

# *Is Disability Disabling in all Workplaces?*

*Workplace Disparities and Corporate Culture*

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The adverse effect of disability on achieving economic security is clear. Americans with disabilities are far more likely than their non-disabled counterparts to be unemployed and to live in poverty. The federal government has enacted laws – most famous among them the 1990 Americans with Disabilities Act – and created programs that aim to level the employment playing field.

But what about those Americans who have disabilities and are employed? How do they fare compared to their non-disabled co-workers? Until recently, little research looked for disparities between these two groups of employees. The scholarship on the subject showed employees with disabilities are generally paid less and receive fewer benefits than their non-disabled counterparts. Though these measures are important, they neglect to address a great deal about what makes a satisfying workplace environment.

Creating such an environment requires the combination of several ingredients, including job security, influence in company decision-making, access to promotions, ample training, and a sense that one's employer is fair and responsive.

## The Study

A team of researchers from Rutgers and Syracuse universities suspected that private-sector employees with disabilities lack access to these vital workplace elements. So they sought answers. The result was a study of unprecedented scale that examined thousands of employee surveys to paint a clear picture of how employees with disabilities fare in corporate America.

Their suspicions of inequality were largely confirmed: Employees with disabilities tend to feel less secure in their jobs, they receive less formal training and on-the-job training from co-workers, and they are seldom asked to make decisions affecting company policy. This contributes to perceptions that their employers are unfair and unresponsive, diminishing their job satisfaction and desire to work hard. The unsurprising result is that employees with disabilities are more eager than their non-disabled counterparts to want to switch jobs.

These findings indicate that guaranteeing equality of opportunity for Americans with disabilities means more than increasing access to employment. It also means making sure all employees have a fair chance of succeeding in their jobs. Achieving this outcome may come down to corporate culture. "More supportive and respectful treatment on a daily basis," the study's authors write, in reference to one company studied, "appears to be a key factor in employees' job satisfaction and views of the company." While a fair and responsive corporate culture has a positive effect on all employees, the researchers found that it has an especially positive effect on the experiences and attitudes of employees with disabilities.

It's something of which corporate bosses should take note. As difficult as it is to imagine in today's lean job market, labor shortages are expected to arise in the coming decades, so preventing turnover among employees with disabilities may soon become a high priority. And according to the most recent estimates from Census Bureau data, employees with disabilities comprise 6.5% of the private sector workforce, while the majority of non-employed people with disabilities would like to be employed. Companies unable to create a fair and rewarding work environment for their employees – with disabilities or without – will have a difficult time competing in an economic landscape where qualified workers are scarce.

## Methods and Findings

To examine the difficulties Americans with disabilities encounter in the private sector, the Rutgers and Syracuse researchers looked at a large sample. They used surveys created by the National Bureau of Economic Research Shared Capitalism Project, administered to 29,897 employees of 14 American companies. Of these employees, 5.5% indicated that they have disabilities. The proximity of this figure to the one produced by the Census Bureau survey suggests that the prevalence of disability in the sample reflects that of America's private sector. Of the 14 companies participating, eight are in manufacturing, three are in service, two are Internet-based, and one is in financial services. The smallest have fewer than 500 employees, and the largest have more than 5,000.

Armed with this heap of data, the researchers set out to test several hypotheses about employees with disabilities.

One had to do with salaries and benefits. The researchers suspected that employees with disabilities earn less and receive fewer benefits than their non-disabled counterparts. They also suspected that these employees feel less secure in their jobs, have fewer opportunities for promotions and training, and command less decision-making power. Analyzing the data, they found that almost all of these predictions proved true. The only exception was that there was no statistically significant gap in access to promotions between employees with disabilities and those without.

Throughout the study, it became clear that lacking access to the main ingredients of a satisfying work life adversely affects the way employees with disabilities feel about their companies. Employees with disabilities also proved less likely to report that their supervisors treat them with respect, or that their company is responsive to employee concerns.

Companies that want these employees to thrive, the study found, must cultivate a culture of fairness. Among the 175 worksites researchers analyzed, those rated generally as most fair and responsive by their employees were especially good for employees with disabilities. In contrast, worksites regarded by their employees as unfair and unresponsive presented notable difficulties for employees with disabilities.

To illustrate the consequences of poor treatment, the researchers point to equity theory, which predicts that when employees feel they have been treated unfairly, they become alienated and devote less effort to their work. The data would seem to support this theory, indicating that employees with disabilities in non-supportive workplaces are more likely than their non-disabled peers to seek employment elsewhere, and are less likely to feel loyal to their company, take satisfaction in their work, or want to work hard. Employees with disabilities appear to flourish, however, in supportive workplaces where their attitudes are similar to those of non-disabled employees.

## Case Study

In this study, the data supports the researchers' hypotheses: employees with disabilities have a more difficult time than their non-disabled counterparts, achieving good pay, responsibilities, security, and satisfaction in their jobs. Though disability-based inequality seems to pervade the American workplace, it is not inevitable. Corporate culture plays a significant role in fostering equality among employees. To demonstrate its effect, the researchers compare two very different companies:

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## Trends found in data

**73%**

Percentage of employees with disabilities who work on an hourly basis, as compared to 50% of their counterparts who have no disabilities.

**63%**

Percentage of employees with disabilities who work in production jobs, compared with 42% of those with no disabilities. This disparity may reinforce stigmas about people with disabilities.

**8%**

Approximate gap between pay received by employees with disabilities versus their non-disabled counterparts, controlling for other job and demographic characteristics

**43 hrs**

Average amount of hours worked per week by employees with disabilities, compared with 45.6 for their non-disabled counterparts. Scaling this figure to 50 weeks reveals a 130-hour gap.

Employees with disabilities tend to be older and have longer job tenures than their counterparts. Union membership is more common, probably because such a high percentage work in production jobs.

“Company A” is a manufacturing firm with approximately 30,000 employees. The disability-based disparities that exist within the company are representative, researchers say, of the entire survey sample. Three-fourths of this company’s employees who have disabilities work in production jobs. The employees with disabilities in this company were less likely than their non-disabled counterparts to report that their supervisors treat them with respect. They also reported at higher rates than their non-disabled counterparts that they would like to work elsewhere, that they get little satisfaction from their jobs, and that they are not loyal to the company.

“Company B” is a financial services firm with approximately 9,000 employees. Its employees with disabilities are spread broadly throughout the organization: More than half work in professional, technical or administrative support jobs. In this and other categories, Company B diverges significantly from most other companies whose employees participated in the NBER surveys on which this study was based. In this company, researchers found very few of the disability gaps that they notice in other companies. For instance, employees of Company B with disabilities were no more likely than their non-disabled counterparts to report that the company is unfair, or that they have poor relations with supervisors. Employees with disabilities at Company B do face some gaps, but they are far less pronounced than the ones that employees with disabilities

experience at Company A. “The company,” the authors write, “appears to treat workers more equally and the climate is more hospitable to employees with disabilities.”

## Implications

The large set of data the researchers used in conducting this study allows for a nuanced account of disability gaps in American companies. The advantage to this approach is that it can offer a solution that takes into account the various facets of the problem. Parity in pay, benefits and occupational roles among employees with and without disabilities may be the markers of an equitable workplace, but the path toward achieving this goal involves measures that are less quantifiable — measures such as fostering a fairer and more responsive workplace, encouraging a culture of inclusion, and ensuring that respect defines the relationship between employees and supervisors.

To this end, the researchers have embarked on a new study, funded by the U.S. Department of Labor, that will identify best practices in hiring and retaining people with disabilities. As they note, an employee’s experience with her company depends on the atmosphere of the site in which she works. Executives may not be able to implement uniform, system-wide changes from the top down, but if they hope to attract skilled workers in the coming years, they must work toward creating workplaces in which all employees are valued and fully included.



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