



Licensing Workload Assessment



The National Association for Regulatory Administration
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Introduction

- How many staff are required to effectively regulate a particular category of human care programs?
- How does one develop an appropriate workload formula for determining front line resources needed to implement a successful licensing system?

These are questions, often posed by licensing administrators, which are difficult to answer since states and provinces differ widely in their statutory definitions and requirements and in the policy and procedural expectations of their licensors. Therefore, a comparison of workloads by states or provinces would not be meaningful given these statutory and procedural differences. There are other factors also that make comparisons difficult, such as the administrative tasks expected to be carried out by licensors, the length and scope of the regulations, the methods of handling enforcement issues, demographic differences, geographical differences, licensing system data capabilities, and many other variables.

A “Consumer Protection Through Prevention” approach to licensing cannot be fully achieved unless a state or province has the appropriate staff resources needed to implement the intent of the local, state, and federal laws and regulations. While the variables are many, certain tasks are essential to maintaining an effective regulatory program. **The licensing process must emphasize the prevention of harm through risk reduction.** There should be sufficient time allotted on-site or remotely to observe program activities and patterns of interaction between program participants and staff (e.g., children and staff in a child care center, or residents and staff in an adult assisted living facility); and to accomplish the specific task(s) at hand. A workload formula must consider program complexities and allow for ample time for licensing staff to observe the various components of a multi-faceted program.

Additionally, sufficient time should be allocated for ongoing professional development to keep staff informed of developments in research, and innovations in program design and implementation. A comprehensive workload formula will enable states and provinces to develop an individualized workload standard that is appropriate to their specific needs, program idiosyncrasies, and demographic and geographical factors.

Many and varied elements enter into such a determination. Determining workload standards for licensing activities is often a subject of debate, particularly among those who have responsibility for budget planning. Often, the people responsible for budget planning do not have a keen understanding of the imperative role of licensing for ensuring quality care. Their approach to answering the question of what is an adequate workload size may be simplistic and, therefore, inadequate.

The development of a workload standard needs to take into account the following factors: statutory requirements; community expectations; length and scope of the regulations to be enforced; the number and frequency of license renewals; supplementary tasks; workforce availability, including vacant positions; level of

secretarial support; degree of automation and computerization of the licensing processes; the expectations regarding new staff orientation and ongoing staff professional development activities; travel distances and time; and the number of enforcement actions pursued. The use of remote inspections includes similar components of an onsite inspection but are conducted off site using technology. Depending on the circumstances, these may be a full inspection, an abbreviated inspection, verification of a specific requirement, or a hybrid utilizing both onsite and offsite tasks.

This Licensing Workload Assessment document contains a workload formula that provides a conceptual framework and scheme for quantifying more objectively the elements that comprise a particular licensing program. It is designed to enable the licensing program manager to convert the data elements of a particular program into a work demand/resource need formulation.

Since nomenclatures vary from state to state or province to province, depending upon the definitions established by statute or by agency policy, for purposes of this paper the term programs will be when referring to options for out-of-home care for adult and children. Programs include, but are not limited to, adult community homes and facilities, assisted living centers, child care centers, child care residential facilities, family child care homes, foster homes or care placing agencies.

At the end of the document, an example is provided to see how the workload calculation is completed.

Elements of the Workload Formula

The workload formula will require data collection to occur over a period of time in order to determine the time elements required to carry out certain key tasks to be identified by the particular state or province. It is suggested that a minimum of three months be used, but, using every other month approach over a 12-month period of time would provide for a better sampling approach. While most key tasks are generally uniform across states or provinces, each jurisdiction will need to identify those key tasks that are relevant to its statutes and policy requirements.

There is a caution with regard to conducting a time study. If the agency is already short staffed and licensors are carrying, as a result, heavy workloads, there is a tendency to use shortcuts, resulting in certain activities not being carried out. Some staff in these circumstances may be using portions of their lunch break or working into the evening to carry out their workload. The time study needs to take all of these factors into account.

The steps outlined below are considered basic for developing a workload standard for a specific state or province.

Step I: Determining Workload Size for the State or Province

One must first determine the agency's work-demand. Workload size is determined by tabulating the total number of programs that are required to be regulated during the fiscal year (a 12-month period). These should be categorized by natural groupings based on the type. Additionally, factors such as size (number of persons served) and the complexity of services provided should also be considered. These factors need to be weighted in some manner. One method is to use a stratified sampling method, which means dividing into subgroups based on characteristics. Each program should only be assigned to one subgroup. Randomly sampling comes from each subgroup rather than the entire population.

To project what the workload may be for a future fiscal year (for budget planning purposes), one needs to analyze the statistics for that category of regulated programs for each of the last five years. Observe what the trend line is for each category of licensee. Observe whether the trend line is increasing or decreasing, and to what extent. Evaluate what factors (external and internal) may have contributed to the change, or any other anomalies in the trends. Based upon an analysis of five years of data, one can reasonably predict with some degree of accuracy as to what the licensing workload or demand will be for the coming budget year.

Essentially, the completion of this step will enable one to quantify by designated categories the number of programs that will need to be regulated during a designated 12-month period (fiscal year).

For those states or provinces that have to plan for a two-year (or more) budget cycle, they will need to project what the workload will be for each year of the budget period.

Step II: Determining the Total Number of Person Days Required to Regulate the Workload.

Person days are defined as the number of days an individual has the ability to work on a specific task. While there are many ways to determine the amount of time required to accomplish workload activities, the most common two are time studies and Delphi studies.

Time Study

This aspect of the formula requires the use of data accumulated through a work-based time study, which can be conducted by the staff themselves in a two-step fashion. First, a sample of line staff and first line supervisors, identify all of the tasks and activities that are carried out in fulfillment of their licensing roles. Second, these staff should record the

number of minutes/hours that are spent in carrying out each activity or task by keeping a log for four to six weeks. The results of their time study should be tabulated by a staff person at the highest level of the organization responsible for these tasks, in order to provide consistency in the calculation. From this information and data, the licensing program administrator or manager must then identify the key activities that go into the conducting of field inspections, as well as remote inspections. Note, while one might assume remote inspections may take less time, in reality they may take longer. Travel time for remote inspections will not be part of the calculations; yet additional time may be needed for preparation and/or review of materials. Agencies must determine when and under what circumstances a remote inspection is appropriate. See NARA's paper *Remote Inspections in Child Care Settings* for more information.

As previously stated, there is a caution with regard to the conducting of a time study. If the agency is already short staffed and licensors are carrying, as a result, heavy workloads, there is a tendency to use short-cuts, resulting in certain activities not being carried out.

Delphi Study

The first step in the Delphi process is to create a team of experts. These are the individuals with the best understanding of the agency's mission and the activities necessary to accomplish the mission. The team should consist of staff from various levels within the organization but line staff is mandatory. These individuals will identify all of the tasks and activities that are carried out in fulfillment of their licensing roles. Their second function is to determine if the frequency of the activities is identifiable in a data system. This is critical to the development of a survey tool.

A staff person responsible for data analysis will now develop a survey tool. The tool will ask each line worker, or a sampling if the field is very large, to enter the number of minutes it SHOULD take to complete each activity and, if the data system does not capture frequency, how often the activity has to be completed.

Next, the tool will be sent to staff for completion. The results will be tabulated and converted into a summary document that shows the mean, median, mode, minimum and maximum for each activity. This summary will be sent to the survey group along with a second questionnaire. The individuals can study the summary and decide if they wish to modify their first response. This is a honing process that usually results in a reduction in the differences between the minimum and maximum responses, thus the other figures.

The results of the second survey will be presented to the expert team.

They will make the final decision as to the average number of minutes that will be used for each activity.

The Delphi process is less demanding on staff than a time study. It also eliminates the problem created if the agency is already understaffed because staff are being asked to provide the time that SHOULD be applied to the activities, not what is being applied.

Application of Either Study Methodology

For each activity listed below, the administrator or manager calculates the average amount of time in units of hours that are required to complete appropriately the activity for each category of regulated programs.

A. Time Required to Conduct Field Inspections and Related Activities. (Identify the activities required to be completed and the number of hours required to carry-out the tasks satisfactorily.)

1. Number of on-site inspections for the first-time applicant and average time to complete.
2. Number of renewal on-site and/or remote inspections of a licensee on a regular license status; or number of annual on-site inspections of a licensee on a non-expiring license and average time to complete.
3. Number of renewal on-site and/or remote inspections of a licensee on provisional or probationary license status and average time to complete.
4. Average number of on-site and/or remote complaint inspections and average time to complete.
5. Average number of follow-up inspections to previous on-site and/or remote inspections and average time to complete.
6. Average number of follow-up inspections as a result of a warning or administrative letter and average time to complete to ensure progress towards achieving compliance.
7. Average amount of time required for consultation and technical assistance activities. These are difficult to separate out because they occur as an ongoing part of the licensing inspection process. However, there are occasions when a governing board, chief administrator of a program/agency or a facility may seek consultation around specific aspects of the program. New

programs often require considerable technical assistance to get started. One should include in the formula at least four hours of technical assistance for each new licensee; and at least two hours of technical assistance for each licensee that has received a warning or administrative letter; and at least one hour of technical assistance for any license renewal inspection.

8. Average amount of time required for enforcement actions, such as collaborative meetings to discuss the situation, writing the enforcement actions, consulting with legal staff, issuing the enforcement action, and due process activities.

B. Time Required to Handle Office-Based and Supplementary Activities. Each licensor is expected to carry out in a professionally competent manner the following activities:

1. Write accurate, clear objective and comprehensive inspection reports and maintain records and logs (whether manually or by computer) as required to document activities.
2. Communicate (by telephone, email, FAX, or in person) with applicants, other government officials, licensees, colleagues, supervisors. A licensor may also be responsible for coordination of other inspections (environmental, fire safety, etc.), or with other agencies; a licensor may need to respond to inquiries for information.
3. Attend meetings and represent the agency in a professional and knowledgeable manner.
4. Compose letters, prepare information packets, and respond to requests; do filing and logging.

Again, each agency will have its own expectation. In some agencies, licensors may have access to administrative or specialty staff, who may assist in carrying out certain job functions, removing some of these work responsibilities and processes from field staff. The degree of automation, budget and resources that an agency has will also be a significant factor. Each major task should be separated out for purposes of calculation.

C. Total Number of Work Days Required to Accomplish Step II.

Total the number of hours required to carry out the activities listed in Step II (A. & B.). To calculate the number of work days required, divide the total number of hours per work day.

Step III: Determining the Total Number of Person Days Involved in Activities Other than Direct Licensing Activities.

- A. Meetings/Trainings.** This category includes regularly scheduled supervisory conferences (one on one between the licensor and supervisor); meeting with upper management, staff professional development activities (e.g. conference attendance, staff training, or formal study programs).
- B. Travel time to and from the program(s) to be inspected or to meetings.** Travel is a time consuming factor, and one that is sometimes not accurately taken into account when determining a workload formula. There are several ways in which time spent in travel can be calculated. One method is to include this activity in the time study using a stratified sampling approach. It is important to include in the sample, rural, urban and suburban areas in proportion to the distribution of the licensees. Travel involves not only the inspection activities of a licensor, but includes attending meetings, appeal hearings, administrative staff meetings, staff professional development activities, and many other related tasks. Another method in calculating travel, is to have staff keep track of the actual miles driven by category (rural, urban, and suburban) and to calculate the number of travel hours required. Ultimately, it is important to determine the average number of days that a licensor spends engaged purely in travel time within a year's time. Remember, remote inspections will not include travel time.
- C. Appeal Hearings.** When adverse actions are appealed, a considerable amount of time is required to prepare for and to attend the hearing (meetings with the attorney, responding to discovery requests, meeting with witnesses, writing reports, etc.). Each state or province will need to determine the average amount of time required to prepare for an appeal hearing and to attend and participate in the hearing. This figure is multiplied against the number of hearings that are expected to be held during the projected budget year (also based on a 5-year trend analysis).
- D. Special Assignments or Tasks.** These activities may include:
1. Serving on a rules revision committee.
 2. Serving on a special task force or advisory committee.
 3. Assisting a colleague in conducting a team inspection (night time visits, unscheduled visits during odd hours, complicated

complaints and or large programs, etc.).

4. Serving as a liaison for the division or unit with another state agency; performing a special assignment.
5. Serving on a policy analysis or policy development committee.

Step IV. Determining the Total Number of Work Days Available in a Calendar Year.

- A. There are 260 work days per year (52 weeks x 5 days per work week = 260). The number of work days per year should be adjusted for alternative work schedules, for example 4-day work weeks.
- B. One must then subtract 1) holidays, 2) personal leave days, and 3) vacation days.
- C. One must subtract sick leave days by determining the average usage per licensors per year.

Step V. Determining the Work Force Required to Meet the Workload

To determine the number of staff that will be required to carry out the anticipated workload for the “X” year, one must complete the following calculations:

- Take the total number of work days required to complete Step III and subtract it from the total number of available work days based on Step IV to equal the number of days available for staff to achieve licensing workload.

Step III - Step II = days to achieve the workload

- Take the total number of person days required to regulate the workload (Step II) and divide by the number of work days required to carry out the workload.

Step II divided by days to achieve the workload = Number of full time workers required

To determine the overall positions needed in comparison to the current staffing level, subtract the total number of currently budgeted staff from the total number of staff required to achieve the workload.

Number of full time workers required – Current staffing level = Additional workload needed (Staffing request)

Conclusion

Each licensing agency needs to develop its formula based on a study that is done over a period of time to ascertain the accuracy and objectivity of the formula. Ongoing data collection is also needed, of course, to further buttress certain components within the formula. The amount of time spent on adverse actions may be less; the amount of time spent on committee assignments, in supervisory conferences and ongoing training may differ from state to state.

Any legislative body that mandates by law the licensure of an enterprise that is concerned with the protection of society's most vulnerable citizens needs to be willing to appropriate the resources required to fully carry out the intent of the statute. It is hoped that this formula may be of assistance to managers and administrators of human care licensing programs.

This calculation should be redone periodically to confirm an accurate workload calculation or account for changes, such as:

- ensuring the workload calculation is applicable, particularly as personnel or technological efficiencies are implemented
- OR**
- accounting for any differences in licensing program implementation, for example, if the number of inspections increases or decreases or if a new type of program is defined with different requirements impacting workload.

Green Valley State Example

Green Valley State is a licensing unit responsible for centers. Staff in this licensing unit work a 40-hour week schedule. They have 10 paid holidays, 14 vacation days, and use an average number of 8 sick days per year.

Green Valley State currently licenses 500 child care programs. Five years ago, the state had 400 licensed centers and the average net growth over the five years has been about 20 new centers a year. Based on that trend line, one can project that during the next budget year of "X", there will be **520 programs** in need of regulation.

Additionally, the data analysis indicated that along with the net increase of 100 centers over the five-year period, there was a replacement average of approximately 10 centers per year or 50 centers (ten new centers replaced ten centers that had closed). This statistic is important, due to the fact that the regulatory activities involved for a first-time applicant are always greater than those for a renewal applicant.

Step I: Determining the Workload Size.

At the close of 2017, there were 400 child care programs.

Year	# Licensed at End of Year	# of New Programs	# of Programs Not Renewed
2018	420	32	12
2019	440	30	10
2020	466	38	12
2021	480	20	7
2022	500	30	10
Total		151 Average of 30 new programs per year	51 Average of 10 programs per year

Projection for Budget Year: 500 programs + 30 new programs – 10 closed programs = 520 programs in need of regulation

Step II: Determining the Total Number of Person Days Required to Regulate the Workload.

Green Valley State has 500 child care programs at the present time and is expected to gain an additional 20 centers. Many of these centers offer a full range of services including before and after-school care, infant/toddler care, late evening and weekend care, etc. Some have large capacities exceeding 60 children. We will further assume that the hours required to conduct the various types of on-site inspections were based on a time-study (the hours used in this example are considered to be realistic as

they are based on actual experiences).

A. Time Required to Conduct Field Inspections and Related Activities. (Field Inspections and Related Activities)

	Activity	# of Hours Required
1	<p><u>Handling new applicant on-site inspections:</u> average time spent handling new applicants (meeting on-site, meetings with board members, program director, etc.)</p> <p>*Keep in mind that there is a net gain of 20 centers, but there are also an additional ten new centers replacing ten centers that closed for various reasons.</p>	<p>360</p> <p>(12 hours x 30 new applicants* = 360 hours)</p>
2	<p><u>Conducting annual, onsite, renewal inspections:</u> It is suggested that you subdivide the category of child care programs (or other types of programs) into various groupings, such as size and programming/services offered. Each grouping would have its own average length of on-site time required to conduct a comprehensive and thorough inspection.)</p>	
	Requires 11 hours on-site for the 200 centers with a licensed capacity of 60 or more children.	<p>2,200</p> <p>(11 x 200 = 2,200 hours)</p>
	Requires eight hours on-site for the 300 centers with a capacity of 59 or fewer children.	<p>2,400</p> <p>(8 x 300 = 2,400 hours)</p>
	Fifty centers have an infant/toddler program thus an additional 2 hours is required for these centers.	<p>100</p> <p>(2 x 50 = 100 hours)</p>
	Ten centers have a night-time program to evaluate the night-time component, an additional 2 hours on-site is required.	<p>20</p> <p>(2 x 10 = 20 hours)</p>

3	<u>Conducting on-site/remote inspections of provisional or probationary license status:</u>	40 (4 hours x 10 = 40 hours)
4	<u>Conducting on-site inspections in response to complaints:</u> The agency has received an average of 125 complaints per year over the past five years, based upon a trend analysis, it is determined that there has been a 5 percent annual increase in the number of complaints requiring inspections. It is expected, therefore, that there will be 131 complaints that will require an inspection in the next budget year "X".	524 (4 hours x 131 = 524 hours)
5	<u>Conducting follow-up visits:</u> 65 centers are presently on a provisional license, each requiring a follow-up inspection (provisional licenses for Green Valley State are for a 6-month duration).	520 (8 hours x 65 visits = 520 hours)
6	<u>Conducting follow-up visits to warning letters and conducting monitoring visits to ensure progress toward achieving compliance to a warning letter, or to determine ongoing compliance with certain licensees:</u> 60 warning letters have been send each requiring an average of three on-site visits at three hours per visit.	540 (3 hours x 180 visits = 540 hours)
7	<u>Providing consultation and technical assistance:</u>	
	New licenses (30 x 4 hours each)	120 (4 hours x 30 new licensees = 120 hours)
	Ongoing licenses (500 x 1 hour each)	500 (1 x 500 = 500 hours)

	Warning Letter recipients 2 hours of consultation and technical assistance to all licensees who are expected to receive a warning letter during the year, or are to be placed on a provisional license (this is above and beyond the 1 hour that is generally provided)	120 (2 x 60 = 120 hours)
8	Average amount of time required for enforcement actions, such as collaborative meetings to discuss the situation, writing the enforcement actions, consulting with legal staff, issuing the enforcement action, and due process activities	248 (8 x 31 = 240 hours)
	Total Number of Hours for Field Inspections	7,692

B. Time Required to Handle Office-Based and Supplementary Activities.

Based upon the hypothetical example, we will assume that the time study conducted by Green Valley State determined that approximately three hours of time engaged in field related activities requires a licenser to spend one hour engaged in office-based activities such as writing reports; engaging in telephone conferences with safety and environmental inspectors, or other government officials; responding to mail; maintaining files and handling other office related activities. Since the total number of field inspection hours is 7,692, divide by three, which equals 2,564 hours. That number represents the number of hours required to carry out office-based activities.

Total Number of Office-based Activities = 2,564

C. Total

Total number of person days required to regulate the workload is: $7,692 + 2,564 = 10,256$ divided by 8 hours (work day) = 1,282 work days

Step III Determining the Total Number of Person Days Involved in Activities Other than Direct Licensing Activities and Related Office Activities.

The Green Valley State, based upon its time studies and activity analyses, has determined the following formula for the activities:

	Activity	# of Hours	# of Days
1	<p>Meetings/Training</p> <p>Each licensor spends an average of two days per month or 24 days per year committed to these activities. The agency has had six licensors over the past three years.</p>	<p>1,152</p> <p>(6 staff x 16 hours/month x 12 months)</p>	<p>144</p> <p>(1,152 / 8 hours)</p>
2	<p>Travel Time</p> <p>Green Valley State keeps track of mileage driven. Green Valley State is a rural state with two-thirds of the centers located in non-urban areas. Staff drove a total of 106,000 miles the previous year in carrying out their responsibilities. One-third of this mileage (35,333 miles) is considered urban or city driving, another third of this mileage is considered suburban driving, and the final third is considered rural/highway driving.</p> <p>The formula calls for</p>		
	Urban (25 mph)	<p>1,413</p> <p>(35,333 divided by 25 miles per hour = 1,413 hours)</p>	<p>177</p> <p>(1,413 / 8 hours)</p>
	Suburban (45 mph)	<p>785</p> <p>(35,333 divided by 45 miles per hour = 785 hours)</p>	<p>98</p> <p>(785 / 8 hours)</p>
	Rural (55 mph)	<p>642</p> <p>(35,334 divided by 55 miles per hour = 642 hours)</p>	<p>80</p> <p>(642 / 8 hours)</p>

3	Appeal Hearings. Green Valley State has projected that there will be nine appeal (administrative or judicial) hearings held in the coming budget year. Based upon past experience, Green Valley State uses a formula of seven days to be spent on average for each appeal hearing, including preparation (meetings with counsel, taking depositions, etc.) and attendance.	504 (9 hearings x 56 hours)	63 (504 / 8 hours)
4	Special Assignments. Green Valley State experienced an average of 16 hours per licenser per year engaged in these activities. They have six licensers.	96 (16 hours x 6 licensers)	12 (96 / 8 hours)
	Total Number of Hours for Carrying Out Step III Activities	4,592	574

Total number of days spent engaging in these activities: 574 work days which is divided by size staff and equals 96 work days per licenser.

Step IV: Determining the Total Number of Work Days Available in a Calendar Year.

Green Valley State’s civil service system recognizes 10 holidays, and grants two personal leave days per year. Licensors average a usage of 14 vacation days per year (amount per employee varies based on longevity), and average a usage of eight sick leave days.

Paid holidays	10 days
Paid vacation	14 days
Average sick leave usage/employee	8 days
Total	32 days

Total Number of Days Available:

There are 260 work days per calendar year (52 weeks x 5 work days) from which one subtracts the 32 days not available per the chart above.

260 days – 32 days = 228 available work days per employee.

Step V: Determining the Work Force Required to Meet the Workload.

The answer will be the number of licensers that are required to carry out the workload of 520 child care programs.

The formula at this point requires one to subtract the results of Step III (96 days) from the results of Step IV (228 days). $228 \text{ minus } 96 = 132$ days available for staff to achieve Green Valley State's workload.

Now take the results of Step II (1,234) and divide by the 132 days available per worker, which is $1,282 \text{ divided by } 132 \text{ days} = \mathbf{9.7 \text{ workers required}}$.

This means that Green Valley State will need to **add 3.7 licenser positions** to the already authorized staffing allocation of six if it is to implement fully the intent of the state's statute and to maintain the necessary threshold of protection.