

## Guest Editorial

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# An introduction to this special issue of the Journal of Vocational Rehabilitation: Self-employment

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### 1. Introduction

Small businesses are the backbone of America, and according to data from the Small Business Administration (SBA) Office of Advocacy, 99.9% of all U.S. businesses are small businesses (Main, 2023; U.S. SBA, 2022). Other statistics include: 1) 8 out of 10 small businesses have no employees and are run by a single owner; 2) 16% of small businesses have between one and 19 employees; and 3) the average salary of a small business owner is 3% above the national average mean wage (Main, 2023). Small businesses can be flexible and adaptable. Many develop around the skills of the owners and are designed to support their way of life and goals. Business activities that the owner cannot or does not want to do can be subcontracted or delegated. All these features make self-employment a good choice for people with disabilities who want to work but are not interested in or do not fit existing jobs. According to the U.S. Bureau of Labor Statistics, people with disabilities in the general population of the United States in

2022 were more likely to be self-employed than those without a disability (9.5 percent versus 6.1 percent) (Bureau of Labor Statistics, 2023).

Self-employment should be an option for individuals with disabilities to achieve their desired employment outcomes. Self-employment was included in the definition of “competitive integrated employment” (CIE) in the Workforce Innovation and Opportunity Act (WIOA) of 2014. The term “competitive integrated employment” means work that is performed on a full-time or part-time basis (including self-employment) (WIOA, 2014).

The definition of an employment outcome within the Rehabilitation Act in Section 7(11)(C) includes the following reference to self-employment:

*(C) Satisfying any other vocational outcome the Secretary may determine to be appropriate (including satisfying the vocational outcome of self-employment, telecommuting, or business ownership), in a manner consistent with the Act.*

Self-employment is also referenced within the scope of vocational services that can be provided to an individual under the Rehabilitation Act in Section 103(a)(13) as follows:

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*(13) Technical assistance and other consultation services to conduct market analyses, develop business plans, and otherwise provide resources, to the extent such resources are authorized to be provided through the statewide workforce investment system, to eligible individuals who are pursuing self-employment or telecommuting or establishing a small business operation as an employment outcome.*

Historically, people with disabilities who choose self-employment have been underserved by the agencies that support them. The percentage of Vocational Rehabilitation (VR) recipients who exited services with a self-employment outcome for both program years (PY) 2018 and 2019 was 1.7% of the total exiting with a CIE outcome for all VR agencies (General/Combined and Blind VR Agencies). This data is consistent with previous findings regarding the number of people with disabilities exiting services with a self-employment outcome (Revell, et al., 2009; Yamamoto, Unruh, & Bullis, 2011). In PY 2020, there was a considerable reduction in the percentage of VR recipients exiting services with only 0.02% of the recipients exiting in CIE with a self-employment outcome when compared to previous program years. COVID-19 most likely contributed to the decline in self-employment outcomes for people with disabilities exiting State Vocational Rehabilitation Agencies. However, it is evident that people with disabilities continue to be underserved in self-employment by VR agencies.

## 2. Discussion

Some VR counselors may feel uncomfortable with self-employment as a viable occupational goal for a number of reasons. Focus groups conducted with VR professionals by the National Center on Self-employment, Business Ownership, and Telecommuting found that the barriers to self-employment are complex and intersect with one another (Inge et al., 2022). Participants felt that identifying and providing a cohesive set of supports was daunting and could be the reason that self-employment was excluded as a possible employment goal. Other participants shared that they had low expectations about the viability of self-employment for people with disabilities. Participants also identified VR counselors' knowledge and skills as a barrier

to self-employment. Most noticeably, lack of previous experience served as a deterrent to some VR counselors' consideration of self-employment as an option for individuals with disabilities. However, in spite of the multiple and complex barriers discussed, participants did not see these barriers as insurmountable.

A National Needs Assessment conducted by the National Center on Self-employment, Business Ownership, and Telecommuting supports these focus group findings (Inge, 2022). When asked about their experience and knowledge with self-employment, approximately 62% of the respondents reported that they had very little or no experience with self-employment. Only 6.1% of the respondents answered that they had a great deal of experience; 20.2% responded that they had a moderate amount of experience. Approximately 52% reported that they had no knowledge or very little knowledge of self-employment; 26.7% responded that they had a moderate amount of knowledge; and only 4.6% responded that they had a great deal of knowledge. Overall, the respondents appeared to have positive perceptions of individuals with disabilities being able to pursue self-employment as a vocational goal. As an example, approximately 68% of the respondents agreed or strongly agreed with the statement that VR clients who want to pursue self-employment should be given the opportunity regardless of the person's disability. While the results of the focus group and needs assessment are preliminary and additional analyses are to be completed, they provide some insight on the views on self-employment by VR professionals.

These are just some of the issues faced by individuals with disabilities when considering their self-employment goals. What are the other challenges and barriers? What policy changes need to be made to assist individuals in selecting self-employment as their career of choice? What current federal, state, and/or local policies facilitate self-employment? Are there specific service / agency policies and characteristics that encourage / facilitate or discourage / inhibit self-employment outcomes? How can services and resources be modified and/or changed to be more "user-friendly" to entrepreneurs with disabilities? What components / steps lead to the development of a successful small business owned and operated by people with disabilities? These and other questions need to be answered, and the information widely disseminated to influence disability-related employment policy and practices

affecting the self-employment outcomes of people with disabilities.

### 3. Special issue

This issue of the *Journal of Vocational Rehabilitation* is dedicated to exploring self-employment for people with disabilities. These articles were developed by the National Center on Self-employment, Business Ownership and Telecommuting with funding from the Rehabilitation Services Administration within the U.S. Department of Education. The contents of the articles do not necessarily represent the policy of the U.S. Department of Education, and the reader should not assume endorsement by the Federal government. The following provides a brief summary of each article in the issue.

#### 3.1. *An international scoping review of factors impacting self-employment outcomes for individuals with disabilities*

Avellone and colleagues conducted a scoping review of the empirical literature examining individual/system level, programmatic, and key themes that impact self-employment outcomes for individuals with physical and cognitive disabilities. Forty articles were included in the final sample representing both national and international research efforts. Findings indicated that a multitude of factors affect self-employment outcomes including demographics (e.g., gender, race, age, disability), social network, financial standing and work history, personal motivation, interagency collaboration, services provided (e.g., business plan development and mentorship), and barriers (e.g., lack of training and services). Implications for future research, policy and practice are discussed.

#### 3.2. *Understanding the provision of self-employment for people with disabilities in the State Vocational Rehabilitation Services Program: A policy review*

Federal policies mandate that self-employment is included within the scope of services for state VR agencies, but agencies have the discretion to define how they will offer these services, resulting in substantial variation between states that can both directly and inadvertently impact customer access. This policy analysis included reviewing 73 VR state

and territory agency's policies in the United States, using the RSA-911 self-employment data and other sources about the self-employment process through VR agencies. The authors concluded that three policy areas could increase outcomes for self-employment to include 1) self-employment assessments, 2) market analysis or business planning requirements, and 3) self-employment funding and financing guidelines. As with the other studies in this special issue, the authors recommend training and targeted technical assistance to build the capacity and confidence of VR counselors overseeing self-employment cases.

#### 3.3. *A summary of the self-employment outcomes in the State Vocational Rehabilitation Services Program: PYs 2018, 2019, and 2020*

This article provides a snapshot of the extent to which self-employment is occurring within State Vocational Rehabilitation Agencies as a competitive integrated employment outcome. When compared to all CIE outcomes, self-employment outcomes are predominately realized by older individuals (mean age of 51.7 in 2018; 52.6 in 2019; mean age of 53.9 in 2020). As a group, VR recipients who exited services with a self-employment outcome identified as white at a higher percentage than those who identified as black or other races (85.3% for PY 2018; 84.8% for PY 2019; and 82.9% for PY 2020). In addition, a higher percentage identified as male than female for all program years (PY 2018, 62.5%; 2019, 64.2%; 2020, 50.2%). Individuals with a primary disability category of physical disorder not listed elsewhere represent the highest percentage of people who exited services in self-employment during PYs 2018 and 2019. And, access to self-employment services is limited for individuals with intellectual and developmental disabilities. The authors concluded that the VR system as a whole must take a proactive approach to its support of self-employment and acknowledge and address a variety of identified factors influencing the limited and stagnant level of self-employment outcomes.

#### 3.4. *Facilitators of self-employment for individuals with disabilities: Results of a focus group study with vocational rehabilitation counselors*

The purpose of this study was to identify the facilitators VR counselors report as important in

promoting self-employment for people with disabilities. Key findings from the focus groups point to several areas of importance including the need for more comprehensive and individualized training and support for VR counselors. The study extends previous research as participants described four attitudinal attributes (i.e., being open-minded, creative, person-centered, and entrepreneurial) that allowed them to support self-employment outcomes even as barriers arose. While certain interventions were discussed as effective for VR recipients with disabilities such as benefits counseling and individualized supports, the majority of the discussions were self-employment specific. This is perhaps the most noticeable commonality across all themes that participants shared; self-employment requires a substantially different approach from VR counselors than other pathways to employment.

### 3.5. *Identifying the knowledge, skills, and barriers for self-employment*

The purpose of this study was to gather information from vocational rehabilitation counselors (VRCs) about what they believe are the knowledge and skills essential to facilitating self-employment and the barriers to business ownership throughout key phases of the vocational rehabilitation process, including (a) application and intake, (b) plan development and service delivery, and (c) employment and closure. A Delphi method with three iterations was used to identify information from VRCs and managers about what they believe are the knowledge, skills, and barriers when facilitating self-employment and business ownership during the vocational rehabilitation process. The authors concluded that the findings from the Delphi method may suggest that VRCs have limited knowledge of self-employment best practices.

### 3.6. *An examination of vocational rehabilitation requirements for self-employment technical assistance and consultative services*

Policies from all 50 states and the District of Columbia's combined or general SVRAs and policies from 18 blind SVRAs were reviewed and coded into categories to determine the types of technical assistance and consultation for self-employment that are outlined in state policy. Over three quarters (78.26%) of the policies reviewed contained generic references

about TA and consultation. In other words, the SVRA policies direct participants to generic community business resources, such as the Small Business Development Centers, Service Corps of Retired Executives, or other community resources. However, ongoing feedback and individualized supports is critical to ensuring quality self-employment outcomes achieved by people with disabilities. The authors concluded that SVRAs must make a concerted effort to ensure that self-employment policy is adequately aligned to account for necessary supports, activities, and interventions that lead to positive self-employment outcomes.

## 4. Conclusion

The unemployment of people with disabilities continues to be a challenging problem. VR processes and policies can be used in ways that encourage and promote access to self-employment, or they can be barriers to limit access except for the smallest group of individuals. Most likely these individuals will be older white males as reported by Revell and colleagues from the current snapshot of RSA 911 data presented in this special issue. Comprehensive pre- and in-service training on self-employment optimistically presented and contextualized for VR professionals and VR recipients, along with multi-modal, on-demand resources, and guidance is critically needed to expand successful outcomes and ensure parity of access to all VR customers.

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