

*Leading Practice:*

## Performance and Retention

100,000 Jobs Mission member organizations have hired over 267,000 Veterans since the Mission was formed in 2011. Recruitment, hiring and onboarding initiatives remain important to ensure that our men and women in uniform find gainful employment as civilians. However, as Veteran hiring initiatives become better codified, Coalition members are turning their attention to meaningfully engaging Veterans once they start their new jobs in order to maximize job satisfaction, performance and Veteran employee retention. This leading practice will review employment data to determine if Veteran attrition is a problematic issue, identify Veterans' professional priorities as they enter the civilian workforce, and examine several performance and retention practices that have yielded positive results.

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## **EXECUTIVE SUMMARY**

Over three million people have left military service in the United States since 2001. These Veterans have encountered high levels of unemployment and many efforts, including those by 100,000 Jobs Mission Coalition members, have focused on hiring them. Only a few research studies have measured Veteran retention, but recently research has helped to define proven practices that help to engage and retain Veterans as they transition into the civilian workforce.

In comparing the results of several of those Veteran retention studies where respondents were asked to define what aspects of employment were important to them, Veterans ranked an opportunity to use their skills and abilities, compensation and pay, and the meaningfulness of a job consistently among the highest. This result suggests that improving the performance and retention of Veterans begins during an organization's recruitment, hiring, and onboarding process. Helping the Veteran job-seeker understand how their skills, abilities and education align with the requirements of a potential job is a critical success factor to engage and retain them in the long term. This planning process would ideally begin as part of the transition process prior to leaving service, and would include selection of geographic relocation post-service, educational pursuit, and career or employer selection. Ensuring matches and clear role and career expectations early in the process may increase retention.

Coalition members report other retention strategies, such as Veteran-focused mentoring programs and Veteran Business Resource Groups (affinity groups) are having a positive impact though most members have not yet formalized their measures of Veteran retention. Implementing firm-wide employee education programs about military experience and increasing performance feedback are also initiatives yielding improved performance not only for Veterans, but for all of the organization's employees.

## IS THERE A RETENTION PROBLEM?

Since 2001, over three million American servicemembers have left active duty military service. Unemployment rates for these Post-9/11 Veterans (servicemembers who served from September 2001 to the present) remain higher than the national average and higher than those of Veterans from all eras in the aggregate. This is especially true for Post-9/11 Veterans between the ages of 18 and 24. Unemployment rates for these Veterans are two to three times that of the national average or of Post-9/11 Veterans in the aggregate. (<http://www.bls.gov/web/empsit/cpseea40.pdf>)

Fortunately, Post-9/11 Veteran unemployment is decreasing, due in large part to the emphasis placed on hiring Veterans by coalitions of employers such as the 100,000 Jobs Mission. The Bureau of Labor Statistics reports the unemployment rate for Post-9/11 Veterans decreased from 6.2% in September 2014 to 5% in September 2015. This unemployment decrease was most significant for female Veterans, whose unemployment fell from 10% in September 2014 to 5% in September 2015. The national unemployment rate fell in this same time period (from 5.7% to 4.8%) and so did unemployment among all Veterans. Unemployment rates decreased, from 4.7% in September 2014 to 4.3% in September 2015. Updated unemployment data is available monthly from the Institute for Veterans and Military Families on the [Employer Resources webpage](#) on the first Friday of each month following the release from the Bureau of Labor Statistics.

While unemployment data indicates more Veterans are finding jobs each year since the height of the unemployment crisis among Post-9/11 Veterans, little data exists measuring the retention of Veterans by their new civilian employers.

During active service, a servicemember's retention is defined in terms of adherence to a contractual obligation. Each contract identifies the length of service obligation and outlines any other stipulations specific to the servicemember. As a result, the Armed Services can measure the effectiveness of the variety of retention strategies they employ to increase servicemember retention. Successful strategies include the use of monetary incentives, such as signing bonuses and tuition reimbursements, which must be repaid if the individual servicemember fails to serve satisfactorily for a prescribed period of time. Unlike the private sector where an individual may change occupations or employers if their job does not align with their capability or interests, a servicemember seldom has a choice to make a change in their assignment and must *bloom where they are planted*. This is wholly different from retention considerations in the corporate world.

Recently, research has been conducted on issues related to Veteran retention, including the effectiveness of retention practices. In its 2014 survey of military professionals, HR professionals and hiring managers, employment website Monster.com found that most employers (68%) do not have any retention programs in place to serve their Veteran employees. In an effort to evaluate and quantify Veteran retention, VetAdvisor and the Institute for Veterans and Military Families at Syracuse University (IVMF) conducted a survey of over 1,200 Veterans in 2013 – 2014. The study found a

significant first and second-year turnover rate post-separation. Nearly half of the Veterans surveyed who left their first post-separation position left in twelve months or less and over 65% left within two years.

This high first- and second-year turnover for those who left their first post-service position does not appear to be related to employer dissatisfaction with Veteran job performance, however. Nearly all of the employers surveyed (99 %) by Monster.com in 2014 believed Veterans performed their jobs with equal or greater proficiency compared to non-Veteran workers. Further, the employers reported they hired Veterans because they were the best qualified of the candidate pool (68%) and because of the Veteran's prior work experience in the military and in positions post-service (59%). Employers reported that compared to non-Veteran workers, Veteran employees displayed more purpose and direction in their professional trajectories.

The gap between high employer satisfaction with Veteran performance and Veteran retention in the first and second year post-service may be explained by the obstacles faced as Veterans begin the transition from military to civilian employment. The VetAdvisor / IVMF study revealed three obstacles encountered by Veterans when looking for first jobs post-service:

- Finding employment opportunities that matched their military experience, including work-role responsibility level, supervisor opportunity, and leadership roles.
- Encountering an overall lack of employment opportunities in their geographic vicinity, e.g. taking a less suitable first post-service role to begin earning income quickly or due to lack of career options for first roles.
- Identifying employment opportunities that matched their education level.

#### **Obstacles Encountered by Veterans in Transition to Civilian Employment**

- Matching military experience to employment opportunities
- Finding employment opportunities available in geographic area
- Aligning employment opportunities with current education level

*Source: VetAdvisor / IVMF Study*

These obstacles may push Veterans into accepting first post-service positions that are not aligned with their capabilities or career aspirations, making attrition more likely. Veterans may encounter situations in which they do not have clear opportunities for advancement in opportunity, promotions, or wage increases. Ensuring geographic and education matches and clear role and career expectations early in the process may increase retention.

## WHAT VETERANS HAVE INDICATED IS IMPORTANT TO THEM

Determining what is important to Veterans with respect to employment is key to establishing strategies to retain them. The VetAdvisor / IVMF study asked Veterans three questions to ascertain what aspects of employment were important to them: why they left their first post-military position, what would have convinced them to stay in that job, and what aspects of employment are most important to them.

When asked about considerations that are central to their employment search, Veterans consistently identify three themes:

- ☆ an opportunity to apply existing skills and abilities,
- ☆ the attractiveness of a position's compensation scheme, and
- ☆ the meaningfulness of a potential role.

Regardless of which question was asked, three factors were consistently identified: an opportunity to apply existing skills and abilities, the attractiveness of a position's compensation scheme, and the meaningfulness of a potential role, e.g. being of service to others, fully using abilities for the benefit of the role, or doing work important to the employer and whose value is clearly articulated by the employer. Importantly, this is not related to doing menial tasks as part of roles, but instead indicates roles that are of tangible value to the firm and about which a Veteran can feel proud.

When asked which aspects of employment were specifically most important to them, Veterans ranked job security fourth in level of importance. Respondents placed similar emphasis on the importance of finding a role in their preferred career field. This finding underscores the importance of aligning a Veteran job-seeker's skills, abilities and education with the functional requirements of a potential job during the recruitment process. Such alignment is highly relevant to an employer's subsequent efforts to enable a Veteran's performance and, ultimately, to retain them.

While the rankings of different aspects of employment varied depending upon the question the Veteran was asked, Veterans in the VetAdvisor / IVMF study consistently mentioned the following as important:

- Increased opportunities for career development, advancement, and professional development.
- Meaningfulness of their job to themselves, to the employer, and to those served by the organization.
- Relationships with managers / supervisors.
- Work environment / culture.

The factors that influence Veterans to stay in a position are similar to the factors that influence employers to retain and advance Veterans within their organizations. In a report published by the Veterans Administration in 2013 entitled *Veterans in the Workplace: Recruitment and Retention*, employers identified the possession of critical job-related competencies, or an aptitude to learn them, to be a key factor influencing their retention of Veteran talent.

A majority of employers identified the following as factors influencing their retention of Veterans:

- Ability to learn new skills and concepts related to the job (65%)
- Strong leadership qualities (73%)
- Flexibility to work well in teams or independently (67%)
- Strong personal integrity (73%)
- Ability to set and achieve goals (72%)
- Ability to allocate and manage resources well (70%)
- Recognition of problems and implementation of solutions (60%)
- Ability to persevere in the face of obstacles (68%)

## RETENTION STRATEGIES:

Understanding the factors Veterans value with respect to employment has helped 100,000 Jobs Mission Coalition members identify retention strategies within their companies.

In the 2014 RAND report *Veteran Employment: Lessons from the 100,000 Jobs Mission*, two retention initiatives were identified by many of the participating firms as effective in improving Veteran retention results: Veteran Business Resource Groups (BRGs, also known as employee resource groups or affinity groups) and Veteran-specific mentoring programs.

Veteran BRGs are generally employee-run and can act as the foundation of an organization's Veterans initiative or may be just one facet of it. While BRGs vary in size, governance, structure and objectives, the mission of these organizations is consistent. BRGs provide a forum where Veterans from across an organization who may not normally work together can connect voluntarily to network, informally learn about the firm from each other's experience, and in many cases, work on company and community projects to give back to other Veterans. Coalition members report improvements in workforce recruitment, retention, and talent development as results of BRG implementations within their companies. Additional information on Veteran BRGs is available in the leading practice [Business Resource Groups – Your Force Multiplier](#).

More than half of the Coalition members participating in the RAND study use Veteran mentors as a strategy to enhance Veteran development, performance, and retention. There is no one particular mentorship program or management



As employers consider strategies to retain their Veteran employees, they must answer the question, "are the programs developed to retain all employees sufficient to retain Veterans?"

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approach that has demonstrated consistently superior results. The study found that both formal and informal programs were equally effective. Successful programs may be managed by human resources as part of a larger, company-wide program or may be managed by the company's Veteran BRG.

Mentorship programs have helped Veterans throughout their careers. During onboarding, an established Veteran employee mentor may be matched with a new Veteran employee for a set period of time. This relationship can provide valuable support for an individual navigating the transition from military to civilian employment. Opportunities to discuss what it takes to be successful in a business environment versus the Armed Services can help the new employee navigate a management structure that is often quite different from the one they experienced in the military. These conversations help the new Veteran employee balance the development of their own professional identity while completing the goals and objectives of their team. Achieving this balance is important in the short term to the Veteran's performance as he or she assumes a new role and in the long term to the sustained advancement of their career.

100,000 Jobs Mission coalition members have found mentoring programs provide development opportunities that go beyond onboarding new Veteran employees. The role of Veteran mentor enhances valuable coaching and listening skills, representing an investment with a positive impact on both the mentoring relationship and the overall organizational performance. In the case of mentors who are not supervisors, the mentor role may be used as a development tool to build supervisory skills. Later in a Veteran's career, mentor relationships can be used to determine a Veteran's interest in different areas of the firm and to introduce new opportunities for development and career advancement.

## **ADDITIONAL RETENTION STRATEGIES ADDRESS THE VARIOUS ASPECTS OF EMPLOYMENT VETERANS DESCRIBED AS PRIORITIES**

To mitigate the impact of the three significant employment obstacles identified by Veterans (employment opportunities matched with military experience, geography, and education) 100,000 Jobs Mission suggests including the selection of geographic relocation post-service, educational pursuit, and career or employer selection as part of the transition process. In the [Transition Guide for Veterans: Education, Employment and Entrepreneurship After Service](#) the 100,000 Jobs Mission outlines steps and tips to guide this planning process. Armed with this information, transitioning servicemembers may be able to align geographic preferences and degree or certification requirements with a clear idea about career trajectories and job duties as they begin their job search. Successfully aligning these critical factors is likely to allow the transitioning servicemember to find a better-fit role earlier, and to stay there longer.

Many of the programs used to recruit, hire, and onboard Veteran job-seekers have an impact on the Veteran employee's performance and retention. Nine out of ten respondents in the VetAdvisor / IVMF study identified the opportunity to use their skills and abilities as the most important aspect of civilian employment. Educating recruiters and hiring managers to

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translate military skills into skillsets required by their firms will help both recruiters and Veterans understand how the skills and abilities acquired during military service will be applied in the new workplace.

Career development, benefits, workplace culture, work-life balance and management culture were also identified as important retention considerations. Educating human resource professionals and managers on how to frame their organizations' programs and benefits to address these aspects of interest to Veteran employees may enhance their retention. Highlighting opportunities to participate in professional development activities, explaining compensation, healthcare plans and other benefits, and identifying how the company supports philanthropic efforts within the community may be of especially high value to Veteran hires.

Education initiatives targeting those within a firm who have not served, and who may not have familiarity with military experience, may be an important aspect of retention initiatives. Educating a Veteran's coworkers on their unique experiences and value proposition to the team will enable that team's cohesion, efficiency and success. The [Business Case for Hiring Veterans](#) may be an appropriate resource. Additional information about the military experience and military terminology is available in a prior 100,000 Jobs Mission leading practice, [Military 101: Introduction to Hiring Military Candidates](#).

One method to address both the transition from military to civilian employment and the importance of good relationships with managers or supervisors is to increase the frequency of supervisor feedback, at least during the first nine to twelve months of employment. Feedback should address both the individual's performance and how their role and tasks relate to the overall success of the organization, with the added element of further reinforcing to the Veteran the meaningfulness of their role. The Community Blueprint Network stresses the importance of making it clear to the Veteran employee that these evaluations are not more frequent due to concerns about the Veteran's abilities or performance, but are merely in place to make sure he or she is adjusting to the demands of the new position and to provide for increased access to feedback from the employer during this initial transition.

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## RESOURCES

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### ABOUT THE 100,000 JOBS MISSION

Launched in 2011, the 100,000 Jobs Mission brings together companies committed to hiring U.S. military Veterans and military spouses. The 211 companies now involved have pledged to hire 300,000 Veterans by 2020. They hired 267,522 veterans through the second quarter of 2015. For more information on the 100,000 Jobs Mission, visit [jobsmission.com](http://jobsmission.com).

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