

Self-Employment for Homeless Veterans with Disabilities

Introduction

The National Coalition for Homeless Veterans (www.nchv.org) and the Veterans Administration (www.va.gov/homeless) both estimate that as many as 300,000 veterans, or 23% of all vets, experience homelessness annually. Of these, 96% are male, 45% have some form of psychiatric disability, and approximately 50% have a substance abuse problem. Over 65% of these men served no less than 3 years active military service, 33% in a war zone.

The statistics get worse. Over 200,000 veterans, many with mental health diagnoses, are in prison. Combining a criminal record with homelessness, disability, poverty, chronic health concerns, and other issues, employment retention rates suffer dramatically. Under such circumstances, self-employment, for some, is a reasonable accommodation that circumvents the competitiveness of traditional job searches, may provide the personal control many individuals seek in their lives, and functions to spotlight skills and abilities over perceived deficits.

Beginning The Self-Employment Process

Starting a business is best done in stages. Matching a person's skills, interests and experience through a process known as Discovery is, for many, the beginning step. Discovery takes the place of more traditional assessments and relies instead on information that already exists, but that often requires unearthing through interviews of the individual and others known to the person. Discovery includes a review of past work successes; understanding personal, vocational supports and instructional strategies that may be required; and culminates in the identification of several vocational themes. These themes are over-arching interests that typically include existing or learnable skills that make pursuit of work in a particular area potentially successful.

The power of Discovery lies in its movement away from searching out job descriptions and instead focusing on broader categories that allow investigation of vocational fields. Discovery will be less intense for someone with a solid career background who simply needs some assistance getting back into the world of work, compared to someone who has a spotty career history, marked by recurrent job loss or disciplinary, performance, or behavioral issues. Note that Discovery does not begin with the assumption of wage or self-employment; rather the process leads to determination of the "ideal conditions of employment" at this time, and the subsequent employment search will refine the model of employment sought.

Some strategies for conducting Discovery include:

1. **Start in the person's predominant neighborhood and those he or she is closest to.** Explore, through conversation and observation, clues about past work and education, interests, skills and tasks performed. Explore competency levels as well as the surrounding neighborhood for employment or work-experience opportunities, transportation resources, and places to learn new skills.

2. **Don't simply go to places of interest; participate.** In other words, plan activities that demonstrate the skills and tasks the individual can perform, wants to learn, and has an interest in learning. Using paid work experiences through the local One-Stop/Workforce Center or Vocational Rehabilitation is an invaluable means of testing for support needs, best supervisory and work-task instruction methods.
3. **Seek to establish at least three vocational themes in the individual's life.** These are not job descriptions, such as "wants to be a short-order cook." Instead, think more broadly; in this case think the food or hospitality sector. This leads to a richer series of activities in relevant environments. Someone interested in cooking may simply be grasping at the one job they've had in the past or that someone has told them they might be able to do, or that is available in the labor market. By exploring the broader field of food, using both Informational Interviews and short work-experiences, a world of possible tasks and environments is opened.
4. **Develop a vocational profile capturing the essence of the person,** their predominant skills, and the three areas of vocational relevance.
5. **Make Discovery a project.** That is, manage it with a start and finish date. This process is not about getting the job of a lifetime. This job is instead the beginning of the rehabilitation process and not the end. Therefore, starting with a job that matches existing or quickly learned skills, in an environment that matches the individual's profile is the desired outcome. We are finding that precise focus on an individual by a team should result in adequate Discovery that takes 10 to 60 hours over a 6 to 8-week period.

There is more information on Discovery at www.start-up-usa.biz and www.griffinhammis.com

Business Resources for Veterans with Disabilities

In many instances, wage employment may not be the best match simply because the comparative nature of applying for jobs often screens individuals with disabilities out. Also, medications may have side effects (e.g. drowsiness, lethargy) that make it difficult to work traditional day jobs; accommodations for back injuries or pain management may not be readily available to a wage earner; or the symptoms of Post Traumatic Stress Disorder (PTSD) and various anxiety or personality conditions may make working alongside others somewhat difficult and require the flexibility that sometimes comes with being self employed.

One of the next steps is reviewing local small business resources and making certain that any disability benefits are being maximized, leveraged, and protected throughout the business development process.

Collect as much information on the disability benefits that the veteran may qualify for or is currently receiving. Be aware that often there are specific guidelines related to self-employment and benefits. If a veteran is applying for or receiving disability benefits from the VA or the Social Security Administration (SSA), a review should be scheduled with the closest Work Incentive Planning and Assistance (WIPA) project. WIPA offices are found at: <https://secure.ssa.gov/apps10/oesp/providers.nsf/bystate>

The thorough benefits analysis may reveal potential for successfully applying to SSA for a Plan for Achieving Self Support or PASS. A PASS is used to satisfy an individualized career goal, using an individual's SSA cash benefits while maintaining both cash and medical benefits through the development stages. The money does not have to be repaid and constitutes a self-directed, though SSA managed, source of funding. More on the PASS can be found at: <http://www.socialsecurity.gov/disabilityresearch/wi/pass.htm>

If the veteran has a service-connected disability, he or she should contact the Veterans Benefits Administration's Vocational Rehabilitation and Employment (VR&E) (<http://www.vba.va.gov/bln/vre/>). VR&E's Guidelines for the Administration of a Self-Employment Plan established the standards of practice for the development of a veteran's self-employment plan. According to these guidelines, the vocational counselor can assist the service-disabled veteran in becoming self-employed by:

1. Enhancing vocational opportunities for veterans for whom self-employment is the most viable option to become suitably employed;
2. Assisting veterans in identifying self-employment potential and candidacy based on eligibility criteria;
3. Completing, coordinating, or contracting for a preliminary evaluation of a veteran's potential for self-employment, to include identifying any areas of concern or barriers to the successful pursuit of a self-employment plan;
4. Conducting a thorough and adequate feasibility analysis of all proposed business plans;
5. Providing services based on economic viability and the severity of disability;
6. Monitoring, evaluating, measuring, and verifying all self-employment plans/goals; and
7. Providing services and assistance that produce a sustaining and successful self-employment business, which continues after rehabilitation services are completed.

The state Vocational Rehabilitation program can also serve anyone with a serious disability, including vets (http://wdcrobcolp01.ed.gov/Programs/EROD/org_list.cfm?category_ID=SVR). If the veteran is also Native American, tribal VR may be able to help as well: <http://www.canar.org/>.

These systems can provide for assessment, training, business services and development, initial funding, etc., if the applicant qualifies. It may be helpful to review each state VR policy on self-employment to better understand their particular processes: http://www.start-up-usa.biz/resources/state_policies/state_policies.cfm

Additionally, the Veterans Entrepreneurship and Small Business Development Act established The Veterans Corporation (TVC), which is a federally chartered 501(c)(3) organization (<http://www.veteranscorp.org/>). TVC is charged with creating and enhancing entrepreneurial business opportunities for veterans, including service-disabled veterans, and provides online training resources, has a Virtual Business Incubator, and has three centers that provide face-to-face assistance and training. The TVC Veterans Virtual Business Incubator (VBI) can assist a veteran in starting or expanding a business by locating small business resources in the veteran's state or community. In addition, the

Veterans VBI offers various business services (e.g. accounting, printing, website development).

In addition, the Small Business Administration (www.sba.gov) has an Office of Veterans Business Development that offers a number of services including business plan workshops, feasibility studies and analysis, entrepreneurial training and counseling, and other business development services.

The ubiquitous Small Business Development Centers (SBDCs) (www.sba.gov) offer classes and seminars on starting and operating a small business and can provide individualized consultations on writing business plans, implementing a feasibility study, developing financial statements, and other tasks essential to starting a business. SBDCs offer generic services and may or may not have specialized skills regarding vets or disability. Regardless, they are welcoming, know their local communities, and are an essential partner in economic development activities across the country. Additional small business resources can be found listed at: <http://start-up-usa.biz/resources/links.cfm#13>

As the business idea matures, and the potential for a PASS and the various vocational rehabilitation resources are explored, business loans may also appear relevant, including the Microloan Program and the Patriot Express Loan Initiative under the Small Business Administration (SBA). The Microloan Program provides very small loans to new and expanding enterprises. The Microloan Program makes funds available to nonprofit community-based lenders and these intermediaries (e.g. credit unions) make the loans to eligible borrowers.

The Patriot Express Loan was established in June and is available through the SBA's network of participating lenders. The program is for veterans, service-disabled veterans, active-duty service members participating in the military's Transition Assistance Program, Reservists and National Guard members, current spouses of any of the above, and widowed spouses of service members or veterans who died during service or from a service-connected disability.

There are several other emerging or proposed loan funds and programs, and regardless of which ones fit best, the successful applicant is encouraged to have the following drafted in order to successfully negotiate with the lender:

1. A draft Business Plan including a start-up budget and a schedule of major developmental events;
2. At least 2 years of cash flow projections;
3. Specific details of how a PASS or loan will be used, including major purchases, dates, and suppliers;
4. A review of proposed management structure and operational design;
5. Personal financial records and credit-score.

Summary

While a full treatise on self-employment is beyond the scope of this paper, some final thoughts on the business planning process are warranted. Of course, hundreds of good books on developing businesses, writing business plans, and managing companies exist, complimented by ever-expanding internet resources. Still, starting your own business or assisting someone in starting one is always intense, individualized, and unique. As noted earlier, having a sense of who the prospective business owner truly is is critical to developing a successful company. Having only one vocational idea or theme is a sure-fire way to fail. By exploring several ideas, interviewing and observing others who own related businesses, and by engaging in work experiences in these settings, an individual can meet others with similar interests and skills, recognize areas where they may need additional support, begin to understand the realities of running a business or of particular industry conditions, and gain insight into better ways to satisfy customers.

And, while writing a business plan may not be the most enjoyable task, they typically prove critical in leveraging funds, and in really thinking clearly about the business idea. The planning process is usually more important than the plan, and while the majority of successful businesses in the United States do not have formal plans, it is clear their owners thought through their finances, their methods of production, customer service, and sales. So too should anyone embracing a start-up, because it is easier to address a concern before the doors open than after a dissatisfied customer storms off.

The crucial elements of the business plan are more thoroughly discussed in the narrated presentation that accompanies this article and can be found at www.hvrp.org.

Owning a business does not mean one has to be talented in all areas of management, accounting, production, and marketing. Most small business owners are artisans, and not business-school graduates. Most owners learn related business skills through repetition and necessity, and out-source the tasks that they do not enjoy, cannot master, or that distract them from making profits. The key to deciding on a particular business often rests with the financial projections that indicate profitability after necessary supports are accounted for. And, approaching a business start-up in this manner, the skills and interests most likely to keep the owner engaged, happy, and productive are attended to fully, while employees or contractors are added to carry out the ancillary tasks. There is no rule that says that even the single owner-operator has to do and master all operations.

Self-employment, if it includes the support necessary to accommodate or circumvent existing disabilities is a viable option for veterans with disabilities. Success rates for small business continue to increase and the folklore of mass failure has been replaced with the reality that business ownership is today the fastest growing career option of Americans, and accounts for the majority of job growth in the country. Self-employment should be treated as a serious career path consideration.