



May 17, 2006
Creating Connections Committee
Chair: Rod Haworth

Final Report and Recommendations

Integrating Individuals with Disabilities into the
Workforce

Section

1 Introduction to the Committee

Purpose Statement: Define specific connections to the work of other councils, including the State Rehabilitation Council, State Rehabilitation Council for the Blind, and MN Job Skills Partnership Board and integrate their work into the 2006 portfolio report where appropriate.

Focus Question: What policy recommendations are needed to integrate people with disabilities into Minnesota's economy to maximize Minnesota's global workforce competitiveness?

Committee Members: Peggy Ann Anderholm, Paul Bridges, Steve Ditschler, Jennifer Dunnam, Chuk Hamilton, Rod Haworth (Chair), Renee Hogoboom, Larry Mareck, Terry Smith, and Jayne Spain

Eric Stevens and Nadia Facey were also involved extensively in the committee's work and provided the committee with information related to the Pathways to Employment initiative and the MN Council on Disability. Their involvement was greatly appreciated by everyone involved in this work.

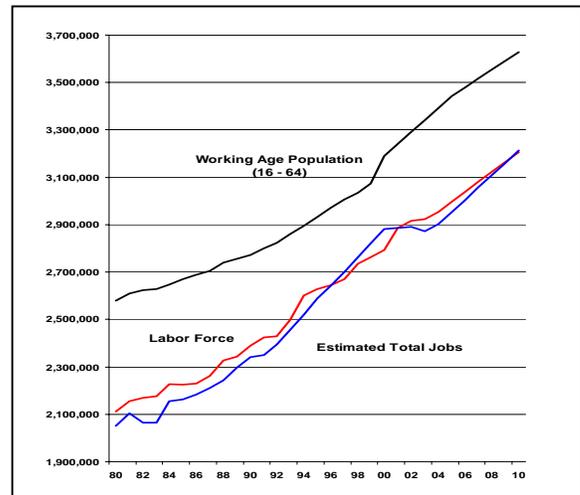
Committee Staff: Gail Lundeen, Jerry Wood, and Koryn Zewers

General Overview of the Committee's Work: Over the past year, the Governor's Workforce Development Council (GWDC) Creating Connections Committee focused on improving the workforce development system to better integrate people with disabilities into the workforce. The Creating Connections Committee met from March 2004 to May 2006. The committee decided to use a broad definition for "people with disabilities." Therefore, "people with disabilities" refers to all people with physical or learning disabilities as well as mental illness. Over the past year, the committee has focused on three major areas: building awareness, building alliances, and building success. This has included: meeting with multiple stakeholders, connecting with other state councils, identifying common efforts across agencies and their connection to the GWDC's work, hosting a small group session at the 2005 Development Conference, and developing recommendations for the *2006 Investment Advisory*.

Advancing people with disabilities in Minnesota's workforce will improve Minnesota's economic advantage over other states: Upcoming workforce and skills shortages will require MN to utilize its untapped labor pool, including people with disabilities.

- ❖ Labor shortages are likely to return starting around 2010 – 2011 if the U.S. has average economic growth over the next five to six years.
- ❖ A severe labor shortage (similar to 1999 and 2000) would require ten years of expansion.
- ❖ Tight labor market in 1998 - 2000 came after a fourteen year expansion with slight pause from 1990 to 1991.
- ❖ Baby boomer retirement choice will impact projections.

People with disabilities make up 9.7% of working-age people in Minnesota and could help fill these gaps in Minnesota's labor force.¹ In MN only 50% of those who



have a disability and are of working age are also employed.ⁱⁱ MN used to have the highest employment percentage for people with disabilities; today MN ranks fourth. Many of these working age people should be integrated into the labor force to help fill current and future gaps.

People with disabilities can also help to fill specific skill shortages. During the 2002-2003 school year, 63.4% of students in special education in the U.S. graduated from high school.ⁱⁱⁱ During the same time period, the average freshman graduation rate was 73.9%.^{iv} In addition, 32% of youth with disabilities attend post-secondary education;^v 33.7% of working age people with disabilities have a high school diploma or equivalent; 28.1% of working age people with disabilities have at least some college; and, 12.7% of working age people with disabilities have a Bachelor's degree or more.^{vi} Therefore, there is a large labor pool available for MN to tap into.

In MN, 82.1% of students with a disability graduated from high school in 2005, and only 4.6% of students with a disability dropped out of school. The average graduation rate for MN students in 2005 was 90.1%, which is only an 8-percentage point difference from students with disabilities. This small difference depicts the value students with disabilities can bring to the workforce; they have similar skills and abilities that other emerging workers have. In addition, over the past six years, the graduation rate of students with disabilities has increased. In 2000, the graduation rate was 78.1% and increased to 82.1% in 2005.^{vii} Therefore, students with disabilities have valuable skills, and they should be considered as a viable means for filling the skills gaps and upcoming labor shortage.

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Build Awareness

Over the past year, the committee has built awareness among GWDC members, 2005 Development Conference attendees, and other stakeholders by:

- Orchestrating short presentations during the GWDC meetings to report on past and current projects (Project C3, Focus on Ability, Business Leadership Network, and agency initiatives);
- Asking community organizations and other agencies to provide the committee with background information for assessing the current issues, including giving presentations at committee meetings.
- Requesting information from agency staff on GWDC grants, such as evaluation of the projects, dissemination of any products, and how results are being calculated;
- Including employment needs of people with disabilities in the GWDC's official deliberations, recommendations, and publications; and,
- Presenting at the 2005 Development Conference during a small group session.

The committee undertook these activities because people with disabilities can play a key role in preparing for the upcoming labor and skills shortages. Committee members determined that in order to better integrate people with disabilities into the workforce, the GWDC and other key stakeholder groups must be aware of the role people with disabilities can play in addressing state labor needs.

In addition, many of the barriers people with disabilities face are due to misconceptions regarding their abilities. According to a Virginia Commonwealth University Charter Business Roundtable report entitled *National Study of Employers' Experiences with Workers with Disabilities*, limited expectations hamper people with disabilities' ability to succeed. Employers' attitudes, human resource professionals' perceptions of ability, and front-line supervisors' knowledge of support needs and services available all impact people with disabilities' access to employment.

The Committee also reviewed an employer focused research project prepared by Market Response International for the MN Governor's Council on Developmental Disabilities, MN Department of Employment and Economic Development, MN Department of Human Services, and MN State Council on Disability. This report discussed employment of people with disabilities, employers' perceptions of hiring people with disabilities, and ideas for improving the system. Based on this information and the Council's previous work, the committee determined the critical areas in which it needed to begin educating the individuals and organizations it was in immediate contact with.

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3 Build Alliances

The Creating Connections Committee built alliances by creating a venue for state boards and agencies to exchange ideas, identifying common efforts, and developing stronger linkages with the educational system.

- 1) Committee membership was broadened to include members from other state boards as well as GWDC members and state agency staff. Members from these boards gave presentations at meetings and provided members with additional information on the other councils' work. By diversifying committee membership, the committee was able to create a venue for the state councils to exchange ideas and to identify common efforts among the state agencies and other boards.
- 2) The committee worked with agency leaders and state boards to identify positions that need to be filled based on cross-representation mandates from the federal government. The State Rehabilitation Council, State Rehabilitation Council for the Blind, and Assistive Technology Council all require cross-representation with the GWDC. Although appointments still need to be made to two of the three councils, the committee has played a role in recruiting GWDC members to sit on these councils and for appointments to be made in a timely manner. These linkages are critical for advancing people with disabilities in the workforce and are mandated by federal law.
- 3) The committee chair and members worked with the Pathways to Employment initiative, which focuses on increasing the employment rate and earnings of people with disabilities and meeting the needs of MN employers through full use of the state's workforce.^{viii} Many of the strategies outlined in the Pathways to Employment strategic plan align with the GWDC Creating Connections committee work, including increasing competitive employment opportunities for people with disabilities. The GWDC will continue its relationship with the Pathways to Employment initiative by providing oversight to the project in the upcoming years.
- 4) Project C3 and Focus on Ability were placed at the forefront of committee discussions and Council meetings to showcase the two innovative initiatives. The GWDC sponsored both grant applications funding these projects. The Department of Employment and Economic Development took the lead role in managing the Focus on Ability initiative, and the PACER Center led Project C3. The committee determined the GWDC should be reconnected to this work since the Council was the original applicant. In addition, both projects provide good examples of ways to help people with disabilities be better integrated into the workforce.
- 5) The Creating Connections committee met with the Career Advancement committee on two occasions to determine how youth with disabilities could be incorporated into the committees' recommendations. The Career Advancement committee is focusing on at-risk youth, and many at-risk youth are youth with disabilities. The Career Advancement Committee decided to expand

its definition of at-risk youth and made specific changes to its recommendations based on these discussions to be more inclusive of youth with disabilities.

- 6) The committee specifically made connections to the MN Business Leadership Network (MBLN) because businesses lead the organization. The committee recognized the importance of employer involvement in advancing people with disabilities in the workforce, and MBLN provides a model as to how some employers are connecting with people with disabilities on their own accord. In addition, MBLN hosts a mentoring day each year for people with disabilities, and the committee was interested in learning more about this activity and the impact it has on this population.

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4 Build Success

The Creating Connections Committee's work on building individuals' and entities' awareness of the role people with disabilities can play in the workforce, building alliances across the state to advance people with disabilities, and conducting additional research beyond these two activities has allowed the committee to identify the barriers people with disabilities face. By looking at the barriers and MN's current system to serve this population, the committee was then able to identify specific improvements MN should make to improve the workforce development system.

Overview of the Barriers for Successful Employment

To identify the barriers people with disabilities face, the committee reviewed numerous reports, talked with multiple stakeholder groups, and utilized committee members' tacit knowledge. The committee determined that four major areas of barriers exist for successfully integrating people with disabilities into the workforce: resources, fear, attitude/expectations/perception, and education/information. Below is a summary of the main barriers the committee identified:

- 1) **Resources:** Many people with disabilities lack the resources they need to use all of their talents and become successfully integrated into the workforce. This includes an insufficient number of employers who are willing to hire people with disabilities, insufficient means for transportation to and from work, too few internships and mentoring opportunities, and barriers raised by health care and social security regulations.
- 2) **Fear:** Employers and their workers have fears about integrating people with disabilities into the workforce, and individuals with disabilities also have fears. Employers fear additional costs; they are uncomfortable gathering information on hiring and employing individuals with disabilities; they have a fear of making a mistake during the hiring process; and, they have a general fear of the unknown that goes with hiring a person with a disability, such as what it will cost them, how much time it will consume, and how it will affect moral. Co-workers are also apprehensive due to their preconceived ideas about working with someone who has a disability. Lastly, individuals with disabilities also have fears about entering the workforce. They fear losing their individual support system when they make a significant change in their life, and they also fear falling off of the public support system due to increased income.

- 3) **Attitude / Expectations / Perception:** Society also has inappropriate expectations and perceptions of individuals with disabilities who enter the workforce and of those who would like to enter the workforce. First, teachers, parents, and the medical community have low expectations of individuals with disabilities, which oftentimes create obstacles for entry into the workforce at an early age. Later in life, people with disabilities are oftentimes categorized rather than being seen for their own individual skill level. This, coupled with the common misperception that people with disabilities are less productive, creates a tremendous barrier for people with disabilities to enter the workforce. Once people with disabilities are in the workforce, employers worry about co-workers' perceptions, expectations, and attitudes, which creates barriers within the workplace.
- 4) **Information / Education:** People with disabilities and employers lack the education and information they need for successfully integrating people with disabilities into the workforce. Employers who do not have a specific diversity initiative oftentimes do not emphasize the importance of hiring people with disabilities and also lack the time to understand and learn about the accommodations necessary for employing a person with a disability. They also do not have a sound understanding of the employment laws, so they are less likely to hire them. In addition, individuals with disabilities lack exposure to adults in the working world and positive role models, do not have the advocacy skills they need to advance their issues, and do not have adequate information on the health care options available to them once they enter the workforce.

Impact of Barriers

MN has the fourth highest workforce participation rate of people with disabilities in the nation. However, there are still many people with disabilities who want to work but are not currently working. According to the US Census American Community Survey, there are 254,321 people between the ages of 16 - 64 in MN with disabilities. Of these people, 127,999 are unemployed. This indicates that over 50% of people with disabilities of working age in MN are unemployed. The same survey indicates that only 16% of people without disabilities are unemployed in MN; there is a 34-percentage-point discrepancy between the two. The Census also reports that about 17% of people with disabilities work full-time compared to 63% of employed people without disabilities. Therefore, this population provides a wealth of untapped resources for meeting future demands.

As with any population, high unemployment rates yield higher costs for tax payers as well. For example, of 2,820 people served through the vocational rehabilitation program in 2004, only 813 individuals had medical insurance through their place of employment and 450 individuals had private insurance. Most of the other individuals received publicly assisted insurance, or they did not have medical insurance. In addition, people with disabilities who do not work are not contributing, like their working counterparts, to the tax base.

Recommendations for 2006 Advisory to the Governor

Based on its work, the GWDC Creating Connections committee recommends the following for inclusion in the *2006 Investment Advisory* to Governor Pawlenty:

The Governor will promote initiatives to increase the number of competitive employment opportunities and outcomes available for people with disabilities. This will include: preparing people with disabilities to enter the workforce and supporting them when they are in the workforce by providing them with advanced skill development, education, and training opportunities to meet the needs of employers; and, developing a method to coordinate the work of the various public and private agencies serving people with disabilities to increase those agencies' effectiveness and reduce redundancies. Specific, measurable activities include:

1. **The Governor will become a champion of employing and supporting people with disabilities by implementing policies and practices across state government, so state government, as an employer, becomes a role model for other employers and labor organizations for hiring people with disabilities.** It is recommended that the Department of Employee Relations be the lead agency, and be fully supported by the Department of Employment and Economic Development (DEED). DEED will develop systematic efforts to demonstrate the value of hiring people with disabilities, provide practical information to assist departments and businesses to successfully hire people with disabilities, and explore avenues for increasing incentives for hiring people with disabilities.
2. **The Governor will host an annual summit that focuses on education, employment, and the transition between education and employment for people with disabilities.** This summit will also act as a venue for bringing together the agencies, councils, and other entities that deal with the employment of people with disabilities. A possible immediate funding source for this summit is the Pathways to Employment Grant, which is administered through the Department of Human Services.
3. **The Governor will partner with business to create and fund additional internship, mentorship, work-based learning, and apprenticeship opportunities for youth and adults with disabilities.** The Governor will partner with employers to establish an on-going effort to ensure people with disabilities have the opportunity to connect with individuals who have the knowledge, skills, and abilities required for employment in various fields. One means the Governor will use to effectively accomplish this task will be to establish a partnership with the Minnesota Business Leadership Network, which currently hosts a mentoring day for youth with disabilities. In addition, to effectively target resources for internships, mentorships, work-based learning, and apprenticeships, the Department of Education will work with school districts to increase the number of counselors who work with students regarding their potential career paths.

Recommendations for Other Entities

Additional changes can be made to advance people with disabilities in the workforce that do not need to be implemented by the Governor or State Legislature. The Creating Connections committee also recommends the following:

The GWDC will support the Governor in increasing the number of competitive employment opportunities available for people with disabilities by:

- Discussing the impacts state education, housing, transportation, and healthcare policy and funding have on people with disabilities entering the workforce in the *2006 Investment Advisory*.
- Coordinating efforts, consulting with, supporting, partnering, and collaborating with other groups based on legislative mandates (State Rehabilitation Council, State Rehabilitation Council for the Blind, and Assistive Technology Council) and other councils / organizations that address employment issues for people with disabilities (Pathways to Employment, State Council on Disability, and Business Leadership Network).
 - The GWDC Chair will host a breakfast or luncheon with other state board chairs to discuss critical workforce development issues impacting people with disabilities.
 - Educating local Workforce Investment Board members regarding employment of people with disabilities.
- Working with educational and training programs, technical college degree and certification programs, apprenticeship programs, two-year colleges, private trade schools, on-the-job

training programs, and universities to actively recruit individuals with disabilities into post-secondary education. This will be supported by the Department of Education's initiative to increase the number of counselors who work with students regarding their potential career paths, so the students understand the vast array of career opportunities available to them.

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Concluding Thoughts by Rod Haworth, Chair

This report is the culmination of a years worth of hard work, dedication, and inspiration by our committee members and support staff. The committee's recommendations and insights are carefully thought through, succinct, and demand action. Far beyond the issue of social responsibility, increasing employment opportunities and positive outcomes for people with disabilities is essential to workforce planning in the most practical sense. If MN is to have a place in the global economy of today and the future, we simply cannot afford the luxury of inaction on this issue. It is the committee's fervent hope that if we meet the challenge before us, we can affect permanent change in the way workforce development takes place and truly produce a win/win for the State of Minnesota, employers, and people with disabilities.

I would be remiss if I did not begin by thanking the Chairperson of the GWDC Cyndi Leshner for her vision in establishing this committee, constant support, true understanding, and enthusiasm for our work. Through her leadership, Cyndi has been instrumental in bringing this issue into the mainstream of workforce planning.

As the committee began its work, we were in agreement with, and driven by, several basic assumptions that provided a focus for our work. They are as follows: we are facing an undeniable shortage of workers in the near future as a generation of baby boomers retire; people with disabilities represent a significant, underdeveloped resource who have the potential to help fill the impending worker shortfall; workforce planners and employers have not recognized the employment potential of people with disabilities in filling this impending shortage; MN can no longer afford to ignore this resource because of negative pre-conceived notions and unfounded fears; and lastly, that a carefully developed, deliberate plan must be formulated to bring this issue into the mainstream of workforce development planning. Key to the success of this plan would be removing current barriers and lack of knowledge surrounding the issue of tapping the potential of employing people with disabilities and also coordinating the efforts and resources of existing agencies and entities that have as their charge employing people with disabilities.

In reviewing the report, I believe the committee has accomplished all that we set out to do and much more. We were successful first of all in connecting and coordinating the energies of our committee members who represented many diverse interests. The committee served as a model of what creating connections should look like and the superior results and synergy that is possible when passionate people focus on commonalities rather than differences. Secondly, through careful study of the issues I believe we have correctly identified the problems and developed concrete, measurable recommendations to begin solving these problems. While not the cure-all, these recommendations lay a solid foundation by identifying key strategies and actions for what should be the beginning of permanent changes in the way we view the inclusion of people with disabilities in workforce planning.

As the work of the committee progressed we were mindful and receptive to the connection with other entities that we saw as essential to developing comprehensive, concise recommendations for the Governor in the *2006 Investment Advisory*. After a few meetings a connection was made with the Minnesota State Council on Disability through Executive Director Joan Willshire who was very supportive of the committee's work. Through Joan another very significant connection was made with

the Pathways to Employment Initiative. The committee gained valuable insight into disability employment issues and proposed solutions based on presentations on the Pathways Initiative by Director of Rehabilitation Services Kim Peck and consultant Eric Stevens. Eric and Nadia Facey, from the State Council on Disability, quickly became contributing partners with the committee. The committee recognized that the Pathways Initiative, with its mandate to improve employment for people with disabilities, would provide an excellent opportunity for collaboration between our two endeavors. The committee was instrumental in pursuing the idea that the implementation of the Pathways Strategic Plan fall under the oversight of the GWDC. This oversight role will greatly improve and legitimize the idea of including people with disabilities in mainstream workforce development planning. Credit goes to former Commissioner of DEED Matt Kraemer for his support of this initiative, GWDC Chair Cyndi Leshner for accepting the oversight role, GWDC Executive Director Brenda Norman for her support and involvement in approving the Pathways Strategic Plan, and to Kim Peck and MaryAlice Mowry for their vision in connecting with the GWDC on this exciting project.

In closing, I would again like to recognize the hard work, dedication, insight, and enthusiasm each member brought to the committee and the wonderful staff support we received throughout the process. Thanks specifically to Gail Lundeen and Jerry Wood for providing insight into specific disability issues related to employment and all the valuable data so vital for analyzing problems and developing the right solutions; to Beverly Friendt for providing the great administrative support so essential to the committee's success; and, especially to Koryn Zewers who was so instrumental in the compilation of this report. Lastly, thanks to all the GWDC members who offered encouragement and fellow Committee Chairs who were supportive of and receptive to our committee's work, especially Sandra Peterson and her Career Advancement Committee for their collaboration and cooperation.

ⁱ Rehabilitation Research and Training Center on Disability Demographics and Statistics. *2004 Disability Status Reports United States*. Cornell University: 2005.

ⁱⁱ Rehabilitation Research and Training Center on Disability Demographics and Statistics. *2004 Disability Status Reports United States*. Cornell University: 2005.

ⁱⁱⁱ U.S. Department of Education. *Graduation Rates Trend Data: Special Education*

^{iv} National Center for Education Statistics. *The Averaged Freshman Graduation Rate for Public High Schools from the Common Core of Data: School Years 2001-02 and 2002-03*. October 2005. 6 April 2006
<http://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2006601>.

^v National Longitudinal Transition Study – 2. www.nlts2.org/pdfs/str6_ch1_intro.pdf

^{vi} Rehabilitation Research and Training Center on Disability Demographics and Statistics. *2004 Disability Status Reports United States*. Cornell University: 2005.

^{vii} Minnesota Department of Education, Statistics.

^{viii} Department of Employment and Economic Development. Rehabilitation Services. 27 March 2006.
<http://www.deed.state.mn.us/pte/index.htm>