

Pay Transparency: Before and After



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From negotiation-driven to structure-driven. What the shift looks like in practice.

Before (Negotiation-driven)	After (Structure-driven)
PAY DECISIONS & PHILOSOPHY	
Pay is set through negotiation and whoever pushes hardest often wins.	Pay is set using documented bands with objective, gender-neutral placement criteria.
Compensation philosophy is implicit, unwritten and inconsistently applied.	Pay structures must be based on objective, gender-neutral criteria and increasingly require clear documentation. An explicit pay policy becomes an important document.
Pay structures are loosely defined and evolve organically without oversight.	Clearly defined job architecture with levels, grades and salary ranges is essential.
Pay decisions justified informally: "the market", "experience", "internal reasons".	Pay differences between employees performing equal work or work of equal value must be supported by objective, gender-neutral criteria.
RECRUITMENT & HIRING	
Job postings rarely include salary information and ranges are kept vague or absent.	Salary ranges must be disclosed in job advertisements or before the interview.
Asking candidates for their salary history is standard practice.	Asking about salary history is prohibited.
New hire offers are driven by negotiation and incoming pay can leapfrog existing colleagues.	Offers must be consistent with internal equity, not just what the market demands in the moment.
INTERNAL EQUITY & PAY GAPS	
Pay gaps grow quietly, patched with bonuses rather than fixed structurally.	Pay differences must be analysed and addressed where they cannot be justified by objective, gender-neutral criteria.
Colleagues doing essentially the same work can be on meaningfully different salaries.	Pay differences between comparable roles must be explainable and justifiable.
Pay equity is reviewed occasionally, if at all, usually only when an issue surfaces.	Organisations must regularly analyse and report gender pay gaps as a legal obligation.
EMPLOYEE RIGHTS & TRANSPARENCY	
"We don't discuss pay here" is accepted culture and salary discussions are discouraged.	Employees have a legal right to request information about pay levels for comparable roles and understand how pay decisions are made.

Before (Negotiation-driven)	After (Structure-driven)
Employees suspect unfairness but lack the information to act on it.	Employees gain access to the information needed to formally challenge pay inequality.
HR GOVERNANCE & DATA	
Pay data is managed internally with limited visibility and no obligation to share it.	Gender pay gap data becomes reportable, auditable and subject to external scrutiny.
Managers rarely need to explain individual pay decisions in detail.	Managers must be equipped to explain pay decisions clearly, consistently and confidently.
CULTURE, TRUST & RISK	
Pay secrecy breeds rumour, quiet resentment and unexplained attrition.	Transparency builds trust and gives people a reason to stay.
Legal risk from pay discrimination exists but is relatively contained.	Legal and reputational risk increases significantly if pay differences cannot be justified.

If you want to learn more...

... because your organisation is beginning to look at the implications of pay transparency, or if you would like to discuss how these changes may affect your pay structures, job architecture, or governance practices, we would be happy to have a conversation.

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