The Dual Ladder

Review and personal perspective

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Why do we need the Dual Ladder?

- Professional specialists have own set of attitudes and aspirations
- Their values and definitions differ from traditional managerial setting
- Dilemma with companies to develop compensation and career systems that recognize both employee and corporate needs
- Companies adopt dual-ladder to provide career paths for professionals separately from those for managers or administrators.
Do all professionals prefer a technical ladder?

- **Degree of preference**
  - varies with the nature of work performed by the individual professional
  - varies with the level of education of the individual (B.S., M.S., Ph.D.)
  - Varies with the age of the professional
Are companies implementing the dual ladder?

- Selected 2 companies of 2 different industry
  - Computer product and services firm
  - Chip design and manufacturing firm
- Sent questionnaire with 6 questions to the HR of those firms
- Followed it up with interviews with the HR representatives
Q1: Describe the Dual ladder mechanism. Why do we want it?

- **Computer services firm’s HR**
  - There is no fixed ladder for technical persons.
  - The company tries to identify key talents within every business unit.
  - Exposes them to areas of the business.
  - This gives opportunities to the technical people to develop skills needed for the next step.

- **Chip design and manufacturing firm’s HR (only focus on the difference)**
  - Tradition has been valuing technical persons higher than traditional business type of employee by
    - Technical department has more power.
    - Promoting engineers faster than business unit’s employee.
    - More general managers with engineering background than business background.
    - Many of high profile technical position peoples does managements.
  - Not only normal business persons in the technical department but also entire company’s business persons need paths to grow up.
Q2. Why do we want the dual ladder?

- Computer services firm’s HR
  - It depends upon skills and requirements.
  - The company recognizes the senior individual contributors.
  - There are people who like to work on cutting edge staff and that are what they are most interested on.
  - Company values their contribution and encourages them further by recognizing their contributions.

- Chip design and manufacturing firm’s HR (only focus on the difference)
  - We need a growth opportunity in the organization as engineers do.
  - “Many other tracks simply stop at a much lower level (e.g., QA, support, operations, tech writing)”
  - “I have looked at the Principal Engineers in my area. And they are all almost without exception managers - and have been managers of large groups (20-100) - I feel like I should be able to be a leader and a technical expert without having to do that”
Q3: How should it be run?

- **Computer services firm’s HR**
  - Need to look at the business and business model.
  - It is only from there that you can determine how to handle people skills and their individual requirements.
  - Some people view a career path as higher salary and promotion
  - Some see a career path as being involved in cutting edge technology.
  - Ladder should be aligned with the requirement of the business model in mind.

- **Chip design and manufacturing firm’s HR & technical persons discussion**
  - “The evaluation processor is inconsistent since we may have super group A and inferior group B but ranked with the group” (technical person)
  - “There is no way to accommodate this. You may not agree with how the org was sliced/diced into these rank groups, just as you may not agree with the latest & greatest re-org, but there is reason behind the madness” (HR manager)
Q4. Do we deviate from the ideal?

- **Computer services firm’s HR**
  - Our goal is to support the business by hiring and retaining the best and the brightest people working for the organization.
  - So employees would also look into the requirements of the business and give their best for the organization.

- **Chip design and manufacturing firm’s HR & technical persons discussion**
  - “Just because there is a "documented" technical ladder doesn't mean it is functional” (technical person)
  - “statement there is no technical ladder is flat out wrong as Principal Engineers are in all organizations.” (HR manager)
Q5. Do you think that people are satisfied?

- **Computer services firm’s HR**
  - Do not feel extremely qualified to answer this.
  - I know of people who are very happy in their jobs and have been with the company for a long time and enjoy what they do.
  - I also know that some are not so happy.
  - The not so happy is for a variety of reasons, not necessarily only career path

- **Chip design and manufacturing firm’s HR & technical persons discussion**
  - “if there is so much confidence from HR teams on the managers practicing fair promotion, why don’t they attempt to conduct a employee satisfaction survey” (individual contributor)
  - “Without this process, We would not be the company it is today. Anyway, you guys are valued higher” (HR manager)
Q6. If you think we should change anything, what would be that?

- **Computer services firm’s HR**
  - Things look good as it stands with scope of improvement.
  - One proposal is to identify key talents at every business unit and nurture them to gain skills needed for the next step.
  - The other is to create better opportunities for technical people to train themselves in the latest technologies as may be required by their job function.
  - The third is to create a process to constantly review benefits and pay structures so that employees are self motivated.
Takeaways

- **Computer services firm**
  - This company understands the requirement of dual ladder
  - Very focused on alignment with the business needs
  - Ladders are often found in organizations where research is highly visible or strategically important
  - Since this is a computer services firm, more emphasis on management ladder.

- **Chip design and manufacturing firm**
  - Technical department has been at the powerful position but power seems to move to finance and marketing department
  - Understand the need of dual ladder but slightly different interpretation between HR and engineering
  - May need more research on dual ladder regarding how it is implemented, what level of satisfaction upon people’s desire and so on.