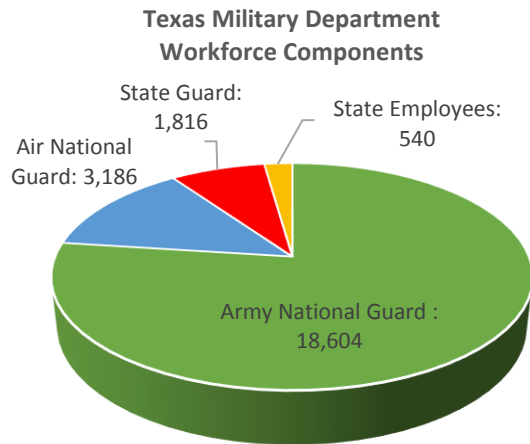


TEXAS MILITARY DEPARTMENT WORKFORCE PLAN: OVERVIEW

The Texas Military Department (TMD) is a unique state agency where civilian and military personnel work closely together in service to the governor and Texans. TMD features multiple staff directorates and components, all of which the Adjutant General of Texas leads. Agency personnel, including service members in the Texas Military Forces (TXMF), work under the TMD banner to respond to the governor’s call for assistance related to emergencies, disasters and other needs in Texas.

There are more than 23,000 members of the TXMF—which is comprised of the Texas Army National Guard (TXARNG), the Texas Air National Guard (TXANG) and the Texas State Guard (TXSG)—making it the largest state military force in the country. As illustrated by the chart below, TMD’s total workforce includes TXMF members and state employees. Satisfying the TMD’s many missions specifically involves a combination of state employees, Army National Guard and Air National Guard service members, State Guard volunteers, active service and federal military technicians who fall under the Adjutant General of Texas.



Fewer than 50 state employees funded through general revenue support TMD’s state-related administrative efforts and, collectively, a workforce of more than 4,000 full-time service members and state employees. TMD also relies on more than 450 state employees whose salaries the federal government reimburses the state through a cooperative agreement. To sustain operations and activities in Texas, TMD manages dollars that flow from the federal and state government.

TMD resources support Texas border efforts like Operation Secure Texas (OST). Operation Secure Texas (formerly Operation Strong Safety) began in 2014 as a multi-agency effort to reduce crime along the Texas Border. From August 2014 through December 2014, approximately 1,000 service members per month served on OST. Although fewer service members are assigned to the mission, TMD support for OST continues.

Besides responding to the governor’s call, the TMD is responsible for the utilities, construction, repair, and maintenance of Texas Guard military facilities. These facilities include Texas Army National Guard and Texas Air National Guard readiness centers (armories), maintenance, and aviation facilities. More than 200 facilities comprising nearly seven million square feet support Texas Army and Air National Guard Service members. The TXMF use the facilities primarily to train personnel and maintain and store equipment.



SCHEDULE F: AGENCY WORKFORCE PLAN

TMD resources support a variety of other programs and activities. For example, the Texas National Guard's Joint Counterdrug Task Force has provided unsurpassed, enduring and operational counterdrug support for more than 25 years. The task force's full-time personnel and assets are federally funded and available to state and local law enforcement agencies; its highly skilled Soldiers and Airmen offer the continuity necessary to foster and maintain positive relationships with more than 200 federal, state and local law enforcement agencies and community-based organizations across Texas. The task force makes significant contributions to counternarcotic operations along the Texas-Mexico border.

In June 2013, the Texas State Legislature appropriated funds for the Texas Military Department to hire full-time behavioral health counselors to address gaps in service not met by the federal government. The counselors are based in Austin, El Paso, Fort Worth, Houston, Weslaco and Tyler. To further improve services, Family Support Service Behavioral Health assets developed the TMD Behavioral Health Team and a TXMF counseling line (512-782-5069) that is available 24 hours a day, seven days a week. In FY 14 and FY 15, TMD behavioral health counselors provided 3,274 consultation/counseling sessions and behavioral health training to more than 14,694 TMD commanders, service members and families.

TMD resources support two ChalleNGe Academy sites in Texas. One location is in Sheffield; the newest site, opened in FY 16, is in Eagle Lake. The ChalleNGe Program is open to young men and women ages 16 to 18 who have dropped out of high school or are in danger of doing so. The ChalleNGe Program provides tools to help students become responsible, productive citizens who contribute their talents to the community. Approximately 75 percent of the graduates pass the GED or earn a high school diploma. Others accumulate valuable school credits—students recover five and one-half credits on average, or approximately the amount earned in a year of public school—for their return to high school.

The Texas Legislature developed the State Tuition Assistance Program to assist Texas service members with tuition costs and mandatory fees associated with postsecondary education. Postsecondary education accelerates military readiness and personal and professional development. The program is unique to TXMF and remains a valuable tool to recruit, train and retain membership.

State tuition assistance is the only education benefit available to most Air National Guard and State Guard members. Since 2012, the demand for state tuition assistance has increased more than 60 percent. The growth is a result of a significant reduction in the Department of Defense's Federal Tuition Assistance Program benefits coupled with the rising costs of tuition and mandatory fees at Texas institutions of higher education. In FY 16 and FY 17, demand for tuition assistance to support full-time students exceeded the program budget and award amounts dropped to \$2,250 per semester—the average cost per semester for tuition and fees at a state public university is \$8,659.



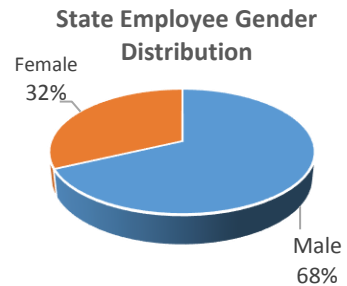
FUTURE CONSIDERATIONS

Potential changes at the federal level represent an overarching issue that may affect TMD in many areas over the coming years. Texas is dependent upon federal authorities for use of federal assets in state missions. State use of federal equipment simply is an ancillary benefit to the state. Developments at the federal level can affect Texas’ ability to respond to emergencies and disasters locally. In the face of federal budget reductions and potential structural changes to the National Guard, the state’s leaders may have to confront difficult decisions on a way forward in Texas.

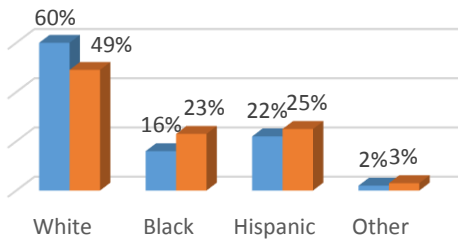
CURRENT STATE EMPLOYEE WORKFORCE PROFILE

State Employee Demographics

TMD continually strives for diversity within its workforce and fairness in its hiring practices. TMD’s state employee workforce is currently comprised of 539 state employees. The chart to the right displays the current gender distribution. Females make up about one third of TMD’s state employee workforce. That is a 6 percent increase since 2014.



State Employee Ethnic Distribution



■ Texas Military Department ■ All State Agencies

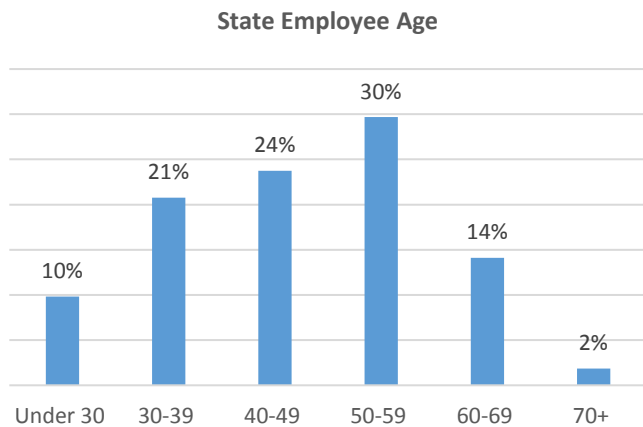
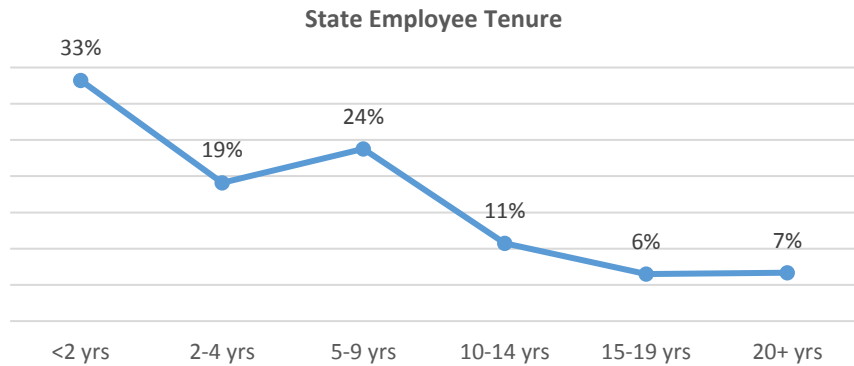
Ethnic minorities constitute approximately 51 percent of the total state workforce, as shown on the chart to the left. By comparison, TMD’s ethnic minority population constitutes 40 percent of the agency’s state employee workforce, slightly lower than the combined state agency population. Over the last two years, TMD has increased its ethnic minority state employee population by 6 percent. Recruiting efforts to attract minorities and females will continue to be a priority as

the agency seeks to align its workforce to reflect Texas’ diversity. Analysis of available applicant demographics data over the past two years shows that females made up 42 percent of TMD’s applicant pool and 52 percent identified with a minority ethnicity. The agency will continue to monitor hiring trends to ensure that new hire demographics appropriately represent the applicant pool.



SCHEDULE F: AGENCY WORKFORCE PLAN

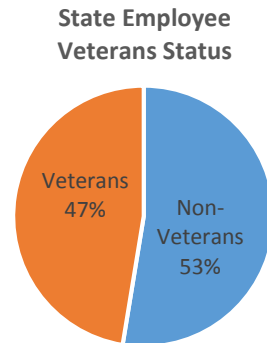
The chart to the right represents state employee tenure with TMD. A majority of state employees' length of service with the agency is relatively short; 52 percent have been employed by TMD for less than five years.



The chart at left shows that individuals 40 and over make up 70 percent of the state employee workforce. This older-skewing age distribution may partly reflect the close relationship the agency has with military service members.

The agency is readily accessible to qualified Veteran employees who enter state employment after completion of military careers.

Many Veterans, who bring valuable experience with them, see state employment as an opportunity to continue public service while pursuing second careers. Far exceeding the 20 percent employment goal for state agencies (see Government Code Sec. 657.004), 47 percent of TMD's state employee workforce consists of Veterans.



SCHEDULE F: AGENCY WORKFORCE PLAN

State Employee Retirement Eligibility Forecast	
Currently Eligible	69
2017	15
2018	16
2019	12
2020	9
2021	18

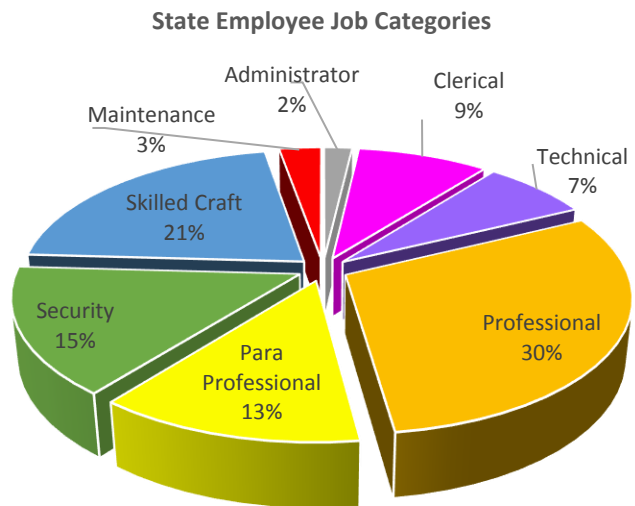
The Employees Retirement System estimates that between Fiscal Years 2014 and 2018, 24 percent of TMD’s state employees will be eligible to retire. Using employee age and service data only, the chart at left forecasts the number of TMD state employees eligible to retire through 2021.

Ultimately, a quarter of TMD’s state employee workforce will be eligible to retire in the next five years. Historically, actual retirements have fallen well below eligibility levels; only about 20 percent of those eligible have actually retired in recent years.

Knowledge, Skills and Abilities

TMD employs personnel with diverse skill sets to meet the unique mission of the organization and its varied programs. The chart below illustrates the percentages of TMD state employees classified in each job category.

Professionals, para professionals, technical, clerical and administrative categories collectively make up 61 percent of TMD’s total state employee workforce; the remaining 39 percent fall within the security, skilled craft and maintenance areas. Among the fifty state employee administrative support staff under the agency’s executive director, the critical knowledge and skills areas include finance, human resources, accounting, purchasing, communications, information technology, legal, administrative and management.



Other state employees perform facilities and project management, environmental protection, youth education and behavioral health functions. This job diversity is a significant shift from two years ago when the majority of agency personnel provided grounds maintenance, skilled craft work—plumbing, carpentry, HVAC, etc. to repair and maintain buildings and vehicles—and security services to protect the locations and equipment. This shift in workforce composition percentage is in part a result of the shutdown of the Readiness Sustainment Maintenance Shop (RSMS) Program that employed primarily skilled craft workers and the opening of the second Texas Challenge Academy site that employs primarily Residential Specialists and other youth support staff.

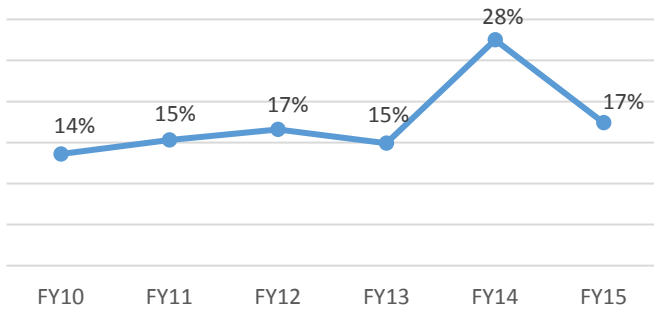


GAP ANALYSIS

State Employee Turnover

The aging workforce and significant number of employees eligible to retire over the next five years, as well as a trend (noted below right) for a majority of state employees who have less than five years of service with TMD to leave the agency, reemphasizes the need for strong retention and succession plans and effective knowledge transfer processes.

State Employee Turnover Rates

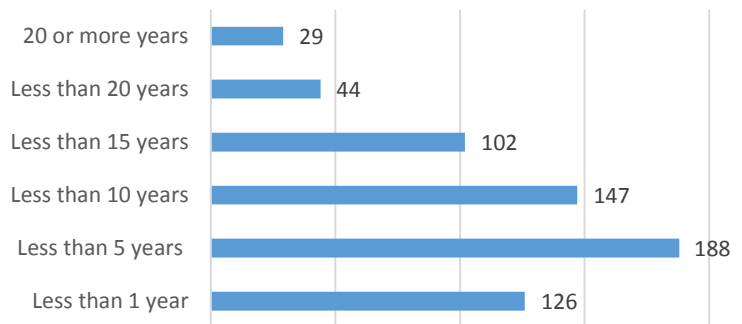


TMD’s state employee turnover rate over the last five fiscal years averages between 14 and 17 percent (see chart at left). This is consistent with the statewide turnover rate. The spike in Fiscal Year 2014 to 28 percent is a result of the closure of the federal Readiness Sustainment Maintenance Shop (RSMS) Program; all state employees within the program were subject to a Reduction in Force (RIF).

The chart to the right displays employee tenure with TMD at the time of separation over the last five and a half years, including the number of employees in each category. In that period, 314 of the separated employees had less than five years of service. The turnover rate of new employees is higher than the agency-wide turnover rate; 20 percent of employee separations have been new hires with less than one year of service. Another 30 percent of employee separations have been employees with less than five years of service. The fact that 50 percent of employee separations are relatively new employees is concerning. Employee exit surveys and other data should be analyzed to determine the reasons why this trend is occurring and to develop an effective retention plan. Among other things, this may indicate a need for an improved new employee onboarding process to better integrate employees into the TMD work environment. Many new employees have a general lack of understanding of the complex organizational structure and mission, and that that can affect performance. Ambiguity, the extended time it takes to obtain a Common Access Card (CAC)—which is required before an employee can

State Employee Tenure at Time of Separation

(636 Employees Separated from FY11-January of FY16)



become fully functional in a position—employee engagement, training and development are issues TMD is aggressively working to address.

Overall, there is a steady rate of turnover and an ongoing need to recruit and retain qualified employees in all areas of the organization.

STRATEGY DEVELOPMENT

A. Employee Training and Development

Training and development starts with new employees. The agency must help new hires successfully adapt to the organizational culture if they are to succeed in their jobs. Additionally, the agency has introduced a new performance evaluation form that requires supervisors to identify training and development opportunities and activities for employees to help improve critical technical and interpersonal skills. Employees are encouraged to seek development and training opportunities they see as beneficial to their current and/or desired positions within the agency; attendance is subject to program funding availability.

TMD will continue to identify training opportunities available through the Comptroller's Office and various professional organizations. The agency will also support employees attending continuing education courses required to maintain job-related licenses and certifications.

TMD will continue to provide access to training for all levels of management, as well as developmental opportunities for aspiring managers. In addition, technical training and interpersonal skills training programs for supervisors will be a priority. TMD will leverage technology and seek opportunities to provide internal and external training in the classroom and remotely to accommodate geographically dispersed employees.

The agency will empower managers to create programs and opportunities that allow employees who are seeking new challenges to work on special projects, rotations and/or developmental assignments. The intent is to help increase employee knowledge and experience even if promotional opportunities are not yet available. Management will encourage employees to seek mentors to help match experienced/skilled employees with employees seeking to learn from them. These mentoring relationships can also help less experienced/skilled employees identify career goals and plan their career development.

Management recognizes the importance of knowledge transfer; institutional knowledge can suffer as state employees retire. Because the agency employs a rising number of state employees with less than five years of service to TMD, the potential institutional knowledge deficit grows. Management emphasis is on effective succession planning and knowledge transfer processes in key areas throughout the agency. Documenting policies and procedures and cross training will continue to be a high priority.



B. Recruitment and Retention

TMD responds to turnover and attrition by successfully recruiting new employees and developing and promoting current employees. TMD will continue to advertise jobs online using the agency website, WorkInTexas.com, USJobs.com, and Indeed.com. Human Resources and management will target recruitment efforts for critical or hard to fill positions through local job fairs, colleges and universities and minority, veteran, and professional organizations.

New Employee Onboarding

TMD will work to implement a more educational, culture oriented, and extended onboarding process. The goal is for a collaborative effort among the components focused on socializing and integrating new hires to TMD’s culture within their first year of employment. Because turnover is disproportionally high for new state employees with less than five years of service, a more effective onboarding process is a priority. Identifying additional ways to improve employee retention is also critical.

Culture

TMD rebranding efforts to align the organization’s state and military cultures will continue to be a priority. Historically, TMD’s operating environment has consisted of unique cultures within the Texas Army National Guard, Texas Air National Guard, Texas State Guard, and the state support staff. Management at all levels throughout the organization will continue to educate employees on the vision for a cohesive culture between the state and military components. Employee exposure to TMD’s mission, values, leadership and structure will help desegregate staff from employee type and promote positive interactions.

Leadership Succession Planning

TMD is fortunate to have many long-term employees with a great deal of institutional knowledge, much of which will be lost without quality succession planning. The Adjutant General’s Leadership Development Program (TAGLDP) is a deliberate attempt at preparing potential leaders within the organization—both military and civilian—for executive management positions.

Management will continue to identify high performers with leadership potential and will adequately train and prepare them to take on key organizational roles.

C. Workforce Plan Evaluation and Revision

State Human Resources plans to develop stronger business partnerships and collaborative relationships with each of the programs and components to assist with determining training needs, workforce strategies and succession planning.



FUTURE WORKFORCE PROFILE

TMD’s mission, goals and strategy are not expected to significantly change over the next five years. As an emergency response organization in support of the military, there will be fluctuations in staffing needs based on state and federal missions, natural disasters, and the number of military facilities and construction projects.

Current administration functions of state employees will continue to be critical to manage TMD’s fiscal and human resources. TMD is focusing on leveraging changes in technology to provide opportunities to do more with less. The agency stands ready to recruit a highly trained, diverse workforce that will strengthen TMD’s ability to serve Texas. Effective succession planning will require an investment in current staff; cooperation and collaboration is key to the development of our evolving workforce and knowledge transfer processes to ensure continuity of operations.

Behavioral health professional is a relatively new job category for TMD that will remain a priority for the organization. In 2013, TMD gained state employee behavioral health professionals to support the military Family Support Services Program. Currently, the program staff consists of seven state employees classified as behavioral analysts (counselors) spread across the state and one administrative employee supporting the lead in Austin. The program is looking to expand its geographic reach to better serve the behavioral health needs of more service members and families. Leadership will need to consider increasing the number of highly skilled, full-time, state employee counselors.

In 2016, the Office of the Attorney General awarded a grant to TMD that allowed the agency to hire three temporary state employees to support the Sexual Assault Prevention and Response (SAPR) Program. If the program proves successful, the agency expects to receive continued grant funding for these temporary positions to sustain the program.

Further, during its last session, the legislature authorized state military support positions for TMD. The Adjutant General may hire these positions with authorization of Texas Government Code, Chapter 437.2121. However, there is no specific funding for this new category of positions. Currently, TMD is working with the State Auditor’s Office to implement a new classification series to capture these positions within the state classification system. Utilization of these types of positions is likely in the future if corresponding funding becomes available.

