

APPENDIX E. WORKFORCE PLAN

CURRENT WORKFORCE PROFILE

GENDER AND AGE

The Commission currently has a legislative appropriations cap of 431.6 full-time equivalent (“FTE”) positions for Fiscal Year 2012 and Fiscal Year 2013. As of March 31, 2012, the Commission employed 259 agency staff FTEs and 92 contract FTEs. The Commission’s current workforce is approximately 71% male and 29% female. Approximately 80% of the agency’s employees are age 40 and over, while only 5% are under age 30. The average age of Commission employees is 46.13 years and the median age is 50.26 years. With only about 20% of the Commission’s workforce under the age of 40, the agency must aggressively plan to ensure continuity of the institutional knowledge and experience represented by its employees who are eligible to retire before the end of Fiscal Year 2017.

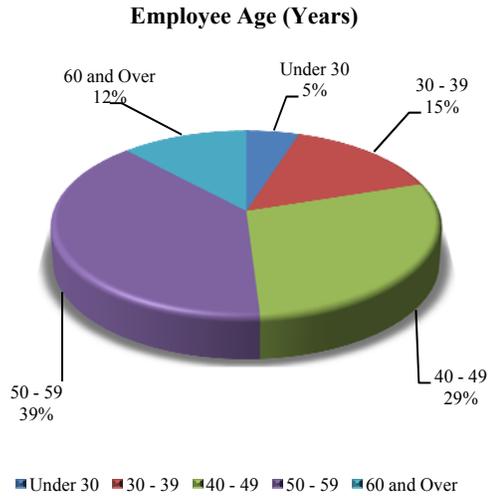


Figure 1. Employee Age as of March 31,

EQUAL EMPLOYMENT OPPORTUNITY JOB CATEGORIES

The Commission has a highly educated workforce with many professional employees holding advanced degrees or credentials. Additionally, many technical employees hold various licenses and certifications. Of the Equal Employment Opportunity (“EEO”) job categories, the Professional category has the greatest number of agency employees and this category represents 39% of the Commission’s workforce. The combined categories of Technicians, Skilled Craft, and Service Maintenance together represent the second largest number of Commission employees, for a total of 43% of the agency’s workforce. Professional and technical employees together represent 82% of the Commission’s staff.

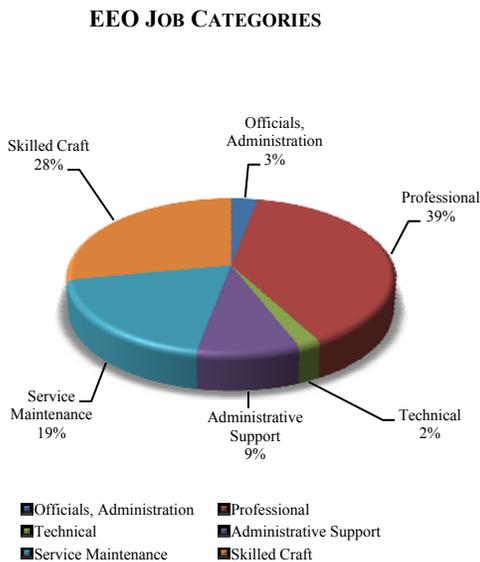


Figure 2. Equal Employment Job Categories

WORKFORCE DIVERSITY

The Commission is committed to providing equal opportunities for employment. Employment decisions are not influenced by race, color, religion, sex, national origin, age, or disability. The agency makes every effort to recruit, select, and retain a qualified workforce that is representative of the state’s civilian labor force and the Commission will continue to work diligently to meet the equal employment goals of the State of Texas.

As of March 31, 2012, African Americans and Hispanics comprised 40% of the Commission’s workforce. The following table provides a comparison of the agency’s labor force with the state’s labor force.

EEO JOB CATEGORY	AFRICAN AMERICAN		HISPANIC AMERICAN		FEMALE	
	State*	TFC	State*	TFC	State*	TFC
<i>As of 03/31/2011</i>						
Officials/Administrators	10%	0%	13%	20%	51%	16%
Professionals	11%	9%	16%	14%	56%	35%
Technicians	14%	0%	22%	10%	54%	10%
Administrative Support	19%	5%	29%	35%	89%	75%
Skilled Craft	8%	13%	24%	26%	5%	0%
Service Maintenance	29%	35%	25%	39%	51%	31%

**data taken from EEO and Minority Hiring Practices Report Fiscal Year 2011*

TENURE

The Commission is hiring more employees from the private sector with little or no prior state service. Approximately 53% of Commission employees have less than five years of agency service, with 22% having been with the agency for less than 2 years. Only 9% of Commission employees have 15 or more years of service with the agency. The average state service time is 4.17 years and the median state service time is 7.69 years.

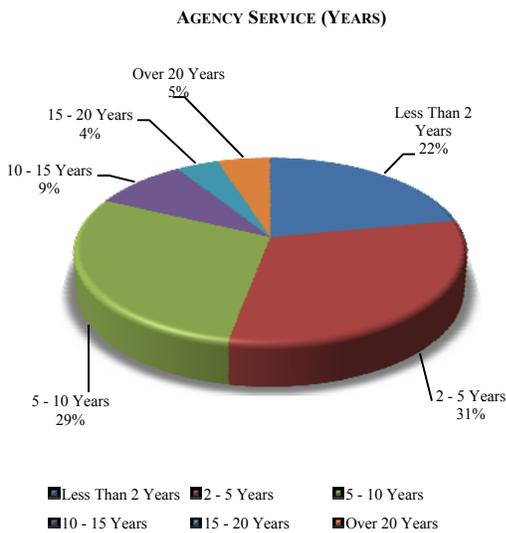


Figure 3. Employee Agency Service as of March 31, 2012

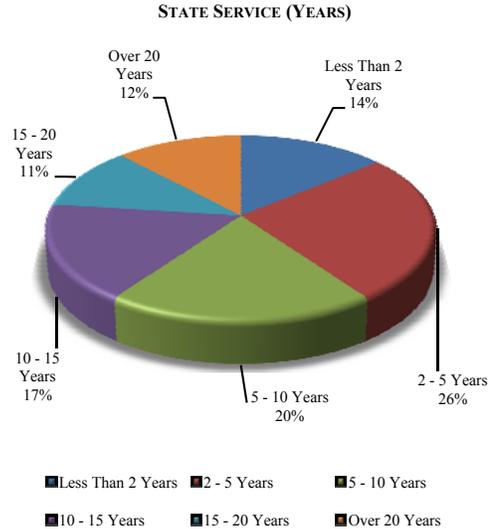


Figure 4. Employee State Service as of March 31, 2012

EMPLOYEE TURNOVER

Employee turnover is an area of concern for any organization, including the Commission. The loss of institutional knowledge and experience impacts the agency’s ability to function at maximum efficiency. High staff turnover not only has an adverse effect on the operational program in which it occurs, it also puts added strain on human resources and payroll staff.

From Fiscal Year 2007 through Fiscal Year 2010, the Commission’s employee turnover rate was below that of state government overall. In Fiscal Year 2011, the agency’s employee turnover rate slightly exceeded that of the state. Of particular note is the fact that 60% of employees separating from the Commission in Fiscal Year 2011 had five years or less service with the agency.

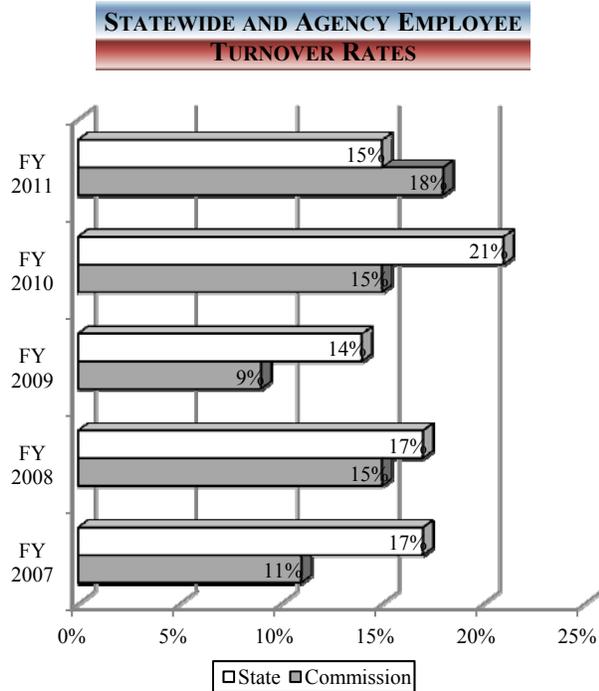


Figure 5. Statewide and Agency Employee Turnover Rates

FY 2011 SEPARATING EMPLOYEES LENGTH OF AGENCY SERVICE

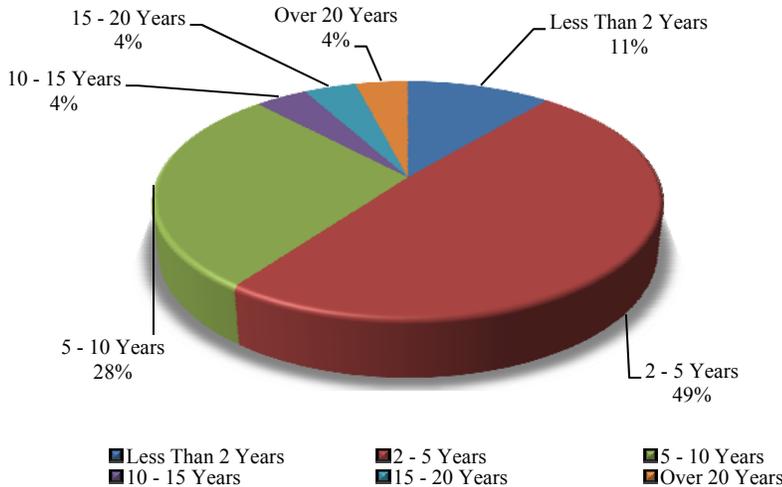


Figure 6. FY 2011 Separating Employees Length of Agency Service

ELIGIBLE RETIREES

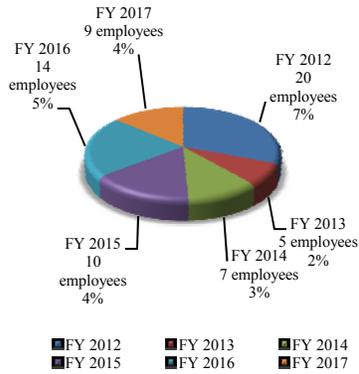


Figure 7. Eligible retirees

As shown in the chart in Figure 8, the largest percentages of Commission employees who will become eligible to retire in the next six years are in the Professional, Service Maintenance, and Skilled Craft categories.

RETIREMENT ELIGIBILITY

Employees over the age of 40 comprise 80% of the Commission’s Fiscal Year 2012 workforce and approximately 25% of the agency’s current workforce will be eligible to retire between Fiscal Year 2012 and Fiscal Year 2017. When considered by EEO job categories, 39% of the Commission’s employees in the Professional category and 44% of the agency’s employees in the Technical, Service Maintenance, and Skilled Craft categories will be eligible to retire within this timeframe.

ELIGIBLE RETIREES BY EEO JOB CATEGORY

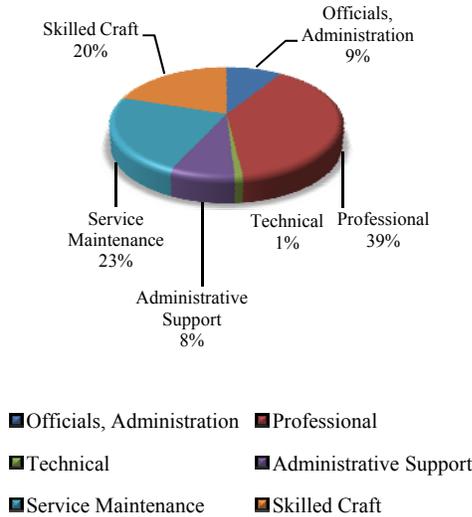


Figure 8. Eligible retirees through FY 2017 by EEO Job

CURRENT AND FUTURE WORKFORCE CHALLENGES

LABOR MARKET AND TRENDS

The Real Estate Center at Texas A&M University reports that the Texas labor market continues to grow, with the state’s nongovernmental sector adding 291,000 jobs from March 2011 to March 2012. This figure represents an annual growth rate of 3.4% for Texas compared with 2% for the nation during the same period. All Texas industries had more jobs in March 2012 than in March 2011 but the state’s government sector continues to lose jobs, with a reduction of 54,800 jobs during this period representing an annual decline rate of 2.9%. According to the U.S.

Department of Labor, Bureau of Labor Statistics (“BLS”), the seasonally adjusted unemployment rate for Texas was 7%, marking the seventh consecutive month of decline in the state’s unemployment rate, which has remained below the national unemployment rate for 63 months. The BLS unemployment rate for Austin/Travis County was 5.9% in March 2012.

According to information from BLS, projected changes in employment between 2010 and 2020 include regaining some jobs that were lost during the downturn. The recent recession had a particularly severe impact on jobs in construction, with 2 million construction jobs lost between 2006 and 2010. Although employment in construction is projected to grow rapidly, it is not expected to return to its pre-recession employment level by 2020. Even so, construction trades workers, such as electricians, plumbers, and carpenters, are projected to account for most of the new jobs in construction. These projections, combined with the relatively low unemployment rate in Travis County, means the Commission is competing directly with the private sector for available construction trades workers to fill critical vacancies in program areas that perform core functions of the agency.

Data from BLS show that growth in the labor force has been affected significantly by the aging of the baby-boom generation—persons born between 1946 and 1964 and now ranging in age from 48 to 66 years. From 2002 to 2012, this age group showed an annual growth rate of nearly 4 times the rate of growth of the overall labor force. The effect of these numbers can be seen in the average and median ages of Commission employees as well as in the projected percentages of agency employees eligible for retirement.

RETIREMENTS AND TURNOVER

As stated previously, employee turnover is an area of concern for any organization, including the Commission. The loss of institutional knowledge and experience impacts the agency’s ability to function at maximum efficiency. While the Commission has generally experienced lower turnover rates than state government overall, staff turnover not only has an adverse effect on the operational program in which it occurs, it also puts added strain on human resources and payroll staff.

With approximately 25% of the Commission workforce being eligible to retire through calendar year 2017, the agency foresees the potential for a significant loss of key personnel and institutional knowledge. The largest percentages of Commission employees who will become eligible to retire in the next six years are in the professional, service maintenance, and skilled craft categories. When these factors are considered in conjunction with the facts that 80% of Commission employees are over the age of 40 and 53% of agency employees have five years or less of agency service, this loss of experienced managers and technical specialists becomes even more critical. It is imperative for the agency to ensure that this organizational knowledge and expertise is not lost but is transferred at a steady pace. This is being addressed through increased emphasis on cross training and professional development at all levels of the organization as well as on the documentation of internal policies and operational procedures.

STRATEGIC INITIATIVES

EMPLOYEE RECRUITMENT AND RETENTION

The Commission will continue to identify and implement participatory and progressive workforce practices to promote and support a well-trained and highly motivated workforce. Recruiting and selecting the best employees is crucial to the agency's success. Managers and supervisors will be trained on best practices for the hiring process to provide them with the skills necessary to select the most qualified applicants. The use of clearly-defined career ladders will allow current employees the opportunity to be rewarded for their performance and to advance within their chosen field, as the budget allows. When vacancies exist, hiring at entry- or journey-level where possible, and utilizing these established career ladders will encourage a culture of positive reinforcement for exceptional job performance and will assist the agency in employee retention. The Commission will develop and implement a strategy to create a technical career path that will give employees in highly-skilled, technical positions a means of career advancement comparable to that of managers and supervisors, again as the budget allows.

Retaining these quality employees in today's competitive labor market poses another challenge. Rewarding exceptional performance, providing meaningful staff development opportunities, and promoting and encouraging career growth will aid in the agency's retention efforts. A training needs assessment is planned in order to ensure that all employees receive continuous training and professional development opportunities that are relevant to the Commission's day-to-day operations. However, successful implementation of training and professional development plans is subject to availability of adequate funding. In light of budget constraints, in-house training will be provided to address needs in areas such as IS training and basic and advanced supervisory skills. The agency will ensure available resources and opportunities are distributed fairly and equitably throughout the workforce.

SUCCESSION PLANNING AND FUNCTIONAL CROSS-TRAINING

The Commission strives to maintain a qualified and diverse workforce that is committed to public and customer service and that possesses the skills needed to successfully carry out the mission and core functions of the agency. However, retirements and attrition can result in a significant loss of institutional and technical knowledge. Many of the pending retirements over the next five years are either managers or staff with senior-level technical expertise. In order to address any deficits between the current agency workforce and future demands, the Commission is continuing to systematically document business processes and procedures and to cross-train employees to ensure that organizational knowledge is transferred at a steady pace. Critical and core competencies are continually reviewed and updated for all posted job descriptions and standards. Employee job descriptions are reviewed and updated to ensure they accurately reflect current duties and requirements.

These measures to address current and future workforce challenges and to enhance work performance by improving employee knowledge and technical skill will allow Commission employees to continue to provide excellent service to the agency's many customers.