

# Salary Bands and Levels

**Policy Number:** HR-COMP-001 **Effective Date:** January 1, 2020 **Last Updated:** January 1, 2024 **Owner:** Total Rewards Team **Applies To:** All employees globally **Classification:** Internal Only

## Overview

NovaTech Solutions uses a structured leveling and compensation system to ensure fair, consistent, and competitive pay across the organization. This document outlines our job levels and compensation philosophy.

## Job Level Framework

### Individual Contributor Track

Level	Title Examples	Scope
L1	Associate [Role], Junior [Role]	Entry-level; developing skills; works on well-defined tasks with close guidance
L2	[Role]	Proficient; works independently on standard tasks; may mentor L1s
L3	Senior [Role]	Advanced; handles complex work; owns significant projects; mentors others
L4	Staff [Role]	Expert; drives strategy within domain; influences across teams
L5	Principal [Role]	Organization-wide influence; shapes technical/functional direction

## Management Track

Level	Title Examples	Scope
L4	Manager	Manages team of 3-8; responsible for team delivery and people development
L5	Senior Manager	Manages larger team or managers; owns functional area
L6	Director	Manages function or multiple teams; sets strategy
L7	Senior Director	Broader organizational responsibility; significant budget authority
L8	Vice President	Executive leadership; owns major business areas
L9	Senior Vice President	C-suite direct report; enterprise strategy
L10	C-Suite	Executive team

## Salary Band Structure

### How Bands Work

Each level has a salary band with:

- **Minimum:** Entry point for the level (typically 80% of midpoint)
- **Midpoint:** Target for fully proficient performance at level
- **Maximum:** For exceptional sustained performance at level

### Band Positioning

Where you fall within your band depends on:

- Experience and skills
- Performance history
- Time in role/level
- Market conditions at hire
- Geographic location

## Geographic Differentials

Salaries are adjusted based on work location:

- **Tier 1:** San Francisco, New York, Seattle - 100%
- **Tier 2:** Austin, Boston, Denver, LA, London - 95%
- **Tier 3:** Other US metros - 85-90%
- **Tier 4:** India (Bangalore) - separate localized bands

**Remote (US):** Based on home location

## 2024 Salary Bands (US - Tier 1)

### Engineering

Level	Minimum	Midpoint	Maximum
L1 - Associate Engineer	\$95,000	\$110,000	\$125,000
L2 - Engineer	\$120,000	\$140,000	\$160,000
L3 - Senior Engineer	\$155,000	\$180,000	\$205,000
L4 - Staff Engineer	\$190,000	\$220,000	\$250,000
L5 - Principal Engineer	\$240,000	\$280,000	\$320,000

### Product

Level	Minimum	Midpoint	Maximum
L1 - Associate PM	\$90,000	\$105,000	\$120,000
L2 - Product Manager	\$115,000	\$135,000	\$155,000
L3 - Senior PM	\$145,000	\$170,000	\$195,000
L4 - Staff PM	\$180,000	\$210,000	\$240,000
L5 - Principal PM	\$220,000	\$260,000	\$300,000

### Design

Level	Minimum	Midpoint	Maximum
L1 - Associate Designer	\$80,000	\$95,000	\$110,000
L2 - Designer	\$100,000	\$120,000	\$140,000
L3 - Senior Designer	\$130,000	\$155,000	\$180,000
L4 - Staff Designer	\$165,000	\$195,000	\$225,000
L5 - Principal Designer	\$200,000	\$235,000	\$270,000

## People & Operations

Level	Minimum	Midpoint	Maximum
L1 - Coordinator/Associate	\$55,000	\$65,000	\$75,000
L2 - Specialist	\$70,000	\$85,000	\$100,000
L3 - Senior Specialist	\$90,000	\$110,000	\$130,000
L4 - Manager	\$120,000	\$145,000	\$170,000
L5 - Senior Manager	\$150,000	\$180,000	\$210,000

## Management (All Functions)

Level	Minimum	Midpoint	Maximum
L6 - Director	\$200,000	\$240,000	\$280,000
L7 - Senior Director	\$250,000	\$300,000	\$350,000
L8 - Vice President	\$320,000	\$380,000	\$440,000

*Note: Executive compensation (L9-L10) is determined by the Board Compensation Committee.*

## Total Compensation Components

Base salary is one component of total compensation. See also: - **Equity:** Stock options or RSUs (HR-COMP-005) - **Annual Bonus:** Performance-based (HR-COMP-003) - **Benefits:** Health, retirement, etc. (HR-BEN-001)

## Target Total Compensation

Equity and bonus targets vary by level:

Level	Target Bonus	Target Equity (% of base)
L1-L2	5%	5-10%
L3	10%	10-20%
L4	15%	20-30%
L5	15%	30-50%
L6	20%	40-60%
L7+	25%+	50%+

## **Band Movement**

### **Within Band (Merit Increases)**

Annual increases based on performance typically range: - Exceeds expectations: 5-8% - Meets expectations: 2-4% - Below expectations: 0%

### **Promotion (Level Change)**

Promotions typically include: - 10-15% base salary increase - Adjustment to new level's target total compensation - New equity grant at new level

### **Market Adjustment**

Bands are reviewed annually and adjusted for: - Market data changes - Cost of living - Competitive positioning

## **Pay Equity**

NovaTech is committed to pay equity: - Regular pay equity audits conducted - Unexplained gaps investigated and remedied - See Pay Equity Statement (HR-COMP-015)

## **Compensation Transparency**

### **What's Shared**

- Your level and band
- Band ranges for all levels (this document)
- Target bonus and equity information

### **What's Not Shared**

- Individual salaries of colleagues
- Specific offers made to candidates
- Individual equity grants

## Reviewing Your Compensation

### Annual Review Cycle

- Performance reviews: February
- Compensation decisions: March
- Effective date: April 1

See Annual Review Process (HR-COMP-002) for details.

### Off-Cycle Reviews

Adjustments outside the annual cycle may occur for: - Promotions - Role changes - Retention concerns - Market corrections - Equity adjustments

Request through your manager, who will work with HR.

### Frequently Asked Questions

**Q: Why am I below the midpoint?** A: New-to-level employees often start below midpoint and progress toward midpoint with experience and performance.

**Q: Can I be paid above my band maximum?** A: Generally no. Employees at maximum should discuss promotion readiness or lateral moves.

**Q: How often are bands updated?** A: Annually, effective January 1.

**Q: Why don't I see my exact role's band?** A: Bands are set by level, not specific role. Similar-level roles share bands.

**Q: Who determines my level?** A: Level is set based on role expectations and your qualifications. Discuss with your manager.

### Contact

For compensation questions, contact the Total Rewards team at [total-rewards@novatech.com](mailto:total-rewards@novatech.com) or your HR Business Partner.

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*Related Documents: Annual Review Process (HR-COMP-002), Bonus Structure (HR-COMP-003), Equity Guide (HR-COMP-005), Pay Equity Statement (HR-COMP-015)*