CHALLENGES ON THE HOME FRONT:
UNDEREMPLOYMENT HITS VETERANS HARD

BY CATHY BARRERA AND PHILLIP CARTER

EXECUTIVE SUMMARY

VETERANS 8.3% OF U.S.

As veterans comprise 8.3 percent of the U.S. adult population and 6.4 percent of the civilian labor force, ZipRecruiter and the Call of Duty Endowment ("the Endowment") wanted to quantitatively assess anecdotal evidence that many veterans are struggling to find employment and/or face underemployment challenges following their service.

By leveraging resume data of more than one million job seekers on the ZipRecruiter platform (547,941 of whom were veterans), co-authors Cathy Barrera (ZipRecruiter chief economist) and Phillip Carter (Endowment adviser and veterans policy expert) set out to identify areas where veterans were significantly different from non-veterans with respect to their education, employment, geography and job search activity.

**Education
Employment
Location
Job Search Activity**

For additional insight on how veterans serve as assets to the U.S. workforce, the two teams also surveyed 54,000 job seekers within the ZipRecruiter platform (5,410 of whom were veterans) regarding their sentiments towards employment and their job search, as well as 2,225 employers (247 of whom were veterans) regarding their perceptions of veteran employees.

KEY FINDINGS

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Underemployment affects more veteran job seekers than non-veteran job seekers. Nearly one-third of veteran job seekers are underemployed -- a rate 15.6 percent higher than non-veteran job seekers.

Veterans tend to leave their first jobs after military service faster than non-veterans leave their first jobs, but veteran turnover is lower throughout the arc of a veteran's career. This may indicate that immediately following military service, veterans take the first job available, rather than finding a "best fit" role. However, across their entire careers, veterans stay longer at their jobs – with 57% of veteran job seekers staying at their jobs longer than 2.5 years, compared to 42.5% of non-veterans.

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Veterans searching for jobs are more likely to be employed during their search than non-veterans, and are more likely to change jobs in the next 6 months than non-veterans. More than half of veteran job seekers (54.2 percent) said they were either "very likely" or "somewhat likely" to change jobs in the next 6 months, compared to 43.9 percent of non-veterans.

A majority of employers report that veterans perform "better than" or "much better than" non-veterans. Employers are more likely to view veterans as a positive asset to their companies compared to their non-veteran peers. 59.1 percent of employers reported that veterans perform "better than" or "much better than" their non-veteran peers, with 37.5 percent saying they performed "about the same" as their non-veteran peers.

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Among respondents surveyed in the employer category, those who were veterans were significantly more likely to report the presence of a "vets program" at their firm than non-veterans. 46 percent of veterans questioned under the employer survey said their firms had a vets program, compared to just 17 percent of non-veterans.

Experience, perseverance, leadership and directly-relevant skills top the list of desirable qualities that employers find attractive in veterans. Roughly one-fifth of employers ranked "experience" as one of their top factors for the attractiveness of veteran hires, followed closely by "perseverance and/or work ethic." Approximately one-sixth of employers ranked leadership or relevant skills as one of their top 3 factors for new hires.

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I. Introduction

Veteran employment is critical both to the national economy—with veterans constituting 8.3% of the adult population, and 6.4% of the civilian labor force[1]—and to our country as well. The ability to sustain an all-volunteer force, which is a critical component of our national security, hinges on both the perception and fact of military service being a gateway to a strong career.

Thus, the success of veterans after service, and the positive perception of veterans as assets to their employers and communities, is vital to the success of our military. For this and many other reasons, government and non-government organizations—both for and not-for-profit—have invested in a variety of programs over the years to assist veterans in the civilian labor market.

By many existing economic indicators, most veterans do well after service. Predominant among these measures of employment health for veterans—or for any group—are the unemployment rates and the labor force participation rates reported monthly by the Department of Labor's Bureau of Labor Statistics (BLS). By these metrics, veterans seem to do as well or better than the population overall[1].

However, smaller scale, purpose-built survey research efforts have shown that some veterans struggle to find employment, or face challenges such as underemployment following service, sometimes due to a mismatch between their military skills and experience, and the civilian labor market[2]. This research aligns with indirect evidence gathered through discussions and interviews that

some groups of veterans are struggling in the labor market as demand for job placement assistance from non-government organizations has risen over the past few years.

> **"...the success of veterans after service, and the positive perception of veterans as assets to their employers and communities, is vital to the success of our military."**

This seemingly contradictory evidence illustrates that traditional economic indicators leave some gaps in our understanding of the labor market, especially when it comes to the quality of employment. While this issue is of concern for all groups of workers in the labor market, it is particularly true for veterans, for whom data regarding wages, multiple job holding and part-time status for economic reasons are not reported[3], and for whom the federal government plays a unique role because of its responsibility for assisting service members in their transition to civilian life. Existing data does not meaningfully distinguish the types of need within the veteran community, nor provide granular information that would enable targeted action by the public, private or nonprofit sector.

This white paper explores new ways to measure and understand the employment situation among veterans by leveraging large scale observational data from the private sector. Specifically, this paper describes an effort to harness resume and job search activity data

from the ZipRecruiter employment marketplace; this observational data was supplemented with surveys of employers and job seekers who use the marketplace. With this data, this project was able to learn a great deal about the employment characteristics of veterans that inform public, private and nonprofit sector action, including:

Underemployment affects more veteran job seekers than non-veteran job seekers, using a new measure of underemployment developed for this study that employs the O*NET taxonomy of jobs' skill levels to compare individuals' most recent position with their highest level of education[4]. Nearly one-third of veteran job seekers are underemployed, a rate 15.6% higher than non-veteran job seekers.

Nearly 1/3 of veteran job seekers are underemployed

Veterans searching for jobs are more likely to be employed during their search than non-veterans; this may reflect underemployment of those veterans.

Veterans tend to leave their first jobs after military service faster than non-veterans leave their first jobs. However, veterans have longer average job tenure overall than non-veterans.

A majority of employers report that veterans perform "better than" or "much better than" non-veterans.

> **"The unemployment rate of each age group of veterans above 35 years old is below the national average, and for those under 65, it is below the unemployment rate of non-veterans of the same age."**

Beyond these findings, this project suggests there is great potential in leveraging commercial data to better measure and understand labor market outcomes than legacy means—such as the monthly BLS survey—alone. Using the data from the ZipRecruiter platform, it may be possible to generate a more accurate snapshot of employment health for veterans—or the population as a whole—and to also learn more specific information about employment turnover, skills, education levels, and geography in order to drive higher-impact public, private and nonprofit action.

II. Background & Methodology

A. The state of veteran employment

As a general rule, veterans do better in the labor market than non-veterans, based on available government data. Over their lifetimes, veterans out-earn non-veterans, and also accumulate greater wealth[5]. According to the Department of Labor's Bureau of Labor Statistics (BLS) monthly survey, national veteran unemployment currently stands at 3.7%, a rate somewhat below the national average of 4.4%. The labor force participation rate of each age group[6] of veterans exceeds that of non-veterans

of the same age, except for the oldest groups, who fall less than 1.5 percentage points behind[7]. The unemployment rate of each age group of veterans above 35 years old is below the national average, and for those under 65, it is below the unemployment rate of non-veterans of the same age[8]. Only veterans between the ages of 18 and 34 have unemployment rates that exceed those of their non-veteran counterparts[9].
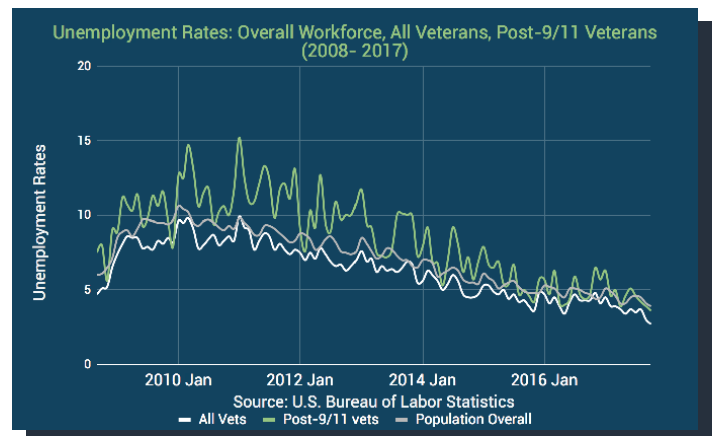
Over the past several years, the BLS-reported veteran unemployment rate has generally tracked the national unemployment rate. As unemployment has improved for the overall workforce, it has improved for veterans too.

Unemployment for all veterans has generally been below the national average, reflecting the demographic composition of the veteran population (mostly older, white and male), and the tendency of veterans to do well in the workforce[10]. However, unemployment for younger veterans has often been higher than the national average, likely reflecting difficulty with transition from service for veterans during the first years after military service, as well as hard and soft skills gaps among newer veterans, and other challenges[11].

During the 2010-2012 timeframe, unusually high claim rates resulted in a massive unemployment compensation bill that was paid by the Department of Defense for unemployed, recently-transitioned veterans. Spurred in part by this, and in part by public pressure to better serve veterans while the nation was fighting two wars in Iraq and Afghanistan, Congress and the

Obama administration instituted a series of significant changes to the transition process for separating service members. These changes included a revamped transition academy for departing troops, more resources available to service members and families before and after discharge, public-private partnerships for apprenticeships and training, federal efforts to gain reciprocal licensure for service members, and other measures.

Major private-sector initiatives also emerged during this period to hire veterans, including the Veterans Job Mission led by JP Morgan Chase and other firms, which has reported corporate hiring of more than 400,000 veterans since its inception in 2011[12].

Unemployment Rates: Overall Workforce, All Veterans, Post-9/11 Veterans (2008- 2017)
Source: U.S. Bureau of Labor Statistics

Thus, despite the apparently positive improvement in overall veteran employment, evidence suggests that two significant problems remain. The first is unemployment for recent veterans, particularly those without higher education. This manifests most acutely during the months following active duty. There are likely structural causes for this transitional unemployment, such as geographic dislocation, and gaps

in civilian job search skills—including information about opportunities in the private sector—and knowledge of how to translate and market skill sets to the civilian labor market[13].

Relatedly, there exists a second problem of underemployment, which prior research has defined as full-time work at a level (defined by compensation, education, or responsibility) which is objectively or subjectively below a given employee/veteran's education, experience, or comparable compensation level[14]. Surveys have found underemployment to be a significant issue facing veterans, particularly during their first years of work after military service[15].

To replace income after service, or facilitate desirable geographic moves, or support family member preferences, service members report taking sub-optimal jobs in the civilian workforce[16]. This problem is exacerbated by significant information gaps that exist for service members during the transition process, likely compounded by the fact that most service members do not stay near their last duty station after departing the service[17]. The BLS data has a blind spot with respect to this type of underemployment, because the employment question used does not assess the quality or character of employment[18].

B. Research questions & methodology

This project took the lack of good public data regarding veteran employment status as its problem statement, and posed the following questions: what can private sector employment data, such as ZipRecruiter resume and search activity data, tell stakeholders and policy leaders about the state of veteran employment? Can this data generate unique understanding that can help direct programs and investment decisions by public, private and nonprofit sector leaders?

To answer these questions, we partnered with ZipRecruiter, a private firm that has built a large employment marketplace with more than 37 million subscribers, and 8 million active jobs reported each month. With adequate safeguards in place to protect privacy, we were able to leverage this online platform to produce three sources of data: resume data, job search data, and survey response data.

The population of job seekers is not necessarily representative of the overall labor force. By definition, all unemployed individuals are job seekers. Some, but not all, employed individuals are also job seekers. Thus, job seekers are more likely to be unemployed than the labor force as a whole. Job seekers certainly differ in terms of education and other demographics from the overall labor force.

Because government statistics do not identify job seekers, it is impossible to determine the representativeness of job seekers on the ZipRecruiter platform to all US job seekers. However, the group analyzed here is arguably less likely than the general population of job seekers to find a job quickly through their own social networks, and therefore more likely to benefit from policies, programs, and services that help facilitate labor market clearing.

The ZipRecruiter marketplace broadly represents the demand side of the United

States labor market based on the scale, breadth and diversity of its participating employers[19]. The site captures approximately 8 million jobs per month—more than the total number of vacancies measured by the federal government—because of overlap and job vacancies that remain open over time[20]. Within this population, we were able to analyze structured and unstructured resume data of 547,941 veteran job seekers who are able to be identified based on their resume or biographical data. We compared this pool with a control group randomly sampled from the rest of the population, which includes more than 37 million unique job seekers, roughly 23% of the entire U.S. labor force[21].

The job seekers sampled constitute a generally representative population of the available resumes based on geography, education levels, economic sector, and experience. The resume data yielded rich data on such issues as aggregate job tenure and turnover rates. This project was also able to analyze job search activity for these job seekers, to better understand their pursuit of employment options after service.

This project developed a short survey instrument comprised of six questions each for job seekers and employers[22]. The survey questions echoed those used by ZipRecruiter during previous surveys of its population, as well as surveys conducted by research organizations focused on veterans[23]. ZipRecruiter deployed its survey over a 48-hour period in September, 2017, during the week when its site-traffic was deemed to be sufficiently large and representative of the overall ZipRecruiter population. More than 54,000 job seekers participated

in the survey, of whom 5,410 were veterans, and the remainder were not. In parallel, ZipRecruiter polled 2,225 personnel on the employer side of its job search platform, a population that included 247 veterans. The survey responses were collected on an anonymous basis and aggregated so as to preserve the privacy of respondents.

III. Analysis

To answer the broad descriptive question of how private sector job search data might help illuminate the issue of veteran employment, this study focused on several, more specific questions that related to the data sets made available by ZipRecruiter.

First, this study looked to identify areas where veterans were significantly different from non-veterans with respect to their education, employment, geography, or job search activity. Second, to add more context to this data, we surveyed veterans and non-veterans within the ZipRecruiter marketplace about their sentiments towards employment and job search activity. Third, to provide a complementary perspective, we also surveyed employers within the ZipRecruiter marketplace regarding their perceptions of veterans. The section below reports these findings, organized thematically by issue.

A. More veterans have higher education credentials than non-veterans, but many have just a high school diploma

Within the ZipRecruiter marketplace, veteran job seekers differ from their non-veteran peers in a number of significant ways, including:
Veteran job seekers on the ZipRecruiter platform have both more and less education than their non-veteran counterparts, based

on a review of resume data that found veteran job seekers are more likely to fall into the most or least-educated groups by educational attainment. 54.4% of veterans fit into the highest group (bachelor's degree or higher), as compared to 52.5% of non-veterans. 23.1% of veterans fit into the middle group (some college, or a professional certification), as compared to 30.3% of non-veterans.

In the lowest group of educational attainment (high school or equivalent), veterans were also overrepresented, with 22.5% of veterans versus 17.3% of non-veterans. This differs slightly from data on the overall population, indicating that ZipRecruiter veterans have higher rates of educational attainment than all veterans[24].

The higher rates of educational attainment among veteran job seekers in the ZipRecruiter marketplace may represent an overrepresentation of officers (who have bachelor's degrees, or higher), or an influx of enlisted personnel who have pursued higher education with the support of relatively new benefits such as in-service tuition assistance and the post-9/11 GI Bill.

The higher proportion (relative to non-veterans) of veteran job seekers having just a high school education could also reflect the presence of junior enlisted veterans who have not yet acquired civilian higher education—possibly because they were in service while their non-veteran peers were in school.

Among those who have listed some educational pursuit on their resume, veterans tend to have completed school more recently than non-veterans. 52.5%

of veteran resumes on the ZipRecruiter platform indicate that the veterans finished their most recent schooling after 2010, as compared to 48.8% of non-veterans. This too could reflect the recent availability of new educational benefits like the post-9/11 GI Bill, which provides substantial support to veterans (and some veterans' family members) for pursuing higher education.

B. Veterans are more likely to be employed than non-veterans, but are also more likely to be underemployed

Using ZipRecruiter resume data and job search activity data, it was possible to reach some conclusions about the veteran job seeker population and how they differ from non-veterans on the ZipRecruiter platform. In general, this data reveals a paradox: These veteran job seekers are slightly more likely to be employed, but also more likely to be underemployed.

According to current resume data, veterans are more likely than non-veterans to be employed while conducting a job search. 42.7% of veteran job seekers are employed, in comparison to 39% of non-veteran job seekers. This may reflect the higher level of aggregate employment among veterans. However, it may also suggest a higher level of job dissatisfaction among veterans, such that they are more inclined to search for a job while employed than their non-veteran peers. That may relate, in turn, to the underemployment problem, observed in this data and by other studies as well.[25]

Among job seekers on the ZipRecruiter platform, veterans were more likely to be underemployed than their non-veteran peers. For purposes of this project, we defined "underemployment" as employment at a skill level below that which the job seekers were objectively qualified for. Our team

quantified underemployment by parsing the ZipRecruiter database (including

Veterans are 15.6% more likely than non-veteran job seekers to be underemployed.
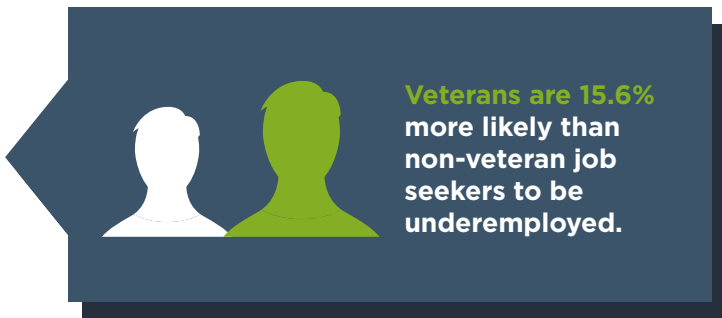
more than 1 million resumes) to determine veteran status, educational attainment, and career trajectory. The team then compared veteran and non-veteran populations to identify the delta between career outcomes for both groups. Each individual was identified as either underemployed or not based on the veteran's skill level (as indicated by highest educational achievement) and the required skill level for their current job (as determined by the O*NET taxonomy)[26].

Using this methodology, our analysis found that 31.8% of employed veteran job seekers were underemployed, compared with 27.5% of non-veteran job seekers.

This higher rate of underemployment may result from the transition process itself, which often results in veterans taking sub-optimal employment in order to replace income immediately after service, particularly in situations where transitioning service members have families to support and cannot afford an extended job search or educational period.

The underemployment problem may also result, in part, from underdeveloped job search and workforce navigation skills

among service members whose experiences within the military personnel system do not equip them to succeed in the private sector[27]. Nonetheless, this finding is striking because it suggests a significant problem with veteran employment even if the unemployment rate (as measured by BLS or another survey) is good.

C. Veteran turnover is higher for the first job after service, but lower throughout a veteran's career

This project was able to measure job history for veterans and non-veterans based on the resume information reported by job seekers in the ZipRecruiter employment marketplace. Based on this data: a few findings emerge.

Veterans tend to leave their first job after military service slightly more rapidly than non-veterans leave their first job. According to ZipRecruiter resume data, the median first job tenure for all job seekers is two years. Based on this resume data, 44.9% of veterans stayed more than two years in their first job after service, while 46.1% of non-veterans remained in their first job more than two years. This echoes research by others finding a slightly higher rate of turnover among veterans during this first year or two after service[28].

However, veterans tend to stay longer in their subsequent jobs than non-veterans. Across the ZipRecruiter platform, the median tenure of a job seeker in a job is approximately 2.5 years. 57% of veterans stayed longer, on average, than 2.5 years in their jobs, as compared to 42.5% of non-veteran job seekers. This suggests that veterans have greater longevity in post-

service employment after their first two years following transition from active service. Recent survey data collected by CEB corroborates this finding: 15% of non-veterans reported a propensity to move to a new job, as compared to 13% of veterans[29].

In their most recent jobs, veterans stayed slightly longer than non-veterans. Based on the resume data analyzed, 51.9% of veteran job seekers stayed in their most recent job more than two years (the average tenure for all job seekers on the ZipRecruiter platform). By comparison, just 46.7% of non-veteran job seekers stayed longer than the two-year median.

Veterans report more jobs on their resumes than non-veterans. Within the ZipRecruiter database, the median number of jobs (50th percentile) on any job seeker's resume is four. Across this broad marketplace, 59.4% of veteran job seekers have more than four jobs on their resume, while only 37.1% of non-veteran job seekers have more than four jobs on their resume. It's unclear what this greater number of jobs represents among veterans. It is possible this includes military job data from during service, which may reflect a new job every 6-12 months in some cases.

D. Veterans are more likely to look for jobs while employed, and also more likely to change jobs in the next 6 months

The surveys deployed by ZipRecruiter asked a battery of questions designed to elicit attitudes from veterans about their current employment situation, as well as their intentions with respect to job search activity and future employment moves. This survey elicited more than

54,000 responses from members of the ZipRecruiter employment marketplace, including 5,410 veterans. The survey sample stands out as significantly larger than the samples surveyed by recent academic papers studying veterans employment[30], and is also diverse enough in age, geography and employment situation to capture a broadly representative view of employment from the veteran perspective. Within this data, there emerged a number of interesting findings, including:

Veterans participate in job search activity while employed at a slightly higher rate than non-veterans. Among survey respondents, 45% of veterans reported being employed, as compared to 42% of non-veterans. This may relate to the next finding regarding veterans' economic uncertainty and predicted mobility.

More veterans report they are more likely to change jobs in the next six months than non-veterans. The survey asked respondents to answer whether they were likely change jobs in the next six months. 47% of veterans said they were "very likely" to change jobs, along with 7.2% who were "somewhat likely" and 11% who were "50/50" - for a total of 65.2%. Among non-veterans, 37 percent said they were "very likely" to change jobs in the next six months, along with 6.9% who were "somewhat likely" and 9.1% who were "50/50," for a total of 53%. This marked difference suggests some level of economic uncertainty among veterans, and a desire to change jobs in the near future that is greater among veterans than non-veterans. This difference may relate to the underemployment phenomenon observed among veterans in the resume data here as well as in other studies[31].

Veterans indicate they want roughly the same things out of their job as non-veterans. Both veterans and non-veterans agreed that they would prioritize compensation and benefits, workplace culture, and work-life balance as their top three factors when evaluating a next job.

E. Employers view veterans positively in terms of performance and retention.

In addition to surveying veterans about their attitudes towards work and their job search intentions, this project surveyed employers through the ZipRecruiter platform. 2,225 respondents participated, including 247 veterans who worked for employers that are part of the ZipRecruiter marketplace. These participants reflected a range of functions within their firms, including executive management, human resources, operations and sales. The survey responses produced a number of insightful findings, including:

Veterans played a diverse set of roles at the firms where they worked on the ZipRecruiter platform. The largest category of veterans - 33% - played a role in executive management, as compared to 24% of non-veteran respondents who played such a role. 24% of veterans and non-veterans alike reported playing some other kind of management role; 18% of veterans said they were engaged in human resources, as compared to 32% of non-veterans. This array suggests that veterans disproportionately occupy leadership or management jobs within the ZipRecruiter companies participating in this survey. Among respondents surveyed in the employer category, those who were veterans were significantly more likely to report the presence of

a "vets program" at their firm than non-veterans. 46% of veterans surveyed under the employer survey said their firms had a vets program, compared to just 17% of non-veterans.

Employers see veterans as a positive asset for their companies. 59.1% of employers reported that veterans perform "better than" or "much better than" their non-veteran peers, with 37.5% saying they performed "about the same" as their non-veteran peers. Just 3.4% of employers said veterans performed "worse than" or "much worse than" their non-veteran peers. A slightly higher rate of satisfaction with veteran job performance was reported by employers with a veteran hiring program: 66.9% of employers with a veterans program said their veterans performed "better than" or "much better than" non-veterans, as compared to 55.9% of employers without a vets program.

Experience, perseverance, leadership,
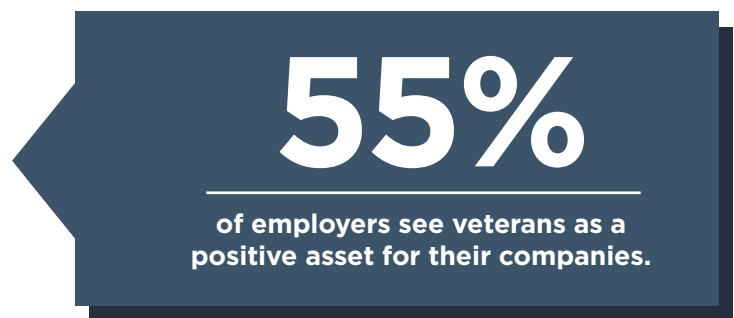
55%
of employers see veterans as a positive asset for their companies.

and directly relevant skills top the list of desirable qualities that employers find attractive in veterans. Roughly one-fifth of employers ranked "experience" as one of their top factors for the attractiveness of veteran hires, followed closely by "perseverance and/or work ethic."

Approximately one-sixth of employers ranked leadership or relevant skills as one of their top three factors for new hires.

Uncertainty exists regarding the retention of veterans in the workforce, a majority

EXPERIENCE PERSEVERANCE & WORK ETHIC

top the list of desirable qualities that employers see in veterans.

(56.6%) of employers reporting they were "not sure" about whether veterans remained in their jobs less than, equal to, or more than the tenure of non-veterans. This correlates with other research finding that most employers do not track veteran retention well, if at all, because of uneven legal mandates to do so, legal concerns, and problems with self-identification of veterans in the workforce. Interestingly, this uncertainty is dramatically less among employers with a veteran employment program. 37.4% of employers with a veteran program are unsure about their veteran turnover rate, as compared to 63.1% of employers without such a program.

IV. Observations & Conclusions

Using ZipRecruiter resume, job search and survey data, this project was able to glean significant insights into the current state of veteran unemployment that go beyond what's made available by monthly government surveys. Based on this data, it is possible to reach a

number of observations and conclusions regarding veteran employment, as well as recommendations for continued research effort.

A. Private sector data can add insight to understanding veteran employment

This project validated the potential to use new forms of private sector data—such as online resume data, job search activity data, and survey data—to produce a nuanced, near real-time understanding of unemployment for a segment of the population. No current government survey provides this level of insight, granularity and fidelity. Comparable efforts undertaken by private firms or research institutions[32] have been unable to fuse these three sources of data in order to generate a holistic understanding of veteran employment.

The next step for research using ZipRecruiter resume, job search, and survey data is clear: To develop a measure of employment health using this data that can supplement the BLS unemployment data. A number of potential research vectors exist for exploration of this possibility. Initial efforts should focus on better understanding patterns of underemployment, improving the measurement to the extent possible. This variable can and should be tested for correlations with education level and experience. Incorporating job search data would add another level of insight, allowing for analysis of how unemployment and underemployment vary by market. Finally, this search data could also provide more granular information about how different groups approach the job market, including employment preferences, length of search, and number of applications sent.

Beyond resume and job search data, there is a wealth of private sector data that can add insight on issues affecting veteran employment. Corporate retention and performance data could, if analyzed, yield insight into veteran performance, compensation and retention trends, especially if shared across companies or sectors. This data could also complement survey data regarding perceptions of veteran performance in the workforce. However, employers often collect such data unevenly, and infrequently analyze this data, let alone share it with third parties for analysis across companies or sectors. Some of this reflects an uneven legal mandate to track veteran employment: The federal government only mandates that government contractors and certain other regulated firms track such data, and only as to certain classes of veterans. Employers should better track veteran employment, performance and retention data to better understand this issue, and the government should consider a more holistic mandate to do so that will include a broader slice of the workforce.

B. Veterans perform well in the workforce

Employers generally report that veterans perform well in the workforce, with the vast majority of surveyed employers saying that veterans perform as well as, better than, or much better than their non-veteran peers. This accords with other research conducted by other private sector firms and research institutions finding high levels of confidence in veteran performance. It is important to note that this positive sentiment exists alongside (and to some extent in spite of) a counter-narrative

regarding the extent to which veterans may be traumatized, wounded, or damaged by their service[33]. Some veterans do return home with serious health concerns. It is important for the nation to recognize and respond to this reality. However, this project's survey found high levels of belief among employers that the majority of veterans perform well in the workforce after service.

C. Veterans have shorter job tenure at first, but longer job tenure overall

The transition from service is a process, not a single event. This project's analysis of veteran and non-veteran resume data confirmed what surveys have reported about veteran behavior after transition: Veterans typically cycle through their first jobs slightly more quickly than non-veteran peers. However, after their first job following service, veterans tend to settle down and stay longer than non-veterans. This suggests that service member transition does not end with discharge, but actually continues through a veteran's first job, as they acquire more knowledge and experience regarding the civilian labor market[34]. When paired with the employer perceptions of veteran performance, this suggests that veterans make better employees over the long term than non-veterans, based on their lower turnover and higher performance.

Going forward, a future research project may make more use of this rich reservoir of resume data to understand veteran employment patterns in even greater detail. For instance, it may be possible to develop a more nuanced understanding of veteran retention and turnover by economic sector, industry, job function, or geographic region. Similarly, it may be possible to study veteran employment and migration patterns over time in the historical resume data of current

> **"...underemployment of veterans constitutes a form of economic waste..."**

veterans, in order to answer such questions as whether and where veterans move after service, whether and where veterans pursue higher education, and what certain resume credentials (i.e. diplomas, skills, experiences, etc.) correlate with outcomes among veterans.

D. Underemployment is a significant problem facing veterans

Underemployment affects veterans at a higher rate than non-veterans: Nearly one-third of veteran job seekers are underemployed, a rate 15.6% higher than non-veteran job seekers. This matches the rate found by a survey conducted in 2014 by a team of researchers on an open data project involving Payscale. com, Glassdoor, Hunch Analytics, and Georgetown University[35]. This may reflect a number of factors, including veteran difficulty with translating military skills and experiences into the civilian workforce; a need to take sub-optimal jobs after military service in order to replace income; a gap in civilian job search or workforce navigation skills; or others. However, the net effects appear to be slightly higher turnover for veterans in their first 1-2 years after military service, and also slightly higher rates of disaffection among veterans. More broadly, underemployment of veterans constitutes a form of economic waste. Their expertise, experience and energy is being underutilized,

and they are under-earning, relative to what they could or should be doing.

There is no panacea for underemployment. However, the government can address it by placing greater emphasis on helping transitioning service members achieve better fit in their civilian employment and focusing more on the quality of employment. By supplementing metrics of veteran employment health using new data sources, government can better ground transition support and training in the realities of the private sector ideally through close partnership with the private and nonprofit sectors.

Similarly, the military could make even greater use of apprenticeships and training programs that enable departing service members to learn more about the civilian workforce, and acquire relevant civilian workforce experience and opportunities, before the time of discharge. Towards this end, the military should continue to work with the private sector, partnering where possible to help departing service members and employers find each other in the marketplace.

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Call of Duty Endowment:

The Call of Duty Endowment is a non-profit, private foundation co-founded by Bobby Kotick, CEO of Activision Blizzard. The Endowment helps veterans find high quality careers by supporting groups that prepare them for the job market and by raising awareness of the value vets bring to the workplace. For more information about the Call of Duty Endowment, please visit www.callofdutyendowment.org. ACTIVISION and CALL OF DUTY are trademarks of Activision Publishing, Inc. All other trademarks and trade names are the properties of their respective owners.

ZipRecruiter:

ZipRecruiter is the fastest growing employment marketplace. We have helped over 1 million businesses and 100 million job seekers find their next perfect match through partnerships with the best job boards on the web, curated email alerts, award-winning mobile apps, and one of the most sophisticated job search algorithms in the space.

Endnotes

[1] BLS "Employment Situation"; BLS statistics retrieved from FRED Federal Reserve Bank of St. Louis:
Civilian Noninstitutional Population: Total veterans, 18 years and over [LNU00049526]
Civilian Noninstitutional Population: Nonveterans, 18 years and over [LNU00049601]
Civilian Labor Force Level: Total veterans, 18 years and over [LNU01049526]
Civilian Labor Force Level: Nonveterans, 18 years and over [LNU01049601]

[2] BLS "Employment Situation"; BLS statistics retrieved from FRED Federal Reserve Bank of St. Louis:
Civilian Labor Force Participation Rate: Total veterans, 18 years and over [LNU01349526]
Unemployment Rate: Total veterans, 18 years and over [LNU04049526]
Civilian Labor Force Participation Rate: Nonveterans, 18 years and over [LNU01349601]
Unemployment Rate: Nonveterans, 18 years and over [LNU040496

[3] It is unclear from publicly accessible information whether or not the BLS collects this information about veterans. If it is collected, it may not be reported due to small sample sizes. Other than part-time employment for economic reasons, the BLS does not collect any data from any groups—including veterans—regarding underemployment or employed persons who may be looking for new work.

[4] O*NET "The O*NET-SOC Taxonomy"

[5] VA Economic Opportunity Report, 2015.

[6] The BLS reports employment status for six age groups of veterans, and their non-veteran counterparts: 18-24, 25-34, 35-44, 45-54, 55-64, and 65 and over.

[7] BLS data finder:
Labor Force Participation Rate - Veterans, 18 to 24 years [LNU01377885]
Labor Force Participation Rate - Nonveterans, 18 to 24 years [LNU01377891]
Labor Force Participation Rate - Veterans, 25 to 34 years [LNU01349963]
Labor Force Participation Rate - Nonveterans, 25 to 34 years [LNU01350038]
Labor Force Participation Rate - Veterans, 35 to 44 years [LNU01350307]
Labor Force Participation Rate - Nonveterans, 35 to 44 years [LNU01350382]
Labor Force Participation Rate - Veterans, 45 to 54 years [LNU01350561]
Labor Force Participation Rate - Nonveterans, 45 to 54 years [LNU01350636]
Labor Force Participation Rate - Veterans, 55 to 64 years [LNU01350912]
Labor Force Participation Rate - Nonveterans, 55 to 64 years [LNU01350987]
Labor Force Participation Rate - Veterans, 65 years and over [LNU01351092]
Labor Force Participation Rate - Nonveterans, 65 years and over [LNU01351167]

[8] BLS "Employment Situation"; BLS data finder::
Unemployment Rate - Veterans, 35 to 44 years [LNU04050307]
Unemployment Rate - Nonveterans, 35 to 44 years [LNU04050382]
Unemployment Rate - Veterans, 45 to 54 years [LNU04050561]
Unemployment Rate - Nonveterans, 45 to 54 years [LNU04050636]
Unemployment Rate - Veterans, 55 to 64 years [LNU04050912]
Unemployment Rate - Nonveterans, 55 to 64 years [LNU04050987]
Unemployment Rate - Veterans, 65 years and over [LNU04051092]
Unemployment Rate - Nonveterans, 65 years and over [LNU04051167]

[9] BLS data finder:
Unemployment Rate - Veterans, 18 to 24 years [LNU04077885]
Unemployment Rate - Nonveterans, 18 to 24 years [LNU04077891]
Unemployment Rate - Veterans, 25 to 34 years [LNU04049963]
Unemployment Rate - Nonveterans, 25 to 34 years [LNU04050038]

[10] VA, Economic Opportunity Reports, 2015 and 2016.

[11] Carter, Kidder, et al, Onward and Upward, CNAS, 2016.

[12] See Vow to Hire Heroes Act, 2011; see generally, CNAS, Passing the Baton, 2015.

[13] Cf. Kane, Hoover Inst., 2016; see also Carter, Schafer, CNAS, 2017.

[14] Carter, Kidder et al, CNAS, 2016; Armstrong, Haynie, et al, IVMF, 2014.

[15] Armstrong, Haynie, et al, IVMF, 2014; Chopra and Gurwitz, 2014; Hunch Analytics, 2014.

[16] Carter, Kidder et al, CNAS, 2016.

[17] Armstrong, Haynie, et al, IVMF, 2014; Bradbard, Armstrong, et al, IVMF, 2016.

[18] The question reads, "(The week before last/last week), did (name/you) do ANY work for (pay/either pay or profit)?" (https://www2.census.gov/programs-surveys/cps/techdocs/questionnaires/Labor%20Force.pdf)

[19] As a job search site, ZipRecruiter is legally prohibited from sorting job seekers or jobs on the basis of sex, race, or age, among other categories. Consequently, while ZipRecruiter can establish the broad representativeness of its marketplace, and the statistical significance of samples thereof, it cannot create the necessary demographic data to match these samples to the U.S. population in a way that would enable demographic comparison or demographic weighting to produce a more representative sample. Accordingly, the data reported herein describes the ZipRecruiter marketplace, which is broadly representative based on its scale and scope, but this data may reflect demographic biases within the ZipRecruiter marketplace that cannot be corrected because of this important legal limitation.

[20] BLS "Job Openings".

[21] BLS "Employment Situation".

[22] Survey questions are included in the appendix.

[23] See Harrell and Berglass, CNAS, 2012; Armstrong, Haynie, et al, IVMF, 2014; Carter, Kidder, et al, CNAS, 2016.

[24] BLS "Employment Situation", Table A-4; BLS "Employment Situation for Veterans", Table 3.

[25] Carter, Kidder, et al, CNAS, 2016; Bradbard, Armstrong, et al, IVMF, 2016.

[26] The O*NET taxonomy assigns each job title to one of three skill level categories: high school equivalent or less, some college or associate's or equivalent, or bachelor's degree or higher. This relatively crude categorization will necessarily underestimate underemployment.

[27] Kane, Hoover Inst., 2016.

[28] Armstrong, Haynie, et al, IVMF, 2014; Carter, Kidder, et al, CNAS, 2016.

[29] CEB, 2017.

[30] Armstrong, Haynie, et al, IVMF, 2014; Carter, Kidder, et al, CNAS, 2016.

[31] Ibid.

[32] Call, LinkedIn, 2016. Also, see Monster.com and CEB studies of veterans employment data.

[33] Carter, Schafer, CNAS, 2017; Harrell and Berglass, CNAS, 2012.

[34] Kane, Hoover, 2016; Carter, Kidder, CNAS, AVF 4.0, 2017.

[35] Hunch, 2014; Chopra and Gurwitz, 2014.

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Appendix

Job Seeker Survey Questions:
Have you ever served in the U.S. military?
What best describes your current job status?
How likely are you to change jobs within the next 6 months?
In your next job, what is most important to you? (Please select your top 3 choices) (multiple choice)
If you have left a job in the past 2 years, what reason(s) best explain your departure? (Select all that apply) (multiple choice)

Employer Survey Questions
Have you ever served in the U.S. military?
What role do you play at your company?
Does your company have a program focused on veterans?
Which of the following characteristics make veterans an attractive candidate for hiring by your company? (Please choose the top 3) (multiple choice)
After being hired, how long do veterans generally stay at your company compared to their non-veteran peers?
In general, how do veterans perform compared to their non-veteran peers at your company?