

Testimony on H.R. 4015
Jobs for Veterans Act
Captain Thomas M. Hale, USN (Ret.)
Senior Vice President
Resource Consultants, Inc. (RCI)
to the
Benefits Subcommittee of
the Veterans Affairs Committee
U.S. House of Representatives

I am pleased to have this opportunity to comment for the record on H.R. 4015, the Jobs For Veterans Act. It promises to be a big step forward in modernizing the provision of standardized job assistance services to veterans through the use of the Internet. The Act will also benefit veterans by shifting the emphasis of the new program towards assisting veterans to transition to civilian careers using skills obtained in the military, offering an array of employment services through a one-stop Internet-based employment service operation, and requiring qualitative performance standards to measure program success. These are fundamental improvements over the traditional services provided to veterans by the Department of Labor.

For the past 12 years, I have been closely associated with the provision of intensive employment assistance services to military personnel transitioning to civilian careers, both as a designer and manager for military transition programs and for transition programs the company provides to other Federal agencies. I also serve on the Board of Directors of the Association of Career Management Firms, North America where I remain current in the application of technology in the outplacement field for corporate America. The first job assistance centers for the Army were established by RCI in 1990 under the auspices of the Army Career and Alumni Program (ACAP). The program continues today at every major Army post in the world and over the years has provided career transition services to over a million active duty personnel and veterans of all services as well as their families. One ACAP office works closely with veteran's

representatives at a local one-stop center established by the Workforce Investment Act. Some ACAP offices at military installations have a veteran's representatives collocated with them to facilitate services; some work in close partnership in locations immediately adjacent to the ACAP office. My remarks on the bill will be directed towards two provisions of which RCI has acquired considerable experience over the past twelve years, namely, measuring the results of a job search training program and providing one-stop job assistance services to clients over the Internet.

Section 3 of H.R. 4015 provides for performance incentive awards to states for providing quality services based on measures of performance, and to states that have made significant improvements in service delivery. This is a refreshing change to the traditional emphasis on job placement rate as the most important performance factor. The actual implementation of an incentive system that will provide the desired results will be much more difficult to achieve. We have had over ten years of experience in measuring performance on the provision of job transition services to both military and Federal civil service employees. For the most part, our experience with the large numbers of military clients we serve in the ACAP program, numbering over 80,000 per year, is that it was not cost effective for the agency to track each of the clients from their last duty station into their first job after separation and then determine the value of the compensation received once on the job. Also, the employers are not incentivized to maintain the source from which they hire new staff and therefore could not advise us as to how many military transitioners they had hired. Also, our experience over several years with collecting and analyzing service evaluation questionnaires completed by clients produced inconclusive results. We found that evaluation forms differed very little from office to office and was not an effective discriminator to measure the effectiveness of the quality of services received among our offices.

We did find that a statistically significant random sample of clients compared to a random sample control group who did not receive services would adequately provide the qualitative data necessary to evaluate the effectiveness of the transition program. To ensure objective results, an independent third party who is not associated with the parties involved in the delivery of services or who would benefit from incentive awards should perform such a study.

We have had some experience with tracking total populations from point of service to point of employment. On one such project involving a base closure with a mostly production-based Federal blue-collar work force, the contract specified an incentive award for actual placement of the displaced worker in a job that provided replacement wages of at least 75 percent of the former wage. Higher incentive awards were made for wages that exceeded the replacement threshold. Additionally, the incentive award would not be paid unless the worker was still on the job five months after placement. Wage and salary data was supplied by the employer and verified by the Government client. It was a very

successful contract as the contractor had the incentive to place the employee in the highest paying job available, the job developers and counselors were rewarded for results achieved, and the employee benefited by getting the best services possible from the provider. The cost and time involved in providing job search training, developing jobs, and tracking individuals into each job were manageable because the base closure operation was a multiyear effort with only about 1,200 employees served by the outplacement office and 240 who actually applied for the placement service.

Section 4 of the bill requires the Secretary of Labor to establish one-stop Internet-based employment services for military personnel and veterans. This promises to be a very useful tool for the job-seeking veteran. The U.S Army has had comprehensive Internet-based employment assistance services available (located at web address www.acap.army.mil) since 1996 for active duty clients, downsized Department of the Army civilian employees, and their family members. Veterans are provided access to the system for up to 90 days after leaving active duty.

The Internet-based service includes a comprehensive listing of available jobs that is updated daily, job search tutorials, an email-based job assistance help line, links to the major Internet-based job listing services, and similar services. It has been a popular service with clients able to continue job searches away from an ACAP site as well as for having access to a job counselor by email.

The Internet-based system complements a multi-media hardware and software system that is installed at centers throughout the ACAP system. This system was recently upgraded to accommodate the needs of an increasingly computer-savvy generation of young soldiers and allows an individual to direct the pace and intensity of the transition services that are available. For example, key components of a transition workshop were filmed and digitized so that an individual could view the material at his or her own pace. The system also allows the selected retrieval of workshop information so individuals can get refreshed on job interview techniques before an important interview. It will not be long before greater access to broadband technology will one day permit this virtual one-stop job search training system to be adopted for Internet use so that clients could use the entire system in the privacy of a home computer environment.

The addition of another Internet-based employment assistance system designed by the Department of Labor exclusively for active duty military personnel and veterans will be a welcomed addition to the menu of web sites accessible to job seekers who have access to a computer.

Thank you for this opportunity to provide you with our experiences in the provision of job search services to military personnel and other Federal employees. We are confident that the proposed legislation will well serve the needs of the service member now leaving service and provide hundreds of

thousands of job-ready and computer literate individuals with a new means to access job services that are tailored specifically to the needs of the veteran.

THOMAS M. HALE
Senior Vice President
Resource Consultants, Inc.

Dr. Hale has more than 40 years experience in the human resources field, with the last 19 years of his career employed by Resource Consultants, Inc. (RCI). At RCI, he is a Senior Vice President and manager of projects in the human resources field.

In 1990 Dr. Hale directed RCI operations in the initial development and operation of job assistance centers for the Army. This initiative, called the Army Career and Alumni Program (ACAP), was to help soldiers released from service as a result of downsizings following the end of the Cold War and continues today with locations at all major army posts in the world. For the past 12 years he either directly managed the program or was closely associated with it while over one million soldiers, Department of the Army civilians, and family members were provided with job assistance services in their transition from military to civilian careers.

He served on active duty in the U.S. Navy for 24 years and retired with the rank of Captain, USN. He served on the staffs of the Chief of Naval Operations and Chairman of the Joint Chiefs of Staff. His active military service also included two years as the Commanding Officer of a destroyer and three combat tours in Southeast Asia.

In addition to a wide range of experience in conducting personnel related studies, Dr. Hale has authored over a dozen publications in the human resources field. His doctoral dissertation was a statistical analysis of factors involved in the retention of military personnel.

Dr. Hale received his Doctorate in Public Administration from George Mason University, a Master of Arts degree in Political Science from the University of Houston, and a Bachelor of Science degree in Public Administration from Florida State University. He is also a graduate of the National War College where he received the Navy League Award for Research and Writing.

Statement of Disclosure. As required by the Rules of the House of Representatives, disclosure is herewith made of the affiliation of RCI and myself as Project Manager of the HRXXI Century Contract. Under this contract and predecessor contracts both RCI and I have been closely associated with the Army Career and Alumni Program for almost 12 years as the primary operator of job assistance centers for the Army at installations throughout the world. Over the past two fiscal years, the value of this work on the contract to RCI has been approximately \$30 million.