

## Small Business Relations: Establishing Partnerships with a “Dual-Customer” Approach

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The Vocational Rehabilitation Research and Training Center on Demand-Side Strategies is a national center for improving the vocational rehabilitation (VR) system's responsiveness to employer needs. The Center conducts research, training, and technical assistance activities regarding state VR agencies' capacity for assessing and meeting business needs. As part of this effort, the Center formed a Community of Practice (CoP) focusing on dual-customer approaches that can help VR agencies meet the needs of small businesses in changing economic environments.

Under the CoP model, individuals with a common interest in VR relationship-building with small businesses collaborated over an eight-month period to define the topic, share ideas, and develop solutions and strategies. The Center invited employment specialists (designated National Employment Team contacts) from eight state VR agencies, an independent business consultant, an expert in entrepreneurship, and a mentor to small business owners to participate on six teleconferences with topical agendas set and co-led by the participants.

This CoP discussed a variety of topics of interest to VR, including promising practices for VR and small business owners. The teleconferences began with defining “small business” (for this CoP, this refers to a business with 50 or fewer employees). Participants hoped to incorporate lessons learned about how VR agencies can improve their small business relations.

The focus on small businesses stems from the disproportionate share of the employer market they account for, as well as the rapid growth of small businesses in the U.S. compared to larger firms. The U.S. Census Bureau's statistics support this decision.

- » Small businesses make up 99.7% of U.S. employer firms, and 64% of net new private sector jobs. ([www.sba.gov/sites/default/files/FAQ\\_Sept\\_2012.pdf](http://www.sba.gov/sites/default/files/FAQ_Sept_2012.pdf))
- » Businesses with fewer than 99 employees employed approximately 169 million Americans, while businesses with more than 500 employees employed close to 59 million. ([www.census.gov/econ/susb/](http://www.census.gov/econ/susb/))

- » In 2010 there were 27.9 million small businesses in the U.S. versus only 18,500 firms with 500 employees or more. ([www.sba.gov/sites/default/files/FAQ\\_Sept\\_2012.pdf](http://www.sba.gov/sites/default/files/FAQ_Sept_2012.pdf))

For the purpose of this CoP, “dual customers” are the eligible VR consumers who are seeking full or part-time employment in a competitive integrated setting. It also refers to the employers who are looking to hire qualified skilled employees, or willing to train a potential employee who will benefit the company. This brief focuses on the VR system serving small employers as a customer, while also meeting the needs of people with disabilities who are seeking employment.

### Small Business vs. Large Business Approach

It is not as though there is a magical difference in approaching businesses to hire individuals with disabilities. As we look at strategies that enhance the hiring in a smaller business environment there may be many similarities used in the larger businesses as well. What is known is that individual personal contacts from vocational rehabilitation business relations specialists is meaningful for small business owners who normally do not have a human resource department or a large legal department that may look at the hiring practices within the business. Having VR prescreen a candidate for their technical skills and soft skills is an important factor in the small business hiring. Coupled with offering the small business owner some additional resources such as an on the job training fee, access to tax credits are incentives for the small business owner much more than resources that a larger business necessarily needs. One small business owner recently stated when hiring a VR candidate, “You know the person's background and abilities because they are prescreened and prequalified, that is particularly attractive to a small shop where one person can make or break synergy and productivity.”

In addition to exploring strategies discussed by the CoP, the Center also administered the 2014 National Survey of VR and Business Relations, which contained a module focusing on small business relations. The target respondent was the VR agency staff serving as the National Employment Team single point of

contact, who serve as liaisons between their agency and businesses. The VR point of contact works closely with the business community to identify its needs. Most VR agencies reported that they tailor their business relations strategies according to the size of the businesses that they work with. In fact, the survey revealed that most outreach to small businesses is conducted through “personal contact from the VR counselors” or through other VR agency staff (see Table 1). One of the other most frequently reported methods of outreach to small businesses was through business organizations, such as the Chamber of Commerce.

Public VR programs have also made changes to meet the needs of employers. Many VR agencies have built an infrastructure to meet these business needs. For example, agencies have hired business employment representatives that are responsible for building relationships between the agencies and local businesses. In 2011, the ICI conducted a national survey of state VR agencies and found that 70.3% (45 of 64 reporting agencies) of VR agencies employed a business employment representative – defined as specialized staff that invested 50% or more of their time working as business employment representatives or placement specialists ([http://explorevr.org/publications/organization\\_structure/review\\_vr/home-pubs/demand-side-strategies-prevalence-of-business-employment-representatives-in-vocational-rehabilitation-agencies.html](http://explorevr.org/publications/organization_structure/review_vr/home-pubs/demand-side-strategies-prevalence-of-business-employment-representatives-in-vocational-rehabilitation-agencies.html)). Our 2014 survey findings are consistent with the previous survey findings: 68.7% (46 of 66 reporting agencies) of VR agencies have specialized VR staff (staff that spend more than 50% of their time) implementing business relations strategies. These specialists work closely with the VR counselors and consumers while making contacts with large and small community employers with a business need to hire qualified employees.

### **What are some effective strategies for VR outreach to small businesses?**

The CoP began with discussions about ways the VR system can use its unique position in outreaching to small businesses. The following approaches were discussed amongst the participants as strategies that could lead to establishing more relationships with small businesses and opportunities to employ people with disabilities.

#### **BUSINESS RELATIONS SPECIALISTS BUILD PERSONAL RELATIONSHIPS**

Establishing a partnership between a business

relations specialist and an employer is built on trust that the business relations specialist will meet the business needs of that employer. This demand-side approach will meet the VR agency's need to place qualified VR consumers in employment, while benefitting the employer's need to fill a position.

#### **OFFERING PRE-SCREENED CANDIDATES VS. GENERAL OUTREACH**

VR may use a data bank of qualified consumers. These are clients who have been assessed by VR, and whose strengths and weaknesses are well understood by VR staff. Approaching the employer with pre-screened candidates will provide a qualified pool.

#### **COMMUNITY REHABILITATION PROVIDERS OPENING THE DOORS TO SMALL BUSINESSES**

Many VR agencies use Community Rehabilitation Providers (CRPs) to meet the employer's needs for qualified employees with disabilities. Often times CRPs can make the initial contact with employers. This provides an opportunity for VR and CRPs to work collaboratively to understand the employer's needs while assessing the consumer's skill set. CRP job developers represent the consumer and VR while building a lasting relationship with the employer.

#### **THE NATIONAL EMPLOYMENT TEAM**

The Council for State Administrators for Vocational Rehabilitation (CSAVR) National Employment Team provides employers from across the nation with single points of contact in each state VR agency. In most cases, these contact people are business relations personnel who work closely with VR counselors and employers. Employers do not need to work with multiple agencies to find a candidate pool of qualified pre-screened potential employees, even across state lines.

#### **JOB DEVELOPMENT LEADERSHIP NETWORK (VR STAFF, CRPS, AND BEYOND VR PLAYERS): COLLABORATION WITH JOB ORGANIZATIONS**

In some states there are networks of job developers that may work for a variety of agencies, including but not exclusively VR, who have many qualified candidates to meet an employer's needs. If one agency does not have a candidate for an employer, they still have a relationship with those job developers and may outreach to their counterparts to seek candidates that will meet that employer's business needs.

## How to begin an employer partnership

VR agencies have potential to build long-lasting relationships and partnerships with the small business community. Acknowledging the employer as a customer and marketing how VR clients and resources can meet the needs of the business is vital to building a strong and successful partnership.

The VR counselor/employment specialist should have a clear understanding of the employer's mission and goals in expanding its staff. Therefore, VR staff should come prepared to any business meeting, having done some research beforehand. It is important to understand the meeting attendees' positions within the company, and if he/she has the authority to hire and is prepared to have a conversation about staffing the company.

The key to establishing a viable partnership is first building a relationship that allows the employer to recognize the benefits of working with an agency that has pre-screened a qualified, untapped talent pool ready to enter the labor market.

### **Questions to think about before visiting an employer:**

- » What's the mission of the visit? To find a specific VR customer a job? To learn about the small business and its products/services?
- » What's the culture of the business? Casual/formal attire? Four employees or 50?
- » Where is the business located? Near public transportation?
- » Is it best to cold-call or email/call ahead?

## What can VR offer to small businesses?

The benefits for small businesses to work with VR services are vast. Small businesses of 50 employees or fewer usually do not have human resource departments that can interview and assess potential employees on a large, rapid scale. Involving a VR counselor/employment specialist can quickly match a job candidate to a small business, creating a mutually beneficial relationship. VR acts as the "screener" while providing the employer with any necessary additional supports and incentives, based on both the needs of the consumer or the employer.

### **Here are some examples of employer incentives to hire through VR:**

#### **WORK OPPORTUNITY CREDIT**

The Work Opportunity Credit provides eligible employers with a tax credit up to 40 percent of the first \$6,000 of first-year wages of a new employee

if the employee is part of a "targeted group." An employee with a disability is one of the targeted groups for the Work Opportunity Credit, provided the appropriate government agencies have certified the employee as "disabled." The credit is available to the employer once the employee has worked for at least 120 hours or 90 days. Employers claim the credit on Form 5884, Work Opportunity Credit (PDF).

#### **ON THE JOB TRAINING (OJT)**

Each state VR program can provide OJT to employers who want to provide training to a VR consumer/employee in order to learn job tasks. This may be a training payment directly to the employer on a decreasing basis, or may be a salary paid directly to the VR consumer/employee. Each VR agency has its own process for OJT.

#### **JOB COACHING**

Job coaches specialize in assisting individuals with disabilities to learn and accurately carry out job duties. Job coaches provide one-on-one training tailored to the needs of the employee. They may first do a job analysis to identify the job duties, followed by developing a specific plan as to how they can best train the employee to work more and more on his/her own until completely self-sufficient and able to perform job duties accurately and effectively without assistance.

#### **CUSTOMIZED EMPLOYMENT**

Customized employment individualizes the relationship between job seekers and employers in ways that meet the needs of both. Each job seeker's unique strengths, needs, and interests are thoroughly discovered so they can be fully used to the benefit of both employee and employer. This consumer-driven model of job-development can be a successful alternative for clients with complexities versus the traditional, labor-market-driven approach.

#### **UNDERSTANDING REASONABLE ACCOMMODATIONS**

The VR representative can help the employer understand and provide reasonable accommodations for the employee. A "reasonable accommodation" is any change or adjustment to a job or work environment that permits a qualified applicant or employee with a disability to participate in the job application process, to perform the essential functions of a job, or to enjoy benefits and privileges of employment equal to those enjoyed by employees without disabilities.

## COUNCIL OF STATE ADMINISTRATORS OF VOCATIONAL REHABILITATION/THE NATIONAL EMPLOYMENT TEAM

The national network of the 80 public Vocational Rehabilitation (VR) programs supports a united or "one company" approach to working with business customers. The 80 VR directors have each named a business consultant that functions as the designated point of contact for their agency. These 80 points of contact, through CSAVR leadership and support, form the National Employment Team, or the NET. The NET's mission statement: "To create a coordinated approach to serving business customers through a national VR team that specializes in employer development, business consulting and corporate relations."

The VR counselor/employment specialist represents an agency that can provide many resources for making an employer/employee match become a reality. The employer may start out with objections to hiring someone with a disability, and the mere introduction of who you are could conjure up objections by the business owner. It is best to be

prepared with success stories and reasonable tools, supports, and incentives that will enhance the company's bottom line.

Although there are no guarantees as to a successful hiring match, building relationships whereby employers can reach out to you at any time will be key to engaging small business owners in hiring and retaining people with disabilities.

Businesses want employees who can work without liability or inherent costs. The VR system should consider the concerns of the business in order to offer the right strategies for how to address them. VR representatives should have their resources available, listen to the employer, hear what their needs are, and provide them with workers who have the qualifications the small business owner needs. A clear focus on building and maintaining long-term relationships with the small business community will be beneficial in helping people with disabilities secure competitive employment now and in the future.

**Table 1. Methods of VR agency outreach to small businesses (N = 65)**

Outreach strategy	VR agencies N (%)
Personal contact by vocational rehabilitation counselors	55 (84.6)
Through business organizations (e.g. Chamber of Commerce)	52 (80.0)
Personal contact by job placement specialists	47 (72.3)
With printed marketing materials	44 (67.7)
Through job fairs	41 (63.1)
Personal contact by NET single point of contact	37 (56.9)
Through VR contractors	32 (49.2)
Through state VR agency websites	20 (30.8)
Through social media	20 (30.8)
Other	4 (6.2)

Source: 2014 National Survey of VR and Business Relations.

# Explore VR

[www.exploreVR.org](http://www.exploreVR.org)

Review VR is a publication of ExploreVR, funded in part by the National Institute on Disability and Rehabilitation Research (NIDRR) and the Rehabilitation Services Administration (RSA) of the US Department of Education, Grant # H133B070001 and Grant # H133B120002. ExploreVR is the data hub for a group of vocational rehabilitation research projects at the Institute for Community Inclusion at the University of Massachusetts Boston.

The VR-RTTC on Demand-Side Strategies, featured on Explore VR, conducts research, training, and technical assistance activities. Our goal is to engage employers and respond to their needs as customers.

