Self-Employment Starts with You

*Opportunities and Challenges in Entrepreneurship*

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California Association of Social Rehabilitation Agencies
Acknowledgement

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January 15, 2004

To Whom It May Concern:

I am writing on behalf of Laysha Ostrow who has been in treatment with me since March of 2004. She is on multiple medications to manage DSM IV diagnoses of bipolar disorder and anxiety NOS. It is my psychiatric opinion that Laysha is unable currently to support herself via full time employment. She is unlikely to be able to do so for the foreseeable future. Please contact me if you require additional information.

Sincerely,

[Signature]

[Name, MD]
What is self-employment?

Individuals who work for themselves, either as an unincorporated sole proprietor, or through ownership of a business:

- Sole Proprietorship (an unincorporated business, owned and managed by one individual)
- Limited Liability Company (LLC)
- S-Corporation
- C-Corporation
- Partnership (with no established subchapter S-corporation or C-corporation)
- Commercial nonprofit (a social enterprise legally structured as a nonprofit/501c3 that sells products or services to generate commercial revenue in order to achieve its social purpose)
Outline

I. The Problem

II. Thoughts on Solutions

III. “Self Employment Starts with You”

IV. Next Steps
Problems
Unemployment Problem

- Individuals with psychiatric disabilities have the highest unemployment rate of any group with disabilities, despite the fact that most of these people have the desire and capacity to work
  - 15%-25% employed; 65% endorse employment as a goal

- About 35% of SSDI and SSI beneficiaries qualify on the basis of a mental disability

- Nearly 1/3 of people served by the Federal-State VR program have a psychiatric diagnosis
  - But has a lower employment success rate than individuals with other disabilities
Employment Barriers

- Similar to those of other less well-off workers (such as people with other disabilities and recipients of public benefits):
  - long periods of unemployment
  - lower educational achievement
  - disincentives in social policy

Plus stigma and discrimination
Stigma & Discrimination

- Care providers have communicated a low likelihood of ever being economically self-sufficient
- Discrimination can cause added distress at work and make employment feel unsafe
- Individuals with trauma histories may react to “normal” workplace stressors in unique ways
- Internalized stigma – the “why try” effect
Co-Worker Discrimination

Solutions
Disability Policy Solutions

- Property Essential for Self-Sufficiency (PESS)
  - SSI beneficiaries can have additional funds in a separate business account, if those resources are required for business expenses

- Plan for Achieving Self-Support (PASS)
  - set aside employment-related income or resources that would otherwise be counted toward the limit for SGA

- Ticket-to-Work Program (TTW)
  - offers the choice of a provider from an enrolled Employment Network, not just the state VR agency

- Individual Development Account (IDA)
  - enables combining savings with matching public/private funds for investments in their capacity to engage in competitive employment

Low uptake of many of these programs
System Change through Peer Support

Increased system and support capacity
- Expansion in our approaches to recovery and human rights

Professional opportunities
- Jobs created through peer specialist certification and reimbursement
- Independent peer-run programs and organizations

Changing perceptions of employability and self-sufficiency
- Meaningful employment and contributions of former service users to job roles and the workplace
Expanding Employment Choices

- Peer support should not be the only option
  - Average hourly wage of a peer specialist in a peer-run organization: $13.73/hour (Daniels et al, 2016)
- Self-employment can contribute to labor force participation and wealth creation
- Self-employment provides opportunities to enact a trauma-informed work environment
- Other disadvantaged groups (vets, women, racial/ethnic minorities) have increasing support from the business community
A Theory of Barriers to Self-Employment

Low-readiness barrier
  ◦ Inexperience with business startup, management, and important sources of technical assistance contributes to the barrier to microenterprise of low readiness

Traditional-expectation barrier
  ◦ Conflict in growth-oriented businesses vs. self-supporting microenterprise
  ◦ Business success may mean increase in self-sufficiency and reduction of dependence

Self-Employment Starts with You
Self-Employment & Psychiatric Disabilities

- Individuals with psychiatric disabilities experience high rates of unemployment.
- Recent innovations in health policy and technology can facilitate self-employment.
- Project goal: To examine self-employment and business ownership as a strategy to improve career and financial outcomes for individuals with psychiatric disabilities.

Workers with Psychiatric Disabilities and Self-Employment through Microenterprise

Funded by the National Institute of Disability, Independent Living, and Rehabilitation Research (NIDILRR)
Project Objectives

Environmental scan
- Identify and describe existing policies, practices, or products related to transition from disability to self-employment

Nationwide survey
- Understand the characteristics of individuals with psychiatric disabilities who own microenterprises

Results will provide information to aspiring entrepreneurs with psychiatric disabilities to facilitate creative and economic independence
## In-Depth Interviews with Self-Employed Individuals (N=10)

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<tr>
<th>Gender</th>
<th>Race/ethnicity</th>
<th>Has received public benefits for disability</th>
<th>Age</th>
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<td>White</td>
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<tr>
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<tr>
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<td>M</td>
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<td>F</td>
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<td>F</td>
<td>Asian, Hispanic</td>
<td>Y</td>
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Experiences of Wage Employment

“So when I was employed, people wanted to keep me in a box, but we have to live outside that box sometimes...I’ve heard this a couple of times in the time nobody would supervise me. I don’t know why, I’m a great person, I love-Because I’m loud, I’m brilliant, I’m you know, and people just didn’t want to supervise me.”

“I had one felony...all they saw was a felony...I just said ‘you know what, I’m done, I’m done.’ And I quit. I just said-I don’t even need to get a handshake, I’m going to do something else.”

“I have a history of a lot of trauma and for me, when you have a lot of trauma you get triggered all the time...sometimes, it's tough having that authority figure over you and when they say things, such as the things that were said to me, it takes you right back there.

“[My business] was started with the same impetuses as most people with psychiatric disability start their business. It’s because I kept repeatedly getting fired from other people’s businesses.”

“Oh it's just the stigma dumbass stuff. And because human resource offices now have tuned up the filters on who they let through the door. You may not be competitive ever in the workforce because of what happened to you.”
Common Themes:

- Fit with personality and style
- Taking care of one’s health/well-being
- Contributing something unique
- Flexibility/freedom
- Some were well-positioned and it just made sense as the best option

Becoming Self-Employed

“...the thing that I need to do to manage my, you know, health condition is to keep myself, you know, manage the amount that I take on. Because if I can manage the amount that I can take on, then I know that I’ll be able to actually be able to handle it.”

“I work best on my own, you know. I do writing and editing and that kind of stuff. There's not a lot of employed writing and editing-type jobs. It’s really because of who I am and what my skill-set is that I ended up choosing a life that is primarily self-employed.

“I needed to be able to have my own schedule for my own mental, spiritual, and physical health. So that's why I decided to start.”

“I started it because I saw that no one else was doing these kinds of offerings. I work as a trainer in my day job that I’m hoping to transition out of, but no one is bringing together the things that I wanted to offer. It’s not an option for me to do that through my regular work.”

“It didn’t matter to me if I was self-employed or not self-employed so much, I just wanted to do this. I wanted to have flexibility, I wanted to live wherever in the world I wanted to live, I didn’t want to have to go into an office.”
### Common Themes:
- Being triggered
- Accessibility based on socioeconomic status
- Financial management
- Systemic/policy barriers
- Self-stigma/“why-try”

### Barriers to Self-Employment

<table>
<thead>
<tr>
<th>Quote</th>
<th>Summary</th>
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<td>“Bureaucratic things can be just overwhelming and intimidating, particularly if you have dealt with bureaucratic things in the psych system that have been just awful.”</td>
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<td>“...the barriers to accessing those resources is transportation and time, but it’s also a social class. Like, those are rich people and I’m a poor person, and I’m not welcome there.”</td>
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<td>“We got a grant and basically gave them an astonishingly poor job of the admin and reporting and bookkeeping, and lost the contract. So that was exceptionally traumatic and I just wanted to kill myself for about a year afterwards.”</td>
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<td>“I had some opportunities that I couldn't take advantage of because of the PASS program. I had the opportunity to work long-term on [a project], but that would have required me to be over there rather than in my home...And the PASS program limited me from being out of my home.”</td>
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<td>“I was told this: don’t have huge expectations for your life. Keep your goals very small or realistic otherwise you’ll trigger your illness. People are basically told to play it small and not take risks. And any time someone does take a risk and it might not end up so well that’s seen as a symptom of their illness, rather than, here is a person who took a risk and it didn’t work out so great, everybody does that.”</td>
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### Experience of Self-Employment

<table>
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<th>Common Themes:</th>
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<tbody>
<tr>
<td>- Being your own boss</td>
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<td>- Flexibility/Freedom</td>
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<td>- Uncertainty/Risk</td>
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<tr>
<td>- Insurance/benefits</td>
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<td>- Work-life balance</td>
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<tr>
<td>- Personal responsibility</td>
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<td>- Social support &amp; isolation</td>
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<tr>
<th>“So not being an employee means that I can go to the universe to say 'you're the boss, how do I serve?' Which for me...just makes it easier for me to fulfill my purpose on the planet. Because there's no middle man between me and my higher good.”</th>
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<tbody>
<tr>
<td>“...there's just more possibility. There's more possibility for earning income, there's more possibility with who you can work with and what you do.”</td>
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<tr>
<td>“It not just being your own boss, it's not just answering, 'oh I'm my own boss and I answer only to me.' That sounds good, but that also means that you have to answer about your finances, you have to answer for your healthcare, you have to answer for dealing with other people.”</td>
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<tr>
<td>“It requires a hustle. You know what I mean? And a relatively consistent hustle. I mean yes, on a day to day basis you can choose your own hours and have flexibility, but just like any other job, if you don’t tend to it because of whatever struggles you’re having, it’s going to falter.”</td>
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<td>“They're going to need support from professionals like lawyers, like accountants, that kind of support, but that they're also going to need support from people who are starting their own businesses because people who don't have their own businesses will never understand what you're dealing with, what you're going through.”</td>
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My Current Working Theory

- Individuals with psychiatric disabilities/histories face unique barriers & motivators to self-employment...
- While we may have particular advantages/disadvantages in self-employment...
- Much of that is a universal experience among self-employed individuals
Next Steps: Entrepreneurship
Prevalence among Entrepreneurs

No recent studies on entrepreneurship among people with psychiatric histories

Entrepreneurship Potential

“I think that entrepreneurial spirit is something that can be developed and cultivated and that people with psychiatric disabilities are really good candidates for cultivating that particular spirit...we have a skill set by virtue of the intensity by which we experience emotions.”

“I think a lot of the trauma experiences we've been through as psych survivors and life experiences have given us the capacity to weather the storms of self-employment and entrepreneurial life.”
Entrepreneurship in the Business/Management Lit

Definition of entrepreneur
◦ An agent of change who brings innovations to the market
◦ Bears the risk of the uncertainty surrounding entrepreneurial success

Entrepreneurship is inherently related to innovation and growth, but this is not the case for all self-employed individuals

Two types of self-employed/business owners:
◦ By choice/innovative business
  ◦ Driven by profit aligning with the growth-oriented entrepreneur
◦ Out of necessity/replicative business
  ◦ Driven by other motives such as survival and personal/lifestyle choices
Data from the General Pop

National Federation of Independent Businesses (NFIB) (N=752) members’ preferred terms

- Small-business owner 47%
- Business owner 26%
- Entrepreneur 20%
- Indifferent; Don’t care 6%

51% of small employers want to grow

43% of small employers prefer to remain the size that they are now
Growth-Oriented Entrepreneurship in Disabilities

- Importance of distinguishing between entrepreneurship and self-employment

- Supporting growth-oriented entrepreneurship can lead to hiring of others with disabilities
  - Encouraging businesses only for self-employment will have little effect

- Entrepreneurs are sources of job creation
  - Entrepreneurs who have a disability are more likely to hire others with a disability

Facilitating Entrepreneurship

“If there were some kind of support group for people starting a business and sustaining a business with psychiatric disabilities, that that would be a really good peer support function, of having more seasoned business owners come in and say like 'this is what I went through.'”

“I need permission to break out of what I’m feeling. Like I need to give myself permission to take that step and take go down a different path.”

“I would like some support around- I think it's about trust, like just trusting that you're not going to die, that you're going to be okay, because I think to be a successful business person, self-employed person, when you're negotiating contracts and asking people to give you money for your work, you need to be doing it from a place of 'What is the work worth?'”

“All of my business is by word of mouth and if I got better at marketing or if I put more effort into marketing I’m sure I could go farther with it. That’s actually the next phase of my business is really learning how to market in a way that I still feel like I have integrity.”

“It's just actually challenging finding people with the right cocktail of skills, experiences, and understanding and perspectives.”
Next Steps

Self-Employment Starts with You Survey

- Nationwide online survey, inquiring about experiences of self-employment of individuals with mental health histories
- Currently conducting field testing

Stayed tuned for survey launch in June 2017!
In Development

- Opportunities for training and networking among entrepreneurs
- Technical Assistance
- Affordable, membership-based online capacity-building program to prepare individuals with psychiatric disabilities for self-employment
- Peer support and mentoring community for aspiring and current entrepreneurs with psychiatric disabilities
Excellence isn't about working extra hard to do what you're told. It's about taking the initiative to do work you decide is worth doing.

Seth Godin

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