

Schedule F

Texas Real Estate Commission

Texas Appraiser Licensing and Certification Board

Fiscal Year 2023 to 2027 Workforce Plan

Agency Overview

The Texas Legislature established the Texas Real Estate Commission (TREC) in 1949 to safeguard consumers in matters of real property transactions and valuation services. In 1991, the Texas Appraiser Licensing and Certification Board (TALCB) was established to safeguard consumers in matters of real property appraisal services. TALCB shares staff and resources with TREC. Together TREC and TALCB oversee real estate brokerage, real property appraisals, inspections, and timeshare opportunities.

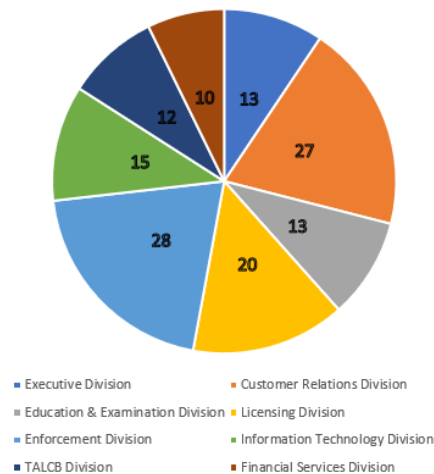
The agency provides education and licensing services, as well as regulation and enforcement of state and federal laws and requirements that govern real property. TREC and TALCB function as a single state agency, with distinct, independent policy and enforcement functions. One hundred percent of the funds needed to finance the agency’s activities come from fees paid by approximately 225,120 TREC licensees and 6,700 TALCB licensees.

Agency workforce planning is an ongoing process that includes the following elements:

- Understanding the agency’s strategic direction and factors that may impact workforce needs.
- Reviewing and analyzing workforce data.
- Communicating workforce plan findings and recommendations.
- Implementing initiatives to address workforce challenges and monitoring progress.
- Evaluating the success of initiatives and determining what adjustments are needed.

As of April 1, 2022, the agency has 140 full time equivalent (FTE) employees. The main office is in Austin, Texas, and has eight major divisions: Customer Relations, Education and Examinations, Licensing, Enforcement, TALCB, Financial Services, Information Technology, and Executive. The following chart details the number of filled positions for each division as of April 1, 2022.

The Agency's Divisions and Positions



Agency Mission and Philosophy

The agency exists to safeguard the public interest and protect consumers of real estate services. In accord with state and federal laws, the agency oversees real estate brokerage, appraisal, inspection, and timeshare interest providers. Through education, licensing, and regulation, the agency ensures the availability of qualified and ethical service providers, thereby facilitating economic growth and opportunity in Texas.

To achieve its mission, the agency embraces these core values:

- Provide exceptional customer service that is accessible, responsive, and transparent.
- Demand integrity, accountability, and high standards, both of licensees and ourselves.
- Strive continuously for excellence and efficiency.
- Demonstrate professional kindness to all in the workplace.

I. Current Workforce Profile

Workforce Demographics

As of April 1, 2022, the agency has a total headcount of 140 employees. Currently, veterans are 4.3% of the agency's workforce. The agency goal is 20%, in line with state law. The following tables profile the agency's workforce, including both full-time and part-time employees.¹

Age

Approximately (46%) are 50 years of age or older which is a 4% increase from 2021.

Agency Age

	Number of Employees	Percent of Employees
20-29 years	11	8.03%
30-39 years	22	16.06%
40-49 years	41	29.93%
50-59 years	43	31.39%
60-69 years	18	13.14%
70 and older	3	2.19%

Source: Centralized Accounting and Payroll/Personnel System

Tenure

Approximately (65%) of employees have been with the agency less than five years with skill levels ranging from minimal knowledge to working knowledge of processes. Almost 30% of our workforce has six to 20 years of tenure, with proficiency ranging from working knowledge to mastery level. Lastly, the agency's workforce with 21 years or more of experience represents 4% of the workforce.

¹ This analysis does not include commissioners, board members, temporary employees, or contract workers.

Agency Tenure

	Number of Employees	Percent of Employees
0-5 years	90	65.22%
6-10 years	26	18.84%
11-15 years	11	7.97%
16-20 years	5	3.62%
21-25 years	1	0.72%
26-30 years	1	0.72%
31-35 years	2	1.45%
Over 36 years	2	1.45%

Source: Centralized Accounting and Payroll/Personnel System

Gender and Turnover

The agency's workforce is comprised of 101 (73.2%) females and 37 (26.8%) males. The percentage of employees by gender has been consistent over the last five years.

Gender

	Number of Employees	Percent of Employees
Male	37	26.81%
Female	101	73.19%

Source: Centralized Accounting and Payroll/Personnel System

Agency Workforce versus Statewide Civilian Workforce

The following table compares the percentage of Hispanic, African American, and female agency employees (as of August 31, 2021) to the statewide civilian workforce². The agency does not employ any Service and Maintenance (M) Skilled Craft Workers (S), or Protective services (R) positions; therefore, those categories are not included in the chart.

Overall, the agency percentages are slightly above the state workforce percentages for African Americans and females but are consistently below the state averages for Hispanics. Job categories where TREC's percentages are less than the state percentage are shown in red. Agency recruitment will continue to seek mechanisms to reach those segments of the state workforce that are underrepresented at TREC, including veterans, to obtain an applicant pool that reflects the diversity of the state, and thereby help reduce the differentials noted above.

Statewide Civilian Workforce Composition Fiscal Year 2021						
Ethnic and Gender Workforce Composition Fiscal Year 2021						
Job Categories	Hispanic American		African American		Female	
	Texas	Agency	Texas	Agency	Texas	Agency
Officials/Administrators (A)	0.89%	0.70%	0.55%	2.11%	2.33%	6.15%
Professional (P)	7.59%	5.27%	5.28%	8.26%	18.73%	27.77%
Technical (T)	3.53%	0.70%	1.89%	0.00%	5.14%	0.00%
Administrative Support (C)	3.57%	10.37%	2.19%	15.11%	8.94%	38.84%

² Statewide Civilian Workforce Composition (Table 1 of the Texas Workforce Commission's January 2019 Equal Employment Opportunity and Minority Hiring Practices Report Fiscal Years 2017-2018). This report only contains data regarding the state's Caucasian, African-American, Hispanic-American, female, and male workforce.

Retirement Eligibility Projections

The following chart provides estimates on the number of employees who will be eligible to retire over the next five years. These estimates are based on the “rule of 80” using total state service for employees as of April 1, 2022. Currently 2.9% of the agency’s workforce is comprised of return-to-work retirees and 16.67% are currently eligible to retire. A return-to-work employee is one who has retired from state government and then returned to working for state government as a current agency employee. An additional 8.69% will be eligible to retire during this planning period. In totality, approximately 25.36% of the workforce is eligible to retire. The chart below shows the breakdown of employees eligible to retire over this planning period

Agency Retirement

Fiscal Year	Eligible Employees	Percent of Total Agency FTE Cap
2022	23	16.67%
2023	2	1.45%
2024	1	0.72%
2025	5	3.62%
2026	4	2.90%
Total Eligible Employees	35	25.36%

Source: Centralized Accounting and Payroll/Personnel System

Employee Turnovers

As reflected in the following chart, employee turnover at the agency has consistently been below the statewide average among state agencies, as reported by the State Auditor’s Office. In fiscal year 2020, the agency’s turnover was 17.83%, below the state average of 21.5% for the same period. The agency anticipates that its turnover rate may vary with the Austin economy but expects overall turnover rates to remain below the state average.

Employee Turnover

Fiscal Year	The Agency	State
2021	17.83%	21.50%
2020	15.75%	18.60%
2019	17.40%	20.30%
2018	10.19%	19.30%
2017	17.40%	18.60%
2016	18.70%	17.60%
2015	23.40%	18.00%

Source: The State Auditor’s Office’s (SAO); SAO statistics derived from An Annual Report on Full-Time Classified State Employees Turnover for respective fiscal years Classification Analysis System.

Critical Workforce Skills

Core Functions:

- Licensing
- Education and Examination Services
- Enforcement
- Appraisal Experience Audits
- Draft Rules and Regulations
- Developing and monitoring complex contracts
- Specialized professional skills (including accounting, customer service, human resources, and information technology).

The critical skills needed to fulfill the core functions include:

- Accountability
- Risk Assessment
- Strategic planning
- Effective organizational time management skills
- Working knowledge of laws, rules, and regulatory processes
- Ability to interpret and accurately apply legal statutes and rules
- Knowledge of administrative law processes
- Skill in policy development and implementation
- Effective organizational and time management skills
- Communication (verbal and written)
- Ability to conduct detailed investigations
- Litigation and dispute resolution experience
- Negotiation, facilitation, and collaboration skills
- Critical thinking and problem-solving
- Information technology, including telecommunications, web design, programming, information security and systems administration
- Network and data center operations support
- Data and information management principles and tools
- Computer proficiency (skills requirements range from entry-level end user to highly skilled information technology)
- Government accounting and financial management
- Government purchasing and contract processes
- Inventory and asset management
- Human resources planning, recruitment, retention, staff development, and performance management
- Educational curricula development and critical evaluation.

II. **Future Workforce Profile**

The agency will continue to monitor the makeup of its workforce, divisional goals and turnaround times, and legislative changes to the agency's jurisdiction to determine whether position classifications and staffing numbers need to be adjusted. Additionally, as the number of applications and license holders increase, the agency will monitor whether additional staff are necessary. The agency is implementing enhanced technology systems to increase efficiencies and to be fully modernized.

Anticipated increase/decrease in number of employees needed to do the work

As the number of license holders continue to increase, the agency anticipates slight increases in staff to support this larger license holder count. The agency is also currently in the process of replacing legacy systems to become more modernized and gain efficiencies.

Expansion of Telecommuting

In July of 2021, the agency leadership revised the agency's telecommuting policy with an eye toward expanding it to improve work-life balance and increase retention of agency employees. In the weeks after the pandemic began, telecommuting moved from an option for a small number of high performers to an essential tool to conduct agency business. More than 90% of agency staff worked remotely during the pandemic. The agency will continue to utilize the telecommuting policy.

III. **Gap Analysis**

Anticipated Surplus or Shortage of Workers or Skills

The agency does not anticipate the need for significant additional FTEs. It is important the agency continue to monitor the market for any changes and continue to offer competitive salaries. The labor market continues to grow with many high-tech companies coming to the area. There will be potential loss of employees as more private sector jobs come in and offer potentially more robust benefit packages.

IV. **Strategy Development**

To address the deficits between the current workforce and future demands, the agency has developed several goals for the current workforce plan. These are based on a range of factors identified by analyzing the agency and its workforce. Future workforce requirements can be grouped into two key areas, both limited by available funding.

Gap Analysis

Potential Gap	Strategy
Increase hiring and retention of employees and maintain diversity	<p>Maintain a work environment that allows the agency to attract, retain and develop highly experienced staff that provides excellent service to customers. Action steps include:</p> <ul style="list-style-type: none"> • Maintain and further provide professional development, develop leadership training, and promote tuition assistance program. • Continue recruitment efforts to identify qualified candidates with the knowledge and skills needed in the agency. • Increase the use of alternative work schedules and telecommuting opportunities to address the needs of agency employees. • Provide employee development opportunities, including career paths. • Reward employees whose performance exceeds that which is normally expected or required with one-time and/or recurring merit pay increases. • Develop employee engagement strategies that help monitor and retain key positions and employees.
Loss of institutional knowledge and skills due to turnover and retirement of critical staff	<p>Ensure transition of duties, responsibilities, and institutional knowledge transfer when critical staff leave the agency. Action steps include:</p> <ul style="list-style-type: none"> • Provide leadership training to develop staff for leadership positions. • Continue cross-training efforts. • Maintain effective recruitment practices to attract, develop, and retain qualified replacement staff. • Enhance succession plans to ensure continuous service during any period of extended absence or turnover among critical staff.

Conclusion

The agency will continue monitoring the markets and regulations for the industries we regulate to ensure we are staffed appropriately. Information from the workforce plan will be used to help set priorities for workforce change and anticipated agency growth. We will continue to recruit the best candidates to help us meet the needs of the agency. The agency will continue to look at ways to better position itself to attract and retain top talent.