

Issue 10: Workforce Challenges

A Brief Identification of Issue:

TCEQ's workforce is challenged by difficulties with attracting, training, and retaining qualified employees, consistent turnover in key mission positions, and a high percentage of retirement-eligible staff.

B Discussion

Recruitment and retention challenges: State salary and benefit constraints limit TCEQ's ability to remain competitive with private sector employers and with other state and local governments. TCEQ's vacancies have remained between 6% and 6.5% below its FTE cap for the last four years. In FY 2020, 42.6% of TCEQ staff had fewer than five years of service. Persistent turnover in the two primary classifications of Natural Resources Specialist (NRS) and Engineering Specialist, which make up 31% and 11% of the workforce respectively, has resulted in 78.7% of staff salaries below midpoint. Overall, TCEQ average salaries have increased by only 3.9% since 2016⁸, and in these critical classifications, TCEQ's salaries lag behind its sister state agencies by as much as 34%, as illustrated in the following tables.

TCEQ Average Salaries Compared to Sister State Agencies

Classification Series	TCEQ	TPWD	GLO/ RRC	TxDOT	State
Natural Resources Specialist	\$51,048	\$60,319	\$60,702	\$61,964	\$58,062
Engineers	\$75,238	\$78,639	\$84,008	\$83,845	\$83,930
Engineering Specialist	\$51,395	\$56,706	\$62,637	\$60,592	\$56,847
Attorneys	\$79,461	\$75,027	\$88,991	\$102,173	\$86,761

TCEQ Turnover Rates Compared to Sister State Agencies

Classification Series	TCEQ	TPWD	GLO/RRC	TxDOT	State
Natural Resources Specialist	15.3%	6.6%	5.6%	10.3%	12.2%
Engineers	16.7%	0%	0%	8.7%	9.5%
Engineering Specialist	20.3%	19.4%	16.7%	12.6%	13.8%
Attorneys	16.2%	17.4%	16.3%	3.4%	14.3%

Note: TPWD-Texas Parks and Wildlife Department, GLO-General Land Office, RRC-Railroad Commission of Texas, TxDOT-Texas Department of Transportation, and State-state average.

TCEQ's retention of experienced staff in its mission critical classifications is challenged by significantly higher and more competitive salaries offered by other state agencies and local city and county governments, in addition to those offered in the private sector. TCEQ has taken several measures to address this including raising minimum salaries and supplementing salaries with retention and recruitment bonus programs and one-time merits for extraordinary performance in emergency events.

⁸ SAO's Workforce Summary Analysis, 582- Commission on Environmental Quality, which is published at <https://hr.sao.texas.gov/Publications/WFSummaries/WorkforceAnalysis/2020/582-2020.pdf>

However, actual salaries remain comparatively low while turnover continues to be untenably high. Based on this data, the 87th Legislature approved TCEQ's Legislative Appropriation Request (LAR) of \$5.8 million to support targeted pay increases for four classification series: NRS, Engineers, Engineering Specialists, and Attorneys.

Attrition Rates: Voluntary separations remain high at 50% of the separation resignations (excluding retirements) and consist primarily of staff with less than four years tenure (61%). Staff with 5 to 14 years of tenure make up another 28% of voluntary separations. This loss of organizational experience and knowledge poses a significant need for continued careful succession planning for key positions and leadership roles.⁹

Retirement eligibility: Within the next five years, over 34% of TCEQ's workforce will be eligible to retire, and in FY 2020, retirements made up 26% of voluntary separations. Newer entrants into the state workforce have a less competitive retirement plan than those now becoming eligible to retire.

C. Possible Solutions and Impact

As noted above, TCEQ has requested additional funding to improve salaries along with other internal measures, including recruitment and retention bonuses for key positions. TCEQ has also initiated a comprehensive salary study of all agency classifications to evaluate its competitiveness, identify additional classifications of concern, and recommend strategies and options to competitively recruit, retain, and develop highly competent staff. TCEQ will prioritize and implement its findings within its available budget. TCEQ anticipates that this may require another legislatively-supported appropriation to make these significant investments.

⁹ TCEQ's Strategic Plan; Workforce Plan, Schedule F, FY21-25, which is published at: https://www.tceq.texas.gov/assets/public/comm_exec/pubs/sfr/035-21.pdf