Pay Structure Breakdown — Confidential Preview

Pay Structure Breakdown — Confidential Preview

Introduction

This document outlines the company's compensation philosophy, salary bands, allowances, variable pay components, and review cadence. This preview is confidential and intended for authorized recipients only.

1) Compensation Philosophy

Our compensation approach is market-competitive, performance-driven, and designed to attract and retain top talent. Base salary reflects role scope, experience, and market benchmarks; variable pay links to individual, team, and company performance.

2) Salary Bands (Example)

Levels are illustrative. Bands represent base salary ranges (annual, USD). Actual offers consider experience, location, and internal equity.

- Band A (Entry): \$48,000 \$65,000
- Band B (Mid): \$66,000 \$95,000
- Band C (Senior): \$96,000 \$140,000
- Band D (Lead): \$141,000 \$190,000
- Band E (Director+): \$191,000 \$300,000+
- 3) Variable Pay (Bonuses & Incentives)
- Annual Bonus: Target 10% 20% of base salary depending on role and level. Payout based on company performance and individual objectives.
- Spot Bonuses: For exceptional contributions outside of regular goals.
- Sales Commissions: For quota-bearing roles. Structured by ARR/NRR metrics and tiered commission rates.

4) Allowances & Benefits

- Health: Medical, dental, and vision plans with employer contributions.
- Retirement: 401(k) plan with company match (up to specified percentage).
- Paid Time Off: Vacation, sick leave, and parental leave policies as per employee handbook.
- Stipends: Work-from-home allowance, commuter benefits (where applicable), learning & development stipend.

5) Equity & Long-Term Incentives

- Stock options or RSUs may be offered to eligible employees as part of total compensation; vesting schedules vary by level and role.
- Equity decisions are based on role impact and hiring market practice.
- 6) Salary Review & Promotion Process
- Performance reviews are conducted annually, with mid-year calibration where applicable.
- Promotions are considered based on demonstrated impact, competencies, and business needs.
- Compensation adjustments follow performance outcomes and market movement assessments.

7) Confidentiality & Disclosure

This pay structure is confidential. Employees must not disclose compensation details except as required by law. Aggregated, anonymized compensation benchmarking may be shared at organizational levels.

8) Example Offer Scenario

Position: Senior Software Engineer (Band C)

Base: \$120,000

Target Bonus: 15% (\$18,000)

Equity: RSU package over 4 years (subject to board approval)
Total Target Compensation: \$138,000 + equity (year 1 estimate)

9) Questions & HR Contacts

For formal policy, local variations, or case-specific questions, contact Compensation & HR: hr-compensation@example.com