

Schedule F: Agency Workforce Plan

Agency Overview

The mission of the OCCC is to regulate nonbank financial services and to educate consumers and industry providers, fostering a fair, lawful, and healthy financial services market that grows economic prosperity for all Texans.

The OCCC's mission is primarily achieved through the licensing, registration, examination, consumer assistance, education, and supervision of non-depository financial service providers. The OCCC recognizes the need for a healthy financial services environment and seeks to achieve a balance between consumer protection, access to financial services, and the profitable operation of financial service providers in Texas. The OCCC promotes the highest principles of professional conduct and ethics, diversity, and stewardship and conservation of funds while engaging in limited, balanced, and effective regulation.

The industries regulated by the OCCC operate within a financial service marketplace that adjusts to evolving products and business practices and changes in federal, state, and municipal regulation. The degree to which these influences will affect the OCCC's regulated population varies and can contribute to staffing requirements. The OCCC adjusts staffing strategies to complement changes within regulated industries to ensure the agency performs its core functions effectively and efficiently.

The OCCC's greatest asset is its workforce. By attracting and developing the right talent, the OCCC strengthens its ability to meet its mission. A high-performing, diverse, and engaged workforce is vital to ensuring continuous improvements in successful agency operations.

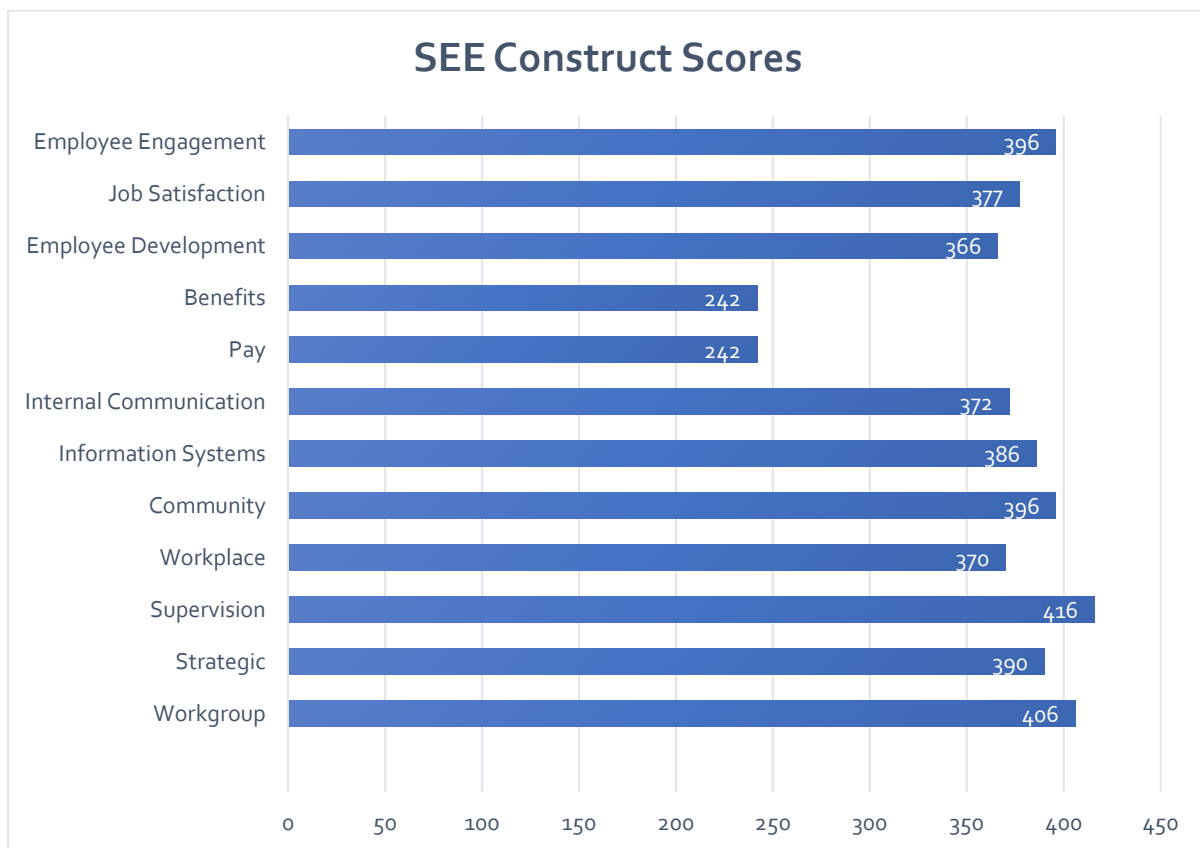
The OCCC focuses on employee retention, encouraging opportunities for professional development and career progression. The OCCC also recognizes the need for increased staff cross-functionality and succession planning. Over the next five years, the OCCC anticipates increased cross-training initiatives to enhance the knowledge, skills, and abilities of agency staff across all functions and divisions.

Employee Engagement

The OCCC participates in a biannual Survey of Employee Engagement (SEE) administered by the Institute for Organizational Excellence at the University of Texas at Austin. In February 2022, surveys were emailed to 69 employees statewide. Of the 69 employees invited to take the survey, 55 employees responded for a response rate of 79.7%. Response rates higher than 50% suggest soundness while rates lower than 30% could indicate problems. The OCCC's response rate is considered high and indicates employees are engaged and invested in the OCCC.

The OCCC's overall score on the survey was 379. This was higher than the previous survey score of 361. The score is an evaluation of employee engagement within 12 constructs or organizational topics. Based on these constructs, 58% of OCCC staff are either highly engaged or engaged. According to

nationwide polling data, about 30% of employees are highly engaged or engaged. Construct scores above 350 are desirable, and when scores dip below 300, there may be cause for concern.

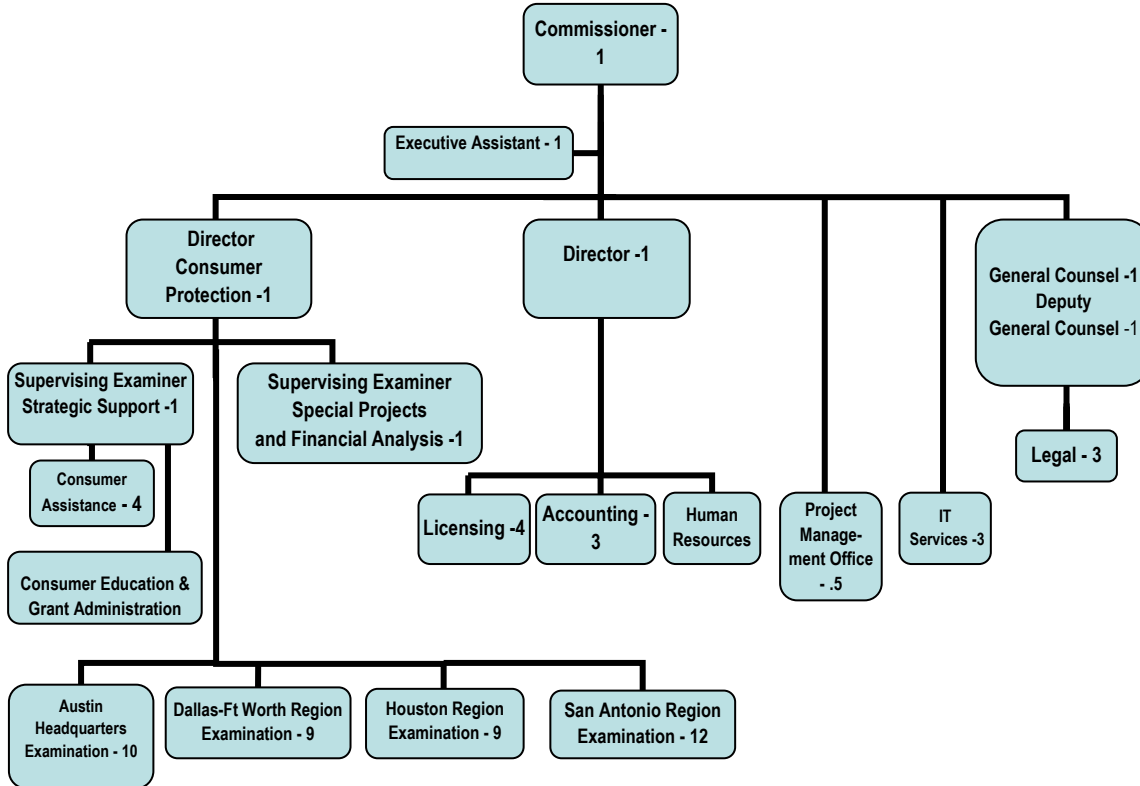


The data from the SEE provides information not only about employees’ perceptions of the effectiveness of the OCCC, but also about employee job satisfaction. The process and results of this survey are important to the continued development and success of the OCCC. The employee feedback from the survey is used to assist the OCCC in developing and maintaining a high-quality workforce. To accomplish this, the OCCC utilizes the construct scores as a tool to link employee programs with the implementation of the OCCC’s mission, goals, and strategies.

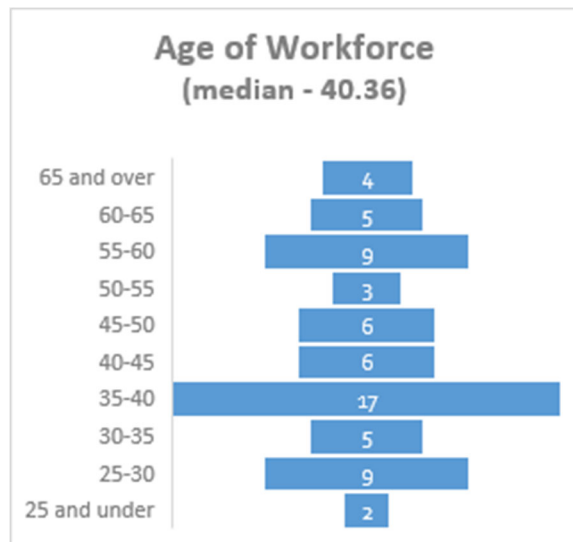
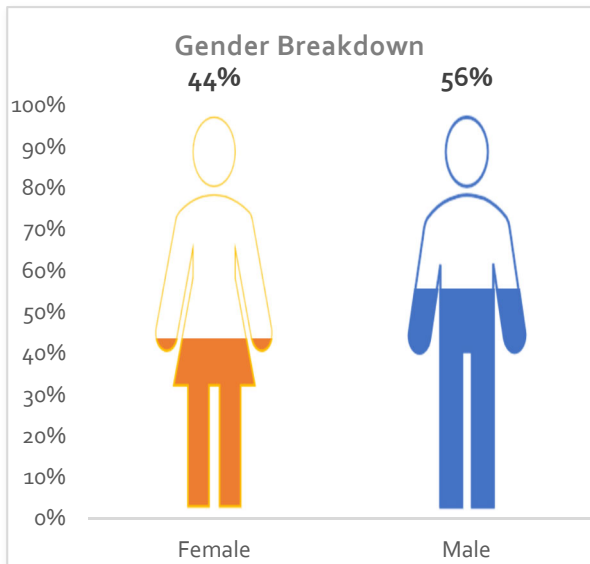
Workforce Analysis

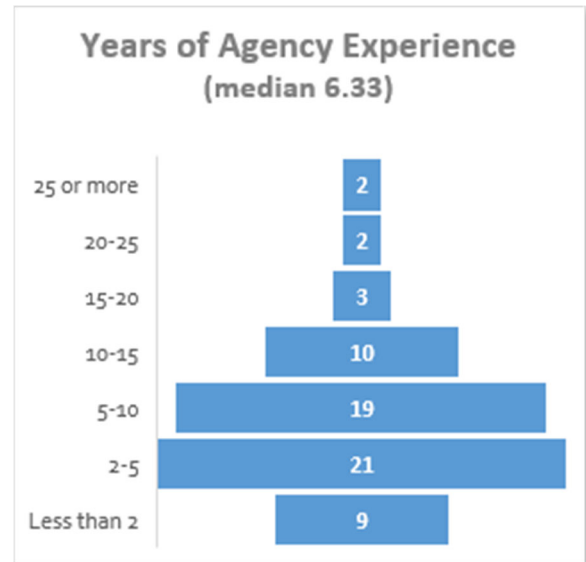
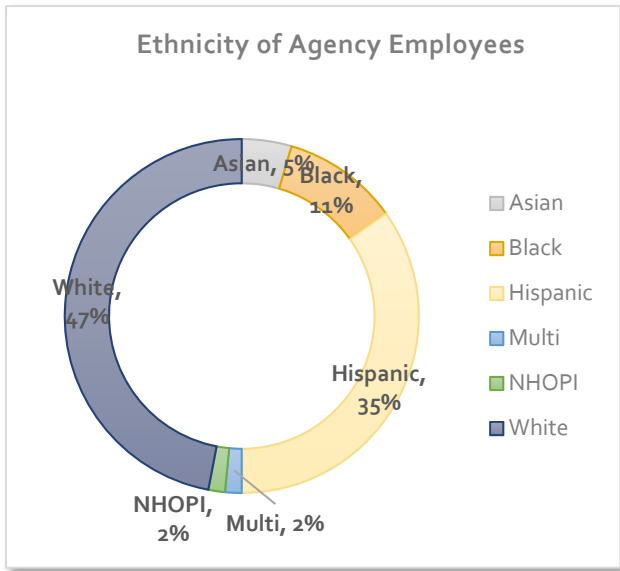
The OCCC is a small state agency that is authorized to employ 80 full-time equivalent employees (FTEs). As of March 31, 2022, the OCCC is staffed at 65.5 (FTEs); 33.5 of these FTE’s are located in the Austin headquarters and 32 FTE’s work in various regions across the state including Dallas-Fort Worth, the Rio Grande Valley, Houston, and San Antonio. The OCCC is divided into seven divisions, which includes Consumer Protection (incorporates Consumer Assistance), Licensing, Accounting, Administration, Human Resources, Legal, and Communications. Agency staff are comprised of financial examiners, attorneys, licensing and permit specialists, accountants, investigators, other professionals, and support personnel.

Agency Organizational Structure



The OCCC's current workforce profile is illustrated in the charts below. Male employees represent 56% of the workforce and female employees represent 44%. The average age of all employees is 44 and the median age is 40. The average agency tenure is 7.6 years and the median tenure is 6.3 years.





Retirement Eligibility

Seven employees are eligible for retirement within the next five years. The OCCC does not anticipate retirement will account for a majority of separations in the immediate future. Effective implementation of strategies related to succession planning, recruitment, retention, staff development, and general sharing of the OCCC’s knowledge bases are vital to the agency’s continued effectiveness, continuity, and adaptability.

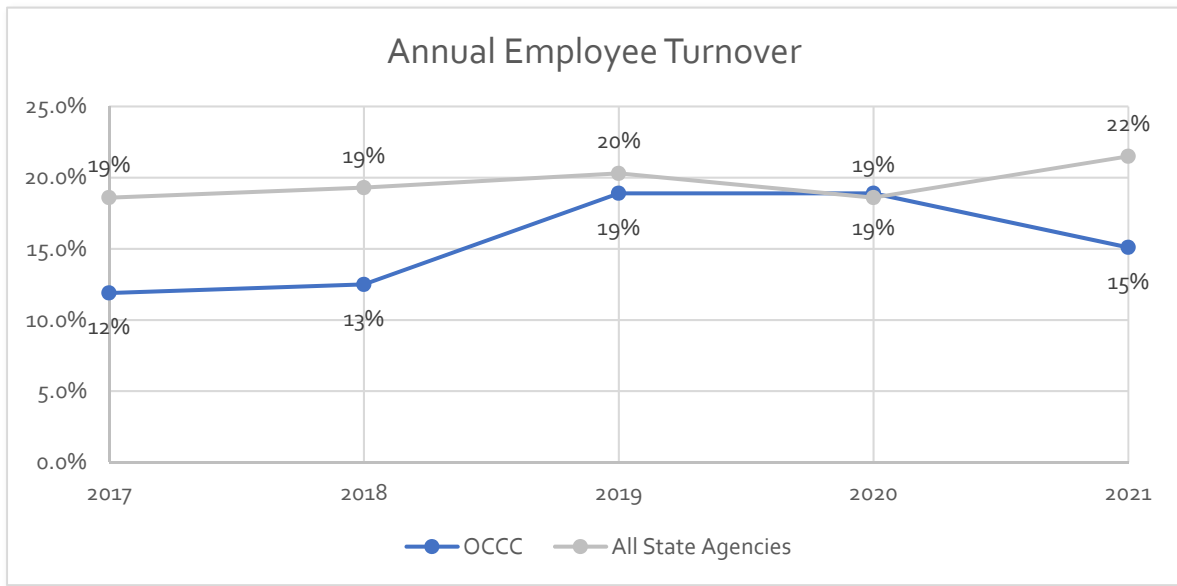
Staff Turnover

The OCCC competes with non-depository financial service providers, other state agencies, and federal regulatory agencies for its professional staff, especially within the financial examiner series. Changes in the economy can have a direct impact on the OCCC’s ability to recruit and retain employees. Positive job markets can lead staff to seek other jobs, or for staff to evaluate opportunities outside of state government. Over the next five years, the OCCC is focused on human capital strategies and plans to embrace the changes required to engage a dynamic new generation of workers with strong technological programs and innovative employee engagement opportunities.

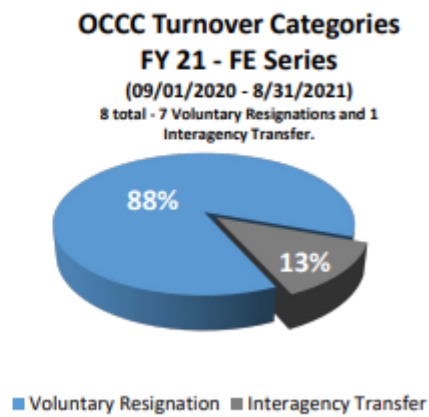
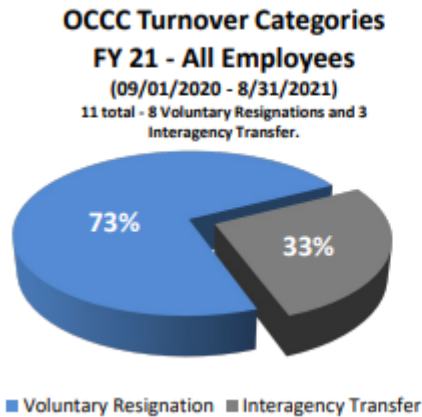
The retention of qualified staff is vital to the OCCC’s continued success. The OCCC seeks to limit turnover throughout all its functional areas, with particular focus on retention of financial examiner series due to the significant investment in training for these employees.

The OCCC seeks to maintain an acceptable turnover ratio to limit the effects of staff change. Many factors and conditions affect an agency’s turnover ratio, such as employment market conditions, which may drive higher turnover from time to time. A reasonable turnover ratio for the OCCC is between 10-15%. Since fiscal year 2017 agency turnover has ranged from a low of 11.9% to a high of 18.9%. The

department has worked to reduce turnover and over the next five years must continue efforts to sustain a qualified workforce.



The Financial Examiner position is the most expensive to the OCCC in terms of replacement costs as a result of significant time and monetary investments in training and travel. To reduce turnover in this job series, the OCCC continues to review salaries to better align with similar state and federal agencies. Turnover in this series also may be a result of the significant amount of travel related to the job duties. Technological advances have begun to facilitate more opportunities for remote monitoring and supervision, softening some of the need for extensive travel. Over the next five years, the OCCC will continue to balance the amount of travel required by financial examiners with the need to effectively regulate non-depository service providers located throughout the state. The charts below compare and illustrate personnel turnover categories during fiscal year 2021. Financial examiners were the largest category of employee turnover, representing eight of the eleven separations.



Training and Development

The OCCC places a priority on the professional development of all staff members and encourages employees to seek out both formal and informal training opportunities. The OCCC holds an annual financial examiner training school, requires all employees to complete a minimum of three hours of cybersecurity training on an annual basis, with an additional 12 hours of cybersecurity training for members of the OCCC’s cybersecurity committee. Agency employees also regularly attend training through the NACCA, AARMR, and other various workshops and seminars to encourage employee career development.

The OCCC invests significantly in the training and development of its Consumer Protection staff, which consists of financial examiners, financial analysts, managers, and administrative personnel. Financial examiners must have the proper training to accurately assess risks and evaluate compliance of regulated industries. The OCCC requires successful completion of a core training curriculum to engage in examinations of regulated industries, while also providing the ability to progress through a career ladder for promotions, job growth, and development. The OCCC will continue to refine its career ladder and assess future requirements and competencies for the OCCC workforce.

Economic and environmental factors facing the OCCC’s staff over the next five years include encouraging an employment culture that is open, diverse, and inclusive; an aging workforce; a new generation of workers; financial examiner turnover; and recovery from the COVID-19 pandemic.

Veterans

The 84th Legislature amended and added to Texas Government Code, Section 657.004, requirements for state agencies to meet a veteran employment goal of hiring veterans in full-time positions to equal at least 20% of the total number of employees. The OCCC takes advantage of the resources of the Texas Veterans Commission and the Texas Workforce Commission to strive towards this goal. As of March 31, 2022, the OCCC employs 5 veterans or 7.6%.

Gap Analysis

As of June 1, 2022, the agency has eleven vacancies, with several positions actively in the interview process. The OCCC aggressively markets these positions across multiple recruiting venues, including posting on websites such as LinkedIn, Indeed, Handshake, Facebook, and Work in Texas. The OCCC has explored and will continue to leverage unique and nontraditional recruiting opportunities, such as publishing grant, education, and communications positions in the Innovator, which is a monthly newsletter at UT Austin for persons interested in social sector jobs. Additionally, the OCCC has modified its applicant interest process to more immediately reach out to potential candidates and express interest in the candidate and urge consideration of OCCC positions. The OCCC has seen an increase in qualified applicants using these methods. The OCCC's staffing levels, including anticipated new hires, is sufficient to perform the OCCC's principal business functions. The OCCC expects to recruit classes of new examiners routinely in each of the upcoming years to ensure sufficient bench strength and professional development of the financial examiner workforce. Having a recurring class of incoming new financial examiners should shore up the maintenance of a skilled workforce in a future in which turnover rates may exceed historical experience.

The OCCC's future staffing levels are evaluated on an ongoing basis and changes to workforce planning are adjusted based on trends and adjustments in the non-depository financial marketplace. The OCCC's SDSI status gives the agency the fiscal and operational flexibility to enable prompt staffing adjustments. The OCCC will continue to demonstrate the ability to evaluate vacancies and streamline operations, without impact to the ability of the OCCC to fulfill its core mission, goals, and strategies.

Critical Workforce Skills

There are several critical skills that are necessary to ensure the OCCC can operate effectively. The OCCC is committed to continued development in these areas for current staff members and the recruitment and training of the next generation of workers. These skills include:

- Financial Examination Experience
- Regulatory and Legislative Experience
- Customer Service Experience
- Information Technology Expertise
- Financial Statement Analysis
- Investigative Expertise
- Professional Oral and Written Communication Skills
- Database Development & Maintenance
- Risk Management
- FinTech Knowledge and Experience
- Project Management Skills
- Process Analysis
- Management & Leadership Skills
- Knowledge of Federal Regulations
- IT Change Management Expertise
- Internal Control Analysis
- State Reporting Knowledge and Experience
- Regulatory Accounting Expertise
- Legal Expertise
- Database Development and Maintenance Experience
- Document Processing
- Networked Supervision Expertise
- Compliance Management Systems Experience
- Risk Management

Succession and Continuity Planning

The OCCC's goal is to retain its professional workforce and to train and develop employees on the critical skills listed above. Over the next five years, the OCCC will continue to review organizational structure to ensure job design, job responsibilities, and department configurations are effective in supporting agency strategies and goals. The OCCC will expand the use of recruiting sources, including expanded use of social media, as appropriate, to secure the maximum number of qualified applicants, including minorities and women.

The OCCC continues to focus on succession planning, which is an ongoing process that agency leadership regularly evaluates. Succession planning involves senior staff mentors teaching and developing the required skills in the next generation of workers through training and experience, cross training, and careful evaluation of individual job performance. The OCCC is highly committed to this process as it assists the agency maintain skilled personnel at key positions. Preparing qualified staff to carry on the roles of senior management and leadership will require specialized training, internal development through mentoring and project assignment, and other educational opportunities to develop technical and managerial skills.

Future Strategies

OCCC workforce planning will continue to evolve and improve to meet the needs of industries, consumers, the public, and other stakeholders by effectively regulating, educating, protecting, and safeguarding the needs of consumers and financial service providers. The OCCC's workforce focus over the next five years is to recruit, develop, and retain qualified employees. The OCCC plans to expand recruitment efforts, increase training opportunities, and ensure competitive compensation by conducting salary analysis and studies, encouraging a culture of diversity and inclusion, and expanding human capital programs in an effort to support and encourage an engaged workforce.