

CRP BRIEF



**Your Source for
Issues and Trends in
Community Rehabilitation**

Vol. 2, No. 2

August 2003

Making Self Employment Work

We have selected self-employment for the topic of this CRP Brief as a follow-up to our recent conference, Orchestrating Entrepreneurship where Cary Griffin was a guest speaker. The conference was a collaborative effort between the University of New Orleans' ExcEL-TRAC Program and Louisiana Rehabilitation Services. Cary Griffin and Dave Hammis own Griffin-Hammis Associates, LLC, a full-service consultancy specializing in the employment of people with disabilities. Their new book, Making Self Employment Work for Individuals with Disabilities is available on amazon.com. Many thanks to Cary Griffin and Dave Hammis for authoring this CRP Brief.

BACKGROUND

Today, most transition-aged special education students graduate without paying jobs, and most adults with significant disabilities remain unemployed or severely underemployed throughout their lifetimes. Over the past ten years, a decade that witnessed one of the strongest economies in the history of the United States, enrollments for sheltered workshops increased and the number of special education students graduating into paid jobs remained very low.

This same time period witnessed the success of supported employment techniques, with over 150,000 individuals entering community jobs. These workers were once considered too disabled for employment, but the techniques of offering on-going workplace and personal supports, coupled with matching people to jobs they enjoy, eroded previous stereotypes held in the rehabilitation professions and within the business community. Self employment is the next logical step in the evolution of supported employment.

Since all people who are self employed use, invent, and purchase a variety of supports, ranging from accounting services to sales representatives, owning a business melds finely with the American Dream and our commitment as professionals, family members, friends and neighbors. Owning a business

can be one of the least stigmatizing forms of employment for individuals with significant disabilities because the opportunity to gently rely on on-going or time-limited rehabilitation services coexists with typically purchased business supports.

Self employment is booming across America with an estimated 20 million Americans owning home-based businesses. The self employment rate is growing at over 20% annually. Between 1990 and 1994, microenterprise (businesses employing 1 to 5 workers) generated 43% of all the new jobs in the United States, and all of these businesses created more jobs than the entire Fortune 500 combined. This cultural and economic shift of taking individual opportunity, which appears to be largely unaffected by good or bad economic times, presents another promising career option to individuals with significant disabilities.

IMPLICATIONS FOR CONSUMERS

Approximately 2.5% (5,000 people) of Vocational Rehabilitation closures are for self-employment, and the numbers are growing daily. Numerous agencies such as Vocational Rehabilitation, Developmental Disabilities, and Mental Health in various states, including Montana, Colorado, Tennessee, Kentucky, Maryland, New Jersey, North Carolina, New York, California, Washington,

et al., are exploring policy and funding mechanisms to increase self employment opportunities. The newly created Office of Disability and Economic Policy (ODEP) at the U.S. Department of Labor is encouraging small business ownership through their guiding legislation, and the Rehabilitation Services Administration (RSA) within the U.S. Department of Education is promoting self employment as a reasonable outcome for State Vocational Rehabilitation agencies, and is also demonstrating various aspects on entrepreneurial ventures through training and grant programs.

Self employment is not for everyone. It is a personal choice that should be balanced by a variety of life circumstances, including financial position and funding, availability and quality of business and personal supports, and the viability of the business idea. Just as in supported employment, the driving ethic remains that everyone is ready to work and it is the responsibility of special education and rehabilitation professionals to provide or facilitate the supports that make success possible. In some cases, allowing the person to experiment with different career options is the greatest support available.

Implementing self employment as an emerging technique with individuals with significant disabilities involves substantial attention to minimizing the fears of the prospective business-owner, as well as the rehabilitation and local small business development professionals charged with assisting them. The success rate of small business is surprisingly high, despite widely accepted folklore to the contrary. The U.S. Small Business Administration reports that over 79% of small businesses are still operating after the initial eight years. And, the long term trend in employment is away from major corporations to growing job opportunities in smaller firms.

Self Employment Advantages over Wage Employment

Self employment provides a number of advantages over working for someone else.

Self-employment is growing.

Our economic environment is such that self-

employment is growing substantially. Statistically it is the largest market segment of new and expanding employment opportunities.

Advantage for Recipients (SSI, SSDI)

Self-employment offers the only substantial options available under our Social Security and Medicaid/Medicare systems to accumulate personal wealth and manage income in a way that is predictable and personally adjustable. Under Medicaid and SSI regulations an individual beneficiary cannot accumulate more than \$2000 in cash resources. However, a business owner on SSDI, SSI, Medicaid or Medicare, can have unlimited funds in a small business bank account for legitimate operating expenses as defined by SSA rules as Property Essential for Self Support (PESS). A small business owner can accumulate operating cash and other business capital resources, and accumulate unlimited net worth in the business. Self employment creates an avenue for increasing individual wealth, while wage employment has no comparable options.

Reduces Stigma

Self-employment for people labeled with significant disabilities works. To many, self-employment appears beyond the reach of people with such labels. Understanding the individual in their home, community, and day-to-day context of living reveals opportunities for self-employment. Self-employment can closely match the small business owner's preferences, gifts, and unique contributions. Self-employment allows for the creation of a finely matched work opportunity designed specifically for someone that does not fit standard job descriptions while respecting context and natural supports for a unique, profitable, and viable form of community employment. Business ownership comes through a discovery process that lines up personal attributes, supports, dreams, talents, resources, and the marketplace.

Offers Career Advancement

While approximately 150,000 individuals traditionally served by community rehabilitation programs (CRPs) are now wage earners through supported employment, almost 400,000 people

remain in day programs that need new avenues to address community employment. Self-employment offers people career advancement through increased wages and integration with suppliers, customers, and mentors.

Provides Flexibility

Self employment offers individuals the opportunity to schedule their workday to accommodate personal productivity, goals, symptom cycles, and schedules. Self employment is a tremendous job accommodation, customized to unique circumstances, location, abilities, resources, and dreams.

RELEVANCE FOR CRP'S

Community rehabilitation programs can play an active role in assisting people with disabilities in their self-employment efforts. Oftentimes, it takes a collaborative effort among many partners to assist with the myriad of issues that arise in the process. CRPs are well positioned to serve a pivotal role through their partnerships with VR agencies, and their network of business and community leaders. This is particularly the case of individuals with significant disabilities who may need the services of a job coach or an employment specialist to assist them in the beginning phases.

As a follow-up to our Orchestrating Entrepreneurship Conference, we are developing a website that will provide an interactive discussion board to allow conference participants to get technical assistance from experts in the field. Cary Griffin will be one of the experts providing feedback, as well as Jonathan Orr from the UNO ExcEL program. Jim Hanophy will lead the UNT effort. Those who attended the conference will automatically be on the list. Others with a serious interest in developing a self-employment component in their organization, can contact Jim Hanophy at JHanophy@unt.edu

Here are some of the concerns that we hope to address:

Typical Concerns with Self Employment

Many doubts remain regarding the viability of individuals with significant disabilities starting,

operating, and managing a business. The following concerns and questions are routinely raised when proposing small business development for and with individuals with significant disabilities. Over the months, we will be addressing these and other concerns through threaded discussions:

- What types of assessments are best to determine if someone is right for self employment?
- If a person cannot read or write, how can they possibly be expected to operate a profitable business?
- How long should professionals support someone as a small business owner?
- How much does a small business cost?
- How does someone finance a small business?
- How long can we expect a small business to last?
- Should families be involved in someone's small business?
- How small a business is too small?
- Can a business possibly sustain interruptions caused when a person is medically fragile or requires numerous break periods for medical and therapeutic treatments?
- Entrepreneurs are known to work 80 hours a week; to do it all from sales to bookkeeping. How is my daughter going to know how to do this coming out of a special education resource classroom?
- There are almost no jobs in rural America. How can a business survive in such a depressed environment?
- Why not go to the sheltered workshop first and learn work and social skills?
- Many students and adults with disabilities appear unmotivated by money. How can we expect them to run a real business?
- The business community, and business-related agencies such as Small Business Development Centers (SBDCs), are not always welcoming to people with disabilities. How can we get them to help?

Meeting the continuing education needs of community rehabilitation providers

SUMMARY

An estimated 20 million Americans own home-based businesses. Owning a business can be one of the least stigmatizing forms of employment for individuals with significant disabilities. Some of the advantages self-employment offers over wage employment include: flexible work hours, career advancement, being and ways for SSI and SSDI recipients to accumulate personal wealth and manage income in a way that is predictable and personally adjustable. Self-employment is not for everyone. It is a personal choice that should be balanced by a variety of life circumstances, including financial position and funding, availability and quality of business and personal supports, and the viability of the business idea.

Websites

For more information on this topic, visit:

- www.unotracs.org
- www.griffinhammis.com
- www.sbaer.uca.edu

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