2014
National Study of Employers

Including the Talents of Employees with Disabilities

Kenneth Matos

Families and **Work** Institute
25th Anniversary

SHRM®
SOCIETY FOR HUMAN
RESOURCE MANAGEMENT

WHEN
WORK
WORKS

ACKNOWLEDGEMENTS

First, we give special thanks to Kathleen Christensen of the Alfred P. Sloan Foundation for supporting this research in 2005, 2008 and 2012. Her wise counsel has affected our work and this report in countless and invaluable ways.

Next, we thank the representative group of employers who responded to questions in the 2014 National Study of Employers (NSE). We also want to thank the management and staff of Harris Interactive Inc. for their extraordinary efforts in carrying out the interviews for this study.

We also want to thank S. Evren Esen, Director, Survey Programs, SHRM for her knowledgeable and wise review of the questionnaire.

In addition, we would like to thank the U.S. Department of Labor's Office of Disability Employment Policy (ODEP) for its insights into how effective workplaces improve outcomes for all employees.

Finally, our thanks to John Boose, Art Director, FWI for his design of the report and Barbara Norcia-Broms, FWI for her proofreading.

Families and **Work** Institute

Families and Work Institute (FWI) is a nonprofit research-to-action institute dedicated to providing research for living in today's changing workplace, changing family and changing community. Since the Institute was founded in 1989, our work has addressed issues in three major areas: the workforce/workplace, youth and early childhood. Families and Work Institute's research takes on emerging issues before they crest and includes some of the most comprehensive research on the U.S. workforce available. The Institute's work has helped change the language of debates to move the discussion forward toward more effective and data-driven solutions and to result in action. In addition, because the Institute conducts some of the only research studies of their kind, our studies are quoted in the media more than once a day and are regularly cited by decision makers in business, government, and the public. For more information, visit www.familiesandwork.org, like us on Facebook at http://www.facebook.com/FWINews, follow us on Twitter at @FWINews and share with us on LinkedIn at https://www.linkedin.com/company/families-and-work-institute.

SHRM®
SOCIETY FOR HUMAN
RESOURCE MANAGEMENT

Founded in 1948, the Society for Human Resource Management (SHRM) is the world's largest HR membership organization devoted to human resource management. Representing more than 275,000 members in over 160 countries, the Society is the leading provider of resources to serve the needs of HR professionals and advance the professional practice of human resource management. SHRM has more than 575 affiliated chapters within the United States and subsidiary offices in China, India and United Arab Emirates. Visit us at shrm.org.

**WHEN
WORK
WORKS**

When Work Works, a project of Families and Work Institute and the Society for Human Resource Management, is a nationwide initiative to bring research on workplace effectiveness and flexibility into community and business practice. Since its inception in 2005, When Work Works has partnered with an ever-expanding cohort of communities from around the country to:

- share rigorous research and employer best practices on workplace effectiveness and flexibility;

- recognize exemplary employers through the When Work Works Award; and

- inspire positive change so that increasing numbers of employers understand how effective and flexible workplaces can benefit both business and employees.

Visit us at whenworkworks.org.

CONTENTS

LIST OF TABLES

INTRODUCTION

Families and Work Institute's (FWI) **2014 National Study of Employers (NSE)** is the most comprehensive and far-reaching study of the practices, policies, programs and benefits provided by U.S. employers to enhance organizational and employee success by addressing the changing realities of today's economy, workforce and workplace. The NSE, conducted in partnership with the Society for Human Resource Management (SHRM), is based on the Institute's landmark **1998 Business Work-Life Study (BWLS)**.[1] Its scope was broadened to cover issues of importance in the changing economy and has been conducted four additional times since the BWLS survey was completed (2005, 2008, 2012 and 2014).

Although there are similar surveys by employer membership organizations, consulting firms and government agencies, the **NSE** is notable in that it is the only study of employers in the United States that comprehensively assesses a broad array of programs, policies and benefits designed to enhance employee engagement and resilience to job and personal stressors among a *nationally representative* group of employers. The 2014 *NSE* sample includes 1,051 employers with 50 or more employees—67% are for-profit employers and 33% are nonprofit organizations; 39% operate at only one location, while 61% have operations at more than one location. FWI designed the questionnaire, and Harris Interactive, Inc. conducted the interviews on behalf of FWI.[2]

In addition to the April 29 release of the *2014 National Study of Employers* report [available for free download at Whenworkworks.org], FWI has continued to explore the survey data for ways that organizations can reinvent work to make the most of the diverse talents and experiences of their employees. One line of FWI's research is the status of organizational policies that make for more inclusive workplaces for people with disabilities.

At the time of the 2014 *NSE* release, the unemployment rate among people with disabilities[3] was 13%, more than double the jobless rate among employees without disabilities (6%), according to the Bureau of Labor Statistics.[4] Yet, in 2012, approximately 31% of non-institutionalized persons *with* a disability aged 21 to 64 years in the United States had some college or an associates' degree. By comparison, 33% of the same population *without* a disability had the same level of education.[5] Why are so many people with disabilities unable to find employment?

According to the Office of Disability Employment Policy (ODEP), for many people with disabilities, a central obstacle to employment is workplaces and employment systems that have not had adequate exposure to people from diverse backgrounds, especially individuals with disabilities. ODEP's recent research shows that "*exposure* to people from diverse backgrounds has had a greater influence on the decline in discrimination by employers than the economic argument." This conclusion is "predicated on the idea that humans do not make decisions—including decisions concerning whom to hire—for fully rational reasons. Calculations concerning return on investment (ROI) are seldom made in personal interactions. Instead, mental schemas concerning who is a viable employee candidate are influenced by psychological processes."[6] As a result, organizations may not completely consider the full potential of people with disabilities and/or they maintain systems that work for only a portion of the workforce even if there are other options that would work for all or most employees.

Although all of the items included in the 2014 *NSE* are of value to diverse populations facing a variety of personal, family and work situations (e.g., child and elder care support, engagement and skill development programs, cultures of respect and trust, etc.), certain aspects of effective and flexible workplaces provide additional opportunities for people with disabilities. Enterprising employers can apply these techniques and programs to enhance their overall business strategies and tap the talents of employees with diverse skill sets.

This 2014 *NSE* brief expands upon the core report by reviewing three workplace characteristics that make workplaces more inclusive of employees including those with disabilities: 1) workplace flexibility; 2) employee resource groups (ERGs); and 3) formal staffing plans.

WORKPLACE FLEXIBILITY

Workplace flexibility (or workflex) is about reinventing how, when and where people work, creating an environment where they can do their best. By collaborating with employees to develop a range of work styles, times and locations, organizations can create more effective workplaces where realistic work patterns meet the needs of both employers and employees. A recent innovation in workflex has been to consider the specific array of tasks each employee is required to complete and how those can be more effectively distributed across work units in accordance with each employee's skills and developmental needs (including, but not limited to, any disabilities they may possess). Another advantage of workflex is that it can help to fulfill requests for reasonable accommodations and create workplaces where such requests are unnecessary because consideration for the diverse talents of employees is proactively incorporated into universal work processes.[7]

EMPLOYEE RESOURCE GROUPS (ERGS)

Employee resource groups (ERGs) are opportunities for employees with similar backgrounds or interests to network and to help build business results for the organization. These business-building outcomes can take the form of advertising to new markets, insights on product development to better satisfy customers with similar backgrounds or interests and suggesting organizational changes for better performance. In the case of employees with disabilities, ERGs can provide a collective voice for drawing attention to how the organization can better partner with people with disabilities, both as customers and as employees.

FORMAL STAFFING PLANS

Workforce planning is the foundation of strategic staffing because it identifies and addresses current and future challenges to an organization's ability to get the right talent in the right place at the right time and enhance the return on the organization's investment in its talent. Organizations with formal staffing plans have proactively considered how they will attract, hire, develop and retain the talent needed to advance their mission. By engaging in such proactive efforts, organizations can better identify how and why valued talent in diverse communities can be attracted to the organization and retained long-term. Employers that consider how they attract and include people with disabilities are more likely to recognize and implement workplace policies that enhance the contributions of employees with disabilities.

FLEXIBILITY

Although workflex is often discussed in terms of *flex time*—allowing employees to change their arrival and departure times on a periodic basis—or *flex place*—allowing employees to work at home or offsite, these definitions are insufficient to shape organizational talent and business strategies. FWI's definition of workflex is much broader and addresses a wide range of work styles and life experiences.

In the *2014 National Study of Employers (NSE)* report, FWI provides an overview of the prevalence and trends in 18 different workflex options. Overall, FWI's research team found that small employers are more likely to allow employees to change starting and quitting times within some range of hours, work some regular paid hours at home occasionally, have control over when to take breaks, return to work gradually after childbirth or adoption and take time off during the workday to attend to important family or personal needs without loss of pay. Table 1 documents the five workflex options that small employers are more likely to provide.

In addition to the data presented in *2014 NSE* report, FWI added a new item that assesses *task flexibility*, where employers allow at least some groups of employees to work with their supervisors and coworkers to reallocate task assignments based on the strengths and needs of employees. This form of flexibility allows employees to swap tasks so that the demands of individual jobs can be adjusted to match each employee's personal responsibilities, career development needs and ability range while keeping individual workloads manageable for all employees. Task flexibility can be part of a team approach where employers examine how a collection of employees can best accomplish the required tasks rather than limiting solutions to how a single individual's work can or cannot be adjusted. It can also be relevant for a particular employee who is hired to meet a specific business need required by the employer.

During initial testing of the items exploring task flexibility, FWI's research team noticed that the concept of task flexibility was less well received when presented as a universal form of flexibility than when it was presented in the context of people with disabilities. In order to test whether this was true for the general population of employers, the *NSE* sample of 1,051 employers was divided in half with 526 employers asked about task flexibility for employees *in general* and 525 asked about task flexibility in terms of employees *with a disability*.

As shown in Table 1, the research team found that more employers indicated that they allow at least some groups of employees to work with their supervisors and coworkers to reallocate task assignments based on the skill sets and needs of employees when considering employees *with a disability* (84%) than when considering employees *in general* (73%). Similarly to other forms of flexibility, fewer employers provide task flexibility to all or most of their employees than to at least some employees. There were no differences between small and large organizations in terms of their willingness to provide task flexibility to all or most of their employees regardless of the disability status of the employees in question.

While this finding suggests that employers are more willing to provide task flexibility to employees they perceive as having a disability, it also means that a subgroup of employers are losing out

on the opportunity to utilize task flexibility as a strategic tool to enhance outcomes for the rest of their employees.

Table 1: Flexibility

Type of Flexibility	Organization allows at least some employees to …	Organization allows all or most employees to …	Employer Size Organization allows all or most employees to …		
			Small (50 to 99 employees)	Sig.	Large (1,000 or more employees)
Flex Time and Place					
Periodically change starting and quitting times within some range of hours	81%	27%	33%	**	20%
Work some regular paid hours at home occasionally	67%	8%	11%	**	4%
Choices in Managing Time					
Have control over when to take breaks	92%	61%	66%	**	52%
Caregiving Leaves					
Return to work gradually after childbirth or adoption	74%	47%	53%	**	37%
Time Off					
Take time off during the workday to attend to important family or personal needs without loss of pay	82%	49%	52%	**	36%
Task Flexibility					
Allow at least some employees to work with their supervisors and coworkers to reallocate task assignments based on the strengths and needs of employees	73%	53%	20%	NS	16%
Allow at least some employees *with disabilities* to work with their supervisors and coworkers to reallocate task assignments based on the strengths and needs of employees *with disabilities*	84%	61%	24%	NS	25%

Source: Families and Work Institute, *2014 National Study of Employers*. Sample size for percentages of employers "allowing at least some employees …"ranged between 493 and 1,051. Sample sizes for percentages of employers allowing all or most employees ranged from 379 – 1,051. Sample sizes for comparisons of small and large employers ranged from 554 – 557 for small employers and 92 – 93 for large employers.
Percentages do not add to 100% because some response categories are omitted.
Percentages of employers offering all or most are of the total sample of employers, not just those who offer at least some employees a type of flexibility.
Statistical significance: ** = $p < .01$; ns = not significant.

EMPLOYER EFFORTS TO INCLUDE PEOPLE WITH DISABILITIES

Although workplace flexibility is an essential aspect of effective workplaces for all employees, the unique ways in which it may be applied to support employees with disabilities may require some forethought to ensure that a workplace is prepared to offer that flexibility when needed. Organizations with formal staffing plans that have proactive strategies for attracting, retaining and developing the talent needed to be successful, have an opportunity to consider how their various policies interact to achieve these goals among *all* employees, including those with disabilities.

The 2014 *NSE* asked employers if they had formal staffing plans that included provisions for the hiring and retaining of people with disabilities. Overall, the responses broke down into three groups:

- 39% had a formal plan that included such provisions;

- 9% had a formal plan that did not include such provisions; and

- 50% didn't have <u>any</u> formal staffing plan.

The majority of organizations with formal staffing plans indicated that they include provisions for the hiring and retaining of people with disabilities. On the other hand, 50% of organizations indicated that they lack any kind of formal staffing plan that could include such provisions. As a result, efforts to advance the employment of people with disabilities may require a preliminary step of assisting organizations, especially smaller ones, in developing strategic staffing plans before focusing on how to develop more flexible and effective workplaces for employees with disabilities.

Table 2: Percentage of Employers with Formal Staffing Plans that Address People with Disabilities

	Employer has …	Employer Size Does company allow all or most employees to …		
		Small (50 to 99 employees)	Sig.	Large (1,000 or more employees)
A formal staffing plan that includes provisions for the hiring and retaining of people with disabilities	39%	34%		61%
A formal staffing plan that *does not* include provisions for the hiring and retaining of people with disabilities	9%	9%	***	9%
No formal staffing plan	50%	57%		30%

Source: Families and Work Institute, 2014 *National Study of Employers*. Sample size is 1,051.
1% of respondents didn't know whether staffing plans included such provisions.
Statistical significance: *** = p < .001; ** = p < .01; ns = not significant.

Another option for identifying and implementing opportunities to be more inclusive of employees with disabilities is the formation of ERGs that convene employees with similar backgrounds or interests to network and to help build business results for the organization. Such groups provide opportunities for organizational growth around the concerns of the employees, customers and suppliers with similar interests and backgrounds. The findings show that only 10% of employers have one or more ERGs (including but not limited to ERGs for people with disabilities) and most of those organizations are larger (8% of small and 23% of large organizations have ERGs).

Table 3: Percentage of Employers with Employee Resource Groups (ERGs)

	Yes	Employer Size Does company allow all or most employees to …		
		Small (50 to 99 employees)	Sig.	Large (1,000 or more employees)
Employee resource groups for employees with similar background or interests to network and to help build business results for the organization	10%	8%	***	23%

Source: Families and Work Institute, 2014 National Study of Employers. Sample size is 1,051.
Statistical significance: *** = p < .001; ** = p < .01; ns = not significant.

Creating more employee resource groups may help convene people interested in enhancing organizational strategies to create inclusive environments that make the most of all employees' talents and tap their insights on how to design and market products and services to diverse markets. Using the model of veterans' employee groups, these groups can also be a powerful source of information in terms of both where to find this talent pool and how to connect to it. For those organizations that do not have the scale to create formal groups of this nature, current employees can be tapped through their own personal and professional networks to learn who has connections with people with disabilities.

CONCLUSION

These findings present an interesting picture of several organizational characteristics that enhance the inclusion of employees with disabilities. On the one hand, small employers are more likely than large employers to offer five types of workplace flexibility that are of value to all employees, including those with disabilities. On the other hand, large employers are more likely to have the formal staffing plans and ERGs that identify and institutionalize business policies and strategies that make for greater inclusion of employees and customers with disabilities.

People and organizations invested in improving the employment options for people with disabilities should consider encouraging smaller employers to engage in more proactive planning for how they recruit and retain staff and to form more ERGs. While a single small employer may not have enough employees interested in such an ERG, coalitions of small employers within a community could provide the critical mass to establish such a group and benefit from the cross-employer idea exchange. For larger employers, greater efforts to reinvent the way work is done and make workflex more common would be key steps in being more inclusive of employees with disabilities.

Organizations interested in additional insights on how to reinvent work to be inclusive of all employees can make use of the following free, online resources from ODEP and SHRM:

Society for Human Resource Management

- Disability Employment Resource Page
  http://www.shrm.org/hrdisciplines/diversity/articles/pages/disability_072110.aspx

Office of Disability Employment Policy

- *Business Strategies that Work: A Framework for Disability Inclusion*
  http://www.dol.gov/odep/pdf/BusinessStrategiesThatWork.pdf

- *Workplace Flexibility: A Strategic Business Approach for an Inclusive Workplace* Fact Sheet
  http://www.dol.gov/odep/pdf/workplaceflexibility.pdf

- *Workplace Flexibility Toolkit*
  http://www.dol.gov/odep/workplaceflexibility/

- *Return-to-Work Toolkit for Employees & Employers*
  http://www.dol.gov/odep/return-to-work/

- *Employer Engagement Strategy*
  http://www.dol.gov/odep/pdf/20140604BusinessCaseEngagementWhitePaper.pdf

- *A Toolkit for Establishing and Maintaining Successful Employee Resource Groups*
  http://askearn.org/refdesk/Inclusive_Workplaces/Employee_Resource_Groups/Private_ERGs

- *Job Accommodation Network (JAN)*
  The leading source of free, expert and confidential guidance on workplace accommodations and disability employment issues.
  https://askjan.org/

- *The National Center on Leadership for the Employment and Economic Advancement of People with Disabilities (LEAD Center)*
  A collaborative of organizations, thought-leaders and best-practice innovators focused on advancing policy, employment (including workplace flexibility and retention/return-to-work), leadership and economic advancement for people with disabilities.
  www.leadcenter.org

- *The National Employer Policy, Research and Technical Assistance Center on the Employment of People with Disabilities*
  Researches, influences and develops inclusive employer practices and policies and—through the Employer Assistance and Resource Network (EARN)—helps employers hire and retain workers with disabilities.
  www.askearn.com

ENDNOTES

1   The 1998 *Business Work Life Study (BWLS)* surveyed a representative national sample of 1,057 for-profit (84% of the sample) and nonprofit employers (16% of the sample) with 100 or more employees by telephone interviews with Human Resource directors. Harris Interactive staff conducted the interviews. Employers were selected from Dun & Bradstreet (D&B) lists using a stratified random sampling procedure in which selection was proportional to the number of people employed by each company to ensure a large enough sample of large organizations. When analyzing data to make generalizations about the universe of organizations with 100 or more employees in the U.S., the sample was weighted to the distribution of employers of different sizes in the U.S. The questionnaire was developed to complement the Families and Work Institute's 1997 *National Study of the Changing Workforce (NSCW)*, which surveyed a representative national sample of employees in the U.S. labor force.

2   The 2014 *National Study of Employers (NSE)* surveyed a representative national sample of 1,051 for-profit (67% of the sample) and nonprofit employers (33% of the sample) with 50 or more employees by telephone interviews and web surveys with Human Resource directors. All respondents were offered the opportunity to complete the survey in their preferred mode (telephone interview or online survey). Representatives of Harris Interactive conducted the 48-minute phone interviews between September 13, 2013 and January 31, 2014. Online interviews averaged about 37 minutes in length and were conducted during the same time period. Approximately 34% of the sample chose to respond via telephone interview and 66% chose to respond by online survey. Employers were selected from Dun & Bradstreet (D&B) lists using a stratified random sampling procedure in which selection was proportional to the number of people employed by each company to ensure a large enough sample of large organizations. The response rate for the study was 40%. The maximum sampling error (margin of error) for the study when describing the total sample is approximately 4%. (If the design effect is taken into account, the maximum sampling error for total sample estimates increases to about 5.2%.) When analyzing data to make generalizations about the universe of organizations with 50 or more employees in the U.S., the sample was weighted to the distribution of employers found in the D&B database, a close approximation of the distribution of employers of different sizes in the U.S. The questionnaire was developed to complement the Families and Work Institute's ongoing *National Study of the Changing Workforce (NSCW)*, which surveys representative national samples of employees in the U.S. labor force. Harris Interactive was responsible for the data collection; Families and Work Institute conducted the analysis of the data.

3   According to the Americans with Disabilities Act Amendments Act of 2008 (ADAA) "the term 'disability' means, with respect to an individual—(A) a physical or mental impairment that substantially limits one or more major life activities of such individual; (B) a record of such an impairment; or (C) being regarded as having such an impairment. Further information about the ADAA can be found at http://www.eeoc.gov/laws/statutes/adaaa_info.cfm.

4   U.S. Bureau of Labor Statistics (2014). *Table A-6. Employment status of the civilian population by sex, age, and disability status, not seasonally adjusted.* Washington, DC. Author. http://www.bls.gov/news.release/empsit.t06.htm

5   Erickson, W., Lee, C., and von Schrader, S. (2014). *Disability Statistics from the 2012 American Community Survey (ACS)*. Ithaca, NY: Cornell University Employment and Disability Institute (EDI). Retrieved June 17, 2014 from www.disabilitystatistics.org.

6   U.S. Department of Labor, Office of Disability Employment Policy (2014). *Employer Engagement Strategy: Workforce Inclusion* white paper at: http://www.dol.gov/odep/pdf/20140604BusinessCaseEngagementWhitePaper.pdf

7   "Although the 'reasonable accommodation' that is covered under the Americans with Disabilities Act (ADA) and federal employment regulations (e.g., Section 501 of the Rehabilitation Act of 1973) can frequently be provided along with flexible workplace strategies, there is an important distinction between the two. Under the ADA and Section 501, a reasonable accommodation is required to be provided by an employer upon the request of an employee. This requirement is designed to "provide a clear and comprehensive national mandate for the elimination of discrimination against individuals with disabilities" (Americans with Disabilities Act, Findings and Purpose, 1990).

Reasonable accommodation can range from making adjustments or modifications to the physical work environment, to restructuring the job, to providing certain assistive equipment to an employee, or simply offering flexible scheduling. Workplace flexibility can be a reasonable accommodation, while a reasonable accommodation may not always be a workplace flexibility offer to an employee. Workplace flexibility, however, can often reduce the need to provide reasonable accommodations for employees with disabilities." (Source: U.S. Department of Labor, Office of Disability Employment Policy and Women's Bureau, *Advancing Workplace Flexibility Policy and Practices Synthesis Report*, September 30, 2011: http://www.dol.gov/odep/pdf/WBForum.pdf)