What would it take? Employer perspectives on employing people with a disability—Literature review

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Introduction

The purpose of this literature review is to determine to what extent existing research engages with employer perspectives on the employment of people from equity groups – and if so, what it has to say.

There are several groups of people who are disadvantaged in relation to access to employment: people with a disability, Indigenous Australians, refugees and people from cultural and linguistically diverse backgrounds, young people “at risk” of disengagement, mature aged people, and people with low educational attainment and literacy.

Prime working age men (25 to 54 years) have a participation rate of approximately 90 per cent in Australia (Allen Consulting Group, 2005: vii). In comparison, the disadvantaged cohorts referred to above have much lower rates of participation. In the context of this research, disadvantage is described in terms of lack of access to the employment market and disproportionately high unemployment rates aggregated according to age, ethnicity, disability and educational attainment.

Disadvantage: Some facts

❖ People with disability have a comparatively lower labour force participation rate (53.2% compared to 80.1%) and a higher unemployment rate (8.6% compared to 5%) than those without a disability (Human Rights and Equal Opportunity Commission, 2005: 31).

❖ In 2006, Indigenous students were half as likely as non-Indigenous students to continue to Year 12 (Steering Committee for the Review of Government Service Provision, 2007: 13). Unemployment for Indigenous Australians is more than three times the non-Indigenous unemployment rate (Australian Bureau of Statistics, 2008).

❖ The labour force participation rate of people living in Australia who were born overseas in non-English speaking countries was 62.4 per cent in 2004, compared with 68 per cent for people born in Australia (Allen Consulting Group, 2005: 61).

❖ 45–64 year olds often have more difficulty in obtaining work than younger jobseekers and are therefore at risk of remaining unemployed for a long time. In 2003–04, 32% of unemployed persons aged 45–54 years, and 44% of those aged 55–64 years, were long-term unemployed (Australian Bureau of Statistics, 2005).

❖ Close to one in five young adults in May 2006 had not completed Year 12 or a Certificate III vocational qualification. In May 2007, 22 per cent of young Australians aged 15 to 24 years were neither in full-time work nor full-time study (Australian Industry Group & Dusseldorp Skills Forum, 2007: 11–15).

While all of these disadvantaged cohorts share a range of barriers to employment, including them all was beyond the scope of this study which focussed on people with a disability.

Missing voices

Most research on employment, equity and disadvantage has been focussed upon the labour ‘supply’ side of the employment equation. That is to say, it examines the barriers, constraints and challenges from the point of view of people with disabilities seeking employment. The focus tends to be upon
what they (or others disadvantaged in some way) need to do to break through the perceived barriers.

Our question in this study, simply put, was; ‘What would it take’ to enable employers to employ people from various disadvantaged or ‘equity’ target groups but particularly those with disabilities? However we wanted to put this question not to job applicants and advocacy organisations but to employers. We wanted to explore the issues – and barriers, from the ‘other’ side, the ‘demand’ side of the employment equation. It has been employers, after all, who have been expressing concerns about chronic skills shortages and their difficulty, or inability to recruit and retain the kinds of skilled labour they require.

Simultaneously, advocates for various equity groups point out that there are many people ‘ready, willing and able’ to work who nevertheless find it difficult to secure ongoing employment. Could insights from the employer’s side of the fence, we wondered, help to resolve this seeming impasse? And, has anybody thought to ask them? There are ‘missing voices’ in the policy discourse and the research literature.

Hence this literature review aims to provide the basis for informed and detailed discussions of what kinds of strategies employers would respond to in hiring and retaining employees with disabilities, including any contribution the Vocational Education and Training (VET) sector might make.

The review begins with discussion of the international and national policy context for this study. Governments’ twin policy objectives of social inclusion (encompassing access, equity and social justice considerations) and economic development are canvassed. The review then moves onto consideration of the dynamics of employment in general, before consideration of the research literature on disability employment issues. A section highlights some ‘good news stories in disability employment – before the final summing up.

This literature review is a support document for the project report *What would it take? Employer perspectives on employing people with a disability*, available from the NCVER website.
The policy context

OECD policy analysis

The Organisation for Economic Cooperation and Development (OECD) has conducted some studies on workforce participation by under represented groups. A review of OECD reports dating back to 1999 in the area of workforce participation reveals that there has been a good deal of research into the participation (or lack of) of women, minority ethnic groups, people returning to work from injury, people with disabilities, and more recently the ageing population.

However the OECD research is predominantly focused on the views of the groups or individuals seeking work and/or discriminated against in the workforce, the perspective of the governments of OECD countries and their attempts to overcome the barriers faced by these groups through policy and regulatory interventions. The search did not reveal any specific studies that approached these employment and equity issues from the perspective of employers. Nor was there focus on understanding employers’ recruitment and hiring practices or mindsets.

The OECD research reviewed discusses issues related to employers such as injury and illness prevention, rehabilitation of workers after a workplace injury; discriminatory hiring; and wage gaps. But the research is largely related to the types of regulatory approaches taken by governments, such as anti-discrimination laws, and the extent of their impact in reducing the discriminatory behaviour of employers. The research also tends to focus on larger enterprises whose performance in hiring from under represented groups is more readily identifiable. However, the most recent research in the 2008 OECD Employment Outlook, does make mention of the difficulties in identifying, tracking and changing unequal treatment practices by small businesses (OECD 2008). It also acknowledges the difficulty in increasing awareness of legal provisions around discrimination with small firms and changing their practices through legislation.

The OECD research gives particular attention to disability which has become a key policy area in many OECD countries. Disabling medical conditions are on the rise, which in turn creates problems for individuals, the labour market and policy makers. Increasingly large numbers of people are relying on disability and sickness benefits as their main source of income and the employment rates of people with disabilities are low. The focus of the research here again is on ways to prevent disability and addresses the problem principally from an individual or government perspective. However, there is some attention paid to the role of employers in this matter and the policies and incentives used by many countries to try to address the problem.

In some countries, such as the Netherlands, the government has adopted a proactive response which puts increased responsibility on to employers to prevent sickness and disability in the workplace and to rehabilitate workers once a problem has occurred.

The OECD research series Sickness, Disability and Work analyses the sickness and disability policies of OECD countries. It explores in particular the possible factors behind why many workers leave the labour market permanently due to health problems while, at the same time, many people with a disabling condition are denied the opportunity to work.

Volume 2 looks at the cases of Australia, Luxembourg, Spain and the United Kingdom (OECD 2007). It highlights the roles of institutions and policies in how to reduce the numbers going on sickness and disability benefits and how to promote the transition from benefits into employment.
In the case of Australia, the report discusses the ‘Welfare to Work’ Reform of 2006 and concludes that more employer involvement would strengthen the reforms. Among other things it recommends that employers take more responsibility for sick employees to make sure they don’t fall into unemployment. But it does not explore the hiring behaviours of employers in respect of introducing people with disabilities into their work force.

The problem of labour market exclusion is not specific to Australia. Many OECD countries are facing rapid population ageing. Increasing the participation rates of under represented groups in the work force is seen as key to satisfying labour shortages. The Economic Survey of Australia 2008: Raising Labour Supply (OECD 2008b) acknowledges that chronic skills shortages, in addition to the pressures of an ageing population, indicate that Australia cannot afford to exclude potential workers from the labour market. The source of these potential workers includes women with families and single parents, disability benefit recipients and older workers. Immigrant workers are also seen as an important contributor to the labour supply but they present their own issues in terms of the adequate use of immigrants’ human capital. Many skilled migrants are not in employment that utilises their skills and many are over-qualified for the positions they hold.

But, as with the other OECD research cited, the focus is on policy mechanisms aimed at the current disincentives that exist to work force participation for these specific groups. Employer attitudes to the recruitment and hiring of people from these groups as a key strategy to increase their work force participation are not discussed. Also not addressed are the potential benefits of their participation to employers.

The other area of potential relevance to this research project which does receive a good deal of attention in OECD research is the area of discrimination. The OECD Employment Outlook 2008 provides some insights into gender and racial discrimination in the labour market. In Chapter 3 ‘The Price of Prejudice’ the authors focus on coercive legal approaches as a tool for policy makers to fight discrimination. The chapter concludes that there is evidence to show that such approaches can help but importantly the merit of anti-discrimination laws goes beyond their power to repress unwanted behaviours to their capacity “to induce cultural change and redefine socially acceptable practices” (OECD 2008a).

The ‘Price of Prejudice’ presents empirical evidence to indicate that pervasive discrimination in the labour market works against policies designed to facilitate access to employment and increase the numbers of under represented groups in the workforce. It also confirms findings from other OECD research investigating employment issues in regard to people with a disability as well as for older workers (OECD 2006a, 2006b). Namely, that there is a need to change the negative attitudes of employers to people with disabilities in order to improve employment prospects. In this respect it is further suggested that there is a need to review the potential role of anti-discrimination laws.

The OECD work also suggests that anti-discrimination laws are not well understood by many smaller employers and therefore have little impact on their employing processes (OECD 2006a:166). The report notes that the fear of contravening equality laws restrains employers from taking positive actions; and the need for affirmative action for some groups raises doubt in respect of merit. This report also suggests that the perceived cost of hiring from disadvantaged groups gives employers a seemingly ‘legitimate’ reason for discrimination (OECD 2006a:179).

The OECD suggests that in order to counteract these effects, targeted and tailored support be provided to employers in the form of information campaigns and incentives to reward improved performance in employing disadvantaged groups. They acknowledge that many countries are currently involved in these activities but often they take a lower priority than information campaigns aimed at the general public or the potential victims of discrimination (OECD 2006a:165). They suspect that “supplying data on the composition of the local population (i.e. ethnicity, gender, age, qualifications and skills, employment by group, etc.) may give employers the means of asking and answering questions about their own performance” (OECD 2006a:166).

Understanding the changed and changing nature of their labour supply may make employers more comfortable employing from groups they have not previously considered. “The Price of Prejudice”
raises the concept of ‘taste based’ discrimination as an explanation for why some groups are more or less represented in the workplace. “Taste based” discrimination is based on employers having a taste or preference to be associated with (and employ) some persons instead of others. When employers are choosing between similar job applicants they use the obvious indicators such as education, experience and references; but if they cannot measure the applicant’s potential productivity they go to the less observable determinants such as their own preferences and beliefs about certain groups. Further to this, employers may assign the same expected ability to all individuals within that group and discount them from their recruitment and hiring choices (OECD 2006a:150). Therefore hiring (and wage) decisions can be based in part on the employer’s existing beliefs or stereotypes regardless of whether they may be missing out on talented individuals or that these decisions may have a cost to their business (OECD 2006a:151). The study notes that “taste based” discrimination can also be exercised by employees and/or consumers.

Overall, the review of OECD research reveals that its major focus is on the individuals who are underrepresented in the work force and on the policy instruments and regulatory mechanisms designed to enhance their engagement. While the role of employers in this process is discussed, significant examination of the beliefs and attitudes of employers is not apparent. Nevertheless, the OECD work confirms the importance of employer attitudes in expanding the work force participation of under represented groups and the cost of ignoring this both to the employers and the potential employees.

Testing the issue of “taste based” discrimination with employers through this project may provide greater understanding of the apparent paradox of skill and labour shortages at the same time as the existence of a large pool of under utilised labour supply.

No OECD research parallels the work being undertaken in this project, but this work may provide important insights into an area that the OECD acknowledges deserves more investigation.

Australian Government policy

The policy attention to issues of disability and diversity employment in the European context and in the United States of America, has been reflected in Australia also. In recent times there has been national emphasis on increasing employment opportunities for people with a disability. This emphasis is borne out by the broad ranging 2005 Human Rights and Equal Opportunity Commission (HREOC) inquiry into disability employment, WORKability II: Solutions; and the Federal Government response to this. There was also the National Mental Health and Disability Employment Strategy Discussion Paper, setting policy directions for this area, and ultimately a national strategy to be developed in 2009 outlining clear and practical steps the Government can consider implementing.

The HREOC report WORKability II: Solutions found that for employers, there were four main concerns around employing people with a disability: perceived Occupational Health and Safety risks, discrimination law risks, industrial relations risks, and confusion about how discrimination, occupational health and safety and industrial relations laws interact (Human Rights and Equal Opportunity Commission, 2005: 103–105).

The working groups suggested:

- Government supported workplace safety assessments for employees with a disability.
- The development of a pilot program in which government covers the first year of insurance premiums as an incentive for employers to hire people with a disability, and which tracks the impact of employees with a disability on workplace safety to collect information on real and/or perceived risks.
- Capacity building for employment service providers who are often the gateway to the workplace for people with disability, and a major source of information for both employees and employers.

The National Mental Health and Disability Employment Strategy Discussion Paper was presented as part of the Federal Government’s ‘Social Inclusion Agenda’. It sought to improve “employment opportunities for people with disability and/or mental illness who wish to work” (Department of Education, Employment and Workplace Relations, 2008: 1). Increasing the employment of people with a disability and/or mental illness was also part of a national economic agenda which sought to “reduce inflationary pressures in the economy and maintain economic growth rates” (Department of Education, Employment and Workplace Relations, 2008: 1).

The Strategy acknowledges “resistance from employers in hiring people with a disability” (Department of Education, Employment and Workplace Relations, 2008: 3) as a major concern. It cites “high rates of discrimination in employment and low job retention rates experienced by people with disability and/or mental illness,” where “44 per cent of complaints made under the Disability Discrimination Act relate to discrimination in employment” (Department of Education, Employment and Workplace Relations, 2008: 8).

The Strategy also aims to overcome difficulties relating to public transport access, costs of managing a disability, and the unpredictable nature of some disabilities and illnesses. It also focuses on building skills through education and training (Department of Education, Employment and Workplace Relations, 2008: 3).

The Australian Government has demonstrated its commitment to these issues by ratifying the International Convention on the Rights of Persons with Disabilities on 30th March, 2008. Australia was one of the first nations to sign the Convention.

The Government has also released a discussion paper on The Future of Disability Employment Services in Australia (Department of Education, Employment and Workplace Relations, 2008a). Based on extensive consultations the paper outlines a new model for services in this field. It aims to be simpler and more flexible, whilst simultaneously providing more integrated support to job seekers. The paper addresses the issues substantially from the ‘supply’ side of the employment equation. It stresses, for instance, the importance of training and employment preparation responding to employer requirements and expressed skills shortages. However it also notes the need to provide better information to employers, so they know what help is available, as well as greater and more flexible ongoing support options.

Government policy in the VET field has also addressed disability employment issues. Bridging Pathways 2000 – 2005 (Australian National Training Authority 2000) was the 5 year national strategy for increasing opportunities for people with a disability in VET. It was targeted specifically at what the VET sector could do for people with a disability. However the only references to employers were in the context of the link between undertaking VET and the increased likelihood of becoming employed. The inferences to be drawn from the strategy were that – VET could indirectly assist employers by:

- encouraging more people with a disability to participate in VET;
- assisting and encouraging people with disabilities to enroll in higher level qualifications which were more likely to be in demand by employers; and
- providing information to employers about services, incentives and supports that may be available to them.

Bridging Pathways made the link between VET and employment but it was not a strategy designed to actually pursue this. The role of VET was seen as part of a preparatory process to improve the employment prospects of individuals.

The mid-term review of the five year strategy late in 2002 showed that there was an increased awareness of disability issues, particularly among Australian, state and territory government partners who reported against the strategy. This awareness, however, had not extended to other key players.
such as employers. Nor had this awareness led to a broad sense of ownership and responsibility, which was deemed essential to improve vocational education and training and employment outcomes for people with a disability. The review suggested that when employers are not helped to understand an individual's support needs, when resources are inadequate, or when they are difficult to access, employers may understandably be reluctant to offer work to people with a disability.

Nevertheless the revised strategy still contained no direct role for VET working with employers or even responding to employers’ needs in this area. The only direct references to employment were in the strategy referred to as ‘Improving Employment Outcomes’ and discussed the need to focus on the school to work transition level – once again on the ‘supply’ side of the equation. The review also found that funding from various sources could be better co-ordinated and used more effectively to improve employment outcomes for people with a disability.

A measure of the success of the strategy was to be when employers understood that there are sound business reasons for employing people with a disability, and when those employers are confident they will receive support as and when they need it.

The National VET Disability Advisory Taskforce – Final Report and Recommendations (Department of Education, Employment and Workplace Relations, September 2008) also addresses issues relevant to this study. This report details the efforts that have been made and the current status of participation levels of people with disabilities in VET over the past decade. It too makes the link between VET and entry to employment and concludes people with a disability will likely remain dependent on the welfare system unless we can improve their participation rates in training that leads to employment. As with the Bridging Pathways strategy the report indicates that at the most basic level VET can make a contribution to the employment of people with disabilities by boosting participation in VET and participation in the level of qualifications likely to lead to employment. The report comments on the fact that the community in general, including the VET community, expects little from people with disabilities. Therefore individuals with disabilities end up in lower level qualification streams and in courses that have lower labour market demand and exist in declining industry areas.

The report argues that a key challenge for the VET system is to take a leadership role, demonstrating that given opportunity and respect, and the right supports, people with a disability can achieve great things. The report discusses disability as an ‘environmental’ issue rather than one related to the disability itself – it recognizes that the difficulty many people with disabilities have participating fully in society is caused less by the disability itself and more by the physical and attitudinal environment in which we live.

Nevertheless, this report is also posited from the perspective of those with disabilities and does not go a long way to elucidating the role for VET in assisting employers with the employment of people with a disability.
The dynamics of employment

Employability skills

Employers’ needs vary according to industry, occupation and sector but there are, broadly speaking, certain work ready skills that employers look for when recruiting. These skills, variously identified as core or key competencies, generic skills, or employability skills, have been the focus of considerable policy attention, both internationally and within Australia.

The literature in this area suggests that business values regarding employability skills are undergoing a paradigm shift, particularly since the Mayer Committee outlined the seven key competencies in 1992 (Kearns, 2001; Townsend & Waterhouse, 2008).

Traditionally, core skills have been understood to be discrete and to pre-exist workplace practice. These were skills such as: analysis, literacy or effective communication, organisation, working with others, numeracy, problem solving, and the ability to use technology (Kearns, 2001: 14).

The emergent knowledge economy has brought with it new and different workplace demands. According to the Australian Chamber of Commerce and Industry (ACCI) employers are positioning their skills needs within the context of a global knowledge-based economy. In this environment “enterprises are increasingly seeking a more highly skilled workforce where the generic and transferable skills are broadly distributed across the organisation” (Australian Chamber of Commerce and Industry, 2002: 5).

One of the largest impacts of the changing knowledge economy is its effect on mature age workers. In their article ‘Employability of Older Workers’ Patrickson and Ranzijn argue that there is evidence of a “mismatch between what older job seekers believe employers want and what employers are seeking” (Patrickson & Ranzijn, 2003: 50). Their research found that older workers had developed their working identities under a profoundly different set of values that had become anachronistic in the contemporary workplace. Values such as loyalty, hard work and obedience are not as important in the structure of the new workplace as self-management, initiative and opportunism (Patrickson & Ranzijn, 2003: 59). Similar findings are apparent in work by Virgona and colleagues (2003).

Currently the Australian Chamber of Commerce and Industry and the Business Council of Australia (BCA) are devising a different set of employability skills the better to reflect the changing marketplace (Masters, 2008: 5).

The new skills regime redefines competency to include the psychology of the worker and his or her relation to the work, rather than as discrete sets of pre-existing skills and abilities. This includes values and attributes, a willingness to learn and cultural understanding, especially in the context of a multicultural society and the knowledge economy (Kearns, 2001: 16–17). According to the Australian Chamber of Commerce and Industry “employers have moved on from just requiring technical skills to seeking a series of personal attributes and broad underpinning skills” (Australian Chamber of Commerce and Industry, 2002: 4). The new additions include: teamwork, initiative and enterprise, planning and organisation, self-management and learning (Department of Education, Employment and Workplace Relations, 2008b; Masters, 2008: 5).

According to Townsend and Waterhouse, this shift in thinking has moved the terms of definition away from pre-established universal norms understood simply as “basic skills” to a more...
interactive conceptualisation of skills as they are applied in the workplace (Townsend & Waterhouse, 2008: 14).

The adaptation of skills in the workplace necessitates a revisioning of “basic skills” as “multi-literacies”, which range beyond reading, writing and numeracy skills to address sharing of tasks, monitoring of one’s own progress and a willingness to learn on an ongoing basis. Thus the current emphasis is on diversity and adaptability, both on the part of employers and employees. As Townsend and Waterhouse put it; “people use language and texts in diverse ways, according to their differing contexts, purposes and values” (2008: 12). Similarly, different workplaces and work roles require different sets of literacies arranged according to varying priorities. This focus on the multiple interactions between the person and the workplace is described as “fit”. The best “fit” is determined by a combination of employee qualifications, skills, attitudes, and attributes (Townsend & Waterhouse, 2008: 9).

The NCVER report Getting the Job Done, which focused on employers’ views of the VET system, also found that employers are placing increasing emphasis on attitudinal and behavioural aspects of skill. Employers identified passion for the industry, adaptability, ability to learn and flexibility to change one’s ways of working as most important (Townsend et al. 2005: 53–54). The report cites a 2001 NCVER survey, which showed that most employers wanted some form of work experience or on the job training – this indicated the need for accreditation specific to industry, job role, and work environment. A majority of respondents (76%) said that “it is difficult to tell what a person can actually do from their educational qualifications” (Townsend et al. 2005: 20). They indicated that they wanted accredited employees but that they also needed to know that the employees had the skills to match the accreditation.

More recent research undertaken by Townsend and Waterhouse found that,

where candidates demonstrated a positive attitude, enthusiasm, a strong 'work ethic' and genuine interest in the work, employers may forego literacy and numeracy employment criteria during recruitment, particularly if they face labour shortages”.

(Townsend & Waterhouse, 2008: 9)

This study however did not specifically explore issues of disability or other disadvantage.

The concepts of employability skills and the right “fit” can have problematic implications for job seekers and workers – even those not particularly disadvantaged or disabled. There are several key issues here.

First, some interpretations of employability skills suggest that it is entirely the individual’s responsibility to develop and present (to prospective employers) with a full suite of employability skills. According to this stance, an individual’s employability is self-determined, based on his or her existing set of employability skills. However Virgona and colleagues (2003:56–75) argue that whilst individuals can do all within their power to be ‘employment ready’ there are significant employment variables which are ultimately outside of their control.

the conundrum lies in the fact that, in a given context, the individual does not control most of the variables that determine his/her employment prospects. The state of the local labour market, the capacity for mobility, levels of investment and community infrastructure, industry and regional policy and so on, all contribute to determining the employment prospects of individuals … Hence the tendency to conceptualise employability as an individual phenomenon contradicts significant research … While individuals may do everything within their power to be work-ready and employment-oriented, in truth the status of their employability is not entirely within their own domain. (Virgona et.al. 2003:56–57)

Secondly, the notion of “fit” can serve to narrow the skills focus and reinforce pre-existent employer perceptions about individuals’ capabilities (or disabilities). Employer preconceptions (or prejudices) about what someone can or can’t do will affect their assessment of where that person “fits”. Hence, disadvantaged job seekers and workers may be further compromised where
employers’ perceptions are framed narrowly in terms of impairment and disability, rather than in terms of strengths and capabilities.

There is also a third significant factor to take into account. The indicators of employability, defined as skills, attributes and “fit”, must also enter into negotiation with pre-existing workplace cultures and the assumptions that underpin them.

Workplace culture may be defined as a set of shared basic assumptions that govern organisational practice (Comer, 2008: 1). According to Michael Comer, while it is important for employees to fit in with a particular organisational culture, there needs to be acknowledgement of the responsibility of organisations or corporations to change the culture in order to recruit and retain the best workers (Comer, 2008: 2). In the face of global competition, deregulation or merger, it is necessary, Comer argues, for organisations to instil new values to effectively engage with the new environment created by these external conditions (Comer, 2008: 4).

Workplace cultures and conditions may also actually work against the organisation’s interests in preventing access to valuable skills that already inhere within the existing workforce. According to Virgona et al.

the nature of these skills is that even when ‘present’ they may be invisible, innate or inactive, like desert seeds waiting for the right conditions to sprout”. (Virgona et al. 2003: 55)

Virgona et al. suggest that there may be hidden skills in the workforce that are rendered invisible due to systemic practices which obscure them. This has significant implications for recruitment process in that employee assessment would also be bound by the same laws which govern existing employees. That is, employee potential may be overlooked if it is not articulated in ways consistent with underlying organisational assumptions. The double bind here is that organisational bias already excludes the possibility of effective articulation.

Comer (2008: 3) also argues that there may be gaps between “espoused values” and “actual cultures” which reduce the performance of the organisation in fulfilling its stated mission and enhancing the quality of its workforce. Comer suggests that the solution to this problem is for organisations and corporations to change their underlying assumptions by critically comparing their espoused values and actual values, cultural practices (such as dress codes, hierarchical structure, working hours, decision-making, merit system), and employee contributions.

For disadvantaged people this gap between espoused values and actual cultures can determine whether or not they get the job. The interrogation of the effects of this split is especially relevant to workers and jobseekers with disabilities because of the persistence of culture in negatively influencing employer perceptions of whether this cohort can meet the employer’s stated needs.

In the Australian context the skills shortage coupled with an ageing workforce and the new knowledge economy means that it is absolutely necessary for organisations and corporations to examine their workplace cultures in order to find out if they are actually utilising the skills in their existing workforce or unwittingly overlooking the benefits offered by potential employees with disabilities in the recruitment process.

‘Skill ecosystems’: Skills in context

While public policy has tended to simplify reality, suggesting that gaining and maintaining employment is essentially only a matter of individuals attaining and marketing the ‘right’ skills, a series of ‘skill ecosystem’ projects have taken a fresh and more critical approach. These projects, utilising action-research methodologies, have been conducted and evaluated under the auspices of the NSW Department of Education and Training.

The insights from these projects have led to a reconceptualising of labour market, employment, and training issues in terms of a dynamic system.
A skill ecosystem is a self-sustaining network of workforce skills and knowledge in an industry or region. Any defined industry sector, such as the South Australian wine industry or the super funds management industry in Melbourne and Sydney, has an associated skill ecosystem.  

(Windsor & Alcorso 2008:5)

The skill ecosystem projects have systematically explored the relations between the various factors shaping sustainable employment.

The economic conditions, structure of industry and labour markets are clearly important. So too are business settings such as workplace culture, job design and management capability. The role of the education and training system – both in terms of its responsiveness to the needs of industry, and the influence it exerts on industry parties in support of one direction or another is also critical.

Finally, as shown in the diagram, the disposition of individuals is important as they make decisions about whether to engage in training and education. The skill ecosystem approach emphasises that these decisions are made in a context which either supports, or alternatively, discourages individuals from pursuing work-related learning.  

(Windsor & Alcorso 2008:5)

Skill Ecosystem (from Windsor & Alcorso 2008:5)
The significance of the skill ecosystem projects for this research is that they highlight the reality that employment decisions and employment pathways sit within a complex ‘web’ of multiple strands. The various projects conducted under the auspices of the skill ecosystem banner are significant for the following characteristics:

1. They address both supply and demand sides of the skill equation (i.e. they focus on the availability or development of skills, and their utilisation).
2. They seek to achieve both improved business performance and positive outcomes for individual employees. (Windsor & Alcorso 2008:5)

The authors point out that the different skill ecosystem projects each had their own focus and strategies varied to some extent. However, they stress that “it is important to note that the skill ecosystem approach is by definition multi-dimensional” (Windsor & Alcorso 2008:5).

These skill ecosystem projects have illuminated the challenges of fully understanding the processes and complexities of workforce development. As Buchanan notes,

In recent years there has been growing interest in a ‘workforce development’ approach to skills matters in Australia. Workforce development refers to those arrangements where people, through the course of paid employment, gain new competencies necessary to become productive beings.

The key dynamic of interest is the balance between the development and deployment of labour on the job. This balance is determined by the skills eco-system in which work and skill formation is embedded.

The key finding from these studies and pilots is that it is often factors beyond the training system driving problems in skill formation and use. … While policy remains pre-occupied with training places and VET funding arrangements, problems with recruitment and retention and skill shortages will continue to be misdiagnosed.

(John Buchanan Workplace Research Centre e-newsletter 15/09/08)

Buchanan’s reference to ‘the key dynamic’ of the balance between the development and the deployment of labour is pertinent to this study. The prima facie case in this research is that there is labour capacity which is not being effectively deployed. As Buchanan notes, it is not the existence of skills, knowledge and capacity in itself which matters; it is the dynamics of the skills ecosystem which determines the ‘take-up’ of skills. This is just as true for employment of people with disabilities as it is for anyone else.

The skills ecosystem projects have highlighted the organic nature of workforce development processes. They are organic in the sense that there are multiple variables, connections (and disconnections) and complex interdependencies which tend to complicate simple, linear, cause and effect understandings about skills, employment and work. Many of these variables are outside of the control of individual job seekers, training providers or VET policy makers.

The skill ecosystem projects have also highlighted the significance of place, or context, in workforce development processes. As with some other recent studies, (Falk & Balatti 2004, Sanguinetti et. al. 2004, Allison et al 2006, Waterhouse et al 2006, Somerville 2008,) it becomes apparent that solutions to employment issues need to be crafted to suit particular contexts, circumstances, regions or localities. There is no one-size fits all strategy.

Hence our analysis of employers’ understandings of employment potential and pathways for people with disabilities must be shaped by an appreciation of their context and their skill ecosystems. Their perceptions and decisions will be framed and shaped by the skill ecosystems within which they are situated.
Disability and employment

So far, following our introduction, we have provided an overview of OECD policy analysis on disability and diversity employment (predominantly in the European context). We have also explored, in brief, the national Australian policy context especially through the Federal government’s agenda for social inclusion, before moving on to consider the dynamics of employment. The debates around employability skills have been referred to and we have highlighted the importance of skill ecosystems.

While our initial interest was framed broadly in terms of employment and equity issues, the project was focussed on disability and employment issues. This was the core theme which we explored in the focus groups with employers. The gap in the research literature, with respect to employers’ views was also evident in relation to disability, with one very significant exception which is discussed below. Following discussion of this North American study we move onto what we could find in the Australian context. This section concludes with some brief observations in relation to vision impairment, mental health and chronic illness.

US insights into employer views

Until recently the gaps in the European literature, with respect to the employer perspectives, were also evident in the North American literature. Recently however, Domzal et al (2008) conducted a substantial telephone survey, interviewing 3,797 employers across a range of industry sectors for the Office of Disability and Employment Policy (ODEP) in the U.S. Department of Labor. Their report notes that prior to their study, “there were no comprehensive surveys examining the employer side of issues related to recruiting, hiring, advancing and retaining people with disabilities” (Domzal et al 2008: 1). Later they note,

The strength of this survey is its emphasis on comprehensive sampling based on industry sectors, company size, and individuals at the executive level. (Domzal et al 2008: 1)

The stratified random sample of their research design represented 2,469,000 companies. The study covered 12 industries by company size; from small businesses employing 5–14 employees, through to medium (15–249 employees) and large companies employing over 250 people. The range of industries they surveyed was further classified according to the super sectors of the North American Industry Classification System (NAICS).

The research revealed that overall, approximately 19% of their respondents report employing people with disabilities. However, as might be expected, the figures vary according to company size. Amongst small companies 10.7% report employing people with disabilities, whilst 22.6% of medium sized companies and 53.1% of larger companies do so.

Their analysis also suggests differences between the super-sectors mentioned above. For instance, when asked about actively recruiting people with disabilities they found,

Public administration organizations are more likely to actively recruit than their private sector counterparts.

Among private sector companies, those in service-producing industries are more likely to actively recruit than those in goods-producing industries. Service-producing industries have the largest number of employers that actively recruit. (Domzal et al 2008: 2)
Not knowing how much accommodations will cost and the actual cost of accommodating disability are major concerns associated with hiring. These concerns reflect a need for education not only to increase the number of companies that recruit, but to better prepare them to make a hiring decision when considering a qualified candidate with a disability. Health care costs, workers compensation costs and fear of litigation are more challenging for small and medium sized companies than for large companies. These challenges are especially strong among companies that do not actively recruit people with disabilities, so information geared toward allaying these fears among small and medium companies would be helpful.

(Domzal et al 2008: 5)

The Office of Disability and Employment Policy study appears to be the first substantial study of its kind anywhere in the world. Whilst adopting a different research method, it explored essentially the same kinds of questions that are being considered in this study. It therefore provides a very useful point of comparison and to some extent the potential for validation of the findings from this research.

Australian employers’ perspectives

The Australian Industry Group, in its submission to the Inquiry into Disability and Employment stated that it recognised diversity of experience among both people with a disability and types of businesses (Australian Industry Group, 2005: 2). It also suggested that education and awareness-raising, rather than the threat of punishment, is fundamental to engaging employers. The Australian Industry Group also states:

There are many benefits to be garnered from employing people with a disability, financial and otherwise. The statistics paint a very positive picture of the potential benefits such as decreased absenteeism, a high degree of loyalty and commitment and an innovative approach to problem-solving. (Australian Industry Group, 2005: 3)

This indicates employer support, at least on paper, for increasing the participation of people with disabilities in the workforce.

According to the Australian Chamber of Commerce and Industry while the employment of people with a disability makes “good economic sense”, there are still many misconceptions to overcome about the costs of hiring people with disabilities (Australian Chamber of Commerce and Industry, 2008: 1).

Peck and Kirkbride identify four main employer fears which limit employment opportunities for people with disabilities. These are listed as fear of cost associated with hiring; fear of additional supervision and loss of productivity; fear of having to retain an underperforming employee; and the fear of “damaged goods” (Peck & Kirkbride, 2001).

Equity Research Centre research findings have corroborated some of these employer fears, with some employers stating that they were unable to adequately meet the costs associated with recruitment of people with disabilities, and that their employees weren’t “work ready” (Keating et al. 2008).

Morgan and Alexander found that employer groups with and without experience in the hiring of people with developmental disabilities cited their main concern as safety issues. Almost half of both respondent groups listed safety issues as a concern yet, as the authors point out, Du Pont Corporation evidence shows that the safety records of employees with disabilities are much higher in comparison to other employees (Morgan & Alexander, 2005). These findings have also been
supported in other literature (Graffam et al 2002; Zivolivh & Millard, 1990; Lester & Caudill, 1987; OECD, 2007).

The Australian Chamber of Commerce and Industry also cites risk as a major fear for employers. The Australian Chamber of Commerce and Industry found that the biggest concerns for employers related to the possible impacts of Occupational Health and Safety, Workers’ Compensation, Disability Discrimination and Equal Employment Opportunity (Australian Chamber of Commerce and Industry, 2008: 1). The Australian Chamber of Commerce and Industry also cited the negative perception (particularly in retail) that customers would be scared off by the visible presence of people with disabilities in the workplace. In addition, the Australian Chamber of Commerce and Industry says, employer reticence is exacerbated by a lack of government coordination between education, training and employment.

In short, employers are afraid of litigation, punishment, and disability itself. In order to address these fears the Australian Chamber of Commerce and Industry urges that employer obligations be “reasonable” and that employers be given “scope to decline an offer of employment or to not continue employment where an employee cannot fulfil the inherent requirements of the particular job.” (Australian Chamber of Commerce and Industry, 2008: 2).

What employers also want, according to the Australian Chamber of Commerce and Industry, is “access to sufficient information from treating practitioners, health professionals, workers’ compensation agents/insurers and others, to enable them to effectively manage the workplace risks that may arise from an employee’s impairment” (Australian Chamber of Commerce and Industry, 2008: 2).

If we ignore for the moment the assumption inherent in this statement that disability equates with risk, the Australian Chamber of Commerce and Industry perspective suggests that in addition to being shown case studies where disability employment works, employers need better information on how to confidently accommodate employees with disability.

Employers in the Leading from the Front report indicated that they would be more inclined to employ people with disabilities if they had ongoing support from agencies, targeted funding, decreased costs associated with recruitment, and a higher degree of work readiness among employees (Keating et al. 2008).

Both the Equity Research Centre and the Australian Chamber of Commerce and Industry note the importance of “assistance, support, training and incentives” for employers in the employment of people with a disability (Australian Chamber of Commerce and Industry, 2008: 3).

The Australian Industry Group says employers will employ and retain more people with a disability when:

1. They perceive it to be relevant to their business;
2. They have permission from their leaders and know why and how;
3. They perceive the risks and costs to their business and to themselves are minimal.

(AI Group, 2005: 5)

This indicates that advocacy arguments presented to employers in relation to disability employment need to be framed in economic terms. This advice also highlights the need for leadership from the top (rather than the ground up), and that employers need education about the risks and costs to their business.

The good news is that employers who have previously employed a worker with a disability, are much more likely to employ a person with a disability in the future (Smith et al 2003; Morgan and Alexander, 2005; Keating et al. 2007, Keating et al. 2008).

This emphasis on employers’ experiences is relevant to other disadvantaged cohorts as well. Personal experience and emotional exchange are shown to be a powerful factor in employment decision-making. A 2001 Department of Education, Employment and Workplace Relations
employer survey found that by far the most common method of recruitment was via word of mouth or personal recommendations from personal contacts (Department of Education, Employment and Workplace Relations, 2001: 2). Patrickson and Ranzijn’s research on employability of older workers found that one of the main determinants of success in employment for the people in their study was their ability to tap into opportunities through personal networks (Patrickson & Ranzijn, 2003: 59).

In terms of the employer demography, larger organisations are more likely to employ people with disabilities (Australian Chamber of Commerce and Industry, 2008; Morgan and Alexander, 2005; Keating et al. 2008). This indicates a need to engage small and medium enterprises. The Australian Chamber of Commerce and Industry suggests employers need information on: recruiting, training and retaining people with disabilities; accessing employment services; the kind of support that would be available to them if they were to employ a person with a disability.

The Australian Chamber of Commerce and Industry also advises that supervisors need appropriate support; that there is a lack of understanding about the skill levels of people with a disability and the impact that disability might have on the workplace; that long-term promotion of the positives of employing people with a disability is needed, and that industry skill matching would suit certain industry sectors (Australian Chamber of Commerce and Industry, 2008: 2).

The Australian Industry Group notes that:

… large companies are often motivated by corporate reputation and the goal of being a good social citizen whereas small businesses out of necessity are primarily concerned with being open for business each day. (AI Group, 2005: 2)

Hence, any investigation of employer perspectives must take into account the different motivations for larger and smaller businesses.

**Group Training & Welfare to Work**

Another useful Australian project is being conducted by the Group Training Association of Queensland & Northern Territory (GTAQNT). The association is undertaking a review of what contribution group training organisations are making under the [Federal] Welfare to Work policy and whether more can be done to assist people with disabilities access apprenticeships and traineeships.

The project has two aims:

a. Identify existing barriers to employment opportunities for people with a disability, and
b. Investigate solutions to remove existing barriers and through engaging with key stakeholders develop, organise and implement a range of strategies that will directly improve awareness about integrating people with a disability into the workplace. (Cartwright 2009:3)

The Interim Report notes that,

Group Training Organisations (GTOs) open up new opportunities for people to gain vocational skills through employment and training. GTOs have a good track record of employing people from under-represented groups and due to their support systems, staff training and pastoral care create a working environment that is focused on quality training and achievement of qualifications … Most GTOs reported some recent experience employing people with a disability.” (Cartwright 2009:5)

The report addresses Group Training Organisations as employers, although it also comments upon training issues. There are important matters identified here of which some are recurring themes that have been noted in studies cited above. Key points include the importance of:

* Providing pre-employment training and development opportunities for young people with disabilities, from middle school onwards and including forms of work-experience;
Addressing the significant limitations and constraints in employer knowledge and perceptions;

Building a systems approach involving cross agency cooperation and collaboration;

Removing systemic barriers such as funding arrangements based on a 'one-size-fits-all' model which does not support learner-centered pathways.

Developing widespread excellence in VET responses, including flexibility in delivery and assessment methods and sensitive case management processes.

The report cites some useful examples of good practice and provides valuable insights and recommendations for strategic developments which would enhance the prospects for, and the practice of, disability employment. Significantly the report also highlights a theme apparent elsewhere in this review – namely the importance of strategic networks and associations.

The single most important aspect that demonstrated best practice by GTOs employing people with a disability was their connectedness and understanding of disability services and providers. The success stories were always characterised by strong cross-agency relationships and where training arrangements had broken there was evidence that GTOs were not clear about who could help and how. (Cartwright 2009:6)

Cartwright echoes the findings of the US Office of Disability and Employment Policy study cited earlier. The American study reported that less than 7% of small and 8% of medium employers were even aware of significant resources and specialist support services available to them with respect to employing people with disabilities (Domzal et al 2008: 22, 24). It appears the situation is similar in Australia. The Queensland study notes,

Our research indicated that GTOs did not understand the matrix of services and providers and at what juncture each was involved and what expectations to have of their service. At times GTOs are not treated as employers, rather as another recruitment and placement agency not requiring the services available. GTOs need to be empowered about what the various agencies are funded and required to deliver and access them. The establishment of the JobAccess one-stop-shop is a valued resource but few GTOs surveyed knew of its existence and had not used the service. Employers need to be aware that this service exists for it to be utilised and add value. (Cartwright 2009:10)

Indeed the need to get information and support to employers is another recurring theme. Concerns identified by the project include:

- Employer perceptions about the difficulties of employing people with a disability.
- A lack of capacity to lead diverse teams amongst managers.
- Employer perceptions about the increased costs of employing someone with a disability (especially in the public sector which has an increasing commercial perspective).
- A lack of information about the real costs and risks of employing a person with a disability.
- Concerns about the impact of discrimination legislation when hiring a person with a disability, particularly amongst small businesses (including uncertainty about the requirements to make reasonable adjustments to the workplace).
- Problems in accessing the Workplace Modifications Scheme

These are virtually all ‘demand-side’ (or employer) issues rather than applicant or employee considerations. Furthermore, it appears that even where there is engagement with various disability agencies,

There was a general sense from those surveyed that the disability agencies provided a reasonable standard of service, but didn’t always understand the needs of employers (emphasis added) or respond to concerns in a timely manner. (:11)
Further on Cartwright notes,

Employer understanding and awareness represents an enormous barrier to engaging people with a disability. Our research indicates that incentives and process improvements will not be enough to change participation levels unless employer perceptions are addressed and an understanding is gained about the existence and responsibilities of disability agencies.

Insurance companies and brokers offer free training to employers and their staff about workplace safety, managing stress and workers’ compensation claims because they see a direct correlation to reduced claims. Government should equally consider offering disability awareness training to small and medium sized employers interested in employing people with a disability as there would be a direct correlation to increased employment participation and reduced welfare. Large employers can access a service through Disability Works Australia (NDRC). (Cartwright 2009:12)

In a separate project, also supported by the Group Training Association, Lewis & Priday (2008) report on the preliminary findings of a study investigating a series of partnerships between Group Training Organisations (GTO’s) and Disability Employment Network (DEN) providers. These partnerships were established following earlier work sponsored by the Australian National Training Authority (Lewis 2002).

The success of these partnership projects is discussed below. However the report also points out that there were difficulties with some of the partnership arrangements. Even where there is goodwill and agreement on the desired outcomes such partnerships are not easy. This report highlights the complexities, challenges and the real work involved in making partnerships effective.


There are professional development and capacity building challenges involved in this partnership building work, as well as fresh approaches required in marketing and post-placement support. The authors note that, even where incentives exist within the system, these are not always effective for a range of reasons including the lack of leadership.

The authors report that whilst there are notable exceptions,

The project has demonstrated that the skills necessary to build capacity within GTOs are usually not readily available within the average GTO and are unlikely to emerge without a concerted effort within the organisation. (Lewis & Priday 2008: 33)

A series of recommendations by the authors address the capacity building issues and the systemic disincentives identified by the project.

Vision impairment and employment

For people who are blind or have low vision, the employment demography shows that employers are more likely to employ this cohort in professional or administrative roles. Vision Australia research found that people who are blind or have low vision are more educated than the Australian population, and that most are employed in non-manual or non-labour positions. Those with higher education levels were more likely to gain employment (Spriggs, 2007). This suggests that employers who do not require technical or manual labour skills are more positively disposed towards people who are blind or have low vision.

Moreover, the changing job market has its advantages. According to Vision Australia research, the emphasis on technology in the new knowledge economy means that people who are blind or have low vision have increased access to adaptive technologies (Spriggs, 2007: 32). This means that workplaces already have, to some extent, the means available to make the necessary adjustments for people who are blind or have low vision. Moreover, adaptive technologies can also be used in a
variety of business contexts and can also be of benefit to workers who have full vision. Not surprisingly then, Vision Australia survey respondents with technology skills were also more able to find jobs (Spriggs, 2007: 32). Hence, technological engagement is important for people who are blind or have low vision.

The main barriers to employment for this cohort include difficulties accessing and completing applications, the requirement of a drivers’ licence in selection criteria, and employers with preconceptions about the capabilities of the applicant (Spriggs, 2007). However, as the Equity Research Centre’s Leading from the Front research discovered, there is also problem of cost for employers. The Equity Research Centre research presented one case where an employee with low vision experienced a worsening of vision and needed to adapt to a dramatic change in the technology required to do the job. As the report notes, re-training employees in using adaptive technologies can be an expensive and time consuming process which can take an “adaptable and computer-literate employee up to six months” to complete (Keating et al. 2008: 26).

Mental illness and degenerative conditions

People with mental illness face distinctly different employment issues. As for people with degenerative illnesses like multiple sclerosis or with disabilities that aren’t outwardly visible, there is the sensitive issue of disclosure.

Creating an atmosphere of trust is imperative to maintaining a cooperative and mutually beneficial relationship between an employee with an “invisible” disability and their (potential) employer.

The disincentive to disclose creates a frustrating double bind: if employees don’t disclose their disability, then there is no way for the employer to prepare or make suitable arrangements for employees who need to carry out the work in a different way. However, if people do disclose their disability, then they face the very real prospect of employer rejection of their job application, or if employed, the termination of their position. For people with a mental illness, social stigma is the main inhibitor of disclosure. As noted by the Department of Education, Employment and Workplace Relations, “the attitudes of employers towards people with mental illness may reflect the ignorance and stigma prevalent in the wider community” (Department of Education, Employment and Workplace Relations, 2008c: 16).

The best practice strategies referred to in the diversity@work (2005) and Australian Employers Network on Disability (2008) case studies indicate that for disabilities like mental and degenerative illnesses, the kinds of workplace adjustments needed relate to the structure of the work rather than physical modifications in the workplace. For example, the options of job-sharing, reduced workloads, shifting responsibilities, and working from home have all been shown to be effective methods of employer engagement with workers with disability.

The Equity Research Centre conducted a project for the Multiple Sclerosis (MS) Society. The MS Society Saving Jobs Project: Evaluation Report found that the kinds of accommodations required varied according to the stage of the illness. It found that the most common workplace accommodation was a reduction in working hours to combat fatigue, or a shift to lighter duties. Some physical changes, like ramps and desk height adjustment, were required for those in wheelchairs. Some changes included the introduction of adaptive technologies (Kimberley & Camela, 2006: 13).
What works?

Whilst being mindful of the challenges and anxieties outlined above, and the relative absence of employer voices within the policy discourse on diversity employment issues, it would be a mistake to assume that nothing has been done, or is being done to address these issues. It is apparent that some employers are already adopting proactive approaches. They are forging positive relationships and providing useful models for others to consider.

The following section highlights some emerging research which holds promise for informing developments in this field. The work of the Australian Employer Network on Disability (AEND) is highlighted, showcasing the importance of such networks. The role of the VET sector is also discussed, noting insights from research with Group Training Organisations and TAFE Institutes. Text boxes throughout this section also provide some mini-case studies which highlight existing good practice and success stories.

Business to business networking

Notwithstanding the concerns identified in the sections above, some employers have adopted policies and practices which provide effective models to support employment of individuals from cohorts traditionally considered disadvantaged.

The Australian Employers Network on Disability (AEND) takes a positive developmental position and provides leadership on employing people with disabilities and providing the requisite support. The Australian Employers Network on Disability is funded by its member enterprises to assist them to become more confident in including people with disability as employees and customers. In particular it supports its members to:

- Navigate complex support and information systems to assist with disability matters
- Build foundations of disability confidence
- Identify unintended barriers to customers and employees with disability
- Break down stereotypes and prejudices
- Recruit from the entire talent pool.

(Australian Employers Network on Disability 2008)

Subway Food Chain

The food chain, Subway, in collaboration with First Contact Human Resources Disability Division, actively recruits, trains and accommodates staff with disabilities. Pre-employment training creates a smooth transition for recruits, and staff have proven to be hard working, reliable, motivated, honest and consistent. Subway staff with disabilities have a lower turnover rate, establish a strong rapport with customers, and attract positive customer feedback. Subway has also achieved national and local recognition for its initiatives (Diversity@Work, 2005: 22–23).

Intellectual Disability

A fast food restaurant took on an employee with an intellectual disability, and she received free on-the-job training from a Disability Open Employment Service provider. The restaurant implemented a staff buddy system to help the employee perform her daily tasks. She has since been a loyal and committed member of staff and her contribution has been recognised through an Employee of the Month award (Australian Employers Network on Disability, 2008b).
The Australian Employers Network on Disability argues that the benefits of these activities are mutual.

> With one in five Australians experiencing some type of disability, people with disability are very much a part of each and every workplace.  
> (Australian Employers Network on Disability 2008)

The Australian Employers Network on Disability lists a number of benefits for organisations in employing people with a disability:

- Attraction and retention of the best talent
- Improvement in customer service
- Strengthened workplace morale and productivity
- Strengthened reputation as a good corporate citizen
- Compliance with legislative requirements and international standards. (Australian Employers Network on Disability, 2008b: 1)

A key phrase for the Australian Employers Network on Disability is ‘disability confidence’ – a quality identified by employers as both lacking and needed. The Australian Employers Network on Disability is a member-based organisation however a great deal of useful information for employers is available free from the network’s website (www.aend.org.au).

The case study literature provided by the Australian Employers Network on Disability (2008) and diversity@work (2005) shows that successful workplace approaches to encouraging people with disability to apply for jobs and accommodating disability depend upon the kind of disability a person is affected by. The accommodations required vary from person to person, and may constitute physical adjustments, intensive training, or more flexible work options. Some of these changes have required support from service providers, and others have been negotiated with employees to achieve a mutually satisfying outcome. The disabilities canvassed in the literature range from physical, sensory and developmental disabilities to degenerative and mental illnesses.

Prior to its recent demise in the current economic downturn Merrill Lynch had developed a comprehensive framework under the Global Diversity and Inclusion group to improve its diversity focus. For Merrill Lynch “a diverse, eclectic workforce is critical to retaining a high level of intellectual capital” (Merrill Lynch, 2008: 3). Diversity is described as bringing a competitive edge, addressing shifts in demographics, and being better able to represent clients. Merrill Lynch instituted Leadership in Diversity and Inclusion Awards in 2006 which helped to build an inclusive work culture, and introduced talent assessment to increase diverse representation at management levels (Merrill Lynch, 2008).

The evidence in the literature demonstrates that if an employer is flexible in regard to workplace arrangements and provisions, they will be repaid in productivity. Similarly, workplace training is shown to pay off in loyalty and commitment on the part of the employee. Employers also benefit from encouraging access to mental health professionals and offering flexible work options, like working from home or job sharing (Australian Employers Network on Disability, 2008; diversity@work, 2005; Australian Public Service Commission, 2006: 4–5).

Research undertaken by Townsend and Waterhouse has found that employers were willing to instigate organisational change in order to address gaps in literacy, numeracy and employability skills in their workforce. The researchers found that the employers interviewed generally appreciated the critical role of the organisational culture in the development of workplace skills and
their responsibilities towards facilitating this (Townsend & Waterhouse, 2008: 17). These employers took the view that what is good for their employees, in terms of education and training; is good for their business in terms of safety, efficiency and productivity.

**Partnerships: Apprentices with disabilities**

The Group Training Partnerships project cited earlier (Lewis & Priday 2008) aimed to facilitate greater numbers of individuals with disabilities taking up Australian Apprenticeships, particularly in the skilled trades. The report documents some outstanding successes as well as some continuing concerns with the partnership arrangements and some systemic disincentives to the successful employment of people with disabilities as apprentices.

On the positive side of the equation, the report documents responses to a survey in which Group Training Organisations were asked to rate the comparative performance of the apprentices with disabilities “against the general performance of other Australian Apprentices (without disability) that they currently indentured in the same Australian Apprenticeships”.

In the area of **Work Safety**, 94% of Australian Apprentices with disability were rated as equivalent or equivalent or superior to their non-disabled fellow Australian Apprentices with 65% and 29% rated 29% rated as superior or greatly superior.

In the area of **Work Attitudes**, 88% of Australian Australian Apprentices with disability were rated as rated as equivalent or superior to their non-disabled disabled fellow Australian Apprentices with 35% being 35% being rated as equivalent and 53% rated as superior or greatly superior.

In the area of **Work Attendance**, 88% of Australian Australian Apprentices with disability were rated as rated as equivalent or superior to their non-disabled disabled fellow Australian Apprentices with 12% being 12% being rated as equivalent and 76% rated as superior or greatly superior.

In the area of **Work Supervision and Training Training Needs**, 71% of Australian Apprentices with Apprentices with disability were rated as equivalent or equivalent or superior in their performance compared compared to their non-disabled fellow Australian Apprentices with 47% being rated as equivalent and 24% rated as superior or greatly superior.

In the area of **Work Competency**, 64% of Australian Apprentices with disability were rated as equivalent or superior to their non-disabled fellow Australian Apprentices with 35% being rated as equivalent and 29% rated as superior or greatly superior.

In the area of **Work Productivity**, 59% of Australian Apprentices with disability were rated as equivalent or superior to their non-disabled fellow Australian Apprentices with 24% being rated as equivalent and 35% rated as superior or greatly superior.

(Lewis & Priday 2008: 10–11)
These findings are encouraging for those advocating employment opportunities for people with disabilities. The apprentices involved in the project had a wide range of disabilities, including intellectual or learning disabilities, hearing impairment, physical disabilities, psychiatric disabilities, as well as individuals with autism and those with visual impairments.

The authors stress that the Group Training Organisations were asked to rate the performance of the apprentices from an employer’s point of view.

Given that the GTOs … were rating from an employer's perspective, with all the attendant responsibilities and financial implications, the consistently high ratings are testament to the ability of well matched and well supported people with disability to successfully complete a wide range of traineeships and traditional trades. (Lewis & Priday 2008: 11)

The partnerships project demonstrates what can be achieved.

Inclusive TAFE institutes

The importance of systems, which are enabling or disabling, is also highlighted by other recent research. In their study of the impact of TAFE inclusiveness strategies, Volkoff, Clarke and Walstab found that the culture of an institute was a major factor in creating an inclusive organisation, particularly the existence of a strong internal inclusiveness agenda. Further, the strongest inclusiveness strategies were based on a community obligation approach that connected organisational capacity building with industry needs and experiences and addressed learner support needs using community resources and advocacy (Volkoff et al 2008).

Successful integration of disadvantaged learners is dependent upon an integrated approach which strategically binds together a number of factors which include:

- a strong philosophy committed to inclusiveness, diversity and equal opportunity — which is reflected in appropriate principles and policies, genuine institutional leadership and values being not merely espoused but practised throughout the institute
- strong community engagements and robust external linkages with networks, relationships and partnerships of various sorts which connect the Institute to communities and industries, thus facilitating learner and employment pathways
- genuine attention to internal capacity building including: the diversity and capability of internal staff.

While highlighting the importance of organisational engagement in strong and broadly based community partnerships, it forewarns of the increasing demand that this places on institutions to provide non-educational responses to the barriers facing their students together with more intensified collaboration and expanded relationships with community stakeholders including local employers.
Summing up

The purpose of this literature review was to determine to what extent existing research engages with employer perspectives on the employment of people from equity groups – and if so, what it has to say. As we suspected, our initial impressions and anecdotal evidence were confirmed: the voices of employers are largely missing from the research literature and policy discourse on disability and diversity employment. Evidence and arguments for equity and diversity employment do derive predominantly from studies of various disenfranchised or disadvantaged groups who have become the ‘target groups’ for equity policy. The research literature almost invariably adopts an advocacy stance on behalf of the disadvantaged cohorts – including people with disabilities. The arguments are driven from the ‘supply side’ of the employment equation.

A different, although related, line of argument is found in the policy discourse coming from governments advocating disability and diversity employment. Here the arguments are generally framed in terms of twin objectives. On the one hand, there are policy objectives for social justice and equal opportunity; on the other hand there are economic objectives relating to labour supply and maintaining a productive and competitive economy. These twin policy themes are evident in both the local and international literature.

The key point here is that both the advocacy research and the policy arguments about employment of people from disadvantaged cohorts have been framed, or so it would seem, without a great deal of direct involvement from the ‘demand side’ of the employment equation. The intention here is not to devalue in any way these previous lines of research, policy, or argument. On the contrary. The intention is to add value by suggesting a further, perhaps missing link – the voices of employers themselves.

The Survey of Employer Perspectives on the Employment of People with Disabilities conducted by the United States Office of Disability Employment Policy (ODEP) (Domzal et al 2008) is reported as the first substantial investigation of employer perceptions and attitudes on these issues. The study involved telephone interviews with a stratified random sample of employers across a dozen industry sectors taken to be broadly representative of the US economy. It found that in many respects larger corporate and public employers are leading the way on employment of people with disabilities. Although overall the proportion of employers actively recruiting persons with a disability still remains relatively low at approximately 19% across the board.

The Office of Disability Employment Policy study also reported significant employer anxiety about employing people with disabilities. The research highlighted the need for information and support for employers, particularly smaller employers, on a whole range of issues to do with disability and employment. Lack of information, misinformation, and worries about not knowing constitute a significant barrier to employers adopting a more proactive stance towards employing people with disabilities.

Even where information and support services are available to employers the Office of Disability Employment Policy study found that the majority of employers are unaware of their existence. Only 7% of small businesses, for instance, were aware of ‘one-stop’ career centres designed to provide support to employers and employees on employment issues – including employment of people with disabilities (Domzal et al 2008: 22). Awareness of the specialist Job Accommodation Network (JAN) which has a particular mission to ‘facilitate the employment and retention of workers with disabilities’ was similarly low. Across the board an average of only 7.4% of companies were aware of the Job Accommodation Network service, with only 6% of small employers knowing
about it. Positive responses to ‘have you used the service?’ were so low that estimates could not be provided due to the small sample size (Domzal et al 2008: 23). It is also worth noting that the Office of Disability Employment Policy study excluded businesses employing less than five people – small businesses were defined as employing 5–14 people. It is reasonable to assume that the figures would be even lower had truly small and micro-businesses been included. More encouragingly though, at the other end of the range, the study reported that 38.1% of public sector employers were aware of the ‘one-stop’ shops – and of those, 41.5% reported using them (Domzal et al 2008: 22).

Notwithstanding the research gaps highlighted above, there are also some positive developments to report. There are three key recurring themes in the good news stories about employment of people with disabilities. First, there is the importance of effective leadership; secondly, the power of knowledge replacing a lack of information; and thirdly connectivity replacing isolation.

The importance of leadership coming from the top of the enterprise is reflected throughout the literature. There must be commitment to diversity employment expressed through demonstration of values reflecting equity and non-discrimination. Rhetoric or policy alone will not suffice.

Secondly, employer anxiety and disengagement grows from the doubts and shadows of not knowing. Whether the issue is how to manage various types of disabilities and their workplace consequences; or employment and industrial relations law in relation to disability, discrimination, reasonable adjustment or equal opportunity; not knowing leads to stepping back and adopting a defensive stance.

The good news is that as trusted information replaces ignorance and uncertainty employers are able to engage and move forward into more proactive approaches on these issues. The study by Lewis and Friday (2008) for example, exposes some of the myths holding people back. It found that apprentices with a disability are, on the whole, perceived to be safer on the job than their non-disabled counterparts; and that most disabled apprentices are rated equivalent or superior to their non-disabled colleagues for their work attitude and attendance. As noted previously, the good news is that employers who have previously employed a worker with a disability, are much more likely to employ a person with a disability in the future (Smith et al. 2003; Morgan and Alexander, 2005; Keating et al. 2007, Keating et al. 2008).

Finally, there is the issue summed up as ‘connectivity’. Positive developments in diversity employment are often characterised by effective partnerships, networks or relationships of one sort or another. The work of the Australian Employers Network on Disability proactively informing and supporting its employer members is one example. The role of Group Training Organisations as ‘trusted brokers’ and employment partners is another. The skill ecosystem projects provide another illustration of how employment relationships do not sit within a vacuum, but often within complex systems and networks. Supply side and demand side issues need to be considered; skills formation and skills utilisation are both important; the environment within the organisation and the local, industry, and regional contexts need to be considered.

A model for a highly inclusive TAFE Institute is also shown to be one in which the Institute is characterised by robust networks and high levels of connectivity – both internally and externally (to schools, to community, to local employers and to industry).

This same connectivity, with networks reaching into schools, community agencies, VET providers and specialist service providers, is also important for employers interested in engaging people with disability. The evidence suggests that in this field even larger and public employers sometimes need the support of other players with specialists skills and knowledge. For small and medium employers, without sophisticated human resource management systems and tools, these connections, and the knowledge and support they can provide, may be even more important. Hence it is of particular concern that the evidence seems to suggest that small to medium employers have difficulty identifying and accessing such support services. The VET system is well placed to assist in rectifying this problem.
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