CONTINUE TO WORK

THE TRANSITION MAPPING STUDY 2017

July 2017

FiMT
forces in mind trust
SUCCESSFUL SUSTAINABLE TRANSITION

KANTAR FUTURES

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The Transition Mapping Study 2017

A report by Kantar Futures for the Forces in Mind Trust

July 2017

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Foreword

When our original Transition Mapping Study was published in 2013, Forces in Mind Trust had barely been operating for a year, and we had invested less than a million pounds in our research programme. Four years on, and our awards now exceed £11 million to more than 70 separate projects spanning the whole of the United Kingdom.

Why does this matter? It is relevant because the rationale for most of our work since 2013 can be traced back to some aspect of that original mapping study—which described an environment, identified a set of issues, and suggested how they might be tackled. It also calculated the cost to the State of the accumulated failures of ex-Service personnel to transition successfully into civilian life. Our whole approach, including our recently completed change model for transition, has been based upon this work.

Fast forward to 2017, and it might be seen as a failure both of policy makers and service deliverers, not to mention ourselves, that the calculated economic costs of sub-optimal transition appear to have changed little in our new study. To conclude that, though, would be a mistake. Better analysis, some moving goalposts, and earlier help seeking have all contributed to balancing the falling volume of Service leavers with rising forecast costs. It would be unfair to castigate the service deliverers who support transition, and in particular the Ministry of Defence, for ignoring the problem. The collective commitment of all involved, which has annually been subjected to the regular and intense scrutiny of Lord Ashcroft's Veterans' Transition Review team, has in many cases been impressive.

But the 2013 study also provided a great deal more. The independent evaluation of the original study by Arkenford, which has shaped the way in which we constructed this 2017 study, and will inform our exploitation of it, found that the whole lexicon of transition has entered common usage; for many it has become just another routine aspect of their normal duties. We applaud this, but as the Transition Mapping Study 2017 makes abundantly clear, there are still areas where further change is required.

We deliberately focused this mapping study on training, skills, and employment. From our earlier work, we had already identified these as being critical to success, and in any case Forces in Mind Trust has already begun to make inroads into other areas, such as housing, health and wellbeing, and the criminal justice system.

I know from my own field of expertise that the 'world of work' is changing rapidly, but that modern Service leavers are well suited to it – their skills and attributes should be highly valued, and with some better investment during their Service careers, and a clearer narrative, every leaver should look forward positively to life beyond military service.

So I would summarize the Transition Mapping Study 2017 as a message of hope and encouragement, recognizing what has been achieved since 2013, but clearly stating what now needs to be done. Forces in Mind Trust has little direct control over the levers that need to be pulled and the dials that need to be tweaked to facilitate this. But we have presented credible, independent evidence here, and we will certainly be using it to influence those policy makers and service deliverers with a role to play in transition. A first step is to read this report carefully and without pre-conception, and then to decide how to support positive change. I commend it to you.

Hans Pung is Chairman of Forces in Mind Trust and President of RAND Europe.

Preface

"He got on his bike and looked for work"

Speaking in the aftermath of the 1981 riots in Birmingham and London, employment secretary Norman Tebbit MP, subsequently known as 'Onyerbike', described how his unemployed father in the 1930s "got on his bike and looked for work, and he kept looking until he found it". It seems pretty unlikely to me that the employment prospects facing the current generation of Service leavers could be anything like as dire as those endured by Tebbit senior during the Great Depression.

Why then is this particular aspect of transition so much debated?

Put simply, almost every Service leaver will need to secure employment of some type in the civilian world. A few of a certain age might retire and devote their time to voluntary work, incidentally a much under-valued commodity that the Armed Forces bring to society; a handful will re-enlist under alternative schemes such as full-time reservists; and some might sadly never become sufficiently fit to work again, despite the efforts of those involved in recovery and supported employment. And whilst without question a large part of the motivation to work lies in remuneration and the ensuing economic and financial security, we shouldn't ignore the role the workplace fulfils in providing self-esteem, a network of colleagues and friends, and a sense of identity. For devotees of Maslow's hierarchy of needs, and I confess to being one, that ticks off the top half of the pyramid.

In fact, when you compare what military service offers – such as a regular wage, a decent bunch of mates, a clear sense of worth and of place – these are largely the same factors that fulfilling and rewarding employment can help to deliver in a civilian environment, and they're also the factors that are highest up on Service leavers' needs, as well as their wants.

It's often said that the Armed Forces represent a homogenous population. Well in some aspects, such as values and ethos, perhaps they do. But the 16,000 or so, who every year in the future will leave the United Kingdom's Armed Forces, comprise a huge range of individual attributes, experiences and aspirations. To ensure each Service leaver has the best chance of entering sustainable and fulfilling employment, including self-employment, the means of preparing them after perhaps decades of service needs to be individually tailored. This isn't new or revelatory, but

it remains worth stating that in employment, as in so much else to do with transition, the key tenets of prepare early, and take individual responsibility are as important as any others.

Can we also be a little honest here? Some members of the Armed Forces enlist having already been damaged by their early lives, perhaps spent in care or in dysfunctional families, with minimal education, in appalling physical conditions. For many, the opportunity afforded by service lifts them out of this highly deprived background and transforms their lives for the better. Some are not so lucky, and struggle to find suitable work. Is it reasonable to expect the Ministry of Defence in its in-service education and resettlement provision to make up all the ground lost during childhood? Probably not. But setting a goal such as an appropriate level of GCSE passes in English and Maths, even if some fail, is surely a good thing, and here we suggest there's an organizational lack of ambition.

Likewise, civilian employers remain critical of recruitment processes, claiming they can't or don't know how to get access to the talent pool. They dislike Service leavers' CVs (having your CV 'red-inked' is of course a rite of passage for every job seeker) and find military skills and experiences difficult to interpret. Look, these are not new findings: we can acknowledge and praise improvements that have been made, whilst still urging greater efforts to deliver better outcomes. It's no longer enough to say it's policy – we need to say it's already in practice.

This though is the hard stuff – not hard to do, but targeted at nouns such as processes, mechanisms, protocols, services. Far harder is to work on the soft stuff. On the change of identity from being a proud member of an elite and admired corps serving the wider interests of the nation, to being an individual employee in a shareholder-driven business living in a diverse community of views and values where medals are won through Call of Duty, and not through being called to duty. The dystopian exaggeration for effect is way too simplistic, but it illustrates my point.

Is there amongst the plaudits, the criticisms, the horizon scanning, the data points, a Call to Action?

There is, and for the wheels of Norman Tebbit to be updated and turn full circle:

- Yes, employers could and should do more to seek out and recognize the ex-Service man or woman and the skills and experiences they possess, which are ideally suited to the new world of work

- Yes, government departments could and should do more to prepare their people for life after service, and to encourage better data and knowledge sharing for the greater good

- And Yes, there remain gaps in our understanding of the system, and organizations such as mine could and should do more to consolidate what is known, and hunt for what is not

- And Yes, you're leaving, so get on your bike/smartphone to look for work, and keep looking until you find it: the world feels it owes you very little

- But No, don't look back at what you've lost; look forward to your new identity. As a worker, a citizen of the state, a former member of the Armed Forces with pride in your service, and a clear set of values by which to enjoy a successful and fulfilled civilian life. A civilian who will Continue to Work.

Ray Lock, Chief Executive at Forces in Mind Trust, and a former proud but inept President of Royal Air Force Cycling, once sat next to Norman Tebbit at dinner with what was then known as the Guild of Air Pilots and Air Navigators, where they swapped flying stories and avoided politics.

Executive Summary

Background to the project

1. *Continue to Work: The Transition Mapping Study 2017*(TMS17) is a follow-up to the 2013 Transition Mapping Study (TMS13), also commissioned by the Forces in Mind Trust. It follows a similar research methodology. However, it also has a specific focus on employment transition and skills.

2. The purpose of the new report is to
    - Understand research around transition since 2013, and the institutional responses to that research
    - Update the quantitative model of the costs of poor transition developed initially for TMS13
    - Increase understanding of skills transfer and employment following transition.

3. Reservists were out of scope, along with Foreign and Commonwealth personnel and leavers who are wounded, injured or sick. These groups have specific transition paths, and are the subject of other existing or planned Forces in Mind Trust research.

4. TMS17 follows TMS13 in using a broad definition of a successful transition, as being a transition that includes "financial, psychological and emotional resilience, and encompasses the ex-Service person and their families."

The changing transition landscape

5. The 2013 Transition Mapping Study coincided with a burst of research on transition. It was published a few months before Lord Ashcroft's review of transition, requested by the then Prime Minister David Cameron. Progress has been made towards meeting the Ashcroft recommendations. Notable changes include the inclusion of Early Service Leavers (ESLs) in the resettlement provision provided by the Career Transition Partnership (CTP), the launch of the Veterans' Gateway in April 2017 as a single point of contact for leavers, and greater co-ordination among leavers' charities.

6. However, there is some evidence that cultural change within the Services in happening more slowly. In a follow-up report in 2016, for example, Ashcroft noted that junior ranks were twice as likely as officers to say that resettlement support from their line managers had been poor.

7. There has also been specific research since 2013 on the transition into employment. This work includes a study for the Royal British Legion, *Deployment to Employment*, a Deloitte report, *Veterans Work*, and a report by Future4Forces, published in 2015.

8. In general, successful employment transitions require a successful transition across a number of domains, according to research by Veterans Affairs Canada. As well as employment, these domains include finance, health, life skills, social integration, housing, and social and cultural environment.

Measuring Transition

9. Outflows from the Armed Forces are declining since the peaks of redundancy numbers under the Strategic Defence and Security Review in the early part of the decade. In 2016-17, outflows were 16,545, representing around one-tenth of the strength. These numbers are expected to stabilise at around 14,500 a year by 2020. Around two-thirds of leavers are from the Army, and the rest split evenly across the Royal Navy and the Royal Air Force. Around 10% of leavers are female. Peak ages for leaving are in the early-to-mid 20s, and in the early 40s.

10. Under the re-let CTP contract, there is now provision made for all leavers, although the scope of support packages varies by length of service, and registration with the CTP remains voluntary.

11. The best published data on transition is from the Ministry of Defence, which combines Defence personnel data with data provided by Right Management, the lead company in the CTP contract. This is compiled and validated by the Office of National Statistics. However, some of this published data involves projection from existing data sets, and the internal data gathered by the Career Transition Partnership is richer. It would be valuable if some or all of this transition data were made available. This is currently impeded by contractual issues.

12. The most recent published data, for 2015-16, also includes changes in the eligible groups half way through the year, making meaningful year-on-year comparisons difficult. However, at a headline level, in 2015-16, 72% of those eligible used CTP services. At six months after resettlement, 80% were employed, 10% unemployed, and 10% economically inactive. This group includes people who have returned to education after leaving.

13. This employment figure is lower than in previous years. The reasons are that the survey sample was vastly increased in 2015-16, from 20% of leavers to include all leavers, and the "Future Horizons" cohort of ESLs was incorporated into the data during the year. Most of the change in outcomes is down to the larger sample size, according to MoD statisticians.

The Transition Costs Model

14. The Transition Costs Model was originally developed to TMS13. It was designed to produce a quantitative assessment of the costs of poor transition, in an environment where some data was of poor quality, to inform policy and intervention decisions. It is a decision-based model, which combines outflow data with estimates of the numbers of those leavers who have poor outcomes, and the costs of those poor outcomes. Its assessment of transition costs is conservative, focusing almost entirely on direct costs.

15. It should be noted that the model is not a scorecard. Costs of poor transition change as a result of changing leaver numbers; some costs are reduced as a result of better outcomes; equally, some costs might increase because of improved awareness of transition issues. For example, the incidence of reported mental health issues has increased since 2013, and this has led to an increase in the cost impact in this area; but it does not therefore follow that transition is getting worse.

16. The model has been reviewed and revised since 2013. Its underlying structure remains the same, while new data has been incorporated, and in some cases, structural changes have been made to the model to reflect recent research.

17. The costs of poor transition projected by the model are £105m in 2017, climbing slightly to £110m in 2020. These numbers are rounded to the nearest million pounds. This compares with £114m in 2012 (from TMS13). The four largest areas of cost are as follows: family breakdown accounts for 27%; common mental health disorders and PTSD, taken together, account for 23%; harmful drinking accounts for 19%; and unemployment accounts for 15%.

18. Looking ahead to 2020, the impact of mental health increases (common mental health disorders and PTSD account for 28% of the costs of poor transition); family breakdown is broadly the same, at 26%; while the share of costs accounted for by alcohol misuse and unemployment both fall (to 14% and 10%, respectively).

The world of work

19. The UK labour market has changed significantly over the last 30 years, and these changes have accelerated since the financial crisis of 2008. These changes are a combination of long-running shifts in values, technology, demographics and economics.

20. These have led to a so-called “recomposition of the workforce”, which now includes far more women, changes in the balance between part-time and full-time work, an increase in services jobs, especially poorly skilled ones. Digital technologies have been used to increase flows of information, substitute some types of jobs, and monitor more closely certain types of work. People are also likely to work later into their lives.

21. These changes in labour markets have also led to changes in management and leadership models. Power in organisations tends to be more devolved and more diffuse; leadership styles are becoming more collegial; emotional intelligence is an attribute that is increasingly valued in the workforce. Team-based and project-based work is also more common.

22. The impact that this has on transition is to change the types of skills that are demanded in the labour market. While there is uncertainty in the longer term about the impact on employment of artificial intelligence and robotics, in the short-to-medium term there is increasing demand for technical skills, for abstract skills such as strategic thinking, problem-solving and team leadership, and also what is known as "emotional labour," typically in the service sector.

23. Evidence from the Deloitte report, *Veterans Work*, found that employers looked for "general purpose skills and abilities", part of a longer list that included among other things teamwork, social perceptiveness, flexibility, resilience, critical thinking, and decision making. Deloitte noted the apparent paradox that "the skills considered to be most important for workers now and in the future are not actually technical."

24. Employers who are able to make the most of transitioning Service leavers are those who treat it as a strategic part of their recruitment strategy. Typically, they commit time to recruiting Service leavers, provide an experience of working in the organization, and track metrics that enable them to evaluate the return on investment of recruiting Service leavers.

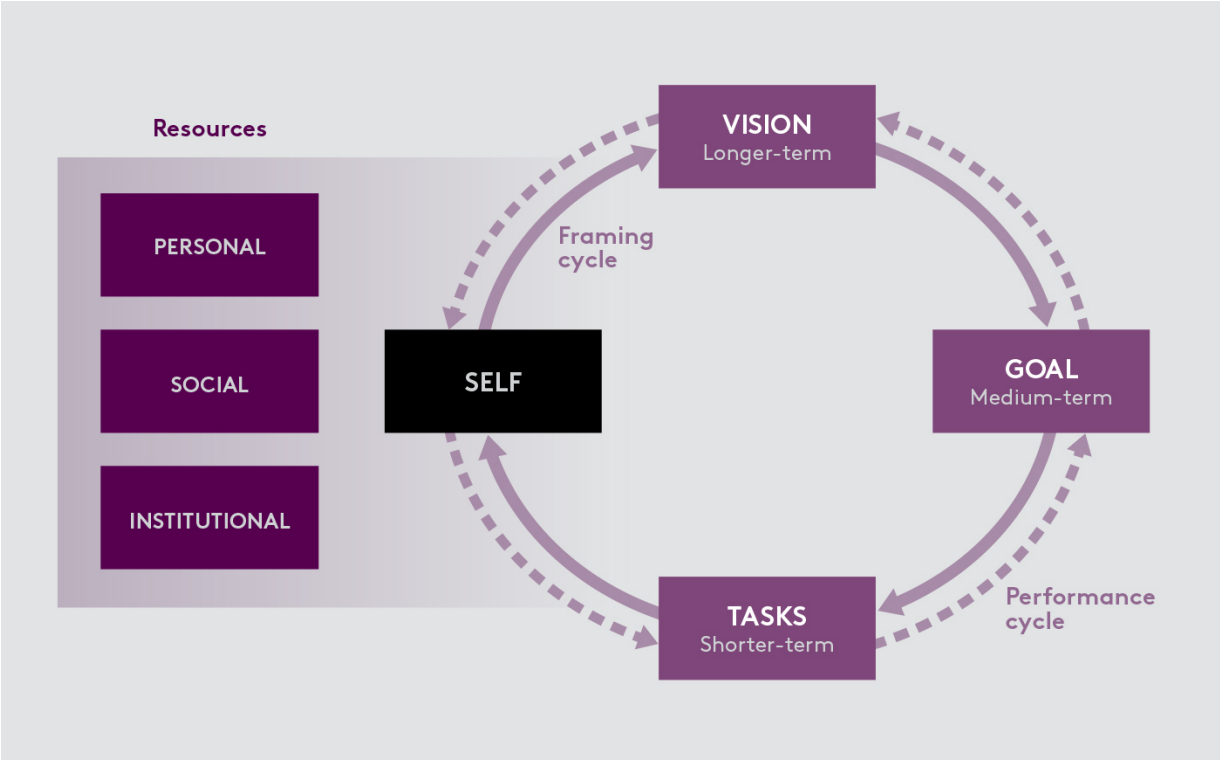
25. One conclusion is that while Service leavers are encouraged to acquire vocational and technical skills, and these are valuable in getting through the door of civilian employers, the skills that are most valuable in sustaining employment are soft skills that are harder to convey in a CV.

The route to work

26. For the individual, transition is not just about a route *into* the civilian world. It is also a journey *out* of the military world. It inevitably involves a sense of loss. As a result issues of identity and purpose are central to transition. Those who experience poor transition can do so because they have challenges identifying the sort of civilian they wish to be in a post-military world.

27. Models of transition tend to be based either on the flows of transition (e.g., "moving through") or the stocks of transition (focusing on the resources of the transitioning individual). The report proposes a model of transition that combines both stocks and flows. It extends the individual's model of their future, post-transition self to include an important psychological element; the vision of that future self. In our research for TMS17, we found that this was a critical success factor, especially for those who moved away from the skills base they had developed in the Armed Forces.

The stocks and flows of transition



Source: Kantar Futures

28. Stocks comprise personal, social and institutional resources. Personal resources include both formal qualifications and experience and personal attributes such as determination, resilience, and so on. Social attributes represent, broadly, the leaver's networks, including family and social networks. Institutional stocks can be thought of as the totality of their training and development during their service career and during resettlement.

29. In looking at institutional resources, there have been significant steps made since 2013 to map military qualifications to the National Qualifications Framework, along with a greater emphasis on compatibility of military and civilian qualifications. The MoD has also adopted a more strategic approach to transition, looking at the way in which demand for skills is evolving in the overall labour market.

30. However, some transferability issues remain. Some Armed Forces roles, notably combat roles, have no civilian equivalent. The Armed Forces goal that all leavers will have at least Level 1 in literacy and numeracy is below employer expectations (research suggests that three-quarters of employers look for Level 2 and above.)

31. More broadly, this speaks to a need for a more effective development culture within the Armed Forces. There have been significant steps taken towards this. These include the through-life learning policy, which also helps leavers to formalize their Services qualifications. The electronic Personnel Development Pathway, to be introduced in 2018, will allow the Services better to track individual development, and also monitor those Services units that fall behind on development. This may also require a cultural change to accept that in-Service training produces more productive individuals and more effective teams.

32. The next stage in this process will be to give greater emphasis to the so-called "soft skills", such as leadership and management. These skills also include the cultural values that are associated with the Services, which civilian employers increasingly value in a world where businesses are also expected to have greater organizational purpose.

Visions of transition

33. Looking at the transition journeys of the leavers in our research, their emotional experience of transition was consistent. Initially, the experience is poor; plans are poorly formed, research is limited, they are not called to interviews. As they shape their plans, and take courses, their experience improves, especially as they find work. But the initial experience of civilian work is often a negative one, which improves only as they get a better sense of what they want to do and why.

34. While there are strengths in the idea of learning by doing, and there are ways in which the expectations of leavers could be better managed, the "tasks/goals/vision" model is intended to improve the chances of the leaver having a softer landing in the civilian world by starting with a clearer idea of their end goal.

35. The question of "what kind of civilian do I want to be?" is at the heart of the transition process, but it is usually more implicit than explicit. The transition process tends to be built around tasks and goals, usually employment goals. From our expert interviews, it is clear that a greater emphasis on values would improve the transition process. Since transition almost invariably involves mis-steps, a broader focus on purpose would make the transitioning individual better able to manage these, and if necessary, recover from them.

36. It is also clear that some of the difficulties that Service leavers experienced in our research for TMS 2013 are still being experienced today. While the experience will be different in different units, these difficulties include pressure on resettlement resources within the Services, postings away from home during the resettlement period (and without time being added on to compensate), conflict of loyalties between the individual need to prepare for transition and the continuing demands of the unit, and lack of support at unit level, and of being disregarded once one had decided to leave—even after long service.

37. Among the report's recommendations, one of the strongest is therefore "permission to prepare," which would legitimize appropriate preparation for transition as a cultural norm across the Services. The current language used, which speaks (for example, in the official Army advice) of "information and encouragement" should be changed to make it clear that the Chain of Command, across each of the Services, has a duty to support effective planning and preparation for Transition.

Note: The full list of recommendations can be found on pp 84-86 of the report.

PART 1: THE PAST

Chapter 1: The state of transition

1.1 Mapping Transition

This report was commissioned by the Forces in Mind Trust (FiMT), the not-for-profit organisation that funds the development of evidence for policy makers and awards grants to those trying to improve the lives of ex-Service personnel and their families, and produced by consultancy Kantar Futures, formerly The Futures Company.

This report revisits the FiMT/Futures Company report, the *Transition Mapping Study* (TMS13), published in August 2013. It maps successful transition to civilian employment using new qualitative research and evidence from interviews with stakeholders. It can be read as a standalone document but should be seen in the context of the earlier study.

The 2013 study was commissioned to increase understanding of the process of transition from military to civilian life — across Services and ranks — and to identify areas where it could be improved. It included 26 recommendations, grouped around six themes, and 10 guiding principles for good practice developed after qualitative research, and a quantitative model of the direct costs to the UK of poor transition, designed to be updated over time.

The 2013 Transition Mapping Study has since been evaluated independently by the consultancy Arkenford. Arkenford found that it had provided an independent and holistic overview, laying out the transition process for the first time, and had created a lexicon for transition. It is seen as having contributed to the extension of the Career Transition Partnership (CTP) contract in 2015 to include Early Service Leavers (ESLs). Its findings have spurred several transition initiatives, including the work of the Forces in Mind Trust on families, and it has been used to support research related to improving transition data. It is still used for staff induction and training in organisations working with transition.

The TMS13 research included interviews with family members, and the report defined a successful transition broadly — as one that safeguards the financial, psychological and emotional 'health' of the individual and those closest to them:

"A good transition is one that enables ex-Service personnel to be sufficiently resilient to adapt successfully to civilian life, both now and in the future. This resilience includes financial, psychological, and emotional resilience, and encompasses the ex-Service person and their immediate families."

One of the areas covered in the TMS13 was the link between employment and better transition outcomes, and 11 of the report's 26 recommendations related directly to employment and skills. It also noted that ESLs were a particularly vulnerable group, with only 52% in work after six months, according to the then available research.

In line with its broad definition of success, it called for 'broader KPIs' (key performance indicators) for successful transition, arguing that more holistic factors — such as job satisfaction and longer term prospects for professional development — might be more reliable metrics than the fact of being in work.

Creating transferable skills (for all personnel) emerged as a significant theme in the report, and the recommendations included personal skills programmes when individuals joined the Services, work experience and work placements during resettlement and transition, more tailored and structured pathways to employment, and greater alignment between military qualifications and the requirements of civilian employers.

There have been significant changes to the formal support available to Service leavers in the four years since TMS13 was published. In line with the report's recommendations, the CTP, the Ministry of Defence's official resettlement provider, has extended its range of programmes to offer support to ESLs, at a more modest level than full entitlement. This support has been tailored to be suitable for the way in which ESLs are discharged. This is an important step forward and demonstration of a commitment to improving the lives of all Service personnel, particularly the most vulnerable. In addition, there is more support for spouses and the families of Service leavers, which was also recommended by TMS13. These improvements to the resettlement process represent a welcome shift to a more holistic understanding of transition, and represent early steps on what should be a path of continuous development towards a more inclusive approach to transition.

This follow-up study to the TMS13, referred to here as TMS17, has a threefold purpose: to understand the new research and activity around the area of transition since 2013; to update the quantitative model of the costs of poor transition; and to develop insight into and increase understanding of skills transfer and employment post-transition. It makes a number of new work-related recommendations and tests the validity of the old. Its map of successful transition into work is intended as a tool to help improve outcomes.

Accordingly, it proceeds in the following way: Part 1: The Past reviews change and progress since TMS13; Part 2: The Future examines transition employment outcomes and models; and Part 3: What to Do? summarises the recommendations of actions to be taken.

Within Part 1, Chapter 1 reviews the shifting transition landscape since 2013, and Chapter 2 looks at the numbers, in terms of leavers and their outcomes, and of the costs of poor transition, as assessed by the updated model. In Part 2, Chapter 3 explores ways to improve employment outcomes for Service leavers, in part by looking at the role of skills and skills transfer, and Chapter 4 offers a model of successful transition for the individual leaver. And Part 3 consists of Chapter 5, summarising the recommendations.

The report assumes some knowledge of the subject. Some of the key terms used, however, are explained in the box below.

DEFINITIONS

Early Service Leaver (ESL): ESLs are those defined by the Ministry of Defence as Service leavers who have been discharged — either compulsorily or at their own request — after less than four years. This group therefore includes people who have served just a few days, people who have left without completing basic training, and people who have served for 47 months. For transition purposes, ESLs also include those who have served four years or more but have been compulsorily discharged.

Transition: In this report, 'transition' is used to describe the period of re-integration into civilian life from the Armed Forces. In TMS13, we considered transition as the period from the start of the resettlement process until three years from discharge. Since then, the FiMT definition of transition has expanded to consider a broader and longer-term understanding of the term. However, for the purposes of this report, the original definition has been maintained.

Resettlement: In this report, 'resettlement' describes the formal processes and procedures by which transition is managed, and the formal support provided to leavers during transition. It starts up to two years before the individual is due to leave the Armed Forces and continues until the end of resettlement provision, up to two years after discharge for those who have served six years or more. For wounded, injured, and sick personnel, resettlement provision can be extended, depending on the nature of their condition.

Veteran or ex-Service personnel: For the purposes of this report, these terms are used inter-changeably. However, since research suggests that not all Service leavers choose the word 'veteran' to describe themselves, we have avoided its use in the main text.[1] It does, however, appear in quotes from other reports and stakeholders.

Methodology

There are four core elements to the research undertaken for this report:

- A review of literature and relevant reports produced since the original report was published — i.e. secondary research used to inform our thinking.
- Expert interviews — detailed face-to-face and telephone interviews with academics, leading members of the Service employment charity sector, and the MoD, and employers with Service-oriented recruitment programmes.

[1] Howard Burdett, Charlotte Woodhead, Amy C. Iversen, Simon Wessely, Christopher Dandeker, and Nicola T. Fear (2012). "'Are You a Veteran?' Understanding of the Term 'Veteran' among UK Ex-Service Personnel A Research Note." https://www.kcl.ac.uk/kcmhr/publications/assetfiles/veterans/burdett-2012-veterans.pdf. Retrieved 12 May 2017.

- 20 depth interviews with a mixed sample of recent Service leavers, recruited online.
- Quantitative modelling: updates to the model used to quantify the costs of poor transition to the public sector and charities in the UK.

As before, the focus of the research was on former full-time members of the Armed Forces. To develop a picture of the skills learned during a Forces career, the sample was weighted towards those who had served five years or longer. Unlike the sample recruited for the 2013 Transition Mapping Study, which was weighted towards those who had experienced a poorer transition, the sample for the present research was drawn from leavers as a whole, without filtering for the quality of transition. It was also weighted to reflect a balance of leavers between the different Services and between different ranks.

As with the TMS13, Reservists were out of scope, along with leavers who were wounded, injured, or sick, and Foreign and Commonwealth Service personnel. These are the subjects of other reports commissioned by FiMT.

To deepen our understanding of the experiences of individuals and the transferability of skills, the 20 Service leavers were asked to fill in workbooks or transition 'logs' ahead of the interviews, identifying high and low points in their journeys.

The update to the quantitative model involved reviewing its original structure and assumptions and the way personnel were categorised, and sense-checking new data and inputs. The model is intended to be used as a tool for assessing and designing interventions and in cost/benefit analyses. The updating process, and revisions to the model, therefore included analysis of its continuing validity and robustness. This has resulted in some adjustments to the version of the model developed in 2013.

Qualitative sample and methodology

The qualitative sample was broadly representative by Services mix and rank. 10 were from the Army, five from the Royal Navy and five from the Royal Air Force. The sample included five officers and 15 from other ranks. Three of the sample were female. However, length of service differed from the overall Armed Forces profile because a primary focus of this research was about the transfer of skills, and it was therefore important to evaluate employment transition of those who would have had the opportunity to develop skills during their Services career. The average length of service of those in the sample was 11.5 years; the standard deviation was 6.7 years.

Research about qualitative research outcomes suggests that when the research group is asked semi-structured questions about a common experience, the first five interviews identify 60% of the range of response, and 15 interviews produce 90% of the range.

1.2 The shifting landscape

When the TMS13 was published, transition was an under-researched topic. Since then, the picture has changed significantly. In part, this has been down to the work of the Forces in Mind Trust, which, set up to build an evidence base for policy makers and so improve outcomes of post-Service lives for leavers, has released a stream of research reports. It is also due to the work of Lord Ashcroft, who produced his first report on transition, *The Veterans' Transition Review*, at the request of the then Prime Minister David Cameron in 2014, and has released annual updates since. The academic research community has also further engaged with the subject, building on and extending the significant body of work produced by the King's Centre for Military Health Research, some of which covered transition issues.

TMS13 grouped its 26 recommendations around six themes.[2] These were:

- Create transferable skills;
- Create independence, psychologically and financially;
- Personalise the pathway, so individuals could tailor their transition journey;
- Engage with the family;
- Track the right things, in particular, the factors that influenced poor transition outcomes; and
- Invest to reduce transition risk, in particular, in the transition of Early Service Leavers (ESLs).

A full update on progress made against these 26 recommendations is documented in a table at the end of this chapter.

Lord Ashcroft's Review, published in February 2014, made six central recommendations, some of which overlapped with the TMS13 recommendations:

1. A concerted effort to change public perceptions of ex-Service personnel
2. Obliging all Service personnel to create a 'personal development plan'
3. Extending the services of the CTP to all Service leavers who have completed basic training
4. Creating a work placement scheme for Service leavers in partnership with industry
5. Creating a 24/7 single point of contact for Service-leaver support organisations
6. Creating a directory of veterans' charities.

These recommendations were also in line with the Report of The Task Force on the Military Covenant, commissioned by the government and published in 2010.

Ashcroft describes progress on these recommendations by the end of 2016 as "positive… though challenges remain".[3] The commendable introduction of resettlement provision for ESLs has already been noted, and significant progress has also been made on points five and six of Ashcroft's recommendations. The Veterans' Gateway, launched in April 2017, created a single point of contact for anybody seeking help and should direct them to the right charity in an effective manner. Further, the Confederation of Service Charities (Cobseo) has encouraged

[2] The Futures Company (2013). *The Transition Mapping Study: Understanding the transition process for Service personnel returning to civilian life*. London: Forces in Mind Trust.

[3] Lord Ashcroft KCMG PC, *The Veterans' Transition Review: Second follow-up report*, November 2016

greater collaboration between its members, with 'cluster' groups that bring charities together and co-ordinate activities. The long-term success of this initiative is, however, yet to become clear.

However, there remains no Service-wide work placement scheme, though the new CTP contract does emphasise early engagement with employers, and Ashcroft further notes in his 2015 report update that there is continuing inconsistency in unit-level support for leavers. In 2016 he reported that junior ranks were more likely to rate their ability to secure "adequate time off to attend resettlement activities" as poor, and around twice as likely as officers to say that support from their line manager had been poor.[4]

One way that the Ministry of Defence is seeking to address this issue is through better data. The Personal Development Plan, to be introduced in 2018, will allow the MoD to monitor unit-level support for learning and development more effectively, but may not help identify which units are better or worse at supporting resettlement.

Ashcroft's follow-up research on his first recommendation, that efforts should be made to change public perceptions of ex-Service personnel, shows that the proportion of the general public who believe it is common or very common for former Service personnel to be physically or mentally damaged by their careers remains unchanged at more than nine in 10. Damaging public (mis)perceptions of Service leavers were not touched upon in TMS13, but came up frequently in our interviews conducted for TMS17.

Some charities, such as Help for Heroes, have been phenomenally successful in raising funds to help injured Service personnel, and this story is underlined by the development of events such as the Invictus games. Research that purports to show that ex-Service personnel are over-represented in prison or among the homeless pulls this story in a different direction, but nonetheless promotes an idea that ex-Service personnel are different from the civilian population, rather than just people who happen to have been applying their skills and expertise in a different type of working environment. In short, the image conveyed by the fund-raising narratives of some Service charities, and their related promotional and advertising material, does not always help the interests of good transition from the Services.

RECOMMENDATION: Create a formal process of exit and post-resettlement interviews in order to improve insight and analysis, and improve organisational learning about the experience of the transition process.

[4] Lord Ashcroft KCMG PC, *The Veterans' Transition Review: Follow-up report*, July 2015; Lord Ashcroft KCMG PC, 2016.

The impact of recent interventions

Several reports have evaluated the impact of interventions to improve transition since the TMS13 came out. These are described below. Each confirms the need for approaches that put the individual and their personal needs first.

While academic studies remain relatively rare in this sector, Warren, Garthwaite and Bambra (2015) took a qualitative look at a 'vocational case management programme' run by Durham Primary Care Trust in partnership with the Royal British Legion.[5] Interviewees from the programme reported that its most valuable aspects were being listened to, feeling valued by support staff, "having their problems taken seriously", and "being treated as an individual". They particularly appreciated the personal, tailored nature of the support.

An evaluation of the Finchale Joint Transition Support Service (JTSS) pilot scheme notes the strengths of the service, as reported by clients, included "the holistic family-centred approach, knowledgeable and empathic frontline staff, sustained personal contact over time and the long-term perspective underpinning the service".[6] It should be noted, though, that the pilot demographics for Finchale skew strongly towards white males discharged on medical grounds and who had served an average of nine years. Successes here may not necessarily transfer to the most at-risk groups.

An evaluation of the LifeWorks programme from Royal British Legion Industries, which is open to all ex-military personnel irrespective of length of service but is targeted more specifically at those struggling to find work, has shown significant success in improving employability outcomes for the 600 Service leavers who have become 'delegates' of the programme. 79% of this first set of delegates had a health condition or disability.[7]

LifeWorks consists of a five-day employment-focused residential course followed by ongoing remote support. The course develops understanding of so-called 'soft' skills alongside work-based skills and job-seeking skills. One year after completing the programme, over half of the delegates were in work, and three-quarters of these were in full-time employment. Those who completed the programme reported a clearer understanding of the applicability of their skills, improved ability to gain employment, a more positive attitude towards their job search and career, and a strengthening of family and social relationships through greater self-awareness. Currently, the client demography of the programme skews towards older men.

Comparing support programmes is difficult (particularly when there are few examples), but it seems reasonable to conclude that they work best when they are informed, targeted, pro-active and empathetic, and pay attention to individual needs.

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[5] Warren J., Garthwaite K., Bambra, C. (2015). 'Help for heroes? Evaluating a case management programme for ex-service personnel in the United Kingdom', *Perspectives in Public Health*.

[6] FiMT/NEMHDU. (2016). 'The Finchdale Joint Transition Support Service (JTSS) Evaluation Study'.

[7] Learning and Work Institute. (2016). 'An Independent Evaluation of Lifeworks'.

1.3 Transitions to work

Two reports from the Royal British Legion published since TMS13 discuss the problems Service leavers can face when they enter or return to civilian work.

A UK Household Survey of the ex-Service Community, published in 2014, found that working age veterans (aged 16-64) had lower engagement with the labour market. They were:

- less likely than the general population to be employed (60% to 72%);
- more likely to be unemployed (8% to 5%); and
- more likely to be economically inactive (32% to 22%).

The reasons for economic inactivity among this working age group included retirement, education and long-term illness.[8] It is worth noting that because this research encompassed the entire ex-Service community, it included people who were in the Services at a time when there was less commitment to transition, and the research does not include weighting or analysis to allow for demographic or cohort comparison.

However, among younger former Service personnel in the Royal British Legion sample, aged 16-34, half of those in work say they make little or no use of their skills and experience, and one in six of 16-44 year olds discharged from the Services in the last five years "report difficulty integrating into society".

The second report, *Deployment to Employment*, published in 2016, acknowledges that transition outcomes are successful for the majority of leavers, but argues that veterans (as they describe them) are vulnerable to the "worst effects of any downturn in the UK employment level". It makes a number of recommendations for closing the gap.[9] Among other things, the report calls for:

- a minimum of 280 guided learning hours per year towards accredited qualifications for recruits below the age of 18;
- support to take or retake GCSEs in English and maths to achieve grade A*-C;
- support to progress to Level 3 qualifications (A levels or higher) with "transferable value to future civilian employment";
- better measures to ensure a military vocational qualification aligns with a relevant and current accredited civilian qualification, transferable to the civilian workplace;
- detailed research by the MoD into the demographics of, and reasons for, the shortfall in uptake of CTP support among Service leavers;

[8] Ashworth, Jacinta, Hudson, Mike, and Malam, Sally (2014). *A UK Household Survey of the ex-Service Community*. Royal British Legion.

[9] Pike, Andy. (2016). *Deployment to Employment*. Royal British Legion.

- a government review of the package of support offered to employers who had signed the Armed Forces Covenant (the nation's promise to treat those who serve or have served and their families fairly).

A report from the Scottish Veterans Commissioner, *Transition in Scotland*, supported the Ashcroft recommendation for the extension of the CTP to all ESLs regardless of length of service, and focused on particular problems experienced by Service leavers in Scotland (where systems of local government differ from those in England and Wales). It recommended that the Scottish government open up its existing programmes for youth employment support to ESLs and pointed to the success of schemes that subsidised wages for employers who hired ESLs and supported ESLs with learning difficulties.[10]

Another 2016 study, *Military Families and Transition*, following Ashcroft and others, recommends further bolstering the support for spouses and families of transitioning Service leavers.[11] Family members can be important in easing the transition to work and helping individuals prepare, not least because they often have recent or current experience of civilian employment and/or may be conduits for further advice.

To this list, research from Canada would also add that transition programmes should look beyond the most common pillars of employment and health, and promote a wider set of factors to create successful transitions. The research of David Pedlar, director of research at Veterans Affairs Canada, and his colleagues across North America suggests that there are several 'domains' of well-being that should be addressed in order to achieve success in transition.

In addition to employment in a meaningful activity and health, Pedlar identifies finance, life skills and preparedness, social integration and networks, housing, and physical, cultural and social environment. This final domain refers to the communities that Service leavers enter and the extent to which they are "veteran-friendly and supportive of their needs". As Pedlar puts it, "there has to be a lot of community support in place".

The domains of transition

- Employment
- Finance
- Health
- Life skills
- Social integration and social networks
- Housing and physical environment
- Cultural and social environment

[10] The Scottish Veterans Commissioner. (2015). *Transition in Scotland*.

[11] FiMT/Centre for Social Justice, 'Military Families and Transition', 2016.

These domains are all important, and trouble in one domain can lead to problems with the transition in general. "You really have to look at all the pieces together in order to build a successful and fully comprehensive approach to transition," says Pedlar. No-one we interviewed for this report would disagree with this. It is a view that was perhaps best summarised by an interviewee involved in transition management in the UK:

"I was asked recently, 'What percentage make a successful transition?' I can't tell you that. I can tell you how many are in employment, but that's very different from a successful transition. We've to be very careful about apples and pears. Employment is a powerful part of it, but only part of it. Some people have got a fantastic job in terms of pure salary level, but actually are deeply unhappy."

RECOMMENDATION: Measure successful transition more 'holistically', for example by incorporating additional dimensions in KPIs of transition success.

The full list of the recommendations from TMS13 is summarised below, together with changes in the transition landscape since the report was published. These changes have come about in response to several pieces of work on transition, including TMS13 and the work of Lord Ashcroft.

1. Pre-joining profiling	Earlier intervention and a more effective development culture is part of the MoD's new 'Through Life Development' policy. (Source: MoD guidance.) However, little seems to be being done formally to gauge the 'aptitude' for self-development of new recruits.
2. Personal skills programme	According to current plans, 'personal development pathways / records' will be introduced by the MoD's Directorate of Training, Education, Skills, Recruiting and Resettlement (TESRR), in 2018. They will include mid-year appraisals. Importantly, managers and leaders will be judged partly on the development of their subordinates, perhaps signalling a cultural change. (Source: MoD guidance.) Personal Development Plans have 'morphed' into the concept of the skills passport, with web-based educational packages now offered early in a career. (Source: Lord Ashcroft's second follow-up report, November 2016.)

3. Increase alignment of military vocational training with civilian skills	The Army Skills Offer, introduced about three years ago, links military training with civilian skills, and allows individuals to map 'pathways' to civilian careers. Military apprenticeships and personal and professional development opportunities in the Services are increasingly aligned to civilian needs. (Source: MoD guidance)
4. Financial awareness training	The CTP financial awareness package has been revamped, with 'modules' now available online. However, the project remains a work in progress. (Source: MoD guidance)
5. Savings programme	There is currently no formal programme/initiative to encourage regular in-Service saving to create a 'cushion' for resettlement. (Source: MoD guidance)
6. Reduce intensity of deployment	Harmony guidelines for operational tours remain unchanged. (Source: MoD guidance)
7. No individual left behind	The military's goal is Level 1 attainment in numeracy and literacy on leaving the Services, which currently equates to grades D to G at GCSE. (Source: MoD guidance)
8. Needs assessment	Progress is being made through Personal Resettlement Plans, and the old 'vulnerability assessments' have been re-named 'needs assessments' to reduce stigma and make them more inclusive. However, more attention still seems to be being made to individual entitlement rather than individual need, and the flexibility recommended by the TMS13 seems some way off. (Source: MoD guidance)
9. Tailored pathway (needs based)	New policies — e.g. Personal Development Plans — are promoting a more tailored approach. (Source: MoD guidance)
10. Expectation management	Progress here is hard to gauge. Evidence from the expert and in-depth interviews would suggest some leavers still have unrealistic expectations of salary and are still surprised by the number of job applications they have to make and by the culture of the civilian workplace. However, talking to leavers about what life is like on the outside is part of the CTP's role, and there seems to be considerable engagement from the CTP on this. (Source: MoD guidance; CTP guidance)

11. Work experience	Civilian work attachments are offered during resettlement. However, more needs to be done to raise awareness of the CTP among employers. (Source: MoD guidance)
12. Aligning qualifications	Most military qualifications are now 'mapped against' civilian qualifications and accredited; there are moves to create a centralised compendium of Service qualifications. The military HGV licence is now 'translatable'. (Source: MoD guidance; CTP guidance)
13. Home deployments	A posting near home (or a leaver's preferred resettlement location) in the last six months of service has yet to become 'policy'. (Source: MoD guidance)
14. Increasing levels of independence	Little appears to have changed. The reasons why are unclear. (Source: MoD guidance)
15. More resource into ESLs	Formalised resettlement provision for ESLs was introduced in October 2013, and the Future Horizons Programme, specifically for ESLs, is now under the auspices of the CTP. (CTP contract re-let)
16. Formal involvement of families in the resettlement process	Family transition posts have been created by FiMT within the family federation for each Service, and more is being done to involve spouses. (MoD guidance)
17. Increasing the consistency of resettlement delivery information	Progress is difficult to gauge. Evidence from our depth interviews suggests variations not only by unit but also by region. (CTP services are concentrated in areas where there are military bases.) However, support is available remotely, and Service leavers are allowed time off for interviews with advisers etc., and given travel and subsistence allowances. (MoD guidance)
18. Engage the family	See above. Further stakeholder consultations on family engagement in the transition process are planned for this year. (MoD guidance)

19. Improved informal support	TESRR is in discussion with SSAFA about mentoring provision. (MoD guidance). From our depth interviews, it would seem informal support at unit level is far from a cultural norm, however.
20. Better structured support for ESLs	This is being actioned through CTP outreach work, including mini-workshops for ESLs, CTP Future Horizons and continuing support for ESLs through the Regular Forces Employment Association (RFEA). (Source: CTP)
21. Access to work placements after resettlement	Progress is difficult to gauge. It would seem links with employers still need to be improved. (Source: MoD guidance, CTP interview)
22. Review post-Services housing provision	The JSHAO (Joint Service Housing Advice Office) and FHTB (Forces Help to Buy) scheme provide help and information. (MoD guidance)
23. One single point of contact and support	This is being created by the 2017 Gateway project. The Confederation of Services Charities (Cobseo), meanwhile, is encouraging greater collaboration between its members. (Source: Lord Ashcroft's second follow-up report, Nov, 2016)
24. Mapping the Services charity landscape	Work in progress. There remains some confusion over where the MoD's responsibility ends and charities' begins. (MoD guidance)
25. Broader KPIs	Little evidence that softer measures are always used to judge the success of outcomes. (CTP guidance)
26. Improve research and monitoring	Significant increases in post-transition sample sizes and better data collection have been introduced with the re-let CTP contract. However, systems to monitor the 'performance' of the Services and units in providing an effective development culture remain underdeveloped. (ONS; MoD guidance)

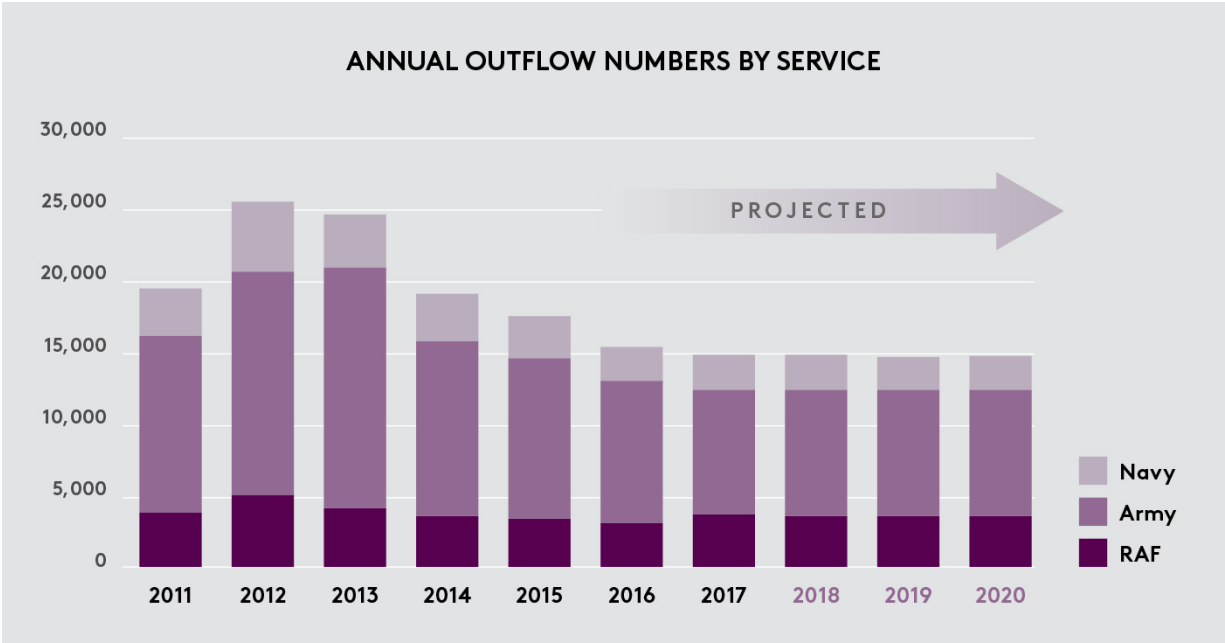
Chapter 2: Measuring Transition

2.1 Outflows from the Armed Forces

The Armed Forces are a big employer: the full-time trained strength is roughly equivalent to the workforce of one of the UK's largest private employers, the Royal Mail, at around 139,000 people. The Services, though, very rarely provide a 'job for life'. Transition to civilian employment at some stage is inevitable for almost everyone who joins.

The number of people leaving per year, then, is significant. In 2016-2017, it was 16,545, just over one-tenth of the strength[12]. (The rate of outflow from the *trained* strength is slightly lower, at around 9%.) Outflow has been higher in recent years, following a series of redundancy programmes under the 2010 Strategic Defence and Security Review. Outflows peaked at 23,520 in 2012, and are projected to stabilise at around 14,500 per year in 2020. This represents around two per cent of the total number of people entering the labour market each year.

Figure 2.1: Outflows by Service



Source: MoD/ Kantar Futures analysis. Outflow totals rebased by calendar year.

[12] Ministry of Defence (2017). *Career Transition Partnership annual statistics: UK Regular Service Personnel Employment*. Office for National Statistics.

Most leavers are from the Army (nearly two thirds), with the remainder split more or less evenly between the Royal Navy and the Royal Air Force. Around 10% are female.[13] Around 14% are officers.

Just over a quarter (27%) are discharged because they fail to complete their basic training.[14] Rates of medical discharge vary by Service but, as might be expected, are highest in the Army, at nearly 20 people per 1,000 in 2015/16.[15]

The peak points for leaving the Services are in the early to mid-20s, when those who have joined from school leave after completing a minimum period of service, and the early 40s, when those with 22 years of service qualify for a full pension.

In general, outcomes are linked to age and, as a rule of thumb, the younger the leaver, the greater the risks of a difficult transition. Those leaving early will be in a weaker position in the labour market. Around half of Army recruits have literacy and numeracy skills below the level expected of 11-year olds, and improving their employability through training and education, and gaining additional qualifications in Service, takes time.

2.2 Availability and take-up of support

Following the re-letting of the Career Transition Partnership contract in 2015, the provision supplied by the CTP now includes all leavers, although the scope of the support packages varies with length of service, and registration with the CTP remains voluntary.

The CTP now runs four 'pathways' for leavers. These can be summarised as:

- Personnel with at least six years' service receive support through an enhanced service — the Core Resettlement Programme (CRP) (formerly the Full Resettlement Programme).
- Personnel with between four and five years' service receive support through the Employment Support Programme (ESP).
- Personnel with less than four years' service (ESLs) receive support through CTP Future Horizons (FH), and this programme also covers those who leave for disciplinary reasons or are deemed at risk, regardless of the number of years of service.
- The CTP Assist programme works with wounded, injured and sick personnel leaving the military, providing specialist employment consultants to deliver a career service to them and helping to reduce their barriers to employment. (This programme is out of scope of this research.)

[13] Oddly, the ONS report does not include an overall breakdown of leavers in 2016-17 by gender or ethnic group. It does note, however, that "90% of Service leavers in 2015/16 were male" and since this reflects the overall gender split of the Services, there is little reason to believe that it has changed substantially year on year.

[14] MoD, Defence Personnel Statistics, 2017.

[15] MoD, Annual Medical Discharges in the UK Regular Armed Forces, 1 April 2011–31 March 2016.

The CTP promises those who have served for six years or more 'the most comprehensive assistance', including individual career advice, CTP training courses, trial attachments and external training, and post-discharge support for up to two years.

ESLs receive more limited support, but, as noted in the previous chapter, their inclusion in the CTP programme represents a significant improvement in provision under the CTP contract, which was re-let in 2015. Those who register for the CTP Future Horizons programme can also get job-seeking help from the charity the Regular Forces Employment Association (RFEA) for the rest of their working lives.

The CTP has innovated some of its processes to incorporate the Future Horizons programme. ESLs generally have around 24 hours notice before they leave, and the research suggests that they will engage with a transition programme only if they become aware of it and register during that 24-hour departure window. The CTP runs short workshop sessions 'inside the wire' to reach these ESLs, delivered by people with a background in youth and community work rather than former military personnel.

Registration with the CTP is voluntary for all leavers, and around 12% of leavers chose not to register in 2015/16.

Compulsory registration would improve the quality of the data, but it should not improve the quality of transition. The CTP notes that an important part of transition is the move from a relatively controlled environment to one in which individuals have to take far greater responsibility for their choices. The choice of whether or not to register therefore becomes emblematic of this important psychological element of transition. It is also possible that some leavers do not register precisely because they do not wish to be tracked after leaving the Services.

The CTP also identifies the risk that compulsory registration would lead to reluctant participation in CTP courses, which would likely reduce the quality of experience for those who wish to be there.

Relatively little is known about those who do not register with the CTP. It seems possible that they will include people who do not plan to work, or who know they are going on to training or education, or already have civilian work lined up (for example, in a family business). Anecdotally, female leavers are also less likely to register. The reasons for this are not known — precisely because non-registrants are 'invisible' to the CTP. In summary, non-registrants are a group that needs to be better understood.

Similarly, little is known about people who register but do not go on to use 'billable' CTP services. In 2015-16, according to MoD/ONS statistics, these accounted for around 16%, or one in six, of registrants.[16] Researching this group would be relatively straightforward since, having registered, they are known to the CTP.

[16] MoD, *Career Transition Partnership annual statistics*, 2017.

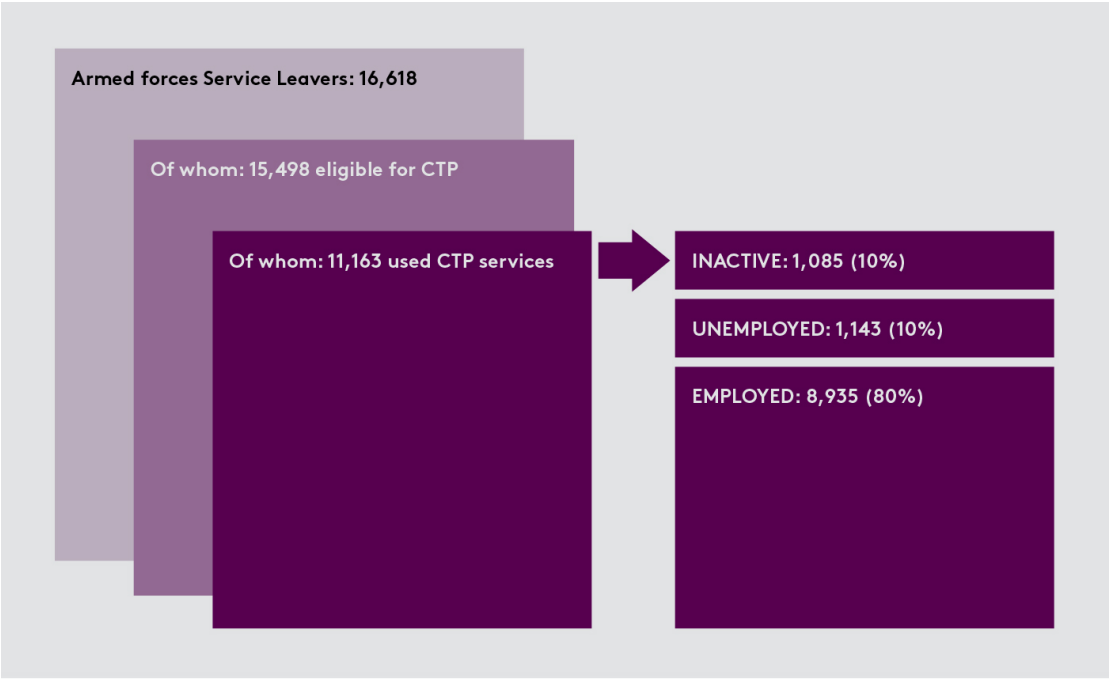
RECOMMENDATION: Research those who do not register for CTP support, to establish their reasons for not registering, or the circumstances in which they have not registered.

RECOMMENDATION: Research those who register but do not use billable CTP services to establish the reasons for not taking up these services.

2.3 Outcomes

Figure 2.2 summarises overall outflows in 2015-16. It should be noted that the data, published by the Ministry of Defence, is an extrapolation from those who register to all Service leavers, so represents estimated, not actual, outflows.

Figure 2.2: Services outflows, 1st April 2015-31st March 2016



Source: MoD/CTP (2017), adapted by Kantar Futures.
Note: "Inactive" refers to "economically inactive".

Of the 16,618 leaving the Services, around 67% used CTP Services. This figure is likely to increase next year as a small group were not eligible in the first half of the year. Of those that used CTP services, 80% were in employment at six months, 10% were unemployed (i.e., looking for work), and 10% were economically inactive. This last figure includes people doing unpaid work in the home and those who have gone on to training and education

The breakdown by CTP programme in 2015-16 was as follows: 76% went through the Core Resettlement Programme (CRP); 12% through the Employment Support Programme (ESP); and

13% through the Future Horizons programme. Of the third group, 9% were ESLs and 4% had served more than four years but had left for disciplinary reasons or were deemed unfit for Service.

The Future Horizons figure understates likely future take-up of the Future Horizons programme. Data on the FH programme was collected only in the last six months of the year (from October 2015 to March 2016.)

A second significant change was made to data collection in 2015-16: *all* Service leavers who used the CTP (rather than the previous 20%) were contacted. Allowing for non-respondents, this meant that the overall sample size used to estimate employment outcomes increased dramatically, from 18% to 81%.

The effect of these two changes, of increasing the sample size and the incorporating the FH cohort, was to reduce employment success at six months from 85% in the first half of the year, broadly comparable with previous years, to 79% in the last six months. The view of the Ministry of Defence statisticians is that most of "the decrease was likely to be due to the improvement in methodology". According to MoD analysis, inclusion of Service leavers who used the Future Horizons programme resulted in the employment outcome estimate declining by one percentage point.

Of those not in employment, the numbers split broadly evenly between those who are unemployed and those who are 'economically inactive' (i.e. not in work and not seeking work.) The economically inactive are discussed later in this chapter.

While the 79% figure for employment is higher than that for the UK population as a whole (74%), the universe of Service leavers is not comparable with the UK population. This works both ways. On the one hand, 90% of Service leavers were male, compared with 49% of the UK population, and men are more likely to be employed than women. On the other, a population of Service leavers that is re-entering the UK civilian labour market is also being contrasted with a population that has been in that labour market for longer, which would be expected to depress employment outcomes among Service leavers.

The merit of this larger sample size is that we now have very reliable data on employment outcomes after six months among Service leavers. This can be summarised as follows:

- Army leavers (78% employed) are less likely to be in work than Navy or RAF leavers (both 83%). This is likely to be a reflection of the educational profile of those joining the different arms of the Services, rather than a reflection of the Army's Transition process compared to the other Services.

- Women (69% employed) are less likely to be in work than men (81%).

- There is almost no difference between outcomes for Officers (80% employed) and Other ranks (79%).

- Ethnicity makes a difference. White leavers (81% employed) do better than UK black, Asian and minority ethnic (BAME) leavers (73%).

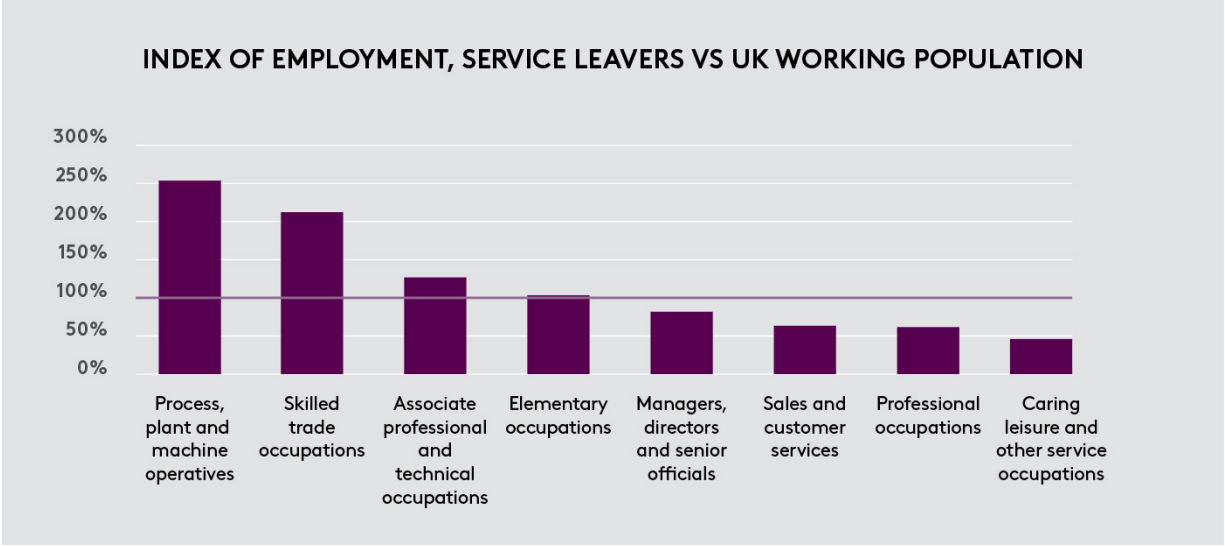
It is also worth noting that age at exit and length of service (which are relatively strongly correlated) have only modest effects on employment outcomes. 50+ leavers are less likely to be in employment, but they are also twice as likely than average to be economically inactive. Younger leavers (under 25) and over 50s were also more likely than others to be unemployed. Similarly, on length of service, those who have served for four years or less are more likely to be unemployed than other leavers.

Finally, ESLs are less likely to be employed (74%) than those who have gone through the CRP or ESP programmes (both 81%). This may reflect the circumstances in which they leave the Services, it may be because the FH programme is relatively new, and it is still establishing what works most effectively, but it is also the case that a proportion of ESLs leaving the Armed Forces go directly into further or higher education, where these figures would classify them as being economically inactive.

The data also identifies the areas of work that Service leavers who are employed are in after six months, and compares them to the employed population as a whole. While comparisons should be treated with more than a little caution, since leavers often move on quickly from their initial post-transition roles, it can be seen that in some types of work, leavers over-index, notably in the categories of Skilled trades, Associate professional and technical occupations, and Process, plant and machine operatives.

Similarly, they under-index in the labour-market categories of Caring, leisure and other service occupations, Professional occupations, Sales and customer services, and Managers, directors and senior officials. Under-representation in the first is likely to be because of the gender split of leavers.

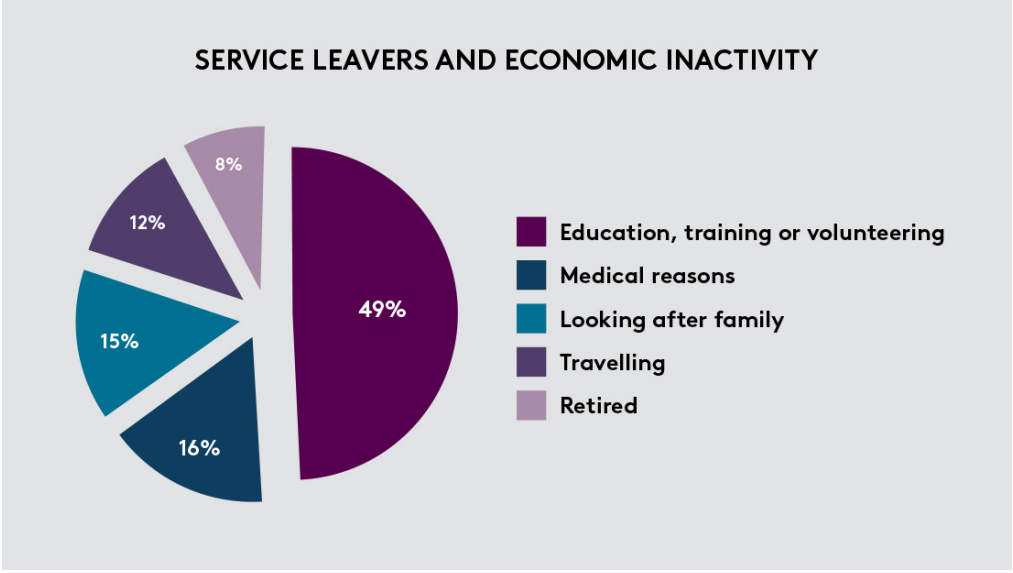
Figure 2.3: Ex-Service employment compared with the UK workforce



Source, MoD/CTP (2017), Kantar Futures analysis. Where the index score is above 100%, Service leavers are over-represented relative to the working population as a whole.

Finally, it is also worth reviewing the data on the 'economically inactive', who, in 2015/16 represented 10% of leavers who used CTP services. Of this group: 37% were in education, training or volunteering; 12% were inactive for medical reasons (and likely to have been medically discharged); 11% were looking after family; 9% were travelling abroad; and 6% were retired. The remaining quarter gave no reason, or did not provide enough information to be categorised.

Figure 2.4: Service leavers and economic inactivity



Source: MoD/CTP (2017). Rebased to exclude 'Others'

Many of these outcomes are as would be expected: female leavers are more likely to care for families, over-50s leavers are more likely to retire, and so on. Nonetheless, further qualitative research about their choices, and the circumstances that sit behind them, would be valuable. To take one example: given the training and education opportunities that exist within the Services, both during a career and during transition, it would be valuable to know whether the group that is in training is using the credits they get under the Further Education / Higher Education (FEHE) or Enhanced Learning Credits (ELC) programmes, or are pursuing other learning routes. Equally, it is unclear whether female leavers who take on a domestic caring role and over-50s who retire do so willingly, or grudgingly in response to poor employment prospects. At present, we simply do not know enough qualitatively about the nature of economic inactivity among ex-Service personnel.

RECOMMENDATION: Research economically inactive leavers to establish the extent to which economic inactivity is a positive choice, and the possible circumstances in which it is not.

Learning from elsewhere

The improvements in the sample sizes for the outcomes for British leavers are to be welcomed, but there are other outcome measures that are worth considering. A recent Canadian study looked at work satisfaction a year after transition. It found that rank was the biggest determinant of satisfaction: officers had satisfaction levels of 89%, NCOs 73% and privates and recruits 52%. Analysis of the factors that were associated with work satisfaction found that it came down to satisfaction with finances. The researchers concluded that this was a proxy for the quality of the work, including job security, the demands of the work compared to pay, and so on. One unexpected finding: satisfaction with work after transition was not influenced by whether the leaver was earning more or less than they had in the military.

2.4 The Transition Costs Model

As in TMS13, the modelling work has been conducted as a separate workstream. Its purpose is to attempt to quantify the direct costs of poor transition; not just unsuccessful transition into work, but other negative outcomes such as illness or family breakdown.

The reason for the focus on poor transition is to inform policy makers and service providers as to where investment would improve results. While (for example) good mental health is priceless for the individual, society makes decisions about the trade-offs on the costs and benefits of such things in almost all areas of public policy.

It is also the case that there are other models that could inform policy makers. A contributor to the Arkenford review of TMS13 suggested that it would be useful to value the benefits of successful transitions to the wider economy, in the spirit of the Deloitte report, *Veterans Work*[17]. At the same time, there is evidence of *underemployment* among Service leavers. The Royal British Legion report *Deployment to Employment* argues that the number of leavers who work in jobs that do not make use of their skills and experience is disproportionately high. Were this true, the costs to the economy would be significant. However, there are multiple issues with this claim. Data is poor and the scale of underemployment difficult to calculate (not just for Service leavers, but for the population as a whole). Further, some underemployment is a matter of personal choice, for wellbeing, lifestyle, or family reasons.

For reasons of comparability, the structure of the model, which is explained in the next section, follows that of the model constructed for TMS13. It has also been subject to an extensive review, and some changes are proposed and quantified later in the chapter.

[17] Arkenford (2017). 2013 Transition Mapping Study: Evaluation report. Forces in Mind Trust.

The three components of a model[18]

The model is a tool to increase understanding rather than a statistical analysis. It conforms to Harvard professor Geoff Coyle's three-point description of models:

- It has a purpose, expressed as a question or questions, which it is designed to answer
- It is a simplification of reality
- It makes assumptions about what needs to be included and what needs to be excluded

Much of the data that informs the model is of the highest quality. For example, the Ministry of Defence has detailed information on the numbers and types of leavers each year, and also makes planning-based projections. But social data, especially on costs of social problems, is far less precise and far more open to interpretation. Where datasets are incomplete or contradictory, we have made judgments on the most appropriate measures to use.

As with the initial 2013 version of the model, we:

1. have made the most conservative assumptions on costs in line with the best available data;

2. have measured only direct costs to government or the third sector, or revenues directly foregone;

3. have not included direct costs borne by Service leavers or their families;

4. have not 'imputed' costs, for example, by assigning a financial value to loss of welfare, e.g. through the impact of depression or family break-up. (Many models do include such elements; however, they are contestable);

5. have restricted the cost impact of transition to a maximum of four years of leaving the Services.

6. have not attempted to make assumptions about the causes of transition and assign them. The model is outcome-based.

There are also two important caveats.

The first is that **we believe the model represents the minimum cost of poor transition.** This is because the assumptions are conservative, and because, as stated above, they represent only direct costs to the state and the third sector, along with direct revenues foregone.

The second is that **the model output is not a scorecard.** It does not indicate how well or badly Service institutions are doing in terms of transition. The single variable with the largest impact on

[18] Coyle, Geoff (2004). *Practical Strategy*. Harlow. FT/Prentice Hall.

the overall total is the number of Service leavers in any given year; the available evidence suggests that the outcomes generally change slowly over time.

In the 2017 model, for example, unemployment has fallen among Service leavers, which also reflects trends in the wider economy. This reduces the costs of transition. At the same time, more leavers are reporting mental health problems, most likely because it has become more socially and culturally acceptable to do so. (In that sense, you could say the transition environment has become more honest.) This change reflects well, not badly, on Service institutions and their transition partners.

The projections in the 2013 model included a period in which there were significant planned Service redundancies. This is not true for projections in the updated version. Service strength in 2020 is expected to be broadly similar to 2016 levels. This means that the costs of transition are broadly similar each year over the period covered by the model.

There is an additional benefit from this. The 2013 study was given confidential access to projected redundancy figures, to ensure that the model conformed to anticipated future outflows. For this reason, it was not possible to release all data used for the 2013 model to other researchers. For the current model, we have taken actual outflows, and published data for a 2020 projection, and made an assumption about likely outflow figures in the intervening years on this basis[19]. The present model, therefore, has no data restrictions imposed on it. While our assumed outflows may vary slightly from the projections being used by the Ministry of Defence, the difference is unlikely to be material.

2.4 Understanding the model

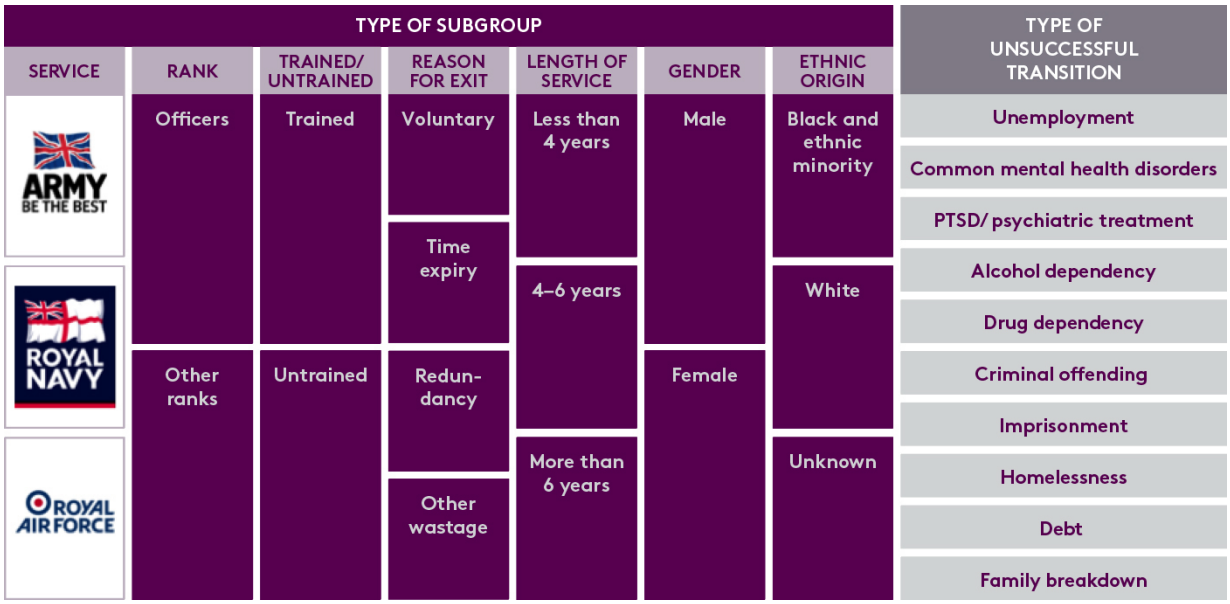
The Costs of Transition Model is built on decision-based analysis. It seeks to simplify the issues and costs arising from poor transition by breaking them down into component parts. It is designed to develop our understanding of transition, by allowing us to approximate and size contributing factors, in order that critical areas can be prioritised. It also helps us to identify areas of weakness in our understanding. It is not a statistical analysis; the model does not seek to establish statistical relationships or causation.

This approach was adopted when the initial version of the model was created in 2013 because of the limited availability of robust, consistent and comparative data, and because of our incomplete understanding of both transition and poor transition. In our view, a statistical analysis of costs of transition also requires stable definitions of good and poor transition that are broadly agreed in the Service leavers' community and among researchers. A wider definition of good transition based on well-being would, for example, imply a different set of statistical relationships for modelling purposes from a narrower definition based on employment or adequacy of income.

[19] A Freedom of Information request for the projected outflow data in the intervening years was declined by the Ministry of Defence, on the grounds that it was "exempt under Section 35(1)(a) of the FOIA as it relates to the formulation and development of government policy".

The model incorporates outflows of Service leavers by Service and rank, the proportion of these Service leavers with different types of unsuccessful outcome, and the average costs of each unsuccessful outcome. (See Figure 2.5, below, which is a schematic showing the building blocks of the model.) The model was run from 2012 (to test it against the base year), then for years 2013-2016 to map actual out-turns against projected out-turns. Variances are largely the result of different numbers of actual leavers as against projected numbers. Projections have then been made to 2020, on the basis of the projected outflow data.

Figure 2.5: The building blocks of the model



Source: Transition Mapping Study 2013

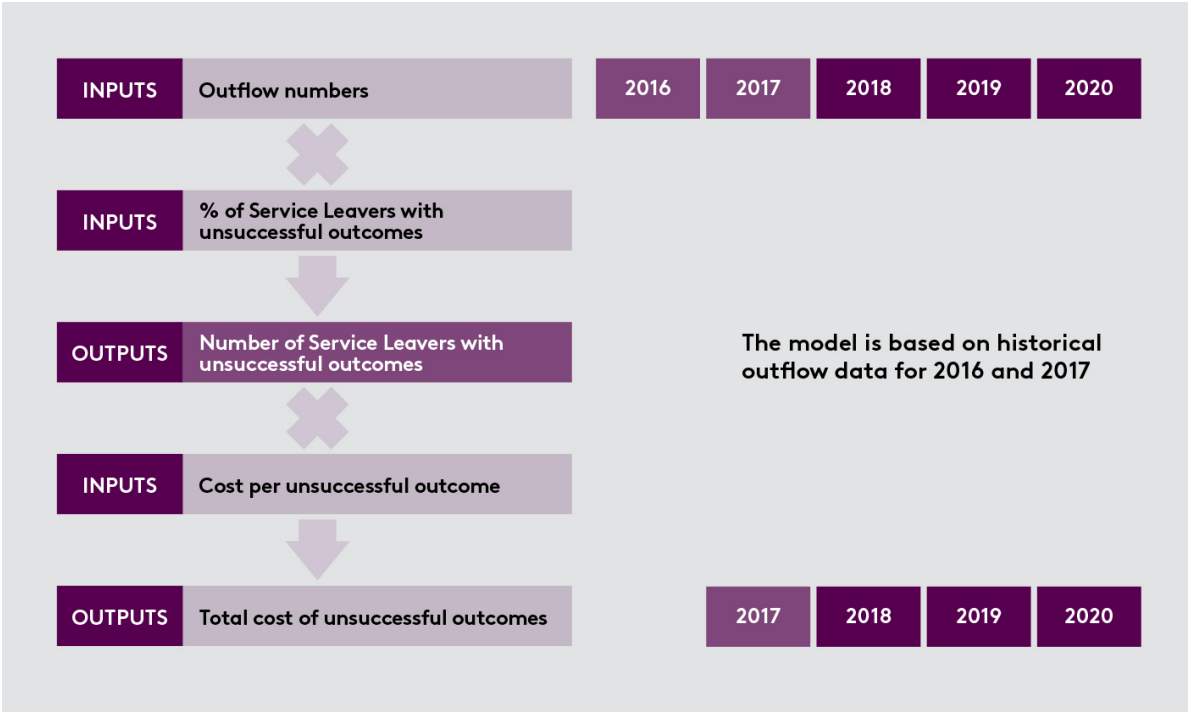
The model also includes 10 types of unsuccessful transitions. These are:

- Unemployment
- Mental health/ common mental health disorders
- Mental health/ PTSD/ psychiatric treatment
- Alcohol dependency (harmful drinking)
- Drug dependency
- Criminal offending
- Imprisonment
- Homelessness
- Debt
- Family breakdown

Some of these are inter-related, but because of the way data on each of them is collected, and because research accounts of *how* they are inter-connected are complex and in some cases contested, each of the variables is costed separately. In other words, the model is counting and costing transition incidents, not individual transitions. In practice, this is likely to be a further

way in which the model is conservative about the costs of poor transition: individuals who are at risk for multiple reasons (e.g. criminal offending *plus* homelessness *plus* alcohol dependency) are likely to need more from the support services, and for longer.

Figure 2.6: Calculating transition costs



Source: Transition Mapping Study 2013/ Transition Mapping Study 2017

As in TMS13, and as stated above, costs are defined as direct monetary costs to the relevant government departments or other agencies in dealing with each type of unsuccessful transition. They include, but are not limited to, benefit payments, costs of treatment, costs of civil and criminal justice, foregone tax receipts (such as lost income tax and National Insurance contributions due to unemployment), estimates of lost productivity resulting from alcohol, drugs and mental health problems, and costs of advice for debt issues. Costs are calculated on an annual basis, and, where these can be identified, include carry-over or lagged effects that extend beyond the year in which the former member of the Armed Forces left.

Revising and updating a model after a gap of four years is not merely a matter of data entry, or simply a technical process. There is new data to be incorporated, of course, but there is also new research to be evaluated, and this can raise questions about some of the underlying relationships in the model. A model needs to reflect reality even as it simplifies it, and when underlying relationships change, then elements in the underlying logic of the model also need to be altered.

The process of reviewing and updating the TMS13 model suggested that the initial model had underestimated some of the lagged effects of the costs of poor transition. These are the assumptions about how long an issue arising from poor transition will persist for, and therefore whether costs will be incurred over time. In reviewing the model assumptions we have made

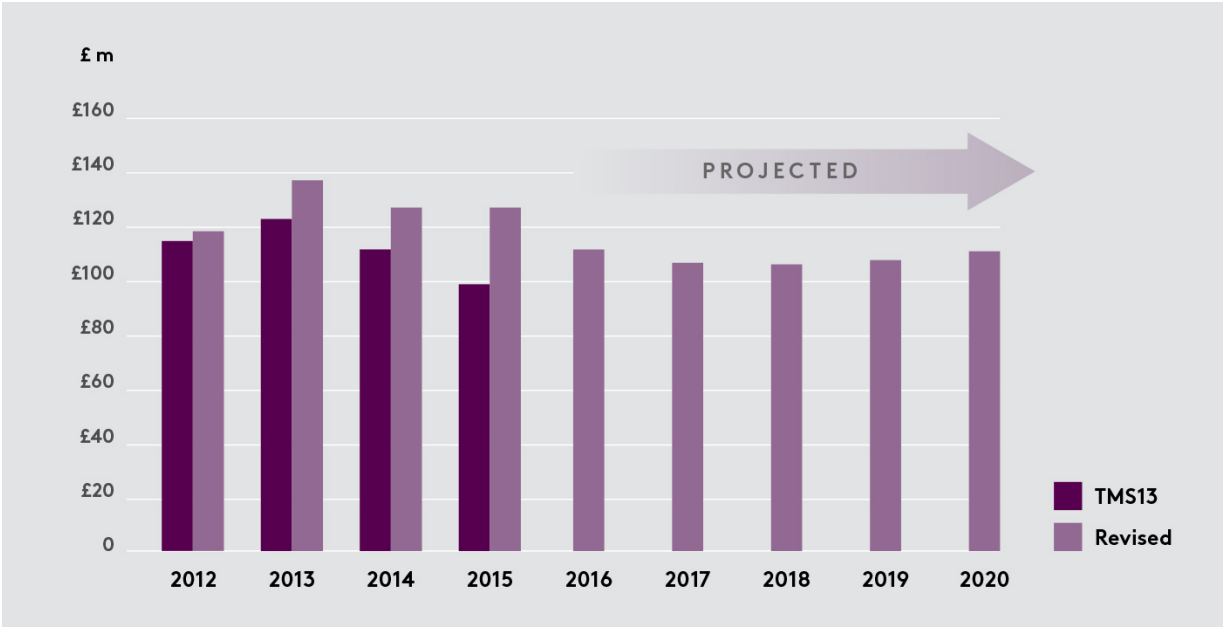
significant changes to the lagged effects associated with several types of transition outcomes, including family breakdown, homelessness and drug misuse. The lagged effects of family breakdown are particularly significant as they reflect the long-run cost to society.

2.5 The overall cost of poor transition

In TMS13, the estimated total cost of poor transitions from the Services in 2012 was £113.8m (rounded to the nearest £100,000). This was projected to decline to £98m by 2015, based on the then projected outflow figures. The revised edition of the model suggests that on the basis of new analysis, the costs of poor transition in 2012 would have been £117.2m, and that on the basis of actual outcomes this would have declined to around £110.9m by 2016. The main cause of the changes in costs from year to year is the size of Service outflows.

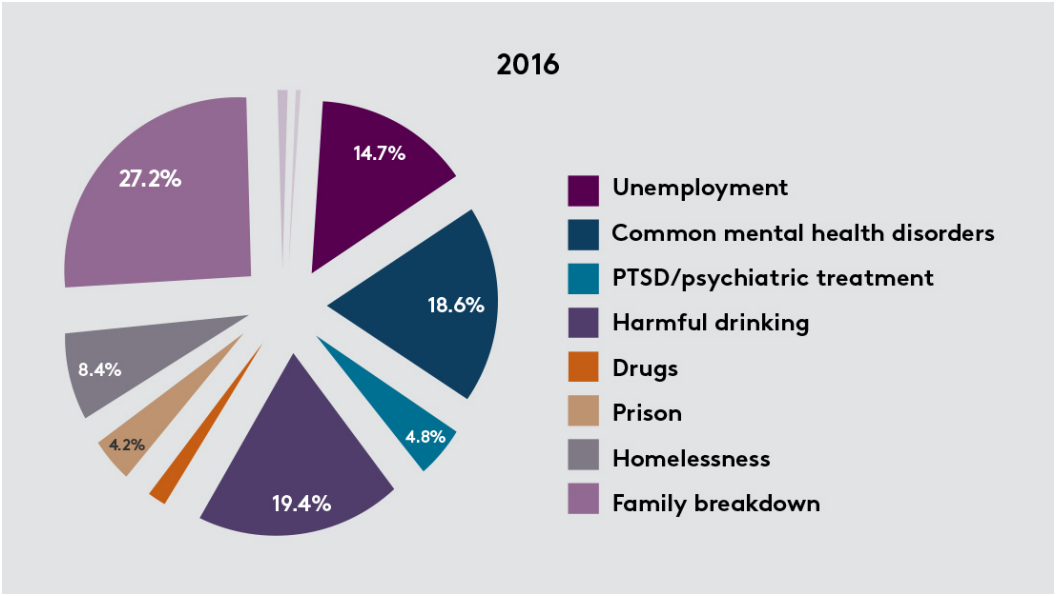
Projecting the model forwards to 2020, the costs of poor transition range from £105.3m in 2017 to £110.0m a year in 2020, again largely driven by Service outflows.

Figure 2.7: The costs of poor transition



Source: Transition costs model, 2013 and 2017

Figure 2.8: The elements of poor transition



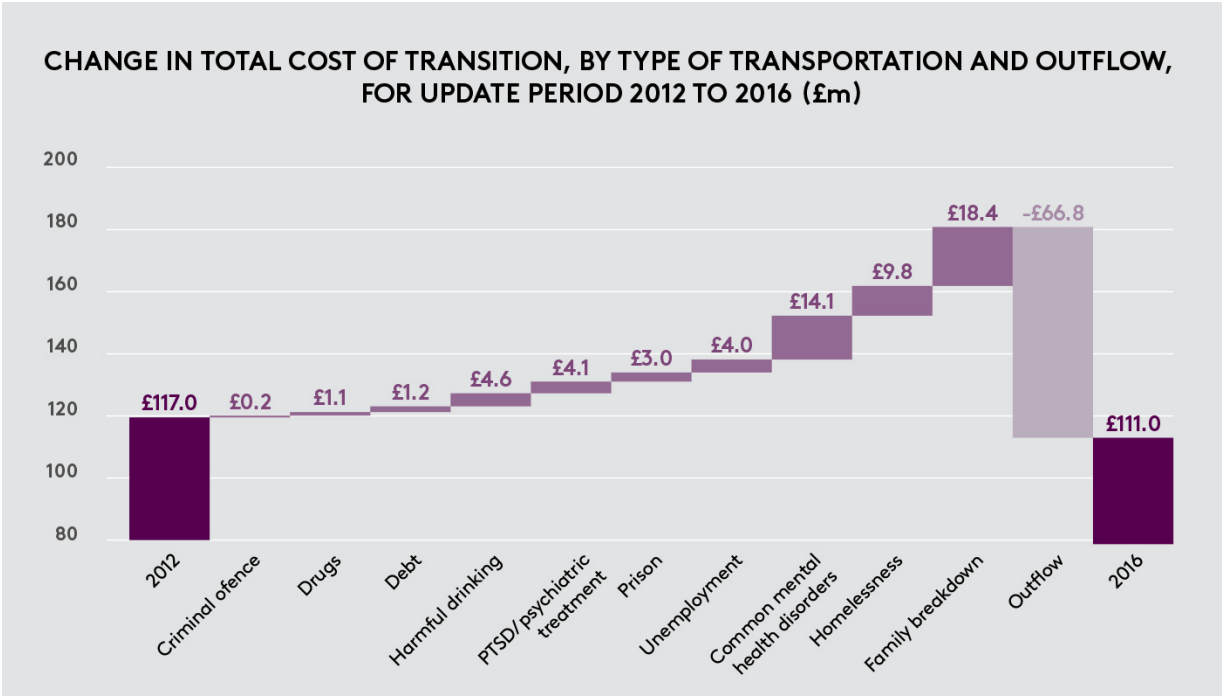
Source: Transition costs model, 2017

According to the model, family breakdown is the largest element of poor transition costs, at 27.2% of the total in 2016. Harmful drinking is second, at 19.4%, followed by common mental health disorders, at 18.6%. Unemployment accounts for 14.7% of the costs, and homelessness for 8.4%. Of the rest, PTSD accounts for 4.8% and imprisonment for 4.2%.

2.6 Changes as a result of the review of the model

Given the revisions to the model, and the slightly higher projections of poor transition costs, it is worth exploring in a little more detail the elements of poor transition, the related data and analysis that has informed this 2017 version of the model, and the way in which this is expected to change over the next four years.

Figure 2.9: Change by elements of poor transition over the update period

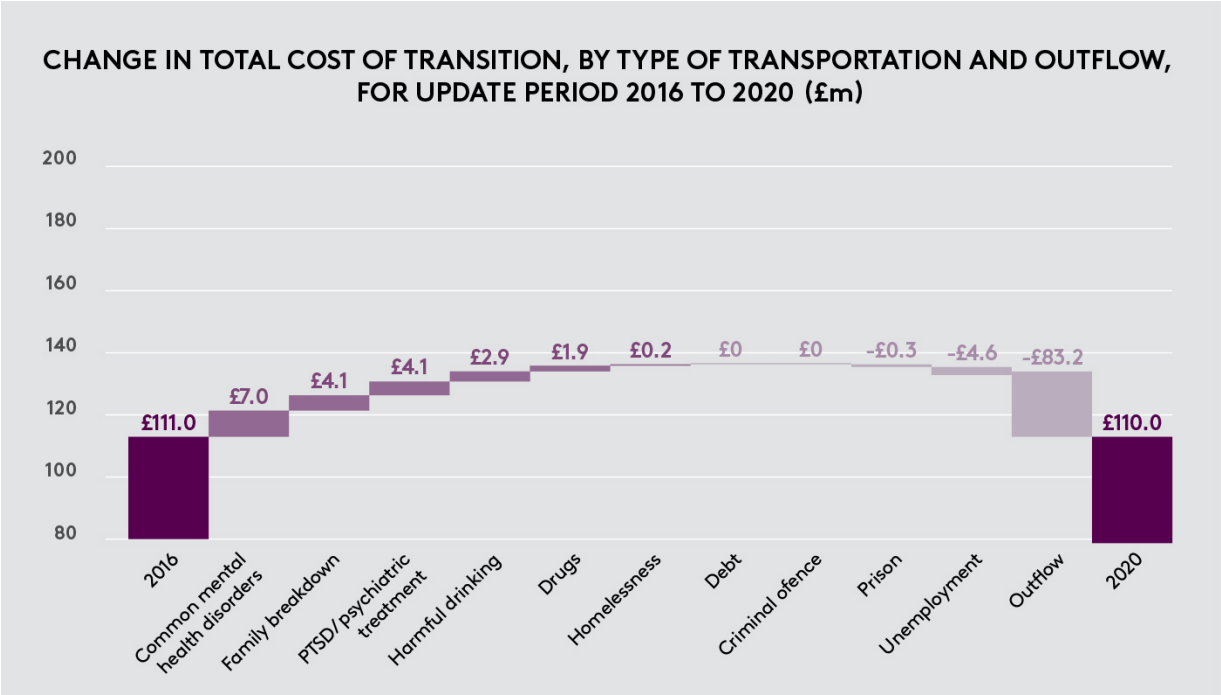


Source: Transition costs model, 2017

The above figure breaks down the overall change in the total cost of poor transitions over the update period (2012 to 2016) by transition type and by outflow. Overall, estimates of total costs of poor transition fell by £6m from £117m in 2012 to £111m in 2016. This fall is driven by lower outflow numbers. Changes in costs due to outflow are calculated as a residual by holding outflow constant at 2012 levels, and allowing all other variables (% of service leavers facing each transition outcome, and costs associated with each type of transition) to vary over time.

The 2017 update shows how greater percentages of Service leavers experiencing poor transition and/or higher costs associated with each poor outcome have led to increases in total costs over the update period, 2012 to 2016. The greatest increases are associated with family breakdown, homelessness and common mental health disorders (CMHD). Had outflow remained at 2012 levels, the total costs of poor transition outcomes would have increased over the update period from £117m to approximately £178m.

Figure 2.10 below shows change in total costs of transition over the forecast period 2016 to 2020, by transition type and outflow.



Source: Transition costs model, 2017

The total cost of poor transition is expected to remain stable over the forecast period at around £110m per year. Lower levels of outflow as well as further falls in Service leaver unemployment are expected to counteract rising costs associated with problematic transition outcomes such as alcohol dependency/harmful drinking, CMHD, family breakdown, PTSD, and drug misuse. A breakdown of the costs follows.

2.6.1 Alcohol

TMS13 identified alcohol abuse as the single biggest contributor to total transition costs. The estimate for poor transitions related to alcohol was more than £34m, accounting for 31% of the total estimated cost. In this update, costs associated with alcohol fall to £21m in 2016 and to £22m by 2020. Alcohol-related costs of poor transition also fall as a proportion of the costs of overall poor transition (from 31% in 2012 to 19% in 2015 and 2020). This change reflects increases in the costs of other types of transition problems, but is mainly driven by the reduction in outflows. The model assumes that both the cost of an alcohol-related poor outcome and the proportion of leavers experiencing such a transition remain relatively stable across the update and forecast periods. Figures 2.9 and 2.10 show that while the *share* of costs due to alcohol remain high, the *change* in alcohol-related costs is *relatively* small.

2.6.2 Common mental health disorders

By 2020, costs arising from CMHD are expected to overtake the costs of alcohol–related problems. The TMS13 model found that they were approximately £21m (the second largest area of cost after alcohol). The 2017 update shows that they have remained steady over the update period (2012 to 2016) but are expected to rise over the forecast period to £23.1m. Figure 2.10 shows that costs related to CMHD are the biggest area of growth in overall costs to 2020. This is because more leavers are likely to seek and receive treatment for anxiety and depression as these kinds of problems becomes less taboo.

2.6.3 PTSD

Similarly, total costs arising from PTSD are assumed to increase over the forecast period by more than a third, reflecting higher numbers of Service leavers seeking and receiving treatment for PTSD-related problems. The total cost of PTSD in 2020 is around a third of the cost of common mental health disorders, at £7.3m or 6.7% of the total.

2.6.4 Unemployment

CTP evidence shows reductions in the unemployment rate among Service leavers, and the 2017 model reflects this trend. By 2020, unemployment is forecast to represent £11.3m in poor transition costs, or 10.3% of the total, and Figure 2.10 shows how, over the forecast period, falling unemployment costs help to reduce the overall total cost of poor transition. It should be noted, however, that we have made the important assumption that any labour-market effects relating to Brexit, either positive or negative, will not be seen until after 2020.

2.6.5 Family breakdown

As stated earlier, one of the changes to the model was the addition of lags in the calculation of the costs of family breakdown. The research indicated that the model previously under-estimated the persistence of these costs. As a result, family breakdown has grown, both in real terms and as a share of the total costs of poor transition. By 2020, the model projects it will account for 26% of the total cost (£28.6m), more than any other item.

Family breakdown contributed the largest increase in costs over the update period 2012 to 2016, and the second largest over the forecast period 2016 to 2020.

2.6.6 Other areas of the model

Looking at the other items in the model, some have shown increases since 2013, and are projected to grow further, but all have smaller costs associated with poor transition.

Of these, **homelessness** is the largest area of costs. The costs associated with this grow to £9.5m, or 8.7% of the total. It has shown a growth in the update period, from £6.1m in 2012 to £9.3m. This reflects the relatively large increases in homelessness generally, rather than particular Service-related data. There are two caveats, though. The first is that the homeless charity, Crisis, believes that the population-level figures understate the extent of homelessness. Secondly, young men are generally over-represented among both the homeless and the population of Service leavers, and therefore the data for the UK as a whole may understate the impact of homelessness among Service leavers.

The cost of poor transition attributed to **drug use** has risen from £1.8m in 2012 to £3m in 2020. This is significant growth, although it remains small relative to overall costs, at just 2.7% of the 2020 total. The estimate reflects increased numbers of Service personnel failing drugs tests, increased prevalence of drug use in the wider population, and more recent research (from the Centre for Policy Studies) suggesting the costs of treatment were understated in the 2013 model.

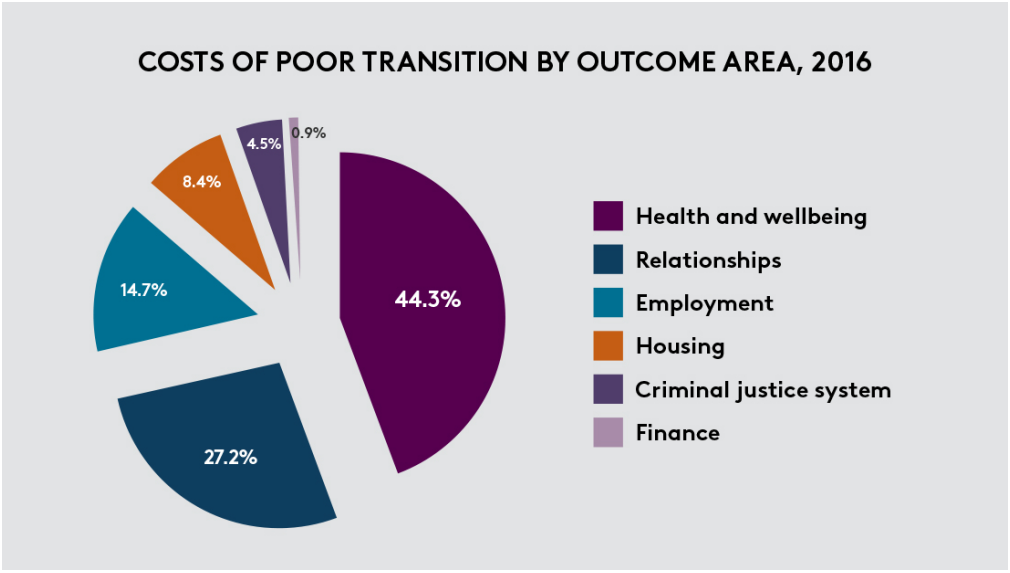
The costs of **debt** are projected to represent £0.96m, or 0.87% of poor transition costs by 2020. This estimate incorporates estimates from the Royal British Legion's 2014 household survey of former Service personnel in the UK, and National Audit Office data on the costs of debt advice. Because debt issues tend to be resolved quickly, there is no lag assumed.

Finally, the costs associated with **prison** and **criminal offences** are broadly stable over the period, taken overall. Prison costs are projected to be £3.7m in 2020 (3.4% of the total) and the cost of criminal offences is £0.33m, or 0.3% of the total. These figures may surprise people who are used to reading that the prison population includes high numbers of former Servicemen. Such data takes a lifetime view of Service leavers, and includes periods when the Armed Forces were significantly larger than they are now and transition support for many was more limited. The model, in contrast, takes a three year view of costs relating to leavers and prison.

2.7 Transition costs and the FiMT operating model

The Forces in Mind Trust has an operating model that focusses on six areas of transition outcomes. These are: employment; health & wellbeing; relationships; housing; finance; and the criminal justice system. The 10 categories that are included in the overall transition costs model can be grouped straightforwardly under these six headings. This allows us to assign a cost to each.

Figure 2.11: Transition Costs by Outcome



Source: Transition Mapping Study 2017

In summary, health represents the biggest share of costs here, with 44.3% of the total and relationships the second biggest, with 27.2%. These two areas combined therefore account for more than 70% of poor transition costs. Employment is 14.7%, and housing 8.4%, with criminal justice systems costs running at 4.5% of the total, and finance (which relates to debt issues) at 0.9%. It should be noted that the overall impact of debt may be under-estimated: debt can be a cause of both homelessness and family breakdown if it gets out of control.

2.8 A proposed development of the model

The 2013 model allowed for an element of cost for unemployed people claiming housing benefit, but did not impute a housing benefit figure for leavers on incomes at or below the housing benefit threshold. There were several reasons for this, including difficulties in sourcing recent data for Service leavers claiming housing benefit. This gap has now been filled by the Royal British Legion's household survey, the MoD's 2015 survey of UK Armed Forces veterans residing in the UK, and by work from the Department for Communities and Local Government (DCLG). The Royal British Legion found that 9% of the ex-Service community claim housing benefit, and 16% live in social housing. The MoD found that there was "no significant difference in accommodation tenure between the veteran population and the non-veteran population". The DCLG's 2013-14 English housing survey estimated that the proportion of Service leavers claiming housing benefit or living in social housing was 21%.

While the overall housing support budget is planned to fall, it is currently one of the most substantial areas of social spending by the government, and this will not change significantly by 2020. To the extent that lower wages may represent a poorer transition, and that leavers entitled to housing support represent a new claim on social spending budgets, it seems reasonable to propose that these figures should be included in a full reckoning of transition costs. A version of the model, therefore, has been created with this amendment. This increases the 2020 costs to £122.0m.

PART 2: THE FUTURE

Chapter 3: The world of work

3.1 A changing world

The world of civilian work has evolved significantly over recent decades. Some of these changes have accelerated since the financial crisis of 2008. For Service leavers who have served for a decade or more, the civilian world of work that they find themselves joining, or re-joining, may be very different from the way they imagine it. For those leaving after a shorter period, especially younger and less-skilled leavers, the labour market of 2017 can be an unforgiving place, with flat wages, less security, and employers who are willing to let workers shoulder a disproportionate share of economic risk.

The changes in the labour market are a combination of long-run shifts in values, technology and demographics, and both longer and shorter-term changes in economics. These have created a so-called 'recomposition of the workforce', and this has had significant effects on the structure of work, and therefore on the nature of the opportunities available to Service leavers.

Values

Shifts in values and family structures have led to a large increase in the proportion of women in the workforce. The level of participation by women in the workforce has reached record levels. Nearly 70% of women of working age (16 to 64) in the UK now have jobs, and just over 79% of men. To put these figures in perspective, the equivalent figures in 1971 were 53% and 92%. Roughly half (47%) of members of today's workforce are female,[20] although women are under-represented in senior executive roles, and still tend to earn less than men. Workplace cultures and styles of work have been changed by this gender shift.

The working hours of men and women are changing. There are increasing numbers of women in full-time jobs, while men are working fewer hours. Although women are still more likely to work part-time than full-time, the number of part-time male workers is projected to increase by 20% by 2024 — nearly three times the projected growth in part-time female workers, according to government research.[21] This forecast reflects the growing number of men prioritising family life and asking to work flexibly (a new right for workers under legislation introduced in 2014).[22] It would be a mistake, though, to assume that part-time working is always a personal choice. There has also been a growth in the so-called 'gig economy', and casualised jobs and self-employment are sometimes the only options for many people.

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[20] Office for National Statistics, Labour Force Survey.

[21] Ibid.

[22] Alexandra Topping, 'Half of fathers want less stressful jobs to help more with child-rearing', *The Guardian*, 16 January, 2017.

Technology

Information and communications technologies have made workplaces more fluid and more flexible, with less hierarchy, and a greater emphasis on project-based teams and outcome-based workplace measures. They have also raised expectations about speed of response, to colleagues and to customers, and of the volume of information workers are expected to process. This has created 'always on' workplaces, even out of hours, although there are signs that this may have peaked. At the same time, it has also increased the ability of employers to monitor, measure and direct some types of workers, such as delivery drivers and warehouse pickers and packers.

Demographics

Demographic shifts, notably an ageing population, have created workplaces of multiple generations, and have changed patterns of retirement, so that people are more likely to work for longer. Employers need to ensure that older workers, who are more likely to have health problems, remain productive. Solutions include re-designing jobs and reducing numbers of hours worked (so-called phased retirement), which will further increase the number of part-time and flexible workers.

Economics

There has been a long-run economic shift to a knowledge and service economy, away from manufacturing, and a shorter-run shift towards more casualised work and increased self-employment, which are among the reasons why median real wages in the UK remain (as of end 2016) below their level at the time of the 2008 financial crisis. The employment rate is currently high (a record 74.6% in the three months to the end of February 2017), but much of this growth has come from low-paid and low-skilled jobs.

An estimated 460,000 people work regularly for the same company but are classified as self-employed, with minimal entitlement to job security and benefits. The legal rights of such workers were upheld in a case against Uber in 2016[23], but the number of zero hours contracts is increasing, for example in sectors such as security, a traditional route out of the Services. (A zero hours contract is an employment contract under which a worker is on call to work when an employer needs them; the employer is not required to offer any work; and the worker is not required to accept work when it is offered.)[24]

[23] O' Connor, Sarah, Croft, Jane, and Murgia, Madhumita. (2016, October 28). 'Uber drivers win UK legal battle for workers' rights'. *Financial Times*. Retrieved, 28th February 2017.

[24] Gov.UK, "Contract types and employer responsibilities". https://www.gov.uk/contract-types-and-employer-responsibilities/overview. Retrieved 4 April 2017.

Outsourcing contracts also mean that employees may have only an indirect relationship with their place of work, especially in some areas of low-wage service work.

The different factors outlined above have combined in a variety of ways to 'reconfigure' the economy and the nature and pattern of working lives. One feature of the labour market of the 2010s is its shape: an hourglass. Many administrative and supervisory jobs in the middle of the economy, once the bedrock of the middle-classes, have been squeezed out, while the number of managerial, technical and knowledge jobs at the top and service jobs (for example, in social care) at the bottom have increased. To put it another way, there has been a 'hollowing out'.

One of the unexpected features of this economy, identified in a report by The Futures Company published by the Association for Finnish Work, is that much of the high-value work, across sectors and industries, is connected to human qualities.[25] This is seen in the service sector, where retailers that invest in staff and focus on customer engagement have prospered more than others, in innovation-led sectors, which depend on creating new values by re-combining elements and processes in new ways, and in the rise of niche producers (for example, in the food and drink sectors) that advocate health and quality and promote 'hand-crafted' brands.

3.2 Management and leadership models

The same factors that have re-shaped labour markets have also re-shaped the way organisations are led and managed, right through to the way they are structured. Organisations are generally flatter and less formal than they used to be. Flexible working means there might be no set pattern to the working week or day; agile working means there might not be a set work-station or personal space. Teams might assemble for the duration of a project, then disperse, and the role of project manager might rotate. The chain of command might be unclear, and there might be few official job titles and little in the way of hierarchy. The continued commercial success of flatter organisations such as W. L. Gore, inventor of Gore-Tex, means that rigid organisational structures are less in fashion.

Organisations — in both the manufacturing and services sectors — are increasingly led in different ways, and with different styles of leadership. The concept of 'servant leadership', developed by Robert K. Greenleaf in the 1970s, has been revived in newer models emphasising followers and their needs, together with more participative approaches. Terms such as 'authentic leadership', 'respectful leadership', 'reflective leadership', and 'collective leadership' now feature regularly in management writing. The term 'emotional intelligence', coined in 1990 by Peter Salovey and John Mayer, and popularised by Daniel Goleman, has become part of the language. It is used to describe leadership qualities such as self-awareness and social skill.

In many organisations today, power is more devolved and more decentralised. Social sciences research, dating back to Kurt Lewin in the 1940s, has helped convince people that 'followers' are more likely to implement decisions if they are involved in making them, and writers such as Daniel H. Pink and Barry Schwartz have stressed the importance of autonomy and sense of purpose at work.

[25] The Futures Company. (2015). *The High Value Work Agenda*. Helsinki: Association for Finnish Work.

It would be a mistake, however, to assume that such softer approaches are universal, or that the theories of management writers have filtered into all employers. The concept of devolved power, as noted earlier, means little to workers at the bottom end of the 'hourglass economy,' who are subject to tight control from their bosses, or to staff in the financial services industry under constant pressure to meet unrealistic sales targets by up-selling and cross-selling products and services. Some businesses have adopted a culture of 'rank and yank', whereby those who rate most poorly on critical employee performance metrics are regularly removed from the business, which tends to create cultures of blame and mistrust.

Even where the progressive models appear to have been embraced, it might not necessarily be to the benefit of employees. Participative management can be confused with passive leadership, and work direction and downward communication can be poor. This can be frustrating for those used to clarity, structure and efficiency. Just as importantly, it can be alienating. Denied the camaraderie of Service life, the leaver might find there is very little in the way of (both practical and emotional) support at work.

> ***"The biggest cultural shock is that it takes about six times longer to get something done in the civilian world than it did in the Army. It's just very simple in the Army, this needs doing, just go and do it... I just couldn't get anything done. I did struggle with that"***
> — former Army corporal in the intelligence corps, 29

> ***"With the rank structure, it's a given people will do what you say. In civilian street, it's a little bit more fluid. You have to be mindful of how you say things a lot more than you do in the Army, and it's a very different type of management from the military"***
> — former sergeant in the Royal Engineers, 32

3.3. A coming world of 'general skills'?

It is beyond the scope of this report to assess the possible impact on the economy and the workforce of further technological innovation, notably in artificial intelligence and robotics, and in any case the impact of such changes, if they occur, are likely at least a decade or more away. But it is worth noting here that prognoses range from the grimly pessimistic to the utopian.[26]

However it turns out, jobs will be created in the 'second machine age' as well as eroded. Demand is likely to increase for jobs involving skilled technical capabilities, abstract knowledge and complex problem-solving, and also for soft skills. The UK Commission for Employment and Skills points to shortages of chefs, metal-working production and maintenance fitters and vehicle

[26] Curry, A (2015). "The Future of Work". Future Agenda. http://www.futureagenda.org/view/initial_perspective/the-future-of-work. Retrieved 23 March 2017.

technicians, mechanics and electricians — all roles in the Armed Forces.[27] The growth and scale of the services sector increases the need for what is known as 'emotional labour', involving the ability to interact with people, understand their needs, spoken and unstated, and develop relationships with them. More broadly, there is also increasing demand for abstract skills such as strategic thinking, problem-solving and team leadership, according to the HR consultants Willis Towers Watson.[28]

How does this translate back into Service transition? Qualitative research on employers by Futures 4 Forces for FiMT, undertaken in 2013 and published in 2015, found that there was growing demand for Service leavers in the public sector and in industries such as IT, communications, oil and gas, and retail and its supply chain, but that pathways to employment and employers from the Services were not always unclear.[29]

More substantial research from the management consultancy Deloitte, which is involved in transition both as an employer and through a development programme it runs, found that in this service- and knowledge-oriented labour market, employers looked for "general purpose skills and abilities such as writing and speaking, leadership and teamwork, social perceptiveness, flexibility and the ability to work in fast-paced changing environments, judgment and decision-making under pressure, 'grit' and resilience, curiosity, critical thinking and logical reasoning".[30] While this is a long list, it corresponds broadly to the range of skills that the Ministry of Defence also seeks in its people. Indeed, Deloitte noted "an apparent paradox: the skills considered to be most important for workers now and in the future are not actually technical in nature".

One conclusion, which we will explore further in Chapter 4, is that while Service leavers are encouraged to focus on vocational and technical skills, and these may be most valuable in getting though the door initially, they are only part of the story. In an economy that is increasingly driven by knowledge and service, the skills that may be most useful in the medium-to-longer term are the soft skills that are hardest to convey in CVs and application forms, together with intangible attributes such as sense of purpose and values.

> ***"It's very much about shifting the narrative from the emphasis being just on the Service leaver and those organisations around them to the corporate world"***
> — UK employer running a military transition and talent programme

[27] UK Commission for Employment and Skills, 'Employer Skills Survey 2015: UK Results', 2016.

[28] Willis Tower Watson, '21st Century leader: What makes an effective leader in the 21st century and what skill set is required of the next-generation workforce', January 2014.

[29] Futures 4 Forces (2015). "UK employers' perceptions on the employment and employability of ex-Service personnel." Forces in Mind Trust.

[30] Deloitte. (2016). Veterans Work. London.

Chapter 4: The personal journey

4.1 Joining the labour market

Transition is inevitable for all Service personnel, as is clear from Chapter 2. The vast majority of leavers are of working age. Some are in the fortunate position of not needing to work (because they have a tax-free lump sum and a pension, and working spouses/partners), but most have no choice but to enter the job market, and for a significant number of these leavers the initial employment prospects are uncertain. The route to the right kind of work is often uneven.

MoD data, consistent with research undertaken for TMS13, and with the 2016 Deloitte report, finds that certain demographic factors can predict poorer transition outcomes, for example, "being black, or in an ethnic minority or being female". This reflects labour market outcomes as a whole.

In some cases, the disadvantages can multiply. As Lord Ashcroft's second follow-up report to the *Veterans' Transition Review* (November 2016), notes, public perceptions persist that people who serve in the Armed Forces will inevitably be damaged (physically, mentally or both) by their careers. These prejudices go beyond the stereotype of the ex-Serviceman or woman as 'sad, bad, or mad'. A number of leavers interviewed for the second follow-up report said potential employers expected them to be unimaginative, unable to use initiative, to be uncollaborative, and to have a tendency to shout.

The experience of transition, however, goes beyond demographics and labour markets. It also has important emotional aspects. It is a transition *to* the civilian world, but it is also a transition *out* of a military world. One way to think of it is as a loss, of personal security, of sense of self, of friendship and community.

In UK research by C. R. Stack, Service leavers "revealed a strong identification with, and a sense of belonging to the military, often referred to as 'the family'. They experienced leaving as loss of a pathway or personal identity, "illustrating that the transition from military to civilian life can be viewed as a shift in sense of self from soldier to citizen."[31] This was also clear from our interviews with those who had made the transition.

> ***"If something goes wrong in the Army, you still have an income and will be cared for … It's like a security blanket. I feel more naked now"***
> — former sergeant, 35

[31] Stack, C. R., 'How is psychological therapy experienced by ex UK Armed Forces members? An exploration through personal narrative of cross-cultural encounters', Middlesex University and Metanoia Institute, 2013.

"I had an initial sense of loss as the Army is part of your personality and who you are … It's life-defining and makes you what you are … It's more than work; it's your friendships and extended family"
— former officer, 38

One of our interviewees expanded on this point. Issues of identity and sense of purpose, he observed, were central to the process of adjustment. Those experiencing poor transition often had "major challenges in being able to figure out who they are as a civilian".

The idea of identity was also central to FiMT's 2014 *Back to Civvy Street* report, which highlights the cultural gap between what is expected of a good Serviceman or woman and what is expected of a good employee in the modern workplace.[32] It notes the centrality of the idea of comradeship to military life, and its relative absence in the civilian sphere.

Loss of sense of purpose is potentially a big problem, for leavers of all ranks, and seems also to contribute to poorer transition. One of our interviewees, a 26-year-old former flight operations assistant, now working as a delivery-van driver, told us he missed the 'sense of being and importance' he had in the RAF: *"I was doing my bit for the country … but now I just feel like I work a lot of hours."*

Transition projects that bridge this sense of loss of both comradeship and purpose would seem to fulfil a valuable role. The rapid growth of Team Rubicon, which deploys ex-Service personnel in short-term disaster response projects, is discussed later in this chapter. For the moment, however, it is worth noting the way in which it combines a sense of purpose and camaraderie, while utilising operational skills, for relatively short periods of time.

"I just miss the lifestyle, the lads, and I could probably walk straight back into it tomorrow. I feel a little bit more out of place here than I did in the military … I don't feel as though I relate to people as much as I did in the military"
— former senior aircraftman, 29

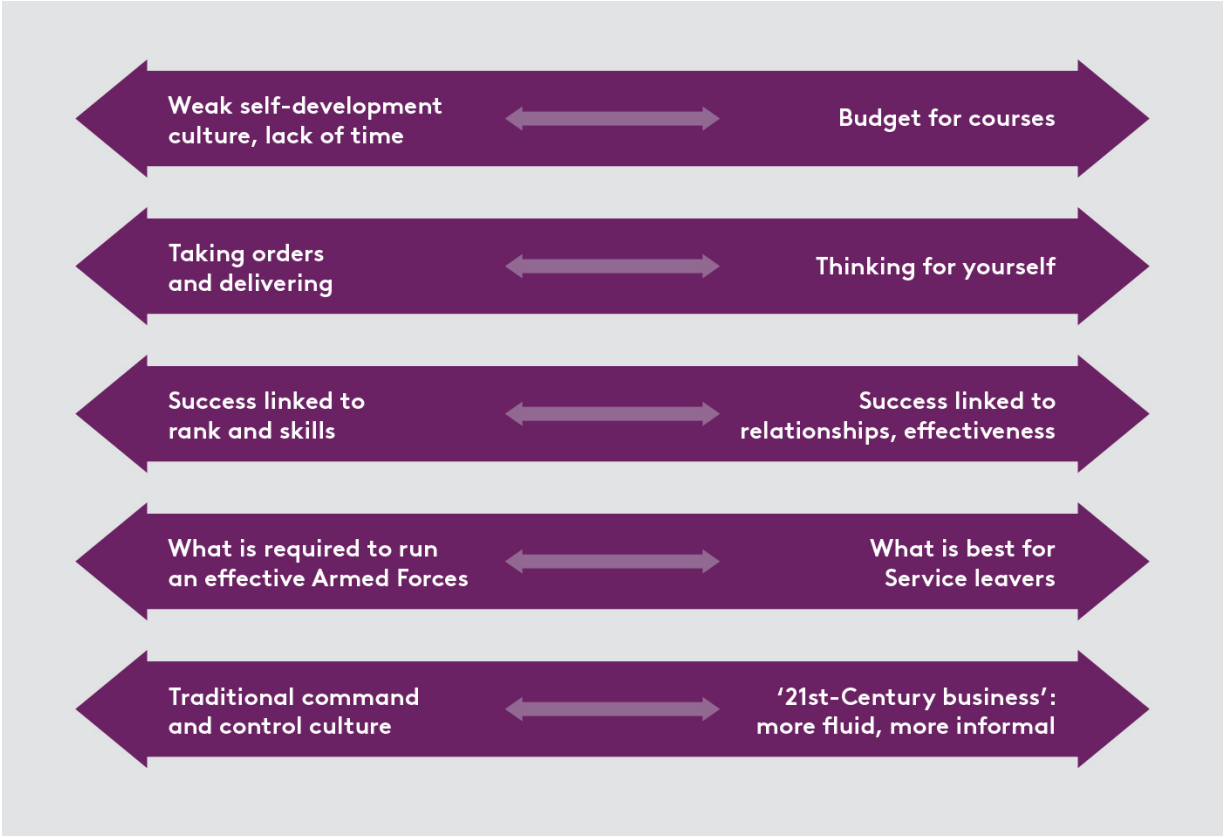
[32] *Back to Civvy Street* (2014). Forces in Mind Trust/St George's House.

4.2. Conflicts and contradictions

The process of transition is complicated by the noise around the process.

From our research, there are two elements to this. The first is the tension between the continuing operational demands of the Services, and the desire of serving personnel to serve, and requirements to make the time to manage an effective transition to the civilian world. The second is the myths and mixed messages that circulate 'inside the wire' about the transition process and the prospects for civilian work.

Figure 4.1: Pulling both ways; transition tensions



Source: Kantar Futures

Although transition is inevitable, and the Services encourage people to take responsibility for it, those who have decided to leave remain employed and have loyalties to the units and teams they have worked with. There are inevitable tensions, as they attempt to prepare for their post-Service life while also being pulled back towards the world they have been working in. These tensions, summarised in the Figure above, surfaced repeatedly in our depth interviews with former Servicemen and women.

These interviews suggest that tensions are compounded by a number of myths and mixed messages about civilian life, which have the effect of further clouding the transition process.

Myths and mixed messages originate both inside and outside the Armed Forces. They include:

1. The transition to work is easy — there are lots of opportunities; or, conversely, it is very hard

"There's a myth in the Forces amongst leavers that employers will love you and you'll walk into a job ... it's a sort of arrogance ... but it's not the case. And non-leavers will tell you there are no opportunities, but there are some if you know where to look"
— former able seaman, 26

"You hear lots of negative stories ... they scare you into staying in ... but it's easy ... I guess it depends on your career selection"
— former army staff sergeant, 41

2. Lots of support is available — or, conversely, very little

"The CTP was very good. I'd heard it was rubbish, but maybe it's down to the good team that I had in Portsmouth"
— former Navy officer, 47

3. Starting your own business should be a last resort

"I'm self employed, and it's not actually that terrifying. Demystify it and spread the good word about it, that it's achievable ... They certainly didn't encourage me to look at it, but if someone had said it's actually just doing what you're doing and instead of getting a pay cheque you have to put some invoices in ..."
— ex-Army officer, 44

4. There are lots of UK jobs in fields that are a close fit for the military — e.g., close protection

"I did a resettlement course in close protection but there were no jobs unless I went abroad"
– former Army corporal, 32

5. Training courses in IT always improve your employment prospects

"They made me do the EDCL course, but I've no idea what to do with it"
— former flight operations assistant, 26

6. The civilian world welcomes Service personnel and values their experience

"I'd always felt proud of being in the RAF and I felt it would open doors for me that it hasn't necessarily opened"
— former flight operations assistant, 26

In practice, the prospects tend to be better for those with easily recognisable qualifications, such as GCSEs and A levels, or those who've learned a trade during service, worked in support roles that have more exact civilian equivalents, or completed training that meets the specific needs of civilian employers, or fills skills gaps — for example, courses in broadband and fibre optics.

It is also the case that leavers have to be prepared for rejection. It can take multiple applications before you get an interview or a job — and for those who have never worked on 'civvy street'

before, this can come as a shock, expressed succinctly to us by a former Army officer, now in his mid-40s:

"The employment market is so competitive, you go for a job, there's 10, 20, 30 people, thousands of people applying. If you get to an interview, you know you're still one of 12, a second interview, if you get one, you're still one of six. Numbers, statistics are against you. All the resettlement in the world doesn't necessarily set you up for the repeated disappointment you'll have."

At senior level, leavers may be competing with candidates who come with a ready supply of contacts in the civilian world. As TMS13 stated, there is a need to manage expectations better prior to transition, and give a more balanced picture of how the jobs market works.

At the same time, more needs to be done to change the way civilian employers see ex-military personnel and to translate military skill sets for the world 'outside'. (Often, this translation needs to be simultaneous. The leaver might not know which of his or her skills speak loudest to employers; employers might not understand military skills.)

To some extent, the leaver's transition is framed by myths — both at the point they decide to leave and the point they enter the job market. More bridges need to be built between the military and civilian worlds to correct this.

4.3 Models of transition

For the Service leaver, transition connects their past with their future. Their 'journey' draws on their accumulated personal resources, but its direction is shaped by their aspirations. These aspirations, for those going into the world of work, are constrained by the realities of the labour market, and also shaped, usually for the better, by the steps taken to improve their own outcomes during transition.

There are still relatively few models of transition. Those that exist tend to focus either on the 'stocks' or the 'flows' of transition. Flows-based models look at the different states the individual passes through during the transition process. TMS13 effectively used a 'flow' model.

Another example of the second type is the Schlossberg model, used by the Forces in Mind Trust in a seminar that looked at the experience of transition in a range of settings. The Schlossberg model defines transition as "any event or non-event that results in changed relationships, routines, assumptions, and roles", and identifies three stages, 'moving in', 'moving through', and 'moving out'.

Figure 4.2: The Schlossberg model of transition

Source: 'Life Transitions: What can be learnt across sectors to better support individuals when they undergo a life transition?' Forces in Mind Trust/St George's House, 2017

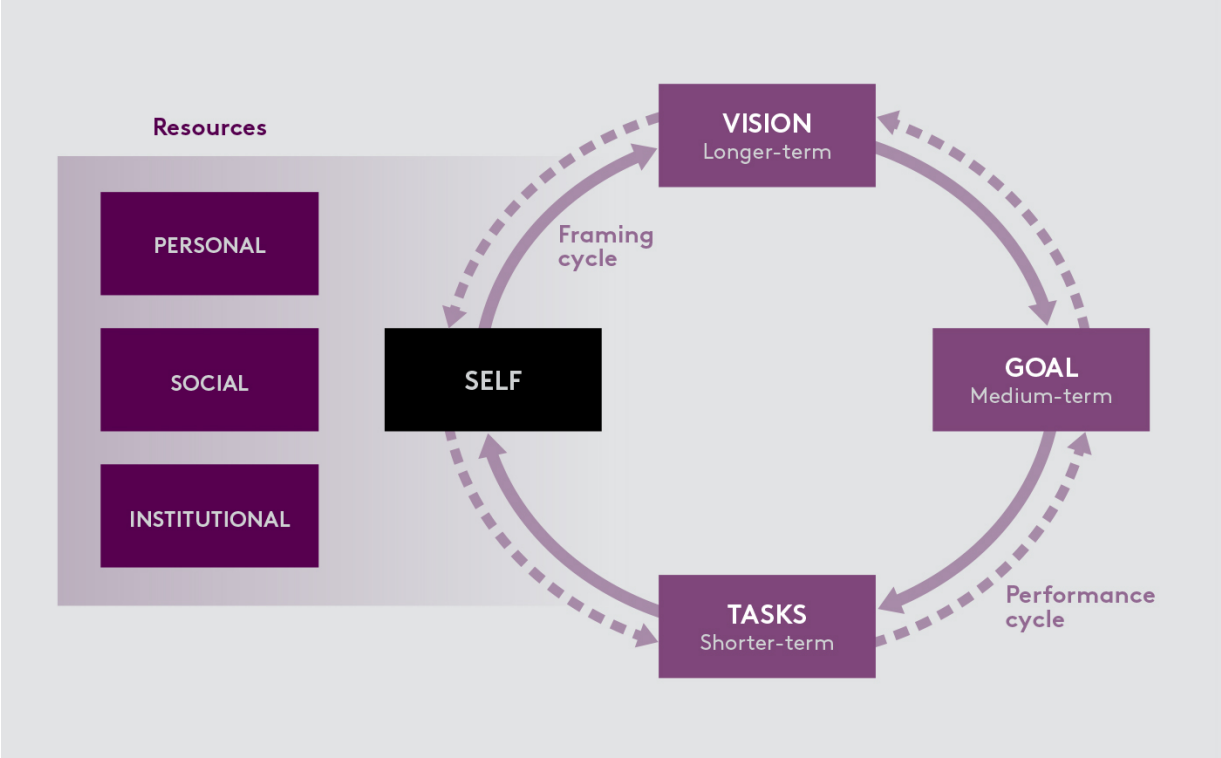
A different study, in contrast, looked at the resources that Service leavers draw on for transition, borrowing on the work of the influential French sociologist Pierre Bordieu.[33] This is a 'stocks' model that concentrates on the assets that the leaver has access to. Bordieu's model is built on three concepts: '*habitus'*, 'capital' and 'field'. *Habitus* can be understood as a system of unconscious habits or dispositions developed over time, capital as the social 'stock' (skills, knowledge, status, power) that 'legitimises' a social 'actor', and field as the social or cultural context in which *habitus* is embedded and capital 'accrued'.

The challenge for the Service leaver is that military 'capital' is not always easily transferable. Their existing assets can become devalued during the transition process. He or she might have to behave and think differently in order to become a 'competent social actor' in the world of civilian work. "The ... veteran in transition," the study tells us, "must acquire a new competence in the rules of civilian life if he or she is to enjoy a 'successful' transition."

In this report, we propose a model of transition based on both stocks and flows. It combines resources, aspirations and capability building. In contrast to typical transition models, which tend to be process-driven, it combines resources, aspirations and capability building. It is distinctive in that it includes the important psychological element of the vision of the future self. The most successful transitioners, from our research, appear to manage to hold in their heads a vision of their mid- to long-term future outside of the Services while also managing the formal and informal learning and development involved in the transition from Service life to civilian life.

[33] Cooper, L, Caddick N, Godier L, Cooper A, Fossey M. (2016) 'Transition from the Military into Civilian Life: An Exploration of Cultural Competence'.

Figure 4.3: The stocks and flows of transition



Source: Kantar Futures

Figure 4.3 captures this in a schematic form. It is explained more fully below, but, in summary, it portrays the leaver ('self') as having access to three types of resources: the personal, the institutional, and the social. Personal resources are those that the individual took into the Services: education, values, attitudes, formative experiences and so on. Social resources are constructed from relationships, and include both close personal relationships, such as family and spouses, and also social networks. These evolve over time, and include networks that develop during one's time in the Services. Institutional resources are the skills and capabilities acquired during a Service career, including softer skills as well as technical and professional qualifications.

Personal and social resources represent the starting point for transition. However, the successful transition also requires a future-facing view of the person, over the long term, the medium term, and the shorter term. This is the 'framing cycle' represented in the Figure 4.3, which involves a long-term vision of the future civilian self, a medium-term goal or goals that are staging posts along the way to the vision, which may evolve, and from that a sense of the tasks that are necessary in the short-term to make the goal attainable.[34] 'Tasks', here, should be understood as the work done during transition and beyond to prepare for the civilian world. This may include adapting expectations and updating skills, as well as writing or revising CVs.

But there is an important cycle that goes in the opposite direction as well. While the successful transition has a vision of what success looks like, it also assembles through performance the

[34] In developing this thinking we have adapted for a personal context the work of Hardin Tibbs on the idea of "the future as a psychological space." See Tibbs, Hardin (2000). "Making the Future Visible: Psychology, Scenarios, and Strategy". GBN.

elements needed to make it possible. This performance cycle involves identifying and completing the tasks needed to create a personal platform that is good enough to reach the goal. This might take the form of skills or experience, or other personal qualities. The transitioner then uses the goal as a step towards the vision. Successful transitioners manage to combine successfully both the psychological and practical aspects of transition, metaphorically linking their heart and their hands.

It will help to make this less abstract. At one end of the spectrum, in our research interviews, B left the Army with the vision of training as a medic. Given his background, with few academic qualifications from school, he used his time in the military to improve his academic profile (effectively using the Services' institutional resources to bolster his thinner personal resources). His goal, therefore, was to secure a place at medical school, which he succeeded in doing.

Successful transitions can also involve switching the vision after realising that the initial goal was the wrong goal, and going back to the tasks stage to reassemble a new collection of capabilities. S, who was successfully running his own gardening business, had initially been employed on leaving the Services as a middle-manager in an operational role in a health-sector business, before realising that he hated the work, even though his Service role and experience should have equipped him well for it. Taking a step back, and identifying the need for a different transition vision, is sometimes a necessary step.

The distinction between vision and goal also helps to tease out some of the criticisms made in the academic community of the CTP for focussing on short-run employment outcomes at six months. Transition specialists say, rightly, that the objective of transition should be broader than employment.

"More broadly, people are very aware of the fact that this is a far wider thing than just employment, it's just a shame that we're tied into this definition ... [In our research] we're coming at this from quality of life, and quality of life encompasses a whole range of factors. It could be housing, relationships, family. Employment is a metric within a broader span of social factors that you should look at when considering how successful transition is ...You could use a broader quality of life metric: 'How satisfied are you with your life?'"

This is a vision-based outcome. The CTP, on the other hand, is tasked with helping people into employment, which is a goal-based outcome, and helping people put in place the capabilities and skills to reach this goal. It is also measured on goal-based outcomes. In terms of the transition process, employment is an important building block for most Service leavers, even if their first jobs after leaving do not necessarily use their full range of skills and expertise. At the same time, the CTP is the first to acknowledge that the purpose of transition is not just about finding a job, even if employment is the basis of its performance measures.

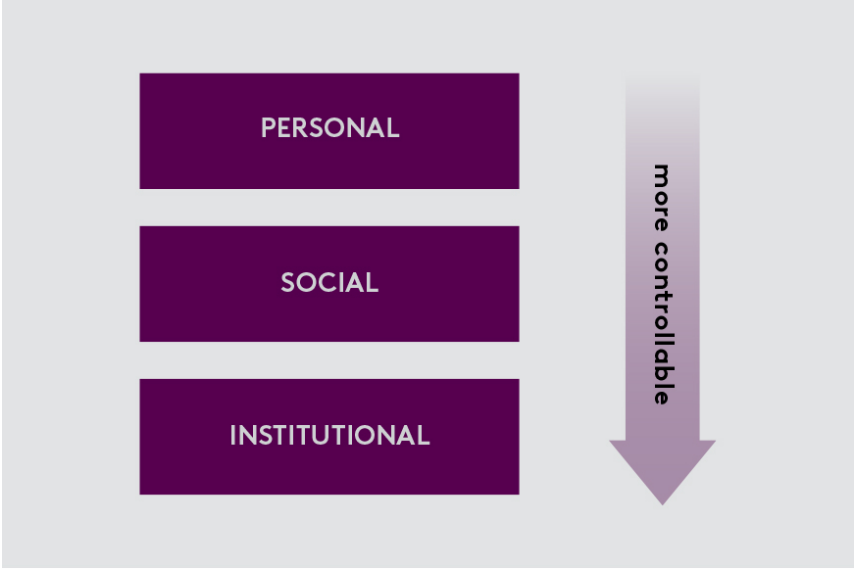
We will next review the resources that transitioners bring to the process, and potential gaps in these, before exploring the role of skills and skills transfer in transition.

RECOMMENDATION: Conduct qualitative research into life and work satisfaction among leavers over one to three years to understand its impact on successful transition.

4.4 Personal, social, and institutional

In this section, we will explore the nature of the personal, social and institutional resources that leavers bring to the transition process. The personal resources, as discussed above, are largely those that the individual has brought into the Services with them: educational qualifications, skills, social capital and so on. In human resources terms, they might be thought of as a form of human capital. Social resources are largely network-based, spanning domestic, social, professional and personal networks. Some of these are formed prior to joining; some evolve during the years of Service life. Institutional resources are those that are gained directly during one's Service career, through skills development, qualifications gained, and courses undertaken as part of transition.

Figure 4.4: The transition 'stocks'



Source: Kantar Futures

4.4.1 Personal resources

The personal resources element of the individual's 'stocks' can be thought of as comprising two elements: the first is formal qualifications and experience, prior to joining; the second is personal resources and attributes such as determination, confidence and the 'resilience' referred to in TMS13. They are, therefore, a mixture of the explicit and the tacit. These qualities influence outcomes in two ways: they can impress employers, partly because pre-Service qualifications and experience are easier for employers to understand; and secondly, they can make it easier for leavers to recover from setbacks in civilian life.

The question of whether personal attributes are innate or learned or both is beyond the scope of this report, but the leavers we interviewed believed that their personal attributes had been enhanced by their time in the Services. Many of our respondents said they believed they had

developed 'courage and determination' and a 'can-do' mentality in the Services, along with the ability to adapt to new situations and environments and think quickly.

When presented well, and understood correctly by employers, these qualities will be valued in the civilian workplace — and convince an employer of the value of a candidate who might not have experience in a particular industry or sector.

This was a point made by one of our expert interviewees, the managing director of a recruitment firm specialising in roles for officers and NCOs, who stressed the importance of 'compatibility' when candidates went for a job interview. He told us someone who was not a good fit in terms of knowledge might still succeed if it was felt they had the right *personality* for the post. Whether this applies to Servicemen and women of lower ranks is debatable, but all leavers who have completed basic training will likely have learned something in the Armed Forces they can use in job applications and in answers to questions about how they have coped in challenging circumstances. Much depends on the ability to translate relevant experience on CVs and applications ahead of the interview.

This ability may be necessary to reverse prejudices. There is a negative side to leavers' resources. The perception, referenced earlier, that former Service personnel will be unimaginative, unable to use initiative, and uncollaborative, suggests that some employers regard personal attributes as being diminished during a Service career.

4.4.2 Social attributes

As outlined above, the social attributes represent, broadly speaking, the leaver's networks, ranging from family networks to their broader social networks. Some of these exist prior to joining the Services, some evolve over the life of one's Service career. Their structure has clear effects on transition. For example, in TMS13 the two different typologies of Service families (the 'Proxy Transitioners' and 'the Civvy Street hosts') had different effects on the way in which a Service leaver transitioned. Similarly, in our research for this report, the leavers who had ended up with the most choice about their post-Service life had working spouses who were willing to give them time to identify what they wanted to do post-transition.

Different networks have different value as well. For example, in a world in which knowledge and services businesses make up a large proportion of the economy, networks are important in helping individuals contribute value to a company. For the leaver, this has potential costs as well as benefits. The managing director of a specialist ex-Service recruitment agency, a former officer, put it to us like this:

"When the guy is saying, 'I earned £60,000 in the military, so I want at least £65,000 in civilian life', I say, 'Look, you had 20 years' experience and have been paid £60,000, what makes you think you're worth £65,000 when you don't have the network [of contacts on the outside]?'"

An effective network can be the best way into appropriate work. In our research, we came across several examples of technically expert fields where elements of the recruitment process involved plugging into networks that bridged the Services world and the civilian world. A former naval officer was now working for an MoD contractor staffed mainly by former submariners; a former

warrant officer, who had found transition easy, was working for an aerospace company he described as a bit like "a military camp". Similarly, the Futures 4 Forces/FiMT research published in 2015 notes that: "The ex-military network remains a preferred informal method for Service leavers, and many will approach companies with specialist teams run by former Service personnel."[35]

Again, in our research, the NHS Service-leavers recruitment project, Step Into Health, which is the subject of a case study later in this report, found that its ex-Service recruits self-organised into a network to provide mutual support and share their experiences of working within the NHS. Members of this network have become some of the best advocates of the NHS to other Service leavers. Networks also have a commercial value. They need to be developed outside of the military, and sometimes this takes time.

But networks that are purely military or ex-Service can also get in the way of a good transition. As outlined earlier, they can be the source of myths and mixed messages about recruitment and employment that are unhelpful in transition, and they can lead leavers into considering areas of employment such as close protection or security that may be a good fit with Service experience and skills, but may not be the best choice for the individual.

Networks that exist outside of the military were disproportionately helpful in transition. Respondents who had worked for civilian employers prior to their Service career found transition easier, partly because they still had contacts from this period of their lives. And networks can be built. One interviewee underlined to us the importance of developing contacts that can provide informed advice about transition.

In contrast, of course, family members, spouses or partners, and friends are often immediately available and sympathetic. They can be a good source of practical, as well as psychological and emotional, support. One interviewee now working in the cyber-security industry mentioned the help he got from his mother who also works in IT; another, a former officer, transitioned to a leadership role at a business run by his wife's family; a third, with the support of his well-paid wife, started a part-time freelance career; the ESL in our sample had "strong family support" and initially got a labouring job with his girlfriend's dad.

Others (mainly from more senior ranks) spoke about using their friends to critique their CVs and for advice about interviews, etc. For some in the mid to higher ranks it seemed civilian friends were more valuable than the CTP, in terms of support and advice.

It is important to note, though, that social support systems cannot be taken for granted, and that they can come under strain when transition does not go well. One interviewee told us he thought his family was getting fed up with him because his job made him so miserable. In a poor transition, as one's personal resilience frays, the social networks have to take more strain, if they can. In the worst-case scenarios, such a transition might lead to the collapse of someone's support structure and this, in turn, might limit their prospects further.[36]

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[35] Futures 4 Forces (2015). "UK employers' perceptions on the employment and employability of ex-Service personnel." Forces in Mind Trust.

[36] FiMT is commissioning research into resilience in the context of Transition.

4.4.3 Institutional attributes

Of the three types of attribute, the institutional attributes are those that are most under the control of Servicemen and Servicewomen. They can be thought of as the totality of the training and development they receive during their military career, and the courses they undertake during resettlement. The shrewd recruit starts developing these attributes early. If there is a mantra for transition, it is that it starts on the day you join the Services, both because it is inevitable for almost all personnel, and because you never know when you may leave (injury, for example, could curtail your Service career).

4.5 Qualifications, skills and experience

At the heart of these institutional attributes lie transferable qualifications and skills. In recent years, much has been done to map military qualifications to those of the National Qualifications Framework (NQF), and there has been a greater focus on compatibility since the first Transition Mapping Study was published in 2013. This was evident in our interviews both with experts and respondents. A former Army sergeant gave us a leaver's perspective on the benefits of increased alignment: *"The Force had a big drive on the National Qualifications Framework and mapping across ... I think that was the most crucial part, because that gets you that foot in the door for an interview. Without having the qualifications that back up the experience you might not even get through that filtering process. A lot of companies use automated filtering processes looking for key words and qualifications, and recruiters as well ... It's one of the best things the Forces have done ... mapping across to the NQF."*

One measure of the progress made since TMS13 has been that HGV driving licences now transfer between the Armed Forces and the civilian world — if you can drive a heavy goods vehicle in the military, you can drive one for a business. Another is that it is now very rare for engineering qualifications and experience gained in the Armed Forces not to be recognised on the outside.

This is part of a wider, and more strategic, approach to transition by the Ministry of Defence. By taking a longer-term view of the UK labour market — where challenges could become more acute, depending on the eventual shape of Brexit — the MoD hopes to match, where possible, the skills of leavers to areas where there are anticipated skills gaps. One obvious example might be the civil nuclear industry, where the civilian workforce has an ageing profile. This approach also involves engaging with awarding bodies such as the City and Guilds. The change in the transferability of HGV licences partly came about because the UK has a huge skills gap (estimated at 50,000 drivers) in heavy goods vehicle drivers. The small annual outflow of qualified drivers from the Services (around 200 a year) helps, if only at the margins.

Nonetheless, transferability problems remain.

One of the biggest difficulties is that some roles needed by the Armed Forces have no civilian equivalent (e.g. tank soldier) and some NVQs gained inside are all but meaningless to civilian employers. This was a point made several times by our expert interviewees. To take one example:

"Many of the people who spend their first few years as infantrymen then move on and become qualified in communications, or in vehicle repair, so they then would acquire a transferable

qualification. But there is a rump of people who don't. They are not necessarily ESLs; you could leave after six to eight or 10 years and still have no meaningful vocational qualifications. You will have vocational qualifications but ones that are not required by employers"
— chief executive of a Forces employment charity

This speaks to a more basic problem. The educational attainment levels of significant numbers of people are low going into the Services, and low coming out. Civilian employers will look for GCSE grades A*-C on application forms, but the current goal for the Army, where educational attainment is particularly poor among recruits, is that everyone leaves with Level 1 in literacy and numeracy. This is the equivalent of GCSE grades D-G (or, under the new system, 4-1). The Education & Training Foundation report 'Making Maths and English Work For All' noted in 2015 that "Three quarters of the employers consulted believe that action is needed at national level to improve maths and English skills for people who have not achieved grades A*-C at GCSE (77% of larger companies say this is necessary)."[37] The current attainment aimed for by the Armed Forces, therefore, falls below employer expectations.

This issue was identified by TMS13 and by Lord Ashcroft. Lack of ambition for the attainment of Service leavers appears to be letting down the most vulnerable among those transitioning out, as well as those who have the ability to achieve more.

Beyond this, several of our former Servicemen and women told us that despite their years in the Services they gained no relevant qualifications.

Those who have served for six or more years have the opportunity to make good any deficit by cashing in Enhanced Learning Credits (ELCs) or, in the case of those with GCSEs, applying for FEHE funding for A-levels or a degree course. (See panel, page 68). However, our evidence is that these schemes are not always well explained. The former senior aircraftman who is now a medical student told us he only found out on 'the grapevine' he could get funding for his degree, and courses that qualify for ELCs are not always available locally.

Similarly, a former flight operations assistant in the RAF who joined and left with minimal qualifications told us he was not encouraged to take the GCSE in English that would have improved his chances in the job market while he was in the Services. During the resettlement phase he was pushed into an ECDL (European Computer Driving Licence) course that had been little help to him on the outside. Although he had served for six years, and was entitled to ELC funding, he was unclear about the purpose of the funding.

"I didn't know what it was for, somebody mentioned two thousand pounds but I thought 'what's this two thousand pounds for?' ... I just sort of buried my head in the sand. That was towards the later stages. If somebody had explained to me, said 'you've got this money, you've got x amount of time to use it on anything that ticks the boxes' ... I didn't end up using it, stupidly."

RECOMMENDATION: Establish a clear process for informing all of those who qualify for learning credits and help with funding for courses what their entitlement is and how it can be exercised.

[37] The Education & Training Foundation (2015), "Making Maths and English Work For All." 646 employers contributed to the report's research.

RECOMMENDATION: Aspire for all those who have completed Phase 2 training to leave with A*-C grade GCSEs, or their future equivalent, in maths and English.

4.6 Creating a development culture

Historically, the Services have been shy of training non-specialists, because of a fear that people who were trained would leave. This traditional view of training affects transition, and one respondent told us:

"I think the military are missing a trick by not providing widely recognised courses ... and maybe they're scared to advise on what to do earlier as people might leave, but you do need to think about that from the beginning, think about transferable skills and qualifications. It should be part of your whole career not just the last 12 months"
— ex Army captain, 28

Things, however, are changing. The need for a more effective development culture was highlighted both in Lord Ashcroft's work and in TMS13, and has been a focus for the Ministry of Defence in the past three years.

There are three strands to this.

The first is the through-life learning policy, which includes skills development and transferability. The Services now pay for staff to formalise their civilian qualifications by ensuring they have the relevant ILM or CLM certificate. This can also be done retrospectively. The benefits are not to be understated. As one interviewee outlined to us:

"A piece of paper is not going to give you confidence, but actually, when you have a folder full of bits of paper that says, actually this is all civilian accreditation, you start to believe in yourself, and you start to have that confidence, 'I can take what I've got, and I can translate it',"

The second is ensuring that commanding officers and other senior personnel, especially at unit level, are committed to the policy. Again, both TMS13 and Lord Ashcroft's review identified inconsistencies in attitudes, both across and within the Services, and our research suggested that this problem persists. We found an extreme example: one respondent who had joined the RAF at 16 with no qualifications said an 'obstructive boss' made it hard for him to take time off to sit the GCSEs he needed for a foundation course at university. (He persevered anyway, telling us he'd have risked a court martial). A more senior officer intervened.

One element of the electronic Personal Development Pathway, to be introduced in 2018, is that it will allow the Services to identify units and leaders that seem less supportive of training and development, effectively tracking the progress made in different units and providing the data for comparison.

There is a wider point here, about the relationship between in-Service training and transition. Training should produce more productive individuals and teams that are more effective. The

return on investment can usually be demonstrated. But training is also more credible for civilian employers if the leaver has used their learning in the Service context, rather than done a course during their resettlement phase and not applied their new skills. As one interviewee noted to us:

"Service leavers are very good at getting qualifications. The key bit is how do you then explain that qualification? There is no point in an individual doing a Prince2 or an APMP qualification with two weeks to go, and then calling themselves a project manager, because at interview, somebody's going to say, 'Can you tell me about the last project and what tools you used?'"

In other words, both the Services and the leaver gain from a more enlightened learning and development policy. The answer to the question, "What if we train them and they leave?" is, "What happens if we don't train them and they stay?" Richard Branson's training mantra was also referenced to us by interviewees: "Train people well enough so they can leave, treat them well enough so they don't want to." It is also possible that the Services' relatively generous pension arrangements might act as an encouragement to stay. In a low-growth economic environment, employment packages are not just about take-home pay.

The third element is about the extension of vocational training within the ranks of Service personnel, particularly through apprenticeships. The Army is now the largest provider of apprenticeship schemes in the UK, and 95% of recruits now start an apprenticeship. Those who stick with a scheme are likely to be at Level 2 or Level 3 by the time they leave. This is welcome to employers, who have to invest less to acquire qualified staff. To date, this is better understood by larger firms than by SMEs.

If successful, this approach will have a broader social effect. Social mobility in the UK has all but stalled. Provision of qualifications as part of one's working life, along with transferable accreditation, potentially provides routes to social mobility through a Service career.

It remains the case, of course, that the skills acquired in a combat role or a combat unit can be less visible to employers than more vocational skills. The hardware can become a distraction, as one military interviewee observed:

"One of the policies we're always banging on about, throughout the whole of defence training, is, 'Have you accredited it to some kind of civilian qualification?' The problem is that in some areas, let's say machine gunning, mortaring, or firing of weapons in warfare, [translation of skills] isn't easy. If that's the case, you have to go into the management, leadership, and decision-making aspects."

The management and decision-making aspects are the 'soft' skills, and they extend to capabilities such as communication, team working and team building, problem solving and the ability to work under pressure without compromising the military's core values of loyalty, duty, respect, selfless, service, honour, integrity and courage. These types of skills are highly valued by employers and might make up for lack of formal or easily transferable qualifications. However, leavers might not realise they have these skills or recognise their importance, and the role of the CTP consultant or other recruitment adviser is often to unpick them and help the leaver translate them for a civilian audience. To put it simply, hard skills learned in the military might not be completely transferable, but soft skills are.

"All skills are transferable, it's about knowing how to do it ... Part of it is language and part of it is understanding ... You could be an infantryman, have responsibility for looking after yourself, your weapon, responsible for leading a small team ... but they don't know that translates to responsibility, leadership roles, time management"

– expert interviewee, member of the NATO panel on transition from military to civilian life

Further, in a business world where purpose is regarded as increasingly important, where, as the saying goes, "culture eats strategy for breakfast", values also matter, and the values learned in the Armed Forces can be even less visible — to leavers and employers alike — than the soft skills. Again, it is about understanding the importance of those values and having the confidence to communicate them to employers at interview. This point was made to us by a 29-year old former senior aircraftman:

"I think one thing they were really impressed with that I spoke a lot about in my interview, was speaking about the Armed Forces core values, and when you think about it, every company wants those core values, just as much as the Armed Forces. They may not be as stringent [as formal qualifications] but they tick every box."

Getting through the interview, though, is only the first hurdle. Service leavers still have to adapt to working in the civilian workplace once there, with colleagues who often have very different personal styles, in a way that allows them to bring out the best of their Service expertise in their new work environment. A former member of the Services, now working in a management role, characterised the difference between those who succeed and those who struggle:

"Differentiating themselves is absolutely key, but also adopting the right personal style and having a degree of humility, along with the ability to listen and take on board new information and learn. Those people tend to do really, really well, because it allows them to then overlay all of the great experiences that they've got. Those people that perhaps don't do that so well put up a barrier and as a consequence are unable to demonstrate the deep skills that they've got."

"The shooting of the gun is about the only non-transferable skill"

— expert interviewee, member of a research unit on military health

The leaver, then, has to build institutional resources and know how to use them. But is there also a need for increased institutional support? We have already touched on inconsistencies in attitudes to training and development at unit level. An additional theme in the 2013 Transition Mapping Study was that leavers needed greater exposure to civilian workplaces, during their Service careers and during transition, so they could understand the cultures better and adjust to them. Our analysis here suggests that such exposure, perhaps through short attachments, might have a number of benefits, beyond the cultural adjustment suggested in 2013:

- It would help leavers better understand the role of soft skills and values in the civilian workplace

- It would help them to identify the soft skills they had that were potentially useful

- It would potentially encourage some people considering leaving to stay in the Services, by providing them with actual experience of the world of civilian work, allowing them to unpick the mixed messages and some of the myths about civvy street.

It should be noted that all the ex-Service personnel we interviewed for the current study said more opportunities for work placements, preferably with a variety of employers, would have been beneficial, and several said it was the thing that would have made the biggest difference to them.

RECOMMENDATION: Provide greater exposure of services personnel and those in transition to civilian workplaces, through short personnel attachments. (Step Into Health is a possible template.)

4.7 Senior NCOs

From our interviews with both experts and leavers, it seems possible that one particular group of leavers were at more risk of failing to translate their soft skills for employers. Senior NCOs, with (typically) 10-14 years service, are the lynchpin of much of the Services' operations. They are likely to have joined the Services from school, sometimes with educational qualifications that are below par. In the Service context, they have gained and are able to deploy a wealth of operational skills, often in complex circumstances. When they leave, many are still in their late 20s or early 30s. Those that manage successful transitions often find themselves in a range of operational roles in areas such as transport and logistics, or in complex service organisations.

For those who struggle, it appears to be because they have been in combat units and have had problems in communicating the demands of their roles in these in a way that makes sense to the employer. One consequence is that they may be judged by their school qualifications rather than their Service experience. (There is a similar observation made of US veterans in similar roles.)

As an academic in the field of transition told us:

"These are guys who may have extremely high standing in their own military careers, including winning major awards for valour, and so on, and be widely recognised and respected within their military careers after 10 or 15 years of service. They have a decent salary and rank level. Then when they get out, their employment opportunities usually involve a significant salary cut, a big drop in the status and recognition in their work. They might have started with unrealistic expectations about what they were likely to do on the outside. Some of the more successful programmes I saw identified that that population was likely to have a lot of troubles. They would be counselled around having realistic expectations, and that their first job probably wouldn't meet their salary or status expectations, and [the programme] would follow these people over time. They might be in contact with the veteran for three years or so, helping them develop into a second or third job where they were more likely to be closer to meeting their pre-release expectations about salary, recognition and status in employment."

For those who struggle, it may also be a struggle about their changing identity and status; they are often people who have found that Service life suits them and provides them with both status and meaning. This observation is tentative: the data from our research is only indicative. We recommend a specific study of this group of leavers to identify the extent of the issue and potential remedies.

RECOMMENDATION: Conduct research among senior NCOs to identify the extent to which they may be an at-risk group after transition.

The Military and Lifelong Learning

To promote lifelong learning in the Armed Forces, the MoD offers grants to help fund training courses and academic qualifications under four schemes: the Individual Resettlement Training Costs (IRTC) grant; the Standard Learning Credits (SLC) scheme; the Enhanced Learning Credits (ELC) scheme; and the Publicly Funded Further Education and Higher Education (PF FEHE) scheme. The last generally applies to those with five or more GCSEs looking to fund their first further or higher level qualification, e.g. A levels or a degree.

The IRTC is available to leavers with six years' service and is a small contribution towards training costs, up to £534. The grant is primarily for enrolling in courses pre-paid by the MoD and delivered in resettlement centres, though the money can also be used for courses with CTP preferred suppliers.

The SLC is a refund scheme for education and vocational training completed during service or resettlement. 80% of the value of the course will be refunded, up to a maximum of £175 per financial year. Before the resettlement period, all courses must be proved to benefit the Service, while criteria for courses during the resettlement period are looser and in the process of being further liberalised. SLCs are available to all Service leavers, regardless of length of service and including ESLs and Reserve Service personnel.

The ELC scheme comes in two tiers, linked to length of service. There is a lower tier of a maximum of three payments of up to £1,000 in three separate financial years and a higher tier of a maximum of three payments of up to £2,000 per year over three years. From April 2017, a minimum of six years' service has been required for access to ELCs, increased from four years' service, and the upper tier is only available to those who have served eight years or more. SLCs and ELCs cannot be used to fund the same activity. The learning purpose for ELCs must benefit the Service and advance the individual's development plans.

In recent years, the way the ELC and PF FEHE schemes operate has changed. All new recruits are now automatically enrolled for both, and it is possible for those with six or more years of service to receive a single aggregated payment of £3,000. The changes are designed to improve access and give people the option of storing credits for the resettlement phase and transition. Entitlements can, as before, be carried over post discharge. However, under another change in the rules, they must be taken up within five years of leaving, rather than 10. Entitlements, in other words, take longer to earn and expire sooner. Nonetheless, they represent a good way to improve skills during a Service career and enhance employment prospects after leaving.

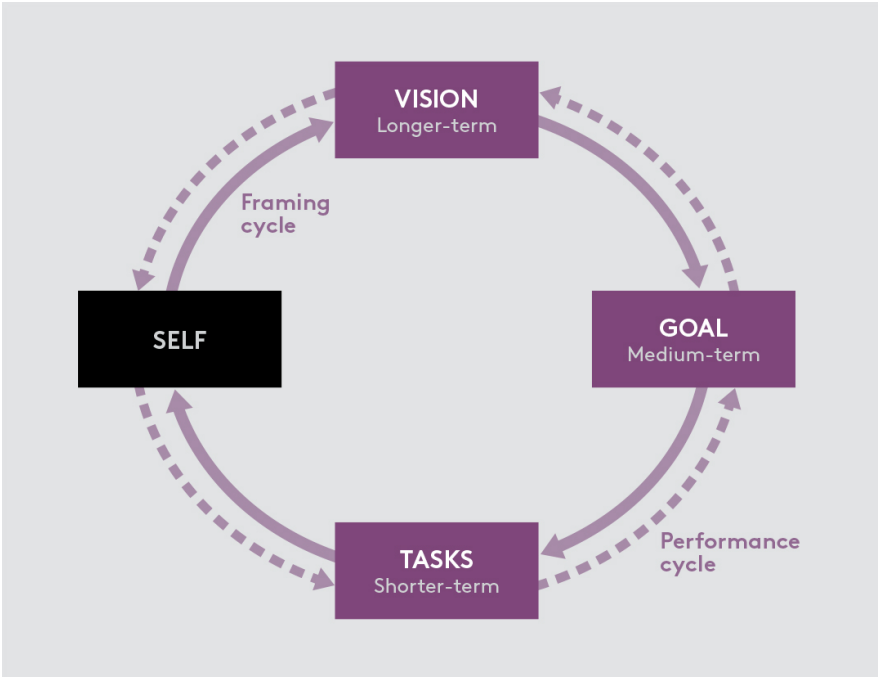
4.8 Tasks, goals and vision

In the previous section, we outlined the stocks, or the attributes — personal, social and institutional — that the leaver has at the start of the transition process. Some of these are qualities that they brought into the Services with them when they joined; some have been constructed to a significant extent by their time in the Services. In this next section, we will explore transition as a flow, in which leavers adjust their vision of their post-Service self, identify goals that will help them reach it, and organise tasks that enable them to achieve their goals.

First, though, we should outline some critical assumptions in the discussion:

- Transition is a joint responsibility that requires commitment from both the leaver and the institutions involved.
- Implementation of transition services varies by region, regiment and individual, so no transition journey can be seen as 'typical'.
- Employment and skills are important factors in successful transition but not the sole determinants. Success at work does not alone define a successful transition.
- Certain factors — for example, a bad start in life, pre-existing health problems, lack of family support or the absence of a 'significant other' — can pre-dispose someone towards poor transition. These risks, however, can be reduced with the right support and encouragement. Other things being equal, life chances can and should be improved by time in the military.

Figure 4.5: Visions, goals and tasks recapped

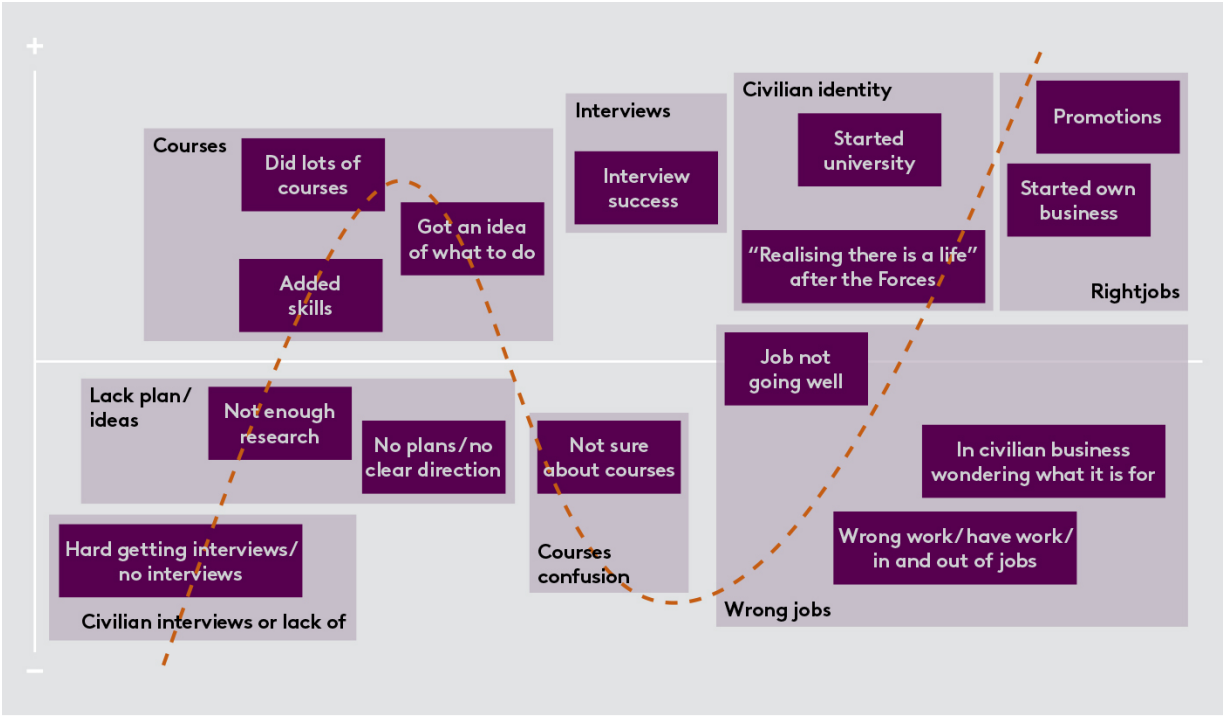


Source: Kantar Futures

4.9 The leaver's experience of transition

Part of our research process involved asking respondents to recall their transition journey and outcome, recording the ups and downs they had experienced along the way. The output across the qualitative group was remarkably consistent, as can be seen from Figure 4.6. In the earliest stages, the downbeat moments are about not getting interviews (they are at the level of task) but they are also about not doing enough research, not having clear enough plans or being unsure about courses (or in terms of the proposed transition model, an issue about vision feeds back into goals and tasks.)

Figure 4.6: The ups and downs of the transition journey



Source: Kantar Futures

The 'up' stages in the earlier part of transition are about getting on with the courses (task) and formulating a clearer idea of what to do (goal/vision). Interview success represents a stepping stone to the goal of the first post-transition job, or, for some, a place in further or higher education.

One of the staging posts at which transition can come unstuck is the first job; it does not always go well, and what happens as a result can be influential in the transition outcome. One of the clear learnings about transition is that Service leavers have to iterate into the right role; the first job or role is often a sighting shot. Some people move on, not always to a job or a role that suits them better; some, in contrast, find that they are able to develop in the business they have joined after transition.

The experience of being in a first job that does not suit them can also be the moment when the Service leaver realises that the vision that they have had of themselves in a civilian world has not been the right one, as in the example of the leaver who moved from a middle management role to becoming self-employed. Leavers with a less clear sense of the type of civilian they want to be can end up drifting at this point, trying out alternatives in the hope that something will fit. In these moments, it is easy to lose hold of a sense of self and a sense of purpose.

As one interviewee told us:

"Some of the adjustment problems that veterans have are practical, but some of them will be fundamental to issues like identity and sense of purpose. This can be profoundly disconcerting for some, who will have major challenges in being able to figure out who they are as a civilian, in making the adjustment to their identities and sense of meaning in life."

There are implications here for improving transition. The first is about expectation management; both at a level of detail (civilian employers do not always acknowledge CVs) and the higher level of the whole process (for example, as discussed above, the first civilian role is often a starting point, not a destination.) It is worth pausing on this point. CVs came up a number of times in both our qualitative research and in expert interviews. It is clear that the process of translation of Service skills into a civilian environment is a tougher business than Service leavers expect it to be, and that this is particularly true for people who have been in combat units or combat roles.

Translation works both ways. As one interviewee told us, *"We've done a bit of reverse translation, you know, what does this business mean to the individual?"... Sometimes, individuals haven't thought of a career in a particular sector, or at a particular level, and so we've had to sell that to them. Quite often, we're marketing jobs to people as well."*

Nonetheless, the process of preparing a CV for a job application is an inexact science. One interviewee, who advised Service leavers, recommended applying for jobs with structured application forms, because these required the applicant to consider their skills and experience in a more structured way. Even here there are pitfalls, since such forms are typically online and the initial evaluation is done by algorithm. The CTP found that the offshore oil and gas sector had an application process that routinely excluded candidates with no previous offshore experience, and as a result they were excluding ex-Service personnel who were technically well qualified for the roles advertised. The CTP subsequently engaged with the sector, and this has now been changed.

Translation may also be a longer and slower process than Service leavers expect. In particular, getting the CV right can take far longer than people anticipate, as an HR professional who runs preparation workshops for Service leavers told us:

"You look at their first version of their CV and it's just woefully underselling them. So that's why, as part of our insight day, we have a 'civilianising your CV' session, which is always one of the most popular. From talking to people who are now working here who have gone through that, they say that they thought version four of their CV was quite good. Looking back, it wasn't until they got to about version eight that they were properly translating. I would say that's one of the key learnings."

Service experience, however, might need to be mixed with civilian experience. As noted above, opportunities to spend time with other employers during the resettlement phase have many

benefits. They include helping build up experiences leavers can refer to in applications and interviews.

Social resources matter too, of course. A leaver is more likely to have the time and space to get this right if they have the support of a partner or spouse in work, as we found in several of the research interviews.

4.9.1 Vision

The question of "What sort of civilian do you want to be?" sits at the heart of the resettlement process, but appears from our research to be more implicit than explicit. Transition is treated as being more goal- and task-focussed. Yet from our research, the respondents who had had the time to reflect on this critical question seemed to be most content with their civilian lives.

Some of the relevant literature on personal transitions more broadly emphasises the importance of values and of psychological needs in a transition process. Leaving, as discussed earlier, is also a loss; it means letting go. The transition process therefore involves identifying how to meet your psychological needs in the new, post-transition, environment. William Bridges writes, of transitions in general, "Because of your change, what parts of yourself are now out of date? ... What needs will you have to find other ways to meet?"

Similarly, a therapist and coach we interviewed with experience of working with Service leavers, underlined the importance of purpose in a successful transition.

"Can they can find a purpose or passion that aligns with their values in this new context? Strong intentionality towards objectives is not enough, unless you are also strongly aligned to those objectives at the values level."

One of the limitations of the CTP process is its focus on goals. The reasons for this can easily be identified and understood: the importance of employment in the post-transition environment; the way in which the CTP contract has been defined and set up, and the employment and training KPIs it is measured by; the focus on delivery and execution in Service culture.

Nonetheless, without a broader view of the self in the civilian world, it is easier to lose sight of the overall purpose of transition, and more specifically, for transition to get derailed when a job or role does not turn out as expected. And without this broader element, it becomes harder to take an informed view of possible career paths. This is particularly true of those who wish to use transition from the Services as a moment to change direction. Our research suggests that this kind of wider and more exploratory discussion is not a current element of the resettlement interview or of the CTP process before courses are selected by the Service leaver. One immediate consequence of this is that people waste their learning entitlements on courses that prove to have limited value to them.

The research with respondents also suggested that those who had a clear vision, but one that was outside of mainstream expectations, tended not to get value from advisers. Two female interviewees suggested resettlement officers and CTP advisers were fazed by untypical questions

and requests. One has now retrained as a dental therapist and the other has managed, through her own research, to find a patisserie course she can fund through the ELC scheme.

> ***"I was unusual and they didn't know what to do ... The door was closed ... They need time to get to know the person and help to work out a plan ... I had no offer of help with funding"***
> — former lieutenant in the Navy, 38

RECOMMENDATION: Improve the capabilities of resettlement officers and CTP personnel to handle less typical requests that may involve a bigger career change.

One implication is that there should be more emphasis in the transition process, especially in its early stages, of working on the idea of the sort of life one might want to have as a civilian, and identifying the sort of work that fits with this. This might involve spending more time on the other dimensions of successful transition proposed by David Pedlar's research, discussed in Chapter 1, or on the five ways to well-being proposed by the New Economics Foundation for a Government Office of Science project. (The routes are: connect; be active; keep learning; give to others; and be mindful.)[38] One of the reasons for the success of the Team Rubicon project, which is discussed briefly in the box on page xx, is that it manages to combine some of the values and ethos of the military world that leavers have moved on from with a sense of purpose that is valued in the civilian world.

The 'broader vision' should include sense of purpose. Just as importantly, it should include the emotional life of the individual. What are the leaver's personal circumstances — and what kinds of options would be compatible with them? One leaver who had left the Services to be closer to his family thought close protection work might be for him, but realised after spending time on this that most of the openings would require him to be based abroad or spend more time abroad, and that he would, in fact, see less of his family than he had in the Services.

There are several models in the broader personal development literature that would help with creating this wider vision of the post-Service self that can be usefully brought into the resettlement process. In our view, doing this would effect a smoother, clearer, and better-directed transition.

RECOMMENDATION: Add a visioning component to the transition processes to help leavers focus on the type of civilian they plan to become, beyond work.

[38] New Economics Foundation (2008). "Five ways to wellbeing." New Economics Foundation.

"There was an element of sausage factory about it, that's what it felt like to me ... one-size-fits-all, which it clearly doesn't. This feeling that this impending end of the world was rushing up to me and I didn't know what I wanted to do ... and I didn't feel that anyone at any point sat down with me and said, 'So what is it you want to do?'"
– ex Royal Air Force officer, 44

Team Rubicon: applied purpose

Team Rubicon, an NGO founded by two US marines, was set up to enable military veterans, initially in the US, to contribute to disaster relief efforts and build an inner sense of purpose, community and self-worth. Essentially, it is designed to bridge the psychological 'divide' between military and civilian life.

Military values and comprehensive training ensure that veterans are ready to serve effectively, and to be 'empowered' by that experience.

Since its first 'operation' in Haiti seven years ago, Team Rubicon, funded largely by corporate supporters and partners such as Amex and the Clinton Global Initiative, has completed more than 175 missions in multiple countries. It now numbers 35,000 volunteers, and has expanded to become an international organisation, with bases in the US, the UK, Australia and Canada.

Jake Wood, one the founders, sees the role of the organisation changing so it becomes more community-based, and its volunteers deal with emergencies closer to home. "We want veterans to be the people communities turn to in times of crisis," he says.[39]

4.9.2 Goals

The element of transition that concerns goals is probably the best-defined part of the present transition journey, and perhaps the most effective. The goal, generally, is about employment, although it can also be wider, encompassing housing or relationships. In our model, the goal is a building block that is framed by a vision. Since it often takes several jobs for the leaver to reach a place where they feel fulfilled or valued, the vision helps to manage the frustrations that might come with being in a job where one is under-employed. It enables the leaver to assess whether the role is a stepping stone in terms of building relevant skills, reputation, or networks. Goals can help earlier in the process. One leaver felt, with hindsight, that the course on equality and diversity he had been encouraged to take had not been useful in the very different work he had ended up doing.

[39] Jake Wood quoted in Kyle Dickman, "The future of disaster relief isn't the Red Cross." *Outside*. 25th August 2016. Retrieved 7 April 2017.

Equally, goals can offer a set of criteria that allows a leaver to jump if they realise that they have found themselves in a dead end. In the context of the individual, goals should not stop at getting a job, but should include objectives for development *within* a job, in the context of their wider lives. It helps if goals are SMART: specific, measurable, attainable, relevant, and time-related.

One of the reasons for this is that goals are the building blocks of a stable transition. From the start, they help define a path for all dimensions of transition: work, housing, health, and so on. Clear goals can be thought of as a set of hazard lights that act as a warning when things are going astray, and a checklist when they are not. When goals are unclear, the risks of unsuccessful transition are greater. In the words of one interviewee:

"What we're trying to avoid is the situation of a Private Bloggs, who, when we call him says, 'I'm OK. My brother said he can get me a job scaffolding, and I'm going to stay with my sister, and she says it's okay if I stay there.' They're the ones that ring alarm bells ... It's the tracking of those individuals and making sure at least that they're on the system, that we can still keep in touch with them, rather than just saying, 'OK, then, that's fine'."

One point made by several of the leavers we interviewed was that self-employment was given relatively little exposure during the resettlement process. Since the re-letting of the CTP contract, self-employment has been given a much higher profile, including a dedicated unit in the programme. The self-employed respondents we spoke to were people who had moved away quite radically from their Service roles, and had a very different vision of themselves from when they left. Two had had the opportunity to reflect on what they wanted to do differently in their lives, helped by supportive partners. Self-employment had enabled them to navigate the gap between their vision of where they wanted to be, and where they were when they left. For some, it could be the goal that realises the vision of working flexibly and spending more time with their families. For others, it could be linked more to self-motivation and self-worth.

4.9.3 Employers

If much of the goal is about employment, then employers are the other part of this element of the journey. They face the leaver as a potential goal, offering them particular types of work in particular types of business.

Over the past 17 years, the Armed Forces Covenant, essentially a statement of the rights of ex-Servicemen and women, has done much to raise awareness of the difficulties of transition and to encourage fair treatment, including by employers. However, when the TMS13 was published, the views of employers on ex-Service personnel were under-researched. The reports referenced earlier, by Futures 4 Forces and Deloitte, have helped to fill this gap, particularly in the area of perceptions of employability of Service leavers.

The first, published by Futures 4 Forces/FiMT in August 2015, was based on interviews with a sample of 51 employers.[40] It found that:

[40] FiMT/F4F, ibid.

- Employers struggle to match the skills they believe necessary for military life to those needed by their organisations
- Many organisations believe the MoD needs to build better relationships and better understand the sectors experiencing growth
- While some employers work extensively with the MoD, others have never been contacted
- Many are confused by the multiplicity of agencies claiming to act on behalf of ex-Service personnel and report frustration at multiple contacts from different charities
- Smaller organisations are particularly likely to perceive employing people from the military as a risk.

The researchers also reported complaints of lack of 'strategic engagement' from the CTP and some desire for the MoD to, as suggested indicatively in TMS13, act more like a fee-based recruitment agency.

The 2016 Deloitte report, *Veterans Work: Recognising the potential of ex-service personnel*, was based on multiple research methods. It echoes some of the findings of the Futures 4 Forces report and emphasises the business benefits of hiring ex-Service personnel.[41]

Veterans Work notes that an unintended consequence of the Armed Forces Covenant has been to obscure the business case of recruiting people with military experience. Many employers, it notes, see offering leavers jobs merely as a moral duty or part of their Corporate Social Responsibility programme.

This was reflected in our interviews. A head of an agency that engages with employers on behalf of Defence put it like this:

"As the Armed Forces are less in the public eye, then engagement with employers is a harder task, so what we need increasingly is to offer a sense of mutual benefit, with tangible things that organisations can look to, so they can say, 'We're going to engage with Defence because it makes business sense, not because it is the right thing to do'. If a solid supporter of the Armed Forces in one of our employer partners moves on or retires, their successor may not have the same emotional connection. They will ask about the bottom line advantage of recruiting Service leavers or Reservists."

The Deloitte research found that the skills former members of the Armed Forces possess — notably team-working and motivating others, and skills related to communication and strategic thinking — are a good match for the skills gaps that employers face today, but that few businesses have "taken the time to make this discovery", and that as a result many ex-Service personnel are underemployed.

[41] Deloitte, 'Veterans work: Recognising the potential of ex-Service personnel', 2016.

The business case for hiring leavers is supported in the Deloitte report by both survey data and qualitative research. Asked how likely they would be, on a scale of 0 to 10, to recommend hiring veterans to other similar organisations, 91% of active recruiters gave a score of 8 to 10. Service leavers tend to be promoted more quickly, to have lower sickness rates, and to stay longer with their organisations.

A Service leaver now working for an NHS trust was quoted in the Deloitte report about how the 'core values' of the military transfer easily to civilian settings: *"The attributes employers are looking for we have by virtue of our training ... [They're] what we call the C-drills: the courage to lead, discipline, integrity, loyalty and selfless commitment, respect for others ... being a team player."*

Importantly, lack of relevant industry experience was not perceived as a problem by employers who had recruited Service leavers. The report encouraged leavers of all ranks to focus on directly translatable skills when applying for jobs. It also called on employers to increase investment in recruitment programmes and training schemes for ex-Service personnel. This follows Lord Ashcroft's July 2015 update report, which expressed concern that the corporate signatures to the Armed Forces Covenant would not "translate into positive action".

At the same time, respondents told us that one of the areas of adjustment they found most challenging was simply learning the language of commercial organisations, with their focus on sales and revenue targets, profitability, and so on. This is not a focus in Service culture, and it appears to be an area where greater emphasis by the CTP would improve the transition process.

More broadly, investment by a greater number of employers is needed: the Deloitte report notes that of the 1,000 or so organisations that have signed the Covenant, relatively few (38% of active recruiters) have dedicated budgets for recruitment programmes. One aspect of this is the MoD's Employer Recognition Scheme, with its Gold, Silver and Bronze standards, which benefits the Ministry but does not confer benefits to the employer. This is now being addressed.

More broadly, public-service campaigns to counter erroneous public assumptions about the benefits or risks of working with Service leavers might help. Another part of the solution is to reframe the case for recruiting and assimilating ex-Service personnel. One HR director suggested to us that this was, in effect, a diversity issue:

"Companies in the US like JP Morgan Chase or McKinsey have really good programmes, and they prioritise bringing in ex-military personnel. So, as an ex-military person, looking for jobs in these companies would be a good start because you know that they're pursuing that diverse talent. They recognise the value of military experience, they're well equipped to look at those candidates and have people in the organisation already who can help them attract candidates. They are very focused on diverse talent and tapping into top talent across different areas. It's similar to diversity initiatives ... But, like any effort around diversity and other factors, if a company isn't ready to really embrace and provide the support that we know those groups need in order to flourish, then it's a missed opportunity for the organisation and the person, who actually may have had the potential, and it could have worked out."

The further development of relationships between employers and the Ministry of Defence is being driven by Defence Relationship Management (DRM), an arms-length body of the MoD. The organisation's principal focus is on managing relationships with employers of Service Reservists, but it has a wider brief which includes Service leavers, Service spouses' employment and Cadet Force Adult Volunteers. This kind of support on both sides of employment is perhaps necessary in order to fully realise and normalise the potential of the Armed Forces Covenant.

RECOMMENDATION: Extend transition training on business budgeting and management, and self-employment skills, to ensure that leavers are more business literate.

RECOMMENDATION: Provide more opportunities, both formal and informal, for employers and transition organisations to engage on the broader commercial benefits of hiring Service leavers.

"The best employers are those who buy into it for the long term. They look at it as strategic, as part of their workforce planning, as opposed to those who do it transactionally. So many businesses are under pressure now that they remain in the transactional space. Those who do look at it strategically get some really good people. They recognise that they're not going to solve all of their workplace issues by using people from the military, but that it is worth doing. Employers should also be asking: 'What's the return on investment?' The people who do this well can tell their businesses: 'This is the churn rate. This is the sickness rate. This is the cost of hire.' The key thing for us is that it's not viewed as a charity case"

— Transition executive

CASE STUDY: Step into Health

How it started

Step Into Health began in 2014 when Walking With The Wounded and The Royal Foundation approached Norfolk and Norwich University Hospital, which was already running a successful Prince's Trust programme designed to get young people into jobs in the NHS. East Anglia has a large military population, and Service leavers experienced difficulties in getting jobs in the NHS as there was a poor understanding both of the recruitment process and of how skills gained in the military could translate.

Following the pilot, the programme received central funding from the NHS and was rolled out to other parts of the country. It is now run by NHS trusts in five areas — from Northumbria to Hampshire — and continues to expand.

How it works

Unusually, the programme is open to spouses and dependants of Service leavers as well as the leavers themselves.

The first step of the process involves a maximum of 30 to 40 prospective employees attending insight days, which are run every six weeks. Attendees listen to talks on the relevant NHS trust and the opportunities available — including talks from people such as the head of workforce, recruitment managers, the HR director and people who have successfully made the transition from the Services themselves. The next step involves Service leavers registering for an unpaid work placement of up to four weeks. Candidates' CVs are matched to a number of jobs based on their skills and the areas of the business they are interested in. The work placement is created subject to the availability of a supervisor and the length of time they can offer.

During the work placement, the Service leaver will experience different roles and environments (all 350 NHS roles are included in the programme), usually within one area of the trust.

Outcomes

There is currently no national statistic for the employment rate of Service leavers who take part in the programme. However, 70% of those in the pilot were employed after their work experience, the majority in non-clinical roles. Danielle Fullwood, the regional lead of Step Into Health for London and the South East, identifies two ways in which the programme is beneficial. Service leavers gain meaningful employment, which leads to better mental health, quality of life and work-life balance. The NHS gains "really good people", many of whom would not have considered a career in the health service previously.

One unforeseen outcome of the initiative was the creation of a self-organised network, Forces Into Health, run through the online platform LinkedIn, and set up by Service leavers now working in the NHS. People who have been employed through the programme get together to share experiences and build their networks.

Learnings

The NHS is the UK's biggest employer, and its structure, mission and working environment make it a good natural fit for people leaving the Armed Forces. The soft skills that Service leavers bring, including self-discipline and good communication and leadership skills, are highly valued by the NHS. Since leavers can find these skills hard to communicate, the Step into Health programme is helping people to recognise these abilities.

However, although there are more roles available at the bottom and middle of the NHS, the NHS sees fewer people joining from the middle ranks of the Services.

Fullwood also notes that many Service leavers do not consider a wide range of employment options when they are leaving, and often go into the line of work that most reflects what they were doing in the Armed Forces. Opening up pathways into the NHS will likely have positive consequences for both leavers and the health service.

4.9.4 Tasks

During resettlement, reaching personal goals consists of tasks that are combined under the CTP process. It includes identifying skills, hard and soft, building additional skills through training courses, writing CVs, and exposure to civilian employers, through work experience, where possible.

Our research identified a number of issues that impede these processes. Some of them were also identified in the research for TMS13, and are in the process of being addressed.

The issues can be summarised as follows:

Pressure on resources: One interviewer mentioned that while his resettlement officer was very good she was extremely overworked (serving three units on his base) and said he "gave up" on her in the end. Others mentioned rushed, brief and "irrelevant" interviews or encounters that mainly consisted of being shown things "on a screen".

Postings away from home: Interviewees complained they were hundreds of miles away from home in the last six months or so of service, making planning and preparation difficult. One of our respondents, for example, was sent to Northern Ireland on a project when he should have been preparing for transition. Other respondents reported similar experiences.

Conflict of loyalties: As stated earlier, preparing and planning for transition when still committed to military life is difficult. The following quotes from our interviewees are not untypical.

"You have a conflict of loyalty during resettlement ... you can't be focussed, but you don't want to do a bad job"
— ex-Army officer, 39

"It was a battle to find time when you still have a job to do that you're not so interested in and you can't give it your all any longer ... they need to let go earlier"
— ex-Army sergeant, 32

Lack of support: Reports of transition help from the Armed Forces, at unit level and from immediate superiors, were varied. In the worst cases, it seemed that people succeeded despite institutional support, rather than because of it. A former sergeant told us the Army lost interest in him during the resettlement phase and that his appraisals were downgraded as soon as he handed his notice in, until his boss was over-ruled by a superior.

It was clear that a lack of support could materially affect the opportunity to build a portfolio of qualfications.

"The unit didn't make it easy as working till the end gets in the way of you preparing for the transition ... I failed the CCNA [Cisco Certified Network Associate, an IT certificate] as I hadn't done enough revision ... there were always things to do or be done"
— former Army sergeant, 32

An Early Service Leaver, who left the Royal Navy after the CTP contract had been extended to ESLs, got nothing but a resettlement interview on his very last day and a leaflet about the CTP.

Nonetheless, experiences are mixed, as noted in TMS13. At the other end of the scale, people talked about receiving "lots of support" from line managers and "very good" and "well informed and helpful" resettlement officers. The variations in responses point to an unevenness in the process and an element of pot luck that needs to be addressed by a more systematic approach.

Other inconsistencies in support should also be noted here, mostly relating to aspects of the CTP coverage:

- The quality of courses and instructors, and of advice, is uneven, as we also found in 2013. The range seems wider than one might expect.

- The regional variations in coverage also need to be tackled. Lord Ashcroft points out that little progress has been made in improving transition outcomes in general in Northern Ireland due to "institutional neglect", and that those who resettle there are "clearly at a disadvantage".[42] In England, Scotland and Wales, meanwhile, coverage is determined by the size of the population of military personnel, not necessarily by the dynamism of the local labour market. While budget and resource constraints are factors here, provision would be more even if there were further investment in distance or virtual learning options.

- There is currently no option to defer take-up of CTP entitlement in cases where women leave the Services and then have children.

[42] Lord Ashcroft, 'The Veterans' Transition Review: Second follow-up report', November 2016.

RECOMMENDATION: Increase the provision of virtual and distance learning and training options in the CTP to smooth out regional differences in provision.

RECOMMENDATION: Provide a maternity extension to CTP entitlement periods so women who leave and have children are not disadvantaged.

4.10 Permission to prepare

The issues described above can be encapsulated as 'lack of permission to prepare'. To improve the chances of successful outcomes, transition needs to be legitimised consistently as a cultural norm. Leavers need to know, regardless of which unit they work for, that they're allowed to plan for life after the Armed Forces and that they are *encouraged* to do so; line managers need to consider that they have a duty to help them balance their commitment to the Service with investment in their future.

There is, however, a deeper and more critical issue. The official advice on transition from the Army states:

"Transition is a personal responsibility. It will not be done for you or to you, although information and encouragement will be provided by the Chain of Command."

On the basis of the research for both this report, and for TMS13, this does not place a strong enough obligation on the Army to take transition seriously. The language of "information and encouragement" is weak and affords too much leeway for individual line managers to interpret the extent of their responsibilities to those undergoing resettlement and transition. The Army, at least, has a publicly stated position. It is not clear that either the Royal Navy or the Royal Air Force make any public commitment to leavers. We believe vagueness and lack of clarity contribute significantly to the uneven experience of transition found in research for both reports.

Further, although the introduction of the Personal Development Pathway in 2018, discussed earlier, will, if used properly, smooth out differences in development support and training during a Service career, it is harder to see how it will reduce the unevenness in support for those transitioning. Consistent transition requires a clear, Services-wide commitment to giving leavers permission to prepare. Exit interviews or surveys carried out once people have left would help ensure this commitment is being met and identify areas where support is weak and improvements needed.

"It's just that mentality that once you've signed off you're no longer worthwhile ... it was disappointing after almost 12 years in the Army to be sort of written off"
— former sergeant, 32

RECOMMENDATION: Create and consistently apply an explicit right of 'permission to prepare' among transitioning personnel to ensure that they are not disadvantaged by operational requirements.

RECOMMENDATION: Ensure that policy on transition across all three Services clearly outlines the duty of the Chain of Command to support effective planning and preparation, beyond providing information and encouragement. Ensure that this policy is applied consistently, universally, visibly and measurably.

PART 3: WHAT TO DO?

Chapter 5: Conclusions and recommendations

5.1 Conclusion

The Service leavers who face transition are on an uncertain path. They are moving from a world that is relatively managed and relatively controlled to a world that is more open, less controlled, and in which they are more exposed. As with other transitions in other walks of life, it is a shift that can involve difficult emotions, as one lets go of a particular version of oneself, a self that has often performed to a high level, deployed specialist skills, and belonged to a tightly knit unit.

Inevitably, transition involves a sense of loss. At the same time, though, it should involve hopefulness. Many leavers, even most leavers, are bringing attributes and skills with them that are valued in the civilian world, provided they know how to frame them and present them. Technical skills, often, but also organisational and engagement skills, whose value can be concealed from view in the civilian world. Service leavers also bring a visceral understanding of purpose and values to a business world that increasingly understands the worth of these as sources of motivation and differentiation. Skills matter, but perhaps in a different and wider way from the way they are commonly understood to matter.

For some in our research, transition involved translating a set of existing skills fairly directly into a post-Service world, sometimes working with similar groups of colleagues. They felt comfortable in their transition, and they had every right to be.

For others, the opportunity of leaving was also an opportunity for change, even for personal challenge and personal development. Some of these respondents had found the process tougher, and had had to work harder at it. In general, though, they seemed fulfilled by the person they had found on the other side.

A third group, however, lived with regrets. They felt that their skills were being under-used, and they had lost the sense of purpose that had made their Service lives worthwhile.

Transition predictably involves mis-steps, for it involves big questions. What kind of civilian do you expect to be? What kind of person do you want your future self to be? Often these questions are implicit, hanging in the air, unspoken. A re-articulation and realignment of transition is necessary in the Armed Forces and the CTP, with these wider questions at the centre. Working towards this realignment would consolidate the progress already made over the last few years to improve the transition process for Service leavers.

So part of the secret of a successful transition lies in creating the space for recovering from mis-steps, in having the resilience to regain one's balance and composure when one does stumble. The model of transition that we have proposed in this report is designed to provide a sense of perspective and reflection when things are not going well, by affording an explicit vision of one's future self to orient oneself towards, while also being conscious of what one is taking into that future.

For the transitioner is not *just* a leaver, even if that is how they are described. They are carrying valuable elements of their Service life and history forward with them, as tools to help them build their identity in the civilian world, as keys to help pick the locks of a successful transition. It is in the best interests of both the Service leaver and the Armed Forces that they are successful at this in the long term. A good transition process is one that ensures they keep both of these things in sight at the same time: a clear idea of their intended future, and a grounded sense of all of the skills they are able to take to help them to get there.

1. Preparation	
1.1	Ensure that policy on transition across all three Services clearly outlines the duty of the Chain of Command to support effective planning and preparation, beyond providing information and encouragement. Ensure that this policy is applied consistently, universally, visibly and measurably. (Chapter 4)
1.2	Create and consistently apply an explicit right of 'permission to prepare' among transitioning personnel to ensure that they are not disadvantaged by operational requirements. (Chapter 4)
1.3	Create a formal process of exit and post-resettlement interviews in order to improve insight and analysis, and improve organisational learning about the experience of the transition process. (Chapter 1)
2. CTP and Resettlement processes	
2.1	Add a visioning component to the transition processes to help leavers focus on the type of civilian they plan to become, beyond work. (Chapter 4)
2.2	Improve the capabilities of resettlement officers and CTP personnel to handle less typical requests that may involve a bigger career change. (Chapter 4)
2.3	Increase the provision of virtual and distance learning and training options in the CTP to smooth out regional differences in provision. (Chapter 4)
2.4	Provide a maternity extension to CTP entitlement periods so women who leave and have children are not disadvantaged. (Chapter 4)

3. Employers	
3.1	Provide greater exposure of services personnel and those in transition to civilian workplaces, through short personnel attachments. (Step Into Health is a possible template.) (Chapter 4)
3.2	Provide more opportunities, both formal and informal, for employers and transition organisations to engage on the broader commercial benefits of hiring Service leavers. (Chapter 4)
4. Beyond work	
4.1	Measure successful transition more 'holistically', for example by incorporating additional dimensions in KPIs of transition success. (Chapter 1)
5. Training and learning	
5.1	Aspire for all those who have completed Phase 2 training to leave with A*-C grade GCSEs, or their future equivalent, in maths and English. (Chapter 4)
5.2	Establish a clear process for informing all of those who qualify for learning credits and help with funding for courses what their entitlement is and how it can be exercised. (Chapter 4)
5.3	Extend transition training on business budgeting and management, and self-employment skills, to ensure that leavers are more business literate. (Chapter 4)
6. Research	
6.1	Research those who do not register for CTP support, to establish their reasons for not registering, or the circumstances in which they have not registered. (Chapter 2)
6.2	Research those who register but do not use billable CTP services to establish the reasons for not taking up these services. (Chapter 2)
6.3	Research economically inactive leavers to establish the extent to which economic inactivity is a positive choice, and the possible circumstances in which it is not. (Chapter 2)
6.4	Conduct qualitative research into life and work satisfaction among leavers over one to three years to understand its impact on successful transition. (Chapter 4)
6.5	Conduct research among senior NCOs to identify the extent to which they may be an at-risk group after transition. (Chapter 4)

ANNEX

Research notes on the transition costs model

The research notes in this Annex address both issues of the model design and also research sources.

A1.1 Lags

The main technical changes to the 2017 model have involved the introduction or adjustment of lag effects in some categories.

A1.1.1 Introduction of lags to Drug-related costs

Research indicates that for those seeking help for drug-related problems, treatment is not immediately effective. To reflect the extent of relapse, lags have been added to this update. The result is to add weight/inertia to costs incurred by drug-related transitions.

A1.1.2 Introduction of lags to Homeless costs

Similarly, to reflect research on the duration of homelessness, a one-year lag of 12% has been added to the homeless transition element. This is a small change and the resulting impact is minimal.

A1.1.3 Introduction of lags to Family breakdown costs

Research suggests that the impact of a family breakdown is far-reaching, and long term. Given the variety of circumstances that can be involved in or result from such an event, however, it is difficult to estimate the duration of the associated costs. Some argue the impact of a family breakdown can be felt for generations.

The model assumes relatively short-term lags to four years after the event and so could heavily understate the cost associated with this type of transition. Nevertheless, the introduction of these short-term lags to the revised model leads to significant cost changes.

A2 Transition evidence and its application in the model

A2.1 Unemployment update

There have been significant improvements in resettlement support provided through the CTP, such as the rolling out of provision to ESLs. Evidence suggests that unemployment rates for Service leavers that engage in the CTP programme are below the average for the UK population. However, not all Service leavers engage in the programmes and, typically, those most at risk of poor transition fail to do so. In 2016, 33% of Service leavers did not use CTP services (7% were not eligible, 11% were not recorded on the CTP administrative database ADAPT, 13% did not use CTP services, though eligible, and 2% were still in service when contacted)[43]. The unemployment rate at six months, then, for all Service leavers, whether using CTP services or not, may be higher than published figures suggest.

In the 2017 update, we have taken the 16% unemployment rate used in the 2013 model and assumed a decrease in the unemployment rates of Service leavers, in line with those seen by Service leavers engaged in the CTP programme. The proportion of leavers unemployed at six months is expected to fall from 12.88% in 2016 to 10.62% in 2020. These estimates do not allow for the assessment of the suitability of employment included in the CTP success rates, which arguably could reduce the duration of employment and so understate the negative impact of an unemployment transition.

The cost of an unemployment transition in TMS13 was £4,000[44]. More recent figures, with a focus on youth unemployment, suggest a decrease in costs to £3,122 per person transitioning per year.[45] However, the figure of £4,000 was felt to be more robust and also based upon unemployment in the population as a whole, rather than on young joblessness.

A2.2 PTSD and CMHD

TMS13 used published estimates to assess the prevalence of CMHD and PTSD in the Service leaver population. These estimates put the incidence of CMHD at 20% and the incidence of PTSD at 4%

[43] MoD, *Career Transition Partnership annual statistics*, 2017.

[44] Gregg, Paul, 'Cost of Unemployment', 2009, http://www.bristol.ac.uk/efm/news/2009/32.html.

[45] Leftly, Mark, 'Young jobless cost taxpayers over £180m every year', *Independent*, 2015, http://www.independent.co.uk/news/uk/politics/young-jobless-cost-taxpayers-over-180m-every-year-9955995.html.

(data source 2010). This was supported by KCMHR data showing an incidence of 20% CMHD and 4% PTSD in 2016[46].

Official figures published by DASA give the number of UK Armed Forces personnel with an initial assessment for PTSD at the MoD's DCMH, from 2007/08 to 2015/16. These figures may understate the prevalence of such mental health conditions in the Service leaver population as they rely upon personnel coming forward and registering in this way. According to DASA figures, the incidence of PTSD in the UK Armed Force population is 0.2%[47] while the estimates by KCMHR and others, derived from survey data, are higher. This may because of variation in definitions or variation in thresholds for diagnosis. For the purposes of the model, we have taken proportions of Service leavers with mental health conditions that reflect the levels found by KCMHR; looking only at the proportion of those actively receiving or seeking help is likely to understate the true figure.

At the overall level, DASA finds a rising trend in the rate of UK Armed Forces personnel seen at MoD specialist mental health services since 2007/08, with an 8% statistically significant increase in the latest year[48]. It comments that:

"Possible explanations for the rise in 2015/16 may be the successful effect of campaigns run by the MoD to reduce stigma, resulting in an increase in mental health awareness among Armed Forces personnel, commanding officers, and clinicians in the primary care setting, leading to greater detection rates and referrals to specialist care."

Greater awareness of mental health issues is likely to increase the proportion of Service Leavers with PTSD or CMD that come forward to seek treatment but does not necessarily mean a rise in the 20% and 4% incidence rates of CMHD and PTSD, respectively, in the Service leaver population.

TMS2017 assumes that greater awareness of mental health conditions leads to an uplift of the 20% CMD and 4% PTSD figures in that more peoole will come forward, as those previously unfamiliar with such conditions become more aware, and those previously unwilling to acknowledge a condition become less so. However, we anticipate this uplift to be substantially below the growth of the official CMHD and PTSD statistics recorded by DASA and much more aligned to the growth rates seen in the population as a whole[49].

The cost of CMHD and PTSD treatment is assumed to grow marginally. This partly reflects the rising percentage of the disease burden attributable to mental illness, as socio-economic pressures, including changing patterns of work, grow.[50]

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[46] Head, M. et al, 'Post-traumatic stress disorder and alcohol misuse: comorbidity in UK military personnel', 2016 http://www.kcl.ac.uk/kcmhr/publications/assetfiles/2016/Head2016.pdf.

[47] Ministry of Defence, 'UK Armed Forces Mental Health: Annual Summary & Trends Over Time, 2007/08–2015/16', 2016.

[48] Ministry of Defence, 'UK Armed Forces Mental Health'.

[49] National Health Service, 'Adult Psychiatric Morbidity Survey: Survey of Mental Health and Wellbeing, England', 2014.

[50] Aglionby, John, 'Cost of mental illness rising in the UK', *Financial* Times, 2014.

The true costs of this type of transition is significantly understated by the analysis as the model excludes all costs other than treatment costs. No account is taken of other economic costs associated with mental illness such as lost productivity, sickness absence, benefit payments or care costs borne by partners and relatives.

A2.3 Alcohol and drugs

Evidence suggests that the percentage of Service leavers with transition problems related to alcohol ranges from 10.9% for non-operational leavers, to 22.5% for operational Service leavers (those who have served in the Iraq or Afghanistan operational theatres).[51] Taking a weighted average of these estimates to allow for the proportion of leavers who were operational and non-operational, means that approximately 15% of all Service leavers will experience an unsuccessful transition that is alcohol related.

We expect the proportion of Service leavers with alcohol-related transitions to grow modestly over the forecast period, in line with growth rates for psychoactive substance abuse among UK Armed Forces personnel, captured at initial assessment at MoD DCMH. Over the update period (2011/12 to 2015/16), the proportion of Service personnel with mental health disorders related to alcohol abuse increased at an average annual rate of 1.93% per year. This growth is assumed to continue, and to be mirrored by growth in the proportion of Service leavers who transition poorly due to harmful drinking.

The cost of alcohol-related poor transition is expected to remain the same, at approximately £8,400 per year, per person. This estimate reflects costs to the NHS, costs from tackling alcohol-related crime and lost working days and productivity costs.[52]

In TMS13, 0.7% of Service leavers were assumed to have drug-related problems in transition[53].

Recent media reports (2017) suggest an increase in the numbers of Service personnel failing drug tests in the last 12 months[54]. The British military has seen a 30% increase in personnel caught and expelled from the ranks for using illicit substances, from 2015 to 2016. And the Royal British Legion (2014) UK household survey reports that 1% of the adult ex-Service community admits to heavy drinking and/or taking drugs[55]. The model also assumes an increase in the proportion of Service leavers with a drug-related poor transition, from 0.7% in 2012 to 1.4% by 2020.

[51] The Royal British Legion: Armed Forces and Veterans' Mental Health, 2010.

[52] Office for National Statistics, 'Adult drinking habits in Great Britain', 2014.

[53] National Audit Office, 'Ministry of Defence: Leaving the Services', 2007, *http://www.nao.org.uk/report/leaving-the-services/*.

[54] RT.com. 'Line of duty: Drug abuse in the British Armed Forces on the rise', 2017, https://www.rt.com/uk/373843-military-illegal-drugs-army/.

[55] The Royal British Legion, 'A UK Household Survey of the Ex-Service Community', 2014, http://media.britishlegion.org.uk/Media/2275/2014householdsurveyreport.pdf?_ga=1.48903278.935658046.1484757895.

Costs of drug-related poor transitions in TMS13 were £8,761 p.a. per person transitioning[56]. More recent figures suggest an increase in drug- addiction expenditure, which includes benefits, the costs of looking after children of addicts and the prescription of treatment drugs, to £11,250 per person addicted, per annum[57]. This suggests an CAGR (2008 and 2011) of 8.69%. For the purpose of this analysis, we have applied this average growth to the cost of a drug-addiction transition over the update period, and assumed costs remain at this level over the forecast period, approximately £12,000 per person addicted.

A2.4 Criminal offences

TMS13 used estimates of the proportions of Service leavers committing criminal offences of around 1%.

Recent figures estimate that the percentage of offenders with Armed Forces backgrounds is approximately 5%[58]. This figure, taken together with estimates of the offender population in the UK, gives an approximate number of Service personnel who have committed offences. Comparing this to the UK veteran population as a whole suggests that approximately 0.3% of veterans have committed criminal offences.

This estimate suggests the 1% figure taken by TMS13 is adequate, but could be improved with better data. The total impact, in terms of the overall costs of poor transition, is small.

A2.5 Prison

TMS13 assumed 0.24% of Service leavers have poor transition outcomes that involved time spent in prison, in line with survey-based estimates put forward by the MoD and the NAO in the 2007 Leaving the Services report[59].

We assume this percentage remains stable over the forecast period.

Costs per place and costs per prisoner by individual prison are taken from Ministry of Justice 2016 data[60]. Costs are assumed to remain stable over the forecast period.

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[56] Addaction, 'Financial Cost of Addiction', 2008, www.addaction.org.uk.

[57] Telegraph, 'Benefits and treatment for drug addicts cost £3.6 billion a year', 2011, http://www.telegraph.co.uk/news/health/news/8584488/Benefits-and-treatment-for-drug-addicts-cost-3.6-billion-a-year.html.

[58] Watt, Holly, 'More than 2,500 former soldiers jailed last year', *The Guardian*, 2017, https://www.theguardian.com/uk-news/2017/mar/18/uk-armed-forces-veterans-prison-population-mental-health-issues.

[59] National Audit Office, 'Leaving the Services'.

[60] Ministry of Justice, 'Costs per place and costs per prisoner by individual prison', 2016, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/563326/costs-per-place-cost-per-prisoner-2015-16.pdf.

A2.6 Housing

The estimated proportion of Service Leavers claiming housing benefit during the update and forecast periods, whether in private rented accommodation or in social housing, reflect estimates for proportions in the total population.

The Royal British Legion's, *A UK Household Survey of the Ex-Service Community* (2014)[61] finds that Service leavers are not more likely to be in social housing compared with the rest of the population, and the MoD, in its annual population survey, 'UK Armed Forces Veterans Residing in Great Britain', for 2015, found that:

"There were no significant differences in accommodation tenure when comparing age groups between the veteran population and the non-veteran population" and that "overall, there was no difference between UK Armed Forces veterans and non-veterans residing in GB in terms of whether they own/mortgage or rent their accommodation[62]."

However, the 2014 household survey report by the Royal British Legion found that 21% of 16 to 64 year-old veterans were in accommodation rented from local authorities, compared with 17% of the UK population. This is because of the demographic skews of the veteran sample[63]. This study also found that 9% of the ex-Service community claim housing benefit.

Housing benefit case-load statistics, published by the DWP (2016), suggest that approximately 8.7% of the GB adult population claim housing benefit[64]. This proportion is expected to decline over the forecast period to 8%. [65]

The cost of housing benefit figures — total housing-benefit expenditure divided by case load — show an expected decrease from £5,075 per case to £5,008 per case by 2020[66].

The model assumes significant lag effects, in line with Nomis data on DWP benefits (2011) showing 32% of those claiming benefits do so for one year or under, 11% for one to two years, 16% for two to five years, and 41% for five years and over. [67]

[61] The Royal British Legion, 'A UK Household Survey of the Ex-Services Community'.

[62] Ministry of Defence, 'Annual population survey: UK armed forces veterans residing in Great Britain', 2015, https://www.gov.uk/government/statistics/annual-population-survey-uk-armed-forces-veterans-residing-in-great-britain-2015.

[63] The Royal British Legion, 'A UK Household Survey of the Ex-Services Community'.

[64] Department for Work and Pensions, 'Housing Benefit caseload statistics: data to February 2017', 2017, https://www.gov.uk/government/statistics/housing-benefit-caseload-statistics.

[65] Ibid.

[66] Ibid.

[67] National Assembly for Wales, 'Welfare in Wales', 2011, http://www.assembly.wales/Research Documents/Welfare in Wales series Welfare statistics - Quick guide-22092011-224068/qg11-0033-English.pdf.

A2.7 Homelessness

For the purposes of this research, homelessness is defined as in the Homelessness Monitor series: people sleeping rough; single homeless people living in hostels, shelters and temporary supported accommodation; statutorily homeless households; and those aspects of 'hidden homelessness' amenable to statistical analysis using large-scale surveys[68].

The *Veterans' Transition Review* (2014) estimated that 3% to 6% of Service leavers have experienced some level of homelessness after leaving the Armed Forces.

Since the publication of the 2013 Transition Mapping Study, data gathered by Crisis suggests that homelessness in the UK has seen a trend increase. Homeless numbers rose 37% between 2010 and 2013, and 13% in 2012/13, with growth slowing in recent years.[69]

We have assumed for modelling purposes that growth in the numbers of homeless Service leavers follows the national trend. Over the forecast period, it is assumed that homelessness among Service leavers continues to grow in line with the population, at approximately 1-2%, which follows estimates put forward by Crisis for recent years. It should be noted, however, that Crisis argues that slower growth may reflect ongoing changes in local authority management of homelessness more than underlying trends in housing insecurity.

The duration of homelessness for service leavers has been kept constant at five months[70].

Estimates for the costs of homelessness indicate a rise to £26,000 p.a. compared with £20,800 in 2012. Despite this growth, we have taken a conservative view of costs and assume that the cost of a homeless transition stabilises at the 2016 level over the forecast period. A review of the costs of homelessness by the Department for Communities and Local Government (2012) suggests that estimates of the cost of a homeless person (annual costs to government) range from £24,000 - £30,000 (gross) per person.

The NAO report, Leaving the services, (referenced in the 2013 TMS) found that 5% of leavers, most of whom were young and of junior rank, reported that they had been homeless[71]. Of these, around one in five (21 per cent) had been homeless for less than one month, approximately half (53 per cent) had been homeless for between one and six months, 14 per cent between seven and 12 months, and 12 per cent over one year.

Most homelessness experienced by Service leavers seems to be for less than one year. However, 12% appear to experience homelessness for 12 or more months. A lag of 12% is assumed for one year.

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[68] Crisis, 'The homelessness monitor: England 2015', 2015, http://www.crisis.org.uk/data/files/publications/Homelessness_Monitor_England_2015_final_web.pdf.

[69] Ibid.

[70] National Audit Office, 'Leaving the Services'.

[71] Ibid.

A2.8 Debt

TMS13 assumed 6.5% of Service leavers would experience debt related problems. This figure was based upon survey estimates from the MoD and NAO report, *Leaving the Services* (2007)[72], and is supported by more recent reports. The Royal British Legion's 2014 *A UK Household Survey of the Ex-Service Community* found that 3% of former Service personnel report getting into debt, and 7% report getting into arrears on payments in the last 12 months. 6% say their household has had to borrow money in the last 12 months, including borrowing from family[73].

It is assumed that over the forecast period (2016 to 2020) the proportion of Service leavers experiencing debt-related problems mirrors the growth of those with debt-related problems in the wider population. Figures show that the proportion of individual insolvencies per 10,000 people in England and Wales fell by 0.005% between the second quarter of 2015 and the second quarter of 2016[74].

The cost of debt advice was estimated to be £264 per person in TMS13 and was based upon 2009 figures from the paper 'Outreach Advice for Debt Problems: Research and Evaluation of Outreach Services for Financially Excluded People'[75]. The estimate included the average cost of getting debt advice, plus lost income tax and NI as a result of debt.

More recent figures suggest the per person cost of debt advice is approximately £218.[76] For the purposes of this update, we add to this an estimate of the loss in productivity due to debt issues of £793 per person p.a. to get a total cost of debt-related transition problems of £1,011 per person[77]. This is a significant increase on the £264 figure quoted in our 2013 report but reflects more accurately the cost to the UK of such a transition problem.

We do not assume lags for debt-related problems as "longitudinal studies do show that a substantial proportion of those reporting debts in one year report being debt-free within a year, even among quite poor debtors".[78]

[72] National Audit Office, 'Leaving the Services'.

[73] The Royal British Legion, 'A UK Household Survey of the Ex-Services Community'.

[74] The Insolvency Service, 'Insolvency Statistics: April to June 2016',2016, https://www.gov.uk/government/statistics/insolvency-statistics-april-to-june-2016.

[75] Buck, Alexy, Laurie Day, Sharon Collard, et al. 'Outreach Advice for Debt Problems: Research and Evaluation of Outreach Services for finacially excluded people,' 2009.

[76] National Audit Office, 'Helping consumers to manage their money', 2013, https://www.nao.org.uk/wp-content/uploads/2013/12/10278-001-Helping-consumers-to-manage-their-money-Copy.pdf.

[77] Step Change, 'The social cost of problem debt in the UK', https://www.stepchange.org/policy-and-research/social-cost-of-debt.aspx.

[78] The British Psychology Society, 'Behaviour Change: Personal Debt', http://www.bps.org.uk/system/files/Public files/debt.pdf.

A2.9 Family breakdown

TMS13 used figures put forward by the MoD and NAO for the proportion of Service leavers facing family breakdown. 4.6% of surveyed Service leavers said they were separated or divorced, and approximately 9% admitted to facing issues related to their families or partners during transition to civilian life[79]. This level of incidence is supported by figures from the more recent *Military Families and Transition* report by The Centre for Social Justice (2016).

New estimates for the cost of family breakdown from the Relationships Foundation's updated annual 'Cost of Family Failure Index' suggest an increase from the £13,671 figure used in TMS13, to around £18,400 per family breakdown[80]. To ensure that estimates are conservative, we assume average annual growth that sees the cost of family breakdown transitions rise to this level over the entire period under review (2013 to 2020).

A3.1 Overlaps

TMS13 assumed that 39% of Service leavers with a homeless-related outcome were also likely to suffer mental health problems and seek treatment that would result in additional transition costs.

The user guidance notes (p3) stated, "All unsuccessful outcome types are treated as mutually exclusive and costed on that basis, except for homeless and mental health and homeless and alcohol. These overlaps show the % of homeless Service leavers who have additional costs due to also having alcohol and mental health problems."

The author of the first version of the model, David Martin, wrote: "In general, unsuccessful outcomes were treated as separate from each other. However, many of the sources on homeless leavers referred to a large share having other outcomes as well (39% having mental health issues and 55% alcohol). So it would be understating their problem/cost to treat them as homeless and ignore their other issues".

In the 2017 review, we concluded that while it was possible that treating all poor incidences as separate events potentially understated these impacts, it was difficult to identify reliable estimates for the understatement, and it breached an important organising principle for the model. For these reasons, we have removed these overlapping costs, which were small compared with overall costs of poor transition, from the model.

[79] National Audit Office, 'Leaving the Services'.

[80] Relationship Foundation, 'Counting the Cost of Family Failure: 2016 update', 2016, http://www.relationshipsfoundation.org/counting-the-cost-of-family-failure-2016-update/.

A3.2 Note on Housing Benefit overlaps

We propose a possible addition to the model to include housing benefit. The sources for costs are reviewed above. However, it is worth noting an overlap between housing benefit and family breakdown costs that has been the subject of an adjustment in this extended version of the model. Due to the overlap of costs, arising from lone parents claiming housing benefit, for example, the total cost figure for family breakdown put forward by the Relationship Foundation has been revised down. Approximately 11% of the £45bn estimate is due to housing benefit claims. Adjusting for this overlap reduces the individual cost of a family breakdown from £18,400 to £16,232.

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Forces in Mind Trust

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Forces in Mind Trust is a UK-based Trust established at the start of 2012 by a £35 million 20-year spend-out endowment from the Big Lottery Fund. A member of the Confederation of Service Charities (Cobseo), the Trust is also currently serving on its Executive Committee.

The Trust's Vision is that all ex-Service personnel and their families lead successful and fulfilled civilian lives, and its Mission is to enable them to make a successful and sustainable transition. The Strategy is to use the Trust's spend-out endowment to fund targeted and conceptually sound evidence generation and influence activities that will cause policy makers and service deliverers to support the Mission.

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FiMT uses a Theory of Change model focused on six outcomes: Housing; Employment; Health and Wellbeing; Finance; Criminal justice system; and Relationships. It has two Intermediate goals of Successful, and Sustainable, Transition.

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