



Highlights of [GAO-09-34](#), a report to congressional requesters

# VA VOCATIONAL REHABILITATION AND EMPLOYMENT

## Better Incentives, Workforce Planning, and Performance Reporting Could Improve Program

### Why GAO Did This Study

In 2004, the Veterans Affairs' Vocational Rehabilitation and Employment (VR&E) program was reviewed by a VR&E Task Force. It recommended numerous changes, in particular focusing on employment through a new Five-Track service delivery model and increasing program capacity. Since then, VR&E has worked to implement these recommendations. To help Congress understand whether VR&E is now better prepared to meet the needs of veterans with disabilities, GAO was asked to determine (1) how the implementation of the Five-Track Employment Process has affected VR&E's focus on employment, (2) the extent to which VR&E has taken steps to improve its capacity, and (3) how program outcomes are reported. GAO interviewed officials from VR&E, the 2004 Task Force, and veteran organizations; visited four VR&E offices; surveyed all VR&E officers; and analyzed agency data and reports.

### What GAO Recommends

To ensure VR&E can meet the needs of veterans, GAO recommends that VR&E consider cost-effective options to align the program's financial incentives with its employment mission as well as engage in a strategic workforce planning process that collects and uses relevant data. Additionally, GAO recommends that VA improve the transparency of reports on VR&E program performance. VA generally agreed with the recommendations.

To view the full product, including the scope and methodology, click on [GAO-09-34](#). For more information, contact Daniel Bertoni, (202) 512-7215, [bertonid@gao.gov](mailto:bertonid@gao.gov).

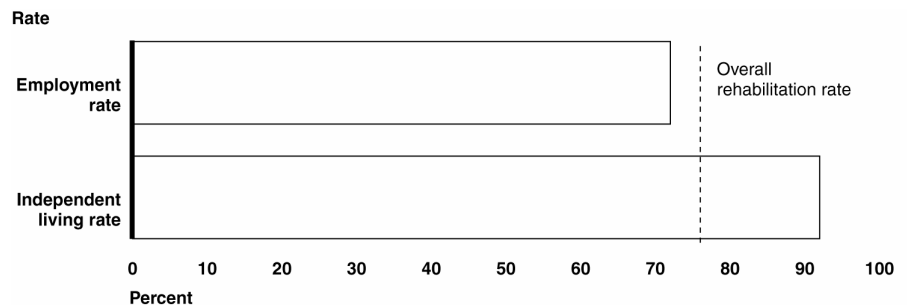
### What GAO Found

By launching the Five-Track Employment Process, VR&E has strengthened its focus on employment, but program incentives have not been updated to reflect this emphasis. VR&E has delineated its services into five tracks to accommodate the different needs of veterans, such as those who need immediate employment as opposed to those who need training to meet their career goal. However, program incentives remain directed toward education and training. Veterans who receive those services collect an allowance, but those who opt exclusively for employment services do not. While VR&E officials said they believed it would be helpful to better align incentives with the employment mission, they have not yet taken steps to address this issue.

VR&E has improved its capacity to provide services by increasing its collaboration with other organizations and by hiring more staff, but it lacks a strategic approach to workforce planning. Although there have been staff increases, many of VR&E's regional offices still reported staff and skill shortages. The program is not addressing these workforce problems with strategic planning practices that GAO's prior work has identified as essential. For example, VR&E officials have not fully determined the correct number of staff and the skills they need to serve current and future veterans.

VA does not adequately report program outcomes, which could limit understanding of the program's performance. Specifically, it reports one overall rehabilitation rate for veterans pursuing employment and those trying to live independently. Computing each group's success rate for fiscal year 2008, GAO found a lower rate of success for the majority seeking employment and a higher rate of success for the minority seeking independent living than the overall rate. GAO also found that VR&E changed the way it calculates the rehabilitation rate in fiscal year 2006, without acknowledgments in key agency reports. VA noted the change in its fiscal year 2006 performance report, but did not do so for its fiscal year 2007 and 2008 reports, or for its fiscal year 2008 and 2009 budget submissions. Such omissions could lead to misinterpretation of program performance over time.

**The Overall Rehabilitation Rate and the Success Rates for Veterans Seeking either Employment or Independent Living for FY 2008**



Source: GAO analysis of VA summary data.