



# People Forward: Human Capital Trends and Innovations Texas

This factsheet provides an overview of state personnel trends and processes identified as part of *Grading the States 2008*, the Pew Center on the States' 50-state report card on state government management. To assess state performance in the People category, the Government Performance Project team examined how well a state manages its employees. Among many other factors, the team of management experts reviewed how state human resource systems go about hiring, retaining, developing and rewarding high performing employees. For full grading criteria, additional data reports, and a variety of promising new practices in recruitment strategies and leadership development identified during the course of the study, access the full report, *People Forward: Human Capital Trends and Innovations*, at [www.pewcenteronthestates.org/gpp](http://www.pewcenteronthestates.org/gpp).

## Criterion 1 Conducting and updating a thorough analysis of a state's human capital needs.

### Observations

- Although Texas does not produce a statewide workforce plan, agencies are required by legislation to conduct staff analyses and produce a workforce plan as part of their individual strategic planning processes, which are fully aligned with the state's budget process.
- Agencies' workforce plans generally provide a robust appendix to their strategic plans. Most include identification of critical workforce skills; supply, demand and gap analyses; and fully developed strategies with action steps, needed resources and key performance measures.
- The State Auditor's Office publishes an annual comprehensive workforce profile that includes statewide workforce trends and challenges, as well as a separate report devoted entirely to turnover in the classified workforce. The state also provides publicly available workforce data through a Web-based application that queries the state's HR data warehouse.

## Criterion 2 Acquiring the employees a state needs.

Average time to fill open classified positions	Average number of applications per classified job opening	New hire turnover rates	
NA	NA	Voluntary	NA
		Involuntary	NA

### Observations

- The state does not operate a central hiring Web site specific to state government employment. Instead, state jobs are listed in a dedicated section of the Texas Workforce Commission's "Work in Texas" Web site. Although this Web site has excellent search features, state recruitment efforts would benefit from information specific to state employment as well as the capacity to apply online.
- Several agencies use recruitment-based compensation strategies, such as sign-on and referral bonuses. Other recruitment strategies include internship programs for hard-to-fill job classes and tuition reimbursement or scholarships for high school graduates in exchange for a certain number of years of state service.

**Criterion 3** Retaining a skilled workforce.

Classified job turnover rates	
Total	15.8%* <sup>1</sup>
Voluntary	10.6%*
Involuntary	3.4%*
Retired	1.5%*
Layoff	0.2%*

Total classified compensation (2007 dollars)	\$61,900*
Fringe benefits as a percentage of salary, classified employees	27.3%*
Percentage of health insurance premiums paid by employees	21.0%*
Grievances per 1,000 classified employees	NA

<sup>1</sup> Job turnover rate components may not add up to total turnover rate due to rounding.

**Criterion 4** Developing a state's workforce.

Average hours of training	
Per employee	NA
Per manager	NA

Training expenditure	
As a percentage of total payroll cost	NA
Per employee	\$166*
Per manager	NA

Employee development	
Total number of development programs	NA
Hours in senior leadership program	NA
Percentage of employees with a career plan	NA

**Observations**

- The Department of Health and Human Services (DHHS) uses both career ladders and funding for professional development as strategies for recruitment and retention. The Department of Criminal Justice (DCJ) awards eight hours of additional annual leave for employees who complete 12 hours of college credit in job-related courses.
- Examples of strong leadership development efforts at the agency level include a DCJ initiative that consists of several courses, workshops and academies, as well as a training plan for DHHS supervisors that mandates 40 contact hours of training relevant to supervision.

**Criterion 5** Managing a state's workforce performance programs effectively.

Percentage of classified employees with an annual performance appraisal	Time to terminate classified employees for	
NA	Performance problems	NA
	Behavior problems	NA

**Observations**

- Various agencies use performance appraisal instruments including the use of competencies, clear links to the strategic goals of the agency, career development plans and regular feedback throughout the performance cycle.
- Agencies employ a wide variety of employee recognition strategies, including enhanced compensation and awards for professional achievement and outstanding service.
- The University of Texas conducts an annual survey of organizational excellence at state agencies and higher education institutions; agencies clearly use the feedback provided through the survey as part of the strategic planning process, often including the results as an appendix to the plan.

The Government Performance Project examined human capital management operations in all 50 states. States that did not submit sufficient data for inclusion in these data tables were assessed based on public documents and interviews. Information marked by an asterisk (\*) was extracted from state sources independently of the GPP survey. "NA" indicates insufficient data. The information included in this report is current as of February 1, 2008.