Veteran Employment Policy

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Veterans Employment Policies –

What can be done to help our veterans find jobs

BGSU - EDLS 7410

Institutional Policy – Paul Johnson, Ph.D.

Brian Patrick

Comment [PJ1]:

Brian-
I really like this quote:

“On the battlefield, the military pledges to leave no soldier behind. As a nation, let that be our pledge when they return home, we leave no veteran behind.”

-Dan Lipinski (D-IL)

I was surprised to find out that 26% of homeless are veterans.

You make a compelling argument for moving the veteran employment preference policy to the private sector and yet you demonstrate an understanding of the obstacles. This is often the first step in the change process.

Nice use of appropriate citations to support your recommendations.
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During the past thirteen years, the United States has engaged in several military conflicts in which we have sent our most courageous and dedicated service members to engage in battle. Now that our government has elected to end these conflicts and bring our service members home, many will be ending their military service and joining the civilian labor market which has been lackluster in recent years. Many questions arise regarding our duty as a nation to honor these brave men and women who have voluntarily chosen to serve their country in a time of armed conflict. Do we have an obligation to serve them after their service to us has ended? If so, what are the best ways we can provide for them? I believe that answer lies in gaining the attention needed to create a policy process whereby veterans (i.e. a person who served in the active military, naval, or air service, and who was discharged or released from there under conditions other than dishonorable) command the respect they deserve through employment preferences in all sectors of the job market.

**Agenda Setting**

In order to implement a formal policy, either at the state or national level, the policy making elites need to be solicited for the process to receive momentum. One of the easiest ways in which to accomplish this feat is using the media to report more often on the issue. This has received minimal media attention, such as a January 6, 2011 report in the USA Today that indicated, according to the Department of Labor, unemployment payments to Iraq and Afghanistan veterans have skyrocketed from $452 million spent in 2008 to $940 million in 2011 (Zoroya, 2012). Even more disturbing is the fact that while the unemployment rate in general
slowly declines, the unemployment rate for veterans ages 18 - 24 continues to climb (Zoroya, 2012).

One of the fastest ways to create traction for this issue is by having a well represented veteran population in the United States Congress. According to Shane III (2014), at least 22 veterans of the Iraq and Afghanistan conflicts won their elections in November 2014 and when Congress convenes in 2015, it will have 17 veterans of current wars among its members. Although these elected representatives will be able to represent veteran initiatives, these newly elected representatives are among the most junior of politicians in a body of government which values seniority above all else. This fact makes it difficult for a newly elected politician in Congress to get the attention needed for policy initiatives because their voice typically doesn’t command the clout needed for reform.

**Policy Analysis/Policy Formulation**

The problem that returning veterans have with finding employment in the civilian labor market has been exacerbated by the "great recession" that began in 2007. During this time, veteran unemployment for veterans peaked at 13.9%, according to Faberman and Foster (2013). This is notably higher than the 9.2% for non-veterans. Faberman and Foster (2013) also notes that during the last recession, which occurred during the years 2001 through 2003, unemployment rates for veterans and non-veterans were surprisingly similar. Current unemployment rates for veterans’ still to this day remains 2.2% higher than for non veterans
Chopra and Gurwicz (2014). According to the US Bureau of Labor Statistics (2013), there are 2.6 million Gulf War II era veterans (i.e. Iraq and Afghanistan Conflicts) who are either in the civilian labor force or trying to enter it. Unless swift policy action is initiated, their prospect for gainful and meaningful employment remains bleak. So what has changed?

First, current veterans tend to be younger and less educated than the average civilian worker (Faberman & Foster, 2013). Being young and then educated generally equates to being in a group with a higher unemployment rate in general. Second, military experience, skills, and talents don’t always translate well into civilian credentials that employers can discern (Chopra & Gurwicz, 2014). In fact, in a 2012 survey by the Center for a New American Security, 60% of civilian employers stated they had difficulty interpreting the skills veterans had received during the military service. Third, current veterans have more wartime deployments than the veterans of the earlier economic downturn. Simply put, being deployed in a war zone may lead to physical and or psychological trauma that makes it difficult for a returning veteran to find work (Tsai & Rosenheck, 2013). To further compound the issue, the image of the posttraumatic stress disorder veteran is getting so much notoriety that it has inflicted negative stereotype associated with all returning veterans so that civilian employers are afraid to hire these returning veterans (Chopra & Gurwicz, 2014).

The problem with veteran unemployment continues to linger because increase wartime deployments when coupled with a poor economy that has been cutting jobs means it is much harder to find a job. This is why we need to help our veterans find employment when they decide to end their military career and enter the civilian job market. As stated earlier, recent veterans tend to be younger and less educated than their civilian counterparts. Typically, younger and less educated individuals have higher unemployment rates in general Faberman & Foster, 2013).
Being younger means they have less experience and since they also are less educated, they have two significant factors working against them. Faberman and Foster (2013) point out that recent veterans with a college degree only stands at 14%. When you compare this to the 21% for the non-veteran population they competing against, it is easy to see that their chances are not as great at obtaining meaningful employment. To go one step further, during periods of armed conflict the United States can and will lower their list enlistment standards. This means that returning veterans with only a high school diploma is 10% higher than the non veteran population they are competing against for the same jobs. Given the fact those individuals who try to enter the labor force during a recession fare far worse than those entering during better economic times. Given that our current veterans have volunteered to serve their country during a period of armed conflict, and simultaneously during a period of economic downturn, the need to help them and provide thanks for their service is essential given today's sluggish economic recovery.

To further bolster the argument that policy creation to assist veterans with employment opportunities is necessary, Faberman and Foster (2013) point out that studies have shown recent veterans have unemployment rates that are 4/10 of a percentage point higher than those of non-veterans regardless of the current economic conditions. During their study, they found that veteran unemployment rates are predicted to be between 1% and 1 1/2% during the last two recessions. One of the main reasons for this is that industries which tend to employ veterans more such as construction, manufacturing, and government services are typically hit hard during recessions. These industries are employing more veterans than usual; according to Faberman and Foster (2013) because the high number of deployments seen by current veterans have decreased the amount of training they may typically have received which would be easier for them to transfer to the civilian labor market. This results in a double edge sword scenario which goes
against the veteran. Here, the high number of deployments has decreased the chances that the veteran may receive training which would benefit them in the civilian labor market. Also, the high number of deployments reduces the incentive for the veteran to reenlist and ultimately leads these people who may have been best suited for a military career to seek civilian employment in order to avoid further deployments.

So what policy alternatives can be constructed to help deal with this problem? Legislation in the area of government employment has been implemented with the goal of recognizing and rewarding veterans for their services to and sacrifices for the nation (Lewis, 2012). Civil service laws are currently enacted by all 50 states and the District of Columbia. Four states: New Jersey, Massachusetts, Pennsylvania, and South Dakota provide absolute preference in hiring of veterans who meet the minimum requirements for the posted job. This means they must be hired ahead of all non-veterans as long as they meet the minimum requirements. The remaining states and the District of Columbia award points to veterans who pass civil service tests which gives them limited preference over nonveterans in government employment (Lewis, 2012). The federal government utilizes a veterans preference system which has resulted in one fourth of their total workforce being hired this way (Lewis, 2012). And while this is helped veterans obtain employment in government services, it has done little to help them in obtaining employment in the civilian workforce.

When it comes to civilian employment opportunities for veterans a policy such as the one created for civil service in government services should be considered for policy development. The current federal policy for veterans’ preference was enacted by President Warren G. Harding, and although it has been modified since, it remains pretty much the same. This system of granting preference to veterans has paid dividends for them. Several studies have found that
veterans were much more likely to work for the government, especially the federal government, because it raises their odds of obtaining employment by about 40% (Lewis, 2012). Veterans’ preference works in the federal sector even though some current estimates put the federal pay disparity at 30% under what is received by someone doing the same job in the civilian market.

When it comes to state and local government employment; however, civil service rules and preferential hiring of veterans does not provide the results it does in federal employment. Some of the reasons cited by Lewis (2012) are that state and local governments tend to pay less than federal and civilian jobs. And although job security and government pensions seem to attract people to government jobs even in the absence of lower pay, veterans are not lining up to receive state and local government jobs. So, can a system similar to the one used in the federal system be implemented for use in the civilian labor market? That is, can we parallel the federal civil service system and its better pay with the civilian market with its better pay? Obviously, state and local government services seem to be lagging in their employment of veterans even with a civil service system that is comparable to the one used in the federal government's employment of veterans.

There have been some moderate attempts at this sort of action by federal initiatives such as "troops to teachers" and "troops to cops" where the federal government gave a subsidy to agencies who hired a veteran for these jobs. Can similar initiatives be implemented in civilian business? Should panel meetings be implemented whereby some of the biggest companies’ executives discuss policies and procedures to implement a preferential hiring program for veterans? These are questions we should be asking our elected representatives.
The implementation of a policy which gives preferential treatment to veterans has to; in turn, adversely affect one or more other groups. Therefore, the issues of equity and ethics arise. Historically, the veteran population has been disproportionately male, white, native born, and heterosexual. So, by giving preferential treatment to this group in the federal civil service, it places an inordinate burden on federal agencies who are trying to implement affirmative action (Lewis, 2012). Further, it diminishes employment chances for women because until 1967 women could not make up more than 2% of the Armed Forces (Elliott, 1896). So, according to Elliott (1986) highly qualified women could not be considered jobs because, with a preference for civil service test, they would be placed lower selection list than less educated and experienced veterans order test. Moreover, other underrepresented groups of military such as: Asians, Hispanics, and homosexuals, have had a desperate impact placed upon them by veterans preference.

Would a veteran’s preference policy for the private sector be cost effective? Some scholars believe that allowing veterans’ preference would significantly hurt a college graduate’s chance of employment because the policy would force hiring managers to hire the less qualified and less educated veteran applicants (Grandjean, 1981). However, it should be noted that in Ohio veterans preference points can only be used by an applicant once in each hiring agency. So, that even if the argument that the quality of the civil service is diminished prevails, as some scholars have argued, subsequent promotions are affected only by ability and not by veterans preference (Taylor, 1979).

When assessing the alternatives, the question of whether the costs outweigh the benefits is presented. If the argument that less qualified individuals are placed in government jobs because of veterans’ preference, what would be the opposing risks if veterans’ preference was
not used? First, as stated by Tsai and Rosenheck (2013), employment is one of the most meaningful and widely recognized indicators of healthy functioning among people with health-related disabilities. With some veterans returning with physical and emotional trauma, VA disability compensation claims have become prevalent among returning veterans. A study by Tsai and Rosenheck (2013) indicated that only 36% of veterans with a VA service-connected disability rating of 50% or higher are employed. Further, VA disability compensation ratings at 50% and above actually create a disincentive for employment. Therefore, veterans need economic work incentives that maximize employment possibilities especially among veterans with disabilities.

Homelessness is pervasive in the United States. With the homeless population somewhere in the neighborhood of 3 1/2 million people it is estimated that 26% of homeless adults are actually veterans (Washington et al., 2010). Risk evaluations for homelessness amongst veterans would lead one to the notion that while there are many factors that cause homelessness, unemployment is among one of them. Here, I would argue we have a duty to our veterans that can only be served by giving them preferential treatment in employment. However, preferential treatment in the public sector only does so much and the policy should be carried over to the private sector where veterans can get the meaningful employment they deserve. Simply put, in any preferential selection process we are not looking to minimize the groups that are not included in the preferential treatment. We are looking to raise that group receiving preferential treatment to the level currently being experienced by the other groups.

**Policy Legitimation**
Veterans’ preference has a long-standing history in the United States. The federal government started preferential hiring practices for disabled veterans around the end of the Civil War. The current point system was brought about right about the end of World War II (US Civil Service Commission, 1955). However preferential treatment in employment for veterans has never been carried over to the private sector. Even though there are laws which protect veterans from discrimination in private sector jobs, there are no laws which give them direct preferential treatment when comes to hiring practices. To further legitimize the issue, despite several studies which have found that veterans preference in the federal civil service has a negative impact on women, veterans preference has always withstood these legal challenges (Mani, 1999).

**Policy Implementation**

In Ohio, the revised code allows for a 20% increase to a veterans civil service score. This is similar to laws enacted in 45 other states. For states, as mentioned previously, give absolute preference to veterans meaning if they score the minimum required for the civil service test, the agency cannot hire a nonveteran ahead of them. The federal civil service system currently uses points as well. Failure to adhere to veterans’ preference laws are subject to challenges in the equal employment opportunity commission at the federal level and the Ohio civil rights commission at the state level.

**Policy and Program Evaluation**

Does this system work? I believe the answer is yes. According to Lewis (2012), despite a 30% disparity in pay, veterans seem to prefer government jobs over private-sector jobs. Lewis (2012) suggests this might be due to the increased employment security and public pension that typically comes with government jobs. However, if veterans preference was extended to the
private sector would similar employment results occur? I believe the answer to this question is yes. Because as stated by Lewis (2012), even in the absence of pay advantages veterans seem to migrate towards government service jobs. If higher-paying private jobs provided veteran service common sense would dictate that veterans would migrate towards these jobs due to the higher wages they would enjoy. Sanders (2007) found that using veteran preference to obtain a government job raised the chances of employment by approximately 40%. Therefore, there is no reason to believe that dissimilar results would occur if veterans’ preference were carried over to the private sector.

Policy Change

The way we treat our current veterans will directly affect the ability we have to recruit future ones. Given the pro-military sentiment in this country today, there is no better time than the present to enact a policy for veterans’ preference in the private sector. Today’s wars are shown on the 6 o’clock news and names of those killed in action can be seen on the Sunday morning talk shows. Further, the United States is still guilt ridden by the way we treated returning veterans from the Vietnam conflict. It seems we have learned our lesson and we have moved to a society which strongly honors its military members. Wouldn’t one of the best ways to show our appreciation for their sacrifice to be to enact policy which gives them preferential hiring in all sectors of the job market? I would argue that not only would this help the veterans we have returning from our current wars, but also help us recruit future military members because they would know that they have a great chance of obtaining future employment was the military service ended.

Recycle the Process
Congressional action which grants preferential treatment to veterans at all sectors employment could also be reduced at some future point should it shows not to produce the benefits that are expected from this sort of legislation. Congress would have the ability to amend, revise, or completely strike the current policy has some future point where it may be deemed not as necessary as it is in today's current economic climate. Veterans’ preference has been shown to work in the public sector. Now, let's put it to work in the private sector giving veterans the jobs they deserve for their devotion to our nation.
References


