Economics aside, a workforce recession hit the South Carolina Department of Transportation in 2008. Starting that year and continuing until the last two months of 2014, the agency saw its total employment fall from a full roster of nearly 5,100 full-time equivalent (FTE) employees to a low of just more than 4,100.

The downward trend accelerated over the years, with the agency reporting to the state legislature in 2015 that “SCDOT’s overall turnover rate increased from 10 percent in 2008-2009 to 13 percent in 2013-2014. The turnover rate for our entry-level trades position was 26 percent in 2013-2014. State government turnover rate for 2013-2014 was 14 percent. Employees in trades job classifications represent approximately 45 percent of our full-time equivalent positions.”

Those statistics highlight the fact that the declines resulted primarily from voluntary separations by road crew workers—the “trades job classifications” mentioned above. SCDOT Director of Human Capital Investment Charles Brown called these employees the most essential. “These are the guys who fix the potholes and go out during hurricanes,” he said, citing both the constant infrastructure improvements needed to keep traffic moving and the emergency repairs performed following major storms.

Hiring did not exactly suffer during the eight-year period of workforce attrition. The biggest problem was that many newly hired SCDOT trades workers would complete their probation, earn their commercial driver’s licenses and quickly request transfers to other state agencies or leave for jobs in the private sector.

“Internally,” Brown said, “we joked that our ‘T’ stood for ‘Training’ rather than ‘Transportation’ because we were losing people so quickly.”

Reversing the trend required reengineering how SCDOT workers got paid and recognized for their successes on the job. Refocusing recruitment also played a significant role.

As part of a straightforwardly named “Restructuring & Seven-Year Plan,” agency executives worked with the state Division of Human Resources to increase minimum salaries for maintenance and entry-level SCDOT employees. Bonus programs were redesigned to make them more performance-based and more highly valued by both supervisors and workers. Job ads were written.

Implementing the changes led to SCDOT’s workforce rising to 4,375 in January 2015. It has inched upward since, with Brown saying that he and his colleagues would now consider the agency fully staffed at 5,000 FTEs. Brown recently took time to discuss what worked with *HR News*. 

---

By Ed Lamb

**Paving the Way to Worker Retention at SCDOT**
Using Money Already Available

Targeted salary adjustments to employees classified in the trade services appear to have done the most to attract and keep long-term SCDOT employees. “We had good market data on needing competitive pay,” Brown said, explaining that staff reviewed pay rates across cities, counties and construction companies in South Carolina. His agency also performed an internal climate survey during August-September 2014 that highlighted dissatisfaction with pay rates.

After implementing across-the-board raises for the 2014-2015 fiscal year, SCDOT also launched merit-based salary increases. As many as 10 percent of workers in each department can earn raises of 5-10 percent. Supervisors recommend employees for the raises, and department heads make final decisions. To ensure everyone has opportunities to receive merit raises, an increase can only be awarded to a SCDOT worker once every two years.

Asked how the agency found the money for the general and merit raises, Brown said that the funds already existed. The agency was authorized to employ approximately 5,100 FTEs but was spending far less than that on salaries. The difference between budget resources and actual personnel expenditures represented an opportunity.

“We figured out that we could fund the raises from the delta between what the state gave us to pay workers and what our current payroll was,” Brown said. “Otherwise, if we didn’t spend what we had on hand, we’d just send money back.”

Brown and colleagues recognize that continued workforce growth will make “extra” payroll monies less available. Still, with full employment not expected at SCDOT until 2018, time exists to adjust budget requests and develop other programs for retaining workers.

Making Incentives Meaningful

A supplementary retention effort already in place involves giving workers cash bonuses for exceptional performances. The criteria for earning one of the $100, $200 or $500 awards are only broadly defined, but bonus money itself is limited to a common pool. Decentralizing decision making while centralizing funds keeps the employee recognition program on budget and on message, according to Brown.

He explained that requiring supervisors to state the exact reason for an award, specify the dollar value and draw from a shared account has eliminated “participation trophies.” Previous bonus programs under which departments could spend up to 10 percent of their own funds on bonuses led to situations in which each employee received an equal share of extra money regardless of performance.

“A bonus really isn’t a bonus if everybody gets a cut of the bonus money,” Brown said. “If you want people to feel incentivized, you have to offer an actual incentive.”

Recruiting Willing Workers

In addition to offering more pay and boosting morale through meaningful recognition, SCDOT has shored up its workforce by improving recruitment programs. One of the simplest fixes has been ensuring that job postings for road crew positions are clearly labeled as such.

Brown recalled, “Our most abundant positions were listed on the state jobs website as ‘trade specialist.’ Yes, that is the classification, but it didn’t necessarily mean anything to people looking for jobs. So we have begun advertising the position as ‘highway maintenance worker’ so people will know what the job is.”

SCDOT has also begun setting up booths at more local job fairs and sending more representatives to visit vocational programs for high school and community college students. “A lot of getting the right people is just making sure they know we have jobs available that they can do well and be happy with,” Brown said.

Brown is pleased that improved communication and greater outreach are succeeding in attracting new employees who appear disposed to stay with SCDOT. “It’s great to see that the agency’s workforce is growing at the same time as the economy grows,” he said. “It would stand to reason we could get workers when no one else was hiring, but we’re still growing when candidates have options.”

Ed Lamb is a freelance editor and writer in Virginia Beach, Va. He can be reached via email at thoroughcursor@gmail.com. —

WWW.IPMA-HR.ORG

WWW.IPMA-HR.ORG