



Retired and Separated Targeted Transition (RESTART) A Study of Retired and Separated Military Labor Force In Okaloosa County

By Dr. Chris Pierce

The Haas Center recently completed a nine months study in Okaloosa County as part of a Community Defense Grant sponsored by the Okaloosa Economic Development Council. The focus of this research involved studying the current and future labor pool resulting from government personnel (both military and civil service) that separate or retire from our local military installations. When government employees transition from their military assignments and enter the local commercial labor market, they bring numerous skills and capabilities. Generally, these are considered highly technical skills with associated high wage potential. However, there is a concern that there may be a mismatching of individual abilities to our local private sector job requirements.

While the military does not serve society primarily as an educational and training institution, many Americans view military service as a springboard to careers in a civilian economy. This perception may be attributable to the veterans of previous eras who returned trained in skill areas valuable to economic expansion and with the GI bill that allowed them the opportunity to continue their formal higher education. While the armed forces have promoted enlistment as a way to invest in training for a future job or career, the intent has always been to prepare them to serve a full career with the military.

However, the military services have recently been looking at the necessary skills or "human capital" to continue their present missions. Military leadership is facing changing demographics, an aging military workforce, rapidly changing technological skill requirements, a shortage of qualified civil servants, and a diminishing pipeline of young career-minded troops who choose to stay rather than be lured by better paying "high tech" jobs in the private sector.

Local military installations in Okaloosa County at the Eglin AFB and Hurlburt Field are facing these issues and looking at a potential of over 1,700 transitioning personnel in our local area. The Transition Assistance Program (TAP) provides support to personnel at an average rate of over 60 people per month per base for those who choose to participate. Can the local labor market absorb these skilled workers or will they choose to relocate to areas with a higher demand for their skills?

Okaloosa County is a growing community of 170,498 citizens with a low unemployment figure currently averaging 3.4%. The Federal Military Sector is the third largest employer in our economy. Local bases support over 60,000 military, civilian, and military dependents that significantly affect our local economy. According to sources at the Pentagon, there are approximately 12,785 retired military personnel in the area. (See Figure 1.)

Retired Military Personnel in Okaloosa County by City (Zipcode)

Branches: Army, Navy Marines, Air Force and Coast Guard
(Source: DoD 9/30/00)

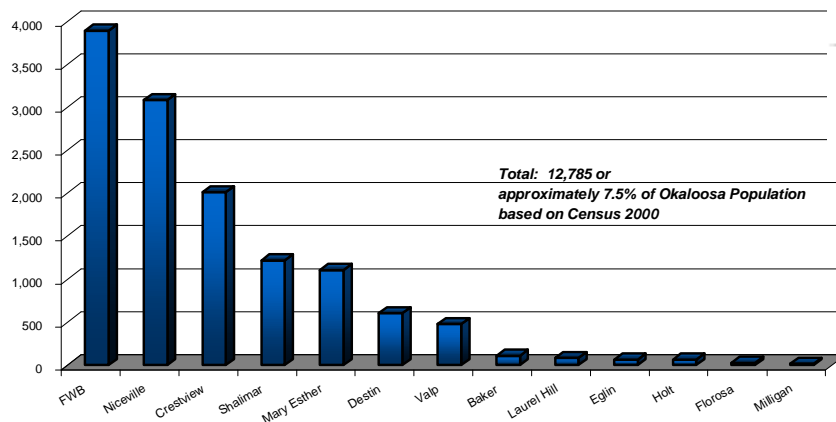


Figure 1.

Increasing in Okaloosa County are military retirees transitioning from our local bases. Additionally, those who once served at these installations and retiring from other bases have planned to spend their "golden" years by our beautiful beaches enjoying the quality-of-life factors of low taxes, low crime rate, and good

housing which our local community takes great pride in. Seven and one-half percent of are local populations are identified by DoD as military retirees in our county. Military transfer payments represent over 15% of personal income in Okaloosa County, a higher percentage than in Florida (at 3%) as shown in Figure 2.

The Economic Development Council of Okaloosa County, Florida

Comparison of Military Transfer Payments* as a Percentage of Personal Income between Okaloosa County and State of Florida
(Source: Bureau of Economic Analysis, June 15, 2000)

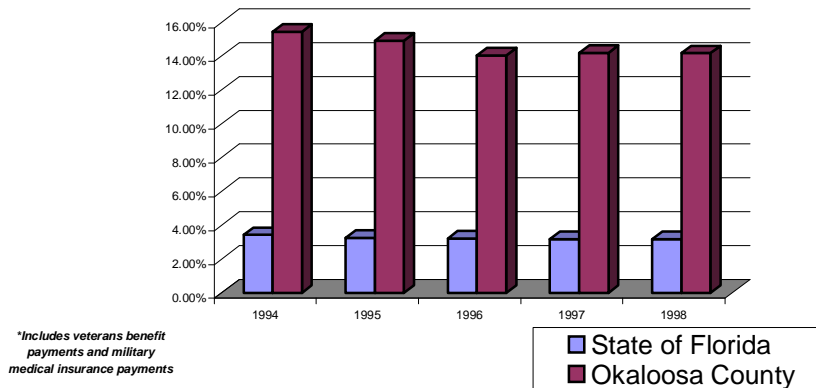


Figure 2.

In a recent Regional Labor Market Study concurrently conducted by the Haas Center, specific questions were designed into the survey instrument to ask labor and employment questions of retired military personnel. These “military retirees” indicated they have achieved high educational status and work experience, have a desire for better opportunities to earn “good” wages, and are in positions to have another 10–20 years in a new career.

Focus groups reported that the strengths of the separated and retired military are their work ethic, dedication, discipline, experience and professionalism. Perceived weaknesses indicated were unrealistic salary expectations in our local labor market (desiring near equal compensation and responsibility once enjoyed in their military service), certification deficiencies, and a ‘supervisor versus doer’ attitude. Opportunities were suggested in areas of new career options as a military contractor, new types of careers (other than military-related), new business ventures (entrepreneurship), and especially civil service employment. While the local labor market has a high demand for seasonal, lower skilled (low wage) workers, there seems to be an “over-supply” of retirees in the area with similar skill sets. This threat of “too many retirees,” another “BRAC round” (Base Realignment and Closings), and military/contractor downsizing posed the most concerns by focus group participants.

The research showed a significant distinction between those who retire and those who separate. Those who separate (especially the enlisted) are generally in immediate need of employment. Retirees appear to have more options available, since they are generally more financially secure. The age of retiring active duty personnel is generally between age 40 – 45 leaving these individuals desiring a second career while retiring civil servants average 59 years of age and are

more likely to officially “retire” and not seek or need further employment.

What can be done to capitalize on this segment of the local labor force? Suggestions were made to provide assistance to those leaving the ranks of the military to provide a clearer understanding of the local labor market. Secondly, working closer between the Transitions Assistance Program Offices and the local Workforce Development Boards and/or by developing closer partnerships to local businesses to make the transitions smoother and more efficient. Also options to move from active duty ranks to civil service and reservist opportunities were also viable alternatives.

Finally, identifying and recruiting employers to the community who can capitalize on the high technical skills and dedication of these retired military professionals. This could be accomplished by seeking new businesses in the traditional aviation, automotive, and other military-related industries. Further, identifying new markets or industries such as medical device manufacturing and healthcare related industries (working on “aging-populations” issues) could potentially take advantage of the vast experience, skills, and education of these talented workers.

In conclusion, there was overwhelming evidence that people not only loved the area for its quality of life factors but also to enjoy their years after military service in the company of friends and others of their “military family.” Clearly, there is a strong desire for new opportunities that take advantage of the years of quality training, education, and experience that these service men and women have to offer.

