



**KAPITEL 2 / CHAPTER 2<sup>2</sup>**

**STAKEHOLDER INTERACTION MECHANISMS IN SUPPORT OF  
VETERAN SOCIAL ENTREPRENEURSHIP AS A SOCIAL-ECONOMIC  
REINTEGRATION TOOL: INTERNATIONAL EXPERIENCE**

**DOI: 10.30890/2709-2313.2023-25-00-003**

**Introduction**

Socio-economic reintegration of ex-combatants is a particularly difficult process for most post-conflict societies: social insecurity persists and the economy is still underdeveloped to absorb demobilized combatants. In addition, a large number of returnees, internally displaced persons and other populations affected by the military conflict also need to be reintegrated into communities. In order for the communities to be able to cope with the inclusion of combatants and other populations affected by the military conflict without creating situations of social injustice among them, the reintegration of former combatants should be a complex and comprehensive, integrated part of a broader strategy for the society's exit from the post-conflict period. The strategy of socio-economic reintegration should not only be aimed at individual former combatants, but also at the development of national and local potential [1].

The success of the socio-economic reintegration of former combatants is at risk in the event of a depleted economy and an unstable situation on the labor market. Measures proposed for effective employment of ex-combatants can only work with simultaneous job creation. To prevent barriers to reintegration programs that commonly occur, it is important that job creation strategies are initiated earlier than programs. Thus, when the reintegration phase actually begins, the labor market is ready for new entrants. Given the challenges inherent in creating jobs in a conflict-affected labor market, the employment of ex-combatants should be a central focus that can be effectively promoted at an early stage with stakeholder engagement. Launching decent employment programs for ex-servicemen requires the relevant state policy decision and training of various entities that will lead, coordinate and implement the programs [2].

Socio-economic reintegration of veterans can take place in the following forms:

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traditional employment, that is, building a career in civilian life, and developing one's own business as a traditional or social entrepreneurship.

Own business for war veterans is an important tool for their socio-economic reintegration. The consistent development and implementation of strategies and roadmaps for the development of veteran business at the regional level will contribute to the creation of social enterprises and the solution of social problems in communities [3]. Effective and systematic interaction between government, business, education and community is crucial for social entrepreneurship. Social entrepreneurship as an opportunity for further professional self-realization of war veterans and their family members [4].

## **2.1. Veteran entrepreneurship as a significant component of the economy: the experience of the United States**

In the United States, entities that are engaged in solving socio-economic problems of veterans, include ministries, federal agencies and about 17,000 veteran public organizations. The US Department of Veterans Affairs is a key agency in addressing the issues of former military personnel. The Ministry cooperates with specialized federal agencies. The Office of Veterans Business Development (OVBD), a division of the US Small Business Administration (SBA), is responsible for maximizing the accessibility of all programs aimed at supporting veterans, veterans with disabilities, members of the military reserve, as well as family members of the specified categories of servicemen. OVBD conducts policy analysis and is responsible for preparing reports; it is the Human Rights Commissioner for Veteran Entrepreneurs. OVBD offers programs and services to help veterans start their own businesses and support existing veteran entrepreneurs, including counselling, mentoring and more [5].

To understand the context of veteran entrepreneurship in the US, it is worth paying attention to statistical data. The US Department of Veterans Affairs notes that the number of veterans in the country is 22.3 million, or about 9% of the population.



Of the total number of veterans, 75% served during military conflicts. It is important that about half of US veterans belong to the working population, and therefore their employment, in particular entrepreneurial activity, is an important issue of integration into civilian life [6].

Finding start-up capital is one of the biggest challenges when beginning your own business, and veterans are no exception. In the US, there are some opportunities to support veterans in starting a business, including loans. In addition to state support for veteran businesses, many corporations provide appropriate assistance, understanding the impact of veteran businesses on the national economy. For example, in 2016, JPMorgan Chase, a well-known American financial holding, increased funds for veteran entrepreneurs who did not fall into the category of those who can qualify for large loans [7].

Since the mid-2000s, the US has seen a proliferation of entrepreneurship programs targeting veterans, including Entrepreneurship Boot Camp for Veterans (EBV), Boots to Business, and the Veteran Entrepreneurship Program (VEP). Numerous American studies prove that veteran business is a powerful economic driver of the country's development. The study "Experian" conducted in 2019 claims that veteran business is more durable and sustainable than regular entrepreneurship [8].

About 25% of veterans express interest in starting their own business. However, it is worth noting that the number of young entrepreneurs among veterans is decreasing. The Kauffman Foundation's approach suggests an "ecosystem" approach to accelerating veteran business development that involves strong relationships, strong network effects and interconnected resources for entrepreneurs [9].

Today, there are a growing number of programs to assist veteran entrepreneurs in entering such an ecosystem in the US. The US Department of Veterans Affairs encourages businesses to train, retrain and employ US veterans [6].

US businesses, educational institutions, government programs, and non-governmental organizations help veterans make the transition from military to civilian employment. By promoting the employment of veterans and encouraging their entrepreneurial spirit, these companies and programs provide opportunities for



veterans either to grow within established organizations, or to start their own small businesses. It should be emphasized that both veterans and their family members have the right to participate in most programs. Next, we shall consider the features of key programs to promote employment and business creation by veterans in the United States [7].

Hire Heroes USA is the most effective non-profit organization in the USA that provides employment assistance to veterans and their family members. The program also targets companies that employ veterans. As part of the program, career events are held thanks to extensive cooperation with partners [10].

Boots to Business (B2B) is an entrepreneurial education and training program offered by the Small Business Administration (SBA) as part of the Department of Defense's Transition Assistance Program (TAP). The course offers an overview of business fundamentals. It begins with a two-day Intro to Entrepreneurship course, and upon completion of this course, participants can continue their education in an online course through a partnership with Mississippi State University [11].

Reboot. This is a one-day or two-day course that provides participants with an overview of the basics of business, techniques for assessing the feasibility of business concepts. The course covers a range of entrepreneurial business concepts and provides resources for accessing start-up capital, contracting opportunities and more [12].

VETRN. A free training program for small business owners and their families on how to successfully develop their own business. This MBA program is taught in more than 70 cities in the United States. Program participants receive a mentor on day one and have access to a professional network of resources [13].

VetFran. One of the franchise enterprises, created by veterans, that is a strategic initiative of the International Franchise Association (IFA) and includes more than 600 IFA member companies that offer financial incentives, education and support to veterans interested in franchise ownership and/or a career in franchising. Federal Credit Union is one of the partners that provides a start-up capital for veterans who buy franchise, as well as additional capital for franchise expansion [14].

Veteran Business Outreach Centers (VBOCs). In partnership with the SBA, the



Program is designed to provide entrepreneurship development services such as business training, consulting, and partnering. Services include workshops on business plan writing, concept evaluation, business plan preparation, entrepreneurial training, mentoring, and more [7].

Veteran Institute for Procurement. This program advises veteran business owners on acceleration. It offers three programs for small businesses owned by veterans: “VIP start” – for aspiring entrepreneurs; “VIP grow” – for enterprises that want to increase opportunities; “VIP international” – for enterprises that want to enter and/or expand their opportunities abroad. Three-day training at the place of residence is offered to participants free of charge [15].

The Entrepreneurship Bootcamp for Veterans (EBV) is a small business training program for veterans. It includes three areas: EBV – intended for businesses at the stage of early growth, includes an online course, a 9-day mentoring program and a year of mentoring and support; EBV-F – offers entrepreneurship training with an emphasis on family problems, issues of balance between life and work; EBV Accelerate – for veterans who run a successful business; coaching services are offered to help take the business to the next level. The programs are free to attend, however EBV Accelerate members must cover travel expenses [16].

Bunker Labs is a non-profit organization, a national network of veteran entrepreneurs and their families that helps veterans start and grow their own businesses. The programs include: “Launch Lab Online” – an interactive online resource for obtaining entrepreneurial education, available anywhere in the world; “Veterans in Residence” – an association that operates in 17 cities and provides space, services and mentoring to veteran entrepreneurs and their family members who have businesses; Bunker Connect – networking and mentoring sessions bringing together service members, reservists, veterans and their families, as well as over 65 resource partners. The program has been in effect since mid-2020 in 12 US cities. The organization conducts an annual national tour of US cities called “Muster Across America” to study veteran business case studies, empower local entrepreneurial ecosystems, and build connections between veterans and the business community. Activities include training,



networking and project pitches [17].

The National Veterans Entrepreneurship Program (VEP) is a comprehensive entrepreneurship education and support program for veterans with disabilities. The program is completely free and includes self-study, residency and mentoring support [7].

Patriot Boot Camp (PBC) is a non-governmental organization whose mission is to support veterans and their family members in starting their own business. The basis of the program is a 3-day entrepreneurial camp, which includes a competition and pitching of business ideas [18].

The Vets First Verification Program verifies veteran businesses to qualify for backup loans. Free consulting services, free webinars and access to entrepreneurship educational resources are also provided [6].

In general, it should be noted that there is a broad information campaign on supporting veterans' employment in the US. On the special website "veterans.gov" there is the US Department of Labor information for job seekers and employers looking to hire a veteran. The portal contains job offers by industry, a job search tool by location, information about the nearest Employment Centers, about SBA assistance for starting your own business, as well as the opportunity to get consultation, search for training and retraining opportunities, a resume designer and more. Another example is the Veterans Center website, which is a platform for searching the opportunities for employment, training and fundraising for opening a business by former military personnel and participants of hostilities. The portal contains a special job search tool, instructions for submitting requests for obtaining the necessary documents, information on the possibility of retraining [7].

## **2.2. Assistance in the development of the civilian career of veterans: Canadian experience**

There are over 700,000 veterans and 64,000 military families in Canada. The



veteran support system in Canada is organizationally similar to the American one. The Canadian government has created the Department of Veterans Affairs (Veterans Affairs Canada, VAC), which is responsible for most services for veterans. In addition, the country's Armed Forces have a program that includes psychological preparation for service and discharge, prepares for a change of profession and exit from the military community. Canada has established a number of organizations and programs that help veterans move into the civilian labor market by realizing the potential of their skills and/or receiving appropriate training and retraining. Ex-servicemen's transition to civilian careers is supported by the Canadian Armed Forces and non-government programs that have developed unique partnerships. Thus, the “CAF Transition Program” includes various initiatives to prepare veterans for a second career. It builds connections between veterans, education, vocational training and entrepreneurial opportunities [19].

Among the non-state programs, it is worth highlighting:

Canadian Veterans Vocational Rehabilitation Services. They help veterans complete vocational training and successfully transit to civilian life. An employment portal has been created for employers interested in hiring a veteran [20].

Career Transition Services (Veterans Affairs Canada). Among the services of the program: career counseling, help in writing a resume, preparation for an interview, counseling on job search. Vocational education and training are also financed [21].

Coding for Veterans is an intensive training program for veterans to acquire the skills necessary for a technology-oriented workplace. Training is conducted both face-to-face and online [22].

Forces@work helps veterans with disabilities and their families find civilian jobs and improve their quality of life [19].

Helmets to Hardhats Canada is a non-profit program that provides veterans with the opportunity to train and build a career in construction or maintenance [23].

Helping Entrepreneurs Reach Complete Success (HERCS) is a national online training program aimed at providing participants with the skills to create their own business. The course consists of three 2-hour sessions [24].





The Legion Military Skills Conversion Program (British Columbia Institute of Technology) includes three areas to help build a career in civilian life, one of which the participant can choose: a short-term certified program; entrepreneurial program; job search and employment program [25].

Military Family Resource Center (MFRC) is located in each province of the country offering information services and employment counseling [26].

Military Veterans Program (Canadian Franchise Association) helps to provide veterans with access to franchising services of brands participating in the program [27].

Prince's Trust Canada provides entrepreneurial training for veterans. The main element of the operational entrepreneurial program is a 7-day intensive business camp, which is held on the basis of four universities. Participants learn the best practices of marketing, finance, and business planning [28].

Veteran Business Boot Camp (Mount Royal University) is a 5-day program that helps veterans identify a business idea, develop a business plan and determine ways to implement it [29].

Veterans Transition to Education (The Chang School of Continuing Education - Ryerson University): the program provides academic and non-academic services, helps find funding sources, provides educational services and more [30].

### **2.3. Emphasis on the importance of military experience as an employment advantage: the UK experience**

Around 16,000 men and women leave the UK armed forces each year, joining the ranks of 2.6 million military veterans and 35,000 volunteers in the reserve. Official UK statistics show that most veterans successfully transit into civilian employment after leaving military service. At the same time, there are many stereotypes or employers refuse to recognize the skills veterans carry over from military service, such as communication skills, leadership, teamwork, flexibility, problem-solving and decision-making. As a result, a significant percentage of British veterans end up in low-paid





jobs. Deloitte research shows that changes in the labor market caused by technological developments, including robotics, big data and artificial intelligence, are increasing the importance of the above mentioned skills for the UK economy [31].

Support for veterans, in particular employment assistance, is carried out by the Armed Forces charity sector and the non-profit sector. Veterans' Gateway is a consortium of Armed Forces associations and charities, including The Royal British Legion (SSAFA) - Armed Forces Charitable Trust, Poppyscotland, Combat Stress and Connect Assist. Most of the team members of such organizations are veterans, and therefore understand their needs and can support with personal experience. The Veterans' Gateway mobile application is designed to help a veteran find the necessary organizations in his/her location using a smartphone or tablet [32].

The Royal British Legion is a key organization supporting the employment of ex-servicemen. The organization has been operating since 1921, it is the country's largest charitable organization supporting the Armed Forces, which has 235,000 members, 110,000 volunteers and a network of partner organizations. The organization provides services in the field of employment of veterans, including employment grants for discharged servicemen and their family members of two types: grant for training, travel and equipment; professional licensing grants. Another type of support is the free annual course in media production from The Forces Media Academy offers. The course is equivalent to the first year of study at a university, and aims to prepare ex-servicemen for employment in the media industry [33].

Support in the field of professional training, retraining and starting one's own business, as well as expert support, is provided by the RFEA legion's partner organization, the employment charity fund. RFEA provides employment assistance to thousands of veterans each year. The employment program for former military personnel includes: expert consultations on the local labor market; assistance to persons who have a significant break in work, health problems, housing problems, etc.; counseling on vocational training and available financing; counseling on job search, including writing a resume and conducting an interview; organization of career fairs, meetings with employers; access to the job portal for ex-servicemen. A separate



program exists to support members of military personnel's families, the RFEA Families Program. Special attention in the UK is given to veteran women. The program is created “Women Veterans: Equally valued. Equally qualified. Equally served”. In 2019, only 8% of RFEA's clients were women. This program aims to engage women in the veteran community, equip women with job search skills, and gain knowledge about employers who are interested in hiring former military servicemen [34].

## **2.4. Recognition of veterans in society: the Danish experience**

Denmark has the highest percentage of veterans in the world at over 5%, partly due to its small population. After the war in the Balkans, it became clear that veterans in Denmark needed effective support. At that time, government programs and volunteer movements began to be created. The government's veterans policy since 2010 sets the framework for public recognition and potential support for veterans and their family members. About 20 initiatives were launched within the framework of the Veterans Policy. Since then, the policy regarding veterans has been periodically revised, in particular in the field of employment. The government's position is that Danish society should accept veterans with dignity after their efforts for the country. Denmark's veteran policy is based on five key principles: veterans should be recognized for their service to Denmark; veteran efforts include time before, during, and after discharge from military service; family members of veterans also need support; support for veterans must be coordinated and integrated, focusing on the needs and resources of each veteran; reintegration of veterans into society is a joint responsibility of the state, private and non-state sectors. In Denmark, a number of initiatives have been launched to ensure recognition and support for veterans in society. State authorities and public organizations promote the recognition and support of veterans and their family members. In Denmark, there are veterans' centers run by the military that provide psychological counseling and employment services. These centers also coordinate representatives of the private and public sectors that provide



veterans with grant-based funding. In order to recognize the competences of veterans, a project was created within the National Center for Qualification and Quality Improvement. Based on the real assessment, the veteran receives a competence map that describes the knowledge, skills and abilities related to the acquired education and employment opportunities on the labor market [35].

## **2.5. The role of veteran organizations: the experience of Norway**

The Veteran Service of the Armed Forces was established in Norway in 2006. Since 2011, a project for the coordination and implementation of the government action plan “At the Service of Norway” has been implemented. Veterans and trade unions play an important role in working to improve the opportunities available to former military servicemen and veterans. The Ministry of Defense and the Armed Forces Veterans Service provide financial support to veterans’ organizations and other organizations the activities of which are aimed at veterans. The Armed Forces, in cooperation with non-governmental organizations, are exploring business engagement opportunities for specific framework agreements related to employment of veterans. Advice on employment and the labor market is also provided by the Norwegian Labor and Welfare Administration [36].



## **Conclusions**

When developing a strategy for socio-economic reintegration of servicemen and veterans, it is important to take into account the main features. Providing servicemen with information about the possibilities of creating a business is necessary even at the stage of service, in particular, on the eve of discharge. Similar to the American experience, it is worth offering online courses and short-term training programs for active-duty military personnel. Programs to stimulate business creation by veterans must be inclusive, guaranteeing equal rights for female military personnel, for veterans with disabilities and their family members. Programs of recognition and transfer of skills acquired during military activities for employment in civilian life will increase the opportunities of veterans to occupy positions that correspond to their competencies and will help to overcome negative stereotypes among employers. Based on the experience of Great Britain and Denmark, such programs should be implemented in cooperation with non-profit organizations and employers.