

THE EMPLOYMENT OF PEOPLE WITH DISABILITIES IN SMALL & MEDIUM-SIZED ENTERPRISES

People with disabilities are recognised to be one of the most disadvantaged sections of society. They face considerable barriers in accessing the labour market, education and training opportunities and social facilities. These are a product not only of actual impairments that limit the actions people with disabilities are able to perform, but also of attitudes and an environment that does not take account of their needs.

Each EU Member State has adopted a range of measures to promote the integration and employment of people with disabilities. There is an existing body of comparative research on the legislative framework for these measures, and on employment patterns in enterprises in particular Member States. Two significant gaps arise in the material available.

Despite constituting a major proportion of the business sector, there is little data on the role and experience of small and medium sized enterprises (SMEs) in the employment of people with disabilities. SMEs, those that employ less than 500 employees, provide more than two thirds of EU employment and are regarded as the greatest potential job creators. However, their small size and large number has excluded them from study: not only are they more difficult to identify, access and research, they might also be exempt from many statutory obligations including what, in many EU Member States, is the most significant employment promotion measure: a statutory quota for the employment of people with disabilities.

There is also little information currently available on the practical effects and impact of different policies on employers. Existing studies, where they have considered the effect of public measures, have focused on the recruitment of people with disabilities, particularly those that are recruited under specific programmes or schemes, and particularly those that have been recruited by larger, easily identifiable enterprises. Little is currently known about decision making processes outside the framework of formal programmes, and little is known about the retention and development of employees with disabilities.

This study seeks to answer two questions about small and medium sized enterprises (SMEs):

1. Why do (or do not) employers in small and medium sized enterprises employ people with disabilities?
2. How do employers in small and medium sized enterprises employ people with disabilities?



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Approach

The emphasis of this study is qualitative, focusing on the perceptions and experience of employers and their employees. A case study approach was adopted to examine these issues, providing ideas and identifying issues which promote or hinder the access of people with disabilities to employment. It considered the process by which an employer identifies a need to employ someone, a person with a disability seeks employment, and a contractual relationship is established and maintained. The focus was on successful examples of the integration of disabled people in employment to enable the identification of good practice as well as barriers.

The definition used by the EU HELIOS programme was adopted for the study. However, in practical terms, national teams had to be cognisant of the concepts used, and different groups included in definitions used by institutions in each country.

Methodology

Studies were conducted in six Member States, France, Germany, Ireland, the Netherlands, Spain and the United Kingdom, in late 1996 and early 1997. These were commissioned by the European Foundation for the Improvement of Living and Working Conditions or national governments. Each of the national studies has been published as a Working Paper by the Foundation.

Within a set methodology, national research teams were given the opportunity to conduct the case-study research in accordance with their own views and experience, following their own approach and methodologies, the aim being to take into account the particular context of the country and each enterprise. They were also, in some cases, able to re-examine enterprises already known to them.

In analysing the case studies, it must be recognised that the majority of them have been sourced through mediating organisations specialising in placing people with disabilities in employment. The extent to which the cases reflect the overall picture of people with disabilities in employment in SMEs is not possible to ascertain from this study. As a result, some of the conclusions reached about the overall picture of employees with disabilities in small businesses might be distorted. However, alternative methods of sourcing cases were unsuccessfully tried by research teams in each Member State. The absence in most national studies of evidence of alternative routes into employment would in many ways refute the possibility of distortion and, even so, the significance of mediating organisations appears to be dramatic.

This difficulty in constructing a 'representative sample' of enterprises was acknowledged from the outset. However, the selection processes used in each country did allow for useful comparisons to be made between different kinds of employees and enterprise, for example, companies of varying sizes, in different sectors, employing people with different disabilities. The limited number of case studies meant that it was not easily possible to test some hypotheses at a national level, such as trade sector differences and attitudes towards a range of different disabilities. Consolidating the national reports has enabled some of these issues to be revealed in more detail. The extent of study

of cases in which the integration had failed was also limited. Where possible, this was achieved by considering past and other present employees in enterprises studied.

Each national research team also engaged in other forms of quantitative or qualitative research to give some additional concrete basis to the conclusions reached in the case studies.

Promoting Integration

All countries implement measures designed to promote or facilitate the employment of people with disabilities. However, the means of promoting the participation of people with disabilities in the labour market vary between Member States. Legislation promoting the employment of people with disabilities in Member States has been characterised by Lunt and Thornton (in *Employment Policies for Disabled People*, Employment Department, UK, 1993), among others, as tending towards discrete, compulsory employment measures while countries such as Canada, Australia and the United States have focused more on anti-discrimination and equal opportunities legislation.

Within the European Union, differences of emphasis can be identified. Of the six studied countries, half (France, Germany and Spain) have enforced statutory employment quotas for people with disability. The other three countries (Ireland, Netherlands and United Kingdom) either have no quota scheme applicable to private businesses or have not implemented them. One country (the United Kingdom), which had a quota system at the time of the 1993 study, has since repealed it with the adoption of anti-discrimination legislation. This legislation, like the quota system it replaced, is not easily enforceable.

Indeed, a considerable blurring of these boundaries has occurred over recent years, with the increasing adoption within the European Union of new national anti-discriminatory policies overlaying existing legislation. A line can still, however, be drawn between countries positioning legislation on disability within the context of a broad anti-discrimination policy and those operating compartmentalised measures such as quota schemes (Thornton and Lunt, 1997). This broad characterisation remains limited both in the impact of public policy on small and medium sized enterprises, which are often excluded from statutory obligations due to their size, and in terms of the spectrum of policies and applicability that exists at Member State level.

Study Findings

The study findings allow a clear development in our understanding of the way employers make decisions, the reasons behind their decisions and their impact. There would appear to be a high degree of commonality in the actual experiences and situations in each of the Member States studied, regardless of definitions of disability or preferences for voluntary or mandatory action. In itself this would suggest the veracity of the study findings. There is no blueprint for an effective legislative and regulatory framework.

- Financial incentives have a key facilitative role but, as they currently operate, do not necessarily meet the needs of either employers or employees, and do not reflect technological or labour market trends.
- Despite differences in the applicability and enforcement of employment quotas and anti-discrimination legislation, these

appear to have little practical effect on SME employer behaviour.

- Health and safety and insurance regulations are perceived by employers as an impediment to the employment of people with disabilities.
- Educational attainment is low among people with disabilities.
- Women, older people with disabilities and those with more severe disabilities appear to face additional barriers in accessing employment.
- Recruitment practices rarely recognise the value of equal opportunity and other good recruitment practices.
- Low confidence and self-esteem among employees, and attitudes of both work colleagues and employers can limit the degree to which an employee successfully integrates and progresses within a firm.
- The attitudes of employers of people with a disability demonstrate the striking importance of personal experience of disability.
- Mediating organisations play a pivotal role in promoting a positive awareness of both disability and the regulatory framework, providing training and personal support to people with disabilities.

Policy Implications

There are three key areas of common concern across Member States:

1. the need for the development of a greater awareness and understanding of disability among employers;
2. a need for better dissemination of information for employers on the regulatory framework and how it supports and facilitates the employment of people with disabilities;
3. the indispensable nature of mediating organisations.

These commonalities are interdependent. On the one hand, the provision of information about the regulatory framework is incomplete without practical support and assistance to access available programmes. On the other hand, mediating organisations are hampered in their effectiveness by a lack of awareness by employers of the abilities and aspirations of people with disabilities.

The need for positive and tightly-focused educational and awareness raising measures applicable to small and medium sized enterprises is one of the clearest outcomes of this study. The key role of personal experience as a motivational factor for employers has been highlighted, as has the prevalence of perceptions of disability based on fears of risk, incapacity (rather than ability) and absenteeism. These demonstrate both the possibilities created by good practice and familiarity with people with disabilities, and the need for broad and positive, awareness raising initiatives. Employer perceptions should be challenged in three areas:

1. absenteeism, using evidence to challenge perceptions of sickness and absenteeism among people with disabilities;
2. capacity and ability, demonstrating the abilities of people with disabilities;

3. risk, stressing ways in which the risks of employing people can be reduced through the use of mediating organisations.

Such initiatives should focus on positive examples and case studies appropriate to small and medium sized enterprises. The relevance of new information and communication technologies and working methods should also be explored.

Many of the study conclusions focus on concerns about information provision. The inadequacy of information dissemination methods has arisen in relation to employment protection measures, the availability of financial incentives (including the procedures by which they are accessed) and in the promotion of good recruitment and employment practices:

- financial incentives: the provision of information on the availability of financial incentives and the means by which they are accessed;
- recruitment practices: the provision of information on good recruitment, training and employment practices and procedures;
- information related to specific disabilities: practical information, where necessary, to enable the making of informed judgements and decisions about a candidate's suitability.

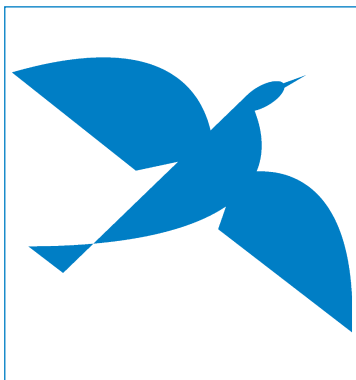
Information needs can be identified not only at the recruitment level, but also in subsequent induction and developmental stages. While there is an overlap with broad awareness raising initiatives there is a clear role in information provision and dissemination for mediating organisations.

The use of specialist mediating organisations appears to significantly improve the chances of employment for people with disabilities. Mediating organisations function by matching their clients to vacancies in enterprises. By adopting a proactive approach, making the initial contact with companies, the level of perceived risk to employers is reduced. Employers are saved many of the time and financial costs of advertising and recruiting, and of securing any necessary aids and adaptations. By approaching the employer directly, the mediating body can ensure that there is less competition for their own clients. They also assist clients to overcome barriers arising out of low educational attainment, poor confidence and low self esteem. Despite this, several factors remain untested or unexamined and should form the subject of further study:

- defining operational principals
- are specialist mediating agencies preferable to integrated mainstream provision?
- what are the most effective methodologies and models used by mediating organisations, could the concept of 'route counselling' or 'pathways to integration' help to deepen existing approaches?
- defining roles and responsibilities regarding information provision, advice, counselling, training and, potentially, employment.

The Research Team

The consolidated report and summary was written by Morgan Carpenter of Nexus Research Co-operative, Dublin. Researchers from within six Member States produced national studies. The project was managed by Jaume Costa of the European Foundation for the Improvement of Living and Working Conditions, Dublin



PUBLICATIONS

RELATED PUBLICATIONS

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1. The Employment of People with Disabilities in Small & Medium-Sized Enterprises

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2. National Reports/Case Studies of Employment of People with Disabilities

France WP/97/57/EN
Germany WP/97/60/EN
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The Netherlands WP/97/61/EN
Spain WP/97/59/EN
Sweden (to be published shortly)
United Kingdom WP/97/83/EN

3. Report on the first co-ordination meeting on "Employment and Health"

WP/97/82/EN (available in EN only)

NEW PUBLICATIONS

To be published in late 1998
"A Guide to the Integration of Disabled People into Industrial Workplaces"

FOR FURTHER INFORMATION

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