



Veterans work

Recognising the potential
of ex-service personnel

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**As part of the
One Million Futures
insight series**

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Foreword

By Chris Recchia, Partner and lead for Deloitte's Military Transition and Talent Programme

As a veteran myself, I feel very passionate about maximising the potential of the UK's veteran population. I joined the Army as a soldier at 16 and had an enjoyable and fulfilling career in the armed forces, leaving as a Captain after 12 years. Looking back, though, I found the prospect of transitioning into civilian life very daunting and, like many veterans, as difficult as any of the challenges I faced while serving.

I've been lucky enough to forge a second career in business. But, as you will find in the pages of this report, many veterans consistently struggle to find jobs of the same quality as others of the same age in the workforce. Today, there are around 700,000 veterans in employment in the UK and over half of them have jobs in low paid or routine occupations that don't make full use of their skills. In short, most businesses fail to recognise their potential.

My experiences have made me committed to doing as much as I can to raise awareness of the benefits of employing veterans. This personal objective is aligned with Deloitte's responsible business strategy, "One Million Futures", which aims to help one million people overcome barriers to education and employment, developing skills and accessing opportunities in the classroom, workplace and boardroom. We firmly believe that it's not where you're from that's important; what counts is where you're going.

This is the first in a series of One Million Futures reports from Deloitte, which will address the challenges faced by many people in the UK in accessing education, training and employment, and how we can overcome these barriers to the benefit of our society and economy.

Although I and many of my former colleagues in other organisations intuitively understand the benefits of employing veterans, the business case is still largely anecdotal. Over the last couple of years, it has become increasingly obvious that more data is needed to prove beyond doubt how veterans add value. So that's what we set out to do through this new research. And we were delighted when the Officers' Association and the Forces in Mind Trust agreed to collaborate with us, bringing their passion for supporting veterans and also different experiences and insights.

We had several guiding principles for the research. We knew, for instance, that it had to be employer-led. There have been many excellent studies from the Ministry of Defence and service charities, which have focused on the needs of veterans, but we felt that there was a gap in the narrative specifically addressing employers. The input of the 300 organisations that contributed to this research, we feel, makes it powerful and unique. And we hope that the results make a compelling case.

We've found that employers who go out of their way to hire veterans will rarely hesitate to recommend them to others. More than half say veterans are promoted faster and two-fifths say they are more loyal than the rest of the workforce. The experiences of organisations that hire veterans should send out a strong message to all other employers; every career in the armed forces forges transferable skills that are more critical for businesses than ever before. Not only should organisations be employing veterans, but we should also be figuring out how to retain the ones we already have because they are so good and ambitious.

However, we've also found that the majority of organisations don't recognise these skills nor the positive attitudes of veterans. In the long term, this isn't good for veterans and it's not sustainable for business, either. Although many appreciate that supporting veterans is the right thing to do, this is the view purely through the lens of corporate social responsibility – it is a moral case for employment rather than a business case.

We should of course still continue to respect members of the armed forces for their service and sacrifice, but this research shows that we should also look through a business lens. We simply can't afford to do otherwise. This report recognises that businesses, employers, policymakers and veterans, alike, need to do more.

Deloitte's goal in this debate is to be supportive rather than divisive, objective rather than subjective. We set out to gather and present evidence but, at the same time, we have not shied away from the findings of our research nor from the stark real-world stories of employment and transition that we've heard from veterans and employers, themselves. I would very much like to thank all of the organisations and individuals who've participated in this research for their time and candour.

Lastly, it is our sincere hope that businesses, policymakers and all those involved in veteran transition and recruitment in the UK will find information within the pages of this report that can be translated into tangible action. We have to work together not duplicate efforts, and wherever provision is found wanting we need to share best practice and drive change.

There has been an enormous amount of fantastic work done in the transition space over the last four or five years but we need to maintain the momentum. We need to shift the debate from one of simply assisting veterans and the associated obligation to 'push' them into jobs to one that ensures organisations want to 'pull' more veterans into employment. This is our collective responsibility as UK plc.



Chris Recchia

Partner and lead for Deloitte's Military Transition and Talent Programme

We need to shift the debate from one of simply assisting veterans and the associated obligation to 'push' them into jobs to one that ensures organisations want to 'pull' more veterans into employment. This is our collective responsibility as UK plc.



Foreword

By Air Vice-Marshal Ray Lock CBE, Chief Executive,
Forces in Mind Trust

A couple of the recommendations we made in our 2013 *Transition Mapping Study* have been thoroughly ignored. But reading the Study again recently, while we considered whether to commission a follow-on piece of work (we did – TMS 2017, not, I accept, my most creative title), it struck me that these recommendations were just as valid four years on. And this is despite the subject of transition (of ex-service personnel and their families into civilian life) having received considerable attention from governments, charities and the media.

So let me bring those recommendations back into this excellent report. The first is around the popular narrative that veterans, and especially those who have served in Afghanistan, are 'mad, bad or sad'. But as this new report correctly reminds us, this is simply not the case. Of course the media (and charitable fundraisers) will highlight the worst cases, but portraying veterans as victims is unhelpful to the vast majority who are anything but. Indeed, they can be the most fantastic contributors to society and to business, as long as business and society recognise the 'added value' of employing a veteran. This is the narrative that all of us involved in this space should be seeking to deploy, and to make it the dominant thinking of those currently lacking such understanding. In *The Transition Mapping Study*, we recommended collective action to do so – and very little appears to have happened.

The second recommendation we made suggested that the Ministry of Defence's in-house recruitment contract, recently re-let to the Career Transition Partnership, should be re-cast so that employers paid the Partnership to source its talent. In every other aspect of recruitment, that's how it works, and I do wonder whether this transactional reversal might have revolutionised the environment, and in a good way. But the moment has passed, for now at least; so we must look to the Ministry of Defence to ensure its service leavers do write CVs that are comprehensible, do encourage (which is much more active than simply permit) serial work placements, and do foster links with local employers.

But ultimately this new report is aimed not at the MOD, or the leavers themselves. It is aimed squarely at employers. This is not about the Covenant, this is not about corporate social responsibility. This is a simple business proposition – employ veterans, and you will reap the rewards. Veterans have many talents, and employers are not recognising them, to their competitive disadvantage. Veterans have many, and varied, hidden talents that just work. Now that *is* a good title.

A handwritten signature in black ink that reads "Ray Lock". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

Ray Lock
Air Vice-Marshal Ray Lock CBE, Chief Executive,
Forces in Mind Trust



Foreword

By Lee Holloway, Chief Executive Officer,
The Officers' Association

The Officers' Association works with veterans and employers to support service leavers in making a sustainable and successful transition into the civilian workplace. It has become increasingly clear that whilst there is a large body of research into the challenges that veterans face during transition, the employers' perspective has been less well documented and understood.

This can in part be attributed to the dearth of quantitative data relating to the attraction, selection, transition and development of veterans within organisations.

We have therefore been delighted to work with Deloitte and FiMT on this project to understand the viewpoint of employers and to gain a greater insight into the benefits, challenges and barriers organisations experience in employing veterans.

This piece of research is timely as the environment in which we now operate has seen dramatic changes; we believe it is time to move the narrative forward, from supporting veterans because it's the 'right thing to do' to examining the business case for UK plc to engage with this unique and diverse talent pool.

As business faces skills and labour challenges in an increasingly digital and global economic landscape, the public awareness and positive perception of veterans is at an all-time high. The OA believes this presents a window of opportunity to capitalise on the investment that has been made in our Service personnel.

We are encouraged that this report highlights some fine examples of employer-led solutions. It reinforces the business case for attracting, recruiting and retaining military talent, but it exposes a clear gap in the number of businesses yet to recognise the broader potential on offer. As a result, many veterans may not be meeting their full potential in the civilian workplace. We hope this report will encourage other employers to explore how their own business can benefit from the wealth of multi-functional skills veterans bring and look beyond the need for industry experience and qualifications.

We trust this report will open a wider dialogue amongst all those involved in the employment of veterans to the mutual benefit of the individual, business and society as a whole. The OA will continue to work with employers to this end.

A handwritten signature in black ink that reads "Lee Holloway". The signature is written in a cursive style with a long, sweeping underline.

Lee Holloway

Chief Executive Officer, The Officers' Association

Executive summary

Why is it important that veterans work?

Around 16,000 men and women leave the UK's armed forces each year, joining a population of 2.6 million military veterans and 35,000 volunteer reserves in 'civvy street'.

Official statistics show that the majority of veterans transition successfully into employment after leaving the armed forces. But many veterans and reservists continue to be stereotyped or employers fail to recognise the transferable skills they've acquired during their service careers, such as communication skills, leadership, teamwork, social perceptiveness, flexibility, creative problem-solving, judgement and decision-making. As a consequence, a high proportion of veterans work in low-paid, routine jobs or choose instead to enter the skilled trades, employed as builders, plumbers, electricians and technicians, where the military's vocational training is more easily translated.

Now, though, Deloitte research shows that changes in the nature of work – driven by continuing advances in technologies such as robotics, big data and artificial intelligence – are making these transferable skills critically important to the UK's economy. So the big question is this: can employing veterans and reservists be good for society *and* business?

This new study sets out to find an answer to this question. Using a combination of data analysis, surveys and interviews, we show that employers who go out of their way to hire veterans are already realising commercial benefits. However, despite positive sentiment from the majority of medium and large organisations, there is a persistent lack of understanding of the key skills that veterans possess as well as seemingly high barriers to employment in the first place.

Our main findings

- **Organisations that have employed veterans are very positive about the value they bring:** 72 per cent of organisations with active ex-military recruitment programmes would definitely recommend employing veterans (giving a score of 10/10) and 80 per cent say they understand how military skills fit in with their organisation's needs.
- **Organisations that have employed veterans see them not just as holding a few specialist skills but, crucially, as performing well across a range of areas:** around 90 per cent of organisations that go out of their way to employ veterans see them as performing well in 20 of the 25 skill areas we examined in our research. Veterans were seen as being particularly strong in areas relating to communication, planning and time management, team-working, leading and inspiring others, and being able to pick up specialist knowledge and solve problems.
- **More than half (53 per cent) of organisations that have employed veterans say they tend to be promoted more quickly than their workforce in general:** our survey findings are also supported, to some degree, by evidence that veterans are able to move 'up' through occupational classifications over time to take on jobs that place greater importance on cognitive and soft skills rather than just technical or basic skills.
- **Many of the skills that veterans possess are in areas where organisations are experiencing gaps:** for instance, around a third of the medium and large organisations we surveyed have skills gaps in strategic management, managing and motivating staff, team-working, positive attitude and listening skills. These are all areas where veterans are seen as performing well by around 90 per cent of organisations that have employed them.

- **Three-quarters of medium and large organisations are interested in recruiting veterans in the future:** however, current levels of activity by major employers suggest that there are barriers – either real or perceived – to further action. For instance, although 87 per cent of employers are aware of organisations or programmes that provide recruitment services or transition support for veterans, only 24 per cent have some sort of affiliation to one.
- **Veterans tend to have lower rates of sickness absence than the wider workforce:** 79 per cent of organisations that have employed veterans agree they take fewer days off sick, and nearly three-quarters of medically discharged service leavers find employment.
- **There is a persistent lack of understanding of the key skills that veterans possess:** for example, only 66 per cent of medium and large organisations perceive veterans as having good communications skills, whereas this is a key strength highlighted by those organisations that have actually employed them. Veterans are disproportionately more likely than non-veterans to be employed in occupations where these skills are not as important, for instance as drivers of heavy-goods vehicles, security guards or metal-working production and maintenance fitters.
- **Veterans still struggle to gain a foothold in civilian employment:** although 71 per cent of medium and large organisations say they would consider employing veterans, only 39 per cent would employ someone with no industry experience. From our analysis of official statistics, other factors associated with poorer employment outcomes for veterans appear to include medical discharge, being black or in an ethnic minority, being female or being in the services for a long time. These disadvantages remain even when compared to civilian norms.

Many challenges remain

The debate around veterans' employment has so far been focused on the highly emotive obligations on society and businesses set out in the Armed Forces Covenant. However, the discussion now needs to move forward to ensure that employers recognise and can access the talent that exists in the wider military veteran and reservist community. Fundamental questions remain, though, such as:

- How can businesses be persuaded to recognise the skills and talent of veterans?
- What are the appropriate levels of investment in ex-military programmes?
- How can recruitment methods avoid discriminating against veterans?
- How can businesses keep track of veterans once they've joined?
- How early should businesses engage with the Ministry of Defence (MOD) to shape the development and get visibility of leavers' skills?
- How can short-term employment goals for veterans be balanced with longer-term economic and business interests?
- How can policymakers strengthen the business commitments of the Covenant?
- What changes should be made to training and development programmes in the armed forces to ensure that service leavers are better equipped for the needs of the future economy?
- What is the best information to provide to service leavers and how can access to it be simplified and improved?

Our recommendations

This research strongly suggests that the skills which many former members of the armed forces possess are a close match for acute skills gaps that employers face, today. But few businesses have taken the time to make this discovery. Current approaches to transition have been successful in placing record numbers of service leavers in employment but policymakers have to find a better balance between short-term employment targets and long-term, strategic objectives for developing the core transferable skills needed by the armed forces and the future economy. Individual service leavers, veterans and reservists have shown tremendous resilience and determination in their careers but they, too, must do more to recognise and promote their own skills and talents to the benefit of the wider economy.

Therefore, we recommend that:

- Employers should recognise and act on the business case for hiring veterans, rather than on reasons of corporate social responsibility. In particular, employers should do more to recognise the skills and experience veterans offer and contrast this with the skills gaps they have within their organisations.
- Employers should invest in veteran recruitment; goodwill and the best intentions of well-meaning individuals are no substitute for well-funded, dedicated military transition and talent programmes. Only through the sharing of best practice, and, crucially, with board-level support, can such programmes effect real change.
- Employers should collect data about the veterans and reservists they hire, including their performance, development and tenure, to gather evidence for and strengthen the business case for recruiting and promoting other veterans within their organisations, even where the veterans do not initially have relevant industry knowledge.
- Employers should engage and improve their communications with the MOD and other organisations that specialise in employing and supporting veterans to help them understand better the skills needed in the civilian sectors of the economy. In so doing, the MOD should work to understand better how these insights can be used to improve the support they provide to regular service leavers during transition.
- The MOD and individual veterans must become more adept at translating broader military skills and experience for civilian employers, rather than focusing on the technical skills and vocational or professional qualifications and experience gained from their military career.
- The MOD should engage and improve their communications with businesses and other employers to identify as early as possible, on a voluntary basis, service members who are leaving the military.
- Policymakers should consider the need for a national strategy and commission for veterans' employment, working alongside the Defence Skills Strategy. This would help to ensure that both the spirit and the letter of the Armed Forces Covenant are followed and that members of the armed forces are recognised for the benefits they can bring to UK business.

Official statistics show that the majority of veterans transition successfully into employment after leaving the armed forces.

This research strongly suggests that the skills which many former members of the armed forces possess are a close match for acute skills gaps that employers face, today. But few businesses have taken the time to make this discovery.



Rebecca Hudson

Delivery Manager, Nationwide

Rebecca Hudson is a Delivery Manager at Nationwide, joining the building society through its Military Transition Programme. Rebecca left the British Army (Royal Logistic Corps) as a Captain in August 2016, after ten years of service. During this time she served in Afghanistan (Operation Herrick, 2008 and 2012) and Iraq (Operation Telic, 2008). Along with eight other ex-military personnel, Rebecca joined the Nationwide Military Transition Programme shortly after resigning her commission, training for just over three weeks for the role of Delivery Manager – a position in which she manages work streams within specific Nationwide projects.



On aspirations

“My aspirations upon leaving the armed forces were fairly simple really – to get a long-term job that I could be proud of somewhere local and in which I could use the communication and organisational skills that I honed in the Army.”



On who is responsible

“Although I’ve been lucky in moving straight from the Army into a job, and Nationwide has been great at providing me with the opportunity, you can’t expect a company to give you a job just because you’re ex-military. I think the Career Transition Partnership and Officers’ Association provides effective employment support, but it generally focuses on Officers. There could be more for soldiers, particularly those that are younger and less experienced, on how to best prepare for working life outside the armed forces. That said, they [service personnel] need to take some responsibility as well. Some of them are great at going to the recruitment fairs and signing up to courses, whereas others rest on their laurels and bank on vague promises from friends and family.”



Translating skills

“We also need to dispel the myth that ex-military types walk straight in from the battlefield and shout at everyone, with no discernible skills other than how to fire a gun.

“This happened to my husband, who left the Army three years before me, when he was interviewing for a job as a secondary school teacher. The headmaster assumed that he had no leadership experience – clearly this isn’t the case for officers who command groups of soldiers! There are widely varied roles in the Army and a huge amount of managerial experience up for grabs, for corporals and upwards. It’s a case of educating employers – particularly those smaller companies in the private sector – and publicising the civilian-recognised qualifications that many veterans have as a priority. I left the service with a range of qualifications, from a Diploma in Nutrition to an ISO 9001 lead auditor award, all of which are relatable to employers. The key for employers is to understand that these skills are transferable and directly applicable to their businesses.”

“ There are widely varied roles in the Army and a huge amount of managerial experience up for grabs, for corporals and upwards. It’s a case of educating employers – particularly those smaller companies in the private sector – and publicising the civilian-recognised qualifications that many veterans have as a priority. ”

Rebecca Hudson, Delivery Manager, Nationwide

Introduction

“It is clear that we all benefit from our armed forces in terms of our daily security and safety. It is also clear, however, that we must ensure all opportunities are available to individuals who make the transition to other roles and careers, so that society can continue to reap the benefits of the vast skills and qualities personnel acquire during service, long after their service period has ended.”

Lord (Tariq) Ahmad of Wimbledon, Parliamentary Under Secretary of State, Department of Transport¹

Veterans face a difficult transition to civilian life

Around 16,000 men and women leave the armed forces and transition into civilian life each year.² The most recent Annual Population Survey (APS) carried out by the Office for National Statistics (ONS) in 2015 estimates that these service leavers are among nearly 2.6 million military veterans and 35,000 volunteer reserves living in Britain, today.^{3,4}

The transition into civilian life and employment requires significant adjustment for service personnel and their dependants. A leading University of Lancaster academic, Paul Davies, says, “People leaving the armed services can experience challenging transitions because being part of the military involves not just undertaking tasks which clearly differentiate soldiers, sailors and air force personnel from the civilian population, but also immersing oneself in a culture and a web of relationships which tend to dominate almost every aspect of life.”⁵ A common theme that emerges from many veterans’ transition stories is the shock of being exposed for the first time to the highly unstructured, and, in some cases, dog-eat-dog, nature of the business world.⁶

Despite the differences, though, official statistics show that the majority of service leavers make a successful transition: in 2014-15, the unemployment rate among regular service personnel supported by the Career Transition Partnership (CTP) – the Ministry of Defence’s (MOD’s) official provider of armed forces resettlement services – was six per cent, the lowest for five years and close to the 4.9 per cent for the UK’s economy overall.^{7,8} However, a recent survey by the Royal British Legion suggests that veterans appear to experience unemployment at a rate significantly higher than their civilian counterparts.⁹

Of course, many factors can determine an individual’s employment chances and outcomes: their educational achievement prior to entering military service, the roles they have undertaken during their career, the skills and qualifications they have acquired and their tenure, as well as rank, gender, age and health.

And persistent stereotypes are damaging employment chances

Some may argue that at least part of the reason why so many veterans do find jobs nowadays can be attributed to the number of organisations signing up to the Armed Forces Covenant.¹⁰ The Covenant’s twin underlying principles are that members of the armed forces community should be treated with fairness; and that special consideration is appropriate in some cases, especially for those who have given the most, such as the injured or the bereaved. According to the latest information from the MOD, more than 1,000 British companies and charities, ranging in size from small enterprises to large multinationals, have now become signatories.¹¹

However, critics of the Covenant argue that it is simply shoring up pre-existing and misguided perceptions of veterans. A report from a St George’s House consultation noted that, in its current form, the Covenant could “unhelpfully be construed as a tool ‘to persuade employers that it is their duty to employ ex-Service personnel’ as though a corporate social responsibility in return for individuals having put their lives at risk to protect the country.”¹² The Covenant could, therefore, encourage businesses to view even healthy veterans as suffering from physical or mental health problems. As research has found, such negative stereotypes are unfortunately widespread and persistent.¹³

The reality, though, is that about the same proportion of working age veterans as non-veterans consider their health to be “Very good”, “Good” or “Fair”, and nearly three-quarters of service personnel who were medically discharged through injury or illness in 2014-15 used CTP services to transition successfully into employment.^{14, 15}

Another significant problem affecting the employment of veterans is that the skills which differentiate a career in the armed forces are either not recognised by civilian employers or are perceived by many businesses to be less relevant than conventional academic, vocational or professional qualifications. In *The Transition Mapping Study: Understanding the transition process for Service personnel returning to civilian life*, the Forces in Mind Trust suggests that, “the vocational training provided to the armed forces is perceived by some employers as being overly geared to the needs of the military, and therefore of less use in civilian life.”¹⁶

Service leavers and veterans of all ranks are therefore encouraged to focus on directly translatable skills when applying for jobs. One artefact that has emerged in the US and elsewhere as a result of applying such conventional wisdom is a ‘crosswalk’, which translates military occupations and grades into their civilian equivalents.¹⁷ The crosswalk is intended to help veterans and service leavers identify civilian career opportunities and requirements and relate them to their military education, training and experience. But as much as the crosswalk can help people understand their options, it can also lead to tunnel vision: for example, a ‘radio chief’ enlisted in the US Marine Corps is matched by the crosswalk to the civilian occupations of ‘network and computer systems administrators’, ‘broadcast technicians’ and ‘radio operators’. Although such like-for-like matches may well be appropriate for some people or act as stepping stones to other careers, they can also encourage veterans and service leavers to settle for the easy option. This means that CVs often do not do justice to the broader base of *transferable* skills and qualities that veterans and reservists gain throughout their military careers.

As a consequence of this complex interplay of problems, there are few incentives for employers to change either their view of veterans or their rationale for hiring them. “It can be frustrating to observe the gap between the wishes of employers to take on veterans,” said a Futures 4 Forces report in 2015, “and their ability to do so effectively.”¹⁸ As long as the current behaviours persist, both parties are missing out on potential benefits.

But the changing nature of work is creating an opportunity for veterans

However, recent advances in technologies like robotics, big data and artificial intelligence are causing significant shifts in the UK’s economy and opening up new skills gaps in the workforce. These gaps are now creating opportunities for service leavers, veterans, reservists and employers alike. Such is the magnitude of change in certain sectors of the economy that it is estimated the UK will need over two million more skilled workers by 2020 to satisfy the country’s ‘digital potential’.¹⁹ Research has also found that over three-quarters of a million of these jobs will need to be created within the next five years.²⁰

At first glance, it would appear that these digital jobs will require more digital skills and certainly not military skills. While this is true for a minority, Deloitte’s recent research, *Talent for survival: Essential skills for humans working in the machine age*, highlights an apparent paradox: the skills considered to be most important for workers now and in the future are not actually technical in nature.²¹ Instead, employers are finding it increasingly difficult to source general purpose skills and abilities such as writing and speaking, leadership and teamwork, social perceptiveness, flexibility and ability to work in fast-paced, changing environments, judgement and decision-making under pressure, ‘grit’ and resilience, curiosity, critical thinking and logical reasoning. Not only does Deloitte’s research identify these as essential talents for working in the machine age but they are also among the skills that the MOD expends considerable effort and investment to develop in its people.²²

The transition into civilian life and employment requires significant adjustment for service personnel and their dependants.

But what do businesses and other organisations think right now about employing veterans? What do they consider to be the benefits that veterans bring to their organisations? What do veterans think about what works and what doesn't? And how do we reshape the beliefs and attitudes of businesses to benefit the economy as a whole?

This report attempts to answer these and other questions. It adds to the growing body of evidence that suggests hiring veterans is not just good for society but is also good for business.^{23, 24} Our hypothesis is that businesses can become more competitive and innovative by widening their search for talent to encompass former members of the armed forces, and also by continuing to invest in their existing employees who are veterans and reservists. And we believe, like a growing number of other employers, that when non-traditional, unbiased hiring mechanisms, like behavioural profiling and cognitive assessments, are used, ex-military personnel are given the fairest opportunity to shine.²⁵

Our research highlights the benefits of employing veterans

Our research follows on from previous Deloitte studies into the impact of technology on work and jobs, and the benefits that accrue to businesses from building a diverse workforce. As other studies have found, researching military veterans is challenging because it is not easy to gain access to data.²⁶ Furthermore, understanding the ongoing value that veterans bring to organisations is made all the more difficult because many employers lose track of them once they have joined.

In order to answer the fundamental questions, therefore, we have approached the task by conducting four substantial and complementary strands of research:

- a baseline analysis of veterans' statistics compiled from the Longitudinal Study (LS) conducted by the Office for National Statistics (ONS) as well as statistics from the CTP and Annual Population Survey (APS) released by the MOD and ONS
- a survey of 50 organisations in the UK that are actively recruiting veterans through a dedicated ex-military recruitment programme or process, which we used to understand the extent to which employers see veterans as realising value
- a survey of 250 medium and large organisations in the UK, which helped us to establish more general views of veterans among major employers and, specifically, their perceptions of the skills that veterans hold, and the enablers of and barriers to recruiting more veterans
- interviews with veterans and employers, which enabled us to glean deeper insights into what makes the transition from the armed forces successful and how veterans can succeed in their working lives as civilians.

In the following sections, we consider the basic facts about veterans and service leavers, including where they are, and the occupations in which they typically work. Against this backdrop, we then present the findings of our surveys to gain an understanding of the attitudes of employers towards the employment of ex-military personnel. Then we contrast what our surveys reveal about the skills employers value when hiring veterans with the skills highlighted as important by current employment trends. Finally, we identify the challenges that are yet to be overcome, and provide a set of recommendations for policymakers and employers, as well as for individual service leavers and veterans, too.

Around 16,000 men and women leave the armed forces and transition into civilian life each year. The most recent Annual Population Survey (APS) carried out by the Office for National Statistics (ONS) in 2015 estimates that these service leavers are among nearly 2.6 million military veterans and 35,000 volunteer reserves living in Britain, today.



Dave Smith

Director's Service Office and Customer Resolution,
Openreach

Liverpool-based Dave Smith, 48, is a former Sergeant in The Royal Artillery. Dave successfully transitioned into BT's Openreach in 2011 after a 23-year career in the Army. He was one of the very first veterans to be 'volume' recruited into an Openreach engineering role.



Making the most of the resettlement period

"I was nearing the end of my career in the Royal Artillery, and having been in a communications-related role in the Army, it seemed obvious for me to look at a similar civilian career.

During my last 12 months with the Army, and as part of my resettlement, I completed a fibre training course, which gave me up to date skills plus a really good grasp of the industry and its terminology. When I heard that Openreach were advertising for fibre engineers, I jumped at the chance."



On employer support

"The resettlement course put me in good stead; I passed the Openreach interview and hit the ground running on the Openreach technical training - which I attended along with around 50 other ex-armed forces people. After that, we were kitted up and put on the tools; it was a bit nerve-racking to suddenly be on my own in the field, but also extremely exciting and rewarding. I got out of bed each morning looking forward to the challenges of the day, experienced a really diverse range of customers, technical challenges and of course a steep learning curve.

The amount of support I received was phenomenal. We had a helpdesk with amazing coaches who dealt predominantly with the mobile workforce, they were always happy to talk through things, and if any extra help was required we could always request an 'assist' from another engineer.

I stayed on the Mobile Workforce for three years, during which time I had a great opportunity to cover for my manager who was in the Army Reserve and deployed to support the Olympic Games. This showed me another side to the job and the company, and made me a better engineer when I returned to the field."



On promotion to management

"In September 2014 I got promoted to my current role, handling high level complaints from communication providers. I now work in an office, but my time in the field will stay with me and I have many fond memories."



No regrets

"Looking back, I wouldn't change any choices I made. I even convinced a number of my Army mates to join Openreach - five of them are now working for the company; we're all still friends so I assume they don't regret joining! I have also helped with recruiting more ex-military people into Openreach, coaching and interviewing them."



On supporting other transitioning veterans

"I also helped start an 'Openreach Squaddie' group on Facebook which now has over 500 members where we share hints, tips and advice on all aspects of the engineering role. It's also a good sounding board where you can vent your spleen about pinched pairs and suchlike!"

“ The amount of support I received was phenomenal. We had a helpdesk with amazing coaches who dealt predominantly with the Mobile Workforce, they were always happy to talk through things, and if any extra help was required we could always request an ‘assist’ from another engineer. ”

Dave Smith, Director's Service Office & Customer Resolution, Openreach

The UK's veterans

“The first duty of Government is the defence of the realm. Our Armed Forces fulfil that responsibility on behalf of the Government, sacrificing some civilian freedoms, facing danger and, sometimes, suffering serious injury or death as a result of their duty. In return, the whole nation has a moral obligation to the members of the Naval Service, the Army and the Royal Air Force, together with their families. They deserve our respect and support, and fair treatment.”

The Armed Forces Covenant²⁷

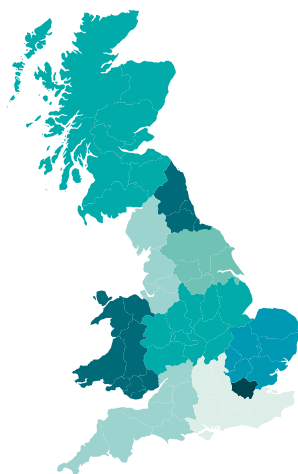
Work conducted by the ONS and the MOD in October 2016 uses the 2015 Annual Population Survey to estimate that there are currently 2.56 million former members of the armed forces living in households in Great Britain.²⁸ Of these, approximately two-thirds are aged 65 or over and over half are aged 75 or over, which means that there are around 900,000 veterans of working age (16-64). The MOD also estimates that there are around 35,000 current members of the volunteer reserve.²⁹

Almost 90 per cent of veterans are male. They are predominantly white and nearly two-thirds are married. More than a quarter of working-age veterans live in the South East and the South West of England, as illustrated in Figure 1.

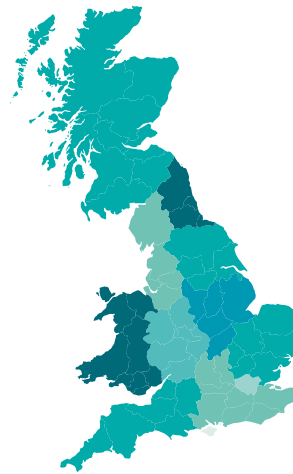
Compared with the non-veteran population, a significantly larger proportion of veterans live in the South East, North East, Yorkshire and The Humber and the South West. In contrast, a smaller proportion live in London and the East of England

Figure 1. Where are the working-age veterans?

Veterans



Non-Veterans



0 5 10 15 20

Percentage of the population:



Note: APS veteran questions were not asked in Northern Ireland due to security concerns

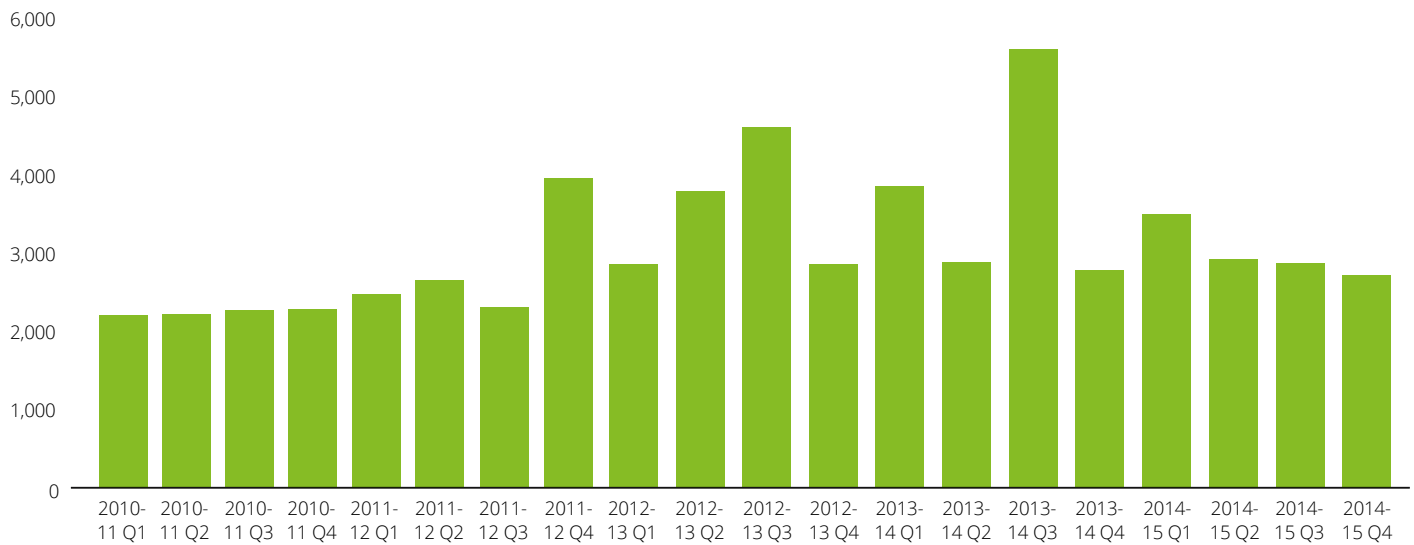
Source: MOD (APS), Deloitte analysis

The geographic distribution shown in Figure 1 has the potential to create immediate obstacles to veterans' employment. For instance, a higher proportion of veterans live in regions of the country where the proportion of businesses and other enterprises is lower than average.³⁰ For example, although ten per cent of the veteran population lives in Yorkshire and The Humber compared with around eight per cent of the non-veteran population, this region is home to fewer than seven per cent of the UK's active enterprises. In contrast,

fewer than four per cent of veterans live in the London region compared to 15 per cent of non-veterans but nearly 20 per cent of all active enterprises are based there. For veterans and service leavers looking for work, the proximity of employers is an important factor.

Of the 16,000 or so service personnel who leave the armed forces every year, more than 12,000 use the services provided by the CTP, as illustrated in Figure 2.³¹

Figure 2. Numbers of regular service leavers using Career Transition Partnership services, fiscal years 2010-15

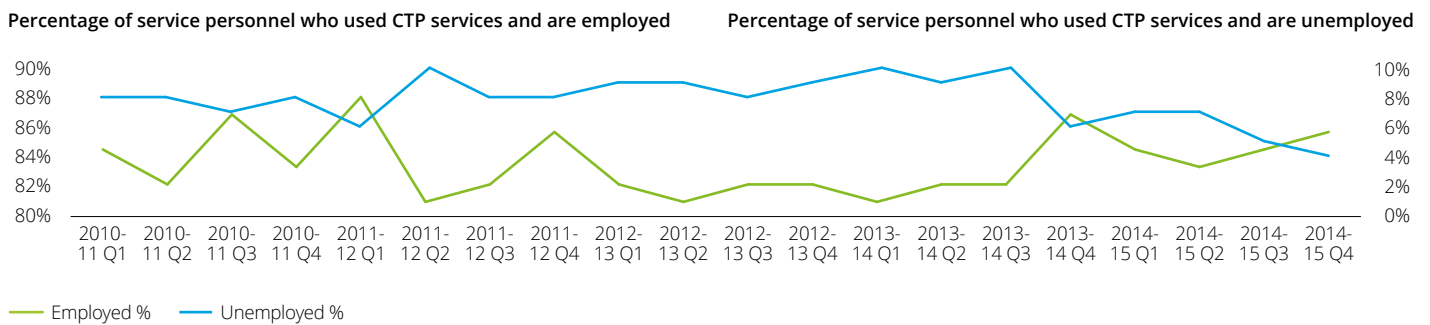


Source: MOD (CTP)

In 2014-15, 65 per cent of these service leavers were from the British Army, 18 per cent from the Royal Navy and Royal Marines, and 17 per cent from the Royal Air Force. Just nine per cent were female and 13 per cent were officers. Forty-two per cent were aged between 25 and 34. The spikes in the number of service leavers in the fourth quarter of 2011-12, and the third quarters of 2012-13 and 2013-14 are driven by redundancy programmes running across the armed forces.

Employment prospects for service leavers are generally good: a total of 86 per cent of service leavers using CTP services transitioned successfully into employment during Q4 of 2014-15. The unemployment rate among service leavers has been falling over the last five quarters and is now at its lowest level for at least five years and close to the average for the UK as a whole. Employment outcomes for service leavers are shown in Figure 3 (overleaf).

Figure 3. Employment outcomes for service leavers, fiscal years 2010-15



Source: MOD (CTP)

However, certain demographic groups among the most recent cohort of service leavers had significantly lower estimated employment rates, including:

- officers in the Royal Air Force, who had an employment rate of 78 per cent compared to their peers in the Royal Navy and British Army who had employment rates of 87 per cent and 86 per cent, respectively
- personnel who were black or from an ethnic minority, who had an employment rate of 68 per cent compared to 87 per cent for white personnel
- female personnel, who had an employment rate of 74 per cent compared to 86 per cent for men
- personnel aged over 50, who had an employment rate of 74 per cent.

Despite suffering illness or injury, personnel who were medically discharged had an employment rate of 73 per cent.

At least part of the employment challenge for veterans arises from their lack of educational qualifications in comparison to the non-veteran population.³² For example, according to the APS, 25 per cent of veterans leave school with A* - C GCSEs as their highest qualification compared to just 18 per cent of non-veterans, and 85 per cent finished their education between the ages of 15 and 18 compared to 60 per cent of non-veterans. The differences also extend into higher education: a significantly larger proportion of non-veterans (28 per cent) than veterans (19 per cent) have a degree or equivalent as their main qualification.

What veterans may lack in their education, though, they are more likely than non-veterans to make up for in professional qualifications. According to the APS, nearly two-thirds (64 per cent) of veterans have achieved qualifications related to work compared with around half (45 per cent) of non-veterans. This hints at the determination and resilience of veterans to make successful transitions – both when leaving the armed forces and also when upskilling and transitioning during their civilian careers.

We can gain a richer understanding of how the employment picture for veterans changes over time and also the working transitions they make by considering data from the Longitudinal Study undertaken by the ONS.³³ The LS contains linked census and life-events data for a one per cent sample of the population of England and Wales over four ten-year intervals between 1971 and 2011. Life-event data comes from the civil registration system, the National Health Service (NHS) registration systems and the cancer registries, and includes data on births, deaths, immigration and emigration. The LS contains records on over 500,000 people usually resident in England and Wales at each point in time and it is largely representative of the population as a whole.

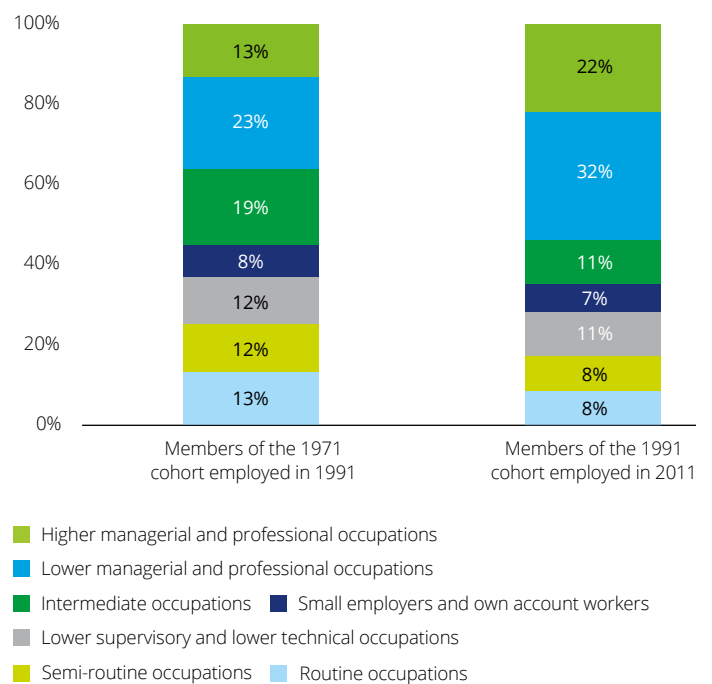
This work investigated the long-term employment outcomes of two cohorts of veterans who, according to census records, were serving in the armed forces in England and Wales in 1971 or 1991. There is some unavoidable overlap between the cohorts, since around 13 per cent of the 1971 cohort were still serving in the armed forces in 1991, but this does not affect the findings.

Using the study, we were able to build an understanding of how these cohorts changed over time, including information on the number of veterans as well as their socioeconomic, education and employment status.

When we compare the 1971 and 1991 cohorts, for example, a number of differences in the socioeconomic status of veterans emerge 20 years after their respective baselines. Figure 4 shows the socioeconomic groupings for the two cohorts.

Figure 4 suggests that the prospects for service leavers and veterans have improved considerably in recent years. More than half (54 per cent) of veterans from the 1991 cohort were resident in households classified by the National Statistics Socio-Economic Classification (NS-SEC) system as higher or lower managerial and professional occupations in 2011. In contrast, just 36 per cent of the 1971 cohort were in the same socioeconomic groups.

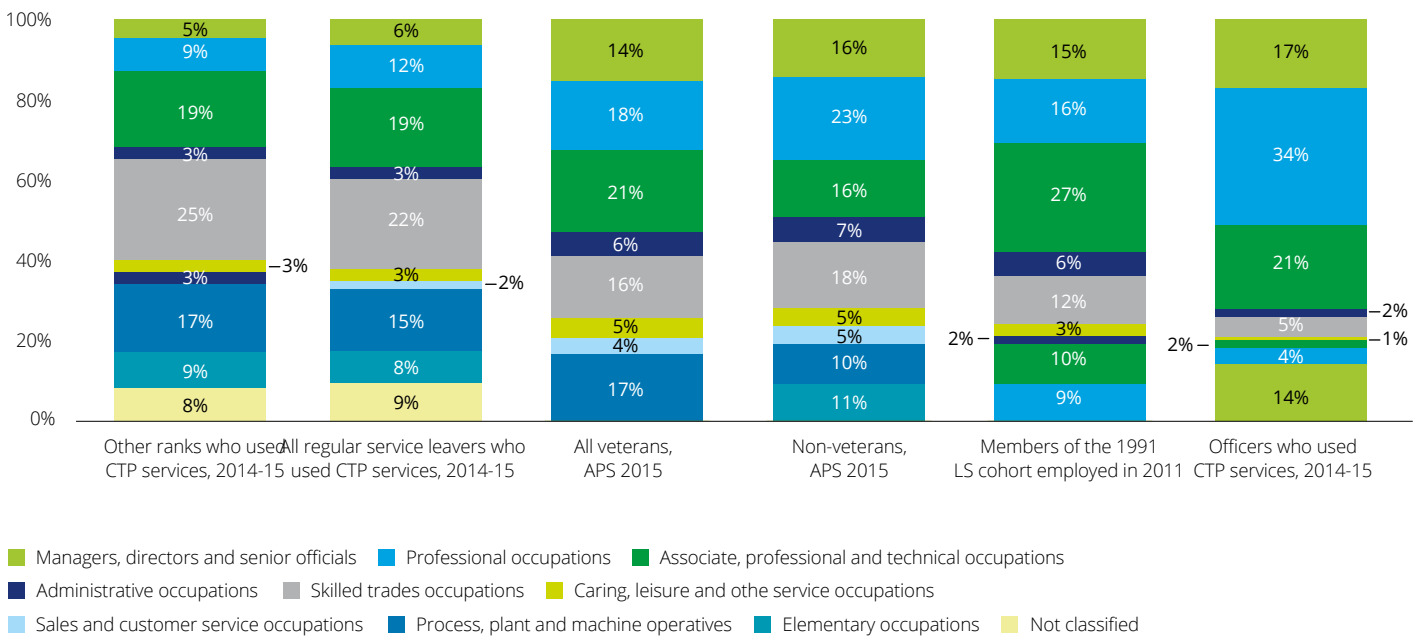
Figure 4. Veterans' socioeconomic status 20 years after baseline



Source: ONS (LS, N: 1991=1,311; 2011=1,066)

There are currently an estimated 2.56 million former members of the armed forces living in households across Great Britain.

Figure 5. Veterans' employment by occupation



Source: MOD (APS, CTP), ONS (LS), Deloitte analysis

Looking across the APS, CTP and LS statistics, we can compare the occupations in which service leavers and veterans are employed, as illustrated in Figure 5.

Although there are differences between the data sets that make detailed comparisons difficult, broad trends in employment by occupation emerge. For instance, non-officers who used CTP services in 2014-15 are significantly less likely than any other veteran or non-veteran population to be employed in the higher occupational groups, which include managers, directors and senior officials, professional occupations and associate professional and technical occupations. Conversely, they are disproportionately more likely to be employed in the skilled trades and as process, plant or machine operatives.

There is also considerable variation in employment outcomes for personnel transitioning from different services of the armed forces. For example, nearly a quarter of leavers from the Royal Navy or Royal Air Force enter associate professional and technical occupations compared with just 16 per cent of leavers from the British Army. And 26 per cent of leavers from the Royal Navy find employment in the skilled trades compared to 18 per cent from the Royal Air Force and approximately ten per cent of the workforce as a whole.

According to the APS, region of employment also makes a considerable difference. For example, in 2015, over 60 per cent of employed veterans living in London were working in higher occupational groups whereas this figure was just 39 per cent for

veterans living in the North East. In the East Midlands, nearly one-third (32 per cent) of employed veterans were working as process, plant and machine operatives or in elementary occupations compared with just 17 per cent in London.

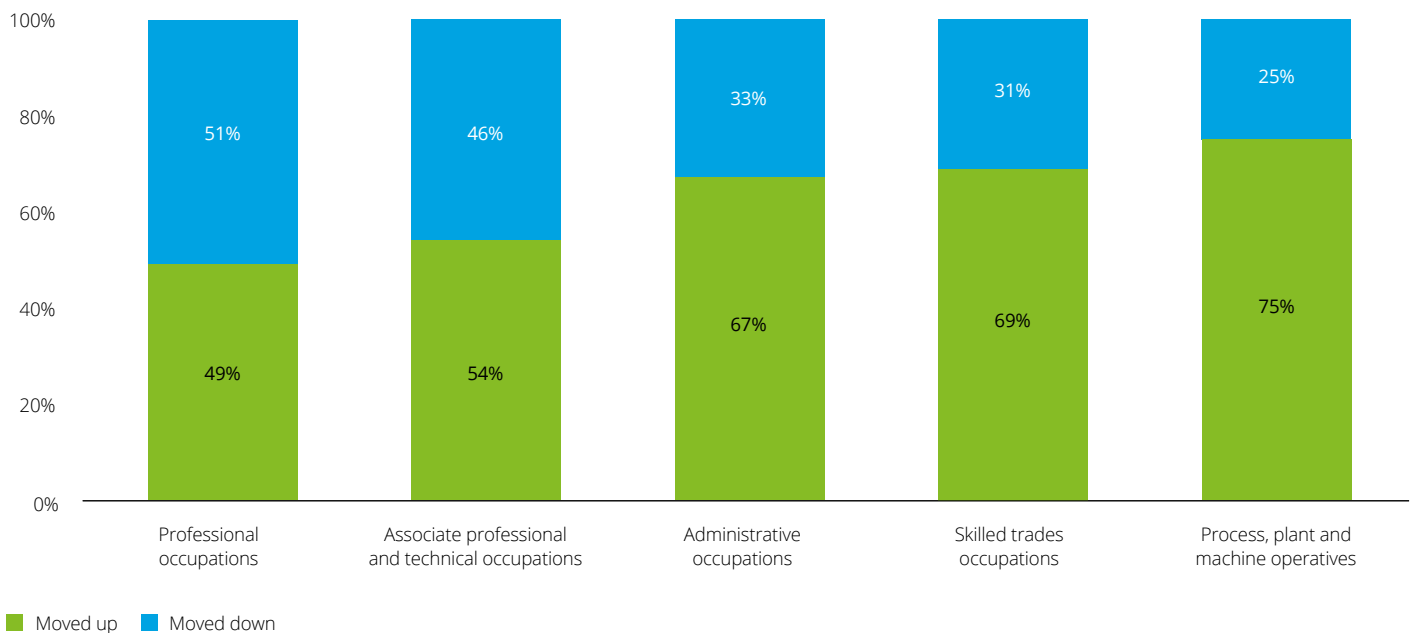
In 1991, the top occupations for those still economically active from the 1971 LS cohort include drivers of road goods vehicles, metal working production and maintenance fitters, production, works and maintenance managers, and security guards. In 2011, the set of top occupations in which the 1991 cohort is employed is identical.

However, the difference in employment overall by occupation between members of the 1991 LS cohort and all regular 2014-15 service leavers who use CTP services is marked. This difference

suggests an ability by all veterans – and not just officers – to transition ‘up’ through occupations over time and reflects the ‘upskilling’ that has also been occurring within the armed forces and defence community in recent decades.

We used the LS to gain a better understanding of these occupational transitions. Figure 6, for example, shows that a high proportion of veterans from the 1991 cohort who, in 2001, were employed in lower occupational groups had moved ‘up’ to higher-skilled occupations by 2011.³⁴ It is in these higher occupations that the UK is experiencing the fastest jobs growth and greatest demand.³⁵ And previous research highlights the importance that these occupations place on cognitive and ‘soft’ skills, not just technical skills.³⁶

Figure 6. Occupational transitions between 2001 and 2011 by the 1991 LS cohort



Source: ONS (LS, N: 826)



Kofi Bassaw Quarthey

Workforce Development Coordinator, Hampshire Hospitals NHS Foundation Trust

Kofi Bassaw Quarthey was a Combat Medic Technician in The Royal Army Medical Corps for six years. Joining in 2008 he served in Kenya, Canada, Cyprus and latterly on Operation Herrick 16 in Afghanistan in 2012. Kofi was medically discharged in 2014 and now works for Hampshire Hospitals NHS Foundation Trust. Along with training healthcare support workers he runs insight and information days for service leavers, Reservists and spouses, using his experience to talk about opportunities, facilitate placements and support applications for vacancies.



On leaving before you're ready

"I've been there. What was daunting for me was I wasn't ready to leave. I'd spent a number of years thinking 'where next?' but when it came it was a shock and I didn't know where to turn.

I'd attended some resettlement days that gave food for thought about how life would be – and my resettlement officer identified employment fairs in East Anglia. But I knew that wasn't where I was going to live.

I realised the NHS was somewhere I could transfer my skills. So I went online and found a local information day. When I got to Basingstoke I applied for a job myself."



On backing yourself

"I think they thought I was pitching above my level, so I had to drop down and prove myself. It came at a cost because I had to work long hours but I was resilient and saw the opportunity.

"It's something I talk about: you might need to be flexible, shine and move up. But now I find myself teaching and chairing meetings, all because of the skills I got in the Regiment. Doing it here is second nature."



From one great institution to another

"The NHS is more than doctors and nurses, so I try and demystify that. It's like the army in that respect; we weren't all holding guns. Fifty percent of the NHS workforce is non-clinical and there are big similarities in how we operate."



(Transferable) core values

"The attributes employers are looking for, we have by virtue of our training, what we call the C-drills: the courage to lead, discipline, integrity, loyalty and selfless commitment. Respect for others; chain of command; being a team player.

So it's about how we can make those skills, those 'core values', civilian friendly, so employers can more easily realise someone's potential. It's the language we use. It's about educating service leavers, Reservists and spouses – who share many of those skills and sometimes suffer from a lack of continuity when it comes to employment – to sell themselves in a positive light."

“ The attributes employers are looking for, we have by virtue of our training, what we call the C-drills: the courage to lead, discipline, integrity, loyalty and selfless commitment. Respect for others; chain of command; being a team player. ”

**Kofi Bassaw Quartey, Workforce Development Coordinator,
Hampshire Hospitals NHS Foundation Trust**

Employers' perspectives: Active veteran recruiters in the UK

“The UK has made very significant progress in tackling skills challenges, particularly around apprenticeships. But we must go further. There are challenges that need to be addressed to ensure we maximise growth, increase productivity and develop the critical skills and abilities of our workforce. By acting now to tackle these problems in a collaborative way we can ensure that today’s underlying issues do not become tomorrow’s insurmountable challenges.”

Sir Charlie Mayfield, Chairman of the United Kingdom Commission for Employment and Skills³⁷

Previous Deloitte research points to the critical importance of achieving a balance of more general-purpose skills in the UK’s workforce, such as problem-solving, creativity, team-working and leadership, and emotional intelligence.³⁸ As an employer of veterans, ourselves, these are the skills that Deloitte and its partners for this research intuitively understand can be found in many former members of the armed forces. But what do other businesses who go out of their way to recruit veterans think?

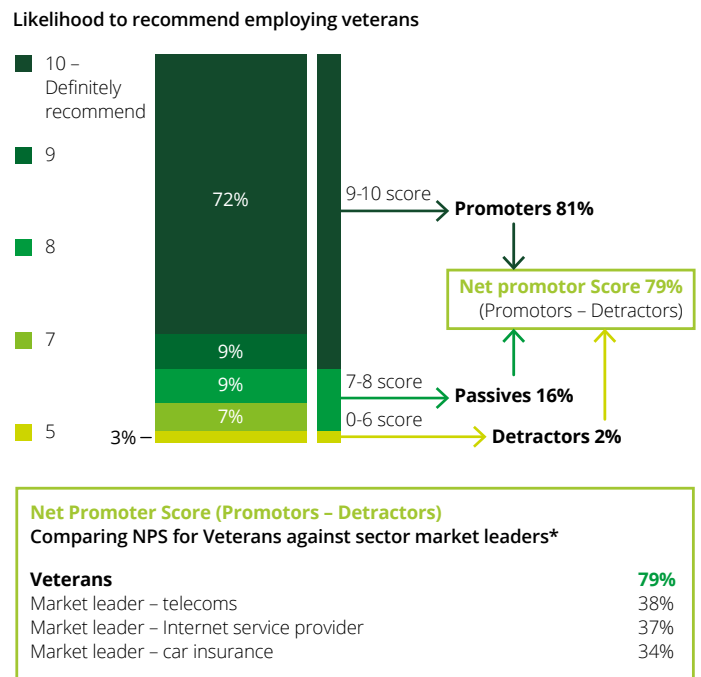
In this section, we discuss the key findings from our survey of organisations that are actively recruiting veterans through a dedicated recruitment programme or process.

What is clear from this particular strand of research is that organisations who make a point of employing veterans value the huge contribution these individuals make, and they are extremely likely to recommend that other businesses should also employ veterans.

For example, organisations were asked how likely they would be, on a scale from 0 to 10, to recommend hiring veterans to other similar organisations: 72 per cent gave the highest score of 10 (“Would definitely recommend”) and, in total, 91 per cent gave a score of 8-10. From the responses, we derive a Net Promoter Score (NPS) for veterans of 79 per cent, as shown in Figure 7.

Although it is difficult to provide a precise benchmark, as NPS is normally measured for consumer-oriented companies and brands, the best-in-class NPS scores from three other sectors are between 34 per cent and 38 per cent, which highlights the enormous strength of recommendation for the working veteran community.

Figure 7. Net Promoter Score for veterans



*NPS Benchmarking scores have been sourced from Satmetrix.com

Q10. If you were asked for advice by a similar organisation to yours on whether to employ ex-military personnel, how likely would you be to recommend that they should do this?

Base: Organisations with a military recruitment programme or process that have employed at least one veteran (43)

Source: Deloitte

On the value of veterans’ skills and knowledge

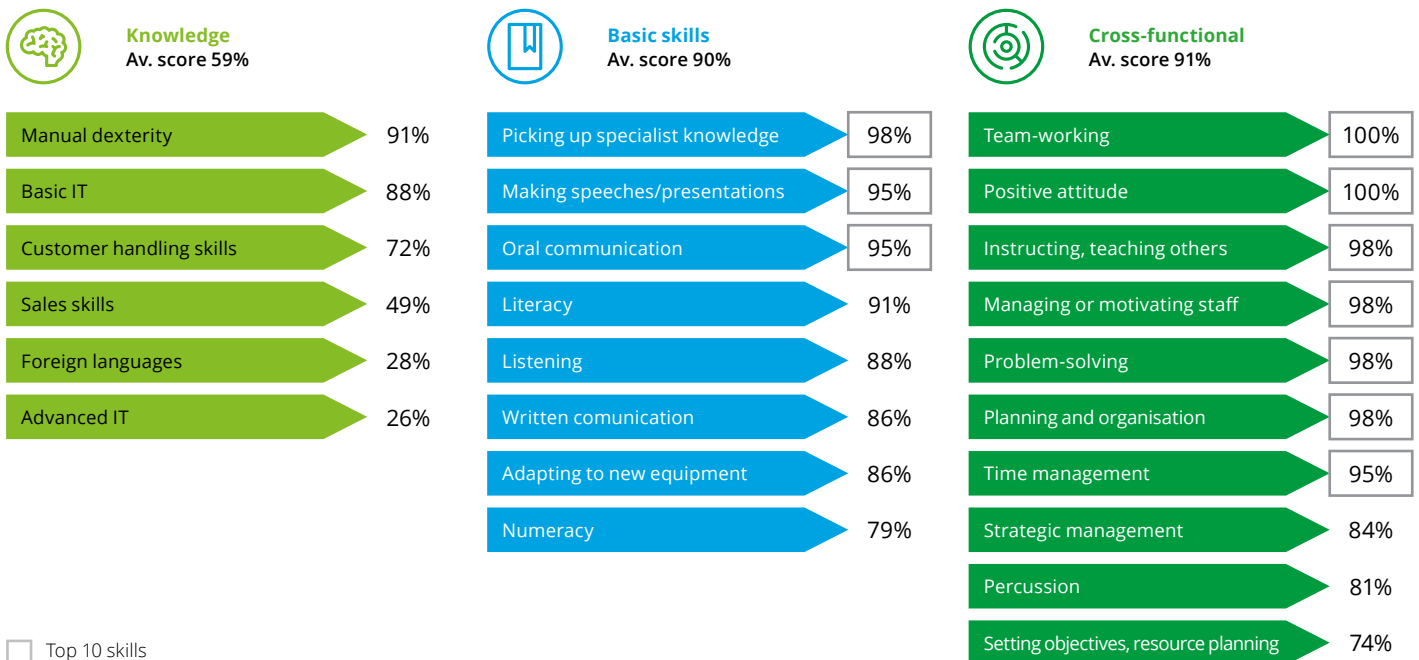
Through this survey, we have also sought to understand veterans’ strengths in different areas of knowledge and skill, in a manner broadly consistent with the taxonomy used by Deloitte in *Talent for survival: Essential skills for humans working in the machine age*.³⁹ These include:

- **knowledge**, which is the theoretical or practical understanding of the facts and principles about a subject or domain of information
- **basic skills**, such as reading, which facilitate learning or the acquisition of new knowledge
- **cross-functional skills**, such as problem-solving, which help us perform a range of activities across our jobs.

The key finding of this earlier research was that knowledge-based skills are important only to a minority of the workforce and the critical skills that are important now – and will be increasingly so in the future – are the set of cognitive and social skills that enable people to solve difficult problems, to collaborate, to learn new skills and knowledge, and to adapt to new ways of working with technology.

As shown in Figure 8 (overleaf), organisations that have employed veterans see them as not just performing well in a few select areas but also as having a much broader array of useful skills. In particular, veterans are seen as being especially strong in cross-functional and basic skills, notably team-working and motivating others, and skills related to communication and strategic thinking. Employers are also quick to pick up on veterans’ skills for problem-solving and adaptability (in terms of learning specialist knowledge).

Figure 8. In which areas do veterans perform well?



Q11. Overall, which specific skills do the individuals that you have hired from a military background perform well at and which do they perform less well at?
Base: Organisations with a military recruitment programme or process that have employed at least one veteran (43)

Source: Deloitte

When we asked organisations how veterans delivered value to their businesses, 38 per cent said that veterans are adaptable and quick learners, 34 per cent mentioned their 'can-do' attitude, 28 per cent described good communication skills, 24 per cent highlighted their leadership skills, 22 per cent said that veterans were organised and disciplined, and eight per cent said that veterans were good performers under pressure.

“ They have a lot to offer: skills, such as **communication skills**, practised with internal and external stakeholders, **organisational skills, leadership, team work, reliability, health and safety, security best practice, problem-solving, flexibility and strong work ethic** make them a sought after commodity. ”

Human Health and Social Work Activities, 250+ employees

What stands out from many of the comments relating to veterans' skills is their adaptability, which is seen as having been gained from working in many different environments and cultures. Several organisations recognised the value of this skill for diverse and multinational companies.

“ In a global, multinational company like ours, ex-military bring experience of **working across geographies and cultures and often have the ability to inspire, influence and motivate.** ”

Financial and Insurance Activities, 250+ employees

Veterans are also viewed as being strong in team-working and interpersonal skills. The comments below summarises the disproportionately positive impact some individuals can have, not only on their immediate team, but also more widely across an organisation and its external stakeholders.

“ To me it's a commercial decision. In my business I require **capability** to delve into technical detail and analysis, and then be able to **articulate and communicate that to stakeholders and external parties.** That may require two people with different skills sets but I feel a good ex-military hire can cover 75-85 per cent of that spectrum as a single hire... ”

Financial and Insurance Activities, 250+ employees

“ The **drive, determination, general attitude** and array of soft skills they can bring to a team **can benefit not just their team but whole departments.** Ex-military are incredibly **versatile** and have the ability to pick things up at short notice and **cope with the pressure** of delivering outcomes to a high standard. ”

Other Service Activities, 250+ employees

On comparing veterans with the rest of the workforce

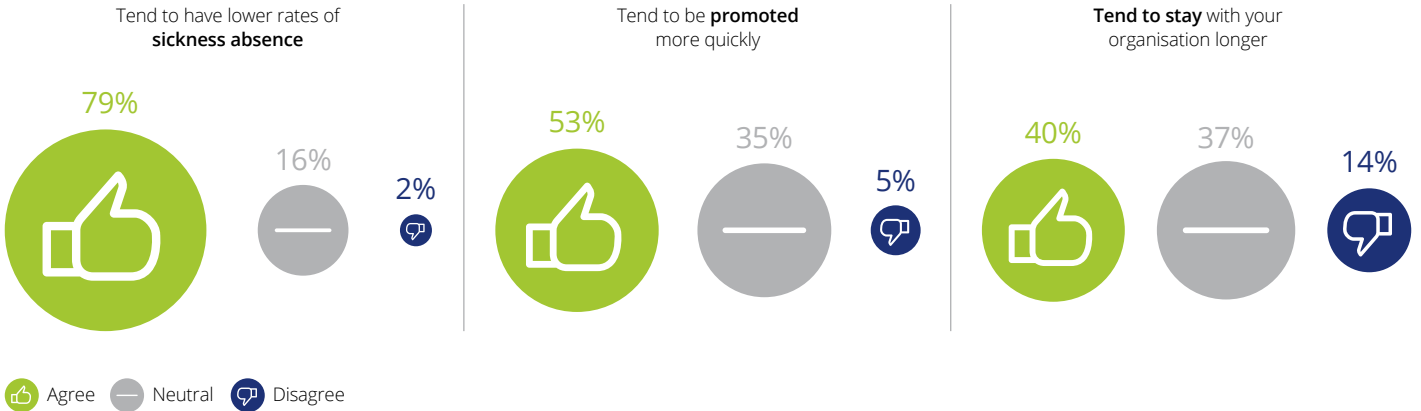
As we have already discussed, a majority of the public believes that most veterans suffer some form of physical, emotional or mental health problem.⁴⁰ Through official statistics, we have demonstrated that this is not the case. Also, from our survey, we found that 79 per cent of organisations that employed veterans said they have lower rates of sickness absence than the rest of their workforce. This is significant because research conducted by the government in 2014 suggests that more than 130 million days are still being lost to sickness absence every year in Great Britain and working-age ill health costs the national economy around £100 billion a year.⁴¹

While it is true that some veterans have suffered injuries and other health problems, in all but the most extreme cases most veterans are able to apply their skills to their work without any impairment. It is therefore time to put the veterans' health fallacy to rest.

As shown in Figure 9, more than half of organisations that have employed veterans agree that veterans tend to be promoted more quickly than the rest of their workforce. And 40 per cent said that their veterans tended to stay with their organisation for longer.

Figure 9. How veterans compare with the rest of the workforce

Compared to the rest of your workforce how far do you agree or disagree that ex-military...



Q11. How far would you agree or disagree with the following statements about how ex-military personnel compare to the rest of your workforce?
 Base: Organisations with a military recruitment programme or process that have employed at least one veteran (43)

Source: Deloitte

On strengthening recruitment and support programmes for veterans

Our survey found that organisations that have employed veterans tend to have senior support for their military programmes, as illustrated in Figure 10. Eighty-four per cent of these organisations have a dedicated champion and 78 per cent have senior management 'buy-in'. Crucially, the benefits that veterans can bring to these organisations seem to be recognised at all levels, with 80 per cent saying that they understand how military skills fit in with their organisation's needs and strategy.

However, our survey also raises the question of whether even the most informed organisations are fully capitalising on this source of highly capable employees. Although around two-thirds (62 per cent) of organisations actively recruiting veterans have a fully-developed business case to demonstrate the benefits of their military programme, only 38 per cent had a dedicated budget for it. The problem here is that military programmes – and thus the value derived from them – cannot be sustained without investment. Organisations currently employing veterans should do more to evaluate the financial, operational and other intangible benefits that veterans have brought to their business, or draw on case studies from other organisations, to build an evidence base that underpins investment.

Figure 10. Support and resources for military programmes within organisations



Q13. Thinking of your organisation as a whole, please indicate to what extent you agree or disagree with the following statements?
 Base: All organisations with a military employment programme/process in place (50)

Source: Deloitte

What is clear from this particular strand of research is that organisations who make a point of employing veterans value the huge contribution these individuals make, and they are extremely likely to recommend that other businesses should also employ veterans.



JJ Chalmers

JJ Chalmers, TV presenter and public speaker

JJ Chalmers served with the Royal Marines for ten years, five as a reservist and five as a regular in 42 Commando. He was medically discharged in 2016 after being injured by an improvised explosive device in Afghanistan in 2011. The former teacher has since found fame presenting Channel 4's coverage of the Rio 2016 Paralympics and BBC programmes for the London Anniversary Games, Invictus Games 2016, Lord Mayor's Show and 'The People Remembers' for Remembrance Week. When he's not in front of the television cameras, the 28-year-old from Fife delivers motivational speaking and leadership training. He is married with a daughter.



Having time and choosing the right career

"I knew everything would be fine. I'd been to Uni, been a teacher, so I'd been in Civilian Street. But in hindsight I was fairly lost. I knew I was employable; I had skills. It was more that nothing excited me. As far as I was concerned the Royal Marines was the best job in the world.

"I consider myself lucky because I had time. I had an extended recovery period, so I could try things. But it was only really when I went to the Invictus Games (2014) and met people doing different jobs that I saw the options."



On practical transferrable skills

"Of all the skills the Marines taught me, the biggest was to stay calm and confident. With TV you don't know what's coming next; you need to look like you're dealing with it. Being able to deal with the pressure is absolutely where we came from in the Marines.

"We used to talk about the spearhead, with the frontline at the tip. But there are people at the back of the spear, all doing their job to put you in the best position. Now I'm in front of the camera but hundreds of people have worked hard behind the scenes. That's one parallel I draw."



On language

"I rarely find myself in a business environment where somebody doesn't accept we have certain skills and attributes. But the lads realising that is part of the problem. The classic one is the language we use. If we write a CV it'll make sense to a Sergeant Major but not employers. It's a totally different vocabulary."



On soft skills

"It's the same with skillsets: you don't necessarily see how being calm under fire or dealing with a casualty can help in an office. But it means when someone throws a task at you, you can eat it up, knowing no-one's life hangs in the balance.

"Some of the guys might not look good on paper but get them in the room and they can win anyone over. Give them an opportunity. They deserve it.

The lads absolutely don't need hand-holding, no way. But they do need support."

“ It’s the same with skillsets: you don’t necessarily see how being calm under fire or dealing with a casualty can help in an office. But it means when someone throws a task at you, you can eat it up, knowing no-one’s life hangs in the balance. ”

JJ Chalmers, TV presenter and public speaker

Employers' perspectives: Medium and large organisations in the UK

"It may seem a straightforward assertion that reducing unemployment for any group is beneficial both for the individuals concerned and society in general. Nevertheless, reducing the veteran employment gap holds great benefits worth highlighting, to the UK, individual businesses and to the veterans themselves."

Deployment to Employment, The Royal British Legion⁴²

In this section we discuss the key findings from our second survey: a study of the perspectives of HR professionals from 250 medium and large UK organisations. To these findings, we have overlaid the results of our first survey of organisations that go out of their way to employ veterans to highlight notable differences.

On filling skills gaps

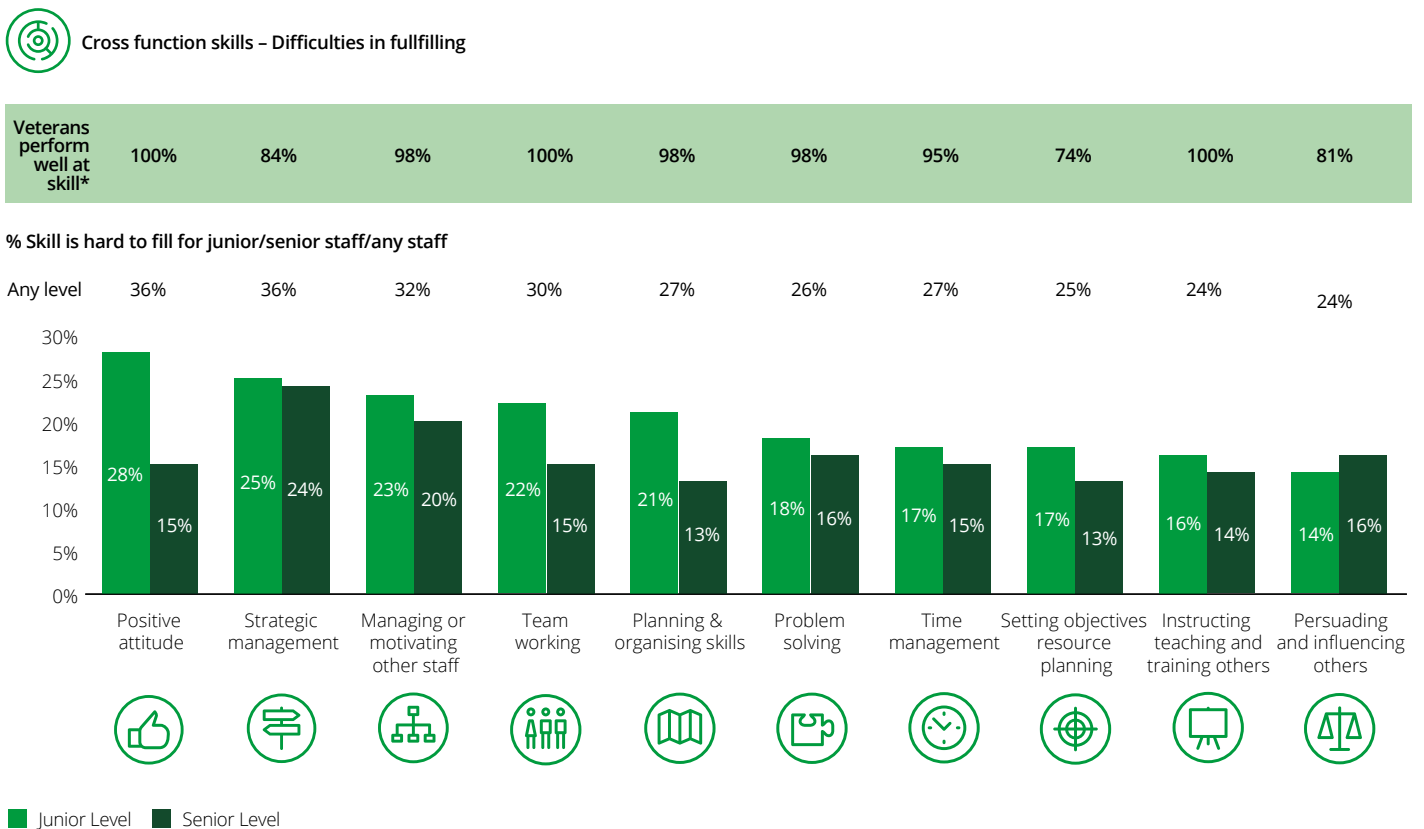
As part of the research we sought to explore the extent to which veterans can add value to medium and large organisations by filling existing skills gaps.

Figure 11 shows the degree to which medium and large organisations find it hard to fill roles requiring a range of cross-functional skills. For each skill on this figure, we have also included the results from our first survey to show what proportion of organisations with an active ex-military programme believe veterans perform well.

The survey data suggests that veterans are well-placed to meet critical gaps in cross-functional skills, which include:

- **strategic management** – 36 per cent of medium and large organisations find it hard to find recruits with this skill and 84 per cent of organisations that have employed veterans state they perform well in this area
- **managing or motivating staff** – 32 per cent of medium and large organisations find it hard to find recruits with this skill and 98 per cent of organisations that have employed veterans state they perform well in this area
- **team-working** – 30 per cent of medium and large organisations find it hard to find recruits with this skill and 100 per cent of organisations that have employed veterans state they perform well in this area
- **positive attitude** – 36 per cent of medium and large organisations find it hard to find recruits with this skill and 100 per cent of organisations that have employed veterans state they perform well in this area.

Figure 11. Veterans can fill critical cross-functional skills gaps in medium and large organisations



*Percentages form survey of organisations with a military recruitment process Q11 – Base (43) Q6a & Q7. For junior executives and mid-management, generally which of the listed skills do you find hardest overall to fulfill?
Base: All HR professionals in medium and large organisations (250)

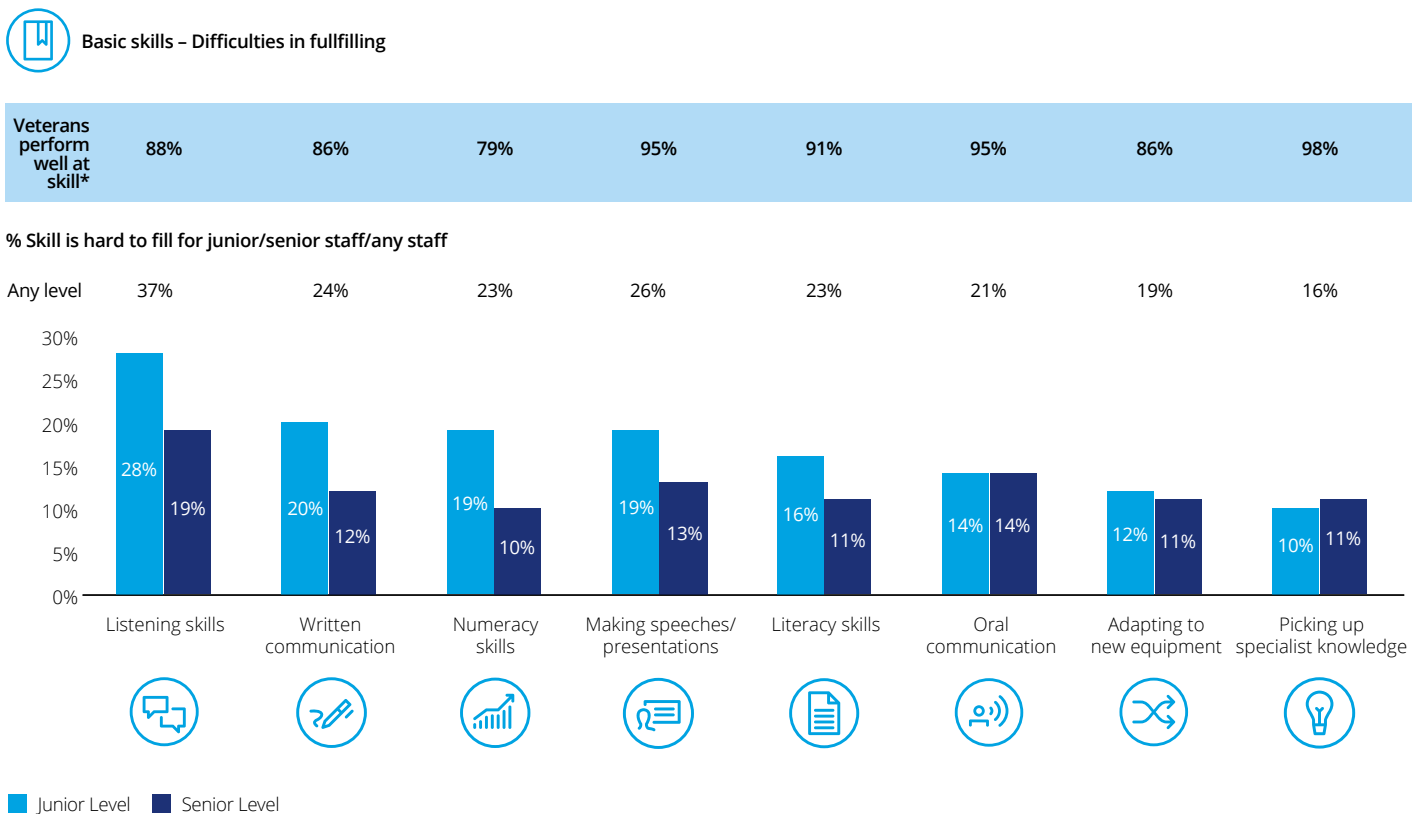
Source: Deloitte

The survey data suggests that veterans are well-placed to meet critical gaps in cross-functional skills.

In terms of the basic skills shown in Figure 12, medium and large organisations have slightly fewer gaps, but again those with experience of hiring veterans recognise their strong performance in key areas, such as:

- **listening skills** – 37 per cent of medium and large organisations find it hard to find recruits with this skill and 88 per cent of organisations that have employed veterans state they perform well in this area
- **written communication** – 24 per cent of medium and large organisations find it hard to find recruits with this skill and 86 per cent of organisations that have employed veterans state they perform well in this area
- **making speeches or presentations** – 26 per cent of medium and large organisations find it hard to find recruits with this skill and 95 per cent of organisations that have employed veterans state they perform well in this area.

Figure 12. Veterans can fill critical basic skills gaps in medium and large organisations



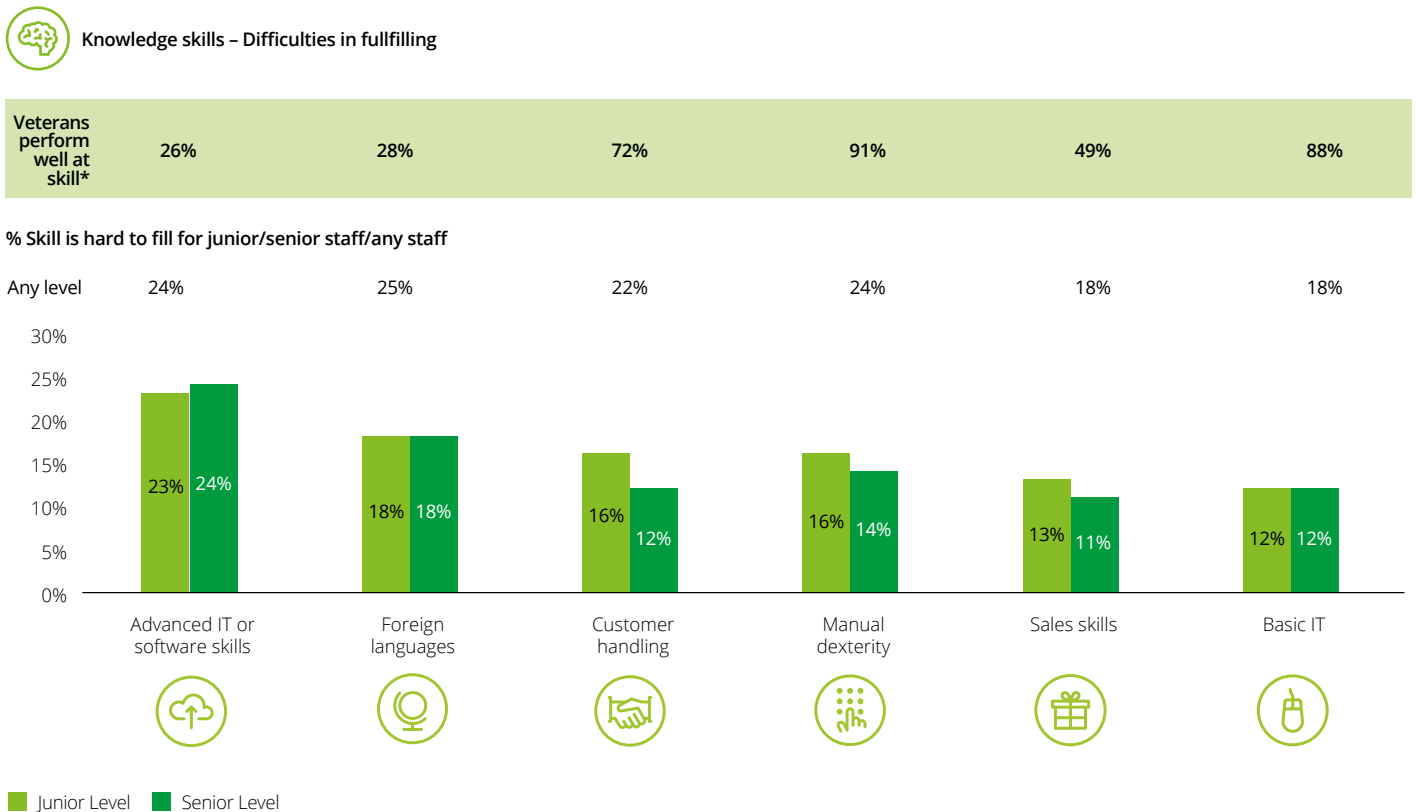
*Percentages form survey of organisations with a military recruitment process Q11 – Base (43) Q6a & Q7. For junior executives and mid-management/senior management, generally which of the listed skills do you find hardest overall to fulfill? Base: All HR professionals in medium and large organisations (250)

Source: Deloitte

Perhaps one of the barriers to greater employment of veterans is that they are not considered to be as strong in some areas of knowledge, such as in advanced IT, that are widely perceived to be needed across the UK's workforce. As Figure 13 shows, this is true even of organisations that have employed veterans. In jobs that require manual dexterity, on the other hand, nearly a quarter (24 per cent) of organisations still struggle to fill roles. This is an area where the performance of veterans is well-recognised.

Despite growing rhetoric that suggests some of these specialist areas of knowledge and ability are important for the UK's success, previous Deloitte research has shown that they are needed only by a small minority of the workforce – the majority of workers would not consider them of critical importance for doing their jobs.⁴³

Figure 13. Veterans can fill knowledge and abilities gaps in medium and large organisations



*Percentages form survey of organisations with a military recruitment process Q11 – Base (43) Q6a & Q7. For junior executives and mid-management/senior management, generally which of the listed skills do you find hardest overall to fulfill? Base: All HR professionals in medium and large organisations (250)

Source: Deloitte

On the value of veterans

Do organisations understand the value of employing veterans? The evidence from our survey, presented in Figure 14, suggests that the majority of medium and large organisations already hold positive views. For example, 88 per cent perceive veterans to be “reliable” or “loyal”, 85 per cent think they will “perform well under pressure”, 83 per cent view them as “great team players” and 80 per cent think they have “transferable skills for the corporate world”.

However, many of the skills and abilities that veterans are recognised as possessing by the organisations that responded to our first survey do not figure as highly among the respondents of our second. For example, only 68 per cent of medium and large organisations that have no involvement with a military recruitment programme think veterans perform well in communications skills. For organisations that are actively recruiting, however, 95 per cent say veterans have strong oral communications skills and 85 per cent say they have strong written communications skills.

While not as stark, similar contrasts exist when organisations are asked to consider veterans’ people skills, or their leadership, team-working and problem-solving skills. The implication is that organisations already recruiting veterans are enjoying real talent benefits that many other organisations haven’t yet recognised.

When organisations are asked to consider veterans’ people skills, or their leadership, team-working and problem-solving skills. The implication is that organisations already recruiting veterans are enjoying real talent benefits that many other organisations haven’t yet recognised.

Figure 14. Medium and large organisations' perceptions of skills held by veterans

% Agreed veterans hold skills...



All
 No involvement with a military recruitment programme
 Some involvement with a programme

Significantly higher than organisations with no involvement with military recruitment programmes

Q12. To what extent do you agree or disagree with the following statements about how ex-military personnel compare to the rest of your workforce?

Base: All HR professionals in medium and large organisations (250); All with some involvement with a military recruitment programme (61); All with no involvement (189)

Source: Deloitte

Despite some positive perceptions, which our survey reveals are held by many employers, it is also clear that medium and large organisations raise the recruitment bar to a very high level when considering a candidate's background. For example, Figure 15 shows that veterans in general would be considered as candidate hires by 71 per cent of medium and large organisations. The same proportion would consider hiring former professional athletes, and three-quarters – the highest proportion in our sample – would consider hiring apprentices.

However, few employers consider the full potential of military veterans nor their hidden talents. We already know, for example, that many veterans do not have the same level of educational qualifications as non-veterans, and service leavers are also highly unlikely to have relevant industry experience. In these situations, the

prospects for veterans are not good: just 42 per cent of medium and large organisations would consider hiring people with no academic qualifications and only 39 per cent would consider people with no industry experience. Perhaps these are both reasons why we see veterans working so hard to improve their professional qualifications and educational attainment throughout their civilian lives, and subsequently transitioning through occupations.

What becomes clear from both surveys is that veterans do possess the critical skills and abilities that are being demanded by employers. It is just that they are not seen or recognised. Moreover, medium and large organisations are not always prepared to look beyond their pre-set hiring parameters to recruit people whom the evidence says are capable of adapting to new situations and learning quickly.

Figure 15. Candidates that medium and large organisations would consider hiring



Q8. Individuals can come from a variety of employment backgrounds, please indicate those that you would be unlikely to consider and those which you are more likely to consider hiring at your company?
 Base: All HE professionals in medium and large organisations (250)

Source: Deloitte

On awareness of military transition and support specialists

How can specialist providers of transition support and veteran employment services help raise awareness? When we asked medium and large organisations about programmes that support ex-military personnel, 75 per cent said they would be interested in either working with an external provider or establishing their own recruitment activity. The level of interest was the same across different industry sectors.

As part of the research, medium and large organisations were presented with a list of 17 veteran transition support and recruitment providers so that we could establish levels of awareness and engagement.

As shown in Figure 16, Remploy was the most recognised provider, with 78 per cent of medium and large organisations being aware of it. This is, perhaps, unsurprising given that Remploy provides

support to people with disabilities as well as veterans. However, despite the high levels of awareness, only a small minority of organisations are actually engaging with the providers – typically fewer than one in ten medium and large organisations are affiliated with a provider.

These results highlight a further gap between levels of awareness and action. In total, 87 per cent of medium and large organisations are aware of at least one provider whereas just 24 per cent are working with one.

Medium and large organisations that are already working with providers of veteran support and recruitment services are more likely to recognise that veterans possess critical skills, such as leadership, negotiation, communication, problem-solving and people skills. These organisations are also more likely to believe that veterans contribute to financial success.

Figure 16. Awareness of and engagement with providers of veteran transition support and recruitment services

Organisation	Aware of the organisation	Working with the organisation
Remploy	74%	10%
The Forces Recruitment Service (FRS)	66%	8%
The Officers' Association (OA)	57%	8%
Hire a Hero	59%	8%
Regular Forces Employment Association (RFEA)	60%	7%
The Regular Forces Employment Association (RFEA) Charity	58%	7%
CivvyStreet	57%	7%
RFEA Compass Programme	55%	7%
Veteran Employment Transition Support (VETS)	55%	6%
SaluteMyJob	53%	6%
Ex-mil.co.uk	49%	6%
The British Forces Resettlement Service (BFRS)	69%	5%
J1 Consulting	48%	5%
FDM's Ex-Forces Programme	56%	5%
The Career Transition Partnership (CTP)	55%	5%
The Military Transition Programme (MTP)	58%	5%
Any organisation	87%	24%

Base: All HR professionals from medium and large organisations (N: 250)

Source: Deloitte



James Batchelor

CEO, Alertacall

James Batchelor is the Chief Executive of Alertacall, the 'ingenious contact technology' company he founded some 10 years ago. Today the software and systems he invented allow organisations, such as housing associations and local authorities, to improve the quality and frequency of contact for their customers. Last year the company was Highly Commended for Innovation at the UK National Business Awards. Today the Cumbria-based firm employs around 50 people – about 10 per cent of which are connected to the military – and plans to double its headcount over the coming 18-months. With its ambitious growth plans come challenges, not least recruitment.



On recruitment of good people

"It's vital we get the right people who can cope with the level of change and growth. We now prioritise applications from the Armed Forces community and guarantee an interview for anyone with a military background."

"One of our Company Directors, Neil, is an ex-British Army Officer. He's tried to convince me before that the best people are ex-military: "They're switched-on, committed, loyal," he told me. If I described the attributes of who we needed, he'd marry it up with a military role: "give them a chance." I admit I was sceptical to start with. I had a view; not an accurate one as it turns out."

"Our first active hire was to a senior role of Operations Director. We'd sought out people with a military background and Will applied. He was ex-Royal Navy, a former pilot who'd held an operations role, and – honestly – he was head and shoulders above the other 20-30 applicants. I've worked with him for three years now and I've seen how Officers excel in senior manager roles."



On ex-military personalities

"Companies, irrespective of how creative and dynamic they are, thrive on structure and process. That can be a bitter pill to swallow. What's interesting about the Armed Forces community is they absolutely understand that structure and process is there for a reason, and they tow the line in a way that is really positive. But they can also be very challenging, in a very useful way. And I want someone who challenges my perspective but, if I stand by my decision, respectfully run with it."

"One of the misconceptions I'd had of ex-military people was that if you asked them to do something they'll just do it – and that doesn't appeal, because I want a team who can think for themselves: problem solvers. But that's exactly what you get with them. Their decision-making skills have been well honed and, in a typical working environment, its second nature to them."



Challenging perceptions on creativity

"I remember being quite surprised when I met Neil's friends; they were among the most creative and dynamic people I'd ever met. It makes sense of course that these people are hyper-creative. They need to visualise and change things if scenarios don't go to plan. Who else has to do that in life-or-death scenarios? Even in first interviews, Will and the others were dynamic in a way that is positive."



Taking responsibility

"One of the biggest challenges faced by any company, especially a growing one, is finding people with a sense of ownership; people who are part of the company and work towards a common goal. Something I often hear is that companies struggle to get teams to feel like a unit, with disparate people and projects. These people have a built-in sense of camaraderie. They intrinsically understand their actions will affect everyone else in-turn, so they're incredibly strong team players."

"All companies irrespective of size go through periods where they need to work longer, under higher intensity, to make things happen and achieve their objectives. In times like that you need people who are willing to make the sacrifice and rise to the occasion. People like this have got a background of working under pressure, sometimes in places of real stress, and I'm sure that prepares you very well. They have a higher threshold for greater levels of work."



A recruitment strategy that saves time and money

"We're increasingly targeting this community. Even with LinkedIn adverts we make a point of saying 'ex-military applicants gratefully received' and use keywords to attract people from that background. But as a consequence of employing others, we have easier access to that community. It's such a tight-knit community that once you've brought a handful in you can save loads on recruitment. I know I can fill almost any job without recruitment expenses, just through the people they know."

"When we move on we might stay in touch with one or two people. But what seems to happen with the Armed Forces community is their sense of camaraderie means it's very normal for them to stay in touch with 30-40 others. It's a recruitment dream. I probably don't even need to advertise."



Considering the Armed Forces family

"We're mindful that where there's a military community there's a spousal community who often carry lots of the same kind of cultural and work ethics of their partners. So we've done some things with Recruit for Spouses."



On cultural quirks

"You've got to recognise some cultural quirks. They're not show-stoppers but things you do have to manage – you have to help people making the transition to understand the cultural norms. Even things like expecting people to dress smartly; they're used to being meticulously turned out. We're good at helping non-military personnel understand that someone from different background has a slightly different view of world and a different way of working, but in time these things converge."



Understanding the transition period

"There's definitely a transition period and I'd say that can be the best part of a year. It's not something that directly impacts upon the business but it is something every company needs to be aware of. The terms of reference are different in the military to civilian life. What it means in practice will differ from person to person. You just be mindful it will take people time to adjust."

"My view is companies would do well to prioritise this group of people and give them a try. But most just don't think about it. Either you're connected and understand the benefits or you don't. Luckily we had Neil. We won a silver medal for employee engagement and our commitment to employing ex-military people. We're not that big, so it can't be that many have woken up to it and the benefits."



Translating skills

"I actually think some veterans need to think more about how they translate their military skillsets into civilian language. It's easy for them to talk in military terminology that doesn't mean anything – but with a little bit of work to translate that into business-speak, it makes it easier for the employer."

"Often they don't recognise their skillset is unusual and they assume everyone is like that, so they don't say anything about it. It's like me going into a room and forgetting to mention leadership training or complex problem-solving. They need to recognise the very things they take for granted are exceptional skills and that's what everyone is looking for."

The talent gap

“How are our soldiers – individuals who’ve made extraordinary sacrifice and who’ve received some of the most sophisticated training and leadership experience available – not returning home to the job security and stability for which we’ve led them to believe they’re fighting all along? And how are businesses still struggling to find good talent when it appears to be abundant?”

Shane Robinson, Forbes Contributor⁴⁴

Although Brexit no doubt casts a cloud over the UK’s economy in the short-to-medium term, since 2012 the proportion of the working-age population in employment has grown strongly to record levels.⁴⁵ And there are also now more than 750,000 job vacancies across the country.⁴⁶

However, the needs of the economy are changing rapidly as a result of the introduction of digital technologies. The skills that workers need – and that recruiters need to find – are shifting as more and more businesses adopt robotics, big data and artificial intelligence to maintain productivity and growth. Deloitte has previously estimated that as many as 35 per cent of the UK’s jobs are at high risk of being automated in the next 10 to 20 years by these technologies.⁴⁷ Not all of these jobs will disappear, of course, but many, including those less at risk of automation, will be transformed, creating considerable extra pressure on education, recruitment and training systems.

The Organisation for Economic Cooperation and Development (OECD) argues that the UK’s productivity performance could be boosted by improving the skills of its workforce and, in July 2016, even went as far as to say that the UK is falling behind its major competitors in its workforce skills.⁴⁸ But what are these vital skills and talents? In our recent report, *Talent for survival: Essential skills for humans working in the machine age*, we analysed official data to rank 120 different skills, abilities and domains of knowledge according to their importance to the greatest proportion of the UK’s workforce.⁴⁹ The top 25 talents are shown in Figure 17.

Although the OECD recognises that the UK performs well in international comparisons in terms of using information-processing skills more intensively at work, it also suggests that the proficiency of younger people in literacy and numeracy is much lower. There’s no question that specialist technical skills and other areas of expertise are needed in many jobs but this cannot be at the expense of other skills. Even the terms ‘knowledge-based economy’ and ‘digital economy’ are biased towards a set of capabilities that smart machines are all the time more able to provide. Deloitte’s research may go some way to explaining why employment rates among graduates of Computer Science and other Science, Technology, Engineering and Mathematics (STEM) degrees, for example, are lower than those for all other subject areas.⁵⁰

These findings are supported by the analysis shown in Figure 17, which highlights the critical importance of reading, writing and speaking as well as problem-solving, judgement, time management, team-working and other social interaction.

To explore the extent to which veterans use these skills for work, we have recently analysed the latest service leavers’ data from the MOD. By cross-referencing veterans’ employment data with the knowledge, skills and abilities data derived from our *Talent for survival* research, we can see how well the civilian occupations of service leavers match the essential talents needed in the UK’s workforce overall.

Figure 17. The essential talents in the UK's workforce

Rank 2015	Talent	Category	Description
1	 Oral comprehension	Cognitive	The ability to listen to and understand information and ideas presented through spoken words and sentences
2	 Problem sensitivity	Cognitive	The ability to tell when something is wrong or is likely to go wrong
3	 Oral expression	Cognitive	The ability to communicate information and ideas by speaking so others will understand
4	 Near vision	Sensory	The ability to see details at close range
5	 Deductive reasoning	Cognitive	The ability to apply general rules to specific problems to produce answers that make sense
6	 Critical thinking	Process	Using logic and reasoning to identify the strengths and weaknesses of alternative solutions, conclusions or approaches to problems
7	 Speaking	Content	Talking to others to convey information effectively
8	 Information ordering	Cognitive	The ability to arrange things or actions in a certain order or pattern according to a specific rule or set of rules
9	 Monitoring	Process	Monitoring/assessing performance of yourself, other individuals or organisations to make improvements or take corrective action
10	 Active listening	Content	Giving full attention to what other people are saying, taking time to understand the points being made, asking questions as appropriate, and not interrupting
11	 Speech recognition	Sensory	The ability to identify and understand the speech of another person
12	 Speech clarity	Sensory	The ability to speak clearly so others can understand you
13	 Category flexibility	Cognitive	The ability to generate or use different sets of rules for combining or grouping things in different ways
14	 English language	Arts & humanities	Knowledge of the structure and content of the English language including the meaning and spelling of words, rules of composition and grammar
15	 Coordination	Social	Adjusting actions in relation to others' actions
16	 Inductive reasoning	Cognitive	The ability to combine pieces of information to form general rules or conclusions (includes finding a relationship among seemingly unrelated events)
17	 Written comprehension	Cognitive	The ability to read and understand information and ideas presented in writing
18	 Reading comprehension	Content	Understanding written sentences and paragraphs in work-related documents
19	 Social perceptiveness	Social	Being aware of others' reactions and understanding why they react as they do
20	 Judgement and decision-making	Systems	Considering the relative costs and benefits of potential actions to choose the most appropriate one
21	 Time management	Resource management	Managing one's own time and the time of others
22	 Customer and personal service	Business & management	Knowledge of principles and processes for providing customer and personal services
23	 Selective attention	Cognitive	The ability to concentrate on a task over a period of time without being distracted
24	 Written expression	Cognitive	The ability to communicate information and ideas in writing so others will understand
25	 Complex problem-solving	Complex problem-solving	Identifying complex problems and reviewing related information to develop and evaluate options and implement solutions

 Knowledge
  Skill
  Ability

Source: O*NET, ONS, Deloitte analysis

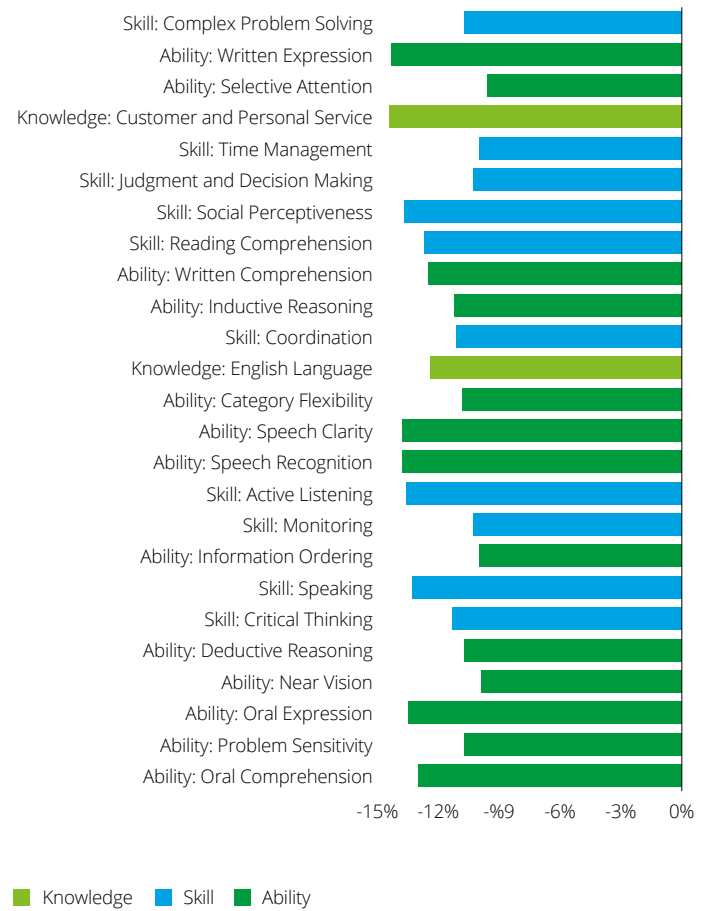
Figure 18 shows the difference between service leavers and the rest of the UK workforce for the 25 most important talents in the economy overall.

This figure shows that service leavers score worse on all essential talents compared with the rest of the UK's workforce as a whole. Overall, service leavers tend to be employed in occupations where the score for essential talents is 12 per cent less important, on average. The smallest differences occur for female service leavers and officers.

The skills that workers need – and that recruiters need to find – are shifting as more and more businesses adopt robotics, big data and artificial intelligence to maintain productivity and growth. Deloitte has previously estimated that as many as 35 per cent of the UK's jobs are at high risk of being automated in the next 10 to 20 years by these technologies.

Figure 18. How do service leavers score on the most essential talents in the UK's workforce?

Percentage difference in the importance of the talent to employment compared with non-veterans



Source: ONS (LFS), MOD (CTP), O*NET, Deloitte analysis

In contrast, Figure 19 shows the least essential talents in the UK's workforce.

Here, we see that service leavers, on average, score much more strongly than the rest of the UK's workforce. In other words, service leavers are more likely to be employed in occupations that require a range of physical abilities and technical skills, such as technology design, maintenance and repairing, despite these talents being ranked as *significantly less important* to the workforce overall.

Among regular service leavers, officers and women are much less likely to work in occupations that require many of these low-ranked talents. Former members of the Air Force are also much less likely than their peers in the Navy or Army to require physical abilities for their work.

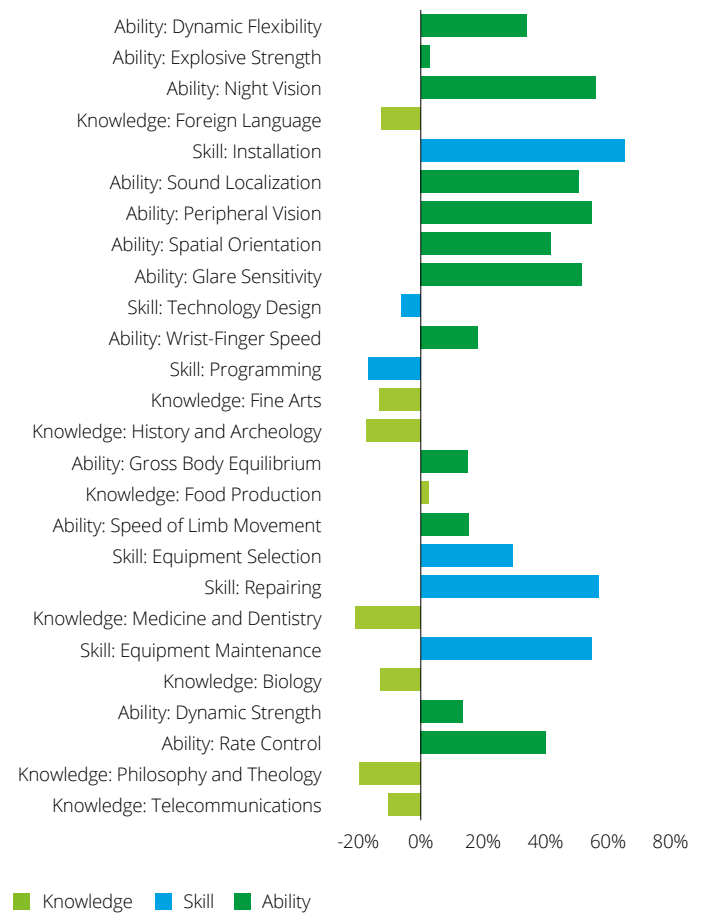
The differences in talents used by service leavers and the rest of the workforce are likely to affect not just veterans' employment prospects but also their wages. According to the latest data from the ONS, the average pay for high-skilled jobs is £2,140 per month whereas for low-skilled jobs it is just £1,190.⁵¹

The differences also point towards a paradox, which Shane Robinson, author of an influential article on veterans' employment for *Forbes* magazine, highlighted when he asked, "How are businesses still struggling to find good talent when it appears to be abundant?"⁵²

As we have discovered through our surveys and data analysis, the skills that organisations recognise in veterans they have hired are those at the top of the essential talent ranking; the talent gaps that most organisations have are also at the top. Why is it, then, that so many veterans end up in occupations where the talents they need are at the bottom of the ranking?

Figure 19. How do service leavers score on the least essential talents in the UK's workforce?

Percentage difference in the importance of the talent to employment compared with non-veterans



Source: ONS (LFS), MOD (CTP), O*NET, Deloitte analysis



Andrew Jackson

Managing Director, SaluteMyJob

Andrew Jackson is the Managing Director of SaluteMy Job, a Social Enterprise dedicated to providing expert, veteran focussed consultancy, recruitment and training services to employers. The business was founded on the principle that we [society] can do more for former Service men and women by helping drive up employer demand for them as employees, consultants and reservists. Prior establishing SaluteMyJob in partnership with Chairman General Sir Nick Parker, Andrew spent 35 years in the British Army. Andrew's final role, before leaving the military was Director of Army Recruiting.



On whether enough is being done to support veteran employment

"While employment opportunities have improved for certain groups, such as the 'Wounded, Injured and Sick', 45% of service leavers do not access the MOD's Career Transition Partnership and receive little or no help – or do not access the support that is available. Of the candidates we are currently supporting, only 20% (57 of 261) of our active jobseekers are, in our judgement, competitive candidates."



On what more could be done

"There are three areas where more could be done:

1. Provision of targeted, professional support – such as that provided by SaluteMyJob, in partnership with the Service charities – available widely to ex-military jobseekers, to add value to CTP,
2. Some employers work very hard to support veterans. Others, including many who have pledged to 'support the employment of veterans young and old' when signing the Armed Forces Covenant fail to turn their pledges into sustained action. In particular, a meaningful job needs to be seen as the outcome, not the singular offer an employer makes to a former Service man or woman. Indeed, the offer to apply for a job is meaningless if the candidate is unaware of it, ineligible, uncompetitive, lacks requisite commercial experience or is ill-educated about the relevant industry sector or company. The best support employers can offer is education, training, paid placements or internships and mentoring; with these in place, successful job outcomes will follow, along with the solution to an endemic problem of veterans' transition into employment in the private sector.
3. An engine, or brokerage, to match jobseekers to the increasing opportunities provided by employers. For example, SaluteMyJob's Veteran Employment Support Service (VETS) will, over time, 'join the dots' between the many isolated, often invisible (to the ex-military jobseeker) activities conducted by employers and other agencies and match the right jobseeker to the right opportunity. This technology enabled, professional service is a single engine providing an employment service to veterans and a recruitment service to employers."



On the skills veterans bring to business

"First and foremost, our clients value the soft skills ex-military people bring:

- Team skills, both as leader and participant, especially in the project field.
- Willingness to take ownership.
- Selflessness, sense of common purpose and mission focus, which distinguishes military people from more selfish, individually incentivised employers.
- People skills, especially to communicate clearly to and focus stakeholders on the mission or task.
- The ability to get stuff done and solve problems/ manage crises along with way, calmly and to time, budget and quality.
- Self-discipline, reliability and attention to detail.
- However, in my experience, when they offer jobs, employers usually list the hard skills: engineering, IT, construction trades etc, not the soft skills they say they want."



On having a codified veteran recruitment programmes

"Establishing a structure, as well as a sustainable, measurable programme – is the single most valuable action an employer can take. SaluteMyJob is the only provider of advice to employers on the planning and implementation of such programmes."



On the major challenges in the veteran recruitment

- "Inaccurate perceptions e.g. that 91% of the public consider former Service men and women to be either physically, psychologically or emotionally damaged
- Stereotypical views e.g. military people can only operate in a structured hierarchy and give or take orders.
- Misunderstanding by both employers and veterans.
- Translation of acquired military knowledge, skills and experience into the language of commercial employers.
- Culture gap between military and civilian ways of life.
- Generally poor presentation of ex-military jobseekers in CVs and at interview.
- Attitudes and behaviours of ex-military jobseekers."



On 'skills translation'

"Translating military skills into the language of a commercial employer is – in our opinion – the single biggest barrier, especially the translation of soft skills and, crucially, the evidence to support them."



On having experience

"Despite what employers say, the reality is that their job descriptions and recruitment and selection processes tend to require appropriate commercial experience, and sift out those without it at an early stage in the process."

Challenges yet to be overcome

“The average Service person is a highly trained, deeply committed and innovative team player who is used to delivering results. By nature the Service person is also humble of their achievements and successes, and trusting that civilian society, and more importantly future employers, will know what they do and how they do it. Regrettably this is often not the case.”

Headquarters Support Command, Transition Newsletter, Issue 6, British Army⁵³

The debate around veterans' employment has rightly focused on the obligations on society and businesses, enshrined within the Armed Forces Covenant, to respect the sacrifices made by serving and former members of the armed forces. However, even though the Covenant promises that a veteran should be treated no less fairly than any other person, too often veterans have no choice but to take low-skilled or low-paid employment, or they struggle to find a job at all.

The debate now needs to shift into a new gear to ensure that the changes being wrought in our economy by technology – both in terms of job destruction and creation – do not create further obstacles for veterans. Just as importantly, we need to ensure that businesses recognise and can access the skills and talent that veterans can provide, and understand the benefits they bring.

Navigating this increasingly complex and difficult landscape demands greater engagement from all stakeholders. Below, we set out some of the questions and challenges that they face.

Many employers believe that veterans are good at following orders but can't take the initiative or are too rigid to fit in with the culture of today's fast-paced commerce.

Businesses

The challenges for businesses and other employers include:

- **How can businesses be persuaded to recognise the skills and talent of veterans?** Many employers believe that veterans are good at following orders but can't take the initiative or are too rigid to fit in with the culture of today's fast-paced commerce. When asked about what issues a veteran might have, one employer said, "I guess a lack of experience and understanding of the commercial world. I suppose adjusting from a military environment to a business one would be a major hurdle for some." However, our research corroborates the findings of other studies, which suggest that companies that do go out of their way to recruit and hire veterans actually value their team-working, creative thinking and ability to solve unusual problems.⁵⁴ But what will it take to persuade the majority?
- **What are the appropriate levels of investment in ex-military programmes?** Although many organisations express an interest in hiring veterans or recognise the work of specialist providers of veteran services, few have made the investment to convert sentiment into a hard-edged business case and some have no knowledge at all of the work being done by service charities to support veteran employment. However, our research suggests that businesses can realise benefits ranging from improved loyalty and fewer days of sickness absence to operational performance improvements and greater competitiveness. But how much will employers need to invest?
- **How can recruitment methods avoid discriminating against veterans?** Many businesses now realise that their recruitment policies and processes create unconscious bias against individuals from disadvantaged communities. One large employer told us that they didn't see why "this group over any other should receive special treatment; we are a business not a social enterprise." However, a new set of non-traditional tools and structured interviewing processes have been shown to provide a more unbiased view of a candidate's proficiency in a range of cognitive, leadership and problem-solving tests. But how much change is needed?
- **How can businesses keep track of veterans once they've joined?** During periods of transition, veterans are more likely to need additional support, mentoring and coaching to ensure they reach their potential. Therefore, what data should businesses be collecting about their veteran community to enable such support to be provided? Our own experience suggests that appointing an executive to be responsible for sponsoring and driving the recruitment and development of veterans helps to raise the profile of ex-military employees.
- **How early should businesses engage with the MOD?** Unlike the way that businesses work with schools, colleges and higher education providers, many companies do not help the armed forces understand skills gaps or provide more general advice on CV-writing or recruitment techniques and career paths. Nor do they provide work-placement opportunities for currently serving members of the armed forces to experience work outside the military.

Policymakers

The challenges for policymakers in defence and elsewhere in government include:

- **How can short-term employment goals for veterans be balanced with the long-term economic interest?** Although getting veterans and service leavers into work is important, our research suggests that too many veterans end up working in low-skilled or low-paid occupations and also in occupations that are increasingly subject to automation. In the long term, veterans' employment rates are likely to suffer and, simultaneously, businesses will be missing out on accessing a wider pool of talent. What else can policymakers do to drive forward the skills agenda within the MOD to ensure businesses can tap into the talent they need?
- **How can policymakers strengthen the business commitments of the Covenant?** Although there is a growing body of evidence to suggest an issue with veterans' employment, is it now time to establish a national strategy or permanent commission? If so, whose responsibility is this, and what should its mandate be? How will business interests be represented?

- **What changes should be made to the training and development programmes in the armed forces?** Our research suggests that many veterans find jobs on the strengths of 'like-for-like' technical or vocational skills because these are more immediately translatable by employers. As the demands of defence become ever-more complex, and its systems and platforms more technologically sophisticated, how can the MOD ensure that the transferable skills are given equal, if not higher, priority?
- **What is the best information to provide to service leavers and how can access to it be simplified?** Our research has found a 'blizzard' of advice and information for service leavers and veterans – for example, in newsletters, formal policy documents, press articles and academic research. Although there are useful ideas and suggestions among all of these, the information can also be confusing and contradictory. The right information for the right person at the right time can be difficult to find. Should information be consolidated and rationalised? And how can it be presented to serving members of the armed forces early so that the panic of transition can be avoided?

We need to ensure that businesses recognise and can access the skills and talent that veterans can provide, and understand the benefits they bring.

Service leavers and veterans

The differences in employment between veterans and non-veterans are likely caused by a number of factors, which affect individuals differently. For example, veterans face a number of challenges:

- they struggle to differentiate between translatable skills they have gained during their military careers and the transferable skills needed in many types of employment
- they have difficulty in relating their military experiences and skills to specific job opportunities
- they lack many of the educational and professional qualifications recognised and wanted by businesses, including some basic skills
- they lack knowledge of the recruitment techniques used by businesses, as well as training opportunities and sources of advice and guidance
- they lack a broader understanding of civilian and business cultures, and the norms and patterns of behaviour.
- they lack purpose and clear direction after leaving the military, and struggle without being able to draw on their usual support networks
- they have other challenges associated with age, injury or poor health.⁵⁵

Although we might conclude from these factors that the bulk of the responsibility for improving veterans' employment prospects lies with veterans themselves, unless businesses and policymakers make significantly greater contributions, the potential of a large and talented workforce will go mostly untapped.

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Liz Coombs

Associate Director, Employee Engagement, Deloitte

Liz Coombs is responsible for employee engagement within Business Tax at Deloitte. She also helped establish and now runs the Deloitte Military Transition and Talent Programme (DMTTP) which was recently awarded a Ministry of Defence, Armed Forces Covenant Employer Gold Award.



On establishing DMTTP

"We set up the DMTTP in 2012. The guiding principle behind it was – and continues to be – do the right thing for the service leaver and their family. How do we do that? We run military insight days; mentoring both formally and informally and support a number of ex-military start-ups. So our programme is far wider than just recruitment, but I am proud of the fact that we now have over 100 veterans at Deloitte in the UK."



On targeting the veteran community

"As a firm we don't just target veterans by any means, we have a variety of programmes that look at different pools of talent for recruitment; including apprentices, school leavers and people returning to work after career breaks. We know however, that veterans bring some very valuable transferrable skills and great can-do attitudes – which makes them very popular in our business."



On the skills veterans bring

"For me, veterans are particularly strong when it comes to communication skills, stakeholder management, an ability to work under pressure; they motivate teams well and are good at stepping back and looking at the big picture. I'm continually impressed by their project management skills and the positive approach they bring to every task, which is refreshing. Of course some also bring very specialist skills that are valuable to particular parts of our business such as risk and cyber experience."



On advice for employers

"When employers think about the skills veterans have and can bring, I would urge them to think about potential, rather than just the technical skills they currently possess as they leave the forces. We know from our experience that veterans have a great aptitude for picking things up quickly

and being very resilient – just because someone doesn't have the full range of skills at this point in time, doesn't mean they won't be able to learn very quickly and actually be very successful in a role."



On integrating into a civilian work space

"The reason we recruit veterans is because we know they will flourish in this environment. Naturally there is a steep commercial learning curve and the more we can support them with that, then the better we tend to find they assimilate. We try and allocate a mentor and/or buddy and that person tends to be a veteran or someone closely linked to DMTTP. When we had a group of new veterans into our Risk Advisory practice last year, we laid on some additional skills training for them to help them quickly get up to speed. We also invite them to join the internal military community which sits alongside our other diversity networks, so that they so they can meet people who have been through the same experience."



Advice for job hunting veterans

"Veterans need to be as pro-active as possible. It's never too early to start thinking about what you might want to do when you leave. Think about what aspects of your current role you really enjoy and what transferrable skills you've got. You will definitely have some very good ones even if it's not immediately obvious. Use all your contacts to help with advice and go to events that are laid on such as insight days/CV sessions to look at organisations and meet as many people as possible. That will help you start whittling down your options. Definitely get some help with your CV – I've lost track of the number of military CV's I've seen where the language is unintelligible because of the acronyms and technical language. There is however, a tremendous amount of support and goodwill out there to help you."

“ Veterans need to be as proactive as possible. It's never too early to start thinking about what you might want to do when you leave. Think about what aspects of your current role you really enjoy and what transferrable skills you've got. You will definitely have some very good ones even if it's not immediately obvious. ”

Liz Coombs, Associate Director, Employee Engagement, Deloitte

Conclusion: Recognising the potential

“Good transition is important for the country. Having invested heavily in the training and development of individuals over months or years, the public can expect the Forces to ensure that those individuals are in a position to be net contributors to society not just during their Service career but when they leave.”

Lord Ashcroft KCMG PC⁵⁶

For many businesses and other employers, the imperative to recruit veterans is often driven by a simple desire to recognise the deeds and sacrifices that members of the armed forces have made on their behalf. For the minority of businesses who go out of their way to hire service leavers and others from the veteran community, the view is typically more nuanced: employing veterans is as much a means of improving organisational productivity and performance as it is a means of meeting obligations of social responsibility.

Where veterans are in the foreground rather than the background of an employer's recruitment policy, it is often because it reflects the importance that this organisation places on getting hold of critical skills, especially the qualities of leadership, motivation, determination, loyalty, problem-solving, communication, team-working and time-management that are becoming harder to find in the jobs market.

As it becomes increasingly clear that the UK's post-Brexit, knowledge-based economy will depend upon an increasing supply of these essential skills, there is a growing expectation that larger numbers of businesses will choose to employ veterans.

However, Deloitte's new study highlights a number of difficulties in achieving this goal. Foremost among these is that despite ongoing efforts to improve awareness of veterans' skills, negative perceptions and stereotypes remain deeply entrenched in the business community. Furthermore, despite the potentially many years of service, substantial numbers of veterans lack educational qualifications beyond GCSE or A-Level as well as professional qualifications or industry knowledge. As a consequence, access to high-skilled employment remains patchy and uneven among service leavers, who typically fall back on lower-skilled jobs, like

driving heavy goods vehicles and security guarding, or occupations in the skilled trades. If this situation persists, a disproportionate number of veterans' jobs may be vulnerable to automation as new technologies are introduced by businesses in the future.

Moreover, transition support service providers as well as veterans, themselves, can be tempted to focus on the translatable technical skills and vocational qualifications they think employers are looking for rather than the broader set of transferable skills they have acquired. Although this lessens the immediate complexities of transition, it reduces the benefits that could be accruing to individuals and businesses, alike, over the longer term. The evidence suggests that it then takes years for veterans to develop further the confidence, networks, educational qualifications and experience necessary to make further transitions through occupations. They may not recognise that this self-enforced adaptation and upskilling keeps them ahead in the race against the smart machines, but the fact that they are capable of and sufficiently motivated to do so says volumes for the resilience, flexibility and determination of members of the UK's armed forces.

In *The Veterans' Transition Review*, Lord Ashcroft noted that, “The Armed Forces offer what amounts to Britain's biggest and best apprenticeship scheme. Moreover, no other institution does so much directly to promote merit-based social mobility on such a large scale; recruits who often come from difficult backgrounds in deprived areas are equipped for extraordinary lives and careers.”⁵⁷ Such statements are more than just rhetoric. They recognise the huge potential and benefits that exist for businesses when they recruit and develop people from the veteran community.

But first, businesses have to be aware of the potential value of employing veterans and service leavers. The skills and qualities exhibited by so many former members of the armed forces are a close match to the acute skills gaps that many businesses face even if the veterans do not yet have the industry knowledge claimed to be needed. Second, policymakers have to find a better balance between the short-term, tactical objective of placing as many service leavers into employment as possible with the long-term, more strategic options for developing core transferable skills and vocational qualifications that the economy will need in greater supply in the future. Finally, to close the loop, individual veterans must do more to recognise and promote their own skills and talents.

In an article for *Management Today*, Rebecca Smith sums up the situation thus: “Ex-military folk might need some initial support to get them up to speed with the business, but employers ignore them at their peril.”⁵⁸

Truly talented staff are pivotal to setting an organisation apart from its competitors, delighting customers and clients, and motivating team-mates. Given the overwhelmingly positive views held by organisations that have recruited veterans, we believe that the veterans’ unique combination of transferable skills offers significant and sustained return on investment – for the individuals concerned, the hiring businesses and their shareholders, and the economy as a whole.

Summary of our recommendations

- Employers should recognise and act on the business case for hiring veterans, rather than on reasons of corporate social responsibility. In particular, employers should do more to recognise the skills and experience veterans offer and contrast this with the skills gaps they have within their organisations
- Employers should invest in veteran recruitment; goodwill and the best intentions of well-meaning individuals are no substitute for well-funded, dedicated military transition and talent programmes. Only through the sharing of best practice, and, crucially, with board-level support, can such programmes effect real change
- Employers should collect data about the veterans and reservists they hire, including their performance, development and tenure, to gather evidence and strengthen the business case for recruiting and promoting other veterans within their organisations, even where the veterans do not initially have relevant industry knowledge
- Employers should engage and improve their communications with the MOD and other organisations that specialise in employing and supporting veterans to help them understand better the skills needed in the civilian sectors of the economy. In so doing, the MOD should work to understand how these insights can be used to improve the support they provide to regular service leavers during transition
- The MOD and individual veterans must become more adept at translating broader military skills and experience for civilian employers, rather than focusing on the technical skills and vocational or professional qualifications and experience gained from their military career
- The MOD should engage and improve their communications with businesses and other employers to identify as early as possible, on a voluntary basis, service members who are leaving the military
- Policymakers should consider the need for a national strategy and commission for veterans’ employment, working alongside the Defence Skills Strategy. This would help to ensure that both the spirit and the letter of the Armed Forces Covenant are followed and that members of the armed forces are recognised for the benefits they can bring to UK business.



Mark Arscott

Head of Military Engagement, BT

Mark Arscott joined BT in 1998, and enlisted as an Army reservist with 81 Signal Squadron in 2000, commissioning as an Officer in 2002. In 2005 Mark deployed to Iraq as part of Operation Telic, before serving for seven years on a full-time reserve service (FTRS) contract as a staff officer at the Ministry of Defence, working on partnering projects with civilian employers; Mark continues to serve as a Major in the Army reserve, and is currently Head of Military Engagement for BT, a position he has held for just over a year.



The business case

"At BT we have a historic association with the armed forces that is extremely important to us, with an estimated 4,000 veteran and 400 reservist employees. We have a wide range of military employment and support initiatives on offer, such as our Transition Force programme (supported by an online platform, Project Fortis) that offers support to Service leavers and veterans looking for a civilian career, and the BT Armed Forces Network – by far the largest in the country with over 800 members. For us, making the business case is simple; it's a mixture of the commercial benefits, employing a group that has the skills we're looking for and how it fulfils our purposeful business pledges. This was reinforced by a huge uplift in ex-forces recruitment in 2011-5 when we recruited around 2,000 Openreach engineers – those sort of volumes couldn't be met by anyone except the MOD's CTP (Career Transition Partnership), and we continue to recruit about ten per cent of our field engineers via CTP. As an initiative it's good for our brand, our shareholders, our customers, our people and the MOD."



Let the statistics speak for themselves

"With so many veterans across our organisation, we're able to track performance quite easily. When looking at 1,700 veterans and comparing them like-for-like with other BT employees in identical positions, we've found that staff retention, promotions, disciplinary records and sick absence are all improved across our ex-military workforce."



Expanding traditional military employment programmes

"Employers have always struggled to get it right when it comes to military spousal employment – it's an incredibly hard market to target. We're currently looking into getting that piece cracked, and have seen some really promising early results, albeit on a relatively small scale. We've also expanded our work placement programme for wounded, injured or sick personnel, which dovetails into our Transition Force programme."



Issues facing veterans looking for employment

"Veterans absolutely need to be proactive when searching for job opportunities, but some work still needs to be done by employers and organisations on demystifying perceptions, which in my view are largely down to how the armed forces are portrayed in popular culture. For BT it's about focusing on the abundance of transferable skills that they put into practice in their daily military lives, not about giving veterans an advantage per-se, it's about levelling the playing field for them; parity, not priority."



On what more can be done

"Businesses can do more to support service leavers – focusing on building on the CTP's good work by helping service leavers find the right industry, company and role for them on a bespoke, one-to-one basis – that's what BT's Transition Force programme does, and it's also great in engaging our employees to volunteer their time."

"In general, a lot of big brand names are making headway in employing ex-military, but there are a few notable exceptions. I'm proud that BT is able to persuade other companies who are perhaps less willing, able, prepared or who do not have the right senior engagement to put their name to the Armed Forces Covenant."

"There is also a huge untapped opportunity for SMEs – they make up 60 per cent of the private sector workforce in this country and account for 99 per cent of the businesses; large companies such as BT have an important role to play in influencing our customers, partners and suppliers."

“ Veterans absolutely need to be proactive when searching for job opportunities, but some work still needs to be done by employers and organisations on demystifying perceptions, which in my view are largely down to how the armed forces are portrayed in popular culture. ”

Mark Arscott, Head of Military Engagement, BT

Appendix: Data sources and research methodology

Longitudinal Study

For part of our analysis, we used data kindly provided by the ONS from the Longitudinal Study. This work investigated the long-term employment outcomes of three cohorts of veterans who were in the armed forces in England and Wales in 1971, 1991 or 2001 and who were subsequently in civilian employment in future census years. In essence, we looked at a number of pairs of outcomes: 1971-1981, 1971-1991, 1971-2001, 1971-2011, 1991-2001 and 2001-2011.

The Longitudinal Study contains linked census and life-events data for a one per cent sample of the population of England and Wales. Life-event data comes from the civil registration system, NHS registration systems and the cancer registries and includes data on births, deaths, immigration and emigration. The Longitudinal Study contains records on over 500,000 people usually resident in England and Wales at each point in time and it is largely representative of the population as a whole. The Longitudinal Study is the largest longitudinal data source in England and Wales.

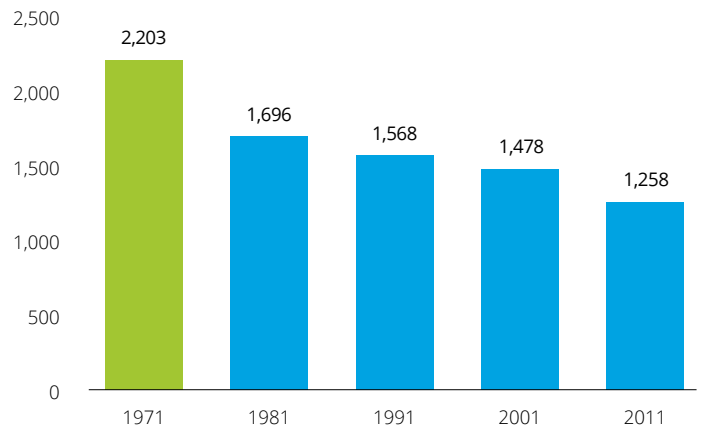
The Longitudinal Study has linked records at each census since 1971 for people born on one of four selected dates in a calendar year. These four dates were used to update the sample at the 1981, 1991, 2001 and 2011 Censuses. New Longitudinal Study 'members' enter the dataset through births and immigration.

More information on the Longitudinal Study can be found at: <https://www.ons.gov.uk/aboutus/whatwedo/paidservices/onslongitudinalstudy>

As an example of the data from the Longitudinal Study, Figure A1 shows how the number of veterans from the 1971 cohort has changed over time. The number of veterans in each cohort changes over time as a consequence of deaths and emigration from the UK.

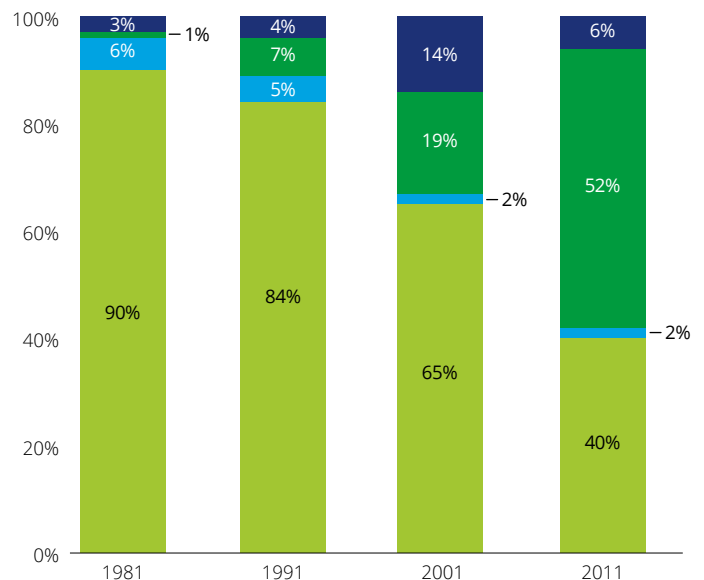
Figure A2 shows how the employment status of the 1971 cohort has also changed over time.

Figure A1. Change in the baseline population of the 1971 cohort



Source: ONS (LS)

Figure A2. Employment changes in the 1971 cohort



■ Economically active - employed
■ Economically active - unemployed/seeking work/sick/government training scheme
■ Economically inactive - retired ■ Economically inactive - other

Source: ONS (LS, N: 1981=1,696; 1991=1,568; 2001=1,478; 2011=1,258)

Annual Population Survey

We used data published by the MOD in October 2016, which provides estimates on the size and socio-demographic characteristics of the UK armed forces veteran population living in households in England, Scotland and Wales using responses provided in the 2015 Annual Population Survey (APS) produced by the ONS.

Summary figures and comparisons to the non-veteran population residing in Great Britain are presented on: people characteristics; regional location; health; employment status; education and accommodation (housing). The non-veteran population is defined as those aged 16+ who have not served in the armed forces or are currently serving.

Data tables from the APS can be found at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/560279/20161013_APS_Excel_Tables_2015_Update_.xlsx

Career Transition Partnership annual statistics

We used data published by the MOD in April 2016, which includes information on the estimated employment outcomes for ex-service personnel who used the transition and resettlement services provided by CTP between 2010-11 and 2014-15.

Data tables from the CTP can be found at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/517824/20160419-CTP_Official_Statistics_Excel_Tables-O.xls

Employer surveys

The aims of our surveys were:

- To explore the experiences of organisations that have actively tried to recruit veterans and to understand the extent to which those organisations currently employing veterans see them as bringing value; and
- To establish the perceptions of medium and large organisations towards employing veterans, their understanding of the skills held by veterans, and to identify the enablers and barriers to recruiting veterans more widely.

In order to achieve the above aims two strands of research were undertaken; both strands used an online survey, which gave participants the opportunity to complete the questions at a time convenient to them and also provided a forum for them to be candid in their responses.

The two audiences included in the research were:

- Organisations that are actively recruiting veterans through a dedicated programme or process. Survey participants were sourced via a combination of the Officers' Association database, from military recruitment 'insight day' attendees and other personal networks. In total, 50 individuals from organisations with a military recruitment programme or process in place completed this strand of the research, 43 of which had direct experience of employing veterans
- HR professionals in medium and large organisations (i.e. with 50-249 employees and 250 or more employees, respectively). This audience was sourced via an online panel, with 250 HR professionals participating in total. The achieved sample comprised a spread of organisations by number of employees, sector and location of sites in the UK. These organisations were the focus for this strand given that businesses of this size are collectively responsible for employing 13.4 million people in the UK.†

Firmographic information for participants from both surveys can be found in Figures A3 and A4 overleaf.

† 2015 Business Population Estimates, Department for Business Innovation and Skills. See also: <https://www.gov.uk/government/statistics/business-population-estimates-2015>

Figure A3. Profile of survey of organisations actively recruiting veterans

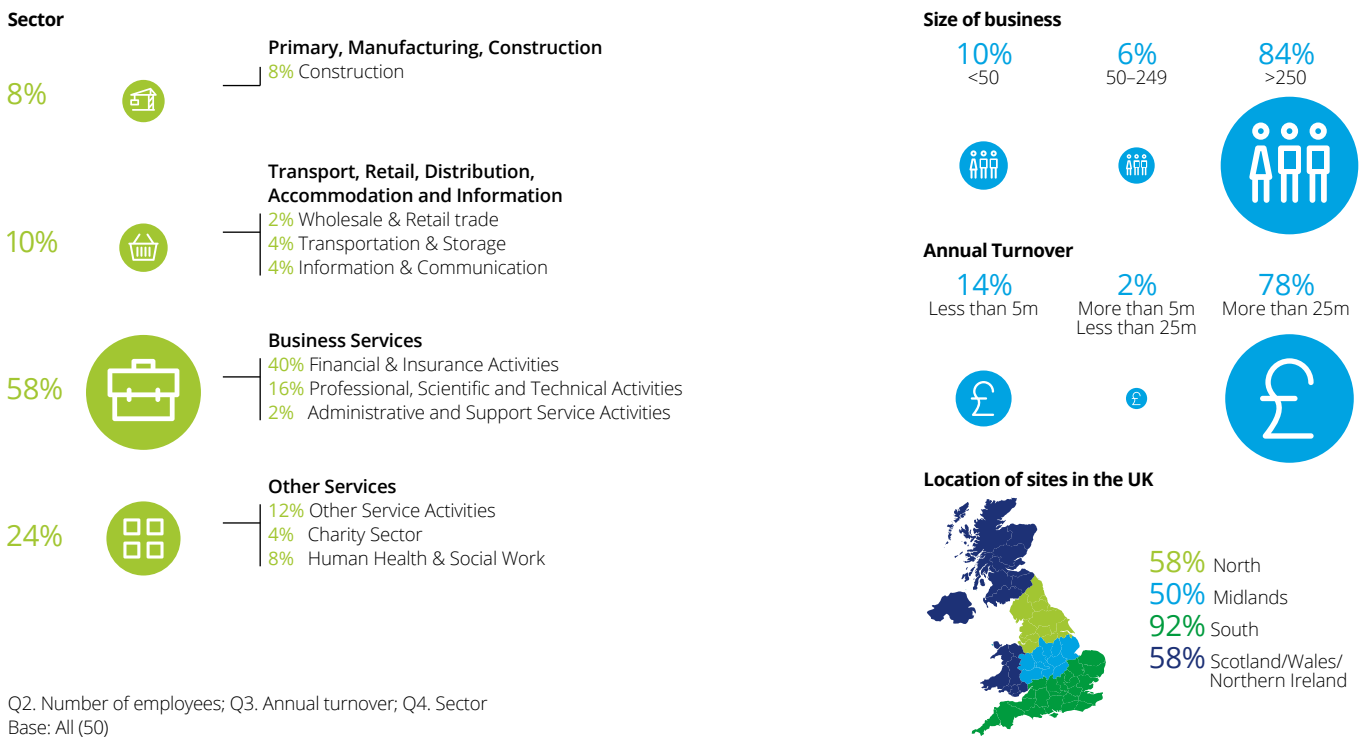
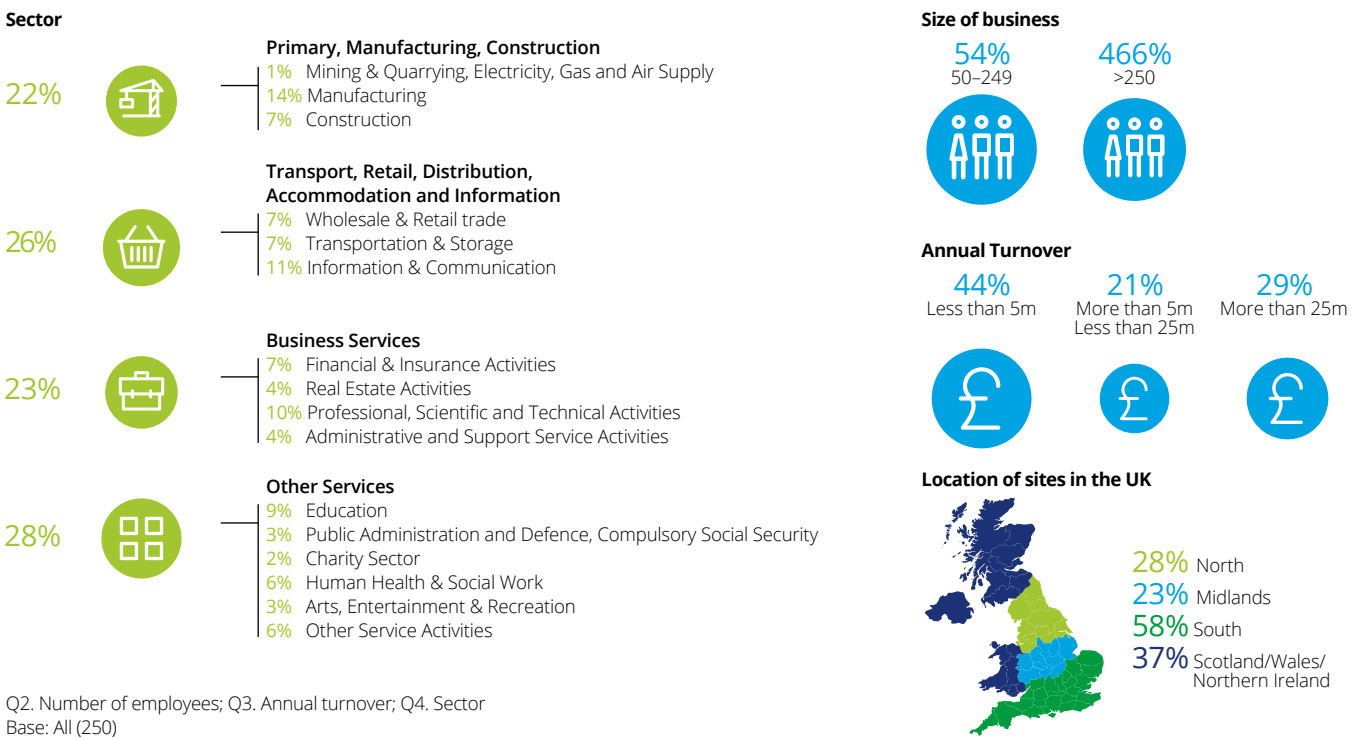


Figure A4. Profile of survey of medium and large organisations



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Truly talented staff are pivotal to setting an organisation apart from its competitors, delighting customers and clients, and motivating team-mates. Given the overwhelmingly positive views held by organisations that have recruited veterans, we believe that the veterans' unique combination of transferable skills offers significant and sustained return on investment – for the individuals concerned, the hiring businesses and their shareholders, and the economy as a whole.

Acknowledgements

The authors would like to acknowledge the large number of organisations and individuals who contributed to this study with their time, patience, enthusiasm, insight or funding. In particular, thank you to everyone who took the time to complete the online surveys and especially those who gave us the benefit of their personal experiences through interviews.

We would also like to thank Liz Coombs, Lyn Webb, George Waterfield, Rob Cromey Hawke, Claire Burton, Clare Taalab, Valerie Molin and Laura Parsons from Deloitte; Elizabeth Stevens and Sophia Koniarska from the Officers' Association; Meri Mayhew from the Forces in Mind Trust; Liam Maguire from Good Relations; Lydia Fellows from Chime Insight & Engagement Group; everyone at The Dame Kelly Holmes Trust; and Professor David Lavalley of the University of Stirling. All of you contributed to this research immeasurably.

We would also like to thank the MOD for the considerable encouragement they provided to this work.

The permission of the Office for National Statistics to use the Longitudinal Study for this research is gratefully acknowledged as is the help they provided in analysing the data.

The authors alone are responsible for all interpretations of the data.



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Designed and produced by The Creative Studio at Deloitte, London. J10136