

Workforce Plan

Fiscal Years 2013–2017

SUBMITTED BY THE

Texas Department of Information Resources

Excerpted from the Department's Agency Strategic Plan for FY 2013–2017

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Workforce Plan

I. Agency Overview

DIR provides statewide leadership and oversight for the management of government information and communications technology. DIR's responsibilities and authority have evolved since its creation in 1989. In 2005, the 79th Legislature (HB 1516) mandated the state to restructure the roles and responsibilities of agencies' investments in information and communication technology. DIR has served in a leadership role to facilitate the state's economic competitiveness through its ability to deliver quality information resources commodities and services at the lowest prices and best value for Texas state government, education, and local government entities.

A. Mission

The mission of the Department of Information Resources is to provide technology leadership, solutions, and value to Texas state government, education, and local government entities to enable and facilitate the fulfillment of their core missions.

To support the mission, DIR has five objectives:

- solve common business problems through managed services
- deliver business value and maximize buying power through integrated technology supply chain services
- provide leadership to secure the state's technology assets and promote appropriate use of citizen information
- enhance statewide technology management and collaboration
- deploy value-added technology solutions to meet agency core missions and serve Texas citizens

B. Strategic Goals and Objectives

Goal A Promote Efficient Information Resources Policies and Systems

Promote a statewide environment that encourages efficient use and management of information resources and assist the state leadership in achieving its goals through advice and recommendations on information resources issues

Objective 01 Planning and Alignment

Enhance the statewide enterprise management of information resources by producing the biennial Statewide Information Resources Strategic Plan and performance reports, issuing statewide recommendations, reviewing national and international standards with recommendations for state applicability, providing information resources education that facilitates continuing education certification requirements for IRMs, and securing state assets

Strategy 01 Statewide Planning

Produce the biennial Statewide Information Resources Strategic Plan and related performance reports and analyses, issue statewide recommendations,

provide a technology trends and management practices education forum for state agency personnel including IRMs, and conduct interagency and intergovernmental workgroups

Strategy 02 Rule and Guideline Development

Develop rules and guidelines that establish statewide technology standards and best practices for agencies to manage and align their technology with their business environments and to guide effective project delivery

Strategy 03 Statewide Security

Develop statewide security standards for information resource assets and support the state's Homeland Security efforts through technical analysis, training, and awareness efforts, and proactive prevention, threat reduction, and response to cyber security threats

Goal B Manage Cost-Effective Service Delivery of ICT Commodities and Services

Assist state agencies and other governmental entities in achieving their objectives through the most cost-effective acquisition and delivery of ICT commodities and services

Objective 01 Improve Acquisition

Maximize the state's buying power for ICT commodities and services

Strategy 01 Contract Administration of Commodities and Services

Manage a procurement infrastructure for ICT commodities and services that maximizes the state's volume buying power and enhances the quality of purchases by negotiating, managing, and monitoring [cooperative] contracts.

Objective 02 Consolidation/Shared Services

Provide consolidation/shared ICT services to state agencies and other government entities in Texas and other states

Strategy 01 Data Center Services

Implement, monitor, and maintain consolidated data center services

Strategy 02 Texas.gov

Manage contract for Texas.gov, the electronic Internet portal for the state

Strategy 03 Shared Services/Technology Centers

Implement, monitor, and maintain shared ICT services, comprising either voluntary services as an option to agencies or services provided through a technology center

Goal C Telecommunications

Assist governmental entities in secure and cost-effective usage of network services

Objective 01 CCTS

Provide a Capitol Complex Telephone System basic station rate that is five percent or more below the estimated average local exchange carrier price for basic business service

- Strategy 01 Capitol Complex Telephone
 - Maintain and increase the capabilities of the Capitol Complex Telephone System
- Objective 02 Telecommunications
 - Provide secure telecommunications services that deliver business value through use of traditional utility methods (legacy TEX-AN) and through converged IP communications services (enhanced TEX-AN) that, on a statewide basis, are below average industry prices when compared to a sampling of rates published by service providers registered with the Texas PUC for Intralata and Interlata providing like voice traffic, data, and other media services to customers in Texas
- Strategy 01 Network Services
 - Maintain statewide network services and provide a shared infrastructure to support converged IP communications services
- Strategy 02 Network and Telecommunications Security Services
 - Provide converged network security services, including telecommunications networks, that encompass network assessments and monitoring as a proactive means to identify and remediate vulnerabilities and external network threats for participants of the state’s network security and operations center and security services for other eligible entities when requested and approved

Goal D Historically Underutilized Businesses

Encourage and effectively promote full and equal opportunities for small and minority businesses in state contracting through education, communication, training, awareness, and outreach

- Objective 01 Meet or Exceed HUB Utilization Goals
 - Meet and/or exceed the state’s utilization goals as follows: 20 percent for professional service; 33 percent for other services; 12.6 percent for commodities
- Strategy 01 Maximize Participation
 - Promote and increase DIR’s internal contracting opportunities
- Objective 02 Provide HUB Avenues through Cooperative Contracts
 - DIR’s [Cooperative] Contracts Program will maximize HUB participation and increase awareness of opportunities
- Strategy 01 Maximize Cooperative Contracts HUB Avenues
 - DIR will continue to develop and implement initiatives that support good faith efforts through partnership with Texas Association of HUBs; sponsoring networking events that allow HUBs to network with prime vendors; advertising and informing HUB vendors about DIR’s future contracting opportunities; attendance at pre-bid conferences; establishing HUB relationships with various minority organizations

C. Business Functions

DIR is responsible for delivering a shared technology infrastructure to more effectively plan for and manage the state's investment in information and communications technology. Through implementation of managed service delivery offerings that include data center services, communications technology services, and the state web portal—Texas.gov—DIR plays a lead role in guiding the enterprise transformation to a shared, secure statewide technology infrastructure.

DIR manages a procurement infrastructure for information and communications technology commodities and services, which maximizes the state's volume buying power and enhances the quality of purchases by negotiating, managing, and monitoring cooperative contracts.

DIR provides converged network security services, including telecommunications networks, that encompass network assessments and monitoring, as a proactive means to identify and remediate vulnerabilities and external network threats for participants of the state's network security and operations center and security services for other eligible entities when requested and approved.

Additionally, main functions that DIR supports to implement the agency goals and objectives include responsibility for

- producing the State Strategic Plan for Information Resources Management and related performance reports and analyses, issuing statewide recommendations, providing a technology trends and management practices education forum for state agency personnel, including IRMs, and conducting interagency and intergovernmental workgroups
- developing rules and guidelines that establish statewide technology standards and best practices for agencies to manage and align their technology with their business environments and to guide effective project delivery
- developing statewide security standards for information resource assets and supporting the state's Homeland Security efforts through technical analysis, training, and awareness efforts, and proactive prevention, threat reduction, and response to cyber security threats

D. Anticipated Trends and Changes that Will Impact Organization

DIR anticipates that the following business trends will affect the workforce needs of the agency.

1. Short-Term Trends

DIR will work with the 28 DCS agencies to support successful transformation and consolidation of agency data center and disaster recovery operations to improve efficiencies and performance. Sharing data center services will leverage economies of scale and improve security and disaster recovery capability, while maintaining or improving existing service levels and reducing costs. As agencies migrate to the data centers over the next two years, benefits will accelerate through opportunities to share infrastructure and consolidate hardware. The state will have increased visibility into data center services, and common shared processes will allow stronger management controls and enable greater efficiencies.

DIR will position TEX-AN to provide innovative methods for delivering comprehensive communications solutions that will allow agencies greater choice. DIR will serve as a trusted partner and advocate for each agency customer. A governance structure has been established that ensures operational visibility and performance management oversight across all service providers. As the state's communications technology sourcing agent, DIR will be accountable for the service delivery and performance of the communications

technology solutions delivered through its contractors, and will ensure customers are receiving the best value that meets their business needs.

DIR will position Texas.gov to drive e-government transformation in the state. The emphasis will be on serving citizens in real time with interactive and collaborative applications. The state portal will also seek to promote technological innovation. Incentives must be developed to fund new and innovative applications, including those that do not generate revenue.

DIR's cooperative contracts program has evolved into a high-performance procurement model. By leveraging state purchasing power to drive down costs, the program provides a very competitive procurement channel to thousands of public sector entities across Texas. DIR will focus on business intelligence and analytics to transform the cooperative contracts program and provide further cost savings to customers. DIR will continue to evaluate new contracting opportunities to meet customer demand. Additionally, DIR will enhance and simplify the manner in which customers utilize its contracts.

DIR remains committed to promoting activities and best practices around security and privacy issues in the state. For most business and government organizations, major computer security incidents that have significant financial, accountability, and operational impacts will continue to proliferate. DIR will work with state agencies, institutions of higher education, and other stakeholders to implement each of the strategies of the *State Enterprise Security Plan* and to improve capabilities to identify and reduce cyber security risks. DIR will continue to deliver, enhance, and expand the services provided through the NSOC and the Chief Information Security Office. Additionally, DIR will support the state's Homeland Security efforts through technical analysis, training, and awareness efforts, and proactive prevention, threat reduction, and response to cyber security threats.

Technology delivery systems will continue to expand. Subscriptions to software services hosted by vendors will reduce capital spending, untether applications from specific hardware, eliminate the need to maintain equipment, and lessen dependence on product licenses.

There are financial incentives, through cost savings and cost avoidance, to share hardware among multiple users, referred to as "cloud computing." Additionally, users will experience no degradation of hosted application response time due to increasing levels of high-speed bandwidth, making cloud computing not only feasible, but also desirable. Governmental entities that share common business processes, such as school districts, could benefit from using such software-as-a-service models.

Consumerization of technology and end users' preferences will drive software, hardware, and service acquisitions. Use of personal e-mail packages, instant messaging, and mobile devices to mix personal and business activities will increase the risk to agency information resources by jeopardizing the reliability of security controls that protect sensitive information. Concurrently, there will be increased citizen expectations for government transparency and accountability for the security and privacy of their personal information.

Online tools such as wikis, blogs, and social networking will be used increasingly to develop teaching strategies that combine multiple learning methods and approaches to deliver training that is contextual and relevant to employees' work.

Institutions of higher education will need to develop adaptable computer science and engineering curricula to meet the continuing skill shortages in IT workers. Public (K-12)

schools will need to offer and provide incentives for science and mathematics programs so that students are prepared for college coursework in information technology.

2. Long-Term Trends

Texas workforce demographics will change considerably. Baby boomers are retiring and the young people expected to replace them are more technologically savvy. To attract and keep these younger workers, agencies will need to adopt new techniques, technologies, and processes.

Health information technology will continue to be implemented and integrated among medical facilities and personnel, government agencies, research universities, and insurance companies. Individuals may assume more responsibility for their own records and access them from hosted storage facilities over the Internet. Security issues will continue to be a top concern along with protection of individual privacy.

II. Current Workforce Profile (Supply Analysis)

A. Critical Workforce Skills

DIR's talented workforce remains its greatest resource. State agencies continue to be called upon to do more with less. As the economy improves, state government will struggle to compete with higher salaries in the public sector.

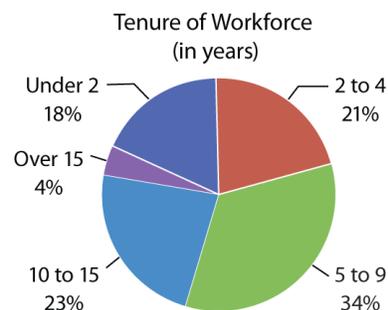
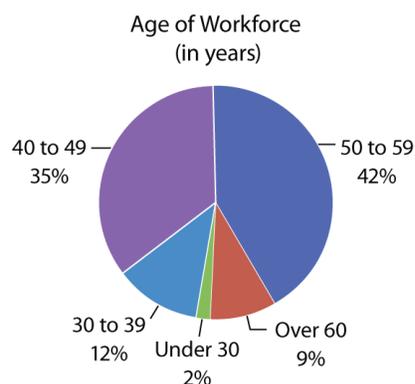
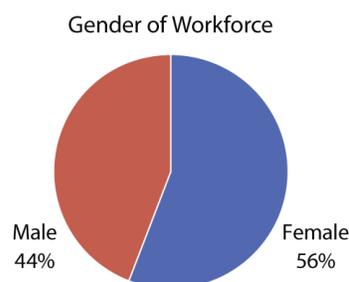
There are a number of skills that are critical to the agency's ability to operate effectively and efficiently, execute the agency's business functions, and fulfill its legislative mandates. These critical skills include those in the areas of customer service, contract management and negotiations, information and communications technology systems analysis, government accounting, network management, project management, web administration, security analysis, and data center operations management.

B. Workforce Demographics and Utilization

In June 2012, DIR had a total head count of 188. The agency is authorized to have 227.1 full-time equivalent (FTEs) employees. The adjacent charts profile DIR's current workforce and include both full-time and part-time employees. The agency's workforce is composed of 12 percent more females than males. Eighty-six percent of employees are age 40 and older, while 39 percent have fewer than five years of DIR service.

The DIR Workforce Utilization Analysis chart (next page) compares DIR's percentages of African American, Hispanic, and female employees to the statewide civilian workforce, as reported by the Texas Workforce Commission's Civil Rights Division. The chart illustrates

DIR Workforce Demographics
May 1, 2012



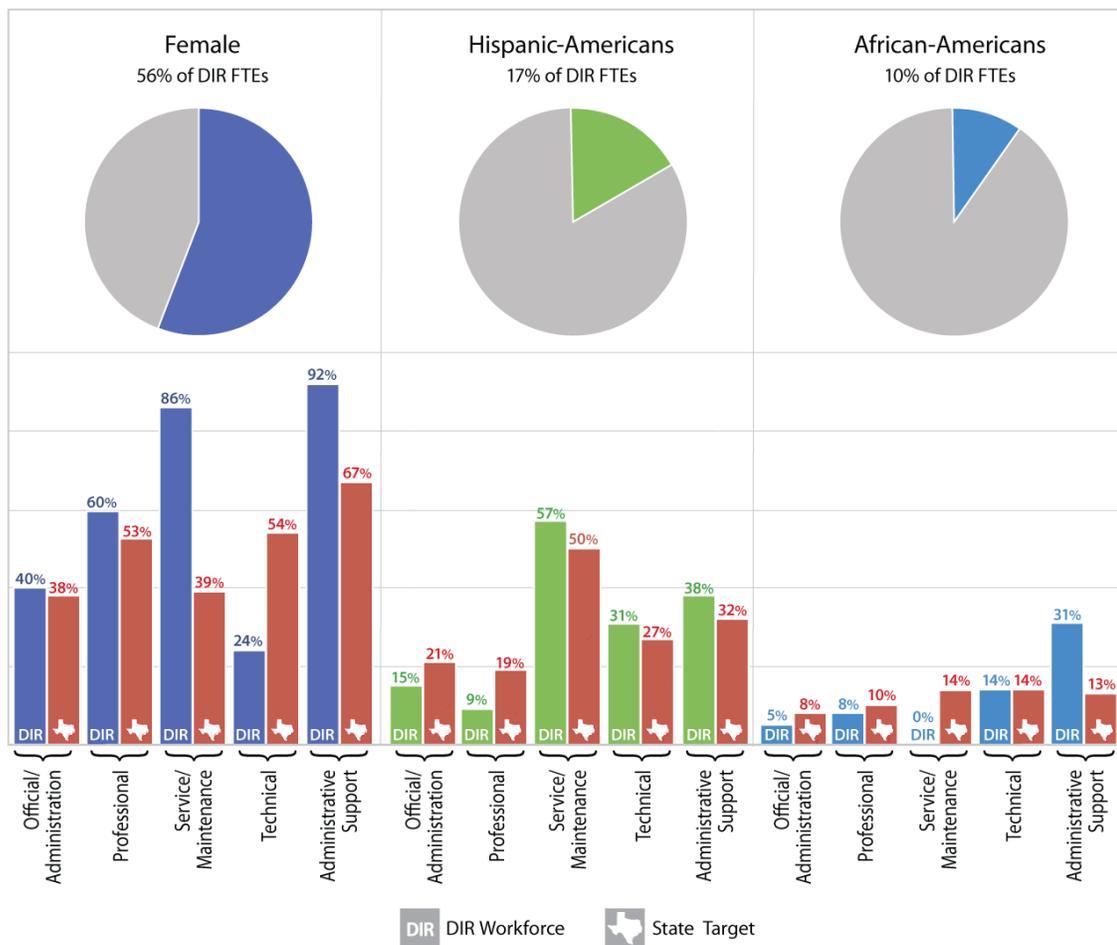
that the agency continues to meet or exceed the majority of diversity targets:

- Females continue to be well represented in all job categories except for technical staff.
- African Americans meet or exceed targeted levels in two of five job categories.
- Hispanic Americans meet or exceed targeted levels in three of five job categories.

DIR will continue to concentrate its efforts on improving diversity targets in areas that are currently under-represented:

- the number of females in technical positions
- the number of African Americans in the official/administration, professional, and service/maintenance categories
- the number of Hispanic-Americans in the official/administration and professional category

DIR Workforce Utilization Analysis – May 1, 2012

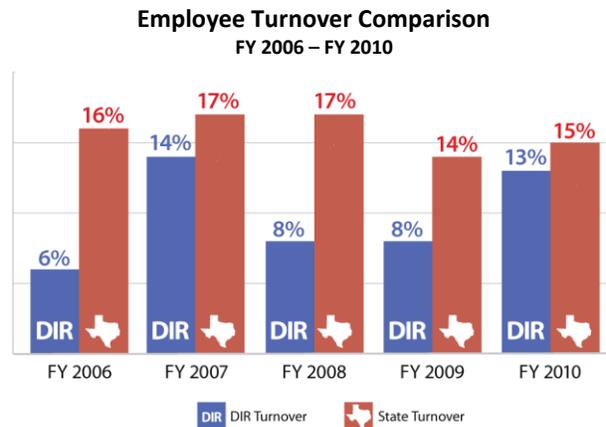


Source: *State Civilian Workforce Composition*, Texas Workforce Commission’s Civil Rights Division; Bureau of Labor Statistics, *Geographic Profile of Employment and Unemployment, 2002* for the State of Texas; and the Equal Employment Opportunity Commission reports (EEO-4 2001 and EEO-1 2002).

C. Employee Turnover

The loss of experienced, talented employees is costly and affects the agency's ability to function at maximum efficiency. In addition to lost productivity, high turnover rates increase costs in the areas of recruitment and selection, training, and orientation.

In FY 2006, DIR's turnover rate was 6 percent compared with the state average of 16 percent. In FY 2007, DIR's turnover rate more than doubled to 14 percent compared to FY 2006 (6 percent)—this was due in large part to 12 involuntary terminations. The turnover rate in FY 2008 decreased to 8 percent in part due to the downturn in the economy. The turnover rate for 2009 remained the same. While the turnover rate for 2010 increased to 13 percent, it remained below the state turnover rate of 15 percent. In 2010, voluntary separations accounted for nine percent of turnover. Since 2006, the instability in the turnover rate has been driven by annual voluntary turnover of 15 or more employees in all years except 2009.



D. Retirement Eligibility

A maturing workforce and increased competition for skilled employees requires employers to work harder to retain institutional knowledge and makes retaining and recruiting new talent imperative.

Predicting future turnover based on retirement eligibility is difficult because an employee's *eligibility* to retire is not necessarily an accurate indicator of his or her *election* to retire. Other factors, such as income requirements and eligibility for insurance and social security benefits play a major factor in the decision to retire.

During FY 2006 and FY 2007, 12 employees retired. In FY 2008, one employee retired. Eight employees retired in FY 2009 and five in FY 2012. The number of employees retiring is expected to increase each year, which makes knowledge transfer imperative.

III. Future Workforce Profile (Demand Analysis)

Continued reliance on information and communications technology to enhance effective, efficient government services, changes in telecommunications business and support technologies, and the implementation of a shared technology infrastructure will result in the need to change how technology is used in the state's business processes.

DIR will promote effective technology project planning and management and access to cost-effective technology products and services. As agencies conduct more business online, DIR will secure of the state's network infrastructure.

A. Critical Functions

The agency will increase emphasis on

- analysis from an enterprise-wide strategic perspective

- project management
- contract management and oversight
- security and privacy issues
- customer service
- HUB outreach
- accessibility

B. Expected Workforce Changes

Changing needs in the workforce include

- training of staff to integrate new technologies into current processes
- inclusion of contract management and negotiations skills in professional and management staff
- cross-training of employees in critical functions
- increased emphasis on project management capabilities
- need for mobile workforce

C. Anticipated Increase/Decrease in Number of Employees Needed

DIR anticipates changing demands to be addressed by

- reallocating of FTEs within the agency
- using contract workforce when appropriate
- developing skills through training and focused hiring practices
- focusing efforts on retaining and developing staff while focusing on knowledge transfer

D. Future Workforce Skills Needed

To meet the agency's goals and objectives over the next few years, the following competencies, in addition to the critical skills listed previously, are essential:

- change management and process re-engineering
- advanced technical skill sets (programming, database administration, data design, network administration)
- advanced project management
- advanced financial analysis skills
- advanced information security analysis
- advanced contract management and negotiation skills
- advanced data center operations management and consolidation skills
- advanced business analysis skills
- advanced data modeling/taxonomy management skills
- advanced supervisory and employee development skills
- advanced multi-tasking skills
- advanced management and leadership skills

IV. Gap Analysis

While DIR staff has most of the skills to do the work of the agency and the current gap in proficiency levels is not great, over the next five-year period, the current trends could change.

DIR's ability to attract candidates with the level of experience and desired skills for senior-level technology positions has improved in recent times; however, losing senior-level technology staff to better-paying jobs in the private sector remains a risk factor. It will continue to be difficult to train employees for higher-level duties and responsibilities and meet existing performance expectations.

DIR's division directors were asked to re-evaluate current functions and identify the appropriate staffing and skill levels necessary to meet their needs over the next four years. Skills were rated on a scale from one to four to indicate current and desired proficiency levels. The results are shown in the following table.

Employee Proficiency Levels

Skill	Official/Admin			Professional			Technical			Admin Support		
	Have	Need	GAP	Have	Need	GAP	Have	Need	GAP	Have	Need	GAP
Business analysis	3	4	1	4	4	0	3	4	1	2	2	0
Change management	3	2	1	3	3	0	2	3	1	2	2	0
Computer skills	4	4	0	3	3	0	3	4	1	2	3	1
Contract management	4	4	0	3	4	1	3	4	1	2	2	0
Customer service	3	4	1	3	4	1	3	4	1	2	3	1
Database management				2	3	1	3	3	0			
Governmental accounting	3	3	0	3	3	0						
Governmental experience	4	4	0	4	4	0	2	2	0	2	2	0
ICT analysis	3	3	0	3	4	1	3	3	0			
ICT security analysis	2	4	2	1	2	1	3	4	1			
Legal	4	4	0									
Management/supervisory	3	4	1	3	4	1	1	1	0			
Marketing	3	4	1	2	3	1	1	2	1	1	2	1
Negotiations	4	4	0	4	3	1	3	3	0			
Network management				4	4	0	4	4	0			
Network security				3	3	0	3	3	0			
Outreach/PR	3	4	1	3	4	1						
Planning	3	4	1	3	4	1	3	4	1	2	2	0
Programming				3	3	0						
Program management	3	4	1	3	4	1	3	4	1	2	3	1
Purchasing				3	3	0						
Systems analysis	2	3	1	2	3	1	2	3	1			
Systems management				4	4	0	4	4	0			

Skill	Official/Admin			Professional			Technical			Admin Support		
	Have	Need	GAP	Have	Need	GAP	Have	Need	GAP	Have	Need	GAP
Telecom. technical analysis	2	2	0	3	4	1	3	4	1	2	2	0
Web administration/development				1	4	3	4	4	0			
Writing	3	4	1	2	3	1	1	2	1	1	2	1

Legend

Have: Average competency level for incumbents of targeted job categories
 Need: Average competency levels needed for future employees in targeted categories
 GAP: Difference in skill level between current and future competency levels

Have/Need Ratings

0: No knowledge
 1: Minimal knowledge, familiarity with skill
 2: Working knowledge, proficiency in skill
 3: Professional level, mastery of skill
 4: Acknowledged expert in skill, able to mentor and train other employees

As DIR faces challenging business trends and strives to fulfill its legislative mandates, qualified senior- and mid-level staff will be in great demand. The agency will compete with private and public sector employers for a dwindling number of workers.

V. Strategy Development

To address many of the deficits between current and future workforce demands, DIR has developed goals for the workforce plan. These goals are based on a range of factors identified through analyzing the agency’s mission, objectives, strategies, and current workforce. DIR’s workforce goals and action plan are as follows.

Goal 1: Develop a Competent, Well-Trained Workforce

GAP In some areas, current employees lack required levels of critical skills.

RATIONALE The continued training and development of employees is critical to the success of the agency.

DIR needs to prioritize required critical competencies, identify training opportunities to develop or enhance these skills, and budget resources for training. DIR needs to decide when it is appropriate to supplement internal staffing skills with contracted short-term expertise.

- ACTION STEPS**
- Establish and maintain skills matrices to address needs that occur or are anticipated due to changes in program strategies, activities, and technological enhancements.
 - Develop and implement a program that requires senior staff to mentor less experienced employees.
 - Focus training efforts on areas with the greatest risk of potential loss of knowledge and in the areas of identified knowledge gaps.
 - Update training plans as needed and no less than annually in conjunction with performance expectations. Training plans must be developed as a joint effort between management and staff.
 - Ensure general cross-training among staff.
 - Ensure the most appropriate or combination of training mediums are used to deliver training to employees (e.g., computer-based training, educational

reimbursement for college credit courses, and subject-matter-expert-initiated briefings, seminars, conferences, user groups).

- Conduct training needs assessment and design training plans to address gap deficiencies.

Goal 2: Hire and Retain the Right Employee to Do the Job

GAP Improving job markets will make it hard to attract and retain staff. DIR will need to use creative methods to counter the higher salary of private sector competitors; i.e., flexible work schedule, telecommuting, etc.

RATIONALE DIR is the primary technology agency for the State of Texas and technology is the key to finding appropriate, effective solutions for delivering government services and managing costs. DIR must be able to attract and retain experienced, qualified, mid- and senior-level technology staff.

- ACTION STEPS**
- Develop and implement recruitment strategies that highlight careers in public sector technology.
 - Develop and implement a defined career ladder that provides advancement opportunities.
 - Continuously promote the state's comprehensive benefits package.
 - Reach out to nontraditional recruitment sources including student outreach, retired civil servant, retired military personnel, and retired private sector workers.
 - Perform in-depth research on turnover data to pinpoint why employees leave the agency; try to address problem areas.
 - Use surveys and focus groups as tools to evaluate agency culture and operations, focusing on those areas where employee input shows the greatest potential for improvement.
 - Ensure that employees have current job descriptions and performance plans, defined career ladders, and timely appraisals.
 - Cross-train staff in other functional areas, broadening their experience and value to the agency. Allow staff seeking new challenges to work on agency-wide and developmental projects.
 - Design and implement a progressive recruiting plan.
 - Train supervisors on hiring best practices
 - Provide timely feedback on performance and proactively develop and implement development strategies.
 - Familiarize staff with pay raise guidelines and processes, including state-mandated time restrictions or salary/budget caps.
 - Utilize pay incentives, as budget permits, to retain and attract staff. Salary tools include merit increase, one-time merit increase, salary adjustment, and bonus. Ensure that performance incentives are built into compensation.
 - Establish a sound work-life balance.
 - Allow staff to work flexible schedules or compressed work weeks, and to telecommute or job share when appropriate.
 - Conduct continuous analysis in order to make on-the-spot adjustments in retention strategies.

- Develop family-friendly policies to aid staff retention.
- Maintain a team atmosphere, encouraging input and interaction at all levels, balancing business and personal goals as much as possible.
- Promptly post and fill vacant positions.
- Utilize resources to ensure that the agency is casting as broad a net as possible to enhance recruitment efforts, including national electronic and print media.
- Continue to be willing to create and hire intern-level positions.
- Provide timely orientation of new employees into the organization.
- Ensure availability of the means for providing non-monetary incentives and rewards.
- Provide ongoing coaching and feedback, encouraging career growth and maximizing communications.
- Strive to maintain an organization that is diverse and an organizational culture that provides growth opportunities and challenging, meaningful work and that promotes open communication and effective working relationships.
- Ensure availability of training opportunities and incentives such as tuition reimbursement.

Goal 3: Perform Succession Planning

GAP While focusing on hiring and retaining staff is important, the agency may not be adequately prepared for unexpected or unforeseen events that result in the loss of key employees.

DIR needs to use succession planning to develop and maintain strong leadership and to ensure that the skills and competencies required for the current technology environment are readily available. It is projected that DIR could lose up to 68 employees, or 36 percent of its workforce, through FY 2015. The transfer of knowledge will be a critical element of succession planning.

RATIONALE DIR is the primary technology agency for the state, and technology is the key to finding appropriate, effective solutions for delivering government services and managing costs. DIR must be able to attract and retain experienced, qualified, mid- and senior-level technology staff.

- ACTION STEPS**
- Compile a list of positions that require successors, addressing short-term and long-term needs. Key positions such as executive management staff should be included.
 - Establish a process by which to assess those employees who are likely successors for each job; consider a ranking system for each position to determine the order of succession, including at least two individuals for each position.
 - Determine positions for which there is no likely successor and identify how the position will be filled (external hire, contract, and temporary).
 - Establish the means by which successors will be trained and prepared for positions they may potentially assume.
 - Update the succession plan, adding employees as necessary to replace those who filled vacancies or moved on.