

APPENDIX F

State Office of Administrative Hearings

Fiscal Years 2019-2023 Workforce Plan

SCHEDULE F: Fiscal Years 2019-2023 Workforce Plan

Agency Overview

The mission of the State Office of Administrative Hearings, also called SOAH is to serve as an independent, neutral forum for the State of Texas by providing a fair and efficient hearings process and the opportunity for alternative dispute resolution proceedings, in accordance with Chapter 2003 of the Texas Government Code. SOAH's core purpose is to separate the adjudicative function from the other functions within the executive branch of state government.

SOAH's hearings and alternative dispute resolution matters are handled by Administrative Law Judges (ALJs) employed by SOAH. Every year, SOAH handles more than 30,000 cases, for more than 50 state agencies and other governmental bodies. This work is divided into teams by subject matter, including: Administrative License Revocation and Field Enforcement; Economic; Health Professions Licensing; Individuals with Disability Education Act; Natural Resources; Occupational Licensing; Tax; and Utilities. In addition to its headquarters in Austin, SOAH also has seven field offices throughout the state.

Strategic Goals and Objectives

SOAH's key goal is to provide for a fair and efficient administrative hearings process, which entails conducting hearings and preparing proposals for decision and final orders, as well as conducting alternative dispute resolution proceedings.

There are no anticipated changes to the mission, strategies, and goals of the agency over the next five years.

Current Workforce Profile

SOAH is authorized for 123 FTEs in the General Appropriations Act. SOAH's Chief Administrative Law Judge is appointed by the Governor and also acts as its Executive Director.

In 2016, SOAH began a reorganization of the agency's executive division. A Deputy Chief for Hearings position was established to head the Hearings Division and to separate the managerial role of this position from the duties of the General Counsel. The Hearings Division includes the hearings teams, field operations, and docketing services. The General Counsel also serves as the Public Information Officer and has oversight of records retention. A Chief Operating Officer role was established in Fiscal Year 2018 to oversee the Contracting, Finance, Human Resources, and Information Technology functions.

The majority of SOAH's employees have education beyond high school, with over 50 percent having advanced degrees. With the largest percentage of job classification requiring a J.D. degree, it is critical to the mission of the agency to recruit, hire, train and retain an educated workforce.

Current Demographics

The statistical information provided in this section is based on data as of August 31, 2017. SOAH's current workforce is comprised of approximately 114.5 employees, 31 percent male and 69 percent female. Out of the same population, 84 percent of the agency's employees are over the age of forty. SOAH has an experienced workforce, with 60 percent of its employees holding greater than five years' service, and 44 percent have worked for SOAH over ten years. 35 percent of SOAH's workforce is comprised of ethnic minorities.

Workforce Eligible to Retire

SOAH currently has approximately 48 employees (42 percent of SOAH's current workforce) who will meet retirement eligibility requirements within the next five years. Of these employees, 25 are ALJs. While all areas of the agency are likely to be impacted by retiring staff, the greatest impact will most likely be among the ALJs.

Veteran Workforce

SOAH's veteran workforce is 9 percent, which falls short of the statewide 20 percent target. The agency began participating in veterans' job fairs in 2016 in an effort to reach out to the veteran population and increase awareness of the agency. Job postings are shared with the Texas Veteran's Commission, and the agency provides military cross-walk information on all external job postings. The agency adheres to the statutory requirement to interview qualified veterans for all job openings.

SOAH will continue to focus on providing information regarding job opportunities to the veteran population and will seek opportunities to be more innovative in the recruitment of veterans for SOAH positions.

Agency Turnover

SOAH's turnover rate is consistently lower than the statewide average. In fiscal year 2017, SOAH's turnover decreased to 12 percent while the statewide average rose to 32 percent. SOAH expects its turnover rate to increase over the next few years due to a likely increase in employee retirements.

Ten of the thirteen employees who left SOAH employment in 2017 left due to retirement from the state. Six of these retiring employees were ALJs. Both the Docketing Manager (Manager III) and the agency's Purchaser (Purchaser V) retired during FY 2017, and two Deputy Clerks III retired from SOAH's Docketing Division. An Administrative Assistant II, Deputy Clerk II, and HR Specialist III left for reasons other than retirement. SOAH anticipates that the greatest future turnover will be in the ALJ classification due to the number of employees in this classification who are eligible for retirement. Ten female employees left SOAH in 2017 and three male employees; two employees were ethnic minorities.

Projected Agency Turnover over Five Years

Historically, SOAH has experienced a low turnover of less than 10 percent. Because SOAH has a large population eligible to retire, SOAH anticipates a higher turnover rate over the next five years, perhaps as high as 20 percent.

Workforce Skills Critical to the Mission

SOAH requires a workforce with a variety of critical skills and a high level of education to effectively fulfill the core business functions. Based on the agency's mission, the dominant skill sets needed are listed below:

- Presiding experience
- Research, writing, and review skills
- Effective communication
- Understanding of laws, rules, and policies
- Management skills
- Individuals with Disabilities Education Act (IDEA) training
- J.D. Degree
- Emerging and advanced technology skills
- Data analysis and management
- Legislative process
- Change management

Workforce Allocation

SOAH is divided into three main areas, Hearings, Operations, and General Counsel. In addition to the Deputy Director of Hearings, the Hearings Division had 60 ALJs, 22 Administrative Assistants, 3 Legal Assistants, and 9 Deputy Clerks in FY 2017. Operations consisted of 1 in Contracting, 5 in Finance, 2 in Human Resources, and 6 in IT, in addition to the COO. General Counsel has one direct report. The Chief ALJ has an executive assistant.

Future Workforce Profile

Expected Workforce Changes

SOAH expects to continue to improve its technology. This may require additional job classifications to manage the change or training to enhance existing skillsets in all areas of the agency. In addition, change management skills will be needed to advance the agency. Any other change in workloads and the number of employees will depend on changes to the number of cases referred. Current growth in workload has been in the areas of IDEA and tax hearings. Every position is required to perform the mission of the agency. Critical positions include a team of competent ALJs and a strong management team.

Gap Analysis

There is a need to improve the diversity of SOAH's workforce. 35 percent of SOAH's workforce is ethnic minorities; however, only 15 percent of the ALJs are ethnic minorities. 21 percent of active in-state attorneys registered with the Texas Bar are minorities (*Attorney Statistical Profile for 2017-2018* compiled by the State Bar of Texas Department of Research and Analysis).

20 percent of the agency's workforce should be veterans. SOAH has fallen short in achieving Senate Bill 805, as passed by the 84th Legislature. SOAH will continue outreach efforts.

Similar to other medium sized agencies, recruitment and retention of staff in indirect administration can be challenging. Legal Secretaries, IT professionals, purchasers, and finance professionals are difficult to replace. Succession planning can be problematic in these areas where there is a large skill gap between managers and staff. With technology advancements comes the need for specialized skills in change management, which may present a challenge for recruitment.

Staff training will become imperative for future efficiencies. A training schedule and plan for ALJs will be finalized to ensure they are current in their areas of expertise. Management training is critical to enhance the skills at SOAH as outlined by the Sunset Commission.

Strategic Development

Strategy 1: Succession Plan

SOAH continues to develop its plan to ensure continuity of leadership and knowledge in all areas. The agency has recognized the need for the transference of knowledge in mission-critical areas and has incorporated a system for ensuring that this knowledge is not lost. Factors that SOAH's management and human resources have considered during this development process include the need for replacement of key management and staff personnel who may be lost due to retirement or other turnover.

To facilitate the transference of knowledge and provide for well-developed, qualified, ongoing leadership, the agency has been implementing mentoring and cross-training practices, back-ups for core functions, and the documentation of procedures.

Strategy 2: Organizational Training

SOAH has begun to develop a standardized agency-wide training plan. This encompasses the development of updated on-board training for new employees, the creation of a biennial schedule for regular and ongoing training on key topics for all SOAH employees, and the development of a strategy for consistent position-specific education and training, for all SOAH employees.

In developing such a plan, SOAH will consider all available sources of training, including technological solutions.