



Question of the Week

September 23, 2026

Question

What is pay transparency?

ANSWER

Pay transparency means being upfront about your pay practices, usually by sharing pay ranges in job postings.

While certain states and localities require employers to include a pay range in job postings, many employers *choose* to do so in an effort to stay competitive. Some employers also share the pay ranges for all jobs with employees, but this is less common.

While being transparent about pay can feel uncomfortable and might not go smoothly at first, it does have advantages:

- It saves time during the recruitment process. By knowing the compensation up front, applicants can opt out if the role wouldn't pay enough, leaving you with fewer resumes to screen.
- Pay transparency on job postings has been shown to increase the number of applicants significantly. Many job seekers are unwilling to apply for positions that don't indicate a pay range, and others will value the transparency for what it says about the organization.
- It encourages compliance with equal pay laws by essentially forcing employers to choose and stick with a logical pay range for a position, at least on a going-forward basis.

- Internal pay transparency, like sharing position pay ranges with the entire company (not each person's individual pay), can reduce pay paranoia and gossip while also enabling employees to see what they can look forward to as they advance in their career.

This Q&A does not constitute legal advice and does not address state or local law.