Compensation and Pay Transparency Q&A 2023
## FAQs

### What are pay grades and ranges?

Pay grades group jobs together paid similarly in the market, while considering:
- Essential functions
- Required knowledge/educational attainment
- Work complexity
- Accountability level
- Other factors that may be unique to the role at NU

*Pay ranges have minimum and maximum pay rates and are broad*

### My job description does not accurately reflect what I do. Should I update it myself?

It is important that every employee has a job description reflective of their role. Before updating your description, we advise:
- Speaking with your manager, as the job description may already accurately reflect the role that helps the department meet its business needs.
- If your manager believes that your work differs from the general description, they may work with you on updating the job description.
  - Job descriptions are a summary of the most important features of a job, not comprehensive lists of each task that you perform.
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<td>I hear the term, “market data.” What does it mean?</td>
<td>Market data is reliable, third-party validated, objective data on how similar jobs in peer organizations are compensated, and a key factor in determining how NU sets compensation rates and pay grades. A role’s essential functions, scope of responsibility, accountability levels within the organization, and required skills/experience determine how a market match job is identified. These factors are evaluated without respect to a job’s title or to any one person.</td>
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<td>What is my pay grade?</td>
<td>Visit myHR/Pay/My Appointment Detail to view your own pay grade.</td>
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| How is an employee’s pay rate determined? | Determining individual pay considers multiple factors, including:  
  - Market data  
  - Knowledge, skills, abilities, and relevant work experience of the employee or candidate  
  - Job performance (if a current staff member)  
  - Internal equity  
  - Departmental factors |
## FAQs

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| Who determines an employee’s pay? | Individual pay rates are determined via a consistently applied and collaborative process involving:  
- Central HR – Compensation Team, HR Business Partners, Talent Acquisition  
- School/Unit HR Representatives  
- Leaders  
  - Managers may often provide input and feedback  

Central HR assigns grades, reviews University equity landscape, and provides guidelines for setting pay rates. School/Unit HR Representatives and Leaders make decisions on individual pay rates and may include input from Managers. |
| Do grades or ranges ever change? | We review pay ranges periodically, analyze them in the market, and adjust them as necessary to remain competitive. |
## FAQs

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<th>If a job description is long, doesn't that mean that it has a higher grade?</th>
<th>Not necessarily. Remember that job descriptions are not task lists, but instead are summaries of the primary bodies of work performed by the role, the scope of the role, and the skills and education necessary to perform the role. They are usually 1-1.5 pages in length. Job descriptions are not formulated with a particular individual in mind. Instead, they reflect a specific business need.</th>
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<td>Can I request a job review and pay increase? Do I call central HR?</td>
<td>The first step is to speak with your manager. Talk to them about why you think an evaluation is warranted. Your manager will then speak to the appropriate school/unit HR representative who will follow up as needed with central HR.</td>
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## FAQs

| I am a manager, and this information is new to me. How do I address employee questions? | A manager’s first point of contact on pay-related questions should be the Compensation website and their school/unit HR representative.  

The Compensation team is always available to support and provide guidance on pay decisions and discussions.  

As pay discussions with your employee can be challenging, it is important to prepare for these interactions. If you are asked questions that you are unsure of the answer, it is best to say, “Let me check on that and get back to you.” |
|---|---|
| How can I advance my career at NU? | Northwestern encourages career progression, and the first step is to speak with your manager about your interests.  

Visit Talent Development for more information. You can also review current postings for a complete listing of opportunities within Northwestern. |
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<td>If ranges overlap, why can’t I have the same pay rate as I do today but be in a higher grade?</td>
<td>Roles are assigned a grade based on its alignment to a similar role in the market data. All roles reflecting a similar market value generally share the same grade. Fairly wide ranges are provided within the grades to allow latitude for the consideration of the knowledge, skills, and relevant work experience of the employee, their job performance, etc.</td>
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<td>Why is there a separate structure for exempt IT roles?</td>
<td>It was determined that the market reflected wide variances in pay for IT roles, and sufficient unique characteristics of technology jobs exist to warrant a separate pay structure.</td>
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<td>Why is my job in this grade?</td>
<td>Compensation conducts market analyses to determine appropriate pay ranges and grades for a given role. All roles are assigned grades based on the closest match in the market data.</td>
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<td>I am an HR representative in a school/unit. Who can assist me with employee questions?</td>
<td>The Compensation team and/or HR Business Partners are always available to provide support and guidance. The Compensation website includes considerable information and resources on compensation principles and guidelines.</td>
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<tr>
<td>I am a staff member with other questions related to compensation. Where can I go?</td>
<td>The Compensation website includes considerable information and resources on compensation principles and guidelines. Your manager would then be your next source of information.</td>
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<td>Why are there two of the same positions in different schools posted at different hiring ranges?</td>
<td>While positions may have the same posting title and grade, the desired skill set for a qualified applicant can be different depending on departmental needs. The position might call for a more experienced candidate resulting in a higher target range.</td>
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<td>What will be the process for determining/approving the hiring range for each posting? Who will be in that workflow?</td>
<td>Talent Acquisition can partner with each school to determine what internal approvals are needed before posting to confirm appropriate hiring range. Once TA receives the requested hiring range, each partner will review equity, confirm budget, add hiring range to job posting, and approve the job in erecruit.</td>
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<td>Is an equity range review within school or unit equity, across NU,</td>
<td>This will be reviewed by job code across the University to confirm the hiring range is equitable for posting. Similar reviews are currently done during the approval to hire process when reviewing/approving requested offers.</td>
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<td>or some other comparison?</td>
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<td>In cases where an individual has two offers at the same grade, will</td>
<td>The current process is reviewed on a case by case basis. If the positions posted are the same job code and same grade then TA will continue to consult and align offers to allow the candidate to make the best decision for them. However, salary grades consist of many different job codes. Each job code could have different hiring ranges based on equity, budget and market rates. In the event of multiple offers for same grades but different job code position, TA will make all efforts to align the offers within the given hiring range. With positions having varying hiring ranges, there will be times offers cannot be directly aligned.</td>
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<td>we still be able to align the offers if the salary is outside of</td>
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<td>one of the position’s posted hiring range?</td>
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<td>Will there be a process for requesting in-grade adjustments for current staff whose salary is below posted ranges? And if so, what will the process be?</td>
<td>No there will not be a special process. HR already has a process for completing job assessments and market reviews. A position being posted at a higher range does not by itself warrant a review. The school/unit may be looking for a candidate with more experience and is willing and able to pay more.</td>
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