



A CASE STUDY OF RECLASSIFICATION EFFORTS AT FOUR-YEAR PUBLIC 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 eight four-year public institutions and provides practical insights to help directors navigate the process effectively.

KEY DRIVERS AND COMMON PRACTICES FOR RECLASSIFICATION

Salary Inequities and Job Classification Discrepancies Spark Reclassification

- Many institutions identified pay gaps between similar roles across departments, particularly in positions like financial aid counselors, academic advisors, and career services staff.
- Salary studies or desk audits often revealed outdated job classifications that no longer matched actual responsibilities or were based on antiquated work functions that had evolved in complexity, leading to pay inequities and workload imbalances.
- In many cases, positions were not updated for decades, resulting in wage compression and employee dissatisfaction.
- Institutions that conducted salary benchmarking found they offered non-competitive wages, making it challenging to attract and retain employees.



Job descriptions were written for how the office functioned years ago—not for what we do today. That needed to change.

Director, 4-year public institution.

Reclassification Is Often Triggered by Leadership Changes or Institutional Reviews

- A new director, vice chancellor, or executive leader often initiates reclassification efforts to align staffing with their strategic vision.
- Leadership transitions frequently prompt organizational restructuring, shifting job duties to increase efficiency and better serve students.
- High staff turnover sometimes made institutions recognize that their job classifications and pay scales were outdated and uncompetitive.
- Institutions often use reclassification to transition from a transactional, processing-heavy model to a student engagement-focused structure.



As a director, I am never really “done” with reclassification. It is an ongoing process as our staff members themselves grow their own knowledge and career interests and as the needs of the financial aid office and our student population change over time.

Director, 4-year public institution.

The Process Is Lengthy and Bureaucratic, Often Lasting Over a Year

- Reclassification typically requires formal HR reviews, multiple approval levels, and compliance with state regulations, making it a slow and bureaucratic process.
- Even when leadership supports changes, institutions must work within rigid policies that create delays in job reclassification approvals.
- Institutions in unionized environments face additional challenges, as reclassification must align with collective bargaining agreements and established pay structures. (Please see more on our case study of reclassification at unionized institutions at nasfaa.org/reclassification.)
- Some institutions expected an extended reclassification process but faced further delays due to HR and legal requirements.

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

- Several institutions described reclassification as a lengthy, multi-year process, often lasting two to three years due to bureaucratic hurdles, additional data collection, and institutional approval delays. One institution initially expected a two-year process but saw it extended to three years as more salary and market data were required.
- Some directors noted that reclassification is a continuous process rather than a single event, requiring frequent adjustments over multiple years to address salary compression, staff departures, and evolving job responsibilities.

Financial aid directors should proactively conduct salary benchmarking to address pay inequities and prevent outdated classifications from leading to wage compression, staff dissatisfaction, and recruitment challenges. Leadership transitions and institutional reviews often drive reclassification efforts, making it crucial for directors to maintain clear documentation of job responsibilities and workload distribution. By engaging HR early and aligning staffing structures with institutional goals, directors can navigate reclassification more strategically and improve staff retention.

Proactively addressing these challenges — through regular salary benchmarking, leadership engagement, and strategic HR collaboration — can create smoother and more effective reclassification processes that benefit both employees and the institution.

We requested that human resources complete a salary study... after I had to push back with more industry-specific information to justify the changes.

Director, 4-year public institution.

HOW FINANCIAL AID LEADERS NAVIGATE RECLASSIFICATION CHALLENGES

Leaders Must Navigate Institutional Bureaucracy and HR Processes

- Even when leadership identifies a need for reclassification, they must work within established HR policies and approval channels, which can slow implementation.
- Leaders who engage HR early and align their proposals with institutional policies are more successful in moving reclassification efforts forward. It is important to learn the classification rules and what triggers differentiation.
- Intervening considerations are budgetary support to accompany reclassifications (i.e., reclassification may occur, but funding to increase wages/salary may be delayed or unavailable), as well as political considerations.

Successful Leaders Prioritize Staff Retention and Morale During Reclassification

- Effective leaders recognize that transparency, communication, and staff engagement are crucial in managing reclassification changes.
- Leaders who involve employees in discussions about career progression and job responsibilities tend to maintain higher morale and reduce turnover during reclassification efforts.

I complete a desk audit with every staff member to ask what they liked about their job, what they didn't like, what their strengths were... We then built positions around those discussions.

Director, 4-year public institution.

SPECIFIC EXAMPLES OF RECLASSIFICATION EFFORTS

Reclassification and Salary Redistribution of Vacant Positions:

- One institution reclassified a senior-level director position to a compliance and fund management position. To accomplish this, the director redistributed the salary from a vacant position to an entry-level salary and then used the savings to create the senior associate director position.

Rewriting and/or Updating Existing Job Descriptions, or Reclassifying positions to improve compliance:

- Two institutions restructured and rewrote position descriptions to focus on compliance and level of discretion. This allowed one institution to add employees at community and rural campuses who would report to their primary financial aid office for training and compliance. Another institution used the same strategy to increase the pay band of its front desk staff after working with human resources to highlight the differences in their roles and those of other counselors on campus.

- A financial aid officer was initially reclassified as a training specialist at another institution after another staff member left. The employee took on compliance and systems responsibilities as the role evolved, leading to another reclassification. Later, the same person was reclassified a third time to reflect their leadership responsibilities and justify a higher salary, making this an example of reclassification used for retention and professional growth.

Combining Positions to Create a New Role:

- One institution combined a scholarship and athletics position to create a new role, as they felt the previous structure did not best serve the office's needs. This allowed them to move savings into other efforts.

Reorganizing the Staffing Structure:

- One institution sought to promote an assistant director to an associate director role, but the university system lacked an official associate director title. To address this, the director rewrote the assistant director job description to align with the intended duties and submitted it for classification review. This reclassification allowed the office to create two associate director positions, structuring leadership into distinct front-end (student-facing) and back-end (operations and compliance) roles.
- An office identified inefficiencies in financial aid advisors managing multiple roles across different teams. To address this, the director used a vacant financial aid advisor position and reclassified it into a verification specialist. This shift significantly reduced processing time from 2-3 weeks to just a few days by assigning clear ownership of verification tasks to a single specialist. This specialization also allowed for better tracking, accountability, and workflow efficiency.

We were losing people faster than we could replace them. It was clear our job structures and salaries were part of the problem.

Director, 4-year public institution.

KEY TAKEAWAYS FOR FINANCIAL AID DIRECTORS

- **Reclassification is about the position, not the person.** Job classifications and descriptions should be based on institutional needs rather than tailored to individual employees. Reclassification should focus on aligning roles with strategic institutional goals rather than personal skills or preferences.
- **Engage HR as a partner early.** Successful reclassification efforts involve early collaboration with HR to understand classification rules, salary structures, and submission deadlines.
- **System constraints can prolong the process.** Institutions within larger university systems or unions often face additional bureaucratic steps, requiring careful navigation and patience.
- **Clear salary comparisons are crucial.** Financial aid roles are sometimes classified at lower salary levels than comparable admissions or academic advising positions, prompting the need for audits or reclassification.
- **Be transparent about funding and timelines.** Exploring and setting realistic expectations regarding budgets and the length of the reclassification process helps manage staff concerns and reduce frustration.
- **Technical expertise is increasingly valued.** Some institutions have reclassified positions to business analyst or technology-focused roles to address the growing need for financial aid staff with technical expertise.
- **Retention strategies include reclassification.** Reclassification is often used as an employee retention tool by offering salary increases and career advancement opportunities to key staff, particularly in high-responsibility positions like compliance and student loans.
- **Avoid assumptions about employee career goals.** Not all high-performing employees want promotions, especially if they involve supervisory duties, which they may not be interested in.
- **Cross-department collaboration is key.** Coordinating with other offices undergoing reclassification, such as admissions and the registrar's office, helps create alignment and shared best practices.
- **Specialization improves efficiency.** Many offices have shifted from generalist to specialist roles, improving workflow, compliance management, and overall office efficiency.
- **Job equity matters across campus.** Some directors faced challenges in reclassifying financial aid roles due to concerns about how changes would affect job classifications in other departments, requiring negotiation and justification.
- **Formal processes and HR policies vary.** Some institutions have clearly outlined HR policies for reclassification, while others have had to navigate an unclear and evolving process.
- **Title changes can impact pay scales.** Renaming positions to emphasize compliance, technology, or advising responsibilities often helps justify higher salaries and secure HR approval for reclassification.
- **Reclassification is an ongoing effort.** Staffing needs and job responsibilities continuously evolve, making reclassification an ongoing process rather than a one-time event.

- **Financial aid is often viewed as a 'Black Box.'** Some directors found that financial aid offices are siloed from other campus departments, making it challenging to advocate for classification changes without broader institutional awareness.
- **The level of discretion in roles can influence classification.** Institutions that successfully reclassified positions often highlighted the level of independent decision-making and compliance responsibility required of financial aid staff.
- **Leadership transitions often drive reclassification.** Many large-scale reclassification efforts were initiated when a new director or senior leader took over and sought to align financial aid operations with broader enrollment management strategies.
- **Communications and outreach roles are increasing.** Several institutions have added or reclassified positions to focus on student outreach and communication, recognizing the importance of proactive engagement.

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 four-year public 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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