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What's in a Title?

I once faced a client situation where I was asked to uncover why a Senior Accountant (non-exempt) reported to an Accountant (exempt). This same company used the title “supervisor” to describe individual contributor positions and it was not uncommon for Managers to report to Managers and Directors to report to Directors.

Given that these situations occurred in a large and presumably sophisticated company, one might ask - is there really a problem here? What's the big deal, and is anyone being harmed? Advocates would say that offering an employee a special title is a harmless and inexpensive reward, one that doesn't raise employer costs. It also improves the morale of affected employees.

Where do these scenarios come from?

- Managers grant esoteric titles to those for whom they have limited means of reward. “They won't let me give you the salary increase I think you deserve, but let's change your title to xxxxx”. Like greasing a squeaky wheel for a short term fix they want to do *something* to keep the employee quiet / motivated / not thinking of leaving.
- Employees are given job opportunities (titles) where none should exist. Have you experienced the long serving Secretary / Administrative Assistant promoted to the newly created role of Office Manager, all while performing the same job?
- As a salve to employees a “special” title is used because somehow the position (usually clerical) is considered so different from other jobs that it needs to be specifically identified. Special titles can also be seen as reflecting on the importance of the managers themselves.

In my experience it is usually those in management who consider themselves “above the fray” who do not see title inflation (puffery) as a problem. Interestingly enough, that level of management can be severely put out if the same title giveaway happens within their hierarchical level.

At the risk of being called Mr. Gloom & Doom, let me explain the type of harvest that you can expect from planting these problem “seeds”.

- Role clarity (job duties, business impact, decision-making, etc.) behind questionable titles will become blurred. This in turn would generate more confusion as the company creates Senior Managers and Group or Area Directors and other in-between titles in the hierarchy to differentiate the “real” jobs from the inflated titles.

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- When attempting to determine the competitiveness of your positions the less accurate the title is in relation to the work performed, the more likely your analysis will be skewed. Benchmarking unique, employee-specific and inflated titles will make a correct assessment of your competitiveness more difficult. This could have real cost impact.
- Those with inflated titles will expect whatever perks or privileges that normally accompany the title and their absence could cause difficulties. It's an awkward conversation when you tell an employee that the import of their new level in the organization is "title only".
- Inflated titles can be a detriment to incumbents as well, such as the "Director" who now only qualifies for a "Manager" title with a prospective employer. These employees have limited opportunities outside your company because other employers would be reluctant to hire someone where the title is lateral or even backward to what they currently hold. The result could be that mediocre performers remain with your company because they have no where else to go.
- The natural extension of inflated titles is inflated grades / salary ranges, as the bogus "senior" position would be placed in a higher grade than the "intermediate" position, right? This practice will gradually increase your fixed costs without a corresponding rise in either performance or capability.
- Some employees legitimately find themselves in a dead end job, and granting them a cosmetic title as a salve doesn't help anyone. Lead or supervisory mail clerk? Or the "supervisor" that no one reports to?
- Employees do not like giving up these inappropriate titles. Thus employee relations / morale issues will likely develop if you try to correct poor past practices. You may have to develop creative "buy out" scenarios or grandfather employees.

If you are in a situation with inflated, redundant and confusing job titles, what steps can improve your lot?

1. Organize a Spring cleaning exercise: start with the low hanging fruit by eliminating (deleting from your systems) all titles that are unoccupied.
2. To avoid backsliding you should accompany that initiative by implementing tighter procedural requirements necessary before a "new" title can be authorized. While perhaps only a finger in the dike or closing the barn door after the horses have left, you must cut off the flow of new problems before you can effectively address the core issue of incumbents.

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3. The company would need fewer job descriptions if the wording was more generalized. Standardized titles would clear away much of the role responsibility confusion while clarifying an employee's duties.

Especially in clerical positions, the general nature of duties for most positions (filing, record keeping, secretarial, forms processing, correspondence, etc) lends itself to standardization - which in turn makes it easier to move employees from position to position without having to "promote" someone when their title changes.

Bear in mind though, that title standardization makes more sense in a conference room than it does during an employee discussion. A "Senior Depository Research Clerk" will always sound more important than a "Clerk III" or even Senior Clerk".

Companies try to reduce the number of titles whenever a new HRIS is established (that's usually when the huge number of active titles becomes widely known). Anyone who has been exposed to the process of implementing an HRIS (SAP, Peoplesoft, Oracle, etc.) will tell you that job title standardization is a key component of the project.

However there is always a degree of passive resistance when individual leaders realize that *their* area is being cleansed of superfluous / redundant / misleading titles.

Fewer titles can mean more role clarity in your organization, greater accuracy in assessing pay competitiveness, more control of labor costs and indeed higher morale as employees know where they stand and what they must do to succeed in your organization.

A final caution: be careful of setting up titles without occupants "in case we want to promote someone down the road". Guess what? You will.