But why are all these companies making it such a priority?

Why Employee Development Matters

In people-first cultures, the notion that employee development matters is a given. But investing in growth isn't just the "right" thing to do, it also makes business sense. Companies that lean on hiring instead of developing talent or promoting from within do so at a cost. It's often easier [and more affordable](#) to invest in the talent you already have. There's also ample evidence that employees will return the favor, as [over 90%](#) of employees say they'd stay at their companies longer if they invested in their growth. Given the [high price of turnover](#), that's more than reason enough to prioritize development.

But retention isn't the only reason why you can't afford *not* to prioritize development. Employees on the receiving end of L&D initiatives also perform at a substantially higher level than outside hires. One study found that external hires tend to score 61% lower on their performance reviews compared to individuals who are promoted from within. There are [other benefits](#) relating to your employer brand, succession planning, and employee engagement, too.

Making It Happen

Without a formalized process, development can feel ambiguous and employees won't know what the next steps in their careers entail. Fortunately, there are [tools](#) and processes that give personal growth the same kind of structure that's been enjoyed by traditional [business goal-setting](#) practices for decades.

Job levels, competencies, and **individual development plans** give your employees the clarity they need to make their career goals a reality. This ebook will highlight how each of these works together and how they drive employee growth. While managers and their reports are ultimately the ones responsible for pushing development forward, HR can set them on the right path. Read on to learn how to take growth from a platitude to workplace reality.

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CHAPTER 1

Job Leveling

Job Leveling

Taking your career to the next level isn't just a figure of speech. Job leveling, also known as job classification, is a system HR and People leaders use to develop career pathways and create clear job hierarchies within an organization. Think of leveling as a means of outlining the phases of an employee's career path. If you have no standardization around your job levels, promotions and raises can seem arbitrary or just out of reach.

How Levels Work

Job leveling helps employees understand how they fit into an organization and what they need to do to get a promotion. If you're familiar with job tracks, consider each "step" a separate level. For example, making your way from a junior engineer to a principal engineer might require traversing five or six different levels.

Need more context? Let's bring in an example that's close to home. Job leveling within an HR team might look like the below. Note that this is a simplified version, as companies often maintain separate tracks for individuals and people managers (more on this later).

Level 1: HR Assistant
Level 2: HR Generalist
Level 3: HR Manager
Level 4: Senior HR Manager
Level 5: HR Director

Your company's philosophy toward leveling should reflect its size and culture. At smaller startups, there are often fewer levels and less hierarchy. Employees at these companies tend to juggle many different roles and responsibilities and operate in a flat structure, with fewer job classifications and more shared responsibilities across departments. Conversely, at larger companies, leveling can be complex, with many different types of levels and a clearer delineation between roles and responsibilities.

Another consideration is the time it takes for employees to progress. While promotions should never become an *expectation* every year, having too few levels can create a situation where employees hit their "ceiling" too early. Opting for more levels (at least four) can help you avoid this problem without losing top performers that are hungry for development opportunities.

Job Levels vs. Job Architecture

Job levels, competencies, and career tracks are components of a broader concept called **job architecture**. Think of job architecture as the blueprint of how roles work within your organization. Levels are part of that blueprint.

By creating a clear hierarchy of roles and using it to drive strategic decisions, you can create an environment that supports equity, growth, fairness, and opportunity. Learn more about the concept of job architecture [here](#).

Building Out Separate Tracks

Though it's tempting to structure your levels so management is always the end goal, companies should provide long-term individual contributors with an opportunity to continue moving upward. In other words, managing people shouldn't be the prerequisite for seniority.

In the below visual, we've broken down how managers and individual contributors can maintain separate tracks within the same organization.

Level	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
Individual Contributor Track	Associate	Developing	Professional	Senior Professional	Expert	Principal
Management Track			Manager	Senior Manager	Director	VP
Notes	These are entry levels and often employees progress through these more quickly. It's uncommon for employees to stay within these levels throughout their careers. Typically, there are no management roles at these levels.		It's common for a successful career-level professional to reach these levels and remain here for the entirety of their career. This is not considered stagnating as a majority of critical work is accomplished within these levels.		These are positions that are commonly reached after deep functional and/or professional experience. Moving into and between these levels is often slower as the roles increase significantly in complexity and seniority.	

Going further, it's increasingly common to see more than one promotion pathway outside of management, like separate tracks for **generalists** and **specialists**.

The former might be for someone interested in a series of lateral career moves, like an employee who starts in operations and moves into marketing operations. For those sitting between departments, this often means having a dotted-line manager.

Specialists, on the other hand, are highly skilled individuals like senior developers. Their career track is more specific and tied to one particular function.

Keep in mind that communicating these various tracks and levels is just as (if not more) important as having them. Make your job tracks accessible to both managers and individual contributors so everyone knows what their options are and what they need to do to get from one level to another. Lattice Grow makes this easy by keeping all of your level and career track information in one place.

CHAPTER 2

Job Competencies

Job Competencies

What does success look like? Without context, that question is just too vague to answer. That's where job competencies come in. **Simply put, a competency is a skill or quality that an employee needs to have to succeed in a role.** Managers use them to give feedback, have development conversations, and delegate tasks — and interviewers use them to assess job fit. Job competencies play an important role in the employee lifecycle and are a critical component of employee development.

Writing Job Competencies

As a first step, separate your job competencies into two categories: **company-wide** and **role-specific**, with tracks not being assigned to more than five or six of each. Assigning too many competencies to a role can make career conversations overwhelming for both direct reports and managers, making promotions seem unattainable.

As their name suggests, company-wide competencies should be set by leadership with HR's guidance. By definition, these are broader in scope — meaning they could be applied to anyone regardless of their role. Oftentimes, your company values lend themselves well to these. Since values already represent the behaviors you'd like to see employees exhibit, there's naturally an overlap. For example, a company value like "customer-focused" might naturally lead you to write a competency around service excellence or client communication. Examples of other company-wide competencies include communication, teamwork, and adaptability.

Meanwhile, role-specific competencies are narrower in their scope. They outline the technical or knowledge skills an employee needs to succeed. Given their specificity, they should be drafted in partnership with the people who are most familiar with the specifics of the job. Examples of role-specific competencies might include project management, analytical thinking, and content strategy.

What makes for a good competency?

Remember that competencies should be both observable and objective. In other words, they should be skills or characteristics that managers can easily identify without bias. For example, a competency like "ambition" is just too vague to lend itself to measurement. Competencies like these are also subject to misinterpretation. On the flip side, competencies like "project management" are easier to set clear expectations for, and for employees and managers to align on.

It's important to note that competencies are all skills or qualities, not responsibilities. While competencies are useful in assessing job candidates and employees, they are distinct from more detailed job descriptions.

Example Competencies

Knowing where to start with competencies can be a challenge. Need inspiration? While competencies should reflect your organization's culture and the specific role in question, below are some competencies recommended by Lattice. To help you navigate your options, we've divided them into four competency themes: **impact**, **behavior**, **management**, and **functional skills**.

You can also use these as a starting point to write more specific competencies. For example, you might want to replace "expertise" with "writing proficiency" or "brand and industry knowledge" for a marketing role.

Competency Examples

Impact	
Scope and Complexity	How you work, who you work with, and your role in projects
Autonomy and Prioritization	Who owns the work and how it is prioritized
Problem Solving	Your ability to apply strategic thinking to work
Behavior	
Collaboration and Feedback	Your ability to work with others and how you handle feedback
Communication	Your ability to write, speak and manage complex topics as it relates to your work
Reliability	Your ability to consistently produce a quality work product
Living Values	Your ability to understand, demonstrate and apply company values to your work
Management	
Development	Your ability to develop and grow your team
Supervision	How you delegate the work across your team
Responsibility	What work you are accountable for
Functional Skills	
Expertise	The general experience and knowledge necessary in the role
Tools	The ability to use the required tools necessary in the role
Product Knowledge	The specific knowledge of the product or function necessary in the role

Competencies vs. Goals

It's important to remember that employee competencies are distinct from conventional OKRs and goals, which are designed to achieve *business* results, not individual growth targets. To distinguish between the two, consider whether the competency in question is time-bound or tied to a specific individual or team. If it's either of those, it probably isn't a competency.

In other words, competencies are long-lasting and relevant to all individuals within a specific role. On the flip side, goals apply for only a set period (like a quarter or year) and are owned by an individual or team.

For example, a "customer-focus" competency with the description of "taking responsibility during the holiday busy season" is just too specific to serve as a competency, which needs to be relevant year-round. As a side note, it also makes for a vague goal since it doesn't fulfill SMART criteria or mention what "taking responsibility" actually entails.

CHAPTER 3
Career Tracks

Career Tracks

Using competencies and job levels in career conversations is a start — but when you combine them in a matrix, managers and their reports get more out of both. The result, sometimes called a **competency matrix**, gives managers a clear view of what an individual's **career track** might look like. To keep things simple, we'll stick to calling these "career tracks."

The easiest way to visualize this is to list competencies as rows and job levels as columns. The intersecting cells include a description of expectations — what someone in that role needs to do to fulfill that competency. This approach makes it easier for every employee to know what they need to do to fulfill a competency and reach their next job level.

How Career Tracks Work

Career tracks give employees and their managers a clear understanding of what it takes to get promoted. While competencies and levels on their own make the "what" crystal clear, bringing them together sheds light on the "how." In the below example, we'll look at a simplified, three-level career track that might apply to a software engineer at a startup.

Though this individual is being held to four separate competencies (ownership, communication, technical ability, and analytical thinking) we'll hone in on ownership for this example.

Competencies	Software Engineer I	Software Engineer II	Principal Engineer
Ownership	You effectively execute tasks as an individual, maintaining a high level of quality. You set and meet timeline expectations for your work.	You often own project-level goals involving multiple engineers. You break down ambiguous tasks into clear milestones to ensure progress can be measured.	You transcend organizational boundaries and proactively identify the best ways to drive business value. You work in close partnership with senior leadership to influence the overall direction of engineering.
Communication			
Technical Ability			

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The above represents just one row of this career track. Separate rows for communication, technical ability, and analytical thinking would follow, each with its own set of expectations at each level. Visualizing job tracks this way helps give employees a better understanding of what qualities they'd need to exhibit at each stage of their professional evolution at the company.

Using Career Tracks to Build Individual Development Plans

While career tracks go a long way in clarifying ambiguity, career growth is rarely linear. For example, a level 1 employee might be going above and beyond with respect to some of their competencies, but not others. In other words, they might be halfway to their next promotion. While that disparity might seem like it complicates matters, it's a blessing in disguise when it comes to having development conversations.

For example, let's go back to our engineer being evaluated on ownership, communication, technical ability, and analytical thinking. They might already be operating at level 2 for analytical thinking and communication. For these competencies, they just need to stay the course to earn their next promotion. But to prove themselves for their other competencies, ownership and technical ability, their manager might ask them to take on a new project or complete a third-party training program.

Milestones like these aren't goals, but they can help steer individual development planning (more on that soon). Managers should purposefully look for specific areas of improvement to help steer career conversations in a clear and actionable direction.

Considering Company Size

Career tracks make it easier for reports and their managers to set development plans. But using them at a 50-person company versus a 2,000-person company comes with a different set of considerations. At fast-growing companies, individuals might need to embody the behaviors that, at larger companies, could be attributed across multiple levels. That is, startup employees are often generalists and need to wear multiple hats. As companies grow, employees tend to become more specialized — making it necessary to build additional levels and nuance to your career tracks.

Teams should revisit their career tracks once a year to ensure they're still relevant to employees' actual work. One approach would be to ask managers to review career tracks with their reports in a one-on-one meeting, ensuring that the competencies and descriptions listed match reality. Leveraging technology can make this easier. Lattice Grow empowers employees and their managers to pull up career tracks on demand, helping facilitate those conversations. It also comes with pre-built career track templates for both small and large companies, so HR teams can pivot their approach to development as the company scales.

CHAPTER 4

Setting and Monitoring Growth Plans

Setting and Monitoring Individual Development Plans

The purpose of using job levels, competencies, and career tracks is to help employees know where they stand and identify growth opportunities. But to fully deliver on that growth, managers and their direct reports need to be on the same page.

That's where **individual development plans** come in. An "IDP" is a shared document between a manager and employee that spells out the latter's career goals. Whether your company's IDPs live in a dedicated tool or are scribbled on paper, they should be focused on the near and long term. IDPs may go by another name at your company, but the concept behind these plans is simple.

There are two main components to any successful IDP: **growth plans** and **career vision statements.** These represent the near and long term, respectively.

Individual Development Plan Components

Growth Plans

- Direct, actionable opportunities
- Short-term goals, often tied to honing specific skills
- Tied to your job architecture, including levels, competencies and career tracks
- Updated and revised often
- Example: *"Iterate and improve on my sales talk tracks."*

Career Vision

- Represents the "big picture"
- Long-term goals, aspirations, and strengths
- Rarely changes
- Separate from job competencies
- Example: *"I'd like to become a senior sales leader and trusted mentor."*

Setting an Individual Development Plan

While managers can and should serve as sounding boards, coaches, and advocates throughout the IDP process, employees are in the driver's seat. After all, if you want the individual to buy into the plan, it has to reflect *their* career goals, not their supervisors'.

Managers can kick off the process at a one-on-one meeting by introducing the IDP concept and asking employees to complete a short career goals questionnaire or checklist — either by using software like Lattice, or with a shared document. They should give employees *at least* a week to reflect on their plan. We've provided a sample checklist on the following page.

Employee Checklist for Setting an Individual Development Plan

☐ **Identify your top strengths.**
Your strengths are the knowledge, skills, and behaviors you excel in. Simply, what comes easiest to you.

☐ **Capture your areas for improvement.**
Based on your observations and others', these are the knowledge, skills, and behaviors you could develop further.

☐ **Brainstorm your career vision.**
Rather than think about a specific position that you want to occupy, consider what motivates you, what your purpose is, and what environments you work best in.

☐ **Set a shorter-term career plan.**
List out all your possible short-term opportunities, from the most obvious to the most obscure (there may be more than you initially think). Limit your scope to the next 1-2 years.

☐ **Detail your immediate growth plans.**
Map out the steps you need to take to progress toward that near-term goal. What skills do you need to hone? Think tactical, bite-sized steps.

Next, managers and reports should meet to discuss the exercise, particularly any immediate growth plans. What skills does the employee need to develop to grow into their next role?

As already mentioned, using career tracks makes this easier because it can guide the discussion. Let's say an employee wants to move from a coordinator-level role to a mid-level manager or director position. Their individual development plan might include a commitment to lead a major project or enroll in a course on people management.

Need more examples? On the following page, we'll take a look at how growth plans can give employee development greater focus.

In the below example, Sabine, a software engineer, and her manager identified two competencies she needed to prioritize: technical ability and strategic alignment.

In response, Sabine identified two ways she'd do just that: "**work on problems of moderate scope**" and "**monitor the success metrics of the next two major releases.**" She'll need to do both to demonstrate that she's accomplished her growth plan, and might now be recommended for promotion based on tangible results. These are small, but meaningful steps toward her career vision of someday leading the department.
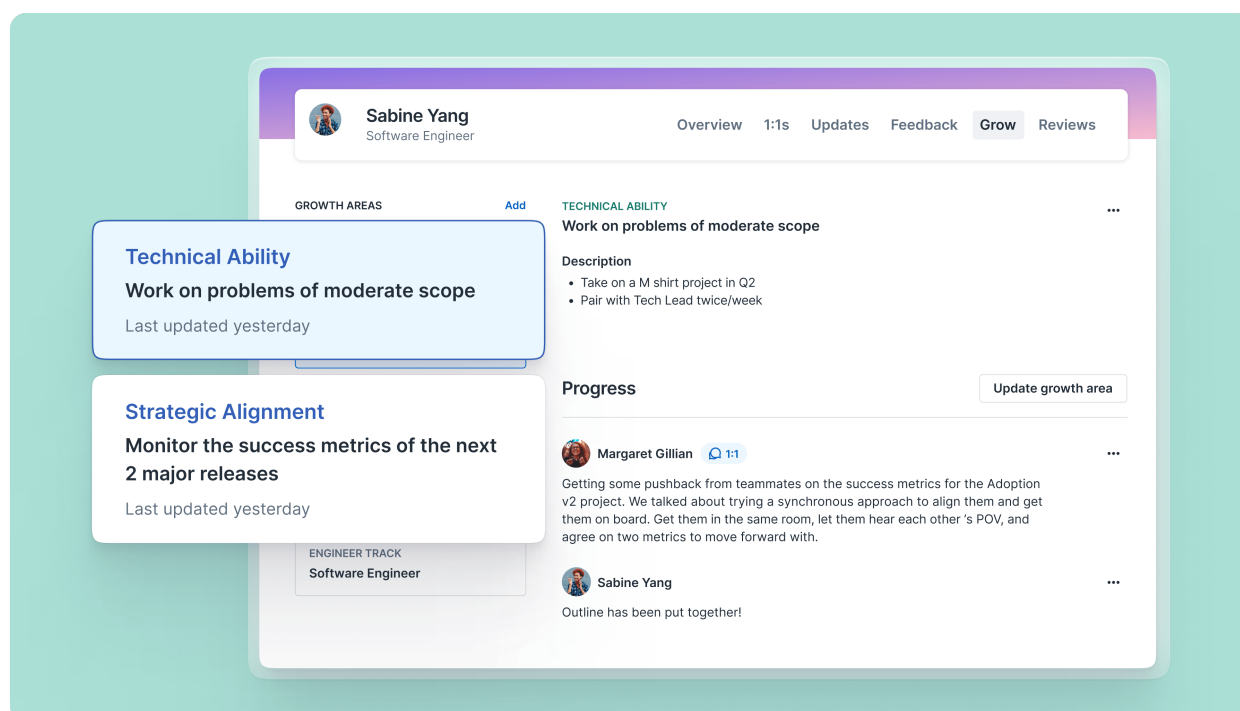
While this is a screenshot from Lattice Grow, companies can use spreadsheets and other less sophisticated tools to facilitate this process manually.

We'll follow up with Sabine's progress shortly, but notice how her growth areas are specific and come paired with a description and a timeline. They aren't handwritten on paper or forgotten in a spreadsheet that only she can access. Sabine's entire IDP is readily available for her and her manager (and manager's manager) to reference at a moment's notice, ensuring her development remains top of mind for all parties.

Tracking Progress

One of the biggest challenges organizations face when rolling out employee development initiatives is getting employee and manager buy-in. If they drag their feet, it's usually due to the time commitment involved. But checking in on individual growth doesn't necessarily require standalone meetings or separate tools. Teams can leverage many of their existing processes and technology to track growth progress.

Managers and employees should already be meeting regularly. One-on-one meetings lend themselves exceptionally well for these career conversations. But when neither

employees nor their managers make a conscious effort to discuss professional growth during one-on-ones, they can be overwhelmed by tactical updates and other items. Encourage managers and reports to literally put "development" on the agenda. Each month, Sabine dedicates one of her weekly one-on-ones to development. Below, she opted to let her manager know that she's running into pushback on one of her growth areas, **"Monitor the success metrics of the next two releases."**
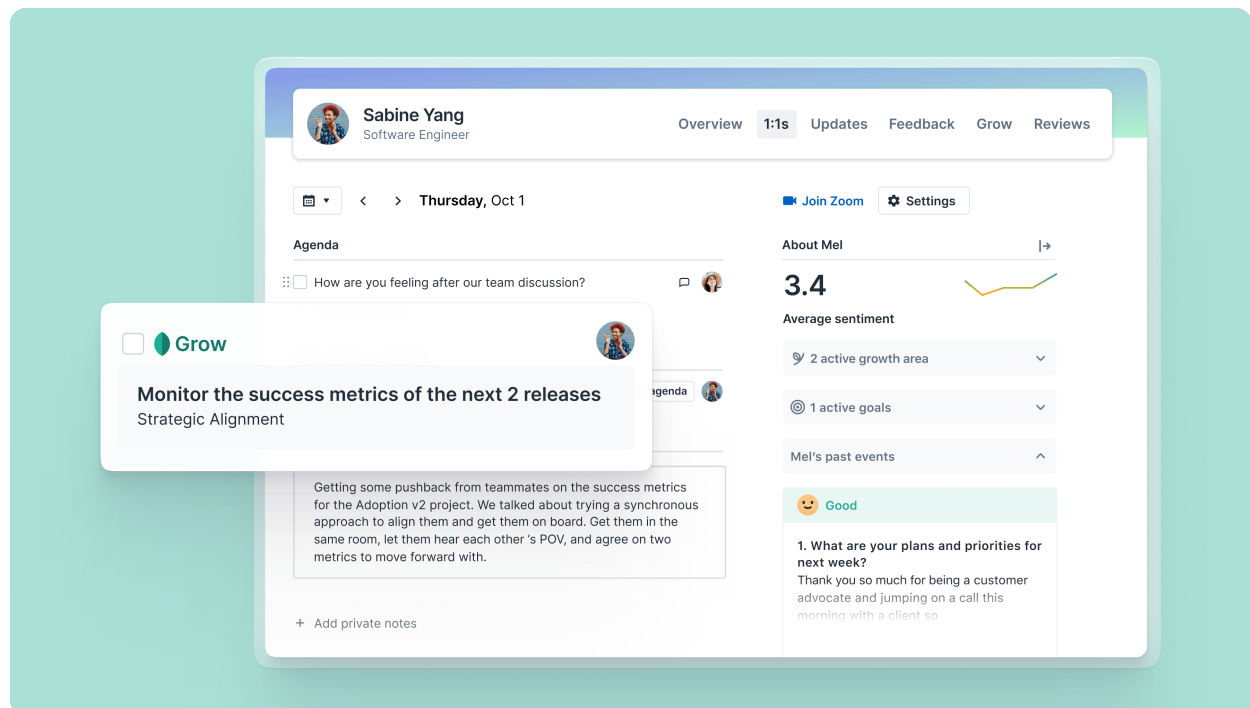
Lattice automatically pulls growth plans into one-on-ones. As a workaround, Sabine could have emailed an agenda to her manager or set a recurring calendar reminder to check in.

Sharing this information during the one-on-one serves two purposes. First, it helps keep Sabine's development in focus by reminding her manager of her growth areas and progress. Secondly, it's a way to surface obstacles. Had Sabine not mentioned the pushback she was getting, her IDP might have stalled. However, now that her manager is aware of those challenges, she can intervene and get Sabine back on track.

At some companies, career conversations like these happen only once a year, perhaps during a performance review. But bringing them into shorter, more frequent meetings can keep growth moving forward. Have managers weave development conversations into their one-on-ones monthly or quarterly and keep development a priority year-round.

Conclusion

For managers and employees alike, talking about "what's next" seldom comes naturally. That's mostly because career conversations don't happen nearly as often as they should. When managers and their employees aren't comfortable talking about growth, even the most well-intended employee development programs fail.

Bottom line? When development sits separately from everything else your team does, it usually falls by the wayside.

Lattice believes that performance, engagement, and development belong together. That's why we've built our people management platform to integrate all three, making career conversations easier and more effective for employees and managers alike. When talking about growth becomes part of your regular one-on-ones and other team norms, next steps are never in doubt, and employees always know what milestones they need to reach next.

Over 4,000 organizations use our people management platform to drive performance, engagement, and growth. To see how we can help your organization, schedule a product tour today.

About Lattice

Lattice is the people success platform that enables HR leaders to develop engaged, high-performing teams. By combining continuous performance management, employee engagement, development, compensation, and growth in one solution, organizations get powerful, real-time analytics that leads to actionable insights turning managers into leaders, employees into high performers, and companies into the best places to work.

The Lattice People Success Platform

Lattice works with companies that aspire to put people first. Whether redefining the beauty industry or building self-driving cars, all of our customers have one thing in common: They value their employees and want to invest in the development and success of their people. To see Lattice's platform in action, schedule a product tour.

Trusted by the best places to work

Join **4,000+ organizations** that use Lattice to help power their people strategy

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