

## Compensation and Classification Glossary of Terms

**Compensation Philosophy** – Ensures that a compensation program supports an organization's culture, business strategy, and objectives.

**Compensation Strategy** – Principles that guide design, implementation and administration of a compensation program at an organization. The strategy ensures that a compensation program, consisting of both pay and benefits, supports an organization's mission, goals and business objectives. It may also specify what programs will be used and how they will be administered.

**Classification Description ([future state: Job Profile](#))** – Broad description that describes the general nature and level of work of a job, which encompass several positions across a variety of settings.

**Position Description** – A description of the most important features of a position, including the general duties, responsibilities, and level (e.g., skill, effort, responsibility and working conditions) of the work performed. A job description should describe and focus on the position, not on any specific individual who might fill the position, and typically includes position specifications that detail characteristics required for successful performance of the position.

**Business/Working Title** – Title specific to a position when a classification title is not descriptive enough. While working titles aim to be more descriptive, they should not misrepresent the level of work being performed.

**Job Family** – A group of jobs having the same nature of work (e.g., engineering) but requiring different levels of skill, effort, responsibility or working conditions (e.g., entry-level vs. senior engineer).

**Job Level** – Describes the characteristics of the job that will be assigned to the level (e.g. entry-level to senior), including impact to the university, complexity and leadership responsibility, as well as knowledge and experience requirements.

**Minimum Qualifications** – Minimum amounts of education or experience, in addition to the minimum level of knowledge, skills, abilities, licensures, certifications and other job-related requirements, that must be met for a candidate to be considered for a position.

**Market** – Where the university competes for talent which may consider a combination of the following factors: (1) geography (i.e., local, regional, national, international); (2) industry; (3) education, experience and licensing or certification required; and (4) function or occupation.

**Market Pricing** – Relative to compensation, the technique of creating a job worth hierarchy based on the "going rate" for benchmark jobs in the market(s) relevant to the organization.

**Benchmark Job** – A job that is commonly found and defined, used to make pay comparisons, either within the organization or to comparable jobs outside the organization.

**Pay Grade** – One of the classes, levels or groups into which jobs of the same or similar value are grouped for compensation purposes.

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### Sample Job Hierarchy

