

Building Job Opportunities for Veterans
Ben Fowke Testimony
June 5, 2013

Thank you, Vice Chair Klobuchar. It is a pleasure to be here this morning before this distinguished panel. I am especially delighted to be with you and Chairman Brady, given our operations in both Minnesota and Texas.

My name is Ben Fowke, and I am chairman, president and chief executive officer of Xcel Energy, a public utility holding company headquartered in Minneapolis, Minnesota. We serve 3.4 million electricity customers and 1.9 million natural gas customers through in eight Western and Midwestern states.

I appreciate this opportunity to talk about Xcel Energy's commitment to hiring our nation's veterans. This is an important and timely conversation for us to have, and I appreciate the Committee's focus on this issue.

Roughly 12% of Xcel Energy's 11,000 employees are vets and veterans are even better represented on our management team. While we are proud of that performance, we want to do better. For example, we know that our veteran employees generally are not post-9/11 vets, so absent our intervention, we could lose ground. Our experience is similar to that noted in this Committee's report on "Building Job Opportunities for Returning Veterans" – that is, the veterans we hire tend to be in the older, mid-career cohort, as opposed to the younger, fresh-out veterans. Yet over half of our hires each year are filled with people in the 25 – 35 age group, so there is great opportunity to change that result.

I am committed to driving that change and will be working within our company, within our industry, and with policymakers like you so that we become a model of a veteran-friendly company.

I will share with you my thoughts on those points, but let me start with why we set that goal for ourselves: Simply put, hiring vets makes good business sense.

Veterans have skills and leadership qualities that help us succeed in our mission of delivering safe, reliable, and clean energy at an affordable price. Our industry faces significant need for new, qualified employees, as over half of our workforce is eligible to retire over the next 10 years. We offer challenging, rewarding jobs at competitive pay, and enhancing our ability to tap a pool of qualified, skilled candidates will better position us when filling those positions. It only makes sense that we find the best ways to identify, attract, hire, and retain the talent that vets offer.

I will briefly highlight what we are doing both within our company and within our industry, and then offer suggestions for how we can improve veteran hiring practices.

Internally, we have made veteran hiring a priority throughout the company and have worked to address various obstacles for doing so. One key gap has been the ability to translate military skills to job requirements, with the veteran unable to articulate his or her experience and skills that fit our positions and the hiring leader unable to recognize the military experience that is comparable to the work we do.

To address this gap, we have developed a “translator” on our career website to help both applicants and our hiring leaders better understand the types of military experience and how they apply to our various job openings. We are focusing on linesmen, plant operation and maintenance workers, and engineers – all jobs where we expect to see significant turnover in the coming years. We believe we should be able to find good matches with the skills of returning veterans – but we need to be sure we build a better understanding of military skill sets to take full advantage.

Next, we need to provide a supportive environment to retain that talent. Research shows that veterans stay in their first job after service for two years, but they stay at their next position for over 10 years. That first shift from military to civilian life can be complicated, as expectations regarding civilian work can be somewhat unrealistic, as it is less focused on rank and title than the military. We want to provide an environment that lengthens these tenures, and we need all of our employees engaged in making that happen. To that end, we have developed a series of orientation, training, and leadership development programs to ease the transition.

Within our industry, we have worked to greatly open channels to identify and recruit qualified veterans. We participate in partnerships such as Troops to Energy Jobs, a collaborative effort between the Edison Electric Institute and the Center for Energy Workforce Development, to help us link to available talent. We have also found that using our own veteran employees to recruit at career fairs has proven very helpful in attracting candidates. Other channels and partners, such as Military.com, Corporate Gray, and Hire Veteran, also help us reach potential candidates to fill our available positions.

Finally, we are holding ourselves accountable by creating a dashboard to measure our progress. We know that we focus on what we measure, so we need to keep our eye on our ball and use our performance statistics to identify other actions we can take to further close the gap.

I am very pleased to report that our efforts are paying off. We have been honored to receive awards for our veterans hiring practices, including the 2013 “Most Valuable Employer for Military” by CivilianJobs.com. G.I. Jobs listed Xcel Energy as a “Top Military Friendly Employer” in 2012 and 2013. It is always nice to be recognized, but we also know that there is much more that we can and must do.

To that end, let me offer two suggestions for how we can better work with you -- the policymakers -- to further strengthen the partnerships to be even more successful.

First, anything that can be done to better identify the linkage between a veteran’s military experience and civilian jobs would be helpful. Partnerships between civilian companies and veteran agencies such as the Military Transition Assistance Program can improve the vet’s ability to communicate with companies more effectively, and further support of those efforts would be welcome. Such efforts are similar to those we have undertaken for college students in collaboration with St. Cloud State University in Minnesota, helping the students relate their experience to our job openings. I believe there are models available for helping bridge the communication gap, and we should work to put them in place.

Second, it would be helpful if military training could lead directly to civilian certifications. In our industry, valuable certifications include Certified Security Professionals, Plant Operator Licensing, Professional Engineers, Certified Information Systems Security Professional, CPAs or Certified Internal Auditors. In many ways, such military and civilian jobs have similarities, and providing avenues for veterans to achieve these kinds of certifications would greatly help the transition. Our industry employs a number of highly technical, skilled positions that are extremely competitive right now. Having a larger pool of qualified applicants would be very helpful, particularly as we address the retirement bubble we face.

Let me conclude by making clear that we are committed to this issue at all levels of the business. I believe we have a tremendous opportunity to have veterans continue their honorable service by helping us keep the lights on every day, bringing their leadership and technical skills to add value for our customers and shareholders. We want to work with you and others to make this happen.

Thank you, and I'd be happy to take your questions.