



Are You Guilty Of Job Title Inflation?

Publication

3.28.11

As we move deeper into 2011 and continue to struggle with the economic climate, many North Texas employers who are short on cash may be looking for innovative ways to show employees their appreciation, in lieu of salary increases, with casual dress days, gym memberships, monthly happy hours, etc. Job title promotions, in place of salary increases, have also become more common. It is important to remember, however, that when a job title fails to reflect the actual duties and responsibilities of an employee, it can lead to unintended legal and practicable consequences.

Inflating job titles is nothing new. In fact, similar practices took place in the 1980s, as employers attempted to compensate overworked and loyal employees during a tough economy. However, the pitfalls and legal liabilities associated with this practice may outweigh its perceived, short-term financial benefits. While employers may desire to reward hardworking employees, they should think twice before giving "title-only" promotions. Such actions could end up doing the company more harm than good.

This article appeared in the March 28, 2011 edition of *Employment Law360*.