

Exploring the Bottom Line:
A Study of the Costs and
Benefits of Workers with
Disabilities

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ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY

Executive Summary

In the United States, one of the greatest challenges experienced by individuals with disabilities is employment. Research indicates that employer attitudes contribute to this pervasive problem. Specifically, some employers have misperceptions about the abilities of individuals with disabilities and the costs associated with the provision of accommodations. Understandably, employers are concerned with the bottom line. The purpose of the *Economic Impact Study* was to examine the economic costs and benefits of workers with disabilities within three sectors (healthcare, retail, and hospitality). This project included two phases of research: (1) focus groups and (2) cost-benefit surveys.

Focus Groups

Twenty-one administrators from 16 companies participated in a focus group to discuss their experiences with workers with disabilities. Findings from the focus group phase revealed the following central themes:

- Disability employment agencies and disability advocates were critical for recruiting and hiring workers with disabilities.
- Managers were viewed as having biases against workers with disabilities and concerns with the cost of accommodations.
- Promotion opportunities were limited for workers with disabilities with many identified as holding and remaining in entry-level positions.
- Costs associated with workers with disabilities were minimal and worth the expense.
- Benefits associated with workers with disabilities included having dedicated and reliable employees and a more diverse workforce.

Cost-Benefit Surveys

Thirteen companies provided quantitative data for the cost-benefit survey phase. From these companies, 314 employees were selected to participate (95 with and 219 without disabilities). Comparisons between these two groups were made across six work-related variables: tenure, absenteeism, job performance, supervision, worker's compensation claims, and accommodations.

Overall findings indicated that employees with disabilities have much to contribute to the labor force:

- Participants with disabilities from the retail and hospitality sectors stayed on the job longer than participants without disabilities.
- Across all sectors, participants with disabilities had fewer scheduled absences than those without disabilities.
- Retail participants with disabilities had fewer days of unscheduled absences than those without disabilities.
- Regardless of sector, participants with and without disabilities had nearly identical job performance ratings.
- Across all sectors, the difference in amount of supervision required ratings were relatively minor among participants with and without disabilities.

- The number of worker's compensation claims of retail participants with and without disabilities were equivalent.

Areas where participants with disabilities did not fare as well were:

- Healthcare participants with disabilities stayed on the job for shorter lengths of time than participants without disabilities.
- Healthcare participants with disabilities had more days of unscheduled absences than those without disabilities.
- Both healthcare and hospitality participants with disabilities had more worker's compensation claims than their counterparts.

Lastly, employers from the healthcare and hospitality sectors reported very few accommodations for employees with disabilities, with an average cost of \$313. In contrast, both employees with and without disabilities from the retail sector reported that accommodations were provided by their employer to help them perform the essential functions of their job, with "changes to the work schedule" ranking first.

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Illinois Department of Commerce and Economic Opportunity (DCEO)

Jack Lavin, Director

DCEO is charged with enhancing Illinois' economic competitiveness by providing technical and financial assistance to businesses, local governments, workers, and families. As the state's lead economic development agency, DCEO works to capitalize on Illinois' strengths as a center of transportation, manufacturing and technology development. DCEO (Grant #02-79114) provided funding for this project.

Chicagoland Chamber of Commerce (CCC)

Gerald Roper, President and CEO

The CCC is a voluntary association of business and professional men and women who, through committees and professional staff, have contributed importantly to the Chicago metropolitan area's commercial, industrial, and civic development over a long period of years. The CCC's 2,600 members employ more than one million men and women in the region.

disabilityworks

Karen McCulloh, Executive Director

The *disabilityworks* initiative resulted from the *Mayoral Task Force on the Employment of Individuals with Disabilities* (Task Force). DCEO entered into a partnership with the City of Chicago and CCC to implement *disabilityworks* and bring valuable resources to businesses, people with disabilities, and service providers throughout Illinois. Through the support of DCEO, *disabilityworks* has established a model that has achieved national and international recognition for its innovative approach to improving employment and training opportunities for people with disabilities.

City of Chicago - Mayor's Office of Workforce Development (MOWD)

David Hanson, Commissioner

MOWD helps Chicago businesses find qualified workers and assists Chicago residents to train for, get, maintain, and advance in their jobs. MOWD works through Mayor Richard Daley's WorkNet Chicago, its network of over 100 community-based and citywide organizations, to provide businesses with a job-ready workforce, assist adults facing barriers to employment, and make job transitions easier for people who have lost their jobs.

City of Chicago - Mayor's Office for People with Disabilities (MOPD)

Karen Tamley, Commissioner

MOPD seeks to meet the diverse needs of the more than 600,000 people with disabilities who live and work in Chicago. MOPD promotes total access, full participation, and equal opportunity for people with disabilities of all ages in all aspects of life. It seeks to accomplish this mission through a multi-faceted approach that includes systemic change, education and training, advocacy, and direct services.

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