

How and When to Introduce Job Leveling at Your Company

This guide covers planning, strategy, and execution around a core team scaling concept – job leveling.





If your company is experiencing steady growth, with multiple people now occupying the same role (such as several product managers), or if you're managing a growing list of open positions, it may be the right time to introduce job leveling to support structure and clarity across your organization.

What is job leveling? Job leveling is the process of creating and integrating a structured hierarchy of roles and responsibilities for job functions and departments. The leveling is commonly determined by a combination of factors including title, scope of work, expected skills, authority and decision making, compensation, and more.

Implementing a leveling framework involves defining clear expectations and responsibilities for each level within a job family. It lays out a clear path for employees to see exactly what they need to do to progress within the company and makes everything easier for HR from determining new hire compensation to managing performance.



A job leveling framework should be implemented company wide, not just within one team. That way the leveling is consistent across departments and it's easier for people to see how different roles connect across the business. Each level comes with its own pay range, which helps make sure employees doing the same or similar work get paid fairly, even if they're in different departments.

This guide will help you create a basic, scalable framework that works for your company.

If you have any questions about this guide, reach out to me over [Email](#) or [Telegram](#).



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Benefits of a Leveling Framework



Consistency around roles and responsibilities

- Job levels give the whole company a shared way to communicate about career growth, roles, and compensation.



Promotes fair compensation

- The key part of pay equity is making sure employees get the same pay for the same work. This is easier to do when roles and levels are clearly mapped out so there's less room for pay gaps to occur.
- Clear job levels also help when benchmarking compensation with the market, ensuring compensation stays competitive.



Path to upward mobility

- A clear leveling framework shows different career paths and what's expected at each level, providing employees with visibility and understanding exactly what they need to do to get promoted.



Smoother talent management

- It's easier for managers to have meaningful performance conversations and helps with planning for future leadership, building skills and identifying top performers.



Creating a Leveling Framework

1. Map out the career paths in your company	<ul style="list-style-type: none">a. The best companies offer more than one way to grow, some employees go deep on domain knowledge, while others aim for leadership skills. Start by figuring out what tracks exist in your company. The simplest setup is two tracks:<ul style="list-style-type: none">i. Individual contributor (IC) and Management (M). In the early days, I don't recommend more than these two tracks, however, as your company scales, you might want to add others like Executive or Support.
2. Create levels for each career path	<ul style="list-style-type: none">a. Using numerical levels is easiest. Keep things simple as most startups only need 4-5 levels to begin with, while larger companies may need more structure.b. However, don't just plan for where you are today, think ahead. If your company is growing fast, you'll probably need more levels soon. Building those into your framework now can save you hassle later.
3. Outline what's expected at each level	<ul style="list-style-type: none">a. Spell out the <i>specific</i> expectations around responsibility, impact, and how independently someone should be working. Include the types of skills or competencies needed.b. The goal here is consistency across the company, not detailed role by role checklists. Focus on what's true for any role at a certain level (ex: leadership skills for managers or learning and support for entry level ICs).
4. Review current job titles and roles	<ul style="list-style-type: none">a. Look at your current company and map employees to the new framework. You'll probably spot some inconsistencies, like people doing the same job in different teams but with different titles.b. Titles and descriptions alone might not give you the full picture, especially if they haven't been updated in a while. Take the time to look at each role individually to figure out what job family it belongs to.c. Group roles into job families by common skill sets or functions like Engineering, Product, Design, People, Sales, Marketing.



Creating a Leveling Framework

5. Determine salary ranges

- First set up what your company compensation philosophy is, and whether you want a geo strategy. Do you want to pay below market (25th percentile), at market (50th percentile), or above market (75th percentile)? Will there be a bonus structure or other variable pay? Are you going to geofence your employees or pay for the cost of labor? These are all important factors to consider when creating your compensation philosophy. This topic can could be a guide on its own but for the sake of this piece, feel free to reach out to me for a thorough deep dive on comp strategy.
- Assign a salary band (what you're willing and able to pay), to each role and level.
- Within the band, define the salary range, which is typically 15% +/- from the midpoint. This ensures employees doing the same work at the same level are paid fairly, no matter what team they're on.
- It's also a good idea to benchmark those salary bands against the market using tools like [Pave](#) or [Ravio](#), to confirm that your pay is competitive. Again, clear and consistent job levels are key because it will make it easier to compare roles and get your compensation right.

6. Validate and communicate

- Review your framework and get feedback from your team (especially finance and leadership), then benchmark against your competitors and/or industry.
- Create simple, readable documents and share them in onboarding, performance reviews, and career development plans.



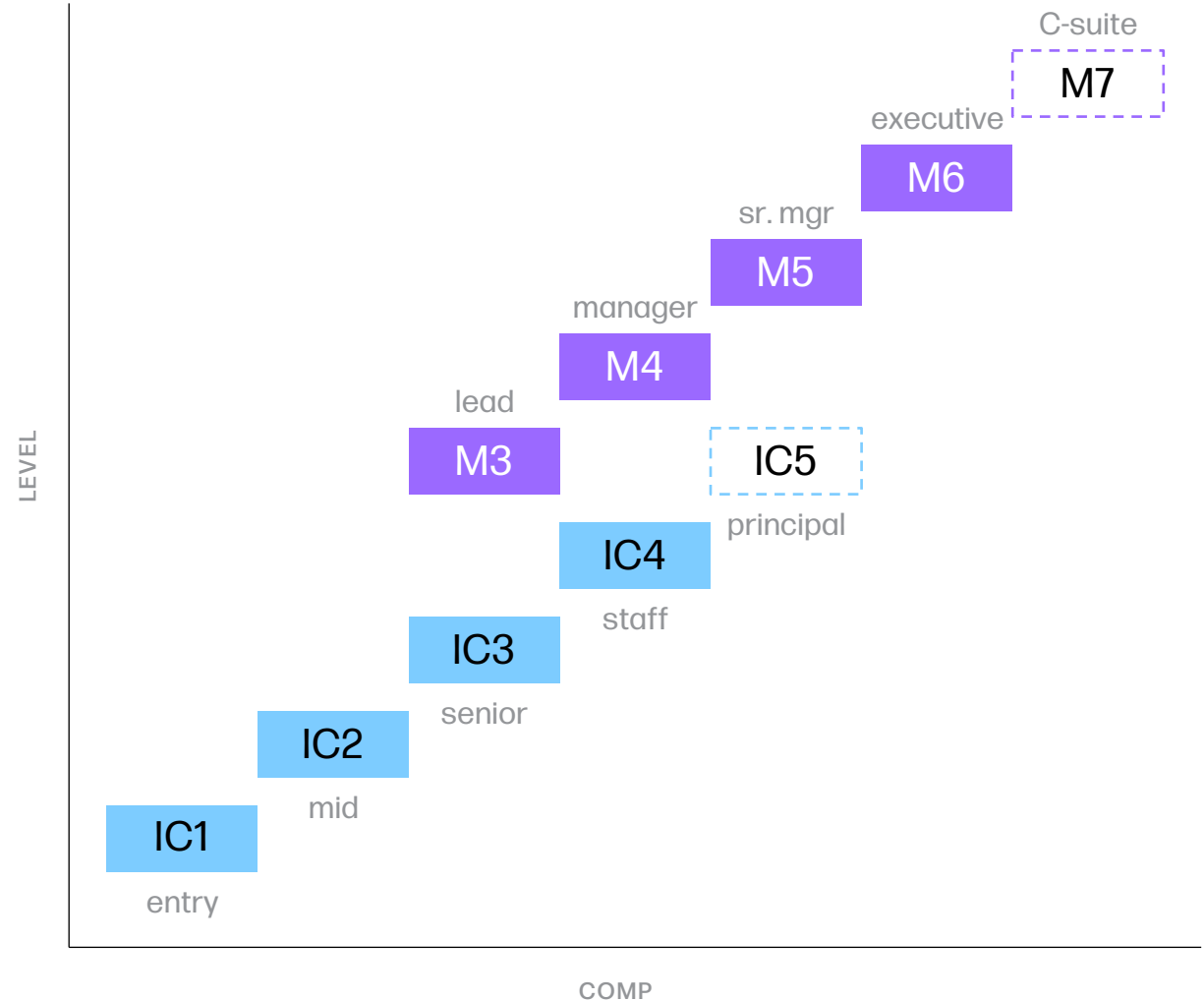
Creating a Leveling Framework

Job leveling groups roles into different levels based on things like work complexity and what kind of skills are needed. It gives everyone (executives, HR, managers, employees) a clearer picture on career growth, compensation alignment, and it simplifies hiring.

There's no right or wrong way to create your leveling framework as long it includes the core factors mentioned above and is followed throughout the hiring and promotion processes. Many factors like company size and business needs will influence how your leveling framework is structured.

To the right is an example of a simple framework for you to customize. There are advanced ones you can create once you scale too. Feel free to reach out to me so we can work on an advanced one together.

Key: In more advanced frameworks (dotted line), you can add an IC5 (Principal/Distinguished) or an extra layer of management (M7) for leadership. Do what is best for your company, while keeping future growth in mind.





Creating a Leveling Framework

Individual Contributor

IC1 (New grad/Junior/Associate): Entry level employees who follow clear directions. They work on straightforward tasks with little autonomy or complex problem solving.

IC2 (Mid level): More independent than IC1 hires, they mostly work within their function but collaborate with other teams now and then. They support bigger projects but still lean on senior team members for tougher decisions.

IC3 (Senior): Highly independent and involved across departments. They handle complex work, lead smaller projects, and may collaborate with leadership, needing only minimal guidance.

IC4 (Staff/Expert): Trusted subject matter experts with a strategic role in the business. They lead large, cross functional projects, work closely with senior leaders, and make decisions on their own.

Manager / Leadership

M3 (Lead): Entry level managers overseeing a small group of a few people, who may or may not be their direct reports. They split their time between hands-on work and team management. They're responsible for team performance but don't set department-wide strategy.

M4 (Manager): Lead larger teams or whole functions like marketing or product. They build plans based on company goals but aren't the final decision makers for strategy. They're focused on team execution and results.

M5 (Senior Manager): Senior leaders who run entire departments with multiple layers of management underneath. They're people managers, meaning they manage other managers. They make final calls on strategy for their area and help shape company wide decisions. They also handle budget and staffing approvals.

M6 (Executive/C-suite): These are usually the founders and their leadership team members, who lead major parts of the business and drive the overall company strategy. They have full decision-making power and are expected to lead by example, representing the company's values and culture.

******You may have noticed compensation is equivalent for IC4-5 and M4-5. Going back to how the best companies provide more than one way to grow, although they are on different career paths, they deliver comparable business value and similar impact. It's about level, not title; compensation is tied to level, not whether someone manages people. They're peers in terms of scope, responsibilities, and value, so their pay reflects that. Reach out to me if you'd like to discuss further.



Creating a Leveling Framework

Example of leveling criteria for a Software Engineer job family:

Software Engineer Leveling Criteria

LEVEL	TITLE	SCOPE	AUTONOMY	IMPACT	COMP
IC1	Associate Software Engineer	Small tasks	Needs supervision	Low, learning	\$100-120k
IC2	Software Engineer	Complete features	Works independently	Team/org-wide	\$120-150k
IC3	Senior Software Engineer	System-wide architecture	Sets standards & initiatives	Company-wide	\$150-200k

Define expectations across categories. Be very specific!

- Scope of Responsibility (what problems they solve)
- Autonomy (how independently they work)
- Impact (team, department, company-level)
- Optional: Decision Making (what they own or lead)
- Optional: Skills & Experience (technical, leadership, years of experience)
 - Advanced frameworks will have more categories. Feel free to customize to your needs.



Conclusion

A leveling framework keeps roles and expectations clear, making it easier to scale teams, develop talent, and ensure fair pay. It brings structure to how people progress and helps everyone understand where they fit and what's next. In short, it's a key tool for aligning people, processes, and business goals.



