

Subjective and Objective Measurement of Underemployment and Income Among Post-9/11 Veterans

Takeaway: Nearly 4 in 10 veterans feel underemployed based on their education. Objective measures confirm this for many, particularly for those with advanced degrees. Underemployment is associated with lower earnings, and veterans' self-assessments align with objective indicators in two-thirds of cases, suggesting that self-reports are a reliable tool for identifying underemployment.

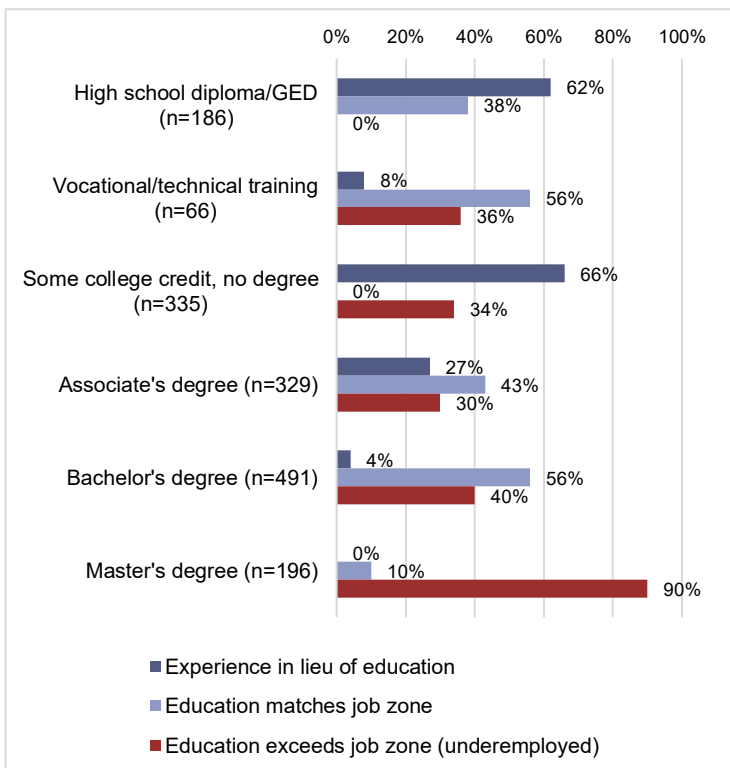
Purpose

This study examined the relationship between veterans' subjective perceptions of underemployment with objective indicators such as educational requirements and occupational median income. Data were drawn from The Veterans Metrics Initiative (TVMI), focusing on 3,180 post-9/11 veterans approximately four years after separation from military service.

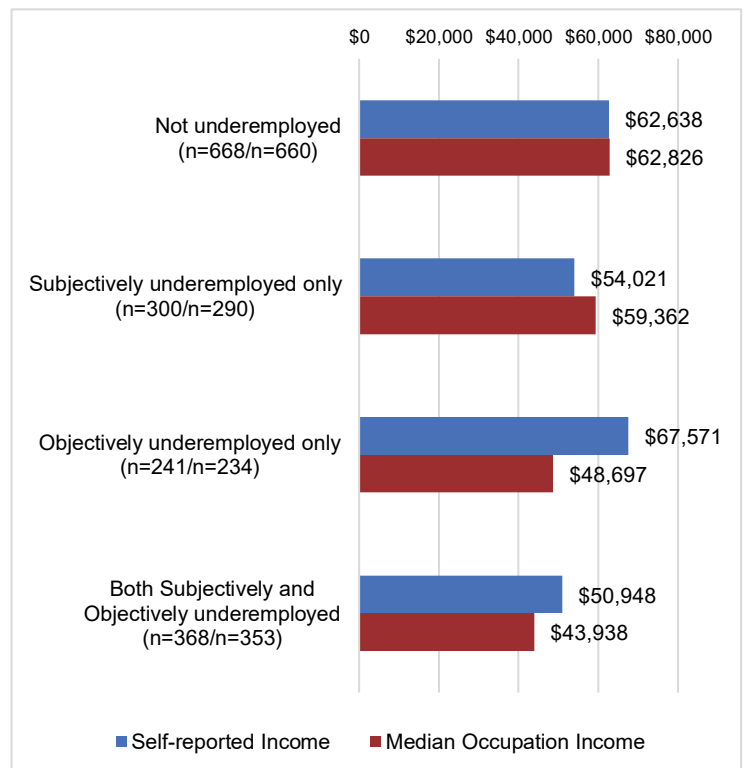
Job Zone	Education
1: Little or No Preparation Needed	May require a high school diploma or GED certificate.
2: Some Preparation Needed	Usually require a high school diploma.
3: Medium Preparation Needed	Require training in vocational schools, related on-the-job experience, or an associate's degree.
4: Considerable Preparation Needed	Most require a four-year bachelor's degree.
5: Extensive Preparation Needed	Require graduate school (Master's, Ph.D., M.D., or J.D.).

Occupations were classified using the Occupational Information Network (O*NET), the U.S. Department of Labor's primary source of occupational data. O*NET classifies jobs into five "job zones" based on required education, experience, and training. Zone 1 jobs require minimal preparation (e.g., entry-level service roles) while Zone 5 jobs require extensive preparation (e.g., roles requiring a graduate degree).

Objective Underemployment



Underemployment and Income



Key Findings

- Approximately 80% of veterans were employed four years after separation from military service.
- Educational attainment was high, with 52% holding a college or graduate degree, while 26% had completed a high school diploma or GED, vocational or technical training, or some college.
- Underemployment was prevalent, as 40% of veterans reported feeling underemployed based on their education level.
- Almost no veterans work in the lowest-skilled jobs (Zone 1). The majority held positions in mid-to high-skilled roles (Zones 3-5).
- Enlisted veterans were less likely to report underemployment compared to their officer counterparts.
- Higher educational attainment was positively associated with underemployment, suggesting that veterans with advanced degrees were more likely to perceive a mismatch between their qualifications and job requirements.
- Underemployed veterans generally earned lower salaries than those whose employment aligned with their qualifications.
- There was substantial agreement between self-reported underemployment and objective measures derived from O*NET classifications, reinforcing the validity of subjective assessments of underemployment. Veterans' own assessments match objective measures two-thirds of the time.

Implications

- Underemployment is linked to reduced earnings and potential negative impacts on well-being.
- Veterans with college or graduate degrees are most likely to experience underemployment.
- The strong alignment between subjective and objective measures underscores the value of self-reports as a practical screening tool for identifying veterans who may need employment support.

Study Summary

The Veterans Metrics Initiative: Linking Program Components to Post-Military Well-Being (TVMI) collected six waves (i.e., 3, 9, 15, 21, 27, and 33 months) of well-being and program utilization data from almost 10,000 post-9/11 veterans who had separated from military service in 2016. Additional waves (i.e., 51 and 78 months) of data were collected independently by the Clearinghouse for Military Family Readiness at Penn State through the Veterans Engaging in Transition Studies (VETS), which is part of the VETERANetwork. 3,514 veterans from TVMI voluntarily chose to participate in VETS.

Acknowledgements

TVMI research was managed by the Henry M. Jackson Foundation for the Advancement of Military Medicine, Inc. (HJF), and it was collaboratively sponsored by the Bob Woodruff Foundation, Health Net Federal Services, HJF, Lockheed Martin Corporation, Marge and Philip Odeen, May and Stanley Smith Charitable Trust, National Endowment for the Humanities, Northrop Grumman, Prudential, Robert R. McCormick Foundation, Rumsfeld Foundation, Schultz Family Foundation, The Heinz Endowments, U.S. Department of Veterans Affairs Health Services Research and Development Service, Walmart Foundation, and Wounded Warrior Project, Inc. VETS Wave 7 was sponsored by The Pew Charitable Trusts. VETS Wave 8 was sponsored by the Wounded Warrior Project, The Heinz Endowments, May & Stanley Smith Charitable Trust, and The Arthur M. Blank Family Foundation.

