Job and Pay Architecture Overview

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JOB ARCHITECTURE OVERVIEW

Job Architecture is the **foundational structure** through which we engage, connect, support, value, and reward our talent

AN **OPERATING SYSTEM** TO ALL THINGS TALENT, ORG, AND REWARDS

WORKFORCE & ORG PLANNING

CAREER PATHING / DEVELOPMENT

ONBOARDING/ OFFBOARDING

PEOPLE ANALYTICS & INSIGHTS

REWARDS

SUCCESSION PLANNING

TRAINING

PERFORMANCE MANAGEMENT

CANDIDATE SOURCING

CANDIDATE SELECTION

POTENTIAL PAIN POINTS

"I'm losing talent to other companies because their pay is higher for the same role."

"Inconsistency of levels and pay across the company is difficult to reconcile."

"There is no Pay Mix Guideline- what % to pay base vs bonus vs equity"

"I can't find the right job profile to use for my open position."

"I don't understand why the bonus & equity targets are not consistent."

Job & Pay Architecture

"I can't easily explain the difference between a Principal vs an Advanced engineering job level"

"I don't know which salary structure to use."

"I don't understand how our approach to geographic location pay works."

"I use whatever job profile is available in WD and try to remember to correct later"

"The job profile and job code are not mapped correctly to individual employees in Workday."

VALUE PROPOSITION

EASIER TO UNDERSTAND, NAVIGATE, AND APPLY

- Design a simplified, scalable job and pay architecture to ensure **clear career paths, market competitive rewards,** and where appropriate **differentiated** reward programs.

- Create a **career equity baseline** through accurate mapping of employees to appropriate job families, job family groups, career tracks, management, and job levels to **reinforce consistent expectations** for employees at each job level.

- Employees **understand how they fit** into our job and pay architecture, **instilling greater trust and accountability** into our Talent and Pay practices.

GUIDING PRINCIPLES

AS WE TAKE ON THIS WORK, WE WILL EMPHASIZE…

- Simplicity, Scalability, and Flexibility

- Intuitiveness and Transparency

- Enabling Business Strategies and Decision Making

- Minimizing Disruption

- Thoughtful Consideration of Program Investments with Business Needs

- Robust Change Management

WHAT WE WILL DELIVER...

An effective job and pay architecture will create...

Relevant Job Families/ Job Family Groups

Consistent Job Levels & Titles

Clear Job Progression

Simplified, Competitive Total Rewards

... making it easier for us to attract, grow and retain employees.

WHAT ARE GLOBAL CAREER TRACKS?

Global Career Tracks provide a common framework for leveling the work being performed across various job profiles. This framework provides a blueprint for how an associate may grow their careers within or between job levels along with serving as an anchor for work performed in job families and assigning competitive pay.

FROM:
Overly complex (and obsolete) leveling process, excessive job levels and weak ties to competitive market.
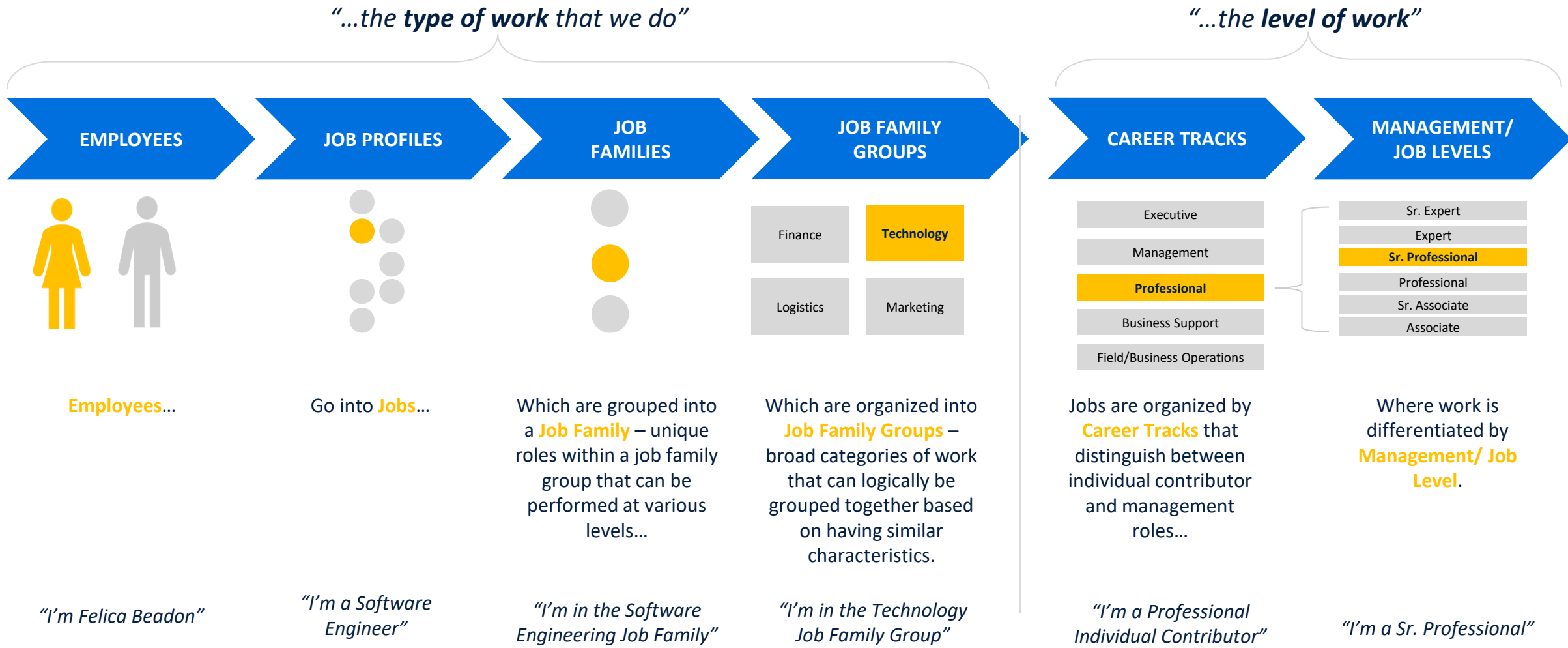
TO:
Best practice approach of global job level that creates a 1:1 relationship between job level and global career track – simplifying the way we manage career and pay.

① **Career Tracks** are broad groupings of types of work performed

② A particular job level may have an equivalent level of work in an adjacent Career Track

③ **Job Levels** provide a common level for work performed across Career Tracks

Career Tracks

Job Level	Support	Professional	Management	Executive
A				E3 EVP
B				E2 SVP
C		P8 Advanced		E1 VP
D		P7 Principal	M5 Sr. Director	
E		P6 Sr. Expert	M4 Director	
F		P5 Expert	M3 Sr. Manager	
G		P4 Sr. Professional	M2 Manager	
H		P3 Professional	M1 Supervisor	
I	S5 Lead Coordinator II	P2 Sr. Associate		
J	S4 Lead Coordinator I	P1 Associate		
K	S3 Coordinator III			
L	S2 Coordinator II			
M	S1 Coordinator I			
N				

WHAT IS JOB ARCHITECTURE?

Job Architecture: a structure of organizing jobs and roles into common groups.

*"…the **type of work** that we do"*   *"…the **level of work**"*

| EMPLOYEES | JOB PROFILES | JOB FAMILIES | JOB FAMILY GROUPS | CAREER TRACKS | MANAGEMENT/ JOB LEVELS |

Job Family Groups:

Finance	Technology
Logistics	Marketing

Career Tracks:

- Executive
- Management
- Professional
- Business Support
- Field/Business Operations

Management/Job Levels:

- Sr. Expert
- Expert
- Sr. Professional
- Professional
- Sr. Associate
- Associate

Employees…

Go into **Jobs…**

Which are grouped into a **Job Family** – unique roles within a job family group that can be performed at various levels…

Which are organized into **Job Family Groups** – broad categories of work that can logically be grouped together based on having similar characteristics.

Jobs are organized by **Career Tracks** that distinguish between individual contributor and management roles…

Where work is differentiated by **Management/ Job Level**.

"I'm Felica Beadon"

"I'm a Software Engineer"

"I'm in the Software Engineering Job Family"

"I'm in the Technology Job Family Group"

"I'm a Professional Individual Contributor"

"I'm a Sr. Professional"

WHAT IS PAY ARCHITECTURE?

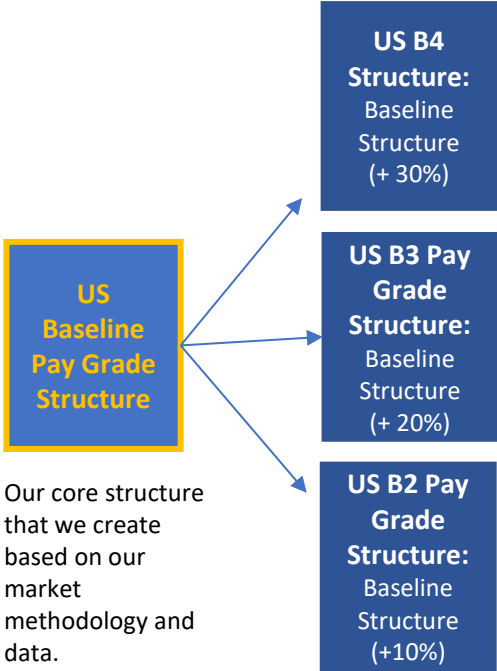**Pay Architecture**: a structure for organizing how we pay our employees, including base pay, bonus and equity.

*The **type of work, level of work, and where the job is based** influence target pay*

MANAGEMENT LEVELS	JOB LEVELS	JOB FAMILIES	COMP GRADE	GEOGRAPHIC LOCATION	GRADE PROFILES	INCENTIVE TARGET(S)

MANAGEMENT LEVELS
- Sr. Expert
- Expert
- **Sr. Professional**
- Professional
- Sr. Associate
- Associate

JOB LEVELS
- D
- E
- F
- **G**
- H
- I
- J

COMP GRADE
- 11

GEOGRAPHIC LOCATION
- Geo 1(11)
- **Geo 2(11)**
- Geo 3(11)
- Geo 4(11)

GRADE PROFILES
- Min Mid Max

INCENTIVE TARGET(S)
- Bonus
- Stock

A specific level of work…

Aligns to a **Job Level**, a common classification and an input for pay…

Job Family determines where we may need or want to differentiate pay…

Comp Grade determines the base pay range of a job based on the level of work, the job family…

Geographic Location Zones may influence pay ranges due to the local competitive market…

Grade Profiles in WD are Pay Ranges that are set based on the Comp Grade, Job Family Group and Geo Tier

Short term and Long-term Incentive Targets will be impacted by the new Job Architecture design

"I'm a Sr. Professional"

"All Sr. Professionals are Level G"

*"Sr. Professionals in **Tech vs Non-Tech** jobs may have different compensation"*

FUTURE STATE- JA PAY ARCHITECTURE BLUEPRINT

Base Pay Framework

Associate base pay is based on the **type of work** (job family), the **level of work** they do (Global Job Level), and **work location** (geography)

US Baseline Pay Grade Structure

US B4 Structure: Baseline Structure (+ 30%)

US B3 Pay Grade Structure: Baseline Structure (+ 20%)

US B2 Pay Grade Structure: Baseline Structure (+10%)

Our core structure that we create based on our market methodology and data.

Supports pay segmentation by job family as needed

Straight derivative of the National Structure base on a premium applied equally at all grades. Locations are mapped to the geo structure based on best aggregate fit

Bonus Framework

Bonus Targets are **set by Global Job Level**; all employees in that global job level will have the same fixed bonus target % regardless pay range[1]

Job Level	Business Support	Prof	Mgmt.	MIP Target
G		P4: Sr. Professional	M2: Manager	**15%[2]**
H		P3: Professional	M1: Supervisor	**10%[2]**
I	S5: Lead Coordinator II	P2: Sr. Associate		**5%[2]**

[1] *Certain roles in tech (e.g., Principal software engineers may have a different target % or be put on a separate plan)*

[2] *Target % for Illustration Purposes Only*

Stock Framework

Stock Targets are set based on **level of work** they do (Global Career Tracks), stock tier (country), and **market group** (based on job family)
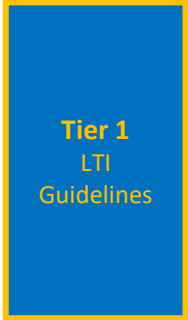
LTI Tiers: Globally, LTI Guidelines are grouped into 3 different tiers. Countries are assigned to a tier based on best fit market practice. Tier 2 and 3 LTI Guidelines are direct derivatives (% premium or discount) of the Tier 1 structure and market groups.

Tier 1 Stock Guidelines → **Tier 2** Stock Guidelines / **Tier 3** Stock Guidelines
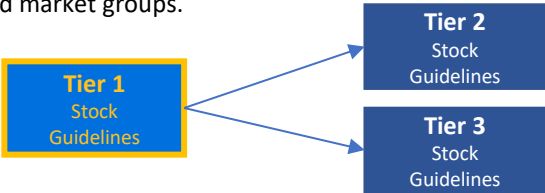
Market Group: Within a Tier group, there are 2 – 4 different market groupings for LTI targets by Global Job Levels.

Global Job Level: LTI targets and ranges are the same for all employees in the same Global Job Level and Market.

Tier 1 LTI Guidelines

E1 Vice President

Global Job Level	Market Group 1	Market Group 2	Market Group 3	Market Group 4
C	$	$$	$$$	$$$$

M5 Sr. Director

Global Job Level	Market Group 1	Market Group 2	Market Group 3	Market Group 4
D	$	$$	$$$	$$$$

PRINCIPLES: Simplicity + Scalability + Flexibility | Intuitiveness + Transparency | Enabling Business Strategies & Decision Making | Minimizing Disruption | Cost Consideration | Robust Change Management

ALIGNED MARKET PAY STRUCTURES

- Refocusing on a simplified market aligned structure, as seen below, enables maintenance and improvement of base competitiveness over time

- Rebalances Annual Bonus and LTI and including discontinuation of LTI at job levels H and below

- Our current gap to market makes a one step alignment out of reach in year one

Base Pay Framework

Associate base pay is based on the **type of work** (job family), the **level of work** they do (Global Job Level), and **work location** (geography)

Grade Profile	Min	Mid	Max
15	$210,000	$290,000	$370,000
14	$175,000	$240,000	$305,000
13	$145,000	$200,000	$255,000
12	$120,000	$165,000	$205,000
11	$105,000	$140,000	$180,000
10	$90,000	$120,000	$155,000
9	$75,000	$100,000	$130,000
8	$65,000	$85,000	$110,000
7	$55,000	$70,000	$90,000
6	$45,000	$60,000	$70,000
5	$40,000	$50,000	$65,000
4	$35,000	$45,000	$55,000
3	$30,000	$40,000	$45,000
2	$30,000	$35,000	$45,000
1	$25,000	$30,000	$40,000

Bonus Framework

Bonus Targets are **set by Global Level**; all employees in that same Job Level will have the same bonus target % regardless of comp grade[1]

Stock Framework

Stock Targets are set based on **level of work** they do (Global Job Level), stock tier (country), and **market group** (based on job family)

Job Level	Bonus Target	LTI Target	LTI Prem 1 Target	LTI Prem 2 Target
Senior Director	30%	$100,000	$200,000	$300,000
Director/Senior Expert	25%	$75,000	$150,000	$250,000
Senior Manager/Expert	20%	$50,000	$100,000	$150,000
Manager/Senior Professional	15%	$25,000	$50,000	$100,000
Supervisor/Professional	10%	$15,000	$25,000	$50,000
Senior Associate/Lead Coordinator II	10%	$0	$0	$0
Associate/Lead Coordinator I/Sr Lead	5%	$0	$0	$0
Coordinator III/Lead	5%	$0	$0	$0
Coordinator II/Sr Coordinator	5%	$0	$0	$0
Coordinator I/Coordinator	5%	$0	$0	$0
Associate Coordinator	0%	$0	$0	$0