



# Schedule F: Agency Workforce Plan

## Introduction

TxDOT's workforce plan consists of two overarching components: a supply analysis and a demand analysis. The supply analysis is quantitative and provides data on historical turnover rates, employee tenure, retirement eligibility and individual demographics including age, gender, ethnicity, and veteran status among staff. It also contains an analysis of TxDOT's position classifications. The demand analysis is more qualitative in nature and explores both the critical functions and competency needs of the agency. It also provides an environmental scan for TxDOT and provides strategies to address workforce gaps for the duration of the Strategic Plan.

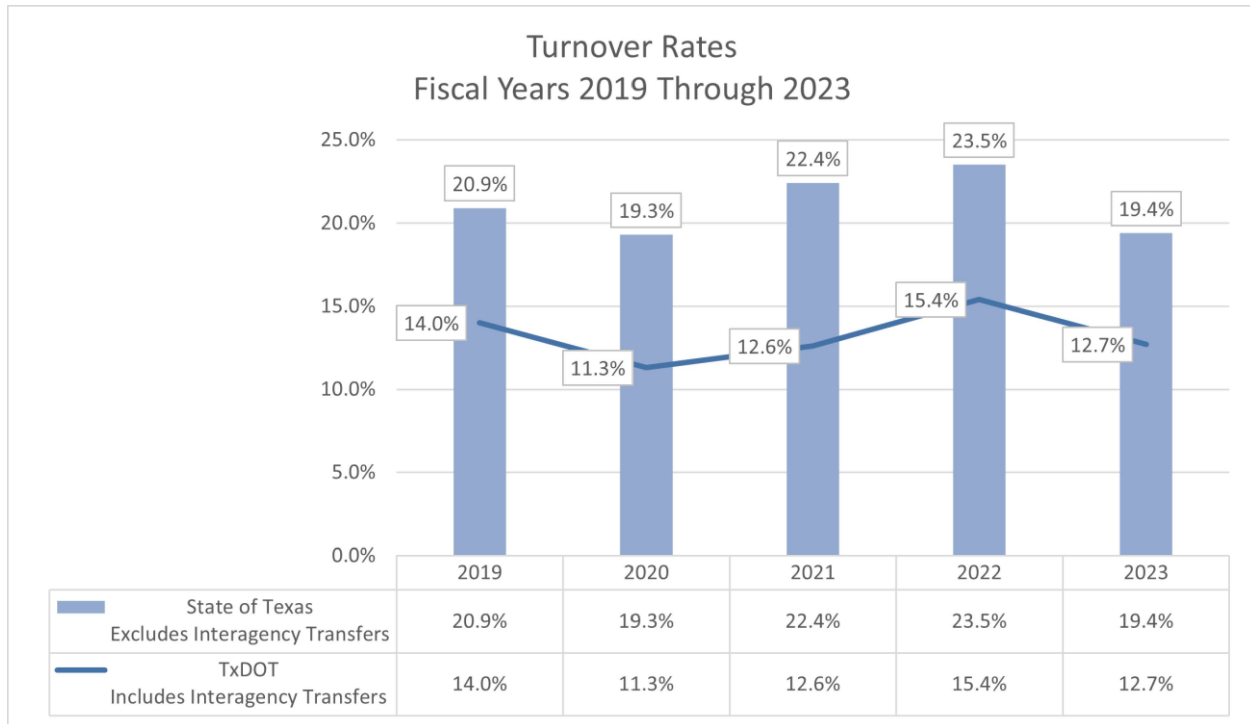
Both analyses emphasize the future and current employee experience. To remain competitive in the workforce, TxDOT will provide employee-focused programs to attract and retain qualified talent.

# Supply Analysis

## Turnover Rate

Figure 1 illustrates that Texas’ turnover rate for classified regular full-and part-time employees was 19.4%, and TxDOT’s turnover rate was 12.7% in fiscal year 2023.

Figure 1

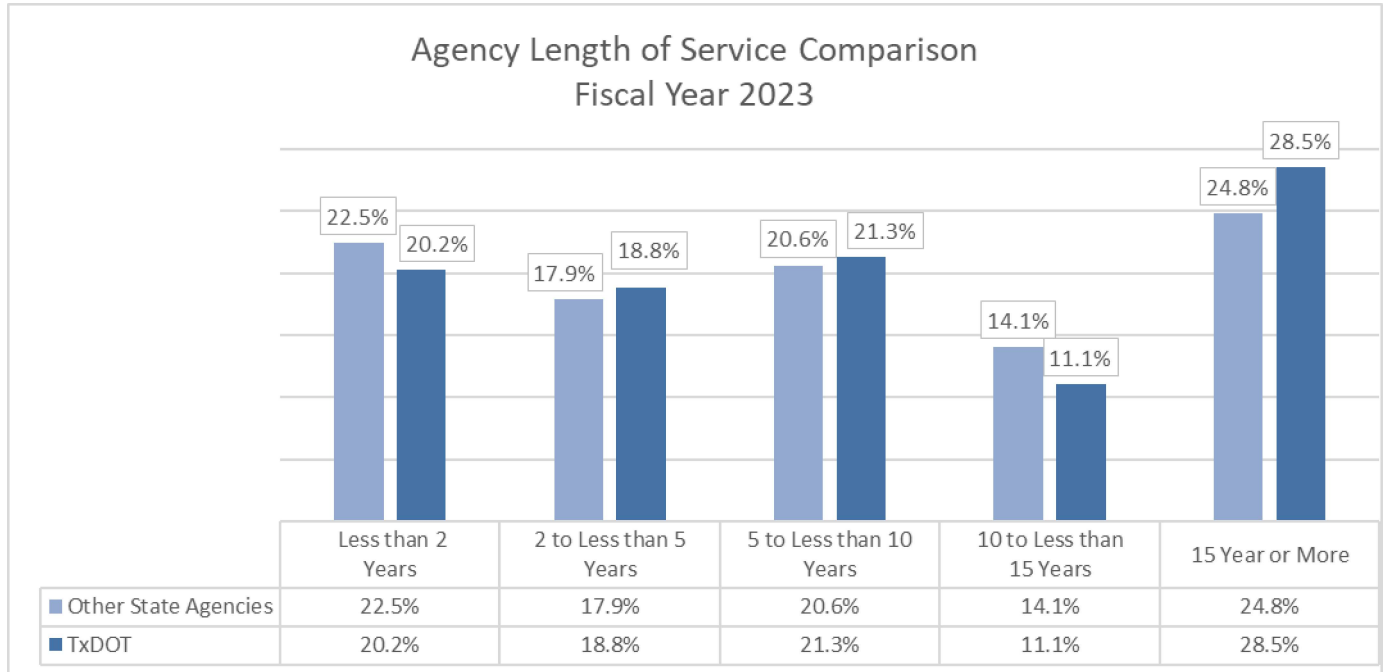


Source: State Auditor’s Office’s published Turnover Reports and State Classification Team’s Electronic Classification Analysis (E-CLASS) online system – classified regular full-and part-time employees.

## Agency Length of Service

In fiscal year 2023, TxDOT employees had an average of 8.3 years of agency length of service. Approximately 39.1% of TxDOT employees have fewer than 5 years of TxDOT service. Figure 2 compares employee agency length of service between TxDOT and other state agencies.

Figure 2



Source: State Auditor’s Office’s published Turnover Reports and State Classification Team’s Electronic Classification Analysis (E-CLASS) online system – classified regular full-and part-time employees.

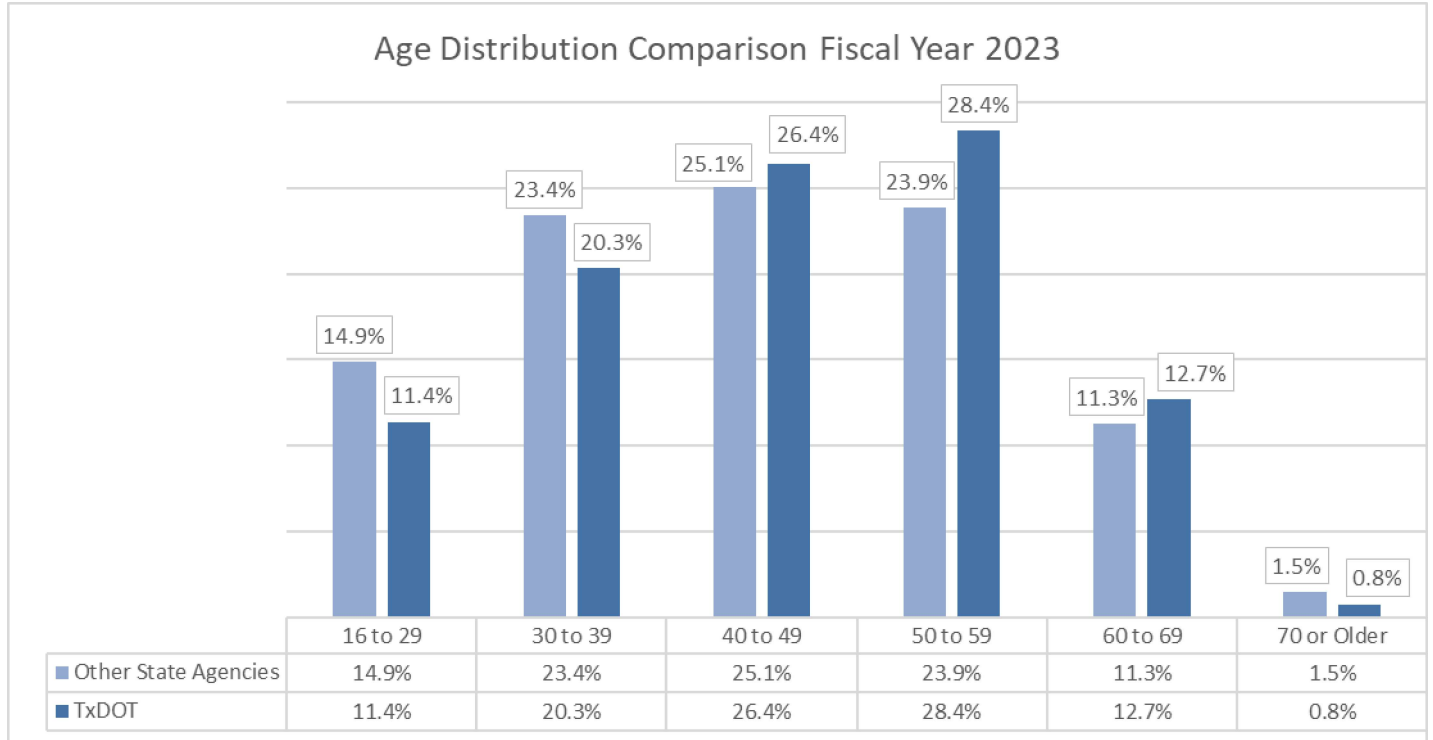
## Retirement Eligibility

Based on November 2023 data, TxDOT estimates that 22.7% of the TxDOT workforce will be eligible to retire by fiscal year 2028, 9.4% of which was eligible to retire in or before fiscal year 2023.

## Age

Figure 3 shows that on average, in fiscal year 2023, TxDOT employees were 46.2 years old compared to other state agency employees who were on average 44.6 years of age. Of TxDOT's employees, 68.3% were 40 years of age or older, compared to 61.7% of other state agency employees.

Figure 3

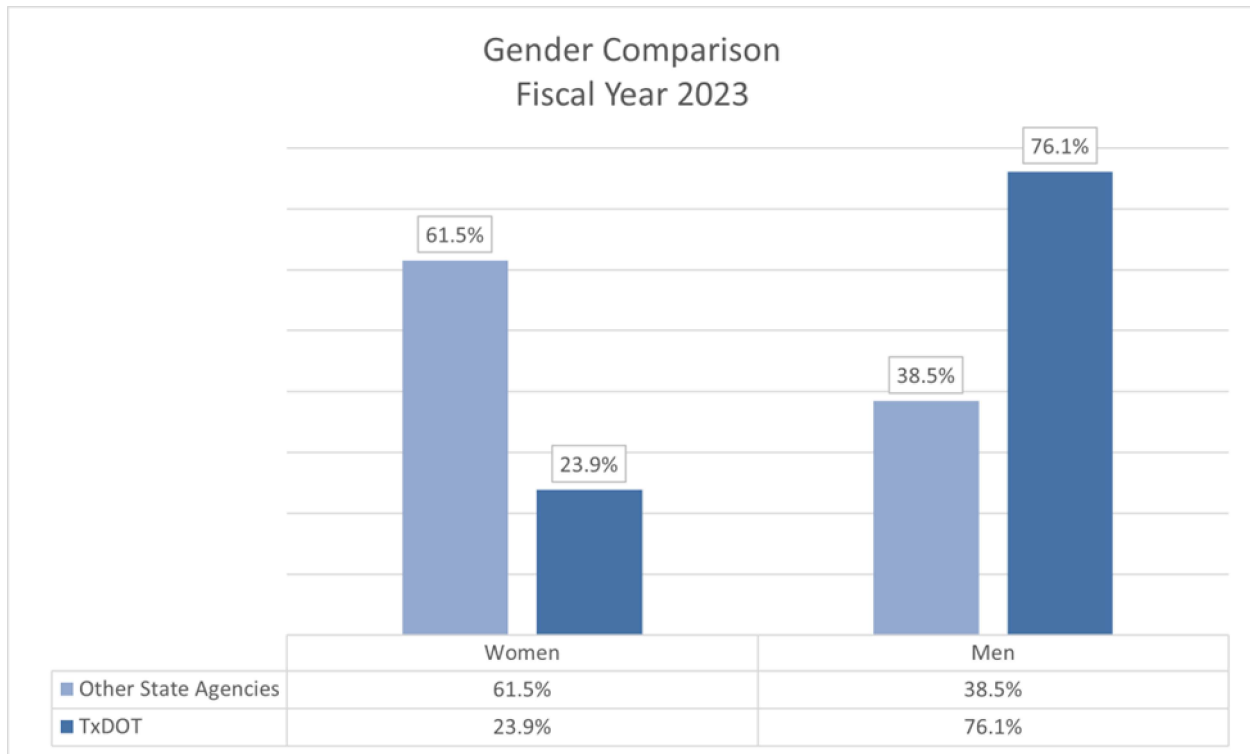


Source: State Auditor's Office's State Classification Team's Electronic Classification Analysis System (E-Class) online system - classified regular full-time and part-time employees.

## Gender

Figure 4 shows TxDOT’s workforce is predominately made up of men at 76.1%, with 23.9% women in fiscal year 2023. Other state agencies show the opposite composition, with the majority of their workforce being women.

Figure 4

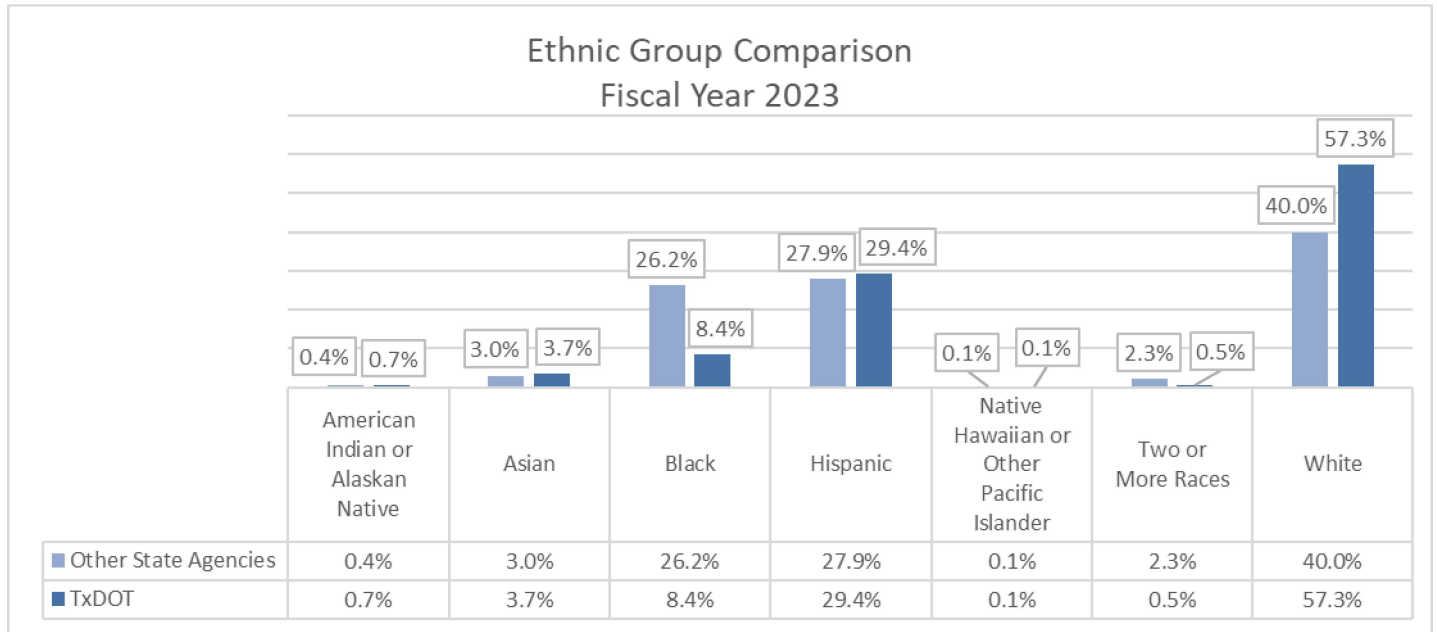


Source: State Auditor's Office's State Classification Team's Electronic Classification Analysis System (E-Class) online system - classified regular full-time and part-time employees.

## Ethnicity

As shown in Figure 5, TxDOT’s workforce is 57.3% White, 29.4% Hispanic, 8.4% Black, 3.7% Asian, 0.7% American Indian or Alaskan Native, 0.1 % Native Hawaiian or Other Pacific Islander, and 0.5% identifying as two or more races.

Figure 5



Source: State Auditor's Office's State Classification Team's Electronic Classification Analysis System (E-Class) online system - classified regular full-time and part-time employees.

## Veterans

As reported in the State Auditor’s Office’s Legislative Workforce Analysis Summary for fiscal year 2022, veterans made up 10% of TxDOT’s employees, which was higher than the statewide average of 5.9%.

## State Occupational Category and Job Classification

In fiscal year 2023, the majority of TxDOT’s employees were aligned with job classifications under Engineering and Design and Maintenance, as depicted in Table 1. Top occupations, include the following:

- Transportation Maintenance Specialist – 29.5%
- Engineering Specialist – 18.0%
- Engineers – 5.9%
- Equipment Operator – 3.7%
- Engineering Technician – 2.8%
- Motor Vehicle Technician – 1.8%

Table 1 illustrates the percentage breakdown by category for all occupations used by TxDOT.

Table 1

Texas Department of Transportation Fiscal Year 2023	
State Classification Plan - Occupational Category	Percentage of TxDOT Workforce
Accounting, Auditing, and Finance	2.6%
Administrative Support	5.0%
Compliance, Inspection, and Investigation	0.5%
Education	0.0%
Engineering and Design	27.3%
Human Resources and Training and Development	1.0%
Information and Communication	1.9%
Information Technology	1.6%
Land Surveying, Appraising, and Utilities	1.6%
Legal	0.3%
Library and Records	0.1%
Maintenance	37.3%
Natural Resources	1.2%
Planning, Research, and Statistics	1.0%
Program Management	13.1%
Property Management and Procurement	4.9%
Safety	0.6%

Source: State Auditor’s Office’s State Classification Team’s Electronic Classification Analysis System (E-Class) online system – classified regular full-time and part-time employees

## Demand Analysis

The workforce planning process identifies, analyzes, and forecasts the number of employees and skillsets required to meet agency goals and strategic objectives, and involves the analysis of work demands that look at multiple areas such as:

- Staffing patterns.
- Demand for labor to address aging infrastructure needs.
- Anticipated program and workload changes.
- Workforce skills to meet projected needs.

According to the State Auditor's Office's State Classification Team's Electronic Classification Analysis System (E-Class) online system, in fiscal year 2023, 1,662 employees left TxDOT. Of those separations, 90% were voluntary (voluntary separations include retirements and transfers to another state agency or institution of higher education), and 20.3% were retirements.

## Environmental Scan

Our supply and demand analyses reflect a similar talent environment to what is being faced by every other employer in Texas. Competition amongst employers, declining workforce participation rate, the finite number of high school graduates and a declining college enrollment rate represent challenges for TxDOT and the economic sectors that support the TxDOT workforce.

Texas is also facing a future in which Texans will have greater choice among expanding employment opportunities that will continue to evolve beyond the traditional sectors that have supported TxDOT's workforce. TxDOT recognizes past trends where employees have evolved from expecting to remain with one employer for many years, or even a full career, to a reality in which many change employers at an increasing rate.

The much-needed addition of Group 4 to the Employees Retirement System of Texas may have also caused a shock to the perception of State service benefits that will have knock-on effects for TxDOT's recruitment challenges. As a result, TxDOT expects employees to change industries altogether at an increasing rate and to also switch more often from public to private employers and back.

TxDOT recognizes that the competencies and skills required by the transportation sector share many similarities with all 18 of the other major U.S. economic sectors. Even the healthcare sector represents a threat to TxDOT as the same competencies and skills needed in Materials



Labs and IT Services are equally valued by healthcare employers, who have seldom considered the transportation sector to be a direct competitor for talent.

TxDOT also understands younger Texans are less likely to recognize construction, transportation and mobility as economic sectors that can provide rewarding careers. Additionally, the current and expected incoming workforce will continue to seek work-life balance and expect employers to support policies and programs that reflect a culture of improved employee experiences.

Over the duration of this Workforce Plan, TxDOT will endeavor to set the standard and establish itself as a leader for transportation sector employment. The plan will also strive to increase visibility of the sector’s viability as a path to rewarding and meaningful careers as we target increasingly younger levels of the workforce supply pipeline.

TxDOT anticipates a future in which employee expectations will continue to grow, putting pressure on the agency as a public employer to better meet those expectations within our fiscal priorities and legal constraints. TxDOT similarly recognizes a limitation to our labor supply pipeline by prioritizing recruitment among Texans – and those willing to relocate to Texas – ahead of a growing remote and global labor pool accessible to many competitors.

**Critical Functions**

Table 2 provides a list of functions identified as being critical not only to the mission of TxDOT, but also to ensure Texas achieves and complies with federal and state regulations, metrics and performance measures required as stewards of public trust.

Table 2

<i><b>Critical Functions at TxDOT</b></i>
Communications
Engineering
Financial Management, Audit, and Compliance
Maintenance
Planning
Procurement and Contract Management
Program Management
Project Management
Safety Operations

## Competency Needs

TxDOT recognizes the contemporary landscape of competency needs shared among all employers is evergreen. However, the changing expectations of the workforce coupled with the diminishing supply of labor has forced TxDOT to prioritize competencies that are both available to us as a public agency and are in line with TxDOT’s mission, vision, values, and goals. When evaluating TxDOT’s role as a public service organization, a transportation leader, an engineering organization, a safety organization, and a contract management organization, we choose to emphasize postsecondary competencies alongside specific job skills throughout the duration of this current Workforce Plan.

As host to the state’s chief engineer and as a research and standards organization for transportation sectors both locally and globally, educating, developing, and supporting our workforce will remain key priorities for TxDOT. More than 83% of working-age Texans have completed high school or an equivalency and we compare this figure to a current TxDOT workforce with more than 99% high school equivalency. As a result, we will challenge our leaders to continue to attract and demand a workforce with basic competency in the English, math, social studies, and science domains. TxDOT will also look across disciplinary domains of key cognitive and foundational skills found among other Texans with a high school diploma.

TxDOT’s key challenge through at least 2030 will continue to be advancing those foundational college and career readiness skills among high school graduates to a level comparable to that of the 34% of our workforce with higher education credentials. To this end, the competencies found in Texas Higher Education Coordinating Board’s Core Curriculum (est. by Texas Education Code, Chapter 61, Subchapter S) resonate with TxDOT and include the domains of critical thinking and communication, empirical and quantitative skills, teamwork, social responsibility, and personal responsibility. This postsecondary approach to the development of our workforce also supports the state’s goal of building a “talent strong” Texas by having 60% of all working age Texans receive a degree, certificate, or other credential of value by 2030. TxDOT’s people leaders are often managing the performance and development of those whose formal education concluded at the level of competency found in the College and Career Readiness Standards. TxDOT recognizes that as an employer, we will need to provide additional training, education, and development to increase our organizational capabilities.

We will continue the work begun in the previous Strategic Plan by prioritizing the six competency needs that we expect from both current staff and prospective new hires for the duration of the current Workforce Plan:

1. **Self-management** – Displays resilience and flexibility in the face of obstacles; demonstrates self-reflection; pursues personal development; and learns.
2. **Communication** – Communicates clearly and precisely through written and verbal means; provides accurate information effectively.
3. **Problem Solving** – Frames and analyzes complex problems; develops practical solutions; acts decisively, based on sound judgment.
4. **Teamwork** – Involves and consults others; builds partnerships; connects across entities; displays empathy toward others and fosters a safe work environment.
5. **Change Management** – Uses continuous improvement; communicates reason for change; influences others; demonstrates use of innovative solutions.
6. **People Leadership** – Builds diverse teams; coaches and motivates; delegates effectively; gives and receives feedback; supports employee experience and wellbeing.

## Strategies to Address Identified Workforce Gaps

TxDOT recognizes three overarching themes related to this Workforce Plan that are specific to the changing needs of the workforce, the labor supply and demand analyses. TxDOT will strive to be a **Workplace of Choice**, to prioritize **Career Development**, and to have a **Diverse & Engaged Workforce**.

### *Workplace of Choice*

- Empowering local leadership at the District and Division level.
- Communicating TxDOT's unique culture and value proposition.
- Promoting wellness programs to support performance, employee experience and a supportive work environment.

TxDOT will strive to be a "Workplace of Choice" in Texas. TxDOT's decentralized management structure will enable its 25 individual Districts and supporting Divisions to manage the workforce and workplace to meet local needs. Our overarching values of people, accountability, trust, and honesty will continue to be the cornerstones of TxDOT culture. The challenges for all TxDOT leaders will be to market the agency's many benefits as a specific value-added proposition that resonates with localized workforces. Access to flexible workplace strategies, the suite of state benefits administered by the Employees Retirement System of Texas, the strong employee experience programs offered and the benefits unique to TxDOT will all serve as the foundation for making TxDOT a distinctive and unique employer.

During the 88th regular Legislative Session, lawmakers passed the Texas Family Act, which gives state employees access to eight weeks of paid leave for birthing parents and four weeks of paid leave for non-birthing parents. Offering paid parental leave enhances TxDOT's appeal as a workplace of choice, especially for employees who prioritize such benefits when considering employment options. Additionally, TxDOT recognizes employees will be looking for workplaces that support mental health as part of their employee experience and as a unique benefit. To address this, TxDOT will focus resources, leadership training and culture assessments in this area to support a mentally strong workforce.

The promise of stability and long-term opportunity represented by Texas' Statewide Long-Range Transportation Plan and the current Unified Transportation Program (UTP), present a unique benefit to be advertised and highlighted to potential employees as both meaningful and lasting work. TxDOT will measure success through turnover, exit surveys and surveys of employee engagement executed during even-numbered years.

Recognizing a career is more than just a job, and a workplace is more than just a physical location, TxDOT will continue to support a centralized Wellness Program. This will help enhance personal and professional development while highlighting TxDOT as a Workplace of Choice. As a self-insured safety organization with critical responsibilities towards employee life, limbs, and eyesight. TxDOT will continue to promote a Wellness Program that supports teamwork, social responsibility, personal responsibility, and people leadership. We expect to continue to expand staff access to Employee Assistance Program resources and better communicate access to financial resources while evolving programs to reflect the changing workforce needs around family planning, mental well-being, and safety.

## ***Career Development***

- Expanding TxDOT's Career Development programs as the Agency's succession planning model.
- Encouraging routine Career Conversations between supervisors and employees to support performance management.
- Providing training, education, and development opportunities to enhance current capabilities and career mobility.

Due to the nature of public service in Texas, TxDOT does not conduct traditional succession planning. As Texas Transportation Code requires all positions above the B17 salary group to be advertised externally, at least half of TxDOT's job openings are part of a fair and competitive

process open to all, as opposed to a traditional succession model wherein leaders choose staff directly. As a result, TxDOT has embraced the career development model as its de facto succession planning effort and will continue this approach throughout the duration of the Strategic Plan. TxDOT's challenge is to empower and coach leaders to make informed organizational changes during periods of turnover, to plan operations in a human resources-constrained environment and to coach less experienced leaders within the agency on people leadership.

As part of this approach, supervisors and employees will continue to be expected to have routine performance conversations that emphasize growth to ensure all employees are competitive when considering future open positions. As approximately half of TxDOT's open positions attract external candidates, TxDOT recognizes its workforce must be as talented as the external candidates coming from peers, near-peers, and talent competitors. Additionally, TxDOT recognizes many of its employees do not define success as upward mobility and will instead consider lateral career movement, cross training, or other competency development to enhance their employee experience. We further recognize the greatest opportunity for career development lies among the field-based maintenance and operations units of the agency, whom we already know to be conscientious and capable employees. This Workforce Plan emphasizes the need to leverage an expectation among leaders that we are indeed attracting a high school-educated workforce that will increasingly expect additional information technology (IT) resources and new equipment, requiring additional support, training, and innovation.

TxDOT's emphasis on career development will also support the goal of being a Workplace of Choice. Training, education, frequent career conversations and development opportunities will continue to be advertised as benefits not always found in other organizations. TxDOT's career development model will continue to expand to account for the risks posed by increased turnover, the loss of key knowledge and the increase in the number of less experienced leaders as we address the development needs of the approximately 66% of staff without postsecondary credentials.

### ***Diverse & Engaged Workforce***

- Using the Conditional Grant Program (CGP), the Year-Round Intern Program, and the Affirmative Action Program (AAP) to grow talent pools and pipelines.
- Supporting Employee Resource Groups and Communities of Practice to reduce turnover, mitigate the risk of knowledge loss and increase positive perceptions of the organization.
- Evaluating compensation annually, salary equity, and collaborate with the State Auditor's Office to align positions with state job titles.

TxDOT's ability to recruit and retain talent will mitigate some risks represented in the environmental scan. TxDOT will remain cognizant of the changing demographics of the labor pool. While the pool of available Texans is a known quantity with a finite limit, our approaches to communities that are underutilized, underemployed, underserved or otherwise unlikely to find meaningful employment, represent opportunity to find additional labor that is otherwise missed by other employers. The growing gap between workforce demand and talent availability shows there's an immediate and urgent need to recruit, train, and retain a qualified highway construction workforce from multiple communities and education pipelines. This presents an opportunity for Texas to address current workforce shortages by targeted outreach to members of underrepresented communities. This begins with awareness and educational programs at the K-12 level and culminates in job placement. This includes graduating seniors, justice-involved applicants reentering the workforce, community members with entry-level skills and certifications, and experienced members of the highway construction workforce.

Further, TxDOT's goal of returning as much transportation funding to Texas as possible comes with Federal requirements to meet Equal Employment Opportunity mandates both internally and externally. TxDOT recognizes that successful workplaces prioritize talent over limiting beliefs that hinder staffing and retention. Increasing internal communications and the expansion of both Employee Resource Groups and Communities of Practice will help to identify opportunities for efficiencies, innovation, and risk mitigation.

Texas has long recognized the need to build early talent for civil engineering and other critical department functions. This includes the 1995 adoption of a Conditional Grant Program under Texas Administrative Code and has expanded to evolve alongside previous workforce plans. The long-standing tradition of TxDOT's "Summer Hire" program expanded in September 2023 to allow for year-round internships in all units. As a result, TxDOT will target more early career professionals throughout the full calendar year.

Throughout the duration of this Strategic Plan, TxDOT will advise executive leaders and the Transportation Commission of staffing demands and facilitate recommendations to legislature regarding position allocations as part of the regular legislative process. Similarly, TxDOT will continue to collaborate with the State Auditor's Office to ensure alignment with state job titles and identify gaps specific to TxDOT. These efforts will be directly supported by annual industry analyses of staff compensation, realignment of pay scales when supported by analytic results and evaluating individual equity requests from TxDOT employees and leaders.

As a recipient of Federal funding, TxDOT is required to maintain an Affirmative Action Plan (AAP) that is subject to routine review by the Federal Highway Administration (FHWA). With the concurrence of the Texas Workforce Commission (TWC), the state’s deferral agency for the Equal Employment Opportunity Commission (EEOC), the AAP will remain a guidance document to inform TxDOT’s actions in matters of nondiscrimination when compared to both the standards set by the EEOC/TWC and the program goals set between TxDOT and FHWA. This federally supervised effort will also mitigate the risk of discrimination claims against the department and support our goal of being a Workplace of Choice by identifying underserved talent often inaccessible to the transportation and construction sectors. TxDOT’s current AAP covers the time period of 9/1/2024 through 8/31/2028 and will be reviewed annually in August and September of each year.

*“The Federal Highway Administration (FHWA) requires recipients of federal assistance to prepare a plan to clarify roles, responsibilities, and procedures to ensure fair and equal treatment for all persons. The Texas Department of Transportation’s (TxDOT) 5-Year Equal Employment Opportunity (EEO) Program - Part II /Affirmative Action Plan (AAP), established in accordance with federal rules under 23 CFR Part 230 Subpart C, Part II, is intended to communicate how TxDOT implements its internal EEO Program.”*