

- Colin Powell

RECRUITING VETERANS

According to the Department of Defense, around 200,000 service members separate from the military each year. Over the past two decades the DoD and Department of Veterans Affairs have made significant efforts to partner with industry and ensure employment options for veterans. And employers have a lot of veterans to hire. As of March 2021, there are 18.6 million veterans in the U.S. ¹

While employers may not have requirements to hire a specific number of veterans or to offer a veteran preference for new requisitions, if you have a contract or subcontract with the federal government that's over \$150,000, you still have to report your total number of employees by job category and location, as well as the number who are qualified, covered veterans, under the VETS-4212 Reporting Requirements.

Contracting requirements may compel some companies to track veteran hires, but that's not the only reason to hire them. From higher levels of resiliency, to team-building characteristics, to support for company mission, there are myriad ways that companies benefit from making a commitment to hiring veterans. But if you want to look at hiring them as veterans, it helps to have a snapshot of future cleared candidates before they have their DD214 in hand.

This past year, 10,004 Active-Duty respondents filled out the 2022 Security Clearance Compensation Report, offering an insight of how their compensation and experiences compares to the current industry.

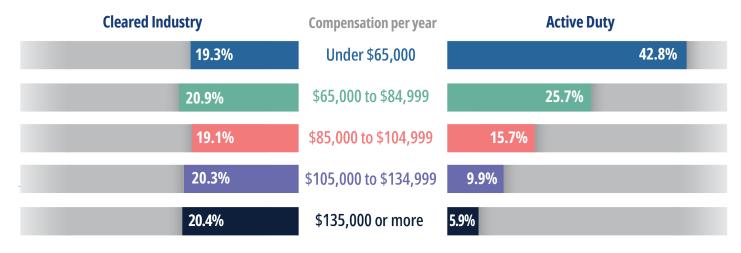
1. Department of Labor. "Employer Guide to Hiring Veterans." https://www.dol.gov/sites/dolgov/files/VETS/files/ Employer-Guide-to-Hiring-Veterans.pdf



AVERAGE COMPENSATION COMPARED TO DEFENSE INDUSTRY

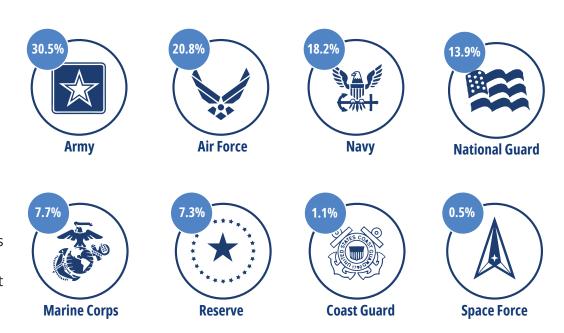
Including housing allowances and other financial perks, the majority of military members are much lower on the pay scale than their counterparts in non-active duty positions. While factors like job, location, and experience play a role, just 40% of the cleared industry make less than \$85,000 per year - compared to 69% active duty.

For the overall cleared industry, average total compensation in 2022 was \$101,395. For military members, the average total compensation was significantly lower at \$74,527. When military members make their transition, it's common for new veterans to accept salary numbers that are lower than their coworkers. While this may seem like a win for employers, research has shown that 43% of veterans will quit their first civilian job in the first year after their transition, and over 65% leave in the second year. 2 It's not enough to hire a veteran. The trick is in making them actually want to stay and contribute to your organization - and ensuring benchmarked pay and not compensation based on previous compensation is one way to do it.



BRANCHES

Many service members make the transition to national security contracting while maintaining their status in the National Guard or Reserve. The bonus for employers is an ongoing resource on life inside of each military branch. Space Force currently has the lowest percentage of active-duty members, but expect that number to continue growing.

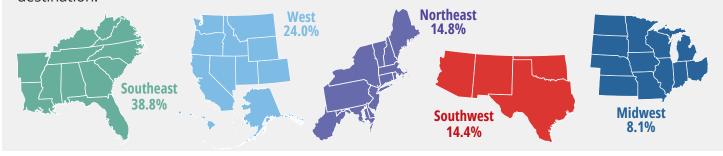


^{2.} Institute for Veterans and Military Families and VetAdvisor. Veteran Job Retention Survey. https://ivmf.syracuse. edu/wp-content/uploads/2016/10/VetAdvisor-ReportFINAL-Single-pages.pdf.



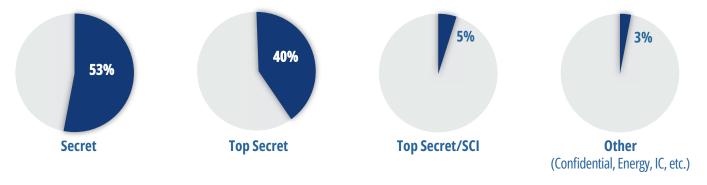
TOP REGIONS FOR ACTIVE DUTY LOCATIONS

The Southeast region is king for military locations, with 38% of the survey respondents located there. Florida, Virginia, and Alabama are all home to major military installations. The West comes in second at 23% of the respondent population, thanks to California and Colorado being popular military destination.



CLEARANCE LEVELS

With around 1.3 million active-duty members, the military consistently adds to the cleared talent pool. For compensation survey respondents, 97% report a Secret or Top Secret clearance. Only 3% report having other clearances, such as Confidential, Energy, or Intel.



OCCUPATIONS

When it comes time to make a job offer to a veteran, it helps to understand which fields are more common in the military. One key difference between active duty and the rest of the cleared industry is that the military reports 11.2% more intelligence and linguist positions.

Information Technology	20.8%
Government Contractor / Military and Law Enforcement / Security	19.8%
Intelligence / Linguist	19.1%
All Other Positions (Aerospace, Logistics, Training, etc)	18.0%
Business / Finance / Management	15.5%
Engineering	4.5%
Healthcare/ Science	2.9%

EDUCATION AND CERTIFICATION LEVELS

Not surprisingly, active duty falls along a similar education distribution as the rest of the cleared industry - with the majority holding a bachelor's and a sizable number also holding a master's. The U.S. military reports more respondents in high school or the middle of their college education, thanks in large part to the military's active recruitment of high school grads and promotion of GI Bill benefits to help obtain a college education.

	Percentage
High school graduate, diploma or the equivalent (ex: GED)	7.3%
Some college credit, no degree	26.4%
Trade/technical/vocational training	4.5%
Associate degree	14.5%
Bachelor's degree	30.7%
Master's degree	15.2%
Professional degree	0.4%
Doctorate degree	0.5%
I prefer not to answer	0.6%

And when it comes to career certifications, only 42% have at least one career certification - 10% less than the overall cleared industry. One way to support veterans is offering career certifications as they separate from the military. Many certifications reported lower numbers from service members, but 17% had a COMPTIA Security +, 7% had Six Sigma, and 3.5% had a PMP. Offering career growth right away can be a key strategy in finding a strong cleared candidate and getting them up-to-speed in the first 90 days at their new job.

DEMOGRAPHICS The U.S. military boasts a **Boomers** younger population than the Gen X (born 1945 - 1964) rest of the cleared industry, 0.8% with 30% more respondents 21.6% born after 1981. In fact the military has 12% more Silent **Millennials** Generation Z in their ranks (born 1945 or earlier) (born 1981 - 1996) than the non-military cleared 0.1% 60.9% Gen Z survey respondents. (born 1997-2<u>012)</u> 16.5%

VALUE OF VETERANS IN NATIONAL SECURITY

In national security, veterans offer a high value to employers. Not only do many veterans display key soft skills needed in the cleared workforce, but they usually bring a security clearance to the interview table. But veterans have different needs in making the transition - and meeting them can be a key retention strategy for employers. Aside from completely switching gears and suddenly being able to make life decisions for the first time, veterans face different workplace challenges.

While the DoD has been working to change the culture, many of the old norms continue to impact service members. In the survey, many service members said they wanted a new job that didn't have a toxic work environment, with many respondents reporting unclear expectations and bad leadership. And not surprisingly, salary satisfaction is 11% lower than the cleared industry.

Companies should note that service members have willingly signed up to support a mission bigger than themselves - to serve and protect the United States. Working in national security is a way to continue that overall mission. Offering strong leadership, a healthy work environment, and a competitive salary can make you a standout employer to a veteran as they pick up their DD214.

Veterans need to know how you will invest in their future, since they've already invested in yours.



IMPORTANT INFORMATION ABOUT OUR SURVEY

The 2022 Security Clearance Compensation Survey was administered online by ClearanceJobs from September 17, 2021 and December 31, 2021. In 2021, there were 52,028 survey participants, an increase of 14% over the 2020 survey. After excluding survey respondents without a security clearance, unemployed, active-duty military, students, those whose compensation was below \$18,000 or above \$300,000, and finally incomplete or duplicate questionnaires, there remained 24,089 usable responses in 2021. Survey results are compared to the 20,548 usable responses captured in 2020 that followed the same parameters.

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