SALARY MATRIX POLICY

stok has developed equitable compensation guidelines with the hopes of decoupling incentives from compensation. We take great care in attracting team members that are intrinsically motivated by autonomy, mastery and purpose, not extrinsically motivated by stuff like money and status. At stok we like to think of money as the air that we breath, but not a reason for living. Money is very important, but it's not everything; not even close.

The compensation guidelines are designed to foster salaries that are market-competitive and meet your human needs. The goal is for you to be passionately engaged in mastering your craft, not worrying about money. The guidelines also remove negotiations from the compensation discussion to remove systemic bias, foster equitability across like-for-like skill sets regardless of gender or ethnicity, and level the playing field for different communication styles.

Salary matrix

The salary "matrix" is a tool developed to maximize purposeful impact, engagement, and optimum results; to provide standardized guidance to decision making teams; and to provide more transparency into a traditionally ambiguous process.

The Salary Matrix provides qualifying guidelines which are intended to be just that, guidelines for objective consideration, as opposed to hard & fast rules. That said, there will always be some degree of subjectivity to salary decisions, because each stok team member's contribution to the organization is unique, and there is no "one-size-fits-all" approach that works for everyone. The qualifying guidelines are, in no particular order:

- Years of experience
- Educational level achieved (Bachelor's degree vs. Masters)
- Qualifying Events such as:
    - Technical education e.g. Engineering, Accounting
    - Certifications e.g. CEM, PE, LEED AP

- Job Responsibilities and Accountabilities

- Role on projects e.g. project leadership vs. project support

- Human Capital Contribution

- Thought leadership e.g. speaking at conferences, writing white papers and articles in industry publications

- Relationship Impact (Attracting valuable clients/partners) including the dollar value of won opportunities

- Billable rate on projects

- Organizational influence

- Mentorship of others

- Innovation

The columns of the salary matrix represent your percentage of billable work vs. internal work; columns are further subdivided to match market value for team members that have invested in an education centered on technical expertise, like Mechanical Engineering or Accounting, for example. The rows of the matrix represent incremental Salary "Tiers". Each Tier contains a description of Qualifications and Responsibilities. In order to move into a tier, a team member has already achieved those qualifications and responsibilities. Tier's do not represent your aspirations, rather they describe a result that you've already achieved.

The matrix is designed to guide your compensation progression down and to the right on the matrix. As you grow and engage in activities believed by stok to deliver a greater Human Capital Contribution (long-term value), billable team members gain the opportunity to contribute a lower billable rate (short-term value).

In order to move into a salary tier, your team members should agree that you have not only achieved the qualifications and responsibilities of that tier, but you have done so to consistently exceptional results. Results are measured by your team members' objective review of any available data and completion of a yes/no checklist of "prerequisites" as part of your Human Capital Contribution evaluation.

They include:

- Consistently High Quality of Work
- Consistently On Budget Projects
- Consistently On-Time Deliverables
- Consistently On-Time internal deliverables including entering hours and expenses, billing, and forecasting
- Positive Client Feedback, as determined by an annual third party client survey
- Process Mastery, Documentation, and Improvement

	90/10		70/30		50/50		0/100		YOE	
1 — O / R									0-2	
2 — O / R									2-4	0-2
3 — O / R									4-6	2-4
4 — O / R									6-9	4-6
5 — O / R									9-12	6-9
6 — O / R									12-15	9-12
7 — O / R									15+	12-15
8 — O / R										15+

Who Decides on Salary?

Your salary will be determined by your Team. Teams will decide on any updates to their team members' salary annually in January. Because there is a significant jump between salary tiers, it should not be assumed that salary increases will happen annually. Please see the "years of experience" guidelines on the matrix to get an idea of the typically expected trajectory for a stok team member. However, upon a "qualifying event" related to the Qualification factors listed above (ie. Getting a master's degree, or completing a credential), teams may elect to reconsider salary for that individual throughout the year.

What about inflation and living wages?

Annual cost of living adjustments (COLA) may be given to all Salary Tiers at the discretion of the Finance & Accounting Committee to account for inflation. Finance & Accounting will also annually utilize the Poverty in America: Living Wage Calculator to ensure that all team members are compensated enough to support themselves and their families above the poverty line, based on the actual cost of living in San Francisco. The Culture Committee may also make Market/Industry value adjustments to the matrix to ensure pay equity for team members with tenure compared to new hires.

Changes to Compensation Guidelines

Nobody's perfect, and neither are the compensation guidelines. We put a lot of love and care into the guidelines, but like all processes, there is room for improvement. The Culture Committee will make annual updates to the salary guidelines and salary matrix with input from the rest of the team.