Veteran Reintegration Program

Analytic Report July 14, 2021



### Veterans Reintegration Survey Results on Veterans' Current Employment Conditions

#### **About the Series**

The Veterans' Reintegration Survey (VRS) explored veterans' general experiences as they transition from military service due to the ongoing conflict that began in 2014. The topical areas in the VRS include veterans' service experience, healthcare, employment, well-being, and sociopolitical perspectives.

This report presents the VRS findings on employment status of veterans, veteran satisfaction with their economic situations, and postservice job search experiences of veterans.<sup>1</sup>

#### **Policy Recommendations**

- Design services that will facilitate veterans' transition from military service to postservice employment.
- Provide holistic career support services that correspond to the needs of veterans, are based on international standards, and rely on existing experiences of nongovernmental organizations (NGOs) and local communities.
- Prioritize veterans with disabilities
- Provide tax and financial incentives to employers to hire veterans and challenge discriminatory behaviors in hiring through targeted messaging and an informational campaign.

### **Employment Status**

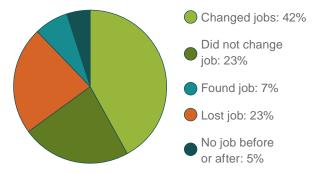
VRS results show that almost three-quarters of veterans (72%) were employed. As shown in

1 Given that veterans were sampled using the snowball approach, the sample of veterans is likely better connected to the NGOs and other veterans than the overall veteran population, which may skew some of the results of the survey.

#### Key takeaways:

- Most veterans who reported that they got help in finding a job leveraged connections with their military, civilian, and family networks.
- Active-duty veterans are more economically secure while non-active-duty veterans struggle with retaining jobs.

*Figure 1:* Distribution of Veterans' Current Employment Status Relative to Status Before Service



*Figure 1*, less than half (42%) of employed veterans held a job that was different<sup>2</sup> from what they had prior to their service, while about a quarter (23%) did not change jobs. Figure 1 also shows that about the same number (23%) lost the job that they had prior to their service. Fewer veterans (5%) were unemployed before and after service, and nearly the same number (7%) were previously unemployed but were able to find a job after their service.

2 The VRS defines "different" as a change in title, function, or economic sector from the employment situation veterans held prior to their service.

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#### Satisfaction

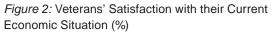
As expected, more veterans who are currently unemployed reported dissatisfaction with their current economic situation than did employed veterans (*see Figure 2*). Among those who lost their jobs, about a quarter were "very dissatisfied" and about a third "somewhat dissatisfied." Among veterans unemployed before and after their service, 29% were "very dissatisfied," and the same share were "somewhat dissatisfied."

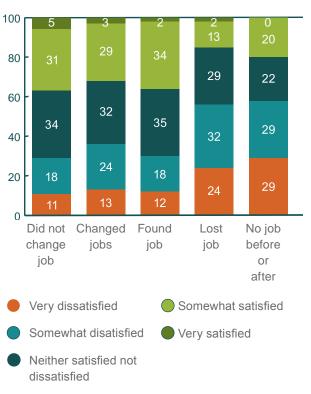
Among currently employed veterans, levels of economic satisfaction are more evenly distributed. About a third of all employed veterans were "neither satisfied nor dissatisfied," and a third were "somewhat satisfied" with their current economic situation. Few employed veterans were "very dissatisfied" with their conditions, ranging from 11% for veterans who had not changed jobs to 13% who had changed jobs.

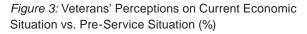
Among currently employed veterans, those who were happy with their current economic conditions also expressed higher satisfaction with their current jobs (76%). Conversely, among respondents who felt that their economic conditions were worse than before their service, less than half (45%) were satisfied with their current jobs.

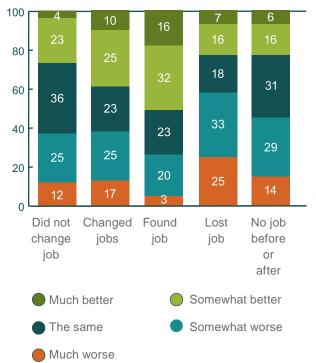
#### Pre- and postservice situations

Among veterans who did not change jobs, over a third (36%) said that their current situation was the same as their preservice conditions. About a third (32%) of veterans who found jobs after the conflict felt that their current situation was "somewhat better" (*see Figure 3*). Among veterans who lost their jobs, more than a half (58%) stated that their conditions were worse than before their service. Among veterans who were unemployed before and after their service, 22% felt that their current situation was better, but 43% said it was worse than before their service.











#### Labor force participation.<sup>3</sup>

Among those currently employed, most worked full-time, and a significant percentage of unemployed veterans remained within the labor force *(see Table 1)*. Among veterans who lost their jobs after their service, 39% remained jobless, and 21% were temporarily jobless. Among veterans who did not have jobs before and after their service, 37% remained unemployed, and 24% were temporarily jobless.

3 To maintain consistency with the general understanding of labor terminologies, we are using the definition of the term "employment" to mean "to engage in work, but not necessarily for money." It is distinct from a job, which strictly means paid work. As a reference, we applied the definition of employment as used in the Bureau of Labor Statistics (see https://www.bls.gov/cps/cps\_htgm.htm#concepts).

### Among veterans who are permanently outside the labor force, 23% of veterans retired from employment, and 10% stopped working because of a permanent disability. For veterans without jobs before and after their service, 28% were retired and 11% were unemployed due to a disability. Among veterans who lost their jobs after their service, most (81%) were physically injured or contracted a disease due to the conflict.

#### Table 1: Employment Status of Veterans

| Currently employed:  | Did not<br>change job | Changed jobs | Found job                 |
|--|-----------------------|--------------|---------------------------|
| Employed, Full Time (includes military)                                | 72 %                  | 76 %         | 72 %                      |
| Employed, Part Time (includes military)                                | 3 %                   | 9 %          | 14 %                      |
| Self-employed  | 25 %                  | 15 %         | 14 %                      |
| Currently unemployed:  |                       | Lost job     | No job before<br>or after |
| Running a household/looking after family (except for maternity leave)  |                       | 2 %          | 6 %                       |
| Retired  |                       | 23 %         | 28 %                      |
| Unemployed   |                       | 39 %         | 27 %                      |
| Temporarily jobless (due to illness or disability, or maternity leave) |                       | 21 %         | 24 %                      |
| Permanently jobless due to disability                                  |                       | 10 %         | 11 %                      |
| Student  |                       | 1 %          | 5 %                       |
| Unpaid intern, unpaid volunteer, civil activist                        |                       | 3 %          | 0 %                       |



The top five economic sectors that employed veterans are shown in *Table 2*. Employment in the military accounts for the largest share (31%), followed by security and law enforcement (about 15%). The remaining sectors are construction, manufacturing, and transportation. For the employed in the general population, the top five economic sectors include manufacturing, mining and quarrying, construction and repairs, wholesale and retail trade, and agriculture.

More nonveterans who are employed work for private organizations (58%) compared to employed veterans (38%).

## Many Veterans Experience Difficulty in Job Searches

### Sources of job search support

Among veterans who reported that they got help in finding their current job, the top resource was assistance from friends in the military (41%), followed by friends or professional acquaintances outside the military (31%; *see Figure 4*).

### Job search difficulties

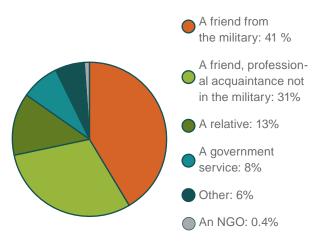
Many veterans faced difficulties, including those who were currently employed (*Figure 5*). Among veterans who changed jobs, 40% experienced difficulty, as did 52% of those who found jobs. Among unemployed veterans, a majority of both those who lost their jobs after their service (59%) and those who did not have a job before or after their service (53%) experienced difficulties. Only 13% of employed veterans who did not change jobs experienced any difficulty finding work.

For those who were employed, 32% felt that employers did not want to hire them because they were veterans (*see Table 3*). In villages, this percentage was even greater. Specifically, 39% of

#### Table 2: Top Five Sectors Among Employed Veterans

| Sector                                   | % Share |
|--|---------|
| Military                                 | 31 %    |
| Security, law enforcement                | 15 %    |
| Construction, repairs                    | 9 %     |
| Manufacturing, mining and quarrying      | 7 %     |
| Transportation, repair of motor vehicles | 6 %     |

*Figure 4:* Employed Veterans' Sources of Support in Finding Current Job



*Figure 5:* Question: At any point since returning from the conflict, have you faced any difficulties in finding a job?

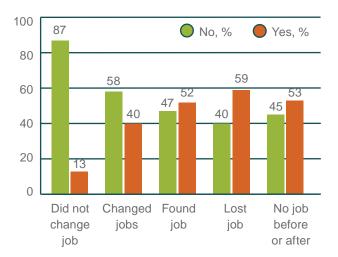




Table 3: Veterans' Feedback on Main Difficulties in Finding Work

|   | Currently<br>employed | Currently<br>unemployed |
|---|-----------------------|-------------------------|
| Insufficient skills                           | 5 %                   | 2 %                     |
| Insufficient experience                       | 9 %                   | 4 %                     |
| Employers' perceptions of them as veterans    | 32 %                  | 25 %                    |
| Insufficient education                        | 4 %                   | 2 %                     |
| No one in your area is hiring                 | 7 %                   | 9 %                     |
| No jobs for your specialization               | 11 %                  | 12 %                    |
| Physical injury due to the war                | 9 %                   | 27 %                    |
| Age   | 2 %                   | 2 %                     |
| Employment terms not ideal (e.g., low salary) | 8 %                   | 6 %                     |
| Other   | 9 %                   | 8 %                     |

\*Totals do not include non-responses

#### Job search services

veterans residing in villages reported that people didn't want to hire them because they were ATO/JFO veterans. This view — the seeming lack of interest in hiring veterans — was also shared by a quarter of unemployed veterans. Physical injury due to the conflict was the main difficulty in finding work for about the same number (27%) of unemployed veterans. While 60% of employed and 61% of unemployed veterans were generally open to receiving professional career development help, the VRS found little consensus among respondents regarding specific types of professional services. The VRS asked respondents to rank professional services from 0: not useful to 10: extremely useful; *Table 4* shows the percentages of veterans that ranked

Table 4: Percentage distribution of professional services that veterans would find extremely useful

|   | Currently<br>employed | Currently<br>unemployed |
|---|-----------------------|-------------------------|
| CV writing                                | 16 %                  | 16 %                    |
| Job interview preparation                 | 17 %                  | 15 %                    |
| Identifying skills and career paths       | 20 %                  | 22 %                    |
| Describing military skills and experience | 13 %                  | 17 %                    |
| Opening a business                        | 33 %                  | 32 %                    |
| Developing communications skills          | 20 %                  | 21 %                    |
| Aid for continuing education              | 28 %                  | 30 %                    |
| Loans to start a business                 | 22 %                  | 21 %                    |



Table 5: Average Rating of Interest for Each Job Search Service (0-10)

|   | Currently<br>employed | Currently<br>unemployed |
|---|-----------------------|-------------------------|
| CV writing                                | 3.78                  | 3.80                    |
| Job interview preparation                 | 3.78                  | 3.91                    |
| Identifying skills and career paths       | 4.61                  | 4.94                    |
| Describing military skills and experience | 3.27                  | 3.42                    |
| Opening a business                        | 5.55                  | 5.30                    |
| Developing communications skills          | 4.55                  | 4.48                    |
| Aid for continuing education              | 4.95                  | 4.78                    |
| Loans to start a business                 | 4.03                  | 3.64                    |

the different services with a score of 10. For example, a third of employed veterans and about the same proportion of unemployed veterans would welcome help in opening a business, stating that professional services in this area would be extremely helpful. *Table 4* also shows veterans' interest in aid for continuing education, securing loans to start a business, and identifying skills and career paths. The average rating for each job service shows that guidance for opening a business has the highest rating, while advice for using military skills and experiences has the lowest for both employed and unemployed veterans (*see Table 5*).

## **Employment Experiences of Veterans Vary Depending** on Active or Non-active Status

Active-duty veterans generally fare better than non-active-duty veterans in job searches, incomes, and personal economic situation. Among non-active-duty veterans, 38% were dissatisfied with the employment opportunities accessible to them compared to 17% of active-duty veterans. Regarding their current personal economic situation, 42% of non-active-duty veterans reported being dissatisfied compared to 31% of those in active duty. Active-duty veterans also have higher incomes, with 70% reporting an average income of \$360 (U.S. dollars) per month; only 33% of non-active-duty veterans earned that amount. Among active-duty veterans, only 2% lost their jobs after their service compared to 28% among non-active-duty veterans.

Table 6: Top Three Employment Sectors Among Active-Duty and Non-Active-Duty Veterans

| Active-duty veterans      |     | Non-active-duty veterans            |     |
|---------------------------|-----|-------------------------------------|-----|
| Military                  | 82% | Security, law enforcement           | 15% |
| Security, law enforcement | 7%  | Construction, repairs               | 13% |
| Construction, repairs     | 2%  | Manufacturing, mining and quarrying | 11% |



Among active-duty veterans, 77% did not face difficulties in finding a job after service compared to 47% of non-active-duty veterans. Among active-duty veterans who received help in finding their jobs, 23% reported support from a government service compared to 6% of non-active-duty veterans.

## **Policy and Programming Implications**

The VRS findings on veterans' employment conditions point to the need to explore the following areas for policy and programming purposes:

## Support veterans transitioning to the workplace

Over 20% of veteran respondents lost a job following their military service-more than twice the national unemployment rate (9.5%). <sup>4</sup> Many veterans have difficulty finding a job after their service because of difficulty in readapting into civilian life, lack of job opportunities, mental health challenges, and/or disability or illness. More than half of veterans expressed dissatisfaction with their economic situation (24% "very dissatisfied," 32% "somewhat dissatisfied"). Lack of employment was one of the main challenges that veterans faced; without a regular job and steady income, veterans are vulnerable to even more challenges. Thus, the first priority of reintegration programs is to facilitate veterans' transition from military service to postservice employment. The Ministry of Veterans Affairs (MoVA) along with the Ministry of Defense should develop a joint action plan to support demobilization and reintegration of veterans into the workforce. The preparation and transition period should be at least two to three months, corresponding to internationally accepted standards, and should include education, professional and skills development, consultations with psychologists, and monitoring of the veterans' changing conditions.

4 As of 3Q 2020. Source: State Statistics Service of Ukraine.

A transition program should be developed with the existing best practices of NATO member states, as well as in consultation and cooperation with international organizations that focus on veteran reintegration.

# Provide holistic, long-term, and sustainable career support services

According to the VRS, 92% of veterans do not seek help from government institutions. When looking for work, the vast majority often relied on family and friends (85%); career counseling is currently provided mostly by civil society organizations. Unfortunately, most veterans are not aware of the state services, or the services are not adequate. Given that existing services are not sufficient for the veteran community, the state should sponsor and provide such services in a holistic way that corresponds to the needs of veterans, using international standards and best practices of NGOs and local communities. State agencies should communicate and inform veterans about available services and facilitate their engagement and trust. Additionally, MoVA staff should participate in joint activities and training with veteran-focused NGOs and employers, trade unions, and employers' associations to share best practices and information.

In addition to career support services, MoVA should maintain up-to-date data on unemployment among veterans for effective analysis, planning, and forecasting, and share the infor-



mation with other governmental agencies (Ministry of Social Policy, State Statistics Service, and State Employment Center). The Ministry of Digital Transformation should work with MoVA and international organizations to ensure that this information is properly structured and gradually integrated into the e-registry.

#### Support veterans with disabilities

According to the VRS, 31% of veterans who lost their jobs did not work due to permanent or temporary disability (21%) temporarily unemployed due to illness or disability or maternity leave. 10% permanently unemployed due to disability). According to Ukraine's labor and social protection laws regarding persons with disabilities, veterans with disabilities are entitled to special assistance and benefits. For example, disabled veterans have priority in seeking and maintaining employment during staff cuts and receiving additional leave and salary in case of temporary incapacity for work. However, in practice, veterans are often not aware of their rights or these services. Per the VRS, physical injury due to the conflict was the main impediment to finding a job for 27% of unemployed veterans. In designing services for veterans, MoVA should pay special attention to veterans with disabilities. MoVA should develop a program for veterans with disabilities to access educational and employment opportunities, as well as information on available benefits in an accessible way (e.g., accessible formats and information in one place, such as on MoVA's website).

MoVA should collect data on types of disabilities and, in collaboration with the Ministry of Health and Ministry of Social Policies, design programs to provide education and employment opportunities for veterans with disabil-

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ities—programs that are accessible, welcoming, and dignified.

The needs of veterans in rural areas are often neglected because of lack of available resources in some regions of Ukraine. These veterans need special attention, especially those who face multiple intersections of discrimination (e.g., veterans with disabilities female living in rural areas, veterans). Expanding MoVA's regional offices, transferring institutional capacity, and standardizing services of the ministry's offices could build capacity and improve the quality of service provision on the local level (e.g., clear procedures and referral process on seeking help and consultation). Regional offices can take on the role of facilitating dialogue with local authorities and employers, and then transfer the knowledge gained to local communities as part of the decentralization process in Ukraine. Until that time, it is important to create unified system to provide services to veterans in those regions.

# Provide incentives to employers to hire veterans

Certain state-provided veteran benefits deter employers from hiring veterans (e.g., temporary disability benefits, additional paid leave), as they represent additional expenses. Employers are required to pay salaries if veterans are conscripted into the army. Currently, there is no system in place to offset such expenses, and therefore, many employers are not willing to hire veterans. A possible approach would be to offer employers tax benefits and other financial incentives for hiring veterans. As employers see that hiring veterans would not be a financial drain, they would be more willing to hire them. Additional incen-tives could be provided through state-sponsored could projects. The government give preference to employers that hire or are willing to hire vet-erans, all else being equal.



# Promote a positive image of veterans among employers

Stereotypes of veterans have created an obstacle in veteran reintegration: 32% of employed veterans stated that employers did not want to hire them because they were veterans, and 25% of unemployed veterans shared the same view. There is a strong belief within the veteran community that employers do not hire veterans precisely because of their veteran status. At the same time, employers often say that they are not sure about the psychological stability and reliability of veterans. To address these stereotypes on more systemic level, commitment from the state is necessary. Representatives of the government and civil society should be engaged in a broad dialogue and involve representatives of the largest veteran associations and employers' associations to identify existing biases and develop solutions. These efforts would include leading discussions with large employer associations, providing trainings, and showcasing positive examples of veteran employees. At the same time, a nationwide information campaign should be conducted to challenge stereotypes and convey a positive image of veterans. MoVA should consult with donors and NGOs on messages that emphasize the benefits of hiring veterans and highlight veterans as disciplined, reliable, workers. and stress-resistant In these efforts, prioritizing veterans with disabilities, female veterans, and those living in rural areas, is paramount.