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The future of supported employment: Don't panic!

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Abstract. Over the past ten years, much has been written regarding supported employment's future. Many authors have claimed that supported employment is "losing momentum" or "stalling". These authors have made several recommendations designed to revitalize supported employment's growth. The present paper examines data presented by previous authors, constructs a new interpretation of supported employment's status, and proposes strategies for improving supported employment's growth.

Keywords: Supported employment, costs, funding, employers

1. Introduction

Since Wehman and Kregel's [18] seminal article, At the Crossroads: Supported Employment A Decade Later, much has been written about supported employment's allegedly bleak future. For instance, Wehman and Kregel have indicated that supported employment has "lost much of its momentum" since the mid-1980s [18, p. 286]. Rusch and Braddock demonstrated that the "growth of supported employment has all but stalled" [13, p. 237]. Johnson stated that supported employment has failed to help "people with disabilities over the poverty line" [7, p. 243]. Finally, Mank found that "access to supported employment is limited, the quality of the outcomes is challenged, and the investment in change appears to be dwindling" [8, p. 2].

Although they at times use different sources of data, these authors by and large agree upon three main points: First, the rate at which individuals are placed in the community via supported employment has slowed considerable since the 1980's. Second, the amount of funding that supported employment has been receiving is less than ideal. And finally, despite the overwhelming evidence demonstrating the limitations of such programs, funding for and enrollment in segregated programs (e.g., sheltered workshops) continues unabated.

Though there appears to be general agreement in the literature regarding supported employment's recent lackluster performance, few authors seem to agree on how to restore it to its days of glory. For example, Wehman and Kregel [18] made three recommendations to jumpstart supported employment. Specifically, they believe that: (i) funding sources for supported employment need to be diversified, (ii) segregated programs, such as sheltered workshops and "day centers" need to be converted to integrated, community-based programs, and (iii) supported employment programs need to serve individuals with more significant disabilities.

Rusch and Braddock [13], on the other hand, believe that supported employment can be rejuvenated by ensuring that all students with disabilities leave high school with a competitive job within the community or enrollment in a postsecondary education institution. These authors also indicate that high schools should provide three years of follow-up services for students after they become employed within the community.

Finally, Test [15] indicated that supported employment can be revitalized if: (i) students with disabilities are taught self-determination skills, (ii) goals of programs for 18- to 21-year olds be expanded to include more vocational outcomes, (iii) greater collaboration is cultivated between human service agencies, (iv) the training of personnel providing transition services is improved, and (v) more attention is given to supported employment's positive outcomes.

Although all of these recommendations, if enacted, would undoubtedly improve the status of supported employment and benefit supported employees, they were formulated without a unified understanding of the state of supported employment. More precisely, these authors fail to come to any consensus as to why supported employment may (or may not) be on the decline.

Before any recommendations can be made to "save" supported employment, two questions need to be initially addressed. The first is "What is the state of supported employment?" Before performing last rites, it must be determined whether supported employment is actually sick, let alone terminal.

The second question that must be asked is, "If there is something wrong with supported employment, what is instigating the problem?" Clearly, without understanding the underlying cause of supported employment's allegedly poor performance, advocates cannot hope to revive this crucial program.

2. So what is the state of supported employment?

As indicated above, numerous authors have made disparaging comments regarding supported employment's recent growth; that is, the number of individuals who have been placed in the community. However, as both Wehman and Kregel [18] and Rusch and Braddock [13] indicated, supported employment is growing. In fact, from 1993 to 2002, the number of supported employees placed in the community increased from approximately 72,000 to 118,000 [1]. This equates to programmatic growth of 64%.

Although this expansion is certainly slower than the 322% increase that occurred between 1988 to 1998, where the number of supported employees mushroomed from 23,000 to 97,000, it is a respectable increase nonetheless. This is especially true when the "big picture" is examined.

According the Federal government's official survey for measuring unemployment (the Current Population Survey or CPS), the employment rate for adults with disabilities in general fell 22% from 1992 to 2002 [2]. In fact, according to the CPS, the gross number of individuals with disabilities who were competitively employed in the community actually decreased 7.4% from 1989 to 2000 [14]. Unfortunately, data from the National Health Interview Survey corroborate these findings [16].

In this light, supported employment has actually fared well over the years. Indeed, supported employees are much better off with regard to rate of employment than are individuals with disabilities in general.

However, the data presented by previous authors cannot be denied. The supported employment movement is obviously slowing down since the mid-1980s. Moreover, segregated options continue to gain participants and funding. Why? One potential reason could involve the costs of these programs.

3. The cost of supported employment

In 1998, approximately 97,000 supported employees were receiving services within the community at a cost to the Federal government of $35 million [13]. This is a per capita annual cost of $360.82. In 2002, approximately 118,000 supported employees were being served in the community at a cost to the Federal government of $108 million, or a per capita annual outlay of $915.25. In other words, in only four years, the Federal expenditures associated with providing supported employment services to one supported employee rose by nearly 154%.

People might attribute this tremendous increase in a relatively short period to various economic considerations. After all, the United States was experiencing a substantial "economic downturn" during this time. Yet, as supported employment's costs were increasing, the per capita costs of alternative programs were actually decreasing.

Specifically, according to data presented by Rusch and Braddock [13], approximately 490,000 individuals with disabilities were served via segregated programs in 1998 at a cost to the Federal government of $517 million. This represents a per capita annual expenditure of $1,055.10. In 2002, 483,000 individuals with disabilities were served in segregated programs at a cost of $488 million or $1,010.35 per person.

In other words, while the costs to the Federal government from providing supported employment has more than doubled, the costs of providing sheltered services has actually dropped by 4.2%. Moreover, if this analysis were extended to include data from 1988, when 260,000 individuals were served in segregated setting at a cost of $320 million (i.e., a per capita expenditure of $1,230.77), the decrease in cost of segregated placements would be 17.9%.

Though the current per capita Federal cost of supported employment is still less than segregated options (i.e., $915.25 verses $1,010.35 in 2002), this appears to be a temporary phenomenon. At supported employment's present rate of increase, its costs will soon far exceed the costs of sheltered workshops and day programs.

If this projected increase comes to fruition, it is likely that more and more state and Federal dollars will be reallocated back to sheltered workshops and fewer and fewer individuals with disabilities will be placed in the community by supported employment. In short, the dire predictions made by Wehman and Kregel [18], Rusch and Braddock [13], Test [15], Johnson [7], Mank [8] and many others will undoubted come true.

4. Recommendations

So what can be done to improve supported employment's future? Certainly, individuals with disabilities could be taught self-determination skills as recommended by Test [15]. Or students could exit high school with community-based jobs or be enrolled in postsecondary education programs, as suggested by Rusch and Braddock [13]. Or supported employment could begin tapping new and diverse funding sources, as proposed by Wehman and Kregel [18]. All of these recommendations have significant value. However, none of them will actually address supported employment's underlying problem; that is, they will not decrease the costs of running supported employment programs. To this end, I would like to propose two suggestions that may return supported employment to its days of glory and triple-digit growth.

4.1. Suggestion #1: Identify the cost drivers of supported employment

There are many studies that have explored the monetary costs and benefits of supported employment programs. In fact, a review of the literature published in 2000 identified twenty-one cost-effectiveness or cost-efficiency studies related to this topic [4]. However, each these studies were macro in nature. That is, they examined the total costs and benefits associated with providing services to supported employees. They did not investigate how costs were specifically generated.

Examining the microeconomic nature of supported employment is essential to ascertain since such information gives service providers an opportunity to minimize programmatic costs. For instance, if it were found that job development resulted in the majority of costs attributed to the supported employment process, more effective job development strategies would need to be created and disseminated. On the other hand, if providing follow up services were the primary driver of costs to supported employment, then proposing strategies that promote self-reliance and independence would be more prudent.

Given this hole in the literature, it is imperative that research be conducted on the micro analysis of supported employment's cost-effectiveness. Again, without understanding the nature of supported employment's costs, supported employment cannot be rejuvenated.

4.2. Suggestion #2: Remember employers

My second suggestion to restore supported employment to the growth of the 1980s involves paying more attention to supported employment's often silent partner – employers. Without employers who are willing to hire supported employees, supported employment is doomed. There is simply no way around this fact.

Despite the critical role that employers play in the supported employment process, very little attention has been given to them. Yes, there have been many articles exploring the concerns and perceptions of employers (c.f. [3,6,10–12,17]). However, to date, there has been no systematic attempt to thoroughly explore the monetary benefits and costs associated with hiring supported employees [5]. In other words, there has been no sustained attempt to answer the question, "Is hiring supported employees cost-effective from the perspective of the employer?"

Although it may sound cold and crass to professionals who dedicate their lives to human service programs, such as supported employment, the decision-making process in the business world is often dictated by the financial bottom line. Without having an idea as to whether hiring workers with disabilities will make or cost them money, business owners are likely to continue to be reluctant to hire supported employees. This reluctant translates to slower programmatic growth, increased cost associated with job development, and fewer individuals benefiting from competitive employment within the community. So, in order to effectively promote supported employment within the business world, more must be learned about the monetary outcomes of hiring supported employees.

5. Conclusions

Over the past decade, much has been written about supported employment's purportedly inevitable demise. Numerous authors have discussed the slowing growth rate of supported employment as well as the continued existence of segregate programs (e.g. [1,7–9, 13,15,18]). Many of these authors have made recommendations to revitalize supported employment. However, few of these recommendations, if any, appear to be tied to a reasonable conclusion as to why supported employment is struggling. This is a critical issue given that trying to rectify a problem without understanding the problem itself is often counter-productive.

So what is the cause of supported employment's slowing growth? Clearly part of supported employment's problems is due to the perception of reality. Despite the tone of many articles in the field, supported employment is growing. From 1998 to 2002, the number of individuals employed within the community via supported employment has increased by approximately 64%. Given the fact that the actual number of individuals with disabilities employed within the community has declined 7.4% from 1992 to 2002, supported employment's present rate of growth is actually solid. However, compared to the meteoric increase of supported employees from 1988 to 1998 (i.e., 322%), the supported employment movement appears to be burning out, much like a bright star about to become a supernova. In other words, things only appear bad compared to past performance.

Still, the relatively sudden change in supported employment's momentum is startling – although not necessarily a sign of the End of Days. So the question again is raised, "Why is the growth of supported employment slowing?"

The most likely explanation for supported employment's slowing growth involves its costs. Just as its costs began to rise, the supported employment movement began to stall. For instance, in 1998, the average annual Federal expenditure for a single supported employee was $360.82. Four years later, the per capita cost rose to $915.25. This is an increase of 154%.

At the same time, the costs for providing segregated programs, such as sheltered workshops, have decreased. In 1988, the per capita cost to the Federal government for providing services in a segregated environment was $1,230.77. By 2002, this figure had decreased to $1,010.35.

If the current trends continue, supported employment will soon cost more per person than sheltered employment. If this transpires, the end of supported employment will certainly be within sight. But luckily, there are at least two measures that can be undertaken to turn the tide.

First, more needs to be learned about the nature of supported employment's costs. From where is supported employment hemorrhaging its funding? Is it job development? Initial training? Follow up services? Once the driving forces of the costs are identified, strategies, technologies, or practices may be developed to mitigate the situation.

Second, greater attention must be paid to supported employment's often forgotten beneficiary – employers. Given that most businesses are going to look at the financial bottom line prior to hiring any employee (disabled or not), more research needs to be conducted on understanding the monetary benefits and costs associated with hiring supported employees. Unfortunately, presently very little is known about these very important outcomes of supported employment.

Social programs, no matter how beneficial they are to individuals or society, will not be successful or adequately funded if they are unaffordable. If supported employment is going to regain the triple-digit growth that it experienced in the 1980s and early 1990s, it must begin to contain its skyrocketing costs. Further, we must demonstrate its financial value not only to taxpayers and politicians, but to employers as well.

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