Employing Veterans: Minnesota Wire

A SkilledUp Case Study



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With the <u>federal government</u> and <u>individual states</u> offering hiring incentives, companies are turning their attention to hiring veterans.



Talent Lab is investigating this trend by talking to companies that employ veterans about their experiences: the benefits, the challenges, and the lessons learned.

Below, one company shares its story

The Company: Minnesota Wire

Minnesota Wire is a cable and wire manufacturer based in St. Paul, Minnesota. The company, which develops and manufacturers electrical systems for defense, medical and industrial markets, was founded in 1968 by Fred Wagner.

'I would guess we've hired 20 [veterans] in the last five years.'

- Paul Wagner, CEO

"[It's a] family-owned business started at the kitchen table 48 years ago, and it's gone from the kitchen table to satellite," said Paul Wagner, the current CEO and Fred Wagner's son. Wagner bought the company 14 years ago from his parents.

The company currently employs 210. Of those, roughly 30 are veterans.

Wagner says it is hard to know who is a veteran; not all employees who have served in the armed forces are willing to identify themselves as veterans. Minnesota Wire tends to hire Vietnam and Hmong Lao veterans, not all of whom are willing to discuss their service.

Although interviewers are allowed by law to ask a job candidate if they served, veterans sometimes choose not to respond. If a veteran does answer, they are required only to provide answers about length of service, rank or grade at time of discharge, and the type of training they received while in the military.

"I would guess we've hired 20 in the last five years," Wagner said.

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Minnesota Wire has been actively hiring veterans for more than 10 years.

Just after Sept. 11, 2001, the company won a contract with the Department of Defense for the Land Warrior program, a wearable electronic system for soldiers.

Although Minnesota Wire had created similar products for the medical industry, the company had never created on-soldier tech for the military. The company needed feedback from people who had been in the field.

"We didn't have any soldiers. I needed access to soldiers for the appropriate design input, and frankly it was the right thing to do," Wagner said.



Finding Veterans

Wagner began finding veterans by volunteering with the AUSA (Association of the United States Army), and building relationships within that organization.

"You start raising your hand and volunteering," he said.

As Wagner rubbed elbows with the leadership of the AUSA and got to know people within the organization, he began to hear about veterans who were looking for work, and found that he was impressed by the skill sets he encountered. "What I saw was leadership and communication," he said.

'What I saw was leadership and communication.'

- Paul Wagner, CEO

He started to offer jobs to veterans looking for work.

After more than 10 years of employing veterans, Wagner has developed a network of veterans.

The company also uses job boards, including <u>Defense Alliance</u>, a defense industry job site founded by Wagner.

Minnesota Wire also seeks veterans using <u>Mytasca</u>, a service run by Campus Media Services, which provides information about where to find veterans who are studying in college.

"We never have problems finding veterans," Wagner said.

Benefits

Wagner describes some of the veterans he's met as "dripping leadership."

"Less than 2% of the population even qualifies to try and get into the military," he said, "so they're a select group."

Asked which specific veterans skills he admires, Wagner rattled off a list: they're disciplined, easily trainable, adaptable, used to relocating, and physically fit.

There is an additional benefit for companies that hire veterans: government incentive programs.

According to Wagner, Minnesota Wire does not apply for federal incentive programs.

"We really don't target many of those," said Wagner, who began his career in human resources. "It's just more filing. You've got to size up the benefits."

Although Minnesota Wire may not use the government programs, these incentives, which include tax credits and reimbursements, are worth noting.

Employers who hire veterans may qualify for Work Opportunity Tax Credits (WOTC). A business is eligible for this credit if it has hired a veteran who has received SNAP benefits, been unemployed, or is disabled.

There are also more structured programs. According to the U.S. Department of Veterans Affairs (VA), employers that hire service-disabled veterans may qualify for incentives and tax credits through the Special Employer Incentive (SEI) program, a six-month job-training program for veterans who

face challenges in gaining employment. The VA selects eligible veterans, pairs the veterans with employers, and reimburses up to 50% of the veteran's salary during the program, among other benefits.

There is currently a federal bill in the pipeline that will provide employers of veterans with a different kind of benefit. In January, the House of Representatives passed the <u>Hire More Heroes Act</u>, which would allow businesses to hire veterans without them counting as full-time employees under the Affordable Care Act, as long as any health care program administered by the Department of Defense covers those veterans. The bill is still awaiting approval from the Senate.

Challenges

One challenge in employing veterans, Lewis said, is that when individuals have spent a career in the military, an organization with a clear purpose and mission, they can feel aimless when they start working in the private sector.

"There is a very strong sense of purpose and a strong sense of identity within that," Lewis said.

The challenge for a company that wants to keep its veterans is in giving them a purpose that keeps them motivated.

Werner deals with this challenge in a few ways.

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First, the company recognizes that everyone's definition of "purpose" differs, and allows employees time and money to pursue outside passions.

"We do pay for employees to participate in outside events," he said. Employees are allowed paid time off to pursue interests or work with charities. Werner also matches the funds employees raise for their causes.

Werner encourages employees to volunteer within the company itself on employee-led teams: the company's safety team, for example, is employee-led.

Leadership is important to military veterans, he said.

"I think veterans know what leadership and feels like," he said. "They're going to know what a good leader is and they're going to be looking for that in the private sector."

'We never have problems finding veterans.' - Paul Wagner, CEO