

# Broadbanding in State Government

- The South Carolina Experience -

# Overview

- **Circumstances Leading to System Reforms**
- **South Carolina's Compensation Structure and Philosophy**
- **Impact of the Changes**
- **Lessons Learned**

# Circumstances Leading to System Reforms

- **South Carolina's political environment**
- **A general climate of change**
- **Perceived problems with previous system**

# Purpose of the Reforms

- **Simplicity**
- **Flexibility**
- **No more “one size fits all”**
- **Better management of state government**

# South Carolina's Compensation Structure and Philosophy

# Previous Compensation Structure

- 2,500 classes
- 50 pay grades with 4% differences between grades
- 500 classes with only one position
- Dependence on reclassification as a means of salary advancement
- Partially decentralized classification and compensation authority

# New Compensation Structure

- **Approximately 500 job classes**
- **10 pay bands (85% width; 22% difference between bands)**
- **Considerable decision-making authority at the agency level**
- **In-band pay increases for legitimate reasons**
  - **Performance**
  - **Additional Duties**
  - **Additional Skills**
  - **Retention**

# Impact of the Changes in South Carolina

# Impact of Changes for Central Administrative Agency

- **Less emphasis on approval; more emphasis on support and equipping**
- **Development of additional services to better assist agencies in HR management**
- **Focus on aligning our resources and program initiatives with customer needs**
- **Need for “generalists” to assist agencies**
- **Creation of HR Consulting Services**

# Impact of Changes for State Agencies

- **Opportunity to make greater contributions to the mission of the agency**
- **More accountable for end results**
- **Required to be more proactive**
- **New skills are needed to design and implement agency-specific approaches to compensation administration**

# Lessons Learned

# Key Design Questions to Consider

- **How narrowly should job classes be defined?**
- **How should an employee's pay move?**
- **Who should make the decision?**
- **How will budget resources be managed?**

# Implementation Issues to Consider

- **Communication**
- **Transitional issues**
- **Employee morale**
- **Documentation needs are different**
- **Need to determine tolerance for variance among different employers within the system**

# Plans for the Future

- **Greater emphasis on consulting to continue to develop the capacity of agency HR managers**
- **Desire to provide agencies with greater access to market data to facilitate better decision-making**

Questions?