F. Agency Workforce Plan and Texas Workforce Strategic Plan

Introduction

Each state agency is required to conduct a strategic planning staffing analysis and develop a workforce plan that follows guidelines developed by the State Auditor. This workforce plan addresses the agency's critical staffing and training needs, including the need for experienced employees to impart knowledge to their potential successors pursuant to Tex. Gov't Code §2056.002.

Agency Overview

This section describes the mission, strategic goals, objectives, and business functions of the agency. Potential changes to these items over the next five years are also discussed.

TDHCA Mission

The mission of the Texas Department of Housing and Community Affairs is to administer its assigned programs efficiently, transparently, and lawfully. To invest its resources strategically and develop high quality affordable housing which allows Texas communities to thrive.

State resources entrusted to the Department are limited and cannot accommodate every need or demand. Therefore, the Department's ultimate objective is to provide unassailable quality in all we do such that our programs and services command universal respect.

TDHCA's Goals, Objectives, and Strategies to Fulfill its Mission

Goal 1. Increase and preserve the availability of safe, decent, and affordable housing for very low, low, and moderate income persons and families.

> Objective 1. Make loans, grants, and incentives available to fund eligible housing activities and preserve/create single and multifamily units for very low, low, and moderate income households.

>> Strategy 1. Provide mortgage loans and Mortgage Credit Certificates (MCCs), through the department's Mortgage Revenue Bond (MRB) Program, which are below the conventional market interest rates to very low, low, and moderate income homebuyers.

>> Strategy 2. Provide federal housing loans and grants through the HOME Investment Partnership (HOME) Program and the Multifamily Direct Loan Program for very low and low income families, focusing on the construction of single family and multifamily housing in rural areas of the state through partnerships with the private sector.

Strategy 3. Provide Funding for Affordable Housing through the Texas Bootstrap and Amy Young Barrier Removal Programs funded through the Texas Housing Trust Fund

Strategy 4. Provide federal rental assistance through Housing Choice Voucher Program (Section 8) vouchers for very low income households.

Strategy 5. Provide federal project-based rental assistance to extremely low income persons with disabilities through the Section 811 Project-Based Assistance Program

Strategy 6. Provide federal tax credits to develop rental housing for very low and low income households.

Strategy 7. Provide federal mortgage loans through the department's Mortgage Revenue Bond (MRB) program for the acquisition, restoration, construction and preservation of multifamily rental units for very low, low and moderate income families.

Goal 2. Promote improved housing conditions for extremely low, very low, and low income households by providing information and assistance.

Objective 1. Provide information and assistance regarding affordable housing resources and community support services

Strategy 1. Provide information and technical assistance to the public through the Housing Resource Center.

Objective 2. Promote and improve homeownership opportunities along with the development of safe neighborhoods and effective community services for all colonia residents and/or residents of low, very low, and extremely low income along the Texas-Mexico border

Strategy 1. Provide assistance to colonias, border communities, and nonprofits through field offices, Colonia Self-Help Centers, the Bootstrap Self-Help program, the Contract for Deed conversion program and other Department programs.

Goal 3. Improve living conditions for the poor and homeless and reduce cost of home energy for very low income (VLI) Texans.

Objective 1. To ease hardships of poverty and homelessness for 16 percent of the population of very low income persons each year.

Strategy 1. Administer homeless and poverty-related funds through a network of community action agencies and other local organizations so that poverty-related

services are available to very low income persons throughout the state.

Objective 2. To reduce cost of home energy for 6 percent of very low income households each year

Strategy 1. Administer state energy assistance programs by providing grants to local organizations for energy related improvements to dwellings occupied by very low income persons and general assistance to very low income households for heating and cooling expenses and energy-related emergencies.

Goal 4. Ensure compliance with Department of Housing and Community Affairs federal and state program mandates.

Objective 1. Administer and monitor all appropriate housing developments and subrecipient contracts to determine compliance with federal and state program requirements.

Strategy 1. Monitor and inspect for federal and state housing program requirements.

Strategy 2. Monitor federal and state subrecipient contracts for programmatic and fiscal requirements.

Goal 5. Protect the public by regulating the manufactured housing industry in accordance with state and federal laws.

Objective 1. Operate a regulatory system to ensure responsive handling of Statements of Ownership and Location and license applications, inspection reports, and enforcement.

Strategy 1. Provide services for Statement of Ownership and Location and Licensing in a timely and efficient manner.

Strategy 2. Conduct inspections of manufactured homes in a timely and efficient manner.

Strategy 3. Process consumer complaints, conduct investigations, and take administrative actions to protect general public and consumers.

Strategy 4. Provide for the processing of occupational licenses, registrations, or permit fees through Texas.gov.

Core Business Functions

TDHCA business functions can be broadly grouped into four categories: providing housing and community services assistance, affirmatively furthering fair housing, regulating the manufactured housing industry, serving as an informational resource. To ensure the success of the Department's efforts in these areas, a variety of supporting functions are required. These support areas include financial administration, human resources, information systems, asset management, portfolio

management and compliance, policy and public affairs, purchasing, and real estate analysis.

Housing and Community Services Assistance

Types of housing and community services assistance include:
- Housing assistance for individual households (homebuyer mortgage and down payment, home repair, and rental payment assistance);
- Ensuring programs affirmatively further fair housing efforts;
- Funding for the development of apartments (new construction or rehabilitation of rental units);
- Energy assistance (utility payments or home weatherization activities);
- Assistance for homeless persons and emergency relief for individuals or families in crisis poverty (transitional housing, energy assistance, home weatherization, health and human services, child care, nutrition, job training and employment services, substance abuse counseling, medical services, and other emergency assistance); and
- Capacity building assistance (training and technical assistance, assistance with operating costs, and predevelopment loans to help local housing organizations develop housing).

Manufactured Housing Activities

TDHCA's Manufactured Housing Division is an independent entity within TDHCA. It is administratively attached, but it has its own Board of Directors and Executive Director. This division administers the Texas Manufactured Housing Standards Act. The act ensures that manufactured homes are well-constructed, safe, and installed correctly; that consumers are provided fair and effective remedies; and that measures are taken to provide economic stability for the Texas manufactured housing industry. Services of the Manufactured Housing Division include issuances of SOL research; training and license issuances to individuals for manufactured housing manufacturing, retailing, installations, broker, or sales; records and releases on tax and mortgage liens; installation, habitability and consumer complaint inspections; resolution of consumer complaints; and federal oversight under a cooperative agreement with HUD.

Information Resources

TDHCA is an informational resource for individuals, federal, state, and local governments, the Legislature, community organizations, advocacy groups, housing developers, and supportive services providers. Examples of information provided includes: general information on TDHCA activities, application and implementation technical assistance, housing need data and analysis, and direct consumer information on available assistance statewide. This information is provided through a myriad of communication methods: a 1-800 phone line, publications and guidebooks, via email and the TDHCA website, public hearings, trainings and workshops, planning roundtables, field offices, mass mailings, television, radio, and print media, speaking engagements, and conferences. TDHCA uses online forums to encourage topical discussions and gather feedback on proposed policies, rules, plans, reports, or other activities. Forums may be used in combination with public hearings and other public comment opportunities as a means for the Department to collect stakeholder input.

In all of its activities, TDHCA strives to promote sound housing policies; promote leveraging of state and local resources; prevent discrimination; and ensure the stability and continuity of services through a fair, nondiscriminatory, and open process.

Anticipated Changes to the Mission, Strategies, and Goals over the Next Five Years

The Department does not anticipate any significant changes of the mission, strategies and goals over the next five years.

Current Workforce Profile (Supply Analysis)

This section describes the agency's current workforce by assessing whether current employees have the knowledge, skills, and abilities needed to address critical business issues in the future.

Size and Composition of Workforce

As of April 30, 2018, TDHCA had a total headcount of 283 employees. The following tables profile the agency's workforce. TDHCA's workforce is compromised of 38.9 percent males and 61.1 percent females. Over 45 percent of the agency's work force is over 50 years old with 41 percent of the work force having 16 or more years of state service.

Statistics show that under one-half or 43 percent of the work force has 10 years or less of experience working at TDHCA with proficiency levels ranging from working knowledge of processes to gaining mastery level of processes. 30 percent of TDHCA's workforce has 11-20 years of tenure with expertise levels ranging from mastery to acknowledged subject matter expert. Employees with 21 years or more of tenure compromise 27 percent of the work force and are also keepers of institutional business knowledge.

The agency realizes that to prevent disparity in knowledge and experience levels and to mitigate future program operational challenges, succession planning strategies must address the transfer of institutional business knowledge and professional expertise.

Work Force Breakdown

Gender

	Number of Employees	Percent of Employees
Male	110	38.9%
Female	173	61.1%

Source: Centralized Accounting and Payroll/Personnel System

Age

	Number of Employees	Percent of Employees

Under 30	13	4.59%
30-39	46	16.25%
40-49	96	33.92%
50 – 59	87	30.74%
60 and over	41	14.5%

Source: Centralized Accounting and Payroll/Personnel System

Agency Tenure

	Number of Employees	Percent of Employees
0-5 years	87	30.74%
6-10 years	64	22.62%
11-15 years	42	14.84%
16-20 years	43	15.20%
21-25 years	37	13.07.%
Over 25 years	10	3.53%

Source: Centralized Accounting and Payroll/Personnel System

State Tenure

	Number of Employees	Percent of Employees
0-5 years	62	21.91%
6-10 years	59	20.85%
11-15 years	45	15.90%
16-20 years	40	14.13%
21-25 years	42	14.84%
Over 25 years	35	12.37%

Source: Centralized Accounting and Payroll/Personnel System

TDHCA Work Force Compared to Statewide Civilian Workforce

The "Statewide Employment Statistics" table below compares the percentage of African American, Hispanic and Female TDHCA employees (as of April 30, 2018) to the statewide civilian work force as reported by the Texas Workforce Commission's Civil Rights Division. For most job categories, the agency is comparable to or above statewide work force statistics; however, there are some areas that are under-represented. TDHCA is dedicated to ensuring quality in the workforce and specifically targets recruitment resources such a diverse community organizations and colleges that reach out to the workforce in the under-represented EEO categories to generate a larger applicant pool to achieve the EEO goals of the state.

Statewide Employment Statistics

Job Category	African American TDHCA	African American State	Hispanic American TDHCA	Hispanic American State	Females TDHCA	Females State
Officials/Administrators	4.17	7.40%	25.00%	22.10%	37.50%	37.40%
Professionals	7.73%	10.40%	37.11%	19.30%	71.65%	55.30%
Technicians	10.20%	14.40%	26.53%	27.20%	20.41%	55.30%
Para-Professionals	36.36%	N/A	36.36%	N/A	90.91%	N/A
Administrative Support	33.33%	14.80%	16.67%	34.80%	83.33%	72.10%

Source: Centralized Accounting and Payroll/Personnel System (CAPPS) and Texas Workforce Commission (TWC).

TWC statistics extracted from "Equal Employment Opportunity and Minority Hiring Practices Report, Fiscal Years 2015-2016."

The January 2015 TWC EEO and Minority Hiring Practices Report indicated that TWC has combined the statewide percentages for the Paraprofessional and the Service Maintenance EEO categories because they were not available separately from their BLS source report, accordingly, there is no Statewide paraprofessional statistic available for comparison.

Employee Turnover

According to the State Auditor's Office Turnover Report for fiscal year 2017, the statewide turnover rate for full-time and part-time classified employees at state agencies was 18.6 percent. This does not include interagency transfers since the state does not consider this to be a loss to the state.

As shown by the chart below, TDHCA's turnover rates have historically been at least 5 percent under the state turnover rates. In fiscal year 2017 the turnover rate was 2.1 percent higher than the previous fiscal year. Employee turnover is normal to any organization but can be negative if it reaches abnormal levels. Negatives include the associated costs of turnover, such as training and orientation of new employees, recruitment and selection of new employees, leave payout to departing employees, and lower productivity in the workplace during the time that a position is vacant and during the time that a new employee is learning the job. There can be a financial gain as experienced employees are replaced with entry level staff, however, loss of those experienced employees can negatively impact the agency due to loss of institutional knowledge and skill.

Overall Turnover

Fiscal Year	TDHCA	State
2017	7.4%	18.6%
2016	5.6%	17.6%
2015	12.0%	18%
2014	8.0%	17.5%
2013	7.1%	17.6%

Source: State Auditor Officer (SAO) Classified Employee Turnover Report FY2017.
Turnover rates exclude interagency transfers

Turnover by Length of Agency Service

FY	# Terms	Less than 2 Years	2-4.99 Years	5-9.99 Years	10-14.99 Years	15-19.99 Years	Over 20 Years

2017	21	5	3	2	3	5	3
2016	16	4	1	4	3	0	4
2015	34	8	9	6	3	4	4
2014	23	1	10	7	3	1	1
2013	22	5	6	4	4	2	1

Source: SAO E-Class. Data excludes interagency transfers

Turnover by Age

FY	# Terms	20-29 Years	30-39 Years	40-49 Years	50-59 Years	60-69 Years
2017	21	1	5	4	6	5
2016	16	0	6	2	4	4
2015	34	1	8	11	11	3
2014	23	0	12	4	4	3
2013	22	1	4	5	5	7

Source: SAO E-Class. Data excludes interagency transfers

Retirement Eligibility

Data obtained from the Employees Retirement System shows projected retirements at TDHCA over the next five fiscal years.

The loss of employees due to retirement is, and will continue to be, a critical issue facing the agency. The loss of institutional business knowledge and expertise in key management and senior-level professional positions, coupled with normal attrition, poses a critical work force dilemma for the agency as well as the state. It is important to ensure that this technical knowledge and organizational experience is not lost. Management is aware of the impact that retirees will have on the Department within the next biennium and is continually looking at methods to replace these skills and knowledge through:
• Employee Development
• On-the-job training
• Leadership Development
• Succession Planning
• Cross divisional training
• Mentoring

Projected TDHCA Retirements

Fiscal Year	Projected Retirements	Percent of Total Agency Employees (FTE Budget of 312)
2018	43	13.8
2019	9	2.8
2020	8	2.6
2021	11	3.5
2022	14	4.5
Total Projected Retirements	85	27.2%

Source: Centralized Accounting & Payroll/Personnel System (CAPPS)

Workforce Skills Critical to the Mission and Goals of the Agency

Core Functions

- Asset Management
- Building Inspection and Weatherization
- Capital Market Bond Financing
- Community Services
- Construction Management and Oversight
- Contract Management
- Data Analysis and Reporting
- Emergency Response and Management
- Environmental science
- Governmental Accounting and Reporting
- Information Systems and Security and Web Administration
- Knowledge of federal regulations, particularly OMB requirements
- Knowledge of Loan Closing and Titling processes
- Knowledge of Real Estate Transactions
- Legislative and governmental relations
- Loan Management
- Mortgage and loan management
- Portfolio management and compliance
- Program Planning and Administration
- Underwriting

Critical Work Force Skills

Although the agency has many talented and qualified employees, there are a number of critical skills the Department's workforce needs in order to effectively accomplish its business functions and provide a high level of customer service which include:

- Analysis/research/planning/problem solving
- Auditing
- Communication (verbal and written)
- Computer skills ranging from entry level data entry to highly skilled information systems programmers and database administrators
- Customer service
- Financial management, financial analysis, and accounting expertise
- Housing market industry
- Information security analysis
- Inspection
- Investigation
- Leadership and management
- Legal analysis
- Legislative relations and bill tracking
- Manufactured housing rules and regulations
- Marketing
- Multi-lingual
- Outreach and technical assistance
- Project management, quality oversight, and evaluation
- Titling and licensing

Use of Consultants

To effectively achieve its mission, TDHCA will continue to use consultants and contract workers in areas where their unique skills and experience represents the most effective use of the State's resources. Two divisions that expect the greatest ongoing use of consultants are Information Systems, and Bond Finance.

ISD

TDHCA's Information Systems Division makes limited, targeted use of consultants for approved capital budget projects and software development support. In the current biennium, the Department continues to employ one contract systems analyst to provide the majority of PeopleSoft Financials support and plans to hire an additional contract software developer to assist with Community Affairs Contract System support.

Bond Finance

Bond Finance uses the following types of consultants:

Bond Counsel	A law firm or firms experienced in the issuance of mortgage revenue bonds and mortgage credit certificates.
Disclosure Counsel	A law firm experienced in securities laws particularly as it relates to disclosure of information by securities issuers to the private markets.
Financial Advisor	Typically an investment banking firm experienced in issuance of mortgage revenue bonds.
Interest Rate Swap Advisor	Primarily monitors interest rate swaps used to hedge single family mortgage revenue bonds.
Investment Bankers	A firm specializing in the underwriting, issuance and sale of mortgage revenue bonds and provides advice relating to financial structure and cash flows.
Master Servicer	A financially sound bank or trust company experienced in loan servicing for tax-exempt and taxable single family programs.
Program Administrator	A company experienced in programmatic and tax compliance review for tax-exempt and taxable single family programs.
Rating Agencies	A national rating agency which analyzes bond issues and assigns a rating to them to indicate to prospective bondholders the investment quality of the issue.
TBA Provider	An investment banking firm experienced with the pooling and hedging of mortgage-backed securities in the TBA market.

Future Workforce Profile (Demand Analysis)

This section describes the Department's future business and staffing outlook. This analysis helps to identify trends, future influences, and challenges for the agency's business functions, new and at-risk business, and workforce composition.

Future Workforce Skills Needed

In addition to those skills described above in the "Workforce Skills Critical to the Mission and Goals of the Agency" section, it is expected that the following skills will also be needed:

- The Bond Finance Division may need to bring some specialized functions in-house over the next several years that the Department currently relies upon consultants to complete. Those tasks may require new staff and new skill sets.
- The Legal Services Division is called upon to provide increasingly complex transactional documentation skills and assist in developing increasingly detailed and complex rules, as new programs continue to emerge in response to federal legislative changes and new strategic directions. Both require significant real estate experience, detailed knowledge of state and federal laws, plus exceptional drafting skills. As more asset resolution and enforcement issues are brought forward, additional capabilities in contested case proceedings, loan restructurings, and bankruptcy matters are required.
- The Texas Housing Trust Fund has a current and future need for data analysis and programming skills.
- Legislative mandates impacting the administration and delivery of agency programs.
- The Human Resources Division anticipates needing to build strong overall HR knowledge, including HR certification; compensation skills; recruitment skills; the ability to administer HR programs effectively (strategically and assisting with development of programs); and skills in becoming an effective change agent for the Department.
- Many of the program areas have ongoing needs for expertise in data management and reporting.
- Other skill requirements with increased focus include team building and the ability to adapt to changing workplace demands.

Anticipated Increase or Decrease in the Number of Employees Needed to Do the Work

Anticipated Increases:
- At a minimum maintain current staffing level.
- Reallocate employees within the agency to address shifts in program funding and/or increased demands.
- Continuously review processes and develop efficiencies as needed.
- Provide training and effectively manage succession planning.
- Awarding of new federal funds or appropriation of state funds.
- The Compliance & Asset Oversight Division anticipates the need for more staff as the size of the multifamily portfolio continues to expand and if the volume of utility allowance reviews for the housing tax credit program continues or increases. Address increased programmatic regulations including new federal OMB requirements.
- The Real Estate Analysis Division anticipates an increase in the number of employees needed to underwrite an expanding pipeline of multifamily transactions; these transactions are expected to continue to increase over the next few years.

Gap Analysis

Anticipated Surplus or Shortage of Employees/ Skills

Overall the agency work force has the necessary skills to perform the required work. In the next five years the agency could experience a shortage of required skills in management and senior level

professional positions due to potential retirements and through attrition.

Due to the changing workforce of the Department it is anticipated that there may be a shortage of the following personnel and/or skills:
• The Bond Finance Division may experience a shortage related to the specialized data analysis personnel and associated skill sets.
• The Legal Services Division anticipates a shortage in qualified real estate professionals, specifically those skilled and versed in HUD and LIHTC issues.
• The Information Systems Division has a continued need for employees with expertise in Java and the specific Java framework used at TDHCA, Oracle, APPX, PeopleSoft, Mitas, and network and technical support.

Strategy Development

This section describes strategies for workforce transition.

TDHCA has always encouraged training for staff. This is an essential part of developing and maintaining a skilled workforce that encompasses the quality performance needed to carry out the mission and goals of the agency.

The workplace has always consisted of many generations working at one time. However, today's age-diverse workforce is working past retirement age, which has led to a generation gap of 46 years between the oldest and youngest workers. As a result, a one-size-fits-all approach is not appropriate in an age-diverse workforce that may have four generations of workers at one time. The TDHCA must be prepared to work with the communication styles of each generation and determine what motivates each generation in order to bridge the generation gap. This approach is key in developing both succession planning and knowledge transfer for future generations. Furthermore, as society in general becomes more diverse, the TDHCA workforce must mirror this diversity, thereby meeting both the needs and the expectations of the population it serves.

In addition to the diversity and composition of the future TDHCA workforce, fair pay will continue to impact recruitment and retention. The TDHCA and state agencies, in general, currently cannot compete with other organizations in terms of compensating its employees. Many existing employees continue to serve the agency because they value its mission or enjoy the work-life balance that may be lacking in a for-profit company or firm. The TDHCA must continue to foster an environment that offers not only fair compensation but also other incentives that attract and retain staff.

Specific Goals to Address Workforce Competency Gaps or Surpluses

To plan for TDHCA's future workforce needs, the following goals have been developed.

Gap: Retain and Attract the Right Employees for the Job.

Goal: To attract and retain a competent workforce.

Rationale: Recruiting excellent workers with the knowledge, skills, and abilities to perform their job duties is essential for a quality work force. It is also a challenge to retain those same employees in such a competitive market. The agency must recruit quality workers, learn to recognize excellent performance and provide development opportunities to employees.

The Department must also develop those employees with interest and ability to learn new skills and develop leadership skills in order to be prepared to advance into critical positions. The Department must also be prepared to recruit external candidates with the necessary skills needed.

Action Steps:
- Identify positions and also classification job series with the highest turnover and implement more aggressive retention strategies for these positions.
- Conduct an assessment of risk at TDHCA regarding the potential loss of knowledge, particularly in areas of loss due to retirement of key positions.
- Identify positions that should be targeted for succession planning, determine critical competencies and skills needed for those positions, and consider how to develop staff for theses position and how to aggressively recruit for these positions.
- Provide employee training to develop critical skills needed.
- Develop and provide cross/rotational training for employees who are seeking new challenges or who wish to move across divisions.
- Create training and development plans for employees to assume higher level positions as vacancies occur.
- Establish recruitment resources that market specifically to the housing industry, attend career fairs at colleges and universities as needed, and use the Work in Texas database to recruit applicants, and continue to have TDHCA job fairs in an effort to recruit and achieve a diverse qualified pool of applicants.
- Establish recruitment resources that market specifically to the housing industry, attend career fairs at colleges and universities as needed. Encourage management to identify recruitment resources, organizations, colleges, and university to establish and applicant pool of individuals with the critical skills needed for their positions.
- Continue to conduct the Survey of Employee Engagement to determine trends in employee satisfaction and address areas of concern.
- Continue to allow employees to utilize the agency's alternative work schedule program to the extent possible.
- Create programs that allow employees who are seeking new challenges to work on special projects, rotations and/or developmental assignments.
- Adjust salaries within assigned pay ranges for employees in positions that are either critical or key functions or that have high turnover rates.
- Promote the use of non-monetary rewards for exceptional performance (e.g. Administrative Leave for Outstanding Performance, etc.)
- Promote the Wellness Program.

Gap: IS staff with advanced technology skills needed to maintain the Department's continually advancing computer systems and programs.

Goal: To provide the Department with technology that will increase efficiency of information for customers and staff, increase customer satisfaction, and provided streamlining of technology based

programs

Rationale: Training is needed to stay current with emerging technology. There are increased requests for changes to IT systems to better serve our customers and staff

Action Steps:
- Continue to develop IT staff by providing ongoing training.
- Determine anticipated changes needed to systems and allow for training and staff development of new technologies.
- Cross functional training of IT staff.
- Develop plans for future needs of the Department web-based programs.

Gap: Develop a Competent and Well-Trained Diverse Work Force

Goal: To employ a diverse workforce with skills to function and lead a diverse workforce.

Rationale: Over 27 percent of TDHCA's workforce is projected to be eligible to retire within the next five years. The agency relies heavily on a competent and knowledgeable staff and the loss of mastery-level expertise and institutional business knowledge will have a significant impact on agency services. The agency must continually assess existing staff to determine which employees demonstrate interest and also potential to develop new competencies and also assume new positions. Also, as the workforce continues to change there is an increase in multi-generational and diverse backgrounds entering the workforce. Employees will need to be able to work with and manage people with differing opinions and work ethics.

Action Steps:
- Identify agency critical skills and competencies with input from divisions.
- Provide management with tools and training to assist in the management of a multi-generational diverse workforce.
- Promote the agency's tuition reimbursement program to encourage employees to further their education.
- Identify staff with leadership potential and send them to leadership development training. Require employees to participate in professional and personal development training to address undeveloped strengths.
- Provide staff with agency online training offerings and usage.
- Encourage employees to pursue professional certification(s) in their areas of employment when possible.
- Regularly review Department demographics to determine EEO shortfalls in EEO categories.
- Include "job shadowing" of new employee with more seasoned employees, as a routing part of both employees' job descriptions.

Survey of Organizational Excellence Results and Utilization Plans

Employees' Attitudes and Possibilities for Change

In February of 2018, TDHCA participated in the Survey of Employee Engagement sponsored by the University of Texas Institute for Organizational Excellence. The results of the survey are

outlined below.

Response Rate

Of the 280 employees invited to take the survey, 248 responded for a response rate of 88.6%. As a general rule, rates higher than 50 percent suggest soundness, while rates lower than 30% may indicate problems. At 88.6% the response rate for TDHCA is considered high. High rates mean that employees have an investment in the organization and are willing to contribute toward making improvements within the workplace. This survey forms the basis of the following observations concerning TDHCA's strengths and weaknesses according to the employees of the Department:

Overall Score

The overall survey score for TDHCA was 395. The overall survey score is a broad indicator for comparison with other entities. Scores above 350 are desirable, and when scores dip below 300, there should be cause for concern. Scores above 400 are the product of a highly engaged workforce.

Levels of Employee Engagement

Twelve items crossing several survey constructs were selected to assess the level of engagement among individual employees. For TDHCA, 37% of employers are Highly Engaged, 22% are Engaged, 34% are Moderately Engaged, and 7% are Disengaged.

Highly Engaged employees are willing to go above and beyond in their employment. Engaged employees are more present in the workplace and show an effort to help out. Moderately Engaged employees are physically present, but put minimal effort towards accomplishing the job. Disengaged employees are disinterested in their jobs and may be actively working against their coworkers.

For comparison purposes, according to nationwide polling data, about 30% of employees are Highly Engaged or Engaged, 50% are Moderately Engaged, and 20% are Disengaged.

Based on the survey, the following provides employee years of service with TDHCA:
- 16% New Hires (0-2 years)
- 31% Experienced (3-10 years)
- 41% Very Experienced (11+ years)
- 12% Did Not Answer

Focusing forward, there are 6% of employees that indicated they intend to leave TDHCA within the next year and there are 19% of employees that indicated they are eligible for retirement, or will be within the next two years.

Constructs

Similar items are grouped together and their scores are averaged and multiplied by 100 to produce 12 construct measures. These constructs capture the concepts most utilized by leadership and drive organizational performance and engagement.

Each construct is displayed below with its corresponding score. Constructs have been coded below

to highlight the Department's areas of strength and concern. The three highest are green, the three lowest are red, and all others are yellow. Scores typically range from 300 to 400, and 350 is a tipping point between positive and negative perceptions. The lowest score for a construct is 100, while the highest is 500.

Construct Scores

Construct	Score
Workgroup	408
Strategic	414
Supervision	424
Workplace	394
Community	398
Information Systems	380
Internal Communication	386
Pay	298
Benefits	391
Employee Development	391
Job Satisfaction	406
Employee Engagement	414
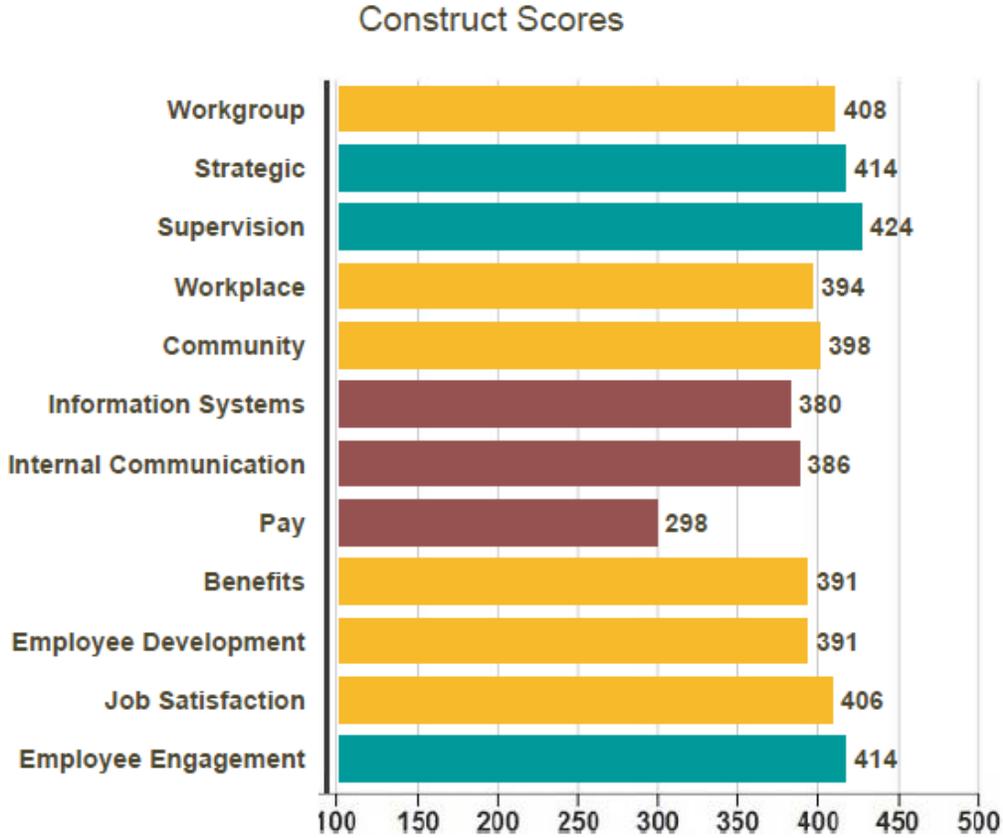
Areas of Strength and Concern

Areas of Strength

Supervision   **Score: 424**
The supervision construct captures employees' perceptions of the nature of supervisory relationships within the organization. Higher scores suggest that employees view their supervisors as fair, helpful and critical to the flow of work.

Employee Engagement   **Score: 414**
The employee engagement construct captures the degree to which employees are willing to go above and beyond, feel committed to the organization and are present while working. Higher scores suggest that employees feel their ideas count, their work impacts the organization and their well-being and development are valued.

Strategic   **Score: 414**
The strategic construct captures employees' perceptions of their role in the organization and the organization's mission, vision, and strategic plan. Higher scores suggest that employees understand their role in the organization and consider the organization's reputation to be positive.

Areas of Concern

Pay   **Score: 298**
The pay construct captures employees' perceptions about how well the compensation package offered by the organization holds up when compared to similar jobs in other organizations. Lower scores suggest that pay is a central concern or reason for discontent and is not comparable to similar organizations.

Information Systems   **Score: 380**
The information systems construct captures employees' perceptions of whether computer and communication systems provide accessible, accurate, and clear information. The lower the score, the more likely employees are frustrated with their ability to secure needed information through current systems.
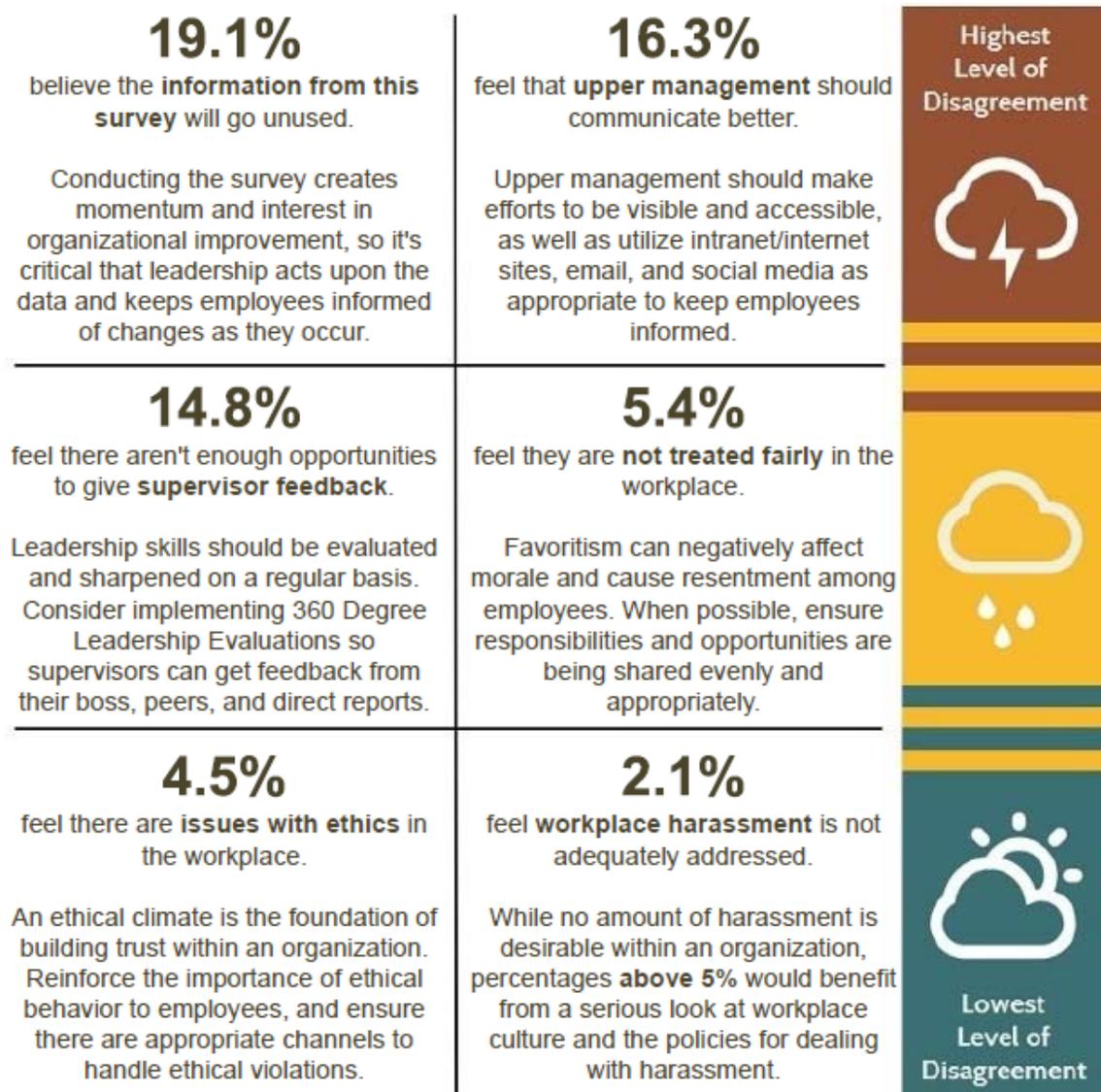
Internal Communication   **Score: 386**
The internal communication construct captures employees' perceptions of whether communication in the organization is reasonable, candid and helpful. Lower scores suggest that employees feel information does not arrive in a timely fashion and is difficult to find.

Climate

The climate in which employees work does, to a large extent, determine the efficiency and effectiveness of an organization. The appropriate climate is a combination of a safe, non-harassing environment with ethical abiding employees who treat each other with fairness and respect. Moreover, it is an organization with proactive management that communicates and has the capability to make thoughtful decisions. Below are the percentages of employees who marked disagree or strongly disagree for each of the 6 climate items.

		Highest Level of Disagreement
19.1% believe the **information from this survey** will go unused. Conducting the survey creates momentum and interest in organizational improvement, so it's critical that leadership acts upon the data and keeps employees informed of changes as they occur.	**16.3%** feel that **upper management** should communicate better. Upper management should make efforts to be visible and accessible, as well as utilize intranet/internet sites, email, and social media as appropriate to keep employees informed.	
14.8% feel there aren't enough opportunities to give **supervisor feedback**. Leadership skills should be evaluated and sharpened on a regular basis. Consider implementing 360 Degree Leadership Evaluations so supervisors can get feedback from their boss, peers, and direct reports.	**5.4%** feel they are **not treated fairly** in the workplace. Favoritism can negatively affect morale and cause resentment among employees. When possible, ensure responsibilities and opportunities are being shared evenly and appropriately.	
4.5% feel there are **issues with ethics** in the workplace. An ethical climate is the foundation of building trust within an organization. Reinforce the importance of ethical behavior to employees, and ensure there are appropriate channels to handle ethical violations.	**2.1%** feel **workplace harassment** is not adequately addressed. While no amount of harassment is desirable within an organization, percentages **above 5%** would benefit from a serious look at workplace culture and the policies for dealing with harassment.	Lowest Level of Disagreement

Strategies for Improvement

The Department will continue to capitalize on the information derived from the 2018 Survey of Employee Engagement to improve in areas of concern as noted below.

Pay

While fair pay continues to be the lowest scoring category for the Department, the Department will continue to review equity among similar positions and make adjustments as appropriate to ensure equitable pay among positions.

Information Systems

The Department will continue to work with the Information Systems division to address the IT needs and system enhancements of staff.

Internal Communication

The Department created a recurring weekly meeting for Directors and Managers to discuss updates in their areas. All talking points are recorded and posted in employee break rooms and on the Agency Water Cooler to keep employees apprised of agency wide communications. The Department will also continue to have internal communications with staff through the Department Water Cooler and Agency wide emails.