



New Mexico Job Architecture And Single Uniform Salary Structure



Job Architecture Case for Change

CURRENT CHALLENGES

Lack of Job Categorization

Absence of clear definitions for job families and an overall lack of job sub-families

Career Tracks not Clearly Documented

Lack of a consistent set of criteria to describe differences in educational requirements and work contributions

Inconsistent Job to Level/Pay Grade Alignment

Disparities in position titles, pay grades, and levels of jobs performing similar work

Lack of Standardization in Job Titling Variation in job titling practices

OPPORTUNITIES



Market Alignment

Enhance competitiveness to attract and retain top talent



Consistency & Fairness

Enhance equity and promote consistency across the State's jobs



Career Pathing

Promote opportunities for advancement and increase earning potential

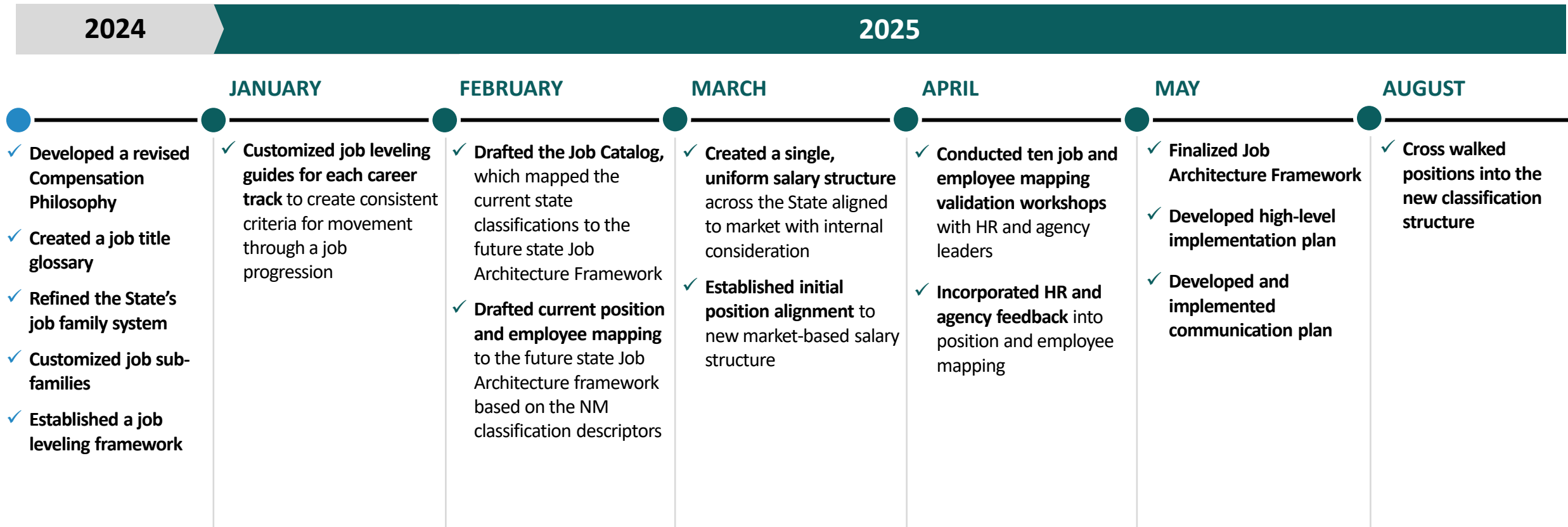


Scalable

Increase agility for sustainable growth at the State

Journey to Improve HR Service Delivery

Over the past year, the New Mexico Legislative Finance Committee (LFC), Department of Finance and Administration (DFA), and State Personnel Office (SPO) have conducted a project to redesign the state's Job Architecture.



What has changed?

Job Architecture Framework	Salary Structure & Job Grade Changes	Job Title Changes
<ul style="list-style-type: none">✓ Updated job families✓ Creation of sub-families✓ Implementation of career tracks✓ Implementation of leveling guides outlining consistent criteria for career progression	<ul style="list-style-type: none">✓ Implementation of a single, uniform salary structure across the State✓ Aligned to market with internal consideration✓ Aligned to the updated market-aligned salary schedule	<ul style="list-style-type: none">✓ Addition of level indicators (e.g., Associate, Senior, Lead, etc.)✓ Addition of market-aligned descriptors (e.g., Human Resources instead of general A/O, Staff, etc.)✓ Standardized titles

What has not changed?



No employee experienced a decrease in pay resulting from a position grade change



The duties, responsibilities, and function of employees' positions have not changed even if a descriptor, grade and/or title changed



Reporting relationships were not changed because of the Job Architecture project



Job Architecture By the Numbers

839

Classifications
vs 899

20

Pay Grades
vs 110

14

Job Families
vs 16

69

Job Subfamilies
vs 0

59

New Classifications

~101.1%

Average Compa-Ratio

373 (2.1%)

Employees Brought to Minimum

913 (5.0%)

Employees Over the Maximum

Review of Revised Job Architecture Components

Job Architecture is predicated on categorizing jobs logically based on the types of work being performed, from the broadest lens to the most specific. Key components of Job Architecture include Job Families, Job Sub-Families, Career Tracks, Job Levels, and Job Titles.

Job Family

e.g., Finance

Highest-level organizing of work type

Jobs are first organized in job family group based on the broad nature of work performed

Job Sub-Family

e.g., Accounting

Sub-category organizing of jobs within a Job Family

Jobs will be organized in job sub-families based on the specific nature of work performed

Career Track

e.g., Professional

Jobs categorized based on Career Track

Management (people managers), Professionals (individual contributors), Support or Technical jobs.

Job Level

e.g., P2 – Intermediate

Organize by Job Level within its Career Track

Descriptors and qualifiers are defined for each level from entry to the most senior, in both managerial and non-managerial career tracks

Job Title

e.g., Accountant

Job relates to its classification based on elements listed above

Multiple positions / employees can be linked to one job, helping standardize the titles

Job Leveling Guide Benefits

Supplement job descriptions, performance management tools, and the salary grading process

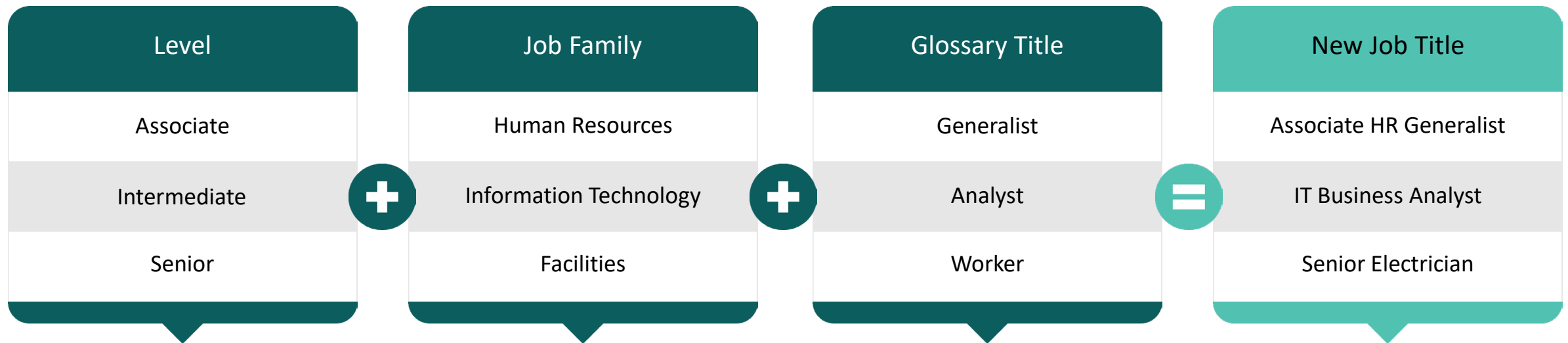
Provide a comprehensive and consistent set of criteria detailing the requirements to perform a job at various levels

Further the transition to a streamlined, enterprise job architecture with a job-centered approach within the state

Job Title Glossary and Guidelines

The purpose of the job title is to strike a balance between simplicity and descriptive detail. **Job titles should be flexible enough to have sufficient “shelf life” that provides flexibility and ties the job to the external marketplace.** The job title glossary and guidelines comprised of job title standards will create a common understanding and facilitate consistent use of commonly used job titles across multiple areas within State government.

How A Job Title is Determined:



Each job title standard is comprised of a **common title (Glossary Title)** that describes the type of work being performed and a **definition for the type of work being done** by individuals with that term in their job title.

New Single, Uniform Salary Structure

Market data was used to develop a single, uniform salary structure for the State of New Mexico. The below illustrates the changes from the previous State salary structures and the implementation to a single structure across the State.

Structure Component	Current State of New Mexico Practice	Proposed Go-forward Approach
Type of Structure Used	Hay methodology	Market-based
Number of Structures	11, including structures created for specific professions (e.g., Attorneys, IT)	1, covering all classified positions and employees
Number of Total Pay Grades	109	20
Pay Grade Titles	Mix of numbers and letters	Numbers, starting at 1 and increasing to 20
Pay Grade Width	30% at the lower range to 60% at the upper	50% at lower levels increasing to 70% at higher pay grades
Midpoint Differentials	Inconsistent from pay grade to pay grade, between 2.7% to 34.2%	Consistent, ranging from 10% at lower levels to 15% at higher pay grades

2025 Go-forward Salary Structure

Market-based: Range Spreads: 40% - 70%, Midpoint Differentials: 10% - 15%

Grade	Minimum	Midpoint	Maximum	Pay Grade Width	Midpoint Differential	Number of Employees
20	\$275,577	\$372,029	\$468,481	70%	15.0%	9
19	\$239,632	\$323,504	\$407,375	70%	15.0%	14
18	\$208,376	\$281,308	\$354,239	70%	15.0%	16
17	\$181,197	\$244,615	\$308,034	70%	15.0%	2
16	\$157,562	\$212,709	\$267,856	70%	15.0%	17
15	\$142,280	\$184,964	\$227,648	60%	15.0%	29
14	\$123,722	\$160,839	\$197,955	60%	15.0%	101
13	\$107,584	\$139,860	\$172,135	60%	15.0%	165
12	\$93,552	\$121,617	\$149,683	60%	15.0%	581
11	\$81,349	\$105,754	\$130,159	60%	15.0%	1,193
10	\$73,568	\$91,960	\$110,352	50%	10.0%	1,143
9	\$66,880	\$83,600	\$100,320	50%	10.0%	1,675
8	\$60,800	\$76,000	\$91,200	50%	10.0%	1,284
7	\$55,273	\$69,091	\$82,909	50%	10.0%	1,889
6	\$50,248	\$62,810	\$75,372	50%	10.0%	2,124
5	\$45,680	\$57,100	\$68,520	50%	10.0%	1,820
4	\$41,527	\$51,909	\$62,291	50%	10.0%	1,667
3	\$37,752	\$47,190	\$56,628	50%	10.0%	1,411
2	\$34,320	\$42,900	\$51,480	50%	10.0%	1,565
1	\$31,200	\$39,000	\$46,800	50%	10.0%	290

Reminder: No employee will experience a decrease in pay resulting from a position grade change.

Rethinking Compa-ratios

State employees have historically placed emphasis on compa-ratios to track internal equity, however, this statistic becomes less significant as part of the new salary structure.

Equation: Compa-ratio = (Employee Salary / Pay Grade Midpoint) x 100



Compa-ratio can only decrease when an increase in salary range midpoint (and thus pay grade maximum, i.e., future earning potential) outpaces the increase in employee salary.

Scenario 1:
Change in Salary Only

	Current	Future
Employee Salary	\$50,000	\$55,000
Pay Grade Minimum	\$50,000	\$50,000
Pay Grade Midpoint	\$60,000	\$60,000
Pay Grade Maximum	\$70,000	\$70,000
Compa-Ratio	0.8333	0.9167

Scenario 2:
Change in Pay Grade Midpoint Only

	Current	Future
Employee Salary	\$50,000	\$50,000
Pay Grade Minimum	\$50,000	\$50,000
Pay Grade Midpoint	\$60,000	\$62,500
Pay Grade Maximum	\$70,000	\$75,000
Compa-Ratio	0.8333	0.8000

Scenario 3:
Change in Salary and Pay Grade Midpoint

	Current	Future
Employee Salary	\$50,000	\$55,000
Pay Grade Minimum	\$50,000	\$55,000
Pay Grade Midpoint	\$60,000	\$65,000
Pay Grade Maximum	\$70,000	\$75,000
Compa-Ratio	0.8333	0.8462



If both salary and pay grade midpoint changes, the compa-ratio may increase or decrease

Because **no employees are being compensated less** as a result of the salary structure introduction, the only way an employee will have a lower future compa-ratio is if the maximum of their pay grade increases, which allows the impacted employee **more future earning potential**.

The Value of a Defined Salary Structure

The State of New Mexico is moving to a single, uniform salary structure across all jobs and agencies. Benefits of this new structure include:



OPERATIONAL EFFICIENCY

- ✓ **Reduces time spent on pay administration:** a salary structure aligned to competitive market data can be adjusted year over year without the need to benchmark every job
- ✓ **Enables quicker response time for salary offers** to support recruiting needed talent
- ✓ **Minimizes the number of market data points to manage** by grouping jobs of similar value into one single range, reducing time spent on upkeep of multiple structures



COMPENSATION ALIGNED TO MARKET

- ✓ Allows employees to be **compensated based on their experience, as indicated by external market data**
- ✓ Enables **high-performers to be rewarded** towards the top of their range
- ✓ Allows the organization to **provide market-competitive salaries**



CONSISTENT GOVERNANCE PROCESS

- ✓ **Provides a foundational framework for making salary decisions**, which allows control over ad-hoc pay decisions and helps manage overall cost of the pay structure
- ✓ **Promotes pay equity**, as jobs with similar value (from an external market perspective and internal valuation) are put in similar pay ranges. This reduces the likelihood of pay disparity for employees performing similar job duties and responsibilities.

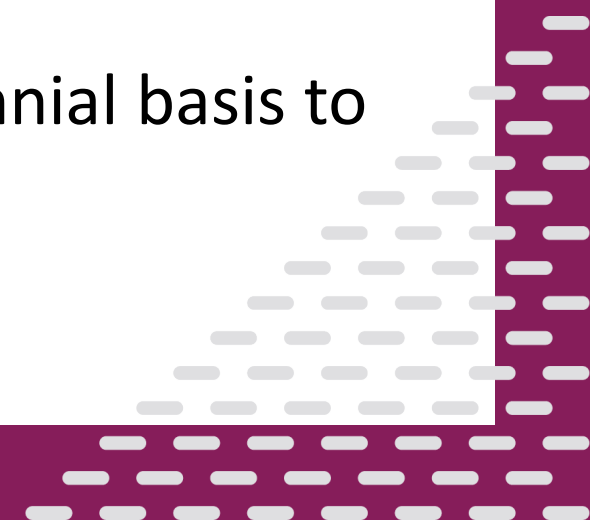
Components of a Compensation Philosophy

A compensation philosophy serves to underly and support the implementation of an organization's overall HR strategy while supporting an organization's strategic plans, total rewards strategy, initiatives, goals, and operating objectives.

It does not explain the details of compensation programs and individual pay components but instead establishes and documents general guidelines for these in a format shared with and communicated to a broad range of employees and, in some cases, the general public. The graphic below depicts the key components of a compensation philosophy.



Continuous Improvement Plan

- An ongoing review schedule of all classifications will be in place beginning in 2026 to review necessary adjustments based on activity or changes in the market.
 - The salary structure is adjusted in accordance with State Personnel Board Rules to address the external competitiveness of the defined market
 - The salary structure will be adjusted on an annual or biennial basis to keep the structure aligned with the market
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Continuous Improvement Cycle

