

**STATEMENT OF  
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THE AMERICAN LEGION  
BEFORE THE  
SUBCOMMITTEE ON BENEFITS  
COMMITTEE ON VETERANS' AFFAIRS  
U.S. HOUSE OF REPRESENTATIVES  
ON  
GENERAL ACCOUNTING OFFICE'S REPORT  
VETERANS' EMPLOYMENT AND TRAINING SERVICE: FLEXIBILITY AND  
ACCOUNTABILITY NEEDED TO IMPROVE SERVICE TO VETERANS  
AND THE  
DEPARTMENT OF VETERANS AFFAIRS' VOCATIONAL TRAINING AND  
REHABILITATION PROGRAM**

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The American Legion deeply appreciates the opportunity to offer testimony today before this Subcommittee. As the author of the original Serviceman's Readjustment Act of 1944 -- the GI Bill of Rights -- The American Legion continues to recognize America's obligation to assist veterans in obtaining meaningful employment. As a grateful nation, its lawmakers provide earned benefits to those citizen soldiers who choose to step out of their civilian lifestyle and readily accept the awesome responsibility and challenge of military service. The hardships and sacrifices during military service is well documented. At the end of their honorable military service, these brave men and women warrant a smooth transition back into the civilian workforce.

While in the armed forces, these men and women are trained to fight and win wars. Without question, America's all-volunteer force has changed dramatically due to sophisticated weaponry and technology. Leadership and management skills are taught throughout the rank structure. Fortunately, military training also provides transferable job skills that are highly marketable in the private sector. Recently separated veterans offer many job-related traits attractive to civilian employers:

- ✓ strong work ethic,
- ✓ individual responsibility,
- ✓ experienced teamwork,
- ✓ leadership training,
- ✓ resourcefulness,
- ✓ certifiably drug-free, and
- ✓ flexibility.

Although many of these soldiers are trained in military career fields with civilian vocational counterparts, others are trained in occupational areas unique to the military. However, all

veterans are capable of learning and performing to levels of competency. Given the opportunity and ample training, veterans have proven to be excellent private sector employees.

Just as technology has transformed the military, its impact on the civilian workforce is also well documented. Computers have linked nations, governments, citizens, and families around the world. Today, a cell phone can put a person in instant contact with someone else on the other side of the world. Yet, as we meet, there are millions of Americans (including veterans) that are unemployed or underemployed across this country.

In the early 1980s, The American Legion played a key role in the development and refinement of the Veterans Employment and Training Service (VETS). At that time, the unemployment rate among veterans was disproportionate to non-veterans, especially disabled and minority veterans. Wisely, Congress enacted laws to help smooth the transition of veterans into meaningful civilian employment. The American Legion believes VETS is a success story.

Unfortunately, neglect and under-funding have taken their toll on VETS. For over a decade, VETS has never been fully funded nor fully staffed. Regardless of these budgetary obstacles, VETS is to be applauded for meeting the employment needs of veterans, especially the service-connected disabled veterans. No program can excel when inadequately funded and understaffed.

VETS was created to work with the local employment service office, not to be incorporated into those offices. Prior to the creation of VETS, the local employment service offices were failing to meet the employment and training needs of veterans, especially disabled and minority veterans. Many veterans were faced with significant barriers to employment that needed more focused case management and personal assistance. In the beginning, VETS had the necessary funding and staff personnel to effectively deal with the employment problems throughout the veterans' population.

Most veterans enter military service immediately following high school and have never actively participated in the job search process. Their knowledge of resume writing, job interviews, networking, and other effective job search techniques is very limited. The majority of recently-separated veterans have families and financial obligations; therefore, they are seeking immediate employment. Some are willing to accept several part-time jobs with limited professional development opportunities. College education and vocational training may not seem a viable option due to financial concerns.

Job placement efforts included job search workshops, aptitude testing, and vocational programs. Throughout the 1990s, VETS funding for vocational training declined as the costs for such vocational training programs increased. Fewer and fewer vocational training opportunities were available. Most employment specialists found themselves trying to qualify veterans under other nonveteran job training programs and save the scarce veterans' job training dollars for those veterans that could not qualify under other Department of Labor (DoL) programs.

One bright spot was the establishment of the National Veterans' Training Institute (NVTI). For the first time, VETS had a vehicle to provide standardized training on an array of issues from case management to job development. This excellent program helped to prepare employment

service personnel to professionally address the vocational needs of veterans, especially those with barriers to employment. Even NVTI has faced stagnant funding during the 1990s.

### **The Front Line Warriors**

The heart and soul of VETS are the dedicated professionals tasked with facing the employment challenges of hard-to-place veterans: the local veterans' employment representatives (LVERs) and disabled veterans outreach program (DVOPs) specialists. Clearly, the unique roles of these two programs are outlined in Chapter 41, Title 38, United States Code. However, annual underfunding and understaffing have blurred the lines of responsibilities from what is suppose to be done into what realistically can be accomplished. LVERs and DVOPs were never designed to sit at their desk everyday seeing one veteran after another.

The concept versus the reality results in a skewed interpretation of VETS performance. The role of VETS is to augment local employment service offices and handle the hard-to-place veterans, not just any veteran that walked into the door. Clearly, an LVER is required to effectively wear many hats. A quick review of the LVER's role:

- make sure veterans are receiving quality services from local employment services employees;
- maintain regular contact with community leaders, employers, labor unions, training programs, and veterans' service organizations;
- provide directly or facilitate labor exchange services to eligible veterans;
- job development with employers and labor unions – to include on-the-job-training and apprenticeship programs;
- promote and monitor the participation of veterans in federally funded employment and training programs;
- monitor the listing of jobs and subsequent referrals to Federal contractors;
- work closely with VA's Vocation Rehabilitation Program;
- refer veterans to training, supportive services, and educational opportunities;
- assist in securing and maintaining current information on employment and training opportunities;
- assist in identifying and acquiring prosthetic and sensory aids and devices needed to enhance employability of disabled veterans; and
- facilitate guidance and counseling service to certain veterans.

The LVER has no counterpart in a local employment service office. The only supervisory control the LVER has is over any assigned DVOP. As taxed as the LVER may be, the DVOP is just as demanding:

- develop jobs and job training opportunities through contacts with employers;
- promote and develop apprenticeship and on-the-job training opportunities with employers;
- carry out outreach activities to locate veterans in need of job assistance;
- provide assistance to employers in securing job training opportunities for eligible veterans;
- assist local employment services office employees with their responsibilities for serving veterans;
- promote and assist in the development of entry-level and career job opportunities;
- develop outreach programs with VA Vocational Rehabilitation Program participants;

- provide vocational guidance and counseling services to include participation in the Department of Defense's Transition Assistance Program (TAP); and
- provide case management.

Like the LVER, DVOPs have no counterpart in the local employment service office. The American Legion believes these two federal programs were designed to support local employment service office personnel not integrate. VETS must retain complete autonomy in order to be successful. Congress wanted to assure:

- ❑ all veterans received priority of service,
- ❑ certain veterans received extensive case management;
- ❑ employers hire veterans;
- ❑ outreach activities recruited and assisted chronically unemployed or underemployed veterans;
- ❑ close contact was established and sustained with the veterans' community;
- ❑ effective marketing of federal and state vocational training opportunities;
- ❑ monitoring of veterans' hiring practices by federal contractors; and
- ❑ the presence of veterans' employment advocates throughout the local community.

### **GAO Report**

The American Legion commends Director Nilsen and his staff for an excellent job. The American Legion agrees that improvements, both managerial and statutory are necessary, but compliance with staffing mandates and appropriate funding must also improve. The American Legion is deeply concerned with *cookie-cutter* recommendations that:

- ❖ fail to address each state's unique demographic or geographic factors;
- ❖ attempt to *blur* the lines of job responsibility of LVERs and DVOPs;
- ❖ restrict VETS activities to in-office services;
- ❖ limit VETS outreach activities;
- ❖ stymie VETS role in job development with local employers;
- ❖ remove VETS obligation to monitor hiring practices of federal contractors; or
- ❖ substitute quality of services for quantity.

### **Major Findings:**

#### **1. VETERANS RECEIVE PRIORITY SERVICE, BUT EFFECTIVENESS OF SERVICE IS UNKNOWN.**

The American Legion is pleased to see the reaffirmation that veterans are receiving priority service. That is a major achievement. It is equally important that they are receiving this service at the most appropriate level. LVERs or DVOPs should not routinely see job-ready veterans. Only veterans with barriers to employability should receive the specialized services available by VETS. However, The American Legion agrees that the measurement of effectiveness of service would be helpful information in justifying additional funding and full staffing.

The local employment service office should be able to capture all services provided to each enrolled veteran. Services provided by local employment service office personnel should be critical data in determining the effectiveness of VETS personnel assigned to that office. If veterans in the local community are aware of the services available through the local

employment service office, this level of awareness is a measurable outcome of the VETS staff. Due to effective VETS outreach activities, the local veterans' community remains informed as to the services available.

However, there are many other services performed by VETS staff that may not be accurately tallied. For example, outreach activities. VETS attend and participate in TAP sessions. How does the VETS staff member take credit for the active-duty service members and their family members? If these participants learn about new job hunting techniques that result in a smooth transformation from the military lifestyle into the civilian workforce, how is that job placement accounted for accurately – especially if the job is in another state?

## **2. VETS DOES NOT ADEQUATELY OVERSEE DVOP AND LVER GRANTS.**

The American Legion strongly advocates improvement in this area. VETS goals and state performance measures must be better synchronized. The American Legion believes the ASVET is fully aware of this issue and will take proactive steps to implement corrective action.

## **3. DVOP AND LVER PROGRAMS DO NOT ALWAYS OPERATE WELL IN ONE-STOP CENTERS.**

The American Legion believes VETS was created to complement the local employment service office with enhanced services for veterans. DVOPs and LVERs were never designed to be just unemployment insurance specialists, job placement specialists, vocational counselors, or vocational training specialists. DVOPs and LVERs are veterans' employment advocates.

Their roles in a state's employment agency are very diverse, but not limited to job placement or case management. Their role is to recruit unemployed or underemployed veterans that aren't likely to walk into a local employment service office, because they have given up all hope for meaningful employment. Their role is to educate the veterans' community about what the local employment service office has to offer unemployed or underemployed veterans. Their role is to visit with employers, that may or may not use the local employment service office as a resource, and convince them to hire veterans. Their role is to visit with active-duty service members that are preparing to leave the military and help them begin their job search – many may never step into the local employment service office.

After reviewing the duties and responsibilities of the DVOP, to blame federal statute for justification for half-time employment is simply ludicrous. Poor schedule management, micro-management, inadequate supervision, or dereliction of duties and responsibilities is a more appropriate explanation for under utilization of DVOPs. The smaller the local employment service office or the more rural or sparsely populated the area, the harder the DVOP should be working both in *and* out of the office. Many chronically unemployed or underemployed veterans tend to seek out such communities where the cost of living is minimal and social services may be more readily obtainable due to limited indigent populations.

LVER and DVOP are two unique programs with specific objectives. However, some people fail to recognize the distinctions because of the closely coordinated effort between LVERs and DVOPs to provide veterans the best possible employment services. Due to significant

understaffing, the LVER or DVOP may very well be the only veterans' advocate employment specialist in a local employment service office and must perform both roles – while being paid to perform only one – to assure veterans receive the services they have earned through honorable military service.

In VETS, there are limited promotional opportunities. Many veterans' employment advocates believe in training their replacements; therefore, many LVERs train their DVOPs to perform roles above and beyond their job description. This serves several purposes:

- prepares DVOPs for LVER positions,
- provides excellent documentation for DVOP's annual personnel evaluation review,
- provides continuity of service during the absence of the LVER, and
- takes advantage of windows of opportunity when the LVER is not readily available.

The American Legion strongly recommends a revision of existing VETS reporting requirements for measuring performance standards and for determining compliance with requirements for providing employment services to veterans. The American Legion supports reorganization of VETS to make it more effective, efficient, and responsive to the needs of America's veterans. But more importantly, The American Legion adamantly recommends Congress provide appropriations to fully fund VETS' staffing at the levels described by federal statute and provide funding for vocational training programs available only to eligible veterans.

### **Report's Recommendations**

In reviewing GAO's recommendations for congressional consideration, The American Legion strongly objects to GAO's premise *to ensure that these programs are able to be more fully integrated into the current employment and training system.*

#### **Matters for congressional consideration:**

- *provide states and local offices more discretion to decide where to locate DVOP and LVER staff and provide states the discretion to have half-time DVOP positions;*

The American Legion agrees that state and local offices should have more discretion to decide where to locate DVOP and LVER staff. However, the remainder of this recommendation is seriously flawed. The assumption is DVOPs have no outreach activities, job development activities, or case management activities planned outside of the office. The vast majority of DVOPs are philosophically or psychologically tethered to their desks seeing one veteran after another – whether or not the veteran is job ready.

- *allow VETS and/or states the flexibility to better define the roles and responsibilities of staff serving veterans instead of including these duties in the law;*

The American Legion believes this is exactly the reason VETS was needed in the first place. Congress recognized the needs of unemployed and underemployed veterans and created statutory language to specifically address these shortcomings. The American Legion strongly encourages a thorough review of statute job requirements and making necessary corrections to enhance services and performance.

- *combine the DVOP and LVER grants programs into one staffing grant to better meet states' needs for serving veterans;*

The American Legion strongly disagrees with this recommendation. Each program has distinct roles that are not met by other local employment service office personnel. The American Legion would recommend full funding and staff to better meet states' needs for serving veterans.

- *provide VETS with the flexibility to consider alternative ways to improve administration and oversight of the staffing grants, for example, eliminating the prescriptive requirement for monitoring DVOP and LVER grants;*

The American Legion agrees with this recommendation conceptually and would welcome the opportunity to assist the ASVET and his staff in the development of the alternative approaches.

- *eliminate the requirement that VETS report to the Congress a comparison of the job placement rate of veterans with that of nonveterans; and*

The American Legion disagrees with this recommendation and believes this is a relevant comparison. This is a benchmark that reflects a focus on a national responsibility.

- *eliminate the requirement that VETS report on Federal Contractor Job Listings.*

The American Legion disagrees with this recommendation and believes Congress created this requirement to assure veterans that federal contractors would give favorable consideration to hiring veterans. Oversight of this federal statute by VETS is critical. If these job listings are not appearing in local employment service offices, veterans lose – not the Federal contractor or the Office of Federal Contract Compliance Programs (OFCCP). VETS serves as their watchdog.

### **Recommendations for executive action:**

- *specify performance goals and expectations for serving veterans and allow states the flexibility to present a plan for how they intend to meet these goals and expectations;*

The American Legion strongly embraces this recommendation as a sound management practice.

- *implement, as soon as possible, a performance measurement system that holds states accountable, reflects the agency's goals and expectations, and defines how the performance data should be collected to ensure accuracy and reliability;*

The American Legion conceptually agrees with this goal.

- *implement a performance management system for the state grantees that provides incentives for meeting goals and penalties, beyond corrective action plans, for not meeting goals; and*

The American Legion theoretically agrees with this goal, but questions the rationale for penalties. As previously stated, VETS' role is to augment and enhance services. Motivation should come from positive rewards for exceeding standards rather than penalizing underachievement. The question must be asked, who is really penalized – the state employment agency or the state's unemployed or underemployed veterans? Will penalties strengthen or further weaken the program? The *penalty* for underachievement should be closer supervision and additional assistance by the ASVET and DoL officials.

- *Update oversight guidelines and improve staff training to ensure consistent monitoring of DVOP and LVER programs in one-stop centers.*

Clearly, The American Legion agrees with this recommendation, but reemphasizes VETS role is to supplement and expand existing services not merely be integrated into the bureaucracy. Veterans must know that when they see a LVER or DVOP, they are receiving services they earned through honorable military service.

### **Vocational Rehabilitation and Employment**

The mission of VA's Vocational Rehabilitation and Employment (VR&E) program is to provide far-reaching assistance essential to enable service-disabled veterans to attain maximum independence in daily living and to the greatest extent feasible, obtain and maintain suitable and productive employment.

Veterans participating in Vocational Rehabilitation receive monthly subsistence allowance, tuition, books, supplies, and equipment. Both educational and vocational counseling services are also made available. Vocational Rehabilitation also provides job placement activities that usually include a referral to VETS.

An important aspect of Vocational Rehabilitation is insuring veterans are trained in marketable career fields. A tremendous waste of time, energy, effort, and resources occurs when a veteran is trained in an occupation with limited opportunities for meaningful employment. Vocational Rehabilitation, like VETS, must place the emphasis on holistic successful outcome, rather than a statistical successful outcome. The big difference is simply sustained meaningful employment.

Under current practices, VA contracts many vocational services available through VETS. The American Legion would like to see greater *resource sharing* between VETS and VA. However, The American Legion would adamantly oppose any and all efforts to move VETS under VA. VETS must remain in DoL to sustain access to local employment service office resources to better meet the needs of the entire veterans' community.

VR&E administers a vital program of education and training programs for certain dependent children who suffer from the disease Spina bifida as a consequence of a veteran parent who served in the Vietnam War. The program also affords educational and vocational counseling for eligible service members, veterans and dependents. This program further assists participants in choosing an educational and vocational objective and facilities that may satisfy the intended objective.

The VR&E program benefited over 1 million of America's veterans following the end of World War I. At that time, the objective of the vocational and rehabilitation program was to restore disabled veterans to employment. Unfortunately, the program ended in 1928, after the last World War I veteran completed training. The program was subsequently reestablished during World War II in response to the needs of veterans and extended to veterans of the Korean, Vietnam, and Persian Gulf Wars and to peacetime service-disabled veterans.

The American Legion believes that rather than repeating specific problems associated with the program, which have been clearly highlighted in two General Accounting Office reports on VA's VR&E problem areas, that solutions must be advocated. We consider VA's Strategic Plan for fiscal year 1998–2003 as a good plan for VR&E. In our judgement, given its mission and the present workload, it is extremely critical that resources (financial and personnel) are made available by the Congress to meet these challenges.

Over the past several years, VR&E has initiated a number of activities aimed at emphasizing the organization's focus on employment outcomes and validating their commitment to providing quality services to disabled veterans. VR&E is to be commended for their efforts:

- The development of a quality VR&E brochure that clearly outlines the organization's focus toward assisting the veteran in obtaining and maintaining suitable employment. The brochure provides VR&E with an effective information tool to inform both internal and external constituencies of the organization's commitment to employment outcomes and an effective marketing tool to recruit eligible veterans in need of employment services.
- The study of possible legislative changes that will expand the use of on-the-job training (OJT) programs with private industry and enable veterans to gain valuable work experience and training while receiving a subsistence allowance. The potential expansions of OJT opportunities for veterans at all stages of the rehabilitation process will provide staff and recipients with an alternative method of obtaining the training needed to be gainfully employed. This alternative appears to provide for an effective means of reducing training costs and increasing employment outcomes for veterans.
- Implementation of the Employment Specialist Pilot Project. This project placed an employment specialist at 10 selected regional VR&E offices for the purpose of contacting local employers to identify the skills required for today's job and to establish a workforce network through which employers can hire veterans who possess the skills they need. While the success of the pilot is still under study, preliminary findings suggest that the pilot has been successful in increasing employment opportunities for veterans. However, The American Legion asks why not use VETS personnel instead.
- The Transferable Work Skills Analysis (TWSA) Initiative. Under the initiative VR&E is attempting to develop a consistent system under which staff throughout the organization can assist veterans to evaluate how their work skills and experiences can transfer to jobs currently available in the local market. This system has great potential for helping veterans identify suitable employment options available to them with or without further formal training.

- The development of a clearly defined vision statement that identifies the nine key areas to be addressed to position VR&E as a rehabilitation provider of excellence. This collective vision would provide VR&E with the framework around which to develop a comprehensive rehabilitation model that can be implemented uniformly across the country.
- The extensive use of the task force model to address significant issues designed to strengthen VR&E services and outcomes. VR&E consistently convened groups of internal and external stakeholders to develop pilot programs to test and validate new initiatives. The task force model has been very effective in developing promising new initiatives and in providing VR&E staff with ownership of new and innovative strategies to improve services for disabled veterans.
- The use of statistical data to measure performance and validate outcomes. The Balanced Scorecard as developed by VBA measures overall program performance and progress toward important program goals. The Scorecard uses measurable data to assess performance indicators within five categories including speed, accuracy, unit cost, customer satisfaction, and employee's development for each VBA business line. The data collected with the Balanced Scorecard provides VR&E with the information necessary to conduct an effective performance appraisal process to validate the quality and cost effectiveness of services provided for disabled veterans.
- The development of Corporate WINRS, a centralized case management information/data management system. Corporate WINRS will enable VR&E staff, located throughout the United States and in several international offices with a uniform computer driven system, to track case data; generate reports and form letters; access real-time data; process expense vouchers; and schedule and track appointments. This system will result in more consistent and timely services for disabled veterans, increased efficiency, and improved resource management.

The American Legion believes that staff levels should be increased to meet the demands to improve on VR&E's previous and ongoing initiatives to better serve veterans. The number of disabled veterans requiring vocational rehabilitation should determine the resources needed, rather than the resources available driving how many disabled veterans will receive vocational rehabilitation and employment placement. The American Legion believes that increased funding to enhance this program is a national obligation, if we are to honor the earned commitment to those who served.

### **Conclusion**

Since its inception, The American Legion has recognized the importance of VETS throughout the veterans' community. As long as unemployment and underemployment persists among veterans in America, VETS must continue to play a key role. VETS must be prepared, staffed, and funded to increase opportunities for veterans to receive job placement, vocational counseling, or vocational training necessary to obtain meaningful employment.

The greatest resource in VETS is the dedicated men and women that serve as LVERs and DVOPs. Funding, staffing, and vocational training options must match this dedication. These professionals are mission oriented – putting veterans to work. The American Legion is confident that performance measures can be established that document the successful outcomes.

The American Legion stands ready, willing, and able to assist the ASVET and Congress with corrective actions that improve the delivery of employment services to veterans; however, quality of service offered to veterans must not be compromised for the sake of quantitative expediency.

Mr. Chairman, that concludes my statement.