

Job Titling Best Practices for a Changing Workplace

AUTHOR



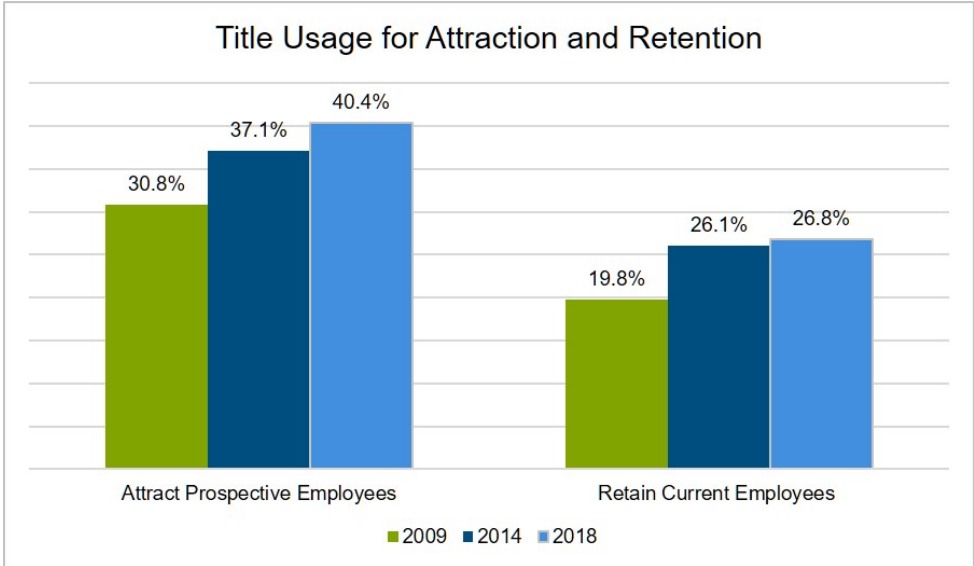
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What does the savvy HR manager need when faced with a dramatically evolving workplace, disruptions of the emergent gig economy, record low unemployment, and a job-seekers market? The answer is accurate data that can provide an edge in their recruiting and retention efforts. There are several job titling trends, revealed by nearly a decade of research, that may offer helpful guidance.

Titling Uses

What are the most important reasons for various job titling practices? Since Pearl Meyer began the [Job Titling Practices Survey](#) in 2009, participating organizations have consistently reported that job titles are used to accurately reflect the employee’s role and to convey the organizational hierarchy.

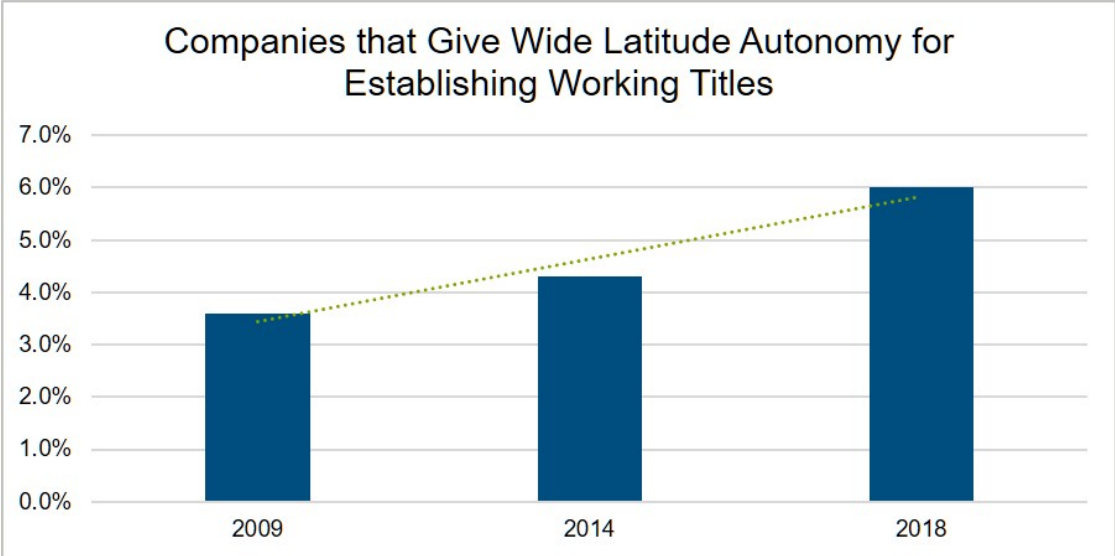
Although the main purpose of titles has not changed, it is not the only usage. The data shows a significant uptick in titles being used to attract prospective employees (up 9.6% since 2009) and to retain current staff (up 7% in the same time period).



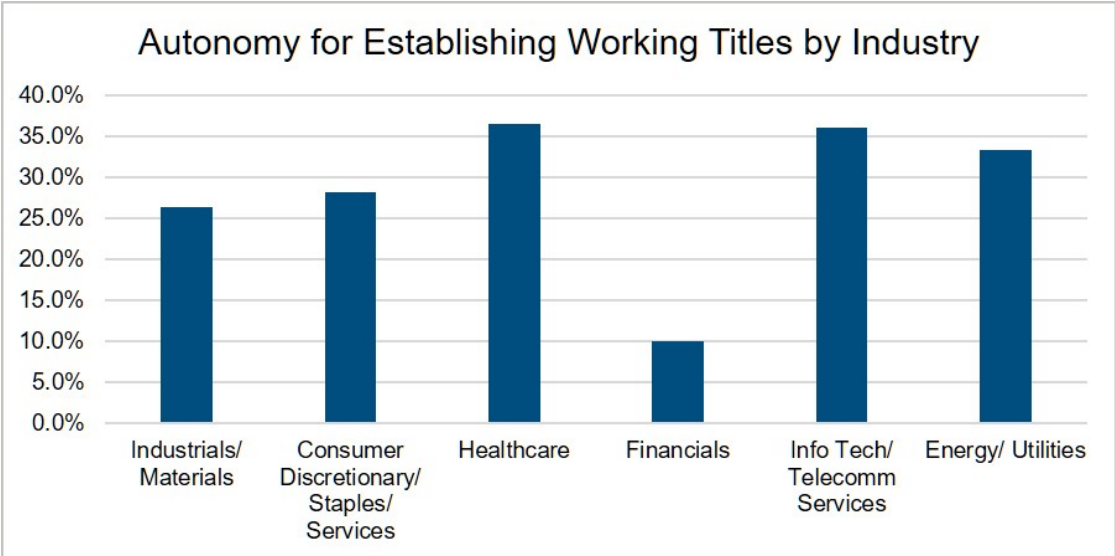


Working Titles

For a majority of participating companies (75%), employees are required to use the job title provided by the firm or something very similar. The remaining 25% provide employees some autonomy—either a wide latitude or within some limits—to establish their own working titles. When comparing the three reports, there is a small but steady increase in the percent of companies providing a wide latitude for employees to establish their own titles.



Job title autonomy is not surprisingly dependent on industry. When looking at the percent of companies that give employees some degree of autonomy for establishing their own working titles, the findings are similar for most industries (between 26% and 36%) with the financial industry being significantly lower (10%). This is not surprising given the traditionally conservative culture in this sector

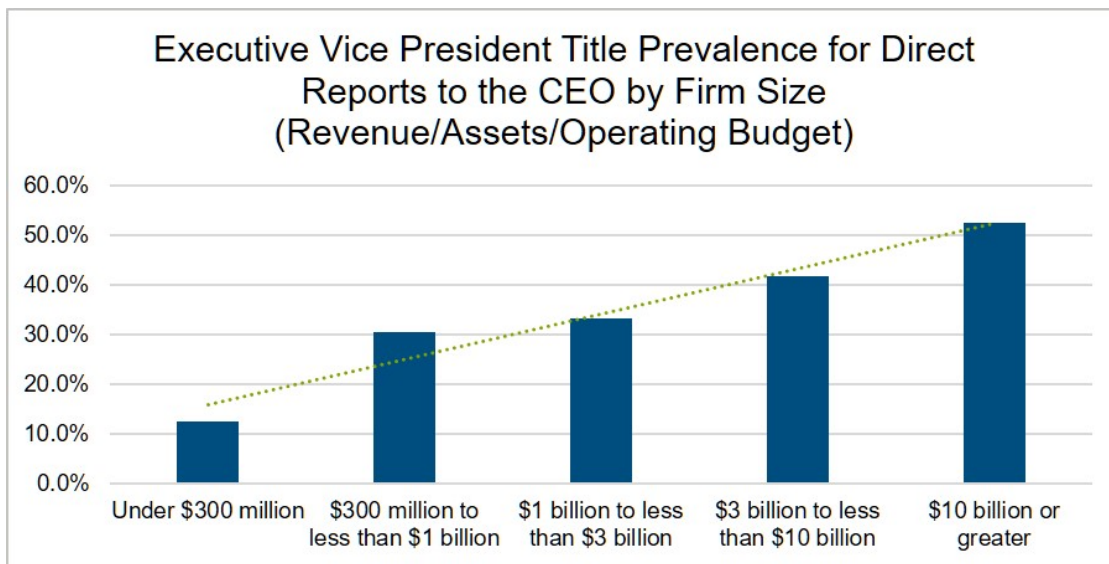




Predominant Executive Titles

Beyond recruiting and retention, titling information is also very important for a baseline understanding of comparable positions. Inaccurate or inflated titles can have the unintended consequence of driving pay levels up or down, which can have a large impact in the executive ranks. The survey report provides information on the most prevalent and second most prevalent titles for direct reports to the CEO; direct reports to direct reports of the CEO; the third, fourth, and fifth levels below CEO; first line management; and the highest level technical employees.

In all three editions of the survey, across all participating firms, executive vice president is the most prevalent title for direct reports to the CEO. When looking at the title prevalence of the executive vice president title across firm size, the title is more prevalent as company revenue increases. This may be because larger organizations tend to employ more top executives and have more hierarchical job structures.



The Job Titling Practices Survey Report

In this extremely competitive job market with historically low unemployment, employers must use every tool available to be successful. With the right strategy, job titles can be used as a competitive advantage to attract and retain talent and evaluate market pay levels appropriately.

Pearl Meyer recently published the third edition of the Job Titling Practices Survey Report. Based on information from over 200 participating organizations, the report provides a comprehensive look on this often complex subject and includes a range of topics:

- Job Titling Philosophy
- Variability in Job Titling Practices
- Uses/Drivers of Job Titles
- Communication of Promotional Job Title Changes
- Business Card Practices
- Titling Associated with Mergers and Acquisitions
- Predominant Titles
- Titling Practices
- Criteria for Specific Title Usage

If your organization would like to purchase the 2018 Job Titling Practices Survey Report, click [here](#); if you would like additional information, please contact survey@pearlmeier.com.

About the Author

Rebecca Toman is the vice president, Survey Business Unit at Pearl Meyer. In this role, she designs and publishes compensation and benefits surveys for a wide range of industries and employee populations.

About Pearl Meyer

Pearl Meyer is the leading advisor to boards and senior management on the alignment of executive compensation with business and leadership strategy, making pay programs a powerful catalyst for value creation and competitive advantage. Pearl Meyer's global clients stand at the forefront of their industries and range from emerging high-growth, not-for-profit, and private companies to the Fortune 500 and FTSE 350. The firm has offices in Atlanta, Baltimore, Boston, Charlotte, Chicago, Houston, London, Los Angeles, New York, Raleigh, and San Jose.



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