Talking About Compensation

A supervisor's guide to compensation conversations

Use this guide whenever you talk with an employee about pay: a title or grade change, a market adjustment, an FLSA status change or a question about where they sit in their range. It provides guidance on preparing for the conversation, how to handle employee reactions and how to have a productive outcome from the conversation.

How K-State's job and pay structures work

You don't need to be a compensation expert. You need to be able to explain four ideas in plain words.

Job families and titles. Similar jobs are grouped into job families and job subfamilies. Job titles follow a consistent pattern across the structures, so similar work carries a similar title in every unit.

Grades and ranges. Each job is assigned to a pay grade. Each pay grade has a pay range with a minimum, midpoint and maximum, set from market data for comparable jobs. The median, or middle, of the range of pay in the market is matched to K-State's range midpoint to ensure alignment with market.

Placement in range. Where a person's pay sits within the range reflects compensable factors such as education, experience and other qualifications. Employees with less experience should expect to be placed toward the lower end of the pay range while employees with more experience and subject matter expertise should be placed toward the higher end of the pay range for their job title.

FLSA status. The federal Fair Labor Standards Act provides guidance to help determine which jobs are exempt from overtime, based on what the job does (duties test), how it's paid (salary basis) and how much it pays (salary level). Nonexempt employees record all hours worked and earn overtime for hours worked over 40 in a workweek.

What supervisors may hear	The message to share
"I don't agree with my job title and don't understand how it was determined."	Job titles for staff have been determined based on the work described in the position description on file for your position. The duties were reviewed by compensation experts, and the title was determined to be the best fit. We may need to review your PD to ensure it reflects the work you are doing.
"My new title is a demotion."	Titles follow the work and K-State's job architecture. The new staff job architecture provides more title consistency in describing levels of work across all job families and subfamilies. A job title is based on the work already being performed. A business title may be appropriate to describe the work more specifically but must not artificially promote the position to a different title in the job architecture. Refer to the business title job aid for more information.
"I don't agree with the market alignment for my new title and think it should be higher."	The alignment of job titles to a pay grade is based on third-party market data maintained by HR and based on the duties performed in the role. This data is more trustworthy than data found in online job postings as those can contain other components of pay or show an unrealistic range, plus they are not validated by neutral third party providers.

What supervisors may hear	The message to share
“I expected that I would receive an increase to a higher pay grade because my job is under market.”	The majority of staff – 77% at K-State are already paid within their job’s market range. This means most employees have been paid at least the minimum of their assigned pay grade.
"I'm low in my range, so I'm undervalued."	Placement reflects defined compensable factors, not personal worth. Future phases of the compensation study are focused on ensuring appropriate range placement for all employees.
"Nonexempt means lower status."	Being nonexempt means the employee’s time is protected under the FLSA and the employee is paid for every hour worked, including overtime. Many skilled roles are nonexempt.

Prepare

Spend 15 minutes on each employee before you talk. Preparation is what keeps a hard conversation calm.

Know their situation

- ☐ Current and new title, if it's changing
- ☐ Grade and its range
- ☐ FLSA status, and whether it's changing
- ☐ Any pay change: amount, effective date and the first paycheck that shows it
- ☐ Whether their current position description on file accurately reflects the work being performed
- ☐ Whether a business title could describe their work better
- ☐ Which scenario below fits best

Know them

- ☐ What have they likely already seen, heard or assumed?
- ☐ What do they care about besides pay (flexibility, growth, recognition)?
- ☐ Two or three specific contributions they have made

Set it up

- ☐ Private space or video call, cameras on, no interruptions
- ☐ 30 minutes booked, even if you expect 10
- ☐ Not late on a Friday, first thing on a Monday or right before their time off
- ☐ Their documents ready, such as a notice, memo or FLSA information
- ☐ Business title rules, escalation contacts and EAP information at hand

If you know outcomes or changes before employees do

- ☐ Store the information securely. Don't print, forward or discuss it with peers.
- ☐ Don't hint, preview or reassure ("you'll be happy"). A hint to one person becomes a rumor for the team.
- ☐ Schedule or announce conversations the same way for everyone, so timing signals nothing.
- ☐ Take your questions to your own supervisor or manager and your unit's HR manager prior to conversations with your employees.

Check yourself. If the change affects you too, take a moment with your own news before you take questions; it's fine to take this time to ensure you are focused on your employees during your conversation with them. Your team will take their cue from your tone.

The conversation: five steps

Get to the facts within the first two minutes. Long warm-ups raise anxiety; people can't hear appreciation while they're waiting for the news. If the employee already received a written notice, start from it instead of repeating it.

1. **Open with the facts.** State the purpose, then the outcome.
   - "I want to walk you through what this change means for you. Your title is *[title]* in grade *[grade]*, and *[your pay changes to X, effective date / your pay isn't changing]*."
   - If they've seen a notice: "You received *[the memo] [today]*. What questions do you have?"
2. **Explain the why.** Connect the outcome to the structure, not to them.
   - "Your job was matched to jobs with similar duties in the market. That sets the grade and its range."
3. **Pause and listen.** Stop talking. Let them react before you add anything.
   - "This is a change for you, what's going through your mind?"
4. **Acknowledge and appreciate.** Acknowledge what can be done now. Name the feeling, then name specific contributions.
   - “While the outcomes of the compensation study are not going to change, here are some things we could work on based on our conversation *[update of your position description / propose a different business title to better reflect your work / etc.]*
   - "I can hear this isn't what you expected." Then: "And I want to be clear, the work you did on *[project]* matters to this team and to the university."
5. **Look forward and confirm.** Confirm what will happen next and check understanding.
   - "Here's what happens next: *[PD update / business title / growth path / options for concerns / FAQ]*. Can you tell me in your words what you're taking away, so I know I explained it well?"

Close by offering a follow-up: "If more questions come up after you've had time to think, let's talk again on *[day]*."

Say this, not that

Instead of	Try
"I disagree with it too, but my hands are tied."	"I understand why this is disappointing. Here's what the decision was based on."
"Don't worry, it's just a title."	"Your title matches the same work across campus. Your role and duties are the same."
"You're hourly now."	"Your position is now nonexempt, which means you're paid for every hour you work, including overtime."
"I can't tell you anything."	"Here's what I know, and here's where we'll get the rest."
"Everyone's in the same boat."	"Let's talk about what this means for you specifically."

Instead of	Try
"Maybe next year."	"Pay can change when the market, your role or your placement factors change. Here's how that works."

Don't

- Promise future raises, reclassifications or the result of a request.
- Discuss another employee's pay or outcome.
- Tell employees they can't talk about their own pay.

Route to your unit's HR manager when

- The employee believes their job is classified incorrectly or their duties are described wrong. Your HR manager can explain the reclassification cycle.
- The employee raises discrimination, pay equity or retaliation concerns. Route these the same day.
- You don't know the answer. "I'll find out and get back to you by *[day]*" is a complete answer.
- The employee shows significant distress. Share EAP information and check in again soon.

Common scenarios

Find the one that fits, then adapt the language to your own voice.

1. Pay increases

Good news still needs explaining, or it raises "why wasn't I paid this before?"

- Share the amount first, then the timing: the effective date and the first paycheck that shows it.
- Explain it as the market moving and K-State keeping up, not as a correction of an error.
- "Your pay moves to *[Y]* effective *[date]*. You'll see it in your *[date]* paycheck. This reflects what the market pays for this work."

2. Title changes, pay doesn't

Often feels like a loss even when nothing else changes.

- Lead with what's the same: duties, team, reporting line, value.
- "Your title is now *[new title]*, which is what this work is called across campus. It doesn't change your role or what you do here."
- If the title doesn't describe their work well, talk about a business title.

3. Moves from exempt to nonexempt

Often heard as a demotion. Expect questions about flexibility and trust.

- Explain the law, then the practical changes: recording all hours, overtime approval, any change to schedule flexibility.
- "This is set by federal law based on the job's duties and pay. It means you'll be paid for every hour you work, including overtime. Let's talk about how we'll handle scheduling so it still works for you."
- Walk through the FLSA transition information and become familiar with K-State's APD time and leave system together before the effective date.

4. Pay is above the range maximum

- Their pay is not being reduced. Say that first.
- Explain they are still eligible for future increases for merit or other reasons.

5. The employee compares themselves to a coworker

- Don't discuss the other person. Bring it back to them.
- "I can't talk about someone else's pay, but I can explain how yours was determined."
- If they believe the comparison shows unfairness, share it with your unit HR manager without judging it.

6. No change, and the employee is disappointed

- Acknowledge the disappointment directly.
- Ask what matters most to them. Flexibility, a stretch project, training or visibility may be in your control.
- Describe how pay can change later: phases 2/3 of the compensation study that are focused on range placement for current employees, future market movement, a change in role/career growth, the options for concerns below. Don't promise an outcome or timing.

7. "I've been here 20 years and I'm paid like a new hire"

Compression happens when pay for newer or lower-paid positions rises faster than pay for long-tenured employees.

- Acknowledge it directly: "I understand why that feels unfair."
- Explain that the university is working over several years to align pay for employees. The first phase had to focus on bringing all positions to the market range for their role. Phases two and three will focus on adjustments for current employees based on compensable factors including experience and subject matter expertise.
- Share that base salary increase requests may be able to address compression; your unit HR manager has details. Don't predict the result.

8. An employee asks about a change before it's announced

- If you don't know yet: "I haven't seen anything yet. Everyone will hear at the same time."
- If you know and it's confidential: "Everyone will hear on *[date]*, and I'll be available after that to talk it through. I want you to hear it the same way and at the same time as everyone else."
- Don't confirm, deny or hint, even with reassurance.

Handling reactions

Reactions during conversations about difficult topics are normal and usually pass. Your job is to stay steady, not to fix the feeling in the moment.

Reaction	Sounds like	What helps
Relief or gratitude	"Oh, good."	Share in it, then still confirm the details so nothing is misunderstood.
Shock or silence	"..."	Wait. Offer to pause: "Would it help to take a day and talk again?"
Disbelief	"That can't be right."	Walk through the facts slowly. If they believe their duties are described wrong, note it for your unit HR manager.
Anger or blame	"This is insulting."	Don't defend or argue. "I hear that you're frustrated. Tell me what feels most unfair."
Anxiety	"What does this mean for my job?"	Be direct about what is and isn't changing, concretely.
Withdrawal	"Fine. Whatever."	Check in again within a week. Disengagement shows up later, not in the room.

If a conversation becomes heated, it's fine to end it kindly: "I want to give this the time it deserves. Let's pick it up tomorrow."

Options for pay and classification concerns

When an employee has a concern you can't resolve, these are the paths. Your unit leader and HR manager have the details and process.

Concern	Path	Starts
Compression or pay equity	Base salary increase request	2027
Duties have changed or are described wrong	Position description review and reclassification, quarterly cycles	April 2027
Business title doesn't reflect the work	Business title update through your unit HR manager	Ongoing
Discrimination, pay equity or retaliation	Report to your unit HR manager the same day	Always

After the conversation

- ☐ Send a short follow-up note the same day recapping what you discussed and next steps.
- ☐ Take questions you couldn't answer to your unit's HR manager.
- ☐ Note concerns about compression, equity or job duties and share them with your unit HR manager.
- ☐ For employees moving to nonexempt, complete the FLSA transition checklist before the effective date.
- ☐ Submit business title updates as your unit's HR manager directs.
- ☐ Check in within one to two weeks with anyone you haven't heard from. Silence isn't always acceptance.

Planning worksheet

Use this worksheet to plan for a conversation for each employee.

Prompt	Notes
Employee	
Current title → new title	
Grade and range	
Pay change (amount, effective date)	
FLSA status change?	
Scenario(s) that fit	
What they've likely seen or assumed	
Contributions to recognize	
What they value besides pay	
Hardest question I expect, and my answer	
Business title idea, and next step I'll offer	
Follow-up date	

Questions about a pay conversation? Check with your unit's HR manager.