

# Unemployed Veterans During a Recession: Factors Affecting the Completion Rate of the Vocational Rehabilitation and Employment Program

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# Veterans Administration

- Disability compensation
- Pension
- G.I. Bill
- **Vocational rehabilitation and employment**
- Home loans
- Life Insurance
- Traumatic injury insurance

# What is the Vocational Rehabilitation and Employment Program?

- Program to assist veterans with finding suitable employment as well as the ability to live independently

## Qualifications-

- I. Recently separated from active duty
- II. Veteran
- III. 10% disability or higher

# Why is the VR&E important?

- Unemployment for GWII vets 7.6 percent<sup>1</sup>
- Unemployment of non-vets 8.3 percent<sup>1</sup>
- Federal initiatives to combat unemployment
  - Veterans Preference
  - Job Security

<sup>1</sup>Data retrieved from the Bureau of Labor Statistics current as of February 2012

# Problems with VR&E<sup>1</sup>

- Processing of claims takes precedence over all others
- One third discontinue the program
- Program has not evolved with changing times
- Need for change to accommodate rising numbers

<sup>1</sup>Information gathered from the 2007 Veterans Employability Research Survey

# Literature

- The effects of disability compensation on healthcare (Singleton, P 2009)
- Disincentive effects of disability compensation  
(Klaauw, S.C. 2007)
- Effects of disability compensation on vocational rehabilitation (Drew, M.C. 2001)

# Hypothesis

H<sub>1</sub> In a comparison of individuals, Veterans without a disability will have a higher success rate than Veterans with a disability

H<sub>2</sub> In a comparison of individuals, Veterans who have a higher degree of satisfaction will have a higher success rate than Veterans who have a lower degree of satisfaction

H<sub>3</sub> In a comparison of individuals, Veterans who receive more funding for training will have a higher success rate than Veterans who receive less funding.

H<sub>4</sub> In a comparison of individuals, Veterans with more education will have a higher success rate than Veterans who have less education

# Variables

- Unit of analysis- Veterans enrolled in the VR&E

## Dependent Variable

- Completion rate of the program

## Independent Variables

- Expenditures per individual
- Health Status
- Satisfaction with program
- Level of Education

# Data

- Veterans Employability Survey 2007
- Over 5,000 Respondents
- Categorized into 5 cohorts of 1,000 respondents each
  - Qualified but did not show up
  - Interrupted but did not return
  - Dropped out before plan was made
  - Began plan but withdrew
  - Successful completion

Table 1.1 Cross Tabulation of Expenditures for Each Veteran by Cohort

		Total Expenditures Per Veteran				Total
		low	medium low	medium high	high	
Qualified but did not show		233	230	269	273	1005
		18.8%	18.6%	20.6%	21.9%	20.0%
Interrupted but did not return		268	249	236	252	1005
		21.6%	20.1%	18.1%	20.2%	20.0%
Dropped out before plan was made		243	268	259	235	1005
		19.6%	21.6%	19.8%	18.9%	20.0%
Began plan but withdrew		252	256	261	238	1007
		20.3%	20.7%	20.0%	19.1%	20.0%
Finished Program		246	236	280	247	1009
		19.8%	19.0%	21.5%	19.8%	20.1%
Total		1242	1239	1305	1245	5031
		100.0%	100.0%	100.0%	100.0%	100.0%

**Gamma Value -.013**

**Gamma Significance 0.376**

**Chi-Square Significance 0.292**

Table 1.2 Cross Tabulation of the Effects of Current Health Status on Completion of Program

		How is your current health					Total	
		excellent	very good	good	fair	poor		
COHORT	Qualified but did not show	38	160	281	346	173	998	
		18.2%	20.7%	18.6%	19.9%	22.0%	19.9%	
	Interrupted but did not return	37	140	310	347	167	1001	
		17.7%	18.1%	20.5%	20.0%	21.2%	20.0%	
	Dropped out before plan was made	42	120	279	384	180	1005	
		20.1%	15.5%	18.5%	22.1%	22.9%	20.0%	
	Began plan but withdrew	24	138	273	372	196	1003	
		11.5%	17.9%	18.1%	21.4%	24.9%	20.0%	
	Finished Program	68	215	367	286	71	1007	
		32.5%	27.8%	24.3%	16.5%	9.0%	20.1%	
	Total		209	773	1510	1735	787	5014
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

**Gamma Value -.094**

**Gamma Significance 0.000**

**Chi-Square Significance 0.000**

Table 1.3 Cross Tabulation of the Overall Satisfaction of the Program

		How satisfied were you with the program				Total
		very satisfied	somewhat satisfied	Somewhat dissatisfied	very dissatisfied	
	Qualified but did not show	165	239	238	234	876
		11.9%	16.6%	23.6%	24.4%	18.3%
	Interrupted but did not return	178	276	243	248	945
		12.8%	19.2%	24.1%	25.9%	19.7%
	Dropped out before plan was made	183	286	230	279	978
		13.2%	19.9%	22.8%	29.1%	20.4%
	Began plan but withdrew	326	341	190	134	991
		23.5%	23.7%	18.8%	14.0%	20.7%
	Finished Program	537	296	109	64	1006
		38.7%	20.6%	10.8%	6.7%	21.0%
Total		1389	1438	1010	959	4796
		100.0%	100.0%	100.0%	100.0%	100.0%

Gamma Value -.324

Gamma Significance .000

Chi-Square Significance .000

Table 1.4 Cross Tabulation of the Effects of Education Level on Program Completion

	Education Level				Total
	HS	>HS	Degree	Advanced Degree	
Did not complete Program	61	981	1478	489	3009
	67.8%	53.6%	61.8%	69.2%	59.9%
Completed Program	29	850	914	218	2011
	32.2%	46.4%	38.2%	30.8%	40.1%
Total	90	1831	2392	707	5020
	100.0%	100.0%	100.0%	100.0%	100.0%

**Gamma Value -.173**

**Gamma Significance .000**

**Chi-Square Significance .000**

# Conclusion

- Expenditures do not have an impact on outcome
- As health decreases completion rate also decreases
- Overall satisfaction is an indicator of program completion
- Previous education plays a role in the completion of the program



Questions?