Aiming High: Earning Advantage for Female Veterans

RESEARCH HIGHLIGHTS

- The number of women serving in the U.S. Armed Forces has risen in recent years and is expected to continue rising over the next 30 years. Despite this trend, little research exists on the relationship between women’s military experience and their labor-market outcomes.

- Utilizing pooled data from the 2008 to 2010 American Community Survey and employing a new set of occupational categories better suited for women veterans, the researchers examined how occupation and race/ethnicity influence the effect of veteran status on women’s earnings.

- Women veterans earn more than their nonveteran women counterparts by eight percent, mostly due to differences in chosen occupations. For example, women veterans are more likely than civilian women to work in historically higher paying professions such as the medical, business, and protective fields. Additionally, racial/ethnic minority women veterans had earning advantages as a result of their chosen professions and occupations post-military service.

- Based on these results, military service has a positive impact on women veterans’ earnings post-military service. Continued research on transferability of skills and the role of military experience and occupations acquisition of civilian jobs is needed to better understand how to best support women veterans in the labor market.

ABSTRACT

“This study investigates how veteran status influences earnings for working-age American women. Recent increases in women’s participation in the U.S. military mean that the proportion of female veterans is rising and is forecast to increase over the next 30 years. Yet we still know relatively little about the relationship between women’s military experience and later labor-market outcomes. Drawing on American Community Survey data from 2008 to 2010 and employing a new set of occupational categories better suited to veterans, we investigate how occupation and race/ethnicity influence the effect of veteran status on women’s earnings. Findings corroborate previous support for the “bridging hypothesis” in two ways. First, veterans are overrepresented in higher paying occupations and underrepresented in the lowest paying ones, partially accounting for their higher earnings. Second, military experience particularly enhances the earnings of disadvantaged race/ethnic minority women.”

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IMPLICATIONS

FOR PRACTICE
Women service members in the process of separating should continue partaking in transition assistance programs. Participating in programs such as Transition GPS and Veterans Economic Community Initiative (VECI) could help women service members and veterans be more job ready, which could help them continue to gain employment in high-earning occupations. Women service members should continue identifying their skills and determining how to best transfer them to jobs in the civilian workforce. Additionally, women veterans should continue seeking jobs that build upon their military skills. Women veterans seeking employment should network with other women veterans to learn and share strategies on successfully gaining employment. Community professionals and higher education administrators should familiarize themselves with the full range of occupational and educational benefits available to veterans. Those assisting women veterans gain employment should help women veterans determine which occupational and educational benefits are most applicable to them. To continue closing the racial/ethnic diversity gap, organizations should continue helping racial/ethnic minority women identify and communicate their talents and strengths to potential employers.

FOR POLICY
The Department of Defense (DoD) might continue offering transition assistance programs, such as Transition GPS, to further help women veterans gain employment in occupationally high-earning fields. Federal and state policymakers might continue collaborating on how they can further support successful labor market outcomes for veterans, particularly women veterans. Policymakers might continue initiatives that support veteran employment and economic competitiveness, such as veterans’ preference. Policymakers and the Department of Veterans Affairs (VA) are encouraged to coordinate on identifying and addressing barriers and gaps in current programming for women veterans. Identifying and addressing barriers and gaps in current programming could help improve economic outcomes for both women and men veterans. To help women veterans gain employment and stability, the VA might implement evidence-based support programs and continue the vocational rehabilitation programming. Evidence-based support programs could be useful to employment-seekers because it addresses many aspects impacting employment, including earnings, skill transferability, independent living and housing, and educational obtainment. The VA might continue educating employers on how they can provide appropriate accommodations to veteran employees.

FOR FUTURE RESEARCH
Future research should reproduce this study using more recent data to determine if the expanded roles of women in the military, such as serving in combat, have influenced women veterans’ earning potential in the civilian workforce. To better understand skill transferability among veteran veterans, more research is needed on Researchers should also examine how rank and status (commissioned/enlisted) impact a veterans’ potential earnings and employment opportunities. A limitation of this study is that the military occupation specialty codes were missing. This resulted in the authors being unable to determine whether military training produces skills that are transferable to the civilian labor market, or yield an advantage in occupational outcomes and higher earnings. Future research on earnings of military veterans should include military occupation specialty codes. Future researchers should examine if reintegration programs have similar effects for both women and men veterans. Since past research has demonstrated that serving in a combat role can decrease one’s employability, more research is needed on the effects of combat on women veterans’ entering the job market.