

# How HR Can Use Job Title Data to Ensure Consistency and Boost Retention

*Utilizing survey data around job title norms can help HR professionals keep an active pulse on the market and determine whether their job leveling systems need updating.*

Ever wonder if your head of strategy's request for an executive vice president title was justified? Or how other companies structure job titles for roles reporting to the CEO? Compensation professionals spend a significant amount of time ensuring pay is competitively set, but relatively little ensuring job titles are properly aligned. In this competitive labor market, we're seeing many companies handing out new job titles as a way to attract candidates and boost retention, but without giving proper regard to how this can disrupt internal job-leveling systems.

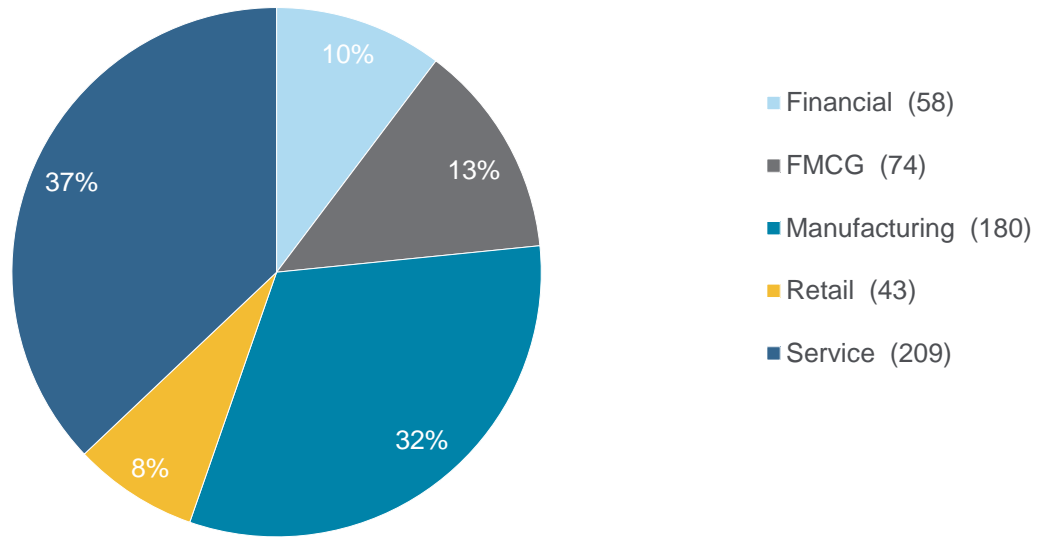
It's important to note that company size and industry will influence differences in job titles, making it important for HR and compensation professionals to create custom peer groups when analyzing and benchmarking their own job titles. Certain industries, such as finance and banking, are prone to giving vice president job titles to a wider employee population. Similarly, startups tend to have flatter organizational structures and, therefore, more inflated job titles than established, larger companies.

In this article, we'll examine the prevalence of various titles across organizational levels and reporting relationships to provide insights and a better understanding of how to utilize this data to ensure your titles — and not just your pay — are competitively aligned. Maintaining market-competitive job titles will help boost the retention and engagement of existing employees, ensure consistency across your organization with regard to job-leveling structures, and attract talent to the organization.

## Job Titles by Reporting Level

For our research we used position-matching information in Aon's Total Compensation Measurement® (TCM) Survey. The survey collects every incumbent's title as well as their reporting relationship and reporting level. Using this information, we can create a hierarchy of position titles for each organization. The research included U.S.-based companies and had a relatively equal proportion of company sizes ranging from revenues of less than \$1 billion to greater than \$10 billion. Figure 1 shows the percentage of different industries represented in the analysis.

**Figure 1**  
**Industries Represented in the Analysis**



Source: Aon's Total Compensation Measurement Survey, October 2019

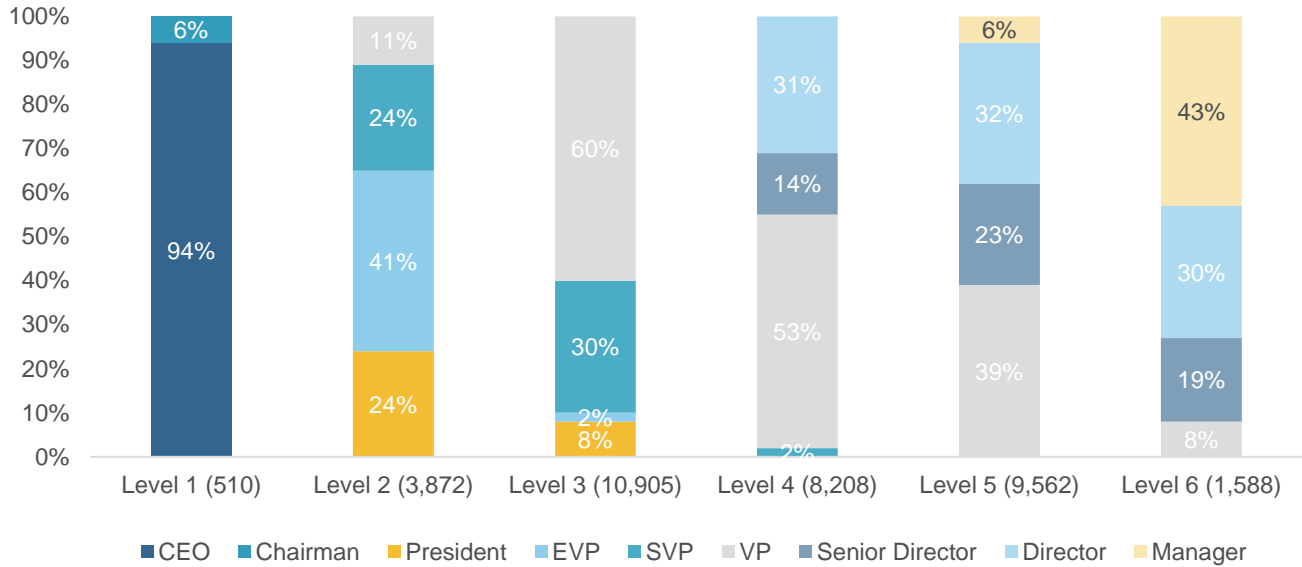
Our first analysis looks at job title by reporting level (i.e., how many reporting relationships a role is from the board of directors). Level 1 consists of the CEO and/or chairperson, who reports directly to the board, with Level 2 reporting to the CEO, and so on down to Level 6.

Beyond Level 1, there are a wider variety of job titles. At Level 2, 41% are EVPs with an equal 24% president and senior vice president (SVP) titles. Surprisingly, 11% have vice president titles, suggesting that many organizations have one or more lower-level roles reporting to the CEO.

At Level 3, vice presidents are the majority title (60%) with SVPs, executive vice presidents (EVPs) and presidents (mostly division presidents) making up smaller shares.

Vice presidents (VPs) are still the majority at Level 4 and the plurality at Level 5. Director and manager titles become increasingly prevalent further down the job levels. Level 4 is where senior directors make an appearance.

**Figure 2**  
**Prevalence of Job Titles by Reporting Level**

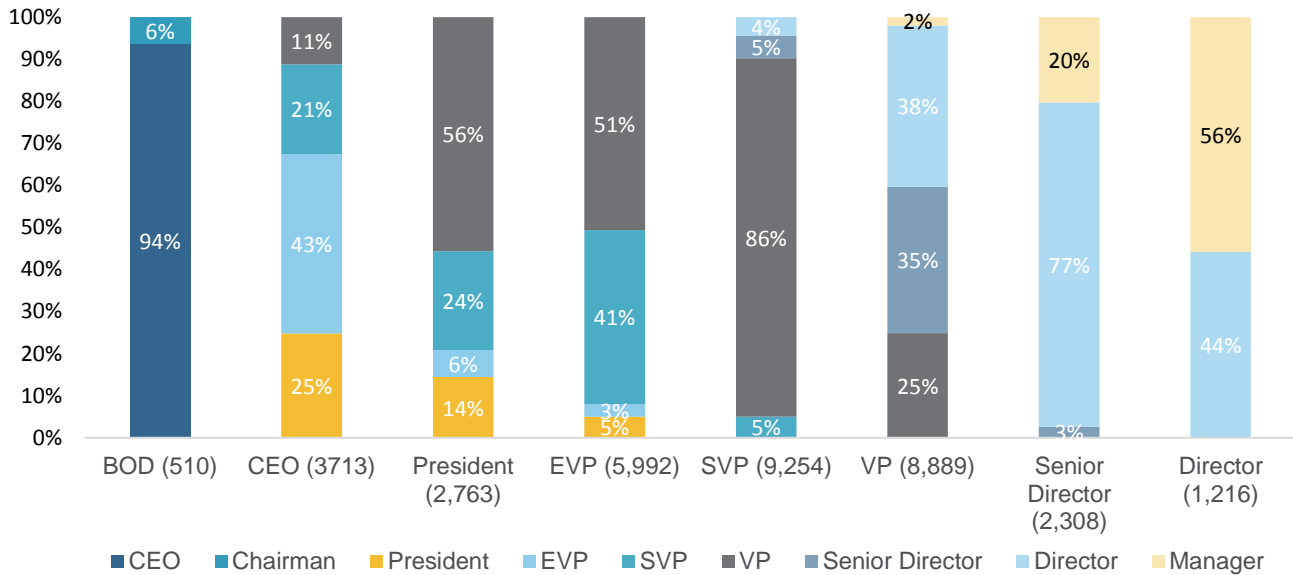


Source: Aon's Total Compensation Measurement Survey, October 2019

## Job Titles by Reporting Relationships

Our second analysis shows the types of jobs that are commonly reporting into senior titles. For example, of those reporting to the CEO in our survey, 25% were presidents, 43% were EVPs, 21% were SVPs and 11% were vice presidents. As we would expect, most roles have the next lower level reporting to them. However, we do see some discrepancies. For example, 25% of the roles reporting to VPs are also VPs.

**Figure 3**  
**Prevalence of Job Titles by Reporting Relationship**

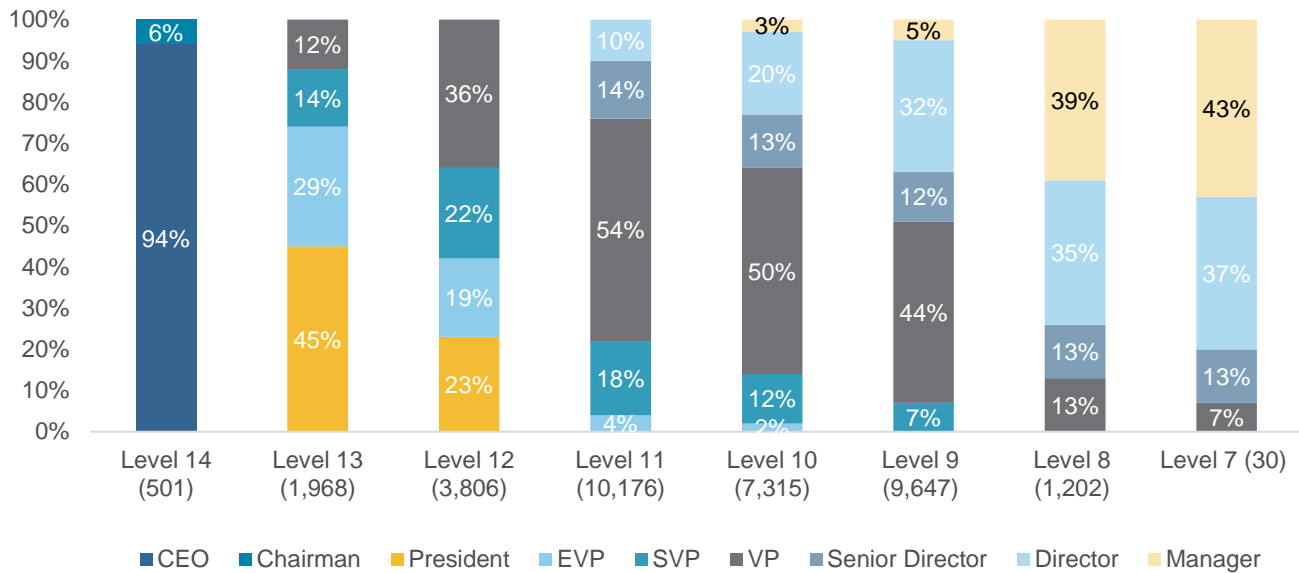


Source: Aon's Total Compensation Measurement Survey, October 2019

## Job Titles by Job Level

Next, we examined job titles using Aon's JobLink™ Levels 7 to 14. JobLink™ is Aon's proprietary job-leveling methodology used across all TCM® surveys (click [here](#) to learn more). The higher the JobLink™ levels, the greater the scope and responsibility of the role. Level 14 consists primarily of the CEO. At Level 13, there is a substantial mix of titles including presidents (45%) all the way down to VPs (12%). From Job Level 12 to 9, VPs make up the plurality of titles, peaking at just over a half (54%) of Level 11. Directors are most common at Level 7, but also make up a significant portion of titles at Level 8.

**Figure 4**  
**Prevalence of Job Titles by Job Level**

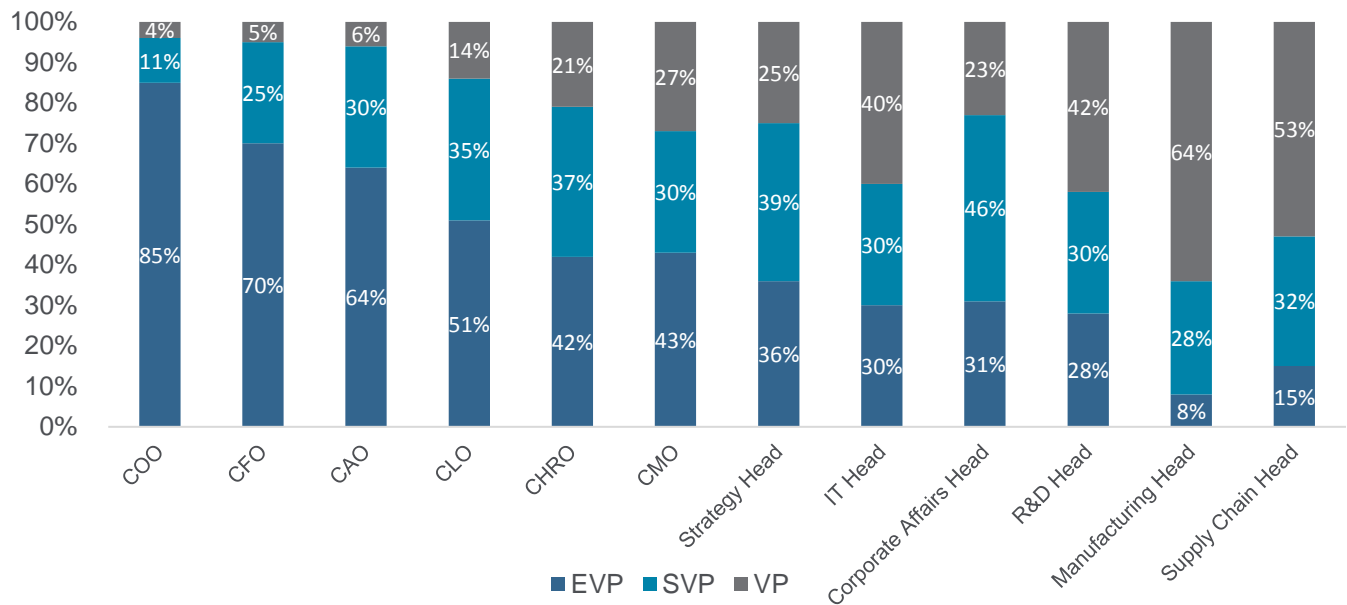


Source: Aon's Total Compensation Measurement Survey, October 2019

## Job Titles by Top 12 Benchmark Positions

Finally, our analysis compared the use of various titles among some of the most commonly benchmarked roles in TCM®. Since these are top corporate roles, the EVP title is most popular, making up at least one-third of almost all titles. EVP titles are especially common for a chief operating officer or chief financial officer role, however we also see SVP and VP used.

**Figure 5**  
**Prevalence of Job Titles by Benchmark Title**



Source: Aon's Total Compensation Measurement Survey, October 2019

## Next Steps

The prevalence of job titles can vary widely once you move beyond the top level of the organization. While companies often benchmark rewards for hot jobs or markets where compensation is changing quickly, there is less attention given to benchmarking job titles. Companies can be at risk of having employees leave or job candidates look elsewhere if job titles for roles are not in line with market expectations.

However, it's important to note that job titles should not be driven solely by market data, but should also be reflective of your company's structure, values and consistent application of organizational leveling criteria. While it may be tempting to inflate job titles as a way of attracting or retaining in-demand talent, doing so can have significant repercussions for job architecture, job assessment and pay-equity comparisons.

One advantage of TCM® is that your consultant can work with you to fully understand the nature of the matches in your peer benchmarking group and provide greater insight into market practices around job architecture and titling that will support your business questions.

To learn more about participating in a survey or to speak with a member of our rewards consulting group, please write to [rewards-solutions@aon.com](mailto:rewards-solutions@aon.com).

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