

Challenges to Effective Service Delivery to People with Disabilities

This section of the report presents major challenges facing Public Employment Services in both the United States and United Kingdom. The next section of the report presents strategies to increase the effectiveness of such programs which respond in part to the challenges discussed below.

Challenge One

The Current Economic Situation and Rising Unemployment Could Impact Job Opportunities for People with Disabilities

During the period of this review there was relatively low unemployment in both the US and the UK. At the time of writing in early 2009, both countries, especially the US, were experiencing rising unemployment. Between January 2008 and 2009, the unemployment rate⁴ in the US increased from 4.9 percent to 7.6 percent, totaling 11.6 million unemployed people in 2009 (DOL, 2009b). Likewise, the UK unemployment rate⁵ increased from 5.2 percent in December 2007 to 6.3 percent in December 2008, totaling 1.97 million unemployed people in 2008 (DWP, 2009a). In the US, Federal Reserve leaders are forecasting that unemployment will remain high for the next three years (Irwin and Shin, 2009). Similarly, in the UK there are forecasts of the number of unemployed people rising to over 3 million in 2010 (Hopkins, 2009).

In this situation it is more challenging than in the period covered by our review to assist people with disabilities to move from benefits into work. There have been calls in the UK for delays in the implementation of further plans for welfare reform. The UK Secretary of State for Work and Pensions, James Purnell, has said that difficult economic circumstances are not the time for decreasing efforts but for

providing more support, and ensuring that people on benefits do not lose touch with the world of work (DWP, 2008a). As many people as possible should be helped to find work, and everyone else be prepared for work when the economic upturn comes.

In the US, Congress passed the American Recovery and Reinvestment Act (ARRA), in February 2009, that includes an additional investment of \$3.95 billion into training and employment services under the Workforce Investment Act of 1998 and \$540 million into the public Vocational Rehabilitation (VR) program to provide employment and rehabilitation services under Part B of Title 1 of the Rehabilitation Act of 1973.⁶ It is hoped that this investment will increase employment rates, including those of people with disabilities.

Despite the economic situation, the UK government's policy is to continue with welfare reform. Incapacity benefits were replaced in October 2008 by the Employment and Support Allowance (ESA) and a new medical assessment which places more emphasis on what people can do than what they cannot do (DWP, 2008b). It is expected that about 10 percent more ESA claimants than previously will be placed on Jobseekers Allowance, where there is an obligation to prepare for and seek work. Those on ESA will not be expected to actively seek work or apply for jobs but there will be requirements for all, apart from those with the most severe conditions, to take up the support offered and engage in work-related activities. These requirements will be gradually rolled out through a series of pilots. While this emphasis on seeing people with disabilities as capable of working is positive, it is uncertain how far the proposed requirements on people with disabilities will be productive, especially in times of recession.

Initiatives to overcome employers' misperceptions about employing people with disabilities are also certainly needed, and efforts that are being made in this direction are to be welcomed.

Challenge Two

Employers' Lack of Knowledge and Misperceptions about Employing People with Disabilities Impacts Job Opportunities for Those with Disabilities

However much support and assistance people with disabilities receive to help them obtain work, this can only be realized if employers are willing to employ them. In both countries there is evidence that employers continue to have misperceptions about the abilities of people with disabilities and lack awareness of the help available to assist their employment. Using a representative sample of senior executives in 12 industries in the US, Domzal et al. (2008) found that only 8.7 percent of companies had hired a person with a disability in the last 12 months, the figure being 32.6 percent for large companies (250+ employees), but only 5.4 percent for small companies (5-14 employees). Almost three-quarters of respondents (72.6 percent) said that the nature of the work was such that it could not effectively be performed by someone with a disability. However, further analysis showed that non-recruitment was related more to worries about health care costs, workers' compensation costs and fear of litigation than about the nature of the work. Not knowing how much accommodations would cost (63.7 percent), the actual cost of accommodations (61.6 percent) and difficulty in hiring qualified people with disabilities (63.6 percent) were major concerns.

In the UK, Roberts et al. (2004), using a representative sample of employers, found that about one-half (48 percent) or more thought it difficult or impossible to employ people with most types of disability. This figure rose to 73 percent for those with schizophrenia, 75 percent for those with profound deafness, and 92 percent for people with impaired vision. One-third (33 percent) thought it a major risk for a firm to take on an employee with a disability, and this figure rose to 38 percent in firms with less than 15 employees. In a later survey of small employers (less than 15 employees) in 2005, there were slight changes in a positive direction, possibly

because the Disability Discrimination Act now applied to all employers. For example, slightly fewer, 31 percent, considered taking on someone with a disability to be a major risk (Kelly et al., 2005). Both studies showed a decrease in fears where the employer had hired a person with a disability, with 68 percent of those who had disagreeing that there was a major risk, compared with 58 percent of those who had not in the later study (Kelly et al., 2005).

Knowledge of the assistance available for employing people with disabilities was low in both countries. In the US, only 25 percent of employers in the Domzal et al. (2008) study were aware of the services of their local One-Stop. Only 8 percent knew about the Employer Assistance and Recruiting Network (EARN), a government-funded service which could assist them in locating and recruiting qualified workers with disabilities and in providing technical assistance on disability employment-related issues. The Job Accommodation Network (JAN) provides free consulting services on accommodations, an issue of particular concern to all companies in the survey, but was known to only 7.4 percent. Awareness was much lower for small and medium size companies generally than for large ones. Most accommodations cost little, but a variety of tax credits are available to employers in the US for hiring people with disabilities and making accommodations, but these are under-used (Robertson and Peterson, 2002). In a 2003 UK study only 20 percent of employers had sought advice about any aspect of employing people with disabilities, and 17 percent had sought advice from Jobcentre Plus (Roberts et al., 2004). In the later study of small employers (Kelly et al., 2005), there had been a decrease in seeking external advice from 15 percent in 2003 to 11 percent in 2005, and only seven percent said that they had sought advice from Jobcentre Plus in 2005.

The lack of awareness about employing people with disabilities, especially among smaller employers, needs to be addressed. In the US, small firms (0-19 employees)⁷ accounted for 18 percent of all employees, and those with 1- 499 employees accounted for 50 percent of all people employed in 2006 (US Census Bureau, 2008). In the UK, small firms (1-19 employees) accounted for 28 percent of employees, and those with under 250 employees accounted for

57 percent in 2007 (Department for Business, Enterprise and Regulatory Reform, 2008).⁸ Policymakers and government managers in both countries should ensure that information on the supports available to employers is widely publicized and easy to access.

Challenge Three

Services Are Needed to Engage People with Disabilities Before They Move Onto Long-Term Benefits

Timing of intervention is another important aspect of designing effective PES delivery to people with disabilities, particularly as problems can accumulate when people have been out of work for some time. Intervening early is important, as most people initially consider that they will return to work but may lose confidence in themselves and become demotivated when they are out of work for a long period. In the US, people with disabilities are not encouraged to think about returning to work until they have been through a lengthy application process for Social Security disability benefits during which they have to provide documentation of their inability to work at self-sustaining levels. By the time benefits have been approved, people have become adjusted to being out of the labor market; it is at that point that they receive a ticket under the Ticket to Work program that is supposed to encourage and motivate them to choose and take up return to work services. The timing of this intervention may have (among other factors) contributed to the low take up of the Ticket program.

In comparison, in the UK, return to work intervention starts at an early stage when people are making their first claim for benefits and, in some pilot projects, when people are on sickness leave from work, before they even apply for benefits. It appears that the UK system is trying to build more “checks” into its system allowing for early and consistent targeting of individuals with disabilities or health issues. This approach is reinforced by the new Employment and Support Allowance that places more emphasis on people’s “work capability” rather than their incapacity (DWP, 2008b).

Further, engaging people with disabilities in return to work activities is challenging (c.f. Gervery et al., 2007). However, innovative strategies are emerging

in the UK that take this into consideration, for example, by placing Jobcentre employment specialists in primary health care practitioner offices working with medical staff on connecting people on sickness or disability-related benefits to employment services before they go onto long-term benefits (Sainsbury et al., 2008). Following a recommendation made by the Black Report (2008), the government will pilot a “Fit to Work” service where health practitioners will electronically refer patients to different types of work-related health supports including exercise and physical training, cognitive behavioral therapy and counseling, physiotherapy, occupational therapy and other interventions (DWP/DoH, 2008). These strategies are well worth experimenting with, but evidence is yet to be provided on their effectiveness in helping people return to work. Equally important for engaging people with disabilities in return to work services is the early provision of accurate advice about the financial implications of returning to work, and information about all the financial incentives available.

Challenge Four

One-Stop Programs Need to Address All Barriers to Work of People with Disabilities

The One-Stop shopping approach is useful because it acknowledges that no one agency or service provider is equipped to address all the needs of job seekers, particularly those with more complex barriers to employment, including people with disabilities and health issues.

There is also an increasing awareness of the many barriers to employment faced by people with disabilities, including their disabilities or health problems. For example, Roessler et al. (2006) surveyed 55 Social Security disability recipients who qualified for the Ticket to Work program about their barriers to returning to work (among other things). Respondents reported an average of 3.59 barriers to returning to work, with 22 percent mentioning six or more barriers. Those mentioned most frequently included: disability limitations (43 percent), lack of available work (18 percent), need for medical treatment (17 percent), lack of skills (15 percent), lack of transportation and lack of confidence (each at 13 percent). Other barriers, mentioned less frequently, were employer confidence, start up cost for self-employment, lack of job accommodation, cost of looking

for work, lack of affordable housing, benefits, family support, home modifications, and child care.

Given the One-Stop concept and the increasing awareness of the multiplicity and complexity of employment barriers faced by people with disabilities there is an opportunity for the PES in both countries to take a more holistic approach to employment service delivery. Innovative strategies are emerging in the UK that take this into consideration by helping people better understand and manage their disability or health condition (e.g., Condition Management program, Fit to Work pilot services), but as already indicated, these need more research on their effectiveness.

Bringing together a range of services and the agencies that provide them and integrating them into a service delivery system that already is complex and often very localized can be challenging as known from previous research. Studies report on Vocational Rehabilitation (VR) staff's initial concerns about rehabilitation services being folded into the generic One-Stop system, their doubts about the system's ability to meet the unique needs of people with disabilities, and fears about loss of professional identity (Timmons et al., 2004b). Other studies reported on the challenges to change One-Stop staff's mindset not to automatically refer people with disabilities to VR (Hall et al., 2007). Further work needs to be done on identifying effective strategies that will help address the obstacles employment service providers within the US and UK PES systems face and allow for the delivery of both comprehensive and integrated employment service delivery.

Challenge Five

Governments in the United States and the United Kingdom Need to Achieve an Appropriate Balance Between Mandatory and Voluntary Participation in Employment-Related Services

Currently the US uses an entirely voluntary approach to encouraging people with disabilities to think about (returning to) work, while the UK has adopted a partially mandatory approach, including a series of Work-focused Interviews (WFIs) in which the possibilities of returning to work are explored for people initially applying or re-applying for incapacity benefits. The Incapacity Benefit Personal Advisers (IBPAs) who conduct these interviews had mixed

views about their mandatory nature: some saw the possibility of sanctions for non-attendance as undermining the building up of a positive relationship, while others saw it as integral to the Pathways process. Many IBPAs contacted claimants before the first WFI to reassure them that they would not be forced back to work (Knight et al., 2005). However, research has shown that some people attended WFIs only because of the threat of sanctions (Mitchell and Woodfield, 2008). While people who were reluctant to attend WFIs generally remained so, others who participated in WFIs did develop a more positive view of returning to work.

There is evidence from research in both countries that people are most motivated to participate in work-related activities if they are doing so on a voluntary basis (c.f. US: Perez-Johnson et al., 2004; McConnell et al., 2005, 2006; UK: Casebourne et al., 2006). However, there is evidence for at least a limited amount of success for the UK mandatory approach, though the effectiveness of a series of WFIs, rather than one or two, is currently unproven (Corden and Nice, 2006a). Such interviews may be useful in at least suggesting the possibility of work, and might be so for existing as well as new benefit claimants. In the UK, there are plans to increase the requirements on most people receiving the new Employment and Support Allowance to engage in work-related activities with the goal to return to work. These are to be piloted, and the mandatory approach should certainly not be generally extended without much more research on achieving the best balance between mandatory and voluntary activities.

Challenge Six

There is a Clear Need for Research on Employment Services and Initiatives that is Independent of Government

Much of the US evidence in this review is qualitative in nature, highlighting a need for more research that better ties specific strategies to employment outcomes of people with disabilities as indicators of the strategies' effectiveness. Creating an evidence-base for effective strategies will positively impact their transferability and replicability to other contexts and settings. This research effort will be not easy given the methodological challenges that arise, for example, from the high variability among One-Stops at the local and state levels in the US, the difficulty of

isolating specific aspects of services for evaluation, and ethical and practical difficulties of using randomized controlled trials.

Further, many of the research studies included in this review were funded by US and UK government agencies seeking answers and possible solutions to a particular set of problems. Although most of this research is carried out by independent researchers, the government has a role in setting the questions to be asked. Davies's study (2008) illustrates how this can lead to the overlooking of important issues. In the UK, there is a strong drive to use the non-profit sector and private contractors to provide public employment services, but few of the many studies commissioned by the Department for Work and Pensions have included an investigation of providers' effectiveness by sector. Davies's (2008) review of government-funded evaluative reports reveals that the little evidence available does not support the government's case for non-profit and private providers being more effective than Jobcentre Plus's own (in-house) provision. Thus, there is a need for more independently-funded research, not tied to the agenda of either government, that investigates strategies and critically evaluates their effectiveness. This will help create a more comprehensive and balanced research agenda that is better able to respond to the changing PES field, allowing for the creation of more objective and useful information and knowledge.