



Accountability in Veteran Employment:

Why a \$13B System Needs Verifiable Outcomes —and How the VEC Model Can Scale

Executive Summary

The United States spends more than \$13 billion per year on federal programs intended to support military-to-civilian employment transitions. [1] Yet the most comprehensive recent mapping of the landscape—building on U.S. Government Accountability Office [2] program inventories—finds a system that is vast, fragmented, hard to evaluate, and weakly overseen, with scant evidence that the funded programs improve employment outcomes. [3] America's top non-profits could meet the entire veteran employment and transition need, with transparency, data-integrity, verifiable outcomes, and for 2% of what the Government is currently spending.

The structural issue is not ill will (the system is full of sincere public servants). It is that the system evolved into 45 programs across 11 agencies with overlapping purposes and inconsistent reporting—often without common outcome definitions, consistent performance measures, or credible, comparable verification of results. [3] In fact, nine of the 45 programs reported taking neither step of tracking outcomes nor conducting evaluations, and eight reported having no goals that define program achievements. [4] Even researchers trying to improve public understanding hit a wall: when RAND Corporation [5] attempted to survey/interview federal program offices, no program officials responded to the survey, and few agreed to interviews—an explicit transparency red flag in a taxpayer-funded ecosystem. [6]

The human cost is visible in underemployment: in a large longitudinal study of post-9/11 veterans, approximately 62% reported they were underemployed in at least one dimension (skills, education, or leadership experience) three years after separation. [7] This is “subjective underemployment,” but it is neither trivial nor rare—and it tracks precisely what employers and veterans describe as the skills-translation problem. [8]

Against this backdrop, the Veteran Employment Collective (VEC) model—anchored by Hiring Our Heroes and described publicly by referral partners as a coordinated pathway across complementary nonprofits—represents a plausible “low-cost, high-integrity” alternative: fewer entities, clear handoffs, and verified outcomes. [9] Critically, the two nonprofits most focused on veteran placement demonstrate gold-standard public auditable outcome discipline. Approximately 50% of all transitioning service members (plus military spouses) work with one or both of these nonprofits.

- VetJobs posts a third-party (Deloitte) assessment document showing job placement KPI documentation (company, job title, starting salary), follow-up evaluations at 6/12/18 months, and cost-per-hire around \$416–\$424 (FY23 and FY24). [10] Additionally, all IRS forms, and audited financials are on their website.
- Hire Heroes USA publishes detailed annual hire totals and salary outcomes and provides public dashboards (Tableau) for veteran placements, veterans served and related metrics, plus a repository of audited financial statements and IRS forms. [11]

This whitepaper quantifies the problem, documents the accountability gap, highlights the base case nonprofit performance (track record of performance is 20+ years), and proposes a practical funding and data architecture to scale outcomes that are measurable, comparable, and verifiable—the policy equivalent of “trust, but verify”.

The Scale of the Problem and What the Evidence Says

The modern federal transition-support landscape is enormous by any policy standard: GAO inventory work cataloged 45 career-assistance programs administered by 11 agencies serving servicemembers, veterans, spouses, and dependents. [12] The same mapping shows heavy overlap: for example, 25 programs offered educational counseling and 22 offered employment counseling. [4]

The more sobering finding is how that system spends its money. In the RAND synthesis of the landscape, GAO noted that more than 97% of federal expenditures across these programs were allocated to educational assistance—while many veterans enter the workforce directly and may need more immediate job-focused support. [1] That imbalance matters because “education spend” is not automatically “employment impact,” especially when completion, credential value, and labor-market alignment are not measured consistently across programs. [1]

Evidence of effectiveness is thin—and occasionally counterintuitive. RAND concludes there is virtually no evidence that the programs examined have a direct effect on transition outcomes, and highlights examples where the evidence points the “wrong” direction:

- The Department of Defense’s Transition Assistance Program (TAP), a large interagency program, is associated with lower wages for participants. [1]
- The Post-9/11 GI Bill shows modest increases in education but limited earnings increases, and in some cases negative returns on investment in schooling. [1]

Separately, the underemployment picture demonstrates why outcome quality—not just employment status—should be central. In Clearinghouse for Military Family Readiness at Penn State^[13] research drawing on the Veterans Metrics Initiative, ~62% of employed post-9/11 veterans reported being underemployed in at least one area (skills, education, leadership) around three years after separation. ^[7] Importantly, that same analysis breaks down the domains: 56% for leadership, 49% for skills, and 41% for education. ^[14] A system that mostly pays for education but cannot reliably show career lift (or fit) is not just inefficient—it risks becoming an expensive way to fund frustration.

The Accountability Gap

The accountability problem is not a scandal; it is a design flaw that has persisted long enough to become “normal.”

First, oversight is fragmented. GAO describes a landscape where many programs provide similar services to similar populations and rely on coordination mechanisms that do not substitute for shared metrics and unified accountability. ^[4] RAND adds that “oversight is weak across all 45 programs,” attributing this in part to fragmented congressional and agency responsibilities. ^[1]

Second, program performance measurement is inconsistent and often absent. GAO’s simplest diagnostic is also the most damning: 8 programs with no goals, 9 programs with neither outcome tracking nor evaluation. ^[4] If a program cannot define what success is, it cannot credibly claim success; it can only claim activity. (Bureaucracies love activity. Activity is tactile. Outcomes are like teenagers: harder to pin down, but still your responsibility.)

Third, even basic transparency can fail. RAND’s report notes that, in the initial stages of its research, the team reached out to program representatives to complete a survey or interview—but no program officials responded to the survey, and few agreed to interview. RAND explicitly flags this as concerning “from a transparency standpoint.” ^[6]

Finally, the system doesn’t just struggle with measurement; it struggles with coherent public reporting. RAND describes missing and inconsistent budget and participation information and notes there is “no single source” that provides consistent and reliable budgetary reporting across programs. ^[6]

The immediate implication is straightforward: if Congress, agencies, philanthropies, and employers want “what works,” they need delivery models that can prove it—credibly, repeatedly, and comparably.



The VEC Model

The VEC is a shared-referral pathway anchored by Hiring Our Heroes (within the US Chamber of Commerce Foundation) and designed to improve effectiveness for job seekers. A partner description frames the Veteran Employment Collective as “a single pathway to connection, clarity, and career opportunity,” built through shared referrals and “data-driven collaboration.” [15]

Below are descriptions of the major partner nonprofits.

IVMF (training and certifications, with employment support via partners).

IVMF’s Onward to Opportunity (O2O) program is described as a free career training model delivering professional certifications and “job placement support.” [17] In congressional testimony posted by IVMF, the program is described as providing industry-recognized certifications to 11,000 transitioning service members, veterans, and spouses “every year” (as of 2021) and operating across multiple installations and virtually. [18] More recently, an IVMF quarterly impact report shows program enrollment volume in a single quarter and notes VetJobs as an operational partner (resume support, interview prep, employment connections) for participants and alumni. [19]

Hiring Our Heroes (referrals, hiring events, fellowships, upskilling).

HOH is a program of the U.S. Chamber of Commerce Foundation [21] and reports large-scale reach and conversion metrics. On the Chamber Foundation’s HOH page, HOH states that in 2022 it connected 53,000+ veterans and military spouses to jobs, and highlights an 89% offer rate for fellowships. [22] In a HOH “2022 year in review” post, HOH provides additional specificity: ~2,300 completed the Corporate Fellowship Program in 2022, with an 85% job offer rate and ~\$110,000 average starting salary for CFO fellows; and the military spouse fellowship reported a 91% job offer rate with ~\$69,000 average starting salary. [23]

Hire Heroes USA (high-volume confirmed hires, public dashboards, audited financial repository).

Hire Heroes USA’s annual report page reports (for 2023): 12,759 clients hired, lifetime hires of 76,474, and an average salary of \$65,714. [25] It also publishes program-level outcomes (e.g., junior enlisted program, Serving Spouses program, etc. On its Data & Insights page, Hire Heroes USA provides public Tableau dashboards including “Clients Confirmed Hired,” alongside definitions and caveats (e.g., tracking initial roles after engagement; not tracking subsequent roles outside a specific program). [26] Hire Heroes USA also maintains a public financial repository listing audited financial statements and IRS Form 990s. [27]

Verification note: This is unusually strong public transparency for outcomes and financial documentation compared to typical workforce programs. [28]

VetJobs (verified placements, third-party assessment artifact, low cost-per-hire).

VetJobs is a 501(c)(3) nonprofit and describes its mission as one-on-one job placement assistance supported by skills training and employer connections. [29] VetJobs’ hiring numbers are verified every two years by a third-party Deloitte audit.

Most importantly for verification, VetJobs posts a “Veteran NPO Assessment” document (FY23 and FY24 YTD) that describes:

- Verification of veteran status samples and service delivery evidence in CRM
- Inspection of hire KPI documentation (company, job title, starting salary)
- Follow-up evaluation at 6/12/18 months post-program
- FY23 assisted hires (8,942) and cost per hire (\$416), FY24 YTD assisted hires (8,769) and cost per hire (\$424)
- Program expense rate (~95–97%) and low administrative expense rate (~2%) [10]

Verification note: This is a rare example of a publicly accessible, third-party-style assessment artifact containing operational verification language and cost-per-hire results. [10]



Verification Status Table for Key Claims

Claim (as commonly stated in the ecosystem)	What can be verified publicly	Status
“The federal system is ~\$13B/year across 45 programs in 11 agencies, mostly education spend.”	RAND/GAO document that the federal government spends >\$13B/year, GAO cataloged 45 programs in 11 agencies, and >97% of expenditures were allocated to educational assistance. [1]	Verified
“Some major federal programs show negative wage/ROI impacts.”	RAND reports TAP is associated with lower wages, and Post-9/11 GI Bill shows limited earnings effects and sometimes negative ROI for schooling. [1]	Verified (as reported by RAND synthesis)
“Underemployment remains widespread years after separation.”	In VMI-based research, ~62% reported underemployment in at least one domain around 3 years post-separation. [7]	Verified
“VEC provides a unified pathway through shared referrals and data-driven collaboration.”	Partner description explicitly characterizes the Collective/VEC this way and names it as HOH-anchored. [15]	Verified (as stated by partner)
“VEC has seven member nonprofits (IVMF, HOH, Hire Heroes USA, VetJobs, ACP, Fourblock, NextOp, AWP).”	US Chamber and partner announcements. [16]	Verified
“Four nonprofits carry 90% of the veteran employment load.”	No public, standardized denominator exists across the ecosystem (definitions vary: ‘connected to jobs’ vs ‘confirmed hires’ vs ‘placement assistance’). Verifying requires a shared definition and cross-org reconciled reporting. [31]	Unverified (missing denominator & standard definitions)
“Outcomes are verifiable with 100% data integrity.”	Outcomes are strongly verifiable (e.g., VetJobs assessment; Hire Heroes dashboards)	Verified

System vs. VEC Model Comparison

The contrast that matters is not “government vs nonprofit.” It is unverified outcomes vs verified outcomes.

Comparative Table of Delivery and Measurement Features

Dimension	Typical federal transition program landscape	VEC-style model (as evidenced by the seven non-profits)
Governance	45 programs across 11 agencies; overlapping services; fragmented oversight [3]	Coordinated pathway anchored by HOH with member organizations and shared referral intent [15]
Spend concentration	>\$13B/year total; >97% allocated to educational assistance [1]	Targeted spending toward career readiness, placement, and employer connection; some models publish cost-per-hire [33]
Evidence of effectiveness	RAND: “virtually no evidence” of direct effects across programs examined; some counterintuitive negative effects [1]	Outcomes reported programmatically (offers/hired/salary); mechanisms visible (coaching, fellowships, employer pipelines) [34]
Outcome tracking norms	9 of 45 programs tracked neither outcomes nor recent evaluations; 8 reported no goals [4]	Public dashboards and third-party assessment artifacts exist (Hire Heroes USA; VetJobs) [35]
Verification	Often self-reported, inconsistent, or absent; even researchers could not obtain direct responses from program offices [6]	Third-party assessment language includes verification steps and KPI documentation; dashboards include definitions and caveats [32]
Cost per hire	Not consistently published; difficult to compare across programs [36]	VetJobs reports ~\$416-\$424 cost per hire in independent assessment artifact [10]
Retention / longitudinal follow-up	Generally not standardized across programs; often missing [12]	VetJobs assessment describes 6/12/18-month follow-ups; Call of Duty Endowment funding standards emphasize 6- and 12-month retention [37]



Policy and funding architecture to scale verified outcomes

The goal is not to “defund education” or “privatize transition.” It is to build a system that can honestly answer: What works, for whom, at what cost, with what durability? RAND explicitly recommends independent evaluations, standardized reporting, and refocusing on employment outcomes. [38]

Shared definitions and standardized metrics

A scalable architecture should start by requiring every federally funded employment-transition intervention—public or nonprofit—to report the same core outcomes, using the same definitions as in the Veteran Strategy Act (S-3726):

- Verified hire: employer, job title, start date, employment type (FT/PT), wage/salary at start, and location (at minimum).
- Quality screen: wage relative to local living wage proxy, benefits indicator, and a “skills match” proxy (e.g., occupational alignment or self-reported fit).
- Durability: retention at 90 days, 6 months, 12 months (and ideally 24 months).
- Cost: cost per verified hire; cost per retained hire (6/12 months).
- Equity: outcomes disaggregated by paygrade at separation, service component, and key demographics—because averages can hide failure modes.

These are not hypothetical metrics; they mirror what high-performance funders already expect. [39]

Pay-for-outcomes funding

A national scaling strategy should shift a meaningful portion of transition-support funding into pay-for-outcomes contracts or grants, where:

- Providers get paid for verified hires (not enrollments), plus additional payments for retention milestones.
- Independent verification becomes a contractual requirement (sampling + audit trail + publication of definitions).
- Price ceilings can be set using proven benchmarks (e.g., published costs per placement in performance-driven models). [40]

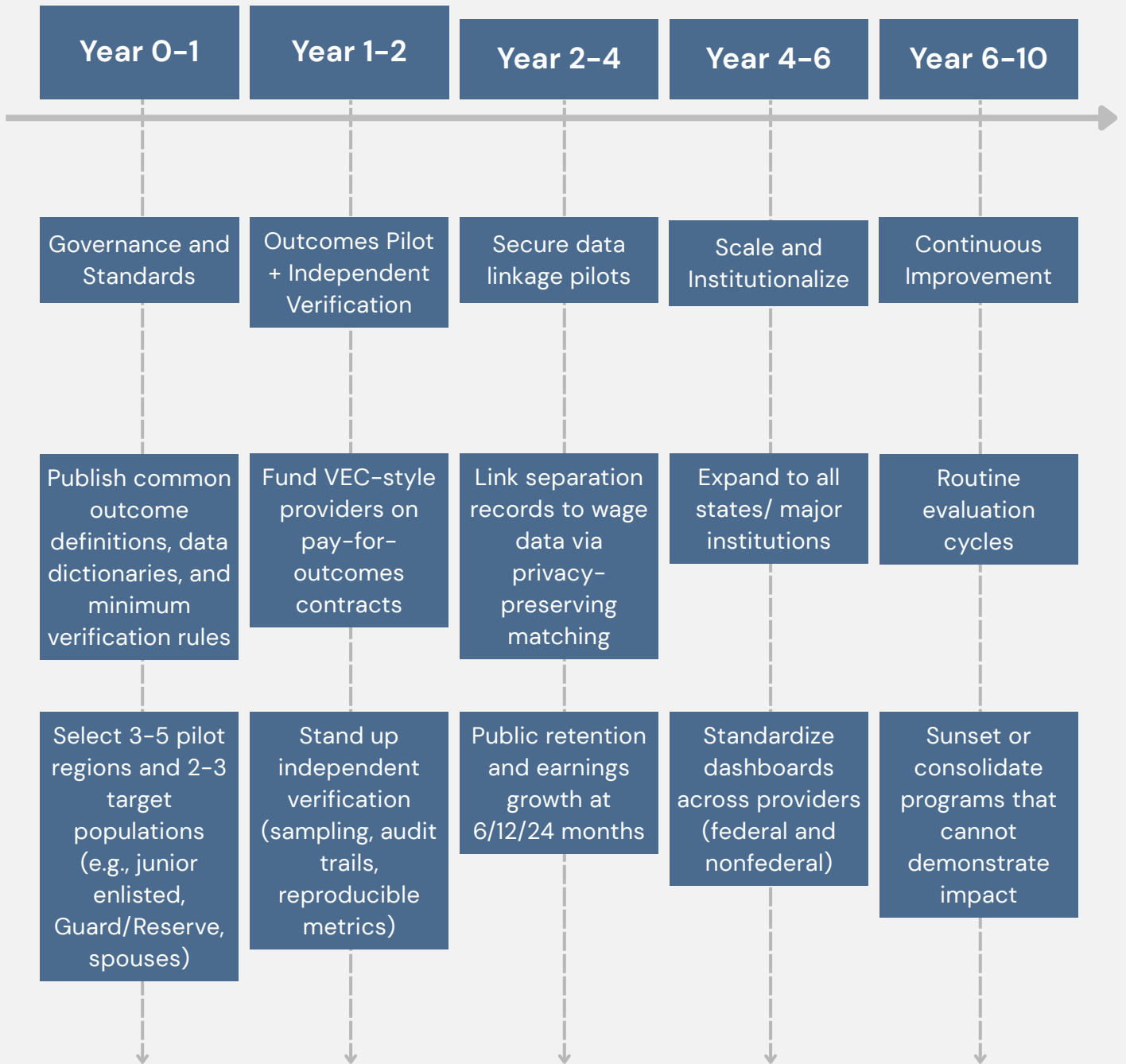
The Call of Duty Endowment model is instructive here: it describes a performance-driven approach that tracks cost per placement, starting salary, and retention; and public communications note that finalists for its “Seal of Distinction” undergo independent assessment by Deloitte. [39] This is not a perfect system, but it is a functional one: it treats outcomes like something you can—and must—check.

Data-integration roadmap and pilot design

The federal government does not need to wait a decade for perfect data integration to begin outcome accountability. It can start with a two-track build: a near-term outcomes pilot using existing nonprofit verification capacity, and a mid/long-term data integration plan allowing longitudinal measurement at population scale.



Five-to-Ten-Year Roadmap for Verified Veteran Employment Outcome Measurement





Budget estimate for a practical pilot

A pilot should be big enough to matter and small enough to manage.

A reasonable starting point is a 3-year pilot purchasing 25,000–100,000 verified placements, with outcome payments tied to retention. Using conservative per-placement pricing (to cover services, verification, and evaluation) in the \$750–\$1,200 range yields a direct outcome budget of \$19M–\$120M, plus:

- 10% for independent evaluation and methods publication
- 10–15% provider capacity scaling (technology, staff training, QA)

Total pilot budget range: ~\$25M–\$150M over 3 years, or 1.1% of the \$13B+ annual federal spend. [41]



WRITTEN BY ANDREW SANDOE

VetJobs Govt. Affairs Consultant & Non-Profit Sustainability SME

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