# STATEMENT FOR THE RECORD DIVERGENCE ACADEMY FOR THE

# HOUSE COMMITTEE ON VETERANS' AFFAIRS SUBCOMMITTEE ON ECONOMIC OPPORTUNITY CONCERNING VETERAN EMPLOYMENT AMID THE COVID-19 PANDEMIC FEBRUARY 2, 2022

Chairman Levin, Ranking Member Moore, and distinguished members of the Economic Opportunity Subcommittee, Divergence Academy would like to thank you for the opportunity to submit the views of a training provider to the discussion of the Department of Veterans Affairs' Veteran Employment Through Technology Education Courses (VET TEC) and Veterans Rapid Retraining Assistance Program (VRRAP). Divergence Academy has learned a great deal about serving transitioning military veterans since the inception of these two programs and we would like to share some of these insights, celebrate some successes and offer recommendations to make these highly impactful programs even more effective at getting our Nation's military veterans employed.

Divergence\_Academy is a single-location technology training provider in Texas focused on reskilling and upskilling adult learners from all walks of life into critically needed technology pathways. We currently offer four leading-edge immersive programs approved by one or both Department of Veteran Affairs (VA) programs:

- Cybersecurity Penetration Testing (VET TEC & VRAPP approved)
- Data Science (VET TEC & VRAPP approved)
- Security Operations Management (VRAPP approved)
- Cloud Engineering (VRAPP approved)

We take our commitment to educating and placing veterans seriously. Over 25% of our 24 employees are military veterans or spouses and we have invested robustly in the development of a Career and Placement Services department. During the pandemic years of 2020 and 2021, we reached over three hundred small, medium, and larger enterprises, developed internship and apprenticeship models, and partnered with some of these same companies to create Trainto-Hire and Hire-Certify-Deploy models for those organizations seeking to hire veterans as part of their larger Diversity, Equity, and Inclusion (DNI) strategies.

Divergence strongly believes that the scope of educational and career benefits VET TEC and VRRAP have provided veterans and the businesses that employ them in the short span of time since their conception cannot be overstated. VET TEC is a program that must become permanent with robust funding and clear pathways towards continued service.

#### VET TEC and VRRAP Empowers Veterans toward Sustainable Careers of the Future

Divergence Academy believes that VET TEC is a model of innovation that effectively addresses several challenges found in today's fast-paced, ever-changing, technologically advancing society. Veterans bring leadership experience and soft skills to corporate America and VET TEC provides rapid acquisition of new technical skills. These combined create a new mission, a new sense of identity and purpose for many veterans to continue protecting and defending where it is most needed—behind the battle lines of foreign and domestic cyber warfare on American homes, businesses, and government entities.

Currently, jobs in cybersecurity, machine learning and other computer and cloud literate high-tech jobs are critically understaffed. This "cybersecurity skills crisis", as it has been coined by the Information Systems Security Association, is attributed to a skills shortage caused by several factors including the increased workload for existing cybersecurity teams battling increases in cyber threats (62%), unfilled open job requisitions (38%), and high burnout among staff (38%). This gap is difficult, if not impossible, to close using traditional educational models that take two to four years to complete and are not generally agile enough to integrate rapid changes in emerging technology .

Both VET TEC and VRRAP programs have empowered our military service men and women who could not otherwise financially afford continuing education to attend the learning institute of their choice in the career of their choice. Joseph-Dwyer Kiley, a veteran of the National Guard, is a great example. Joseph lived and worked for 10 months out of the year on a fishing vessel as a fisherman; making less than \$30,000 a year. It was through VET TEC that he discovered Divergence Academy in October of 2020-and-enrolled fulltime in the Cybersecurity Penetration Tester program where he obtained three industry certifications and landed a job. With barely a year of experience he tripled his previous salary and is able to return home each night.

The VET TEC program also transformed the life of Veteran Michael Harris, who worked at the U.S. Department of Defense as an Electronics Technician before he, too, enrolled in the Cybersecurity Penetration Tester program at Divergence Academy. Without the funding provided by VET TEC, he would not have been able to complete the program and become an Information Security Administrator for the U.S. Department of the Interior. He has continued his path in technology and is now working as a full-time Amazon Web Services Web Application Security Consultant.

Then there is the story of Tony Preston, U.S. Air Force Veteran, a strong family man with six children, five of whom are biological siblings he and his partner adopted from the U.S. foster care system. He was self-employed in field that completely evaporated during the pandemic and needed to rapidly pivot careers to provide for his family. In his words "The VRRAP program has impacted my career immensely. It offered me options, helped me choose the school I wanted to attend and allowed me to base my choice of school on the specific direction of cybersecurity that I wanted to pursue, as opposed to selecting a more basic boot camp which would likely

have been all I could afford out of pocket." Tony recently graduated from Divergence Academy's Security Operations Management Immersive program, which prepared him to pursue a cyber management style role. As of last month, Tony was offered a position as a Senior Cybersecurity Associate at PricewaterhouseCoopers.

These success stories illustrate the impact that a well-designed, rapid, training program can have on Veterans who genuinely desire opportunity to transition into high demand technology careers. Key to these successes is the addition of the Military Housing Allowance (MHA) that provides most learners with the freedom to focus on the curricula without worrying about paying bills. But this model need not be limited to only Veterans. VET TEC and VRRAP have the opportunity to refine, optimize and showcase best in class Immersive program and certification models to upskill or reskill ANY unemployed adult transitioning into technology careers. This forward leaning blue print, done correctly, will be immensely valuable in the next decade as Federal, state and local governments contend with the rise of Artificial Intelligence and the inevitable job displacement and shifting that will occur due to the increased prevalence of automation across numerous industries.

## Improvements Needed to Assist Preferred Training Providers

Preferred Training Providers agree to return 100% of the tuition collected from the VA if a Veteran is unable to find meaningful employment within 180 days of graduation. This strongly incentivizes employment as an outcome for the Veteran but as of January 28th, 2022, Divergence Academy is one of only seven preferred training providers out of a total of 26 providers across 16 states. Non preferred providers receive a flat 50% rate of the training course cost and have no obligation to help their alumni find employment. Rather than have preferred providers carry all of the risk and non-preferred providers carry none of the risk we are proposing several ideas for improvement.

#### **Tiered Placement Incentives for Meaningful Outcomes**

The conversion of investment into a reliable talent solution is a multi-year effort and the smaller preferred training providers are disproportionately affected. Once a 180-day placement threshold is crossed, there is no incentive to continue extending job search and placement support. In fact continuing to support a Veteran at month seven risks even more income loss as resources are being directed away from Veterans still in the 180 day window. This is not optimal for the business or the Veteran. Divergence proposes a tiered payment model which incentivizes gradually decreasing payments—100% of the tuition within 180 days, 75% within 270 days, and 50% within 365 days will help the provider continue to assist\_the veteran students and expand resources to place them. This also assists in mitigating one of the more frequent reasons a Veteran is NOT employed at the 180 day threshold- the desire to continue his or her education through the use of the G.I. Bill for additional specialization.

#### **Expand VRRAPs Model of Tuition Payment to VET TEC**

In the current model, tuition is not paid to preferred providers for VET TEC students who accept employment prior to graduation. Providers are paid for VRRAP students who accept

employment prior to graduation. Motivated students do not wait for graduation to start applying for employment and the shortage of tech talent frequently leads to job offers in the last one or two weeks of training. Training providers should not be penalized for students who find jobs in the last week of their course, as this defeats the program goal of landing employment. Expand the VRRAP payment model across both programs

## Hold Veterans and Providers Jointly Accountable for Outcomes Reporting

As the VET TEC pilot moved into year three, employment requirements for VET TEC have become clearer. However, joint ownership between a veteran and a training provider for reporting the employment outcomes and the Meaningful Employment Form (MEF) completion still has significant challenges. The language in the letter that a student receives with their Certificate of Eligibility states that they must communicate their job status which implies that communication is a requirement. Once a Veteran graduates and is employed, there is no system that requires the Veteran to record the outcome. A veteran in transition is often on the move and contact information may change. Occasionally it is very challenging for training providers to collect Meaning Employment information or outcomes data on time. On rare occasions a Veteran simply refuses to sign the Meaningful Employment Form despite finding employment. On less rare occasions, graduates fail to respond to requests for employment outcomes. Make uploading the signed MEF a joint responsibility exactly like the U.S. Army Credentialing Assistance Program. Both the student and the provider are required to submit proof of completion. If proof is not received then the user or provider account is "locked" until proof is submitted. In the short term, establish a system of escalation that allows a provider to notify the VA of a refusal or of a lack of responsiveness. A 20% risk is factored by the Academy for non-placement because the issues outlined here disproportionately affect smaller preferred training providers.

# Innovation Grants for the Development of Curricula for Rapid Employment

While this pilot program emphasizes rapid employment, the employment parameters are applicable only for those in the preferred training provider category. As indicated earlier, currently only 7 of the 26 organizations providing training are preferred providers. The tools and technologies used to enable distance learning have grown exponentially over the last two years during the COVID environment. The VET TEC program has the ability to reach more rural learners, and the demand for remote Information Technology jobs have increased over the same period. As reported by CNBC, there is a wonderful opportunity here to engage smaller preferred training providers through new innovation grants for new designs and curricula development that involves learners adopting and engaging in the metaverse through augmented and mixed reality devices and tools.

The inflection point—the increased labor demand for the remote Information Technology talent alongside ransomware attacks and infrastructure upgrades to support digital transformation—has accelerated student placements over the last 90 days. According to Forbes Ransomware cost the world \$20 billion in 2021. That number is expected to rise to \$265 billion by 2031. In 2021, 37 percent of all businesses and organizations were hit by ransomware. Recovering from a ransomware attack costs businesses \$1.85 million on average in 2021.

## Shorten the pathways to Federal Service with Apprenticeship Opportunities

Many of the Veterans who have graduated in the last two years held active security clearances and were interested in federal service. Being able to nominate top talent for apprenticeship opportunities or conditional offers of employment pending certification with the VA or the Cybersecurity & Infrastructure Security Agency (CISA) would help fill the critical skills gap inside of the federal government. Consider creative ways to legitimize rapid training programs such as include completion of a federally funded technology immersive program as eligible criteria for technology related jobs posted on USA Jobs.

### Improving VET TEC and VRRAP by Understanding Program Strengths

Over time, Divergence Academy has learned that employing a veteran requires providing both high-quality technical content and training to build confidence to successfully transition them into a new career. When something like career readiness and preparation is made part of a curriculum, a student will be exposed to it. But currently, curriculum design is more voluntary. It is challenging to align timing on course delivery with instructors' schedules in such a way that a course will be successfully approved. Sourcing instructors with more flexible schedules is a process that needs to improve as technology evolves if we intend to provide high-quality technology programs where all students are equally educated in line with graduation expectations.

#### Standardize Short-term Housing Stipends for Rapid Training Programs

The Military Housing Allowance (MHA) program for rapid training programs is structured based on a traditional Institute of Higher Learning model for the GI Bill and may work well for two to four-year degree programs. Providing only half the MHA rate when a school is providing remote distance-learning training for 8 hours a days, 5 days a week underestimates the demand on the learner. For Immersive "boot camp" style rapid retraining programs, a full MHA rate should be given no matter where the learner is living. A veteran should not have to worry about working part-time to pay the bills. Instead the learner must be focused on absorbing the information that is being provided, getting career ready, and preparing to test for industry certification testing.

#### Improving VRRAP consumption by increasing awareness and reach

It is a very specific and thus very small pool for a large amount of funding. A targeted veteran cannot have any G.I. Bill and is unemployed because of COVID. Divergence Academy enrolled 23 VRRAP students in 2021. The VRRAP student demographics are generally more educated, older and achieved a higher rank than our VET TEC students. This pool of 23 contained seven Bachelor's degrees, six Master's degrees and 1 PhD almost none of which were STEM related. Several of these veterans were officers and retired with higher rankings may indicate retirement income.

It is our opinion that the biggest challenge with VRRAP's under consumption is the lack of awareness of its availability because it is such a new program. It seems to be well advertised on the VA website but someone without a VA education benefit is less likely to go to the VA education webpage. From Divergence Academy's experience, very few enrolling veteran

students have first come through because of informed awareness around VRRAP—most have never heard about this program prior to our Admissions team communicating the information to them. From this perspective, it seems to indicate that VRRAP communications from the VA are either limited, not reaching the right channels and the right audiences, or all of the above. Potential audiences to consider for informational awareness around VRRAP include military reservists and National Guard who are not GI Bill-eligible, because they did not perform active-duty time, or perhaps because they gave all their benefit to their family members and lost their jobs due to COVID.

# **CLOSING**

# **Increasing Veteran Educational Engagement Through Better Funding Programs**

The Veterans Divergence Academy sources are excellent, but they need financial support to accomplish their goals. Those who benefit from these new, rapid, non-traditional models often do have to worry about raising children or working a part-time job to make ends meet and require dedicated assistance to focus exclusively on engaging with their curriculum. Moreover, as a highly analytical, self-critical institution, Divergence Academy requires the resources that programs like VRRAP, and VET TEC can provide to improve and offer more Veterans the technical education they deserve. If a student meets their academic goals, there is no question that they will graduate from our institution. But over time, more and more students will require this support as technology jobs and the need for tech smart skills continue growing exponentially. It is obvious that the positive impacts VET TEC has already had should be made permanent and expanded towards other populations such as military spouses. We would like to see these programs remain innovative and continue building out what makes them impactful: rapid, immersive execution in a structured, agile, supportive, and non-traditional model.

At Divergence Academy, our mission is to assist Veterans by giving them high-tech leadership skills. We are glad to be part of a pilot program to help Veterans transition into technology roles, and we hope to share the lessons we have learned. We are glad the VA has opened this dialogue to understand the importance of these financial assistance programs. Divergence Academy would once again like to thank the Subcommittee for the opportunity to submit our views on how our nation can support our veterans' education and subsequent employment through and after the pandemic. We will be happy to answer any questions you may have.

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