
Workforce Plan

Business, Consumer Service and Housing Agency



2017 - 2021

Message from the Secretary

I am pleased to present the Business, Consumer Services and Housing Agency's (BCSH) Workforce Development Plan, which outlines our agency's direction and goals for the next two to four years.

A workforce development plan is an essential tool for any organization, especially for state government and especially now. Roughly 40 percent of state employees are within a few years of retirement age, creating challenges for departments to recruit, hire and train a new, younger workforce. Our workforce development plans focus on how to use our human capital to accomplish our business needs, recruitment and retention strategies, employee development, knowledge transfer and succession planning.

Recognizing the ongoing and increasing challenges to our workforce, California Department of Human Resources (CalHR) has directed all state departments to create workforce development plans. Our agency and departments were fortunate to be the pioneers for the CalHR Workforce Training Program Project. In taking advantage of this opportunity, our agency becomes the first in California to have workforce development plans for all its departments. We will also be the first state agency to have its own workforce development plan.

Although most of our agency's small workforce serves at the pleasure of the Governor, making more frequent turnover likely when administrations change, there are still benefits to having a workforce development plan. For example, one of the biggest advantages is ensuring that institutional knowledge is documented and passed on. This will help avoid unnecessary disruptions in governance by helping to minimize the time our successors must spend learning about the issues facing our departments.

The assistance and training provided by CalHR and its staff have been invaluable throughout this process. I want to thank CalHR for their investment of time and resources in assisting BCSH and its departments in successfully developing our workforce development plans. I am sure other departments and agencies will have the same positive experience we have had.



Alexis Podesta, Secretary



Introduction

The goal of workforce planning is to put the right people – across the organization – in the right jobs, doing the right things at the right time. It identifies and addresses the gaps between the workforce of today and the human resource of tomorrow. Workforce planning is typically budget-driven and focused on staff-level jobs, hiring forecasts, and internal resource projections.

Workforce planning is a challenging process as it forces us to think about how to strategically align the workforce to the organizational business needs while striving to improve effectiveness and efficiency of our workforce. This can include challenges the organization faces such as recruitment, legislative and appointment changes, compensation and training - to knowledge transfer, succession planning, and retention. Workforce planning allows the agency to anticipate change rather than being surprised by events, and it provides strategic methods for addressing present and anticipated workforce issues.

This report will identify the Business, Consumer Services and Housing Agency (BCSH) challenges and opportunities as well as provide an evaluation of our current workforce.

Strategic Direction

The Business, Consumer Services and Housing Agency's Vision is:

To be a statewide leader and director of resources in the areas of consumer protection and housing.

The Business, Consumer Services and Housing Agency's Mission Statement:

To oversee departments, boards, and commissions whose job is to:

- License and regulate professionals and businesses in California, so as to protect consumers
- Preserve, expand and fund safe and affordable housing opportunities
- Investigate and research earthquake related issues to advise on ways to reduce earthquake risk
- Protect the civil rights of all Californians from acts of hate violence and unlawful discrimination in employment, housing and public accommodations

The Business, Consumer Services and Housing Agency's Goals include:

- Providing guidance to our departments on high-impact initiatives
- Reinforcing our agency-wide workforce plan and goals to optimize and maintain a skilled workforce, committed to quality performance
- Leveraging technology to enhance our services

We will continue to improve our workforce and coordination with departments through innovative management and technology, carrying out all our duties with integrity, communication, and transparency.

History

The Business, Consumer Services and Housing Agency was implemented on July 1, 2013, as part of Governor Brown's Reorganization Plan Number 2, which revised the agency structure and resulted in ten total cabinet-level agencies. BCSH is under the management of an executive officer known as the Secretary. The Secretary is a member of the Governor's Cabinet and is appointed by, and holds office at the pleasure of the Governor. BCSH oversees nine state departments/commissions with more than 5,600 employees. The organization unites state entities that license or regulate industries, business activities or professionals.

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Overview

The goal of BCSH's workforce plan is to develop and implement programs over the next two to four years that will successfully address our agency's workforce gaps as well as plan and prepare for continued staff service to the state and the consumer. BCSH's leadership team met to review the organization's overall ability to achieve current and future agency goals. The team considered a range of different factors, including current and future demands, resources, internal processes, and legislative requirements. All identified priorities and proposals support developing BCSH's staff through succession planning, knowledge transfer, talent enhancement, and other professional development efforts while preparing them for future challenges to carry out our mission.

Environmental Factors

BCSH is not unique in its workforce challenges within California state agencies. Nearly 60 percent of BCSH's personnel are gubernatorial appointees who could be affected by a change in state leadership. The agency continues to implement new initiatives with a small workforce. Bearing in mind these environmental factors, the emerging priorities include:

- Focus on the organization's strategic plan to achieve productivity goals
- Continue to build a culture that is efficient and performance-focused
- Proactively recruit high-performing individuals to fill vacancies
- Embrace technology to improve workflow and delivery of services
- Cross-train staff to enable greater flexibility within the organization

Methodology

Members of the BCSH executive team were involved in the workforce planning exercise to assist with identifying our workforce challenges as well as developing goals to assist in achieving the objectives. The executive team consisted of Governor's appointees and a high-level Career Executive Assignment (CEA) who each oversee a specific statewide program area, i.e., legislation, policy, communication, and fiscal. Discussions occurred at a facilitated session where each executive analyzed our agency's strengths, weaknesses, opportunities, and threats to identify issues and trends that could impact BCSH's ability to carry out its mission and retain staff. The executive team identified competency gaps and deficiencies, including current and future competency needs and losses due to voluntary attrition.

Current Workforce Profile

As of November 2016, the Business, Consumer Services and Housing Agency is made up of 11 employees - which includes four civil service staff, two CEAs and five exempt employees. The BCSH organization chart can be found in Appendix A: Organization Chart.

Demographic Overview

This workforce plan provides a comprehensive snapshot of BCSH's workforce. Gender and ethnicity of the organization's workforce is compared to statewide statistics. More than 50 percent of the non-appointee BCSH's workforce is 50 years or older with an average tenure in state service of over 18 years. The lengthy tenure can be viewed as an asset to the agency, but can also pose a risk, as employees with such institutional knowledge can be challenging to replace.

To prevent a decline in knowledge and experience levels within the next two to four years, strategies have been implemented to address the transfer of institutional business knowledge and professional expertise.

Ethnicity and Gender

The Business, Consumer Services and Housing Agency is comprised of 67 percent women and 33 percent men. The ethnic structure is 67 percent Caucasian, 8 percent Hispanic and Asian, and 25 percent African American. Table 1 reflects a comparison of BCSH's ethnicity and gender statistics contrasted to civil service statewide data.

Table 1. BCSH and Statewide Demographic

Demographic	BCSH %	Statewide %
Women	66.6	46.1
Men	33.3	52.9
Caucasian	66.6	44.5
Hispanic	8.3	24.4
Asian	8.3	11.2
African American	25	10.1
Filipino	0	6
American Indian	0	0.6
Pacific Islander	0	0.7
Other	0	2.5

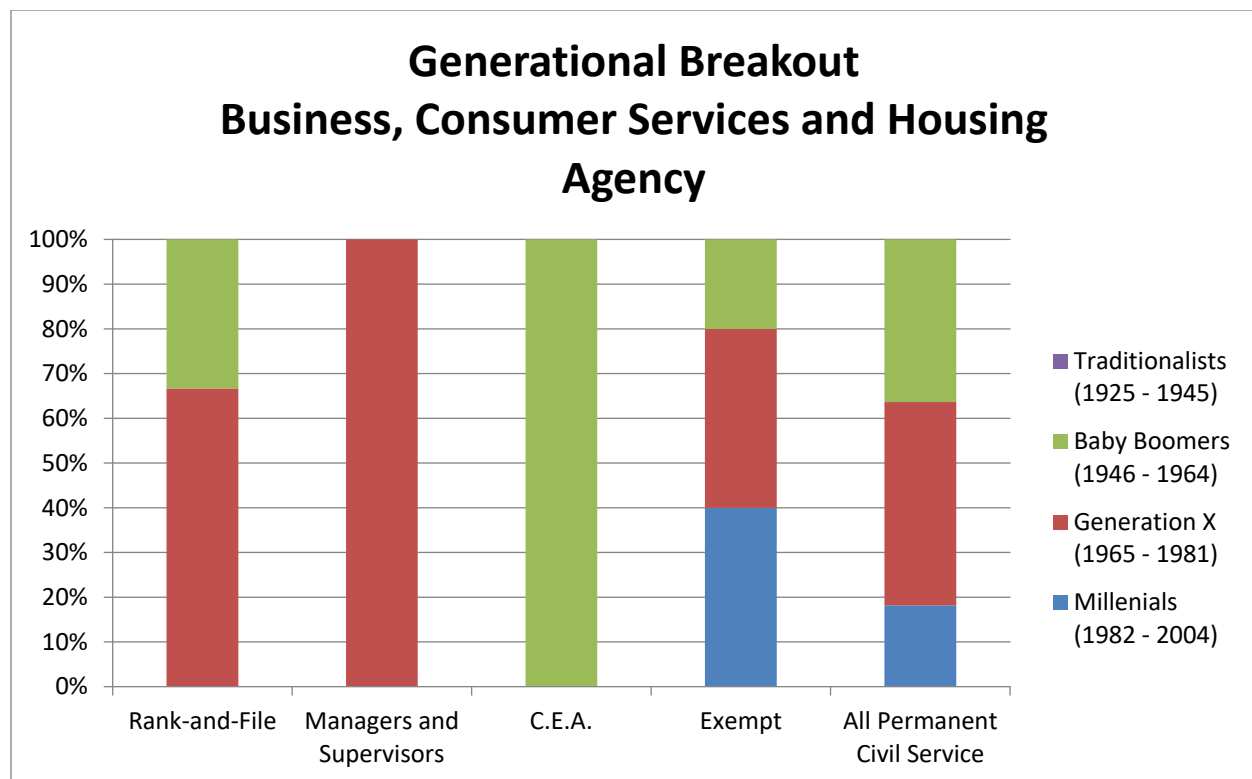
Age Demographics

Age demographics and attitudes play a large role in shaping the workforce profile. Currently, over 50 percent of BCSH's workforce is eligible to retire, which is higher than the statewide average of 41 percent. Approximately nine percent are within five years of the average retirement age.

In looking at the generational breakdown of BCSH, 18 percent of the civil service workforce is composed of Millennials (born between 1982-2004). The largest population at the agency is made up of Baby Boomers (born between 1946-1964), and Generation X (born between 1965-1981).

In the table below, (Figure 1. *Business, Consumer Services and Housing Agency Generational Breakout*) a generational breakout is provided by classification within the agency. This information identifies where we have a higher risk of knowledge loss due to retirement eligibility.

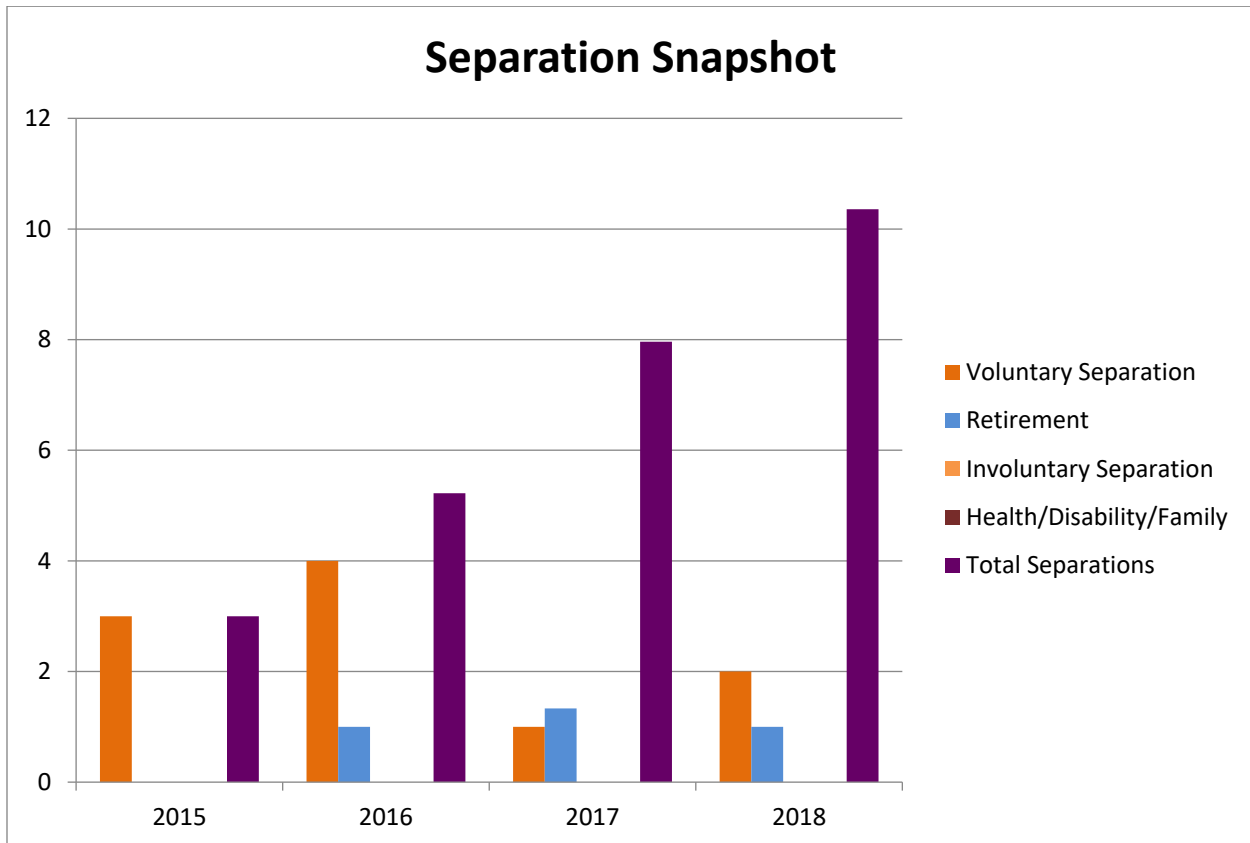
Table 1. *Generational Breakout*



Separation Trends and Forecast

The following table (Table 2 Separation Snapshot illustrates BCSH's separation trends for 2015 and projections for 2017 and 2018 which include the agency's Governor Appointees. The forecast contains the percent each separation accounts for based on the total population that year. BCSH is forecasting potential changes in our appointee staff due to the 2018 gubernatorial election.

Table 2. Separation Snapshot



Retirement Eligibility

Data from BCSH's workforce demographics show that almost 17 percent of the agency's staff will be eligible to retire within the next five years, and 50 percent have already reached retirement eligibility. The loss of institutional business knowledge and expertise in key management and senior-level professional positions, coupled with normal attrition, could pose a problem for the agency as well as the state. It is important to minimize the loss of technical knowledge and organizational experience.

Competencies

BCSH continues to increase the use of technology to retain and centralize information, streamline processes and provide more efficient services to our departments. In looking ahead to the future workforce, BCSH's executive team determined that additional skills may be required including program design and analysis, web design and information technology security. Other skill requirements with increased focus include contract and fiscal management and communication skills, both verbal and written.

The leadership team at the agency is committed to developing and managing staff performance. With a significant number of staff being new in their current position, the executive team has developed specific performance standards, training, and mentoring opportunities to foster and retain current staff while striving to obtain BCSH's goal of organizational excellence.

Workforce Gap Analysis

Recruitment and Retention Gaps and Risks

BCSH is developing strategies that will attract and retain talented and high-performing staff. Recruitment and retention gaps resulting from current workforce challenges and a future workforce profile include:

- Possible expansion of, or changes to, departmental initiatives pose a challenge in positioning the right talent in the right position to be effective
- Workforce changes with the upcoming gubernatorial election
- Retention challenges due to gaps in promotional opportunities
- Maintenance of knowledge in specialty areas such as budgets, legislation, and information technology.

Knowledge Transfer Gaps and Risks

Workforce information gathered from BCSH's executive team meeting highlighted the need to address the gap between the agency's current workforce supply and future demands. While BCSH's workforce currently possess the skills needed to do the required work, in the next two years - due to potential retirements and Governor's appointee turnovers - the agency could experience a shortage of required skills, particularly in management and senior-level positions. Therefore, the transfer of institutional business knowledge and technical expertise is vital. BCSH will continue its efforts to identify critical positions for succession planning.

Succession Planning Gaps and Risks

It is difficult for BCSH to develop and implement a succession plan that fully meets its needs. BCSH is comprised of five Governor appointees and six civil service employees, which include two CEAs. While the agency can develop a workforce/succession plan for its civil service employees/positions, doing so for the appointees is difficult. Gubernatorial appointees serve at the pleasure of the Governor, and can be replaced immediately, without advanced notice.

To mitigate this risk, the executive team meets on a weekly basis and discusses various topics, including issues of workload within each executive's applicable program area. An internal shared database is used to store active and completed workload files and documents. This allows all executives to be aware of agency-wide issues and concerns. It also gives them the information they need to be able to assume and continue the work in the event a key person leaves the agency, until a replacement is found. The risk of not addressing the challenge of succession planning is that BCSH may not be able to retain the knowledge and expertise needed to provide leadership to agency departments and carry out our vision to be a statewide director of resources in the area of consumer protection and housing.

Workforce and Succession Action Plan

BCSH has identified strategies to close gaps, plans to implement the strategies, and measures for assessing strategic progress. These strategies include such things as recruiting, professional development, succession planning, and technological enhancements. Creating the workforce plan initiatives involves ensuring that human and fiscal resources are in place, roles are understood, and the necessary communication and coordination is occurring to execute the plan and achieve the strategic objectives.

One to Two Year Initiatives

Create development plans to promote staff growth

BCSH currently has no formal plan to help develop staff and ensure their professional growth. As a result, staff, particularly civil service staff, are at risk of falling behind on training and other opportunities to continue their professional development. This initiative will help ensure that staff are not only able to stay current in their professional skills, but will be able to advance their careers.

Develop desk manuals for non-exempt staff to document responsibilities

BCSH currently has no formal policy regarding written desk manuals for non-exempt staff to document day-to-day tasks. While some tasks are documented, all staff do not have complete written desk manuals. Desk manuals will give current staff a valuable reference, and will ease the transition when new civil service staff is hired to fill vacancies.

Develop knowledge database for exempt staff to aid in transition with changes of Administrations

Because there are nine entities under BCSH, it can be challenging to keep current on all of the issues facing those entities. It will also prove challenging for appointees of new administrations to quickly and thoroughly familiarize themselves with BCSH's subordinate entities and the issues they face. A knowledge database will help ensure that information about personnel, ongoing issues and operations of our entities is readily available for current and future appointees.

Initiative	Targeted Gap	Responsible Person(s)	Deadline	Performance Indicators
Create development plans to promote staff growth	Recruitment and Retention	Staff Services Manager III	January 2018	Completed Individual Development Plan
Develop desk manuals for non-exempt staff to document responsibilities	Knowledge Transfer; Succession Planning	Staff Services Manager III	May 2018	Increase in completion of business procedures and processes
Develop knowledge database for exempt staff to aid in transition with changes of Administrations	Knowledge Transfer; Succession Planning	Deputy Secretaries	August 2018	Knowledge database on shared drive

Three to Four Year Initiatives

Analysis of business processes to identify potential efficiencies

Managing the flow of information from nine subordinate entities can be challenging, especially at certain points within the government calendar. BCSH has done a great deal to streamline the flow of information. A thorough analysis of business processes will help achieve even greater efficiencies and will aid in the knowledge transfer initiatives outlined above.

Expansion of technology to increase productivity of limited staff

BCSH has already developed plans to expand the use of technology to increase the productivity of both appointed and civil service employees. Additional expanded use of technology should be a priority over the next three to four years with an eye toward both maintaining and enhancing productivity and efficiency, and in transferring knowledge when vacancies occur and when administrations change.

Initiative	Targeted Gap	Responsible Person (S)	Deadline	Performance Indicators
Analysis of business processes to identify potential efficiencies	Recruitment and Retention; Knowledge Transfer	Staff Services Manager III	January 2019	Increase in completion of business processes, policies and procedures
Expansion of technology to increase productivity of limited staff	Knowledge Transfer; Recruitment and Retention	Deputy Secretary, Administrative	January 2021	Technology Options identified by January 2020, Implemented January 2021

Conclusion

Workforce planning is about getting the right number of people with the right skills, in the right place, at the right time. Workforce planning is not just about recruiting and training new people to replace those leaving our workforce, it is also about helping individuals to build their careers. Workforce planning ensures that workers make more effective contributions to the organization.

With the agency's first Workforce Development Plan, the Business, Consumer Services and Housing Agency will make great strides in developing the workforce while ensuring that institutional knowledge is documented and passed on. This will help to ensure smooth transitions and minimizing interruptions during transitions between administrations.

Contact

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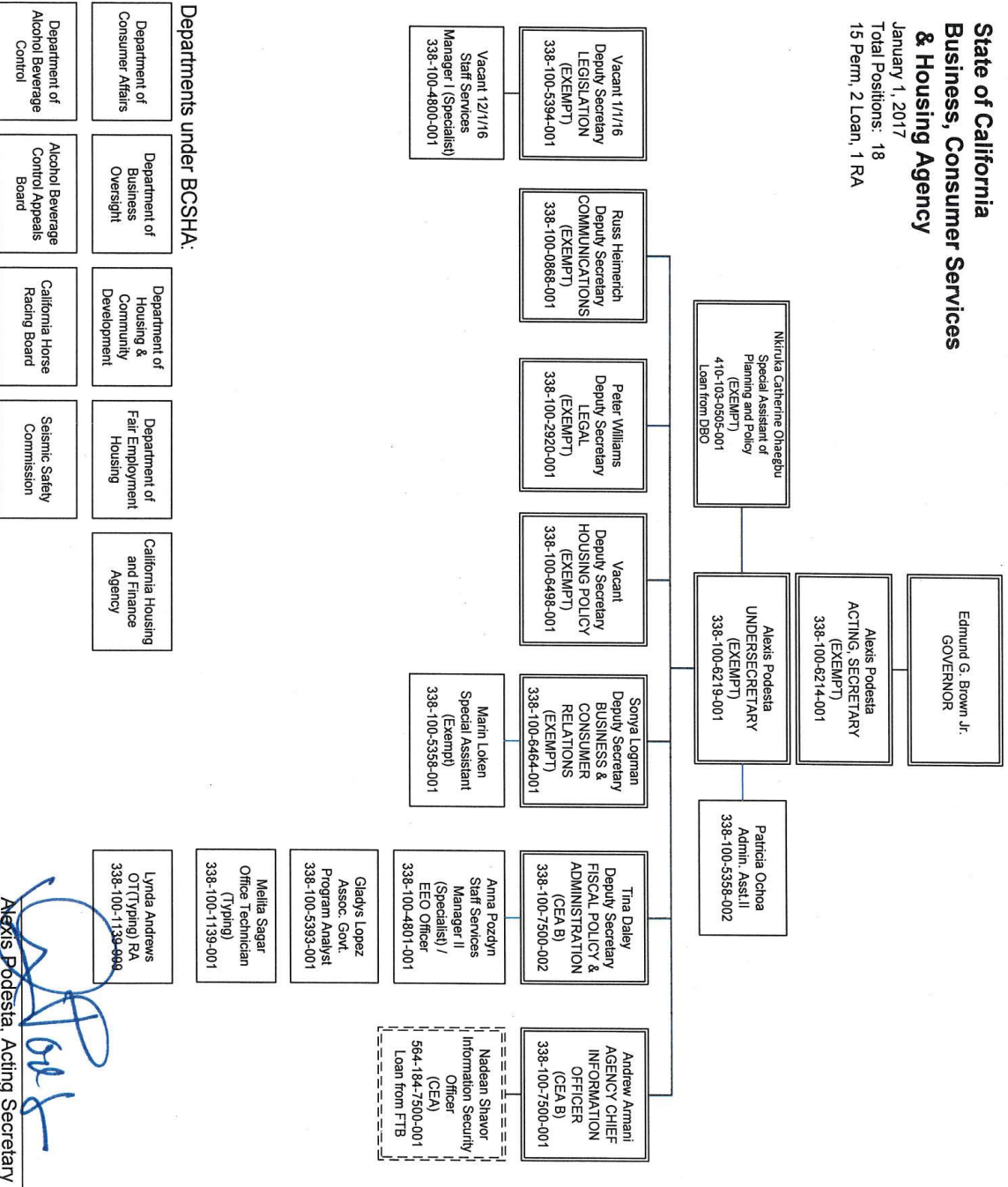
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Appendix A: BCSH Organization Chart

**State of California
Business, Consumer Services
& Housing Agency**

January 1, 2017
Total Positions: 18
15 Perm, 2 Loan, 1 RA



(Signature)
Alexis Podesta, Acting Secretary

Appendix B: Accountability and Communication Plan

The BCSH workforce plan will be shared with all BCSH employees. The plan will be discussed at BCSH's All Staff meeting and Senior Staff meeting scheduled for June 2017.

Accountable Party	Role(s)/Responsibility(ies)	Target Date(s)	Additional Training Required (yes/no)
Secretary	Executive Sponsor; Responsible for introducing the WFP; supporting communication of the plan	June 30, 2017	No
Deputy Secretary Fiscal Policy	Responsible for developing and implementing specific initiatives	June 30, 2017 and ongoing	Yes
Supervisory Positions	Responsible for communicating the plan to staff, participating in initiatives, and demonstrating to staff how the WFP connects to the agency's goals and vision.	August 1, 2017 and ongoing	Yes
Employees	Participants in workforce plan initiatives	Ongoing	Yes