CORNERSTONE POLICY SPOTLIGHT SERIES

Sharing Salary Ranges

Sharing salary ranges is one of the nine cornerstone policies that companies can implement today to help untapped talent enter, thrive, and stay in the workforce. To access the rest of the policies, read the full System Upgrade report today.

WHAT IS SHARING SALARY RANGES?

Companies being transparent about compensation minimum and maximums for current and future employees. Practices include posting salary ranges in all job posting descriptions and internal roles, responsibilities, and career pathways resources. Several states have passed salary range transparency laws which require employers to share salary ranges in job postings or at some point in the hiring process. Sharing salary ranges may be on the rise in some states and cities, but it's up to companies to design and implement practices and policies to truly be effective.

DID YOU KNOW?

01 Lower turnover rates

Employers who are transparent about pay benefit from lower turnover rates since employees know how their work is valued, making them less likely to look for a new job.3

02 Aligned values

Sharing salary ranges in job postings shows potential employees whether or not they share the same values. Over 50% of workers in the U.S. expect employers to post salary ranges on job ads.4

03 Maximize professional time

Sharing salary ranges in job postings saves professional time for hiring managers, as they won't take up time interviewing potential employees for iobs that aren't in their desired salary range.

04 Career advancement

Sharing salary ranges helps employees better navigate the workplace and understand how to advance their career.5

05 Equitable pay

Sharing salary ranges can help lead us towards more equitable pay by revealing pay bias and disparities in compensation.6



18 PERCENTAGE POINTS

Of BLNA women feel their company's policy to share salary ranges was designed thinking about the needs of someone like them.8

470/o

75%

More likely to be considered impactful for Black, Latina, and Native American (BLNA) women compared to other technical employees.7

Of tech professionals agree that not showing the salary for a position makes them think it will be less competitive or lower than average.9

^{1. &}lt;u>Pay, transparency laws: A state-by-state guide</u> (2023). 2. <u>National Women's Law Center, Fact Sheet,</u> p.p. 4-5 (2024).

CNBC (2024).

^{7. &}lt;u>System Upgrade: Rebooting Corporate Policies for Impact</u>, p. 44 (2023). 8. System Upgrade: Rebooting Corporate Policies for Impact, p. 46 (2023)

POLICY IN PRACTICE



"When you show me the [salary] range, you're empowering me with information. At least I know what I should expect."

—Black Woman, Product Manager, Start-Up¹⁰

Meet Julia, a Junior Cloud Engineer, who has been on your team for three years and is looking for a Senior Cloud Engineer role.

She sees an opening internally, but doesn't know what the salary range is. She is considering all of her options, and is interviewing at another company that is offering a salary slightly greater than what she currently makes. She is unclear on whether to apply internally or move because she can't find her company's information anywhere to compare. If Julia is able to access salary ranges for roles at her company, she can better determine what to expect and it may motivate her to stay with a clearer path forward.

POLICY PAIRINGS

If you're looking to supercharge your salary range strategy, consider also implementing the recommended cornerstones to better democratize access:

- A central and accessible internal jobs board
- Mentoring during interviews

6 DESIGN OUESTIONS

It's not just about sharing salary ranges—it's about intentional design. Organizations can ensure their policies and practices are accessible and effective—and thereby efficient—by asking <u>six key design questions</u>:

1	How can we use quantitative and qualitative data to identify how pain points differ for each group?	Organize listening sessions, focus groups, and surveys that collect disaggregated data from interviewees and current employees by race, gender, and level to identify unique pain points around salary ranges.
2	How can we offer employees multiple relevant options?	Share salary ranges at multiple steps throughout and after the application process and provide multiple avenues for learning about salary ranges for internal employees. Couple information around salary ranges with career resources to advance to the next range level.
3	Have we ensured that all options are accessible and easy to use?	Eliminate unnecessary barriers to accessing salary ranges (e.g. list salary ranges on an internal jobs board or employee handbook) and refrain from sharing large ranges that aren't meaningful, like \$50K to \$150K.
4	How are we communicating frequently and clearly about this practice?	Consistently communicate across multiple channels where employees can access salary range information (e.g. during annual review cycles).
5	How are we promoting a culture that encourages adoption?	Train senior leaders and people managers to talk to employees about salary transparency and encourage employees to share salary ranges with their outside networks for recruitment.
6	How are we continuously measuring impact and iterating as needed?	Ask employees across different segments of the workforce what is useful about sharing salary ranges or what continued pain points they are experiencing.

Questions?

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