



A CASE STUDY OF RECLASSIFICATION EFFORTS AT PRIVATE NONPROFIT INSTITUTIONS

Reclassification can help financial aid offices attract and retain skilled staff, improve efficiency, and ensure roles align with institutional needs. Read more about our overall work on reclassification at nasfaa.org/reclassification¹.

This case study summarizes the interviews on reclassification efforts at five private nonprofit institutions and provides practical insights to help directors navigate the process effectively.

KEY DRIVERS AND COMMON PRACTICES FOR RECLASSIFICATION

Reclassification as Part of Institutional-Wide Job Evaluation Efforts

- Many directors initiated reclassification efforts in response to broader institutional reviews of job classifications, compensation structures, or career pathways. These university-wide initiatives provided an opportunity to assess financial aid roles compared to similar positions across campus.
- Some institutions attempted to streamline job titles, but directors found that the new classifications did not accurately reflect financial aid responsibilities, leading them to advocate for role-specific adjustments.
- Directors often had to educate HR on the complexity and compliance aspects of financial aid work to ensure positions were classified correctly.

Salary Adjustments and Staff Retention as Key Drivers

- Many directors pursued reclassification to address salary inequities and reduce staff turnover, mainly when experienced employees left for higher-paying jobs outside higher education.
- Some offices leveraged vacant positions or budget reallocations to secure salary increases and create new roles better aligned with office needs.
- Directors often had to provide benchmarking data from peer institutions to justify salary adjustments and classification changes to HR and leadership.

Navigating HR Processes and Institutional Bureaucracy

- Directors encountered a mix of formal and informal reclassification processes. Some institutions had well-defined HR policies, while others required directors to navigate unclear procedures.
- Many directors found HR approvals slow and highly bureaucratic, requiring persistence and multiple rounds of justification before changes could be approved.
- Collaboration with other student service offices helped some directors align their reclassification requests with broader institutional trends, increasing the likelihood of success.

The university was undertaking a classification study to update job descriptions and reevaluate market pay. We took this opportunity to assess financial aid positions and push for reclassification. It required rewriting job descriptions, having HR assess the roles, conducting follow-up interviews, and securing budget approval, which took about seven to nine months from start to execution.

Director, Private, Nonprofit institution.

We had significant turnover in our office, which gave us a window to rethink our structure. When key positions became vacant, I made the case for reclassification by demonstrating that we needed different job titles and responsibilities to better align with how our office functioned. It wasn't just about filling positions but rethinking them entirely to meet our long-term goals.

Director, Private, Nonprofit institution.

¹ This summary was written with the assistance of generative AI, 2025.

Broader institutional job evaluations, salary concerns, and complex HR processes often influence reclassification at private nonprofit institutions. Directors who successfully implemented reclassification efforts aligned their requests with university-wide initiatives, used salary benchmarking to justify changes, and strategically navigated HR bureaucracy. Many found that educating HR about the specific complexities of financial aid roles was essential to securing proper classification and pay adjustments. While the process was often slow and required persistence, those who framed reclassification to improve retention and operational efficiency saw better outcomes.

HOW FINANCIAL AID LEADERS NAVIGATE RECLASSIFICATION CHALLENGES

Transparency and Clear Communication

- Directors found that openly communicating about the reclassification process helped reduce staff anxiety and uncertainty.
- Even when no progress had been made, regular updates reassured staff that efforts were ongoing.
- Some directors were restricted from sharing details about reclassification efforts due to institutional policies or HR constraints. This created challenges in managing staff expectations and sometimes led to frustration or speculation. In these cases, directors focused on reinforcing long-term career growth and staff development and acknowledging concerns without making promises.
- Some institutions created structured career progression tools that outlined the skills and contributions needed for promotion, giving staff a clearer path forward.
- Directors emphasized the importance of preparing to answer questions once they were allowed to share information, ensuring clarity and support for staff when the time came.

Managing Staff Expectations and Emotional Reactions

- Directors acknowledged that reclassification can be significantly emotional, particularly, when salary adjustments are delayed or denied.
- To mitigate frustration, directors were honest about the financial and institutional limitations while reinforcing the long-term goal of improving job structures.
- Some institutions required employees to formally apply for reclassified positions, which created uncertainty among staff. Directors who prepared employees for this process early helped ease concerns.

Building Staff Engagement and Advocacy

- Directors who involved staff in reclassification discussions saw greater acceptance of the outcomes. Some encouraged staff to participate in department-wide conversations about evolving job roles.
- Offices that tied reclassification to professional development helped staff understand how their growth aligned with organizational goals, increasing morale and engagement.
- Leaders who positioned reclassification as part of a larger strategic vision, such as aligning financial aid with other student services, found it easier to secure institutional support.

Maintaining Trust and Morale Amid Confidentiality Constraints

- When restricted from sharing details, directors reassured staff that the process was ongoing and encouraged patience.
- Broad updates on timelines and next steps helped reduce speculation and frustration, even when specifics could not be disclosed.
- Staff were encouraged to document their evolving responsibilities to strengthen future reclassification requests.

I knew we needed to advocate for higher salaries, so I worked closely with HR and leadership to show how our pay scales were misaligned compared to similar positions in other student service departments. By gathering benchmarking data and framing the request as a retention strategy, we justified salary increases as part of our reclassification effort.

Director, Private, Nonprofit institution.

One of the things we did as a division was develop a tool that staff could use to document their accomplishments and open the discussion with their supervisor for a promotion. We wanted to be as clear as possible about their steps to advance, rather than having them feel lost in the process.

Director, Private, Nonprofit institution.

Transparency was key. I kept my team involved by explaining what we were requesting and why. I framed it as part of our office's long-term growth and improvement, not just a short-term fix. That helped staff stay engaged even when the process took longer than expected.

Director, Private, Nonprofit institution.

- Directors set realistic expectations by clarifying that reclassification aimed at job alignment rather than guaranteeing immediate salary increases.
- One-on-one conversations provided a space for reassurance and support while respecting institutional confidentiality policies.

SPECIFIC EXAMPLES OF RECLASSIFICATION EFFORTS

- **Standardizing Counselor Roles to Address Pay Inequities:** A director restructured financial aid counselor positions after identifying inconsistencies in job responsibilities. Despite budget constraints, they implemented promotions and salary increases for multiple staff members by adjusting job descriptions and advocating for a baseline salary.
- **Reclassifying a Compliance Role Through a Formal Hiring Process:** An institution reclassified a compliance role by integrating it into a new position. However, the university required a public search for the role, meaning the current employee had to reapply for their position formally. While risky, this allowed leadership to secure a title and pay adjustment for the staff member once they were officially rehired.
- **Conducting an Equity Review to Adjust Salaries:** To address salary inequities and staff retention concerns, a financial aid office conducted an equity review of all employees with the same job title. They examined years of service, experience, and pay positioning within salary bands, making targeted salary adjustments to better align staff.
- **Using a Vacancy to Restructure Leadership Roles:** One institution used a vacancy to restructure leadership roles. Instead of directly replacing the departing employee, they rewrote job descriptions. They split one assistant director role into two associate director positions, ensuring better workload distribution and leadership support within the department.

KEY TAKEAWAYS FOR FINANCIAL AID DIRECTORS

- **Reclassification should focus on institutional needs, not individuals.** Directors emphasized that HR and leadership respond better to proposals that align job roles with institutional priorities rather than individual employee performance.
- **Early collaboration with HR is critical.** Successful directors built relationships with HR partners early, ensuring they understood classification rules, salary structures, and institutional approval processes before formally submitting requests.
- **Institutional reviews and salary studies can be leveraged for reclassification.** Many directors used university-wide job evaluations or compensation studies as opportunities to push for financial aid-specific reclassifications and pay adjustments.
- **Managing staff expectations is key to maintaining morale.** Some directors faced restrictions on discussing reclassification efforts, which created uncertainty. Being honest about process limitations and focusing on long-term career growth helped maintain trust.
- **Retention concerns strengthened the case for reclassification.** Directors successfully advocated for salary adjustments by demonstrating that experienced financial aid professionals were being recruited for higher-paying jobs elsewhere.
- **Navigating HR bureaucracy requires persistence.** The reclassification process was often lengthy, requiring multiple rounds of justification and leadership approval. Directors who aligned requests with broader institutional trends saw better success.
- **Benchmarking against peer institutions helped justify changes.** Many directors used salary comparisons and job descriptions from similar institutions to support their reclassification proposals and strengthen their case for adjustments.

NEXT STEPS:

Applying These Lessons to Your Institution

Reclassification is a complex but valuable process for financial aid offices seeking to align job roles, responsibilities, and compensation with institutional needs. While this case study highlights real-world experiences from private nonprofit institutions, successfully implementing reclassification requires strategic planning, collaboration with HR, and strong advocacy.

Explore our [Tips and Resources for Reclassification](#) document for practical strategies, key considerations, and resources to guide your reclassification efforts. This companion guide provides actionable steps financial aid directors can take, including how to justify a reclassification request, navigate institutional processes, and manage staff expectations.

Visit NASFAA's [Career Awareness Toolkit](#), a comprehensive resource developed to help promote financial aid as a profession. The toolkit includes templates, outreach materials, and strategies to help raise awareness of the financial aid profession on campus and beyond.

For Employees Seeking Reclassification

If you are an employee looking to advocate for your reclassification — whether for a title change, salary adjustment, or better alignment of responsibilities — we have developed a dedicated guide to help you navigate the process. This resource provides practical steps to assess your role, gather supporting documentation, and approach your supervisor with a well-prepared request. For detailed guidance, access our [Employee Reclassification Guide](#).



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