

TEXAS FACILITIES COMMISSION WORKFORCE PLAN FISCAL YEARS 2017-2021

AGENCY OVERVIEW

The Texas Facilities Commission supports state government through strategic planning, asset management, design, construction, maintenance, operation, and leasing of state facilities. The primary strategic goals and objectives of the agency are to maximize the strategic and effective use of state-owned facilities and reduce long-term dependence on lease space; provide a functional, safe, and clean work environment for state agencies through implementation of best practices in building operations and implement timely and cost-effective preventative and remedial maintenance programs to safeguard public investment in constructed assets; reduce energy consumption and achieve increased energy efficiency; and manage the reallocation, sale, and/or disposal of surplus and salvage state property and operate the federal surplus property program to the benefit of the state treasury, state agencies, eligible assistance organizations, and Texas residents.

BUDGET STRUCTURE – GOALS, OBJECTIVES AND OUTCOME MEASURES, STRATEGIES AND OUTPUT, EFFICIENCY AND EXPLANATORY MEASURES

GOAL 1 – FACILITIES CONSTRUCTION AND LEASING	
The Commission will provide office space for state agencies through construction and leasing services and manage public buildings, grounds, property, and construction services. (Texas Government Code Chapters 2165, 2166, and 2167.)	
OBJECTIVE 1.1.	To obtain and maintain a space on the basis of obtaining the best value basis for the state in both owned and leased space, and to increase the ratio of owned space compared to leased space by 2015 when practicable.
Outcome Measure	Dollar savings achieved through the efficient use of state-owned space.
Strategy 1.1.1. Leasing	
Provide quality-leased space for state agencies at the best value for the state.	
Output Measure	Total number of leases awarded, negotiated, or renewed at or below market rate.
Efficiency Measures	<ul style="list-style-type: none"> • Average lease processing time (days). • Percent occupancy of state-owned space.
Explanatory Measures	<ul style="list-style-type: none"> • Total square footage of office and warehouse space leased. • Cost per square foot leased.
Strategy 1.1.2. Facilities Planning	
Ensure that the state optimizes the use of leased, purchased, and constructed office space by providing planning and space management services to state agencies.	
Explanatory Measure	<ul style="list-style-type: none"> • Total square footage owned. • Income from parking lots and garages.
OBJECTIVE 1.2.	To complete 90% of the construction, renovation, or repair of state office buildings in accordance with required specifications and within established budgets and schedules.
Outcome Measure	Percent of completed construction projects on schedule and within budget.

Strategy 1.2.1. Building Design and Construction	
Provide a comprehensive program to ensure that state facilities are designed and built timely, cost-effectively, and are of the highest quality.	
Efficiency Measures	<ul style="list-style-type: none"> • Percent of change in project construction costs due to change in scope. • Percent of change in project construction costs due to errors and omission in design. • Percent of change in project construction costs due to unforeseen conditions

GOAL 2 – PROPERTY AND FACILITIES MANAGEMENT AND OPERATIONS	
The Commission will protect and cost effectively manage, operate, and maintain state facilities. (Texas Government Code Chapter 2165.)	
OBJECTIVE 2.1.	To provide and maintain a clean and healthy environment in state facilities.
Strategy 2.1.1. Custodial	
Provide cost-effective and efficient custodial services for state facilities.	
Efficiency Measures	Average cost per square foot of privatized custodial services.
OBJECTIVE 2.2.	To complete 25% of the funded deferred maintenance projects by the end of each fiscal year.
Strategy 2.2.1. Facilities Operation	
Provide a comprehensive program to protect the state’s investment in facilities by eliminating deferred maintenance needs, providing grounds maintenance and minor construction services, improving the reliability of mechanical systems, and promoting efficient energy consumption and recycling.	
Output Measure	Total quantity of paper recycled (in tons).
Efficiency Measures	<ul style="list-style-type: none"> • Average cost per acre of grounds care provided. • Average cost per square foot of all building maintenance. • Cost per square foot for outsourced property management. • Cost per square foot for state managed properties. • Percent of deferred maintenance projects completed. • Percent of deferred maintenance funding under contract
Strategy 2.2.2. Lease Payments	
Make lease payments on facilities financed through the Texas Public Finance Authority.	
Output Measure	Square footage of building space financed through Texas Public Finance Authority (lease payments).
Strategy 2.2.3. Utilities	
Make utility payments for specified state facilities.	
Efficiency Measure	Utility cost per square foot.

GOAL 3 – SUPPORT SERVICES	
The Commission will provide support to state agencies for surplus property needs. (Texas Government Code Chapter 2175.)	
OBJECTIVE 3.1.	To effectively screen, receive, and convey state and federal surplus property each year for the benefit of eligible Texas donees for federal surplus property and other state agencies and members of the public for state surplus property.
Outcome Measure	Fair market value of federal surplus property distributed.
Strategy 3.1.1. Surplus Property Management	
To provide timely, appropriate, and cost effective opportunities for disposal of state and federal surplus property to maximize the value received by the state.	
Outcome Measure	Fair market value of federal surplus property distributed.
Output Measure	Total net dollar sales of state surplus and salvage property sold.
Explanatory Measures	<ul style="list-style-type: none"> • Number of donees who received federal surplus property. • Number of agencies participating in the state surplus property program.

GOAL 4 – HISTORICALLY UNDERUTILIZED BUSINESSES (“HUBS”)	
The Commission will establish and implement policies governing purchasing and public works contracting that promotes the inclusion of historically underutilized businesses (“HUBs”). (Texas Government Code Chapter 2161.)	
OBJECTIVE 4.1.	To meet or exceed statewide HUB goals established in the 2009 State of Texas Disparity Study by facilitating participation of these small businesses in agency procurement and contracting processes.
Outcome Measure	Percent of the total dollar value of purchasing and public works contracts and subcontracts awarded to HUBs.
Strategy 4.1.1. HUB Plan	
Review, assess, and implement improvements to the agency plan for increasing the use of historically underutilized businesses, including service disabled veterans, through purchasing and public works contracts and subcontracts.	
Output Measure	<ul style="list-style-type: none"> • Number of HUBs contacted for bid proposals. • Number of new HUBs contacted for bid proposals. • Number of HUB contracts and subcontracts awarded. • Dollar value of HUB contracts and subcontracts awarded.

CURRENT WORKFORCE PROFILE

GENDER AND AGE

The Commission currently has a legislative appropriations cap of 498.4 full-time equivalent (“FTE”) positions for Fiscal Year 2016 and Fiscal Year 2017. As of February 29, 2016, the Commission employed 329 agency staff FTEs and 103.5 contract FTEs. The Commission’s current workforce is approximately 74 percent male and 26 percent female. Approximately 79 percent of the agency’s employees are age 40 and over, while only eight percent are under age 30. The average age of Commission employees is 49 years and the median age is 51 years. With only about 21 percent 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 2021.

EQUAL EMPLOYMENT OPPORTUNITY JOB CATEGORIES

The Commission employs a highly credentialed and well-educated workforce. Of the Equal Employment Opportunity (“EEO”) job categories, the combined categories of Skilled Craft and Service Maintenance represent the greatest number of agency employees at 54 percent of the Commission’s total workforce. The Professional category represents the second largest number of Commission employees, for a total of 25 percent of the agency’s workforce.

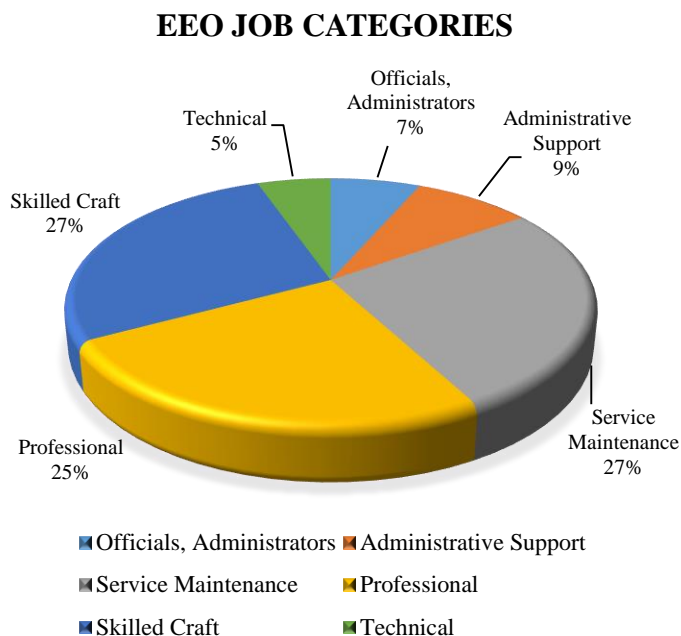


Figure 1. Equal Employment Opportunity Job Categories

WORKFORCE DIVERSITY

The Commission is committed to providing equal opportunities for employment. Employment decisions are made without regard to race, religion, color, national origin, sex (including gender identity, sexual orientation, and pregnancy), age, veteran status, genetic information, 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 February 29, 2016, African Americans and Hispanics comprised 47 percent of the Commission’s workforce. The following table provides a comparison of the agency’s labor force with the state’s civilian labor force.

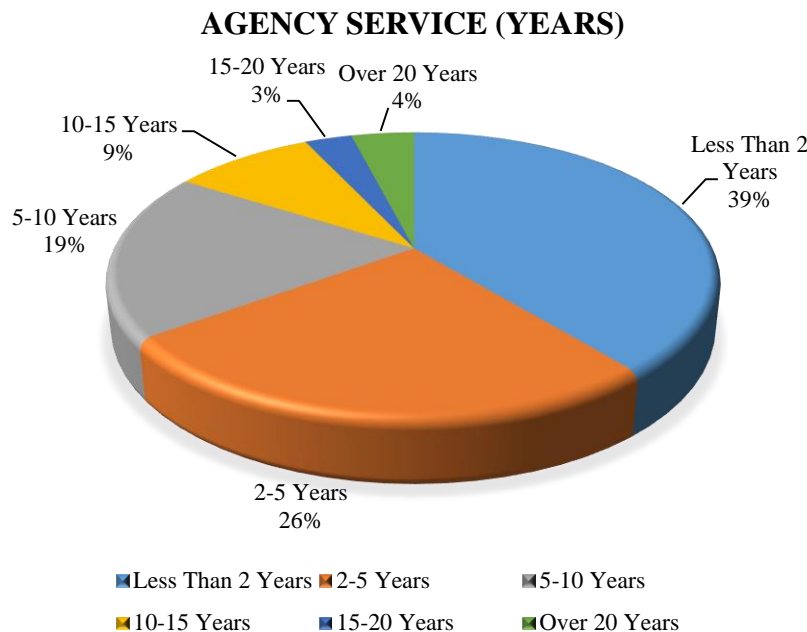
EEO JOB CATEGORY	AFRICAN AMERICAN		HISPANIC AMERICAN		FEMALE	
	State*	TFC	State*	TFC	State*	TFC
Officials/Administrators	7%	14%	20%	23%	38%	36%
Administrative Support	14%	3%	33%	31%	73%	69%
Service Maintenance	12%	30%	54%	49%	51%	33%
Professional	11%	12%	19%	16%	55%	35%
Skilled Craft	10%	12%	49%	30%	11%	0%
Technical	14%	0%	29%	11%	51%	11%

**Source: Equal Employment Opportunity and Minority Hiring Practices Report Fiscal Years 2013-2014. Texas Workforce Commission. January 2015.*

Table 1. EEO Utilization Rates as of February 29, 2016

TENURE

Approximately 65 percent of Commission employees have less than five years of agency service, with 39 percent having been with the agency for less than 2 years. Only seven percent of Commission employees have 15 or more years of service with the agency.



On September 1, 2015, the Commission received 51 legislatively-transferred employees from the Texas School for the Deaf and the Texas School for the Blind and Visually Impaired. At the time of this analysis, these transferred employees account for approximately 15 percent of the agency’s employee population and 39 percent of employees with less than two years of agency service.

Figure 2. Employee Agency Service as of May 30, 2016

The average state service time is 10.3 years and the median state service time is 8.3 years.

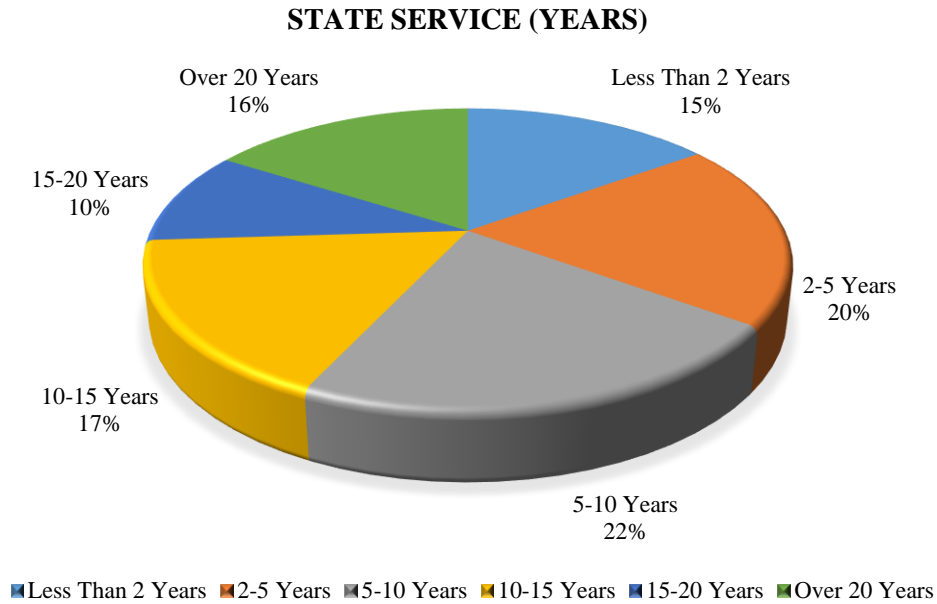


Figure 3. Employee State Agency Service as of May 30, 2016

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 2011 through Fiscal Year 2015, the Commission’s employee turnover rate was below that of state government overall.

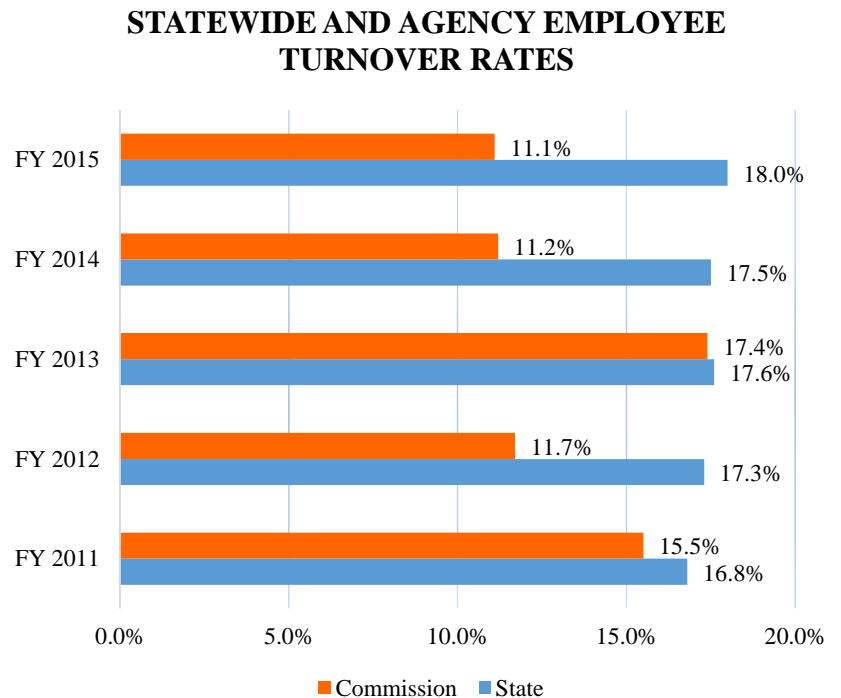


Figure 4. Statewide and Agency Turnover Rates Excluding Interagency Transfers

During Fiscal Year 2015, there were 33 separations from employment with the agency excluding interagency transfers. Of these separations, 63 percent were employees with less than five years of agency service.

FY 2015 LENGTH OF AGENCY SERVICE (YEARS) OF SEPARATING EMPLOYEES

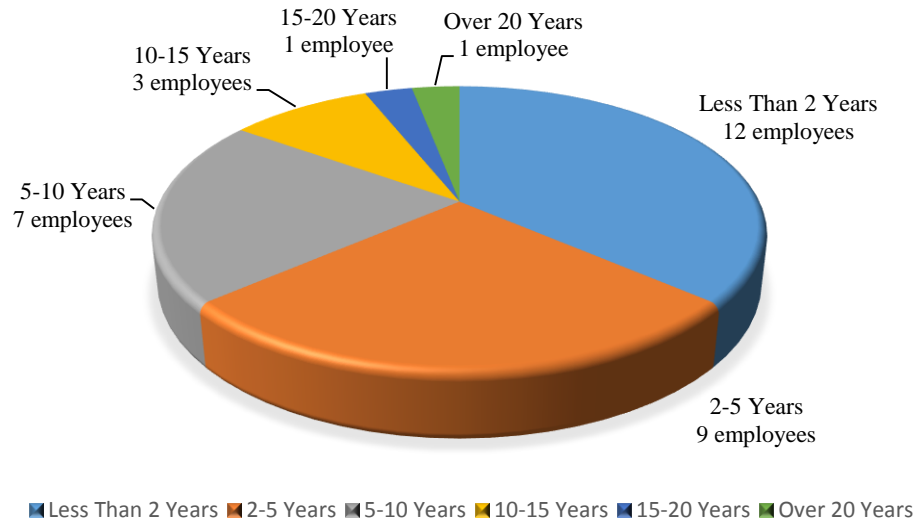
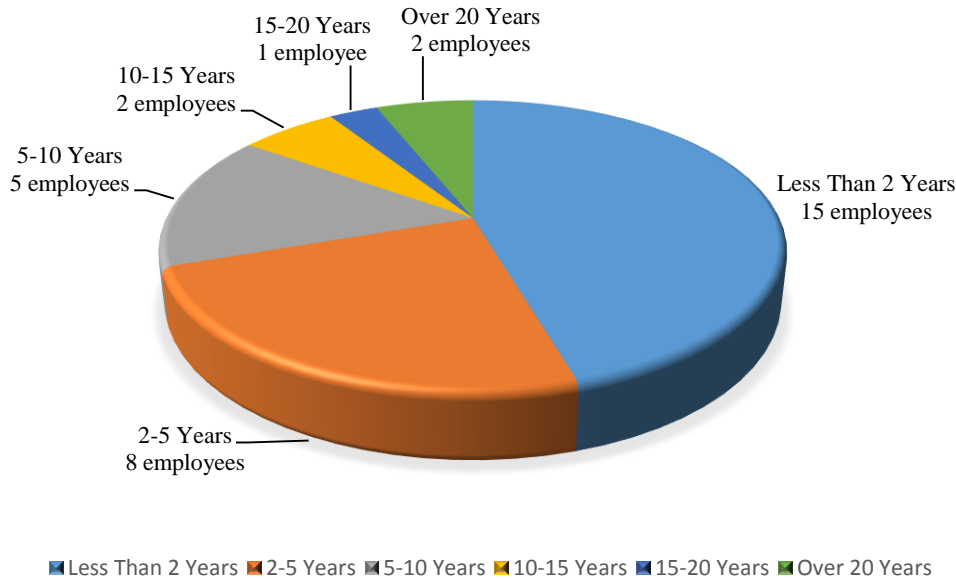


Figure 5. FY 2015 Length of Agency Service of Separating Employees

FY 2014 LENGTH OF AGENCY SERVICE (YEARS) OF SEPARATING EMPLOYEES



During Fiscal Year 2014, there were 33 separations from employment with the agency excluding interagency transfers. Seventy percent of these separations were employees with less than five years of service with the Commission.

Figure 6. FY 2014 Length of Agency Service of Separating Employees

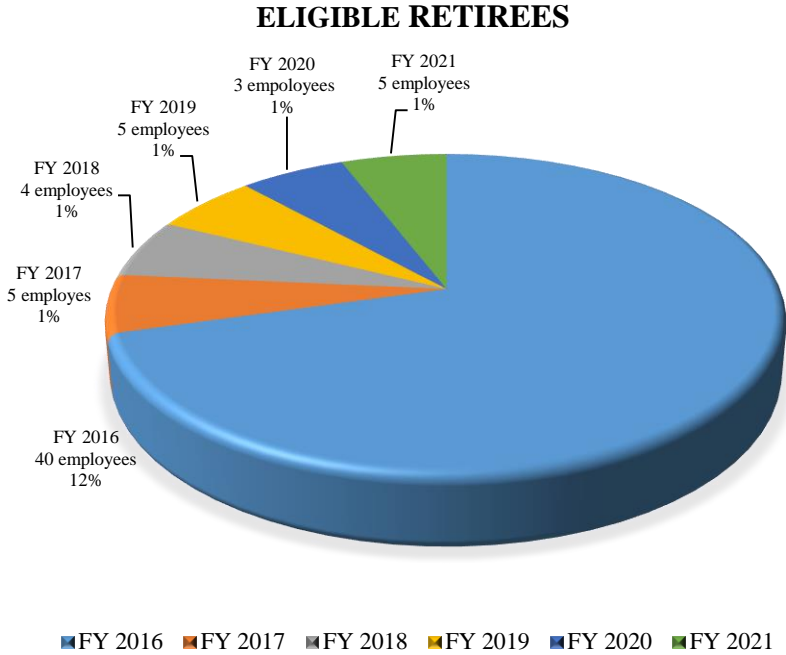
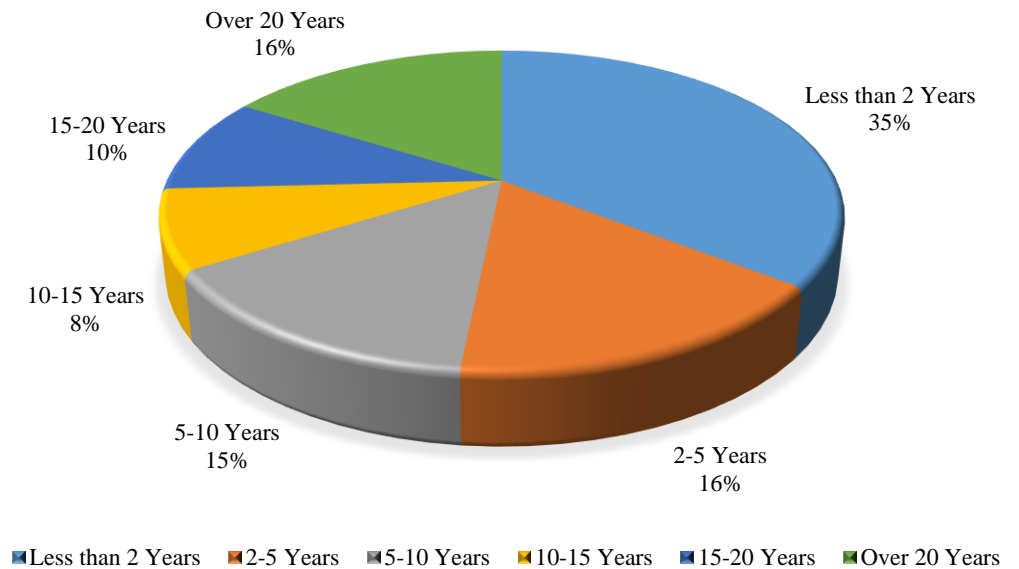


Figure 7. Eligible Retirees as a Percentage of Total Employee Population

As shown in the chart in Figure 7, the largest percentage of eligible retirees have fewer than two years of agency service. This may be explained in part due to the transfer of employees from the Texas School for the Deaf and the Texas School for the Blind and Visually Impaired.

LENGTH OF AGENCY SERVICE OF ELIGIBLE RETIREES



RETIREMENT ELIGIBILITY

Employees over the age of 40 comprise 79 percent of the Commission’s current workforce and approximately 19 percent of the agency’s current workforce will be eligible to retire between Fiscal Year 2016 and Fiscal Year 2021. The average length of agency service of these eligible retirees is 8.7 years and the median agency service is 4.6 years.

CURRENT AND FUTURE WORKFORCE CHALLENGES

LABOR MARKET AND TRENDS

The Texas Workforce Commission (“TWC”) reported that the Texas labor market continues to grow, adding 189,600 jobs from May 2015 to May 2016. In addition, the seasonally adjusted unemployment rate increased only slightly to 4.4 percent in April of 2016 while remaining below the nation’s average of 5.0 percent.

TWC’s projected 2012 to 2022 employment growth rate for Texas is 21.3 percent compared with the nation’s rate at 10.8 percent. Skilled trade worker occupations, such as electricians, plumbers, heating, ventilation, and air conditioning (“HVAC”) mechanics, elevator mechanics, carpenters, and building inspectors are projected to grow between 2012 and 2022. These projections, combined with the relatively low unemployment rate, means the Commission is competing directly with the private sector for available skilled trade workers to fill critical vacancies in program areas that perform the core functions of the agency.

ANTICIPATED CHANGES TO THE EXISTING WORKFORCE

Changes to the Commission’s critical functions are not anticipated during the Fiscal Years 2017-2021 strategic planning period. However, new technology will change the way in which we work and, as a result, certain job functions may require greater computer proficiency. While the Commission’s current staffing levels are adequate in order to provide required services at an acceptable level, with the anticipated addition of new buildings to the state’s portfolio, existing staffing levels will simply not be enough.

FUTURE WORKFORCE SKILLS NEEDED

With the adoption of new technology, additional skills may be required to compliment the current makeup of the Commission’s workforce. These skills may include more advanced computer-related skills and expertise, including knowledge of advanced facility technology and automation systems, database management, specialized analytical and technical training skills, and the ability to effectively manage change.

GAP ANALYSIS

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 19 percent of the Commission workforce being eligible to retire through calendar year 2021, 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 79 percent of Commission employees are over the age of 40 and 65 percent 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

ATTRACTING AND RETAINING THE RIGHT EMPLOYEES

The Commission will continue to identify and implement employment practices that promote and support a well-trained, knowledgeable, and highly motivated workforce. Recruiting and selecting the best employees who can contribute to the agency's goals and objectives is crucial to the agency's success. Standardizing hiring procedures that incorporate industry best practices and training managers and supervisors on the hiring process will allow the Commission to attract and select the best qualified applicants.

Retaining quality employees in today's competitive labor market poses yet another challenge. The Commission is committed to rewarding exceptional performance, providing meaningful career development opportunities, and examining existing compensation rates in order to aid in the agency's retention efforts.

The use of defined career paths and career-ladder promotions will allow current employees the opportunity to be rewarded for their performance and to advance within their chosen field, as the budget allows. Vacancies, when they exist, will be examined to determine whether hiring at an entry or journey-level is appropriate to the overall success of the organization. Utilizing these established career paths will encourage a culture of positive reinforcement for exceptional job performance.

The Commission strives to maintain a qualified and diverse workforce that is committed to customer service and that possesses the skills needed to successfully carry out the mission and core functions of the agency. Responses gathered in the most recently conducted Survey of Employee Engagement indicate that employees believe the Commission could do a better job supporting training and employee development. In light of this, the agency will continue to assess employee training needs and ensure that all employees receive continuous training and professional development opportunities that are relevant to the Commission's day-to-day operations. The agency will ensure available resources and opportunities are distributed fairly and equitably throughout the workforce. However, successful implementation of training and professional development plans is subject to availability of adequate funding.

Compensation analyses will be conducted at least annually for the skilled trades and information technology job classes in order to benchmark agency compensation rates with that of the market. Managers will be equipped with relevant data to make informed hiring decisions and proposed equity adjustments for existing employees, as the budget allows.

PLANNING FOR CHANGE

Turnover and attrition may 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. To aid in mitigating this potential loss, guidelines for succession planning will be developed for use by the agency's programs to prepare for the anticipated and unanticipated departures of key employees. Agency programs will be responsible for identifying mission-critical positions and determining the key success factors for these positions, thereby building a library of results-based job profiles documenting critical functions. Critical and core competencies are continually reviewed and updated for all posted job vacancies and position descriptions. In addition, the Commission continues to systematically document business processes and procedures and to cross-train employees to ensure that organizational knowledge and expertise is transferred at a steady pace. An operational succession plan will align the management of the agency's talent pool with the vision of the agency, ensuring that employees have developmental opportunities to hone their leadership skills and guaranteeing that the Commission has the leadership plan in place for future success.

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.