

UNLOCKING

THE POTENTIAL OF THE VETERAN WORKFORCE

A RENEWED CALL TO ACTION AMID COVID-19

INTRODUCTION

1M+ VETERANS WERE
OUT OF WORK IN
APRIL

Every year, around 200,000 service members transition to civilian life¹, many of whom become incredibly valued members of the United States' workforce. As these veterans prepare to meet the demands of the civilian workplace, many face unique challenges such as finding job opportunities that match with their military experience and skills². Unfortunately, this challenge has likely been amplified since March 2020 when the COVID-19 pandemic arrived in the United States.

Before COVID-19 struck the U.S., veteran unemployment sat at 3.5% in February 2020. Yet just two months later, veteran unemployment quickly reached a troublesome peak when it climbed to 11.8% in April, representing 1,050,000 veterans who were out of jobs. At the same time, 25% of active military families were separated from their servicemember due to deployment or pandemic-supporting activations during the first three months of the pandemic. Additionally, one-fifth of military spouses said they've lost income as a result of the pandemic.³

Although veteran unemployment has been steadily decreasing in the past few months, trending down to 5.9% as of October⁴, the significant and negative financial impact the veteran workforce has faced from the COVID-19 pandemic is likely to have long-term economic implications for today's military families.

To further meaningful employment and financial well-being for the military community during and post COVID-19, the SHRM Foundation, with support from USAA, conducted research to better understand what employers need to actively and effectively recruit and retain veterans during these challenging economic times. The pandemic has forced employers to rethink their workforce strategies, revealing a unique opportunity to unlock the potential of the veteran talent pool. Yet, little is known about the struggles that both employers and the veteran community face at the recruiting, hiring, and retention stages of the employee lifecycle. In fact, over one-third of employers (36%) said that they don't think their organization has been effective in hiring veterans since the start of the pandemic.

So what's keeping employers from maximizing the potential of this strong veteran talent pool? This research reveals the challenges employers face as they seek to attract and retain veterans, the tools and resources HR professionals say they need in order to strengthen their veteran initiatives, and potential solutions employers can implement to help tap into this critical talent pool. Altogether, this research provides a renewed case around the immeasurable value of hiring and retaining this highly-skilled group of workers so that no one in the military community gets left behind.

¹ U.S. Department of Veteran Affairs, <https://bit.ly/2liFhax>

² Institute for Veterans and Military Families and VetAdvisor Veteran Job Retention Survey, <https://ivmf.syracuse.edu/wp-content/uploads/2016/10/VetAdvisor-ReportFINAL-Single-pages.pdf>

³ COVID-19 Military Support Initiative (CMSI) Pain Points Poll

⁴ U.S. Bureau of Labor Statistics, <https://www.dol.gov/agencies/vets/latest-numbers>



WHY SHOULD ORGANIZATIONS HIRE VETERANS?

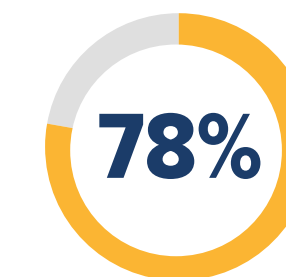
Most employers recognize and value the wide-ranging experience and transferable skills that veterans bring to the civilian workforce: An overwhelming 94% of employers say that hiring veteran workers is appealing to their organization.

Employers boast specific hard and soft skills that veterans have, such as technical work experience, education, resilience, and leadership skills (see Figure 1). Employers also recognize that veterans have a deep understanding of teamwork, a strong work ethic, and can adapt quickly to changing circumstances and situations.

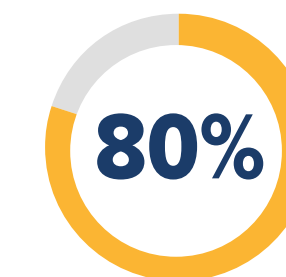
In addition to the wide spectrum of skills and experiences that veterans bring to the civilian workforce, over 8 in 10 employers say the talent pool of veterans is embedded with diversity of gender, race, and age.

Figure 1: Hard and Soft Skills of Veterans

Not only do veterans have the key “hard” skills employers need...



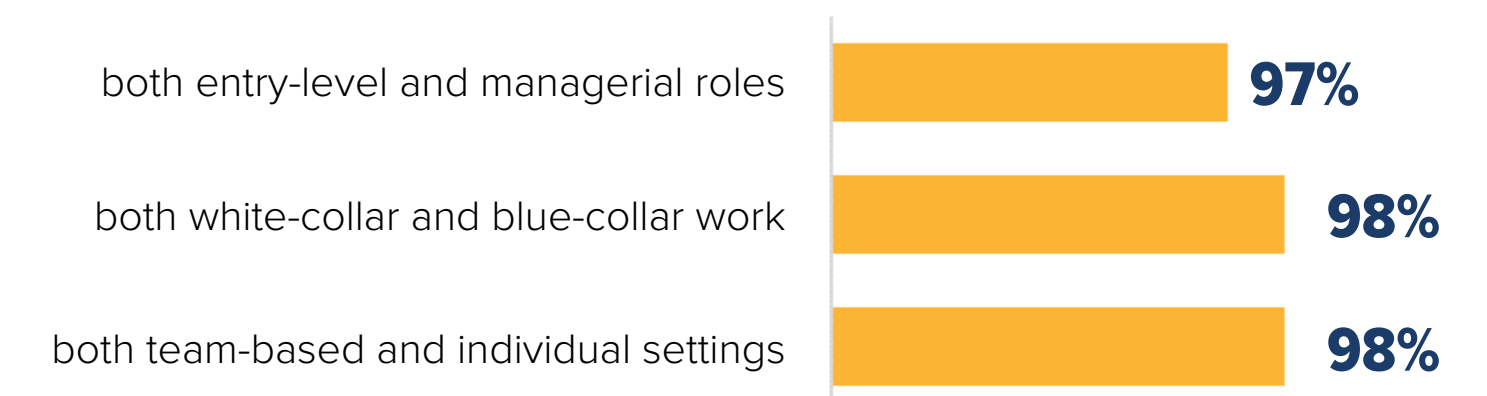
OF HR PROFESSIONALS SAY VETERANS HAVE THE TECHNICAL EXPERTISE



SAY VETERANS HAVE THE EDUCATIONAL BACKGROUNDS THAT THEY NEED

But they also have key “soft” skills that the pandemic has made more critical than ever

HR professionals say veterans are uniquely trained to work through chaotic times (96%), are more resilient remote/virtual workers compared to civilians (63%), and thrive in a multitude of roles:

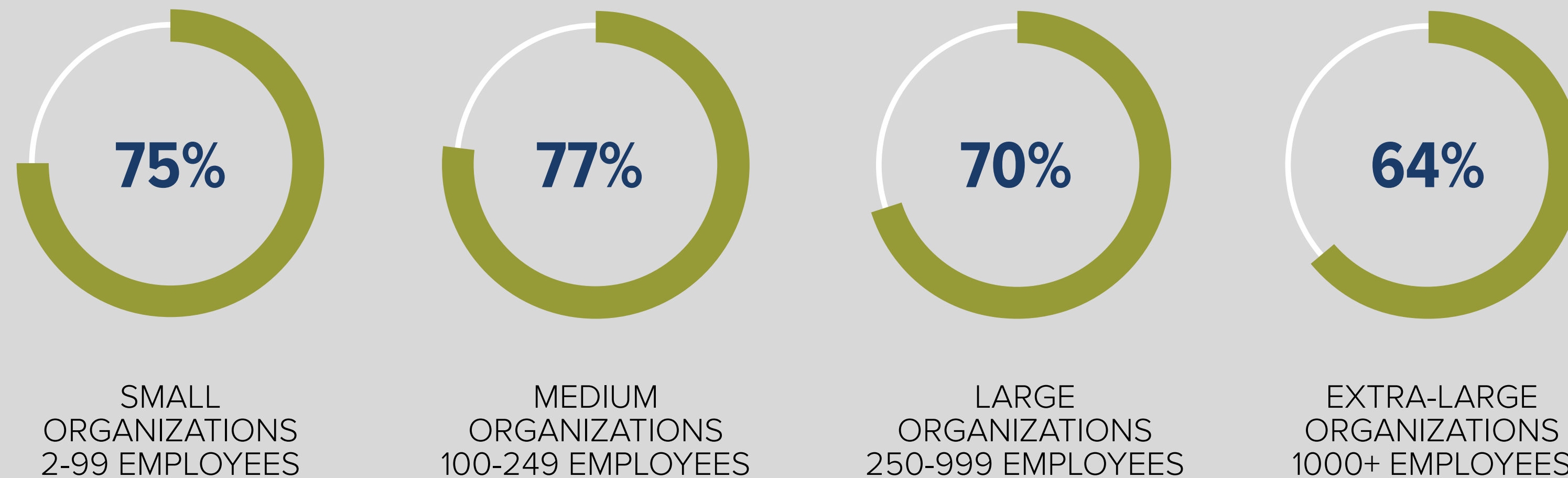


Even when it comes to myths and misconceptions about veteran workers, employers are quick to dispel them

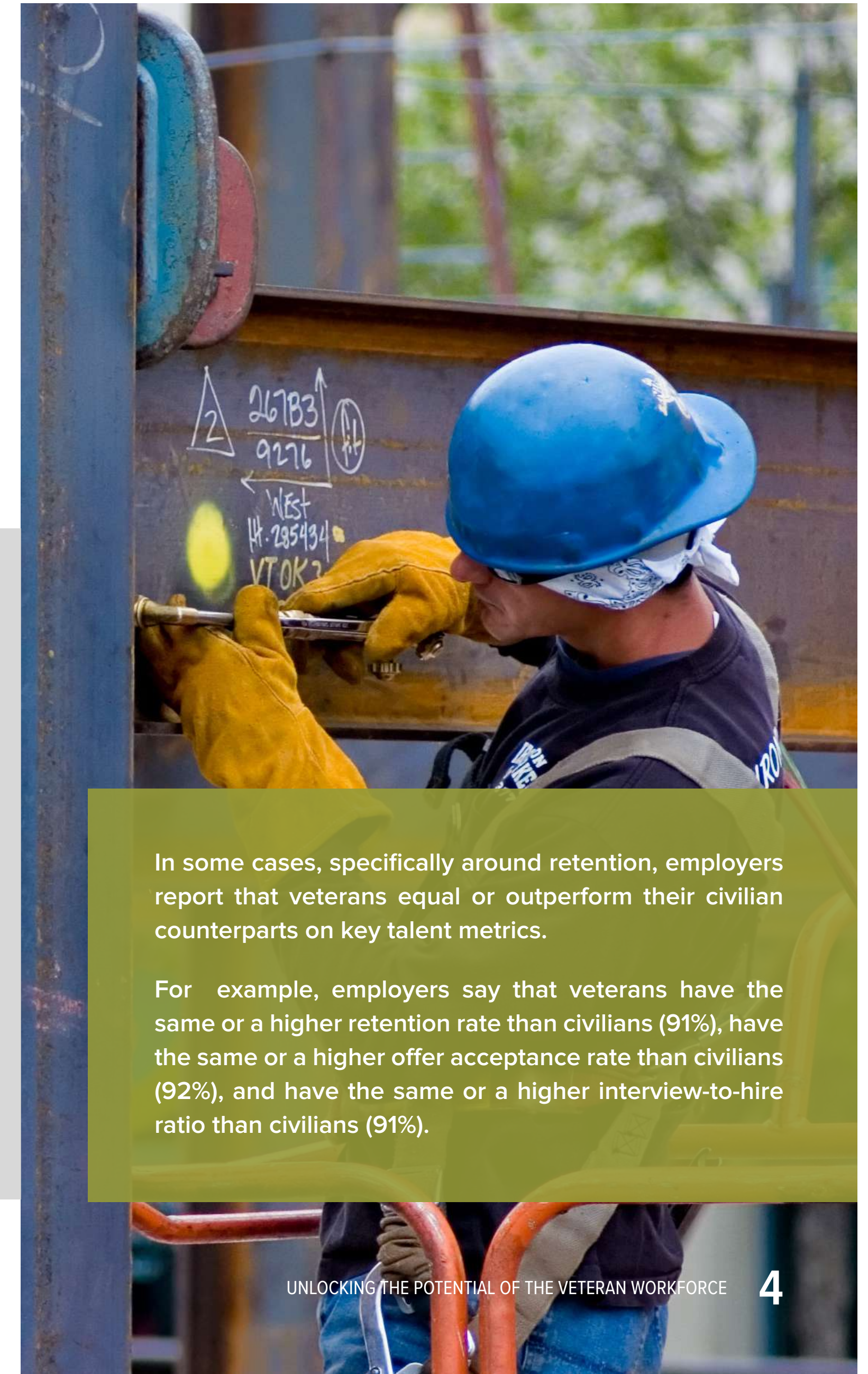
Most (89%) employers disagree that veterans need more workplace accommodations than civilians. On average, 73% of organizations disagree that veterans have trouble understanding that civilian workplace expectations are different than military work expectations.

This is especially true for small to medium-sized organizations; the great majority of organizations with less than 250 employees disagree that veterans have trouble understanding that civilian workplace expectations are different than military work expectations.

Figure 2: Percent of employers that disagree veterans have trouble understanding civilian workplace expectations, by organization size



This could indicate that smaller to medium-sized organizations have more flexibility to adapt to individual worker styles, whereas larger organizations tend to already have well-established corporate policies in place that might require some adjusting to.



In some cases, specifically around retention, employers report that veterans equal or outperform their civilian counterparts on key talent metrics.

For example, employers say that veterans have the same or a higher retention rate than civilians (91%), have the same or a higher offer acceptance rate than civilians (92%), and have the same or a higher interview-to-hire ratio than civilians (91%).

A photograph of a man with a beard and glasses, wearing a grey blazer and an orange scarf, smiling as he looks at a smartphone. He is sitting at a desk with a laptop. The background is a warm, textured wall with a large, round, woven object hanging on it.

43% of employers don't know where to post jobs to target veterans

THE CURRENT EMPLOYMENT LANDSCAPE FOR VETERAN HIRING

Although they recognize the value that veterans bring to the workforce, 36% of employers say recruiting veterans is more difficult than recruiting civilians, particularly at the recruitment and hiring stages. Some of the most cited challenges stem from a lack of knowledge on outreach, affordability, and skills matching.

OVER 1 IN 3

employers say recruiting veterans is more difficult than civilians— it doesn't have to be

ORGANIZATION SIZE IMPACTS

Notably, small and medium-sized organizations report some specific challenges with recruiting and hiring veterans at higher rates than larger organizations, suggesting they may have less knowledge or resources at their disposal to attract veterans.

- Extra-large employers are much less likely to say that they struggle with not knowing where to post jobs to target veterans (34%) than small (52%), medium (45%), or large employers (40%).
- Extra-large employers are also less likely to say they don't know where/how to sign up to exhibit at veteran job fairs (30%) than small (45%), medium (45%), or large employers (39%).
- Lastly, extra-large and large organizations are less likely to say they struggle with being unable to afford veteran-specific talent acquisition strategies (22% & 23%, respectively) than small (32%) and medium employers (34%).

46%



of employers say veterans do not self-identify on their recruiting forms

43%



of employers don't know where to post jobs to target veterans

40%



of employers don't know where/how to sign up to exhibit at veteran job fairs

40%



of employers say there is not a large enough population of veterans in the talent pool of their local area

28%



of employers can't afford to pay for veteran-specific talent acquisition strategies (e.g., post on veteran job boards, etc.)

26%



of employers struggle with translating military experience and skill-sets to civilian experience/skill-sets


INDUSTRY IMPACTS

There are also marked differences in challenges across physical-type (e.g., manufacturing, construction, etc.), knowledge-type (e.g., consulting, finance, etc.), and service-type (e.g., hospitality, retail, healthcare, etc.) industries when it comes to recruiting and hiring veterans.

- Employers in service-type industries are more likely to say that they don't know where to post jobs to target veterans (49%) than employers in knowledge-type industries (45%) or physical-type industries (38%).
- Employers in service-type industries are also more likely to say that they cannot afford to pay for veteran-specific talent acquisition strategies (36%) than employers in knowledge-type industries (27%) or physical-type industries (24%).
- Although employers in physical-type industries were less likely to report that they can't afford veteran-specific talent acquisition strategies, they were the most likely to say that their organization couldn't make accommodations that benefit veterans (30%). Only 16% of employers in knowledge-type industries and 19% in service-type industries said they couldn't make these accommodations.

Many employers also struggle to understand the unique circumstances that impact workforce readiness beyond experience and skillsets when veterans transition to the civilian workforce. These considerations include culture fit, geographical constraints, and disabilities, among others. For example, 26% of employers say that they do not know how to align their organization's culture to make it inclusive for veteran employees, and 19% can't make accommodations that benefit veterans (flexible scheduling, etc.). Although these may not be dealbreakers right away, they are likely to have major impacts on veteran retention in the long run.





53% of employers need advice and tools for veteran recruitment

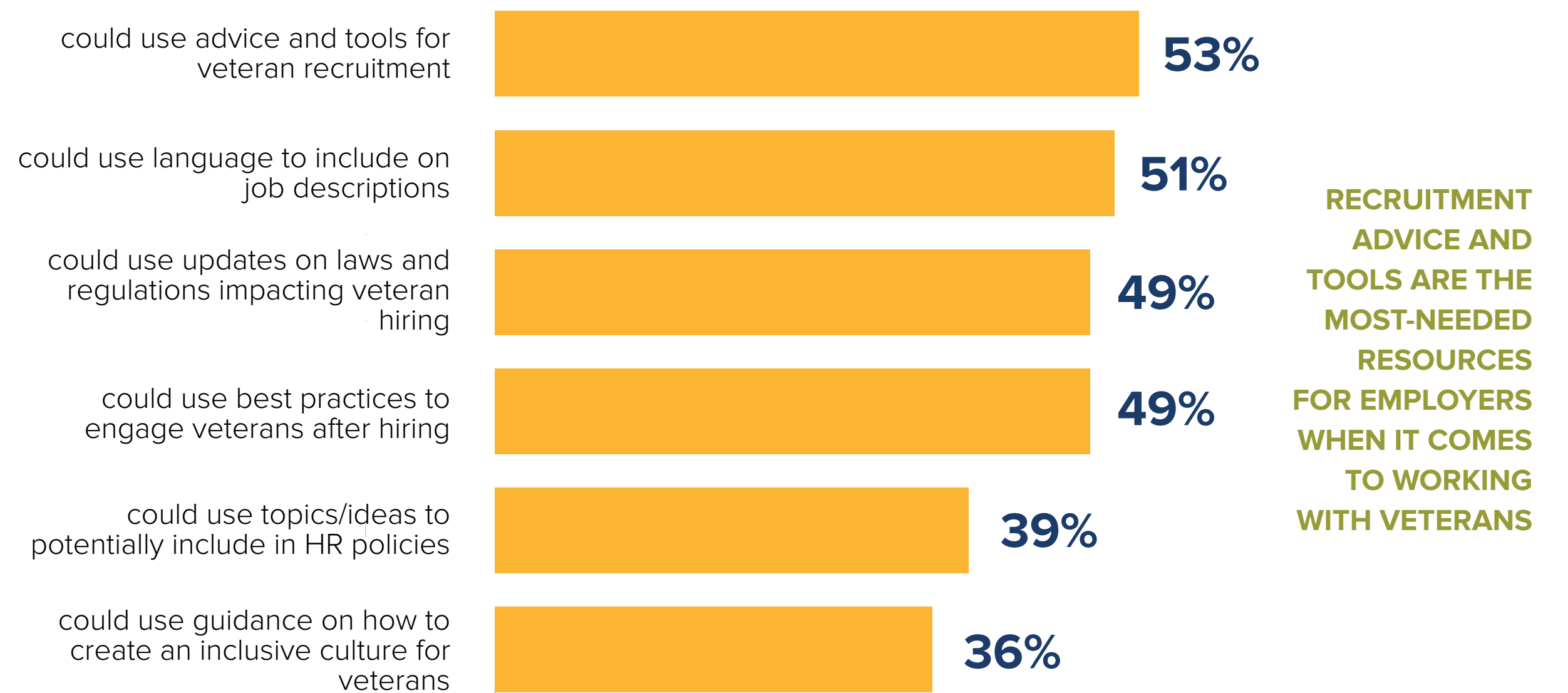
THE RESOURCES THAT EMPLOYERS NEED

Employers need access to a wide range of resources to fully utilize the potential of this talent pool and to create veteran-inclusive workplaces.

When asked who they need resources from to ensure veterans are protected in the hiring process at their organization, nearly 40% said resource providers (e.g., those who provide toolkits, worksheets, templates for hiring/retaining/engaging veterans) and 36% said training and education providers (e.g., those who provide webinars, educational opportunities, veterans specialty credential offerings for hiring and retaining veterans).

Figure 3: Resources that organizations are most interested in having access to, to support veterans employment

When asked what types of resources employers find most useful...



SOLUTIONS FOR BETTER VETERAN HIRING DURING AND POST COVID-19

Organizations have so much to gain from employing veterans, but there are still barriers and workplace practices in place that prevent employers from realizing their full potential. The barriers outlined earlier in this report fall into three major categories:

- 01** CHALLENGES WITH VETERAN RECRUITMENT AND HIRING
- 02** CHALLENGES WITH UNDERSTANDING VETERAN-SPECIFIC EXPERIENCE & SKILLSETS
- 03** CHALLENGES WITH CREATING VETERAN-INCLUSIVE CULTURES

To continue supporting veterans during the COVID-19 pandemic and beyond, it's critical that employers have the solutions and resources they need to effectively overcome these barriers to effectively recruiting and retaining them.

STRENGTHENING VETERAN RECRUITMENT AND HIRING PRACTICES

Many of the struggles employers face when it comes to veteran hiring are at the recruitment stage, such as not knowing how to post jobs that target veterans (43%), not knowing how to find events that specifically target veterans (40%), and not knowing whether they've hired a veteran due to lack of self-identification on recruiting forms (46%). It should come as no surprise, then, that over half of employers say that the resource they would find most useful for strengthening their veteran hiring practices would be advice and tools for veteran recruitment.

HOW TO TAKE ACTION:

- Partnering with those who know veterans best, such as state and local agencies to help locate veteran talent and curate an excellent candidate experience.
- Involving a current veteran employee in the recruitment process or employing a veteran on your HR team to gain perspective and subject matter expertise.
- Asking veterans to self-identify during the application process to help track your organization's veteran recruitment, performance and retention metrics. As a top challenge identified by employers, self-identification can help employers gain a deeper understanding of which strategies are most effective.

ADVICE FROM HR PROFESSIONALS:

"Candidates may prefer to not self-identify, so going to specific sources may help you find candidates who are veterans."

"I used to volunteer for a military group. Reach out to your local department of labor. They likely have resources or an employment specialist that focuses on veteran hiring and can point you in the right direction with resources, websites, etc."

"Working with local community-based organizations and participating in veteran-based job fairs is a great way to ensure that qualified veterans are aware of open positions at your organization."

"Recruit Military events are an excellent source. In addition, reaching out to local non-profit veteran support groups and networking are also a great way to connect locally."

"Having someone in your office that is a veteran is a key to support your initiatives. Veterans have the HR experience without having the HR title most of the time. Be open minded and add them to your team!"

"We have several Veterans in the organization that I have look over Veteran resumes when I need help interpreting their skills. Also, have them partner with the new hired Veterans to become comfortable."

"We have reached out to local training schools who target military personnel for training opportunities once they are separated from the military and work with their outplacement personnel to find appropriate candidates."



26% of employers don't know how to translate military experience

TRAINING AND DEVELOPMENT FOR HR PROFESSIONALS & HIRING MANAGERS

One of the biggest challenges that veterans face when transitioning to the civilian workforce is translating their military skills in civilian terms. This is also true from the employer perspective—over a quarter (26%) say that they struggle with translating military experience and skillsets to civilian experience and skillsets. However, employers recognize the need for resources: About half of employers would find it useful to have assistance with job descriptions and updates on laws and regulations related to veteran hiring.

HOW TO TAKE ACTION:

- Investing in veteran-specific training. Although some employers cite cost as an obstacle to further developing recruitment and hiring strategies for veterans, these resources do not have to be expensive.

For instance, SHRM Foundation offers a Veterans at Work Certificate Program, developed specifically for HR professionals, hiring managers, and front-line supervisors at no cost.

- Training HR and hiring managers to better recognize veterans' transferrable skills by becoming familiar with military terms and veteran experiences.

ADVICE FROM HR PROFESSIONALS:

"Take the Veterans at Work certificate program - the most comprehensive program about veterans Plus, the program is self-paced so you listen to webinars at any time ."

"If a company is interested in getting the attention of veterans, HR staff needs to ensure job postings are written in a language that is military-friendly. That way, veterans reading the job posting will have an easier time in relating to the job and have a more likely chance of applying."

"I encourage you to embrace the translation of veteran experience to civilian life experience."

"Take time to translate the skills, don't just set the resume aside. If you ask the right questions you can understand the veterans skill set. Don't stereo type a veteran to be command and control. The military has progressed and is teaching a new leadership style that better translates into the civilian world. If you give them a chance they will surprise you."

"Get past the piece of paper (resume) and learn about what these people can bring to the table. Look past the 'college degree' requirements."

"Be willing to translate for the veteran in the interview. Our questions do not necessarily reflect what they experienced in the service so providing a situation on how to work as a team might be more beneficial than just asking how have they worked on a team in the past."

CULTIVATING A VETERAN-INCLUSIVE CULTURE FOR GREATER ENGAGEMENT

When veterans enter the civilian workforce, they are likely to encounter unfamiliar hierarchical structures, policies, rules, and so much more. These adjustments may be especially difficult to navigate if employers don't know how to create a veteran-inclusive culture. Notably, 26% of employers say they struggle with this, which can have negative effects on the inclusivity and engagement veterans experience within organizations. By creating an inclusive culture, employers will help veterans make a positive connection to their new work environment, leading to increased engagement and higher retention rates, benefitting both the veteran and the organization.

HOW TO TAKE ACTION:

- Provide opportunities for veterans to utilize the skills they already have, as well as new skills they've adopted on-the-job, across all levels of your organization.
- Provide clear paths for growth and development and maintaining open communication about expectations. Keep in mind that veterans are used to structured and predictable career paths. It is critical for employers to clearly communicate the performance management process to make the military to civilian workforce transition as easy as possible.
- Establish a "buddy system" or groups for new hires and longer-term veteran employees to establish relationships early on. These could serve a substantial role in helping veterans to feel included, represented, and valued in the workplace.

ADVICE FROM HR PROFESSIONALS:

"Having someone in your office that is a veteran is a key to support your initiatives. Veterans have the HR experience without having the HR title most of the time. Be open minded and add them to your team!"

"I find that clear structure/training is important to a Veteran, a need to serve a cause and help the fellow man seems to be a priority for our Veterans. Simply having an inclusive/supportive culture that recognizes specific challenges that Veterans face such as PTSD can make all of the difference in retention."

"To better retain veteran employees, sometimes pairing a new-hire who is a veteran with a longer-term employee who is a veteran can help. They immediately have something in common and should be able to relate to one another at a different level."

"I am very fortunate to work for a company that has a great reputation as a fantastic place to work within my area, so attracting veterans and civilians has not been an issue. The culture can be an adjustment for Veterans because there are not a lot of black and white rules/policies/procedures to follow, and that is typically the type of environment they are used to. Being able to understand that gap from a company perspective has helped. We focus on engaging all new hires in all aspects of their work and their part within the company, so that they understand their value within our Team."

"It's been helpful to understand that they come with a plethora of leadership skills. Allowing them to show those skills in the workplace, even if it's an entry level position, has been beneficial."

"We typically make sure that they are celebrated and thanked on Veteran's day with gifts and personal calls/messages from executive team and/or their supervisors. Recognition has been successful in retaining these individuals. It is also important to communicate the tools we have to accommodate them if needed."

A CALL TO ACTION: HR'S ROLE IN ENHANCING VETERAN EMPLOYMENT

HR professionals have a major role to play in supporting the meaningful employment of the military community. There is no doubt about the value of the skills and qualities that veterans bring to the workplace, but many organizations still fall short in their efforts to engage this community in nearly every stage of the employee lifecycle. The critical research highlighted in this report presents a further call to action for building and improving access to the tools and resources HR professionals need most to enhance their long-term veteran employment strategies. This research also provides actionable solutions to inform best practices in recruiting, hiring, and retaining veterans during and post-COVID-19 to ensure that no one from the veteran community gets left behind.

As they prepare for post COVID-19 veteran employment, employers and HR professionals alike have the opportunity and are uniquely positioned to create, foster and sustain a culture inclusive of the veteran community. If armed with the right tools and resources, HR professionals will be empowered to attract, hire, and retain the veteran talent pool for years to come.





METHODOLOGY

The survey was fielded online to a sample of SHRM members between October 8, 2020 to October 23, 2020. A total of 50,000 SHRM members were invited to take the survey. Of those 50,000, 1,182 members completed the survey and met the survey's eligibility requirements, resulting in a completion rate of 2.36%.

For the purposes of this analysis, the industry list was condensed into three categories based on the type of work done by the majority of workers in that industry.

SERVICE-TYPE INDUSTRIES

- Accommodation or food services (such as hotels or other travel accommodations, restaurants and other food services, or drinking places)
- Health care and social services (such as doctors' offices, dentists, optometrists, home health care services, hospitals, social services, or nursing care facilities)
- Retail trade (such as auto dealers, household or electronics stores, grocery stores, clothing stores, etc.)
- Other services (such as auto repair, electronics repair, barber shops and beauty salons, dry cleaning, funeral homes, or working in private homes)
- Education (such as K-12 teachers or administrators, colleges or universities, or business or trade schools)
- Religious, grantmaking, civic, and similar organizations
- Arts, entertainment, and recreation

KNOWLEDGE-TYPE INDUSTRIES

- Finance, insurance or real estate (such as banking, financial investing, insurance companies, real estate agents, or other goods and equipment rental)
- Government, public administration or military (such as state, local or national government, justice and safety activities, national security, or military)
- Administrative support services (such as business support, travel arrangements, security services, landscaping, or waste management)
- Professional, scientific, or technical services (such as legal, accounting, computer systems, advertising, or scientific research services)
- Professional or trade organizations
- Publishing and communications

PHYSICAL-TYPE INDUSTRIES

- Agriculture, forestry, fishing and hunting
- Mining, quarrying, and oil and gas extraction
- Construction
- Manufacturing
- Wholesale trade (such as the wholesale trade or sale of vehicle parts and supplies, furniture and construction materials, plumbing and heating equipment, clothing or food and beverage supplies)
- Transportation, warehousing, and logistics (such as airline, trucking, bus or metro, taxis, couriers or messengers, or warehousing and storage)
- Utilities



ABOUT THE SPONSORS



The SHRM Foundation's mission is to mobilize the power of HR and activate the generosity of donors to lead positive social change impacting all things work. The Foundation is committed to elevating and empowering HR as a social force through its innovative solutions to workplace inclusion challenges, programming designed to inspire and empower the next generation of HR leaders, and awarding scholarships and professional development grants to educate and develop students and HR professionals. The SHRM Foundation is a 501(c)(3) nonprofit affiliate of the Society for Human Resource Management.

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