The Business Case for the Employment of Disabled People[1]

Summary Report

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Introduction

This report summarises the findings of a two year research project funded by the European Social Fund. The project began in January 2004 and was completed in December 2005. The research has been conducted in two organisations, one from the private sector (PSO) and one from the public sector, an English Local Authority (ELA).

The primary research question the project set out to answer was: Are there any barriers to the implementation of the business case for the employment of disabled people? This question has been posed for two reasons. First there has been little in-depth organisationally based research which has examined whether and if so how the business case is implemented in practice. Secondly despite the fact that for some years now there has been a general acknowledgement that diversity can bring benefits to organisations, in 2002 the Labour Force Survey reported that the employment rate of disabled men was only 50% compared to 87% for non disabled men and only 47% for disabled women compared to 76% for non disabled women (DRC 2005). Clearly progress is slow and more research is necessary to examine whether despite corporate commitment to the employment of disabled people, there are in practice any organisational barriers to implementing the business case.

1. RESEARCH DESIGN

The research design consisted of participatory research in two case study organisations using a combination of quantitative and qualitative data.

1.1 Selection of Case Studies

PSO is a very large organisation and has introduced of a number of initiatives aimed at disabled employees for which they had achieved a number of awards. Despite a strong corporate commitment to the employment of disabled people, PSO was still experiencing difficulties in increasing the proportion of disabled employees in the organisation and was interested in finding out why this was the case. In order to ensure that any research conducted would be applicable beyond the private sector, ELA was approached by the research team. ELA was selected because it is one of the larger Local Authorities and employed above average numbers of disabled people for the Local Authority sector. Both organisations were therefore large, both claimed to support a business case for the employment of disabled people and both claimed to manage their disabled employees using a social model of disability. These two organisations could therefore each be seen to be best practice organisations.

1.2 Research Design

The project adopted a participative design in order to ensure that disabled people were involved in all stages of the research. Disabled people's representatives, managers and trade union representatives drawn from both organisations and from the TUC formed a Steering Group which guided the project with all members taking part in the research design and in the analyses of the data. A key aim of the research design was to provide disabled people in particular, with an

opportunity to tell us their stories and experiences of being disabled employees in each organisation.

1.3 Research Methods
The project employed both quantitative and qualitative methods. Quantitative data was used to examine whether there were any aggregate differences in the employment of disabled and non disabled people in each organisation. Qualitative data was used to investigate why any differences existed and to explore the nature of any barriers to the implementation of the business case.

1.4 Quantitative Data
Both organisations provided biographical data from their HR data bases on their employees including: disability, gender, ethnicity, age, salary, full time and part time working, length of service, employment location and promotion. Data was analysed using SPSS in order to establish whether there were any statistically significant differences between disabled and non disabled people on each of these variables. Tests were conducted to ensure that any relationships were not the effect of the other variables.

1.5 Qualitative Data
160 formal tape recorded interviews were conducted in each organisation with disabled and non disabled senior managers, line managers and employees covering a range of geographical locations and departments and with trade union representatives. Interviews ranged in length from 45 minutes to 2 hours and were transcribed verbatim. Group interviews were also conducted with Disability Groups within each organisation. In PSO where the Disability Group met regularly, researchers attended and participated in meetings by providing regular feedback on progress and received recommendations for areas which required further exploration. In ELA where the Disability Group met less regularly, progress and advice on the research was provided via a member of the Disability Group who sat on the Steering Group Committee. In addition to formal interviews qualitative data was gathered from conversations in informal situations which are much more difficult to quantify. Both organisations provided internal reports and access to other internally commissioned research. Qualitative data was analysed using the software programme NVivo and a number of themes generated from the analysis form the basis of the qualitative findings reported in this document.

2. Quantitative Research Findings

This sections discussed first the quantitative findings based on the biographical data provided by both organisations for the year 2003/4 before moving on to discuss the findings from the qualitative data. In this section only variables which were found to be statistically significant are reported.

2.1. *Monitoring the number of disabled employees.*

Both organisations provide opportunities for employees to classify themselves under a DDA classification or a more social model driven classification. Combined definitions demonstrated that in ELA 7.4% of employees classified themselves as disabled compared to 2.1% in PSO. Whilst PSO appears to employee a much smaller proportion of disabled employees, an employee satisfaction survey conducted on behalf of PSO in 2005, which did not require respondents to identify themselves resulted in 6% of the sample declaring themselves disabled. Whilst it is unclear whether this sample was representative of all employees in the organisation, the difference in numbers willing to identify themselves as disabled to PSO is important. Monitoring the number of disabled people working within an organisation is of course fraught with difficulties. Impairments are not always visible, some people may not experience their impairment as disabling and/or employees may be unwilling to classify themselves as disabled. A willingness to classify as disabled is related to a variety of factors not least of which is that disability still carries a social stigma. Within an organisational context this may translate into a concern that to declare as disabled may adversely affect how a disabled employee is treated and/or their future opportunities within the organisation.

2.2. *Gender and disability.*

The relationship between and gender and disability was statistically significant in ELA but not in PSO. In ELA disabled employees were more likely to be female than male. The data indicated that women comprised almost 43% of employees in ELA and 23% in PSO. These findings are interesting because aggregate statistics demonstrate that disabled women have a lower employment rate (47%) than disabled men (53%) (EOC 2005:14). However, the relationship between gender and disability in ELA supports research conducted by Hirst et al (2004)[2] which reported that 15.8% of women in public sector employment were disabled, compared to 8.4% of men and that local government, employs a higher proportion of disabled women than other organisations in the public sector. It may be therefore that disabled women are more attracted to the public sector and local government employment in particular than disabled men.

2.3 *Age and disability*

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[2] Hirst, M. Thornton, P. Dearey, M. and Maynard Campbell, S. (2004) *The Employment of Disabled People in the Public Sector: A Review of Data and Literature,* Disability Rights Commission, London.

As has been well documented, the incidence of disability increases with age and it was therefore not a surprise that the data in both organisations confirmed this. In both organisations significantly more disabled employees were in higher age bands.

2.4 Length of service and disability.
It is commonly argued that the retention rate of disabled people is higher than that of non-disabled people. In both organisations length of service was statistically significant, disabled people were over-represented amongst employees with more than 5 years service. However it should be noted that the data does not enable an assessment of which way the relationship runs i.e., whether disabled people are more likely to have a long service history or whether people with a long service history are more likely to be disabled.

2.5 Promotion and disability.
In ELA there was a statistically significant relationship between disability and promotion and indicated that disabled people were more likely to be promoted than non-disabled people. In PSO no relationship was found, disabled people were as likely to be promoted as non disabled people. However, the data on promotion in PSO was not very reliable and this finding should therefore be treated with caution especially in the light of the qualitative findings.

2.6 Salary and disability.
In ELA there was no statistically significant relationship between salary and disability. Disabled people were equally represented within all salary bands. This does not support other research in the public sector which found that "Overall, disabled employees earned around £40 a week less (or 13 per cent less) than that of non-disabled employees (£277 compared with £317)." (Hirst et al 2005). The findings from this research may be explained by the findings in ELA that disabled people are more likely to be promoted than non disabled people and so they have achieved levels of seniority which provide higher than average salaries than in the public sector as a whole.   In PSO however there was a statistically significant relationship, disabled people earned less than their non disabled colleagues. Similarly there was a statistically significant relationship between occupational category and disability in PSO. Disabled people were under represented in management posts.[3]

2.7 Full-time and part-time working and disability.
In ELA the data indicated no relationship between hours of work and disability. Disabled employees in ELA were no more or less likely to be working in part time jobs than non disabled employees. Again this does not conform with Hirst et al's (2004:22) study which found that "disabled people are more likely than non-disabled people to have part-time jobs in the public sector". However they also point out that "the differences are small."   The data in PSO did

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[3] Data on occupational category was not available in ELA, however given that disabled people were more likely to be promoted and as likely to be in the higher salary categories, we might expect them to be equally represented in higher paid management posts.

demonstrate a statistical relationship between hours of work and disabled employees. In PSO disabled employees are less likely to work part time than non disabled employees.

3. Qualitative Research Findings

Whilst the quantitative findings revealed a number of differences between disabled and non disabled employees in each organisation, they do not explain why such differences exist. The analysis of the qualitative data revealed a number of themes which respondents raised in interviews which can help to shed some light on the differences.

3.1. Culture

As discussed earlier, monitoring the number of disabled employees within an organisation is complicated by the willingness of employees to declare themselves as disabled. The number of disabled employees within an organisation may be related to their perceptions of how the organisation manages disability and whether the culture of the organisation is perceived to be disability friendly.

3.1.a ELA

In ELA generally both disabled and non disabled respondents perceived the culture as disability friendly and pointed out that the organisation had "a duty of care" both to their service users in the local community and to their employees as part of that community. Whilst everyone recognised that there is still a stigma associated with disability in society, generally disabled people did not feel that to declare themselves disabled would adversely impact on their treatment or prospects within ELA. Disabled people argued that declaring themselves as disabled was in their interests because this would ensure that any particular needs they had could be met. There were regular references to how diversity issues were part of everyday life within the organisation in relation to both service delivery and the management of disabled employees. Respondents from some departments, in particular education and social services, were very aware of the social model of disability because this formed part of their professional training. Generally respondents felt that the organisation supported a combination of a medical and social model of disability, pointing out that the DDA was a guiding principle but that the organisation tried hard to go beyond compliance by being flexible to the needs of disabled people and creating a disability friendly environment.

Nevertheless some disabled people were able to give examples which demonstrated that there was still scope for improvement and identified a number of factors as contributing to non-disability friendly culture. These included increased pressure of work within decreasing resources and a more business orientated approach by management which was leading to some line managers' not treating disabled people well. Disabled people reported that there was still a constant need to remind people of their needs including providing information in appropriate formats in meetings, the need to build in breaks during meetings and arranging social events in accessible venues. This made them feel they were consistently required to emphasise their difference and might be perceived by others as being "awkward".

3.1.b PSO
In PSO non-disabled people believed the culture of PSO was disability friendly and pointed to the wide range of initiatives the organisation had introduced on disability. However this was not a view shared by most disabled people who described the culture was described as 'bitchy', 'competitive' and 'target driven' in which disabled people were fearful of declaring themselves disabled because to do so was perceived to be 'career death'. Disabled people reported that the size and structure of the organisation militated against policies being implemented uniformly which resulted in some disabled people being treated better than others. One of the key problems disabled people identified with the culture of PSO was the prioritisation of meeting performance targets linked to the reward management system in the form of individualised bonus payments for managers. This permeated though a number of other barriers they identified in the organisation and which are discussed below. Despite corporate claims that "people are our most valuable resources", disabled people argued that culturally the organisation did not value or reward good people management skills and this impacted on line managers' attitudes towards the management of disabled people. Generally people were unaware of the social model of disability or that the organisation aspired to manage disabled people according to this model. They believed that PSO operates a combination of medical and social model, but the emphasis in providing medical evidence for impairments and the practice of needing OHS reports to confirm the impact of their impairment on their work, suggested to them that on balance PSO leaned more towards a medical model.

3.2 Perceptions of how disabled people are managed.
In both organisations respondents believed that the treatment of disabled people was dependent on whether they had a "good" or "bad" line manager. However they also acknowledged that line managers were operating with structural and cultural constraints.

3.2.a ELA
Most disabled people reported that ELA was a good employer and managed their disabled employees well. All respondents in ELA were aware that the organisation had a corporate commitment to supporting the employment of disabled people and most disabled people did not experience a contradiction between corporate policy and organisational practice. However a minority of disabled people did feel that the Authority did not always implement their policies and there was a general perception that the organisation's commitment to diversity issues varied between the different strands of difference with minority ethnic groups receiving priority. Where disabled people did report negative experiences they tended to explain this as a result of the poor people management skills of their line managers, a lack of time to deal effectively with disabled employees or a general lack of understanding of disability issues.

3.2.b PSO
In PSO disabled people reported that whilst the public image of PSO in relation to the employment of disabled people suggested a best practice, socially responsible organisation, their experiences did not support this. Disabled people believed that PSO claims of valuing diversity and the numerous initiatives and policies on disability existed merely to enable the organisation

to tick the appropriate boxes in order to achieve public recognition. There was therefore in PSO a perception of a contradiction between policy and their experiences in practice. Although in PSO disabled people pointed to line managers as the primary cause for the failure to implement policies, most people accepted that line managers were working under a number of constraints including huge pressures to meet performance targets, often with insufficient resources and were often merely implementing their own line manager's instructions. It was therefore generally felt that PSO did not value people management skills as highly as meeting performance targets. Other major constraints were seen to be time and financial resources.

Time was a major factor because it was perceived that line managers did not have the time to deal positively with disabled employees' needs resulting in poor people management and poor communication. Financial resources were seen as a constraint because it was perceived that line managers had to fund reasonable adjustments from their own budgets and to have a disabled person in their team who might require more time off or be unable to perform at levels which enabled performance target to be met, might affect the bonus payment of the line manager. Disabled people therefore reported that they felt they constituted a "problem" because they took up more of line managers' resources and that line managers therefore took any available opportunity to avoid dealing with disability issues or to pass on the "problem" to others.

4. Training and Diversity Awareness
Training for diversity awareness is generally seen as necessary in order to achieve a disability friendly culture and as a means of ensuring that disabled people are managed appropriately. Training was however problematic in both organisations.

4.1.a ELA
In ELA training on diversity was delivered in house in the form of face to face sessions, either by the corporate HR training group for all employees or for specific departments and there was no charge made to departmental budgets for this. Whilst the amount of diversity training provided by the corporate training department was in decline, individual departments were providing tailored service delivery training for their employees, often using external providers and which included disability awareness issues. Most people could recall having some diversity training at induction, but there was evidence that no further training had been attended post induction and a general lack of awareness of what training was available. From interviews with line managers there was evidence that some had not attended disability related training in recent years, citing pressure of work and for some a belief that as they were dealing with disabled clients in their daily work they did not need any further training. Although employees had an allowance of three days per year for training this was not widely understood. Training needs were discussed during Professional Development Reviews (PDRs) where either the line manager or the individual employee could suggest appropriate work related training. There was however some evidence that employees and some line managers believed there would be a charge for such training and within an environment of decreasing resources they were cautious about requesting additional training. Whilst the level of understanding of the DDA was generally good, there was a widespread belief that the quota system was still being operated by the Authority.

Disabled people reported that whilst in the past some training had been delivered in inaccessible buildings this was no longer the case because training officers had refused requests to conducted training events in such buildings. Whilst generally disabled employees were contacted prior to training events to establish whether any reasonable adjustments were required this was not always the case and there were reports of information not being available in the required formats. Overall disabled employees were generally satisfied with disability related training but pointed out that more frequent and regular training should be provided. Both disabled and non-disabled employees pointed out that on recruitment to the organisation, induction courses and organisational documents emphasised ELA's commitment to valuing diversity and that to be found not to be supporting such values was a disciplinary offence.

4.1.b PSO

In PSO there was no formal diversity training provided at induction. The main source of training on diversity that respondents referred to was that provided via the intranet. However this was only compulsory form of training in some divisions and in those divisions completion was monitored via the Annual Performance Review (APR) system. Given the pressure to meet performance targets there were reports of people completing this form of training only in order to be able to 'tick the box' in their appraisal and of line managers, keen to get employees back to work, asking those who had already completed the training to help others complete it quickly. PSO also ran face to face training event conducted by disabled employees but disabled employees reported that these were poorly attended and that the needs of disabled employees not sufficiently addressed. In addition, PSO also ran events within different geographical areas aimed at communicating the resources that were available for disabled employees. These events were staffed by representatives from the organisation's Disability Group who also held an annual general meeting which was open to all employees. In practice disabled employees reported that all employees found it difficult to attend face to face events because line managers were not prepared to release employees from their work and/or did not have the financial resources to pay for travel expenses. Overall disabled people felt that disability training was not a high priority issue within PSO and this contributed to their belief that PSO was not genuinely committed to valuing diversity.

5. Reasonable Adjustments

Making reasonable adjustments to enable disabled people to work raised a number of problems for disabled people in both organisations. These can be seen to be related to access, procedure, funding and advice.

5.1.a Access ELA

In ELA the most often cited barrier to the employment of disabled people was the ability to make buildings physically accessible for people who had mobility impairments. This was seen as primarily a result of the number of old and often listed buildings in which different departments of ELA are located and lack of financial resources to make extensive physical adjustments. In some cases this resulted in an inability to employ people with mobility impairments and difficulties in providing services for clients with similar impairments. In other cases entire

sections were relocated into buildings which were accessible or individual employees were located in areas which they could access. The latter led to disabled employees feeling isolated, finding it difficult to integrate and feeling some parts of the Authority were "out of bounds". In cases where relocation was not possible or where an existing employee's mobility had deteriorated the employee was, with their consent, redeployed. Disabled people reported that the cost of making physical adjustments was sometimes used to make them feel they were a drain on scarce financial resources.

5.1.b Access - PSO
In PSO making reasonable adjustments to ensure physical access to and within buildings was occasionally mentioned by disabled people. However, it was generally believed that PSO had the corporate financial resources to make physical adjustments and this was not therefore seen as a major barrier to the employment of disabled people.

5.2 Procedure
In both organisations procedural difficulties with making reasonable adjustments were reported which hinged on the time it took to provide equipment.

5.2.a ELA
In ELA line managers reported that they had made reasonable adjustments without consulting third parties. OHS and/or Access to Work were generally consulted when adjustments were costly, if a permanent service such as signers was required, if the line manager had no experience or knowledge of a particular impairment or if the individual employee requested it. The main concern disabled people reported, was that the procedure from requesting equipment to actually receiving it, was too long. In extreme cases there were reports of waiting 8-9 years for the provision of a disabled toilet. Disabled people reported that increasing workloads and time pressures on line managers resulted in requests being forgotten or given low priority. This led disabled people to feel that they had to "make a nuisance of themselves" in order to ensure their needs were not forgotten.

5.2.b PSO
In PSO although line managers could make adjustments without consulting other agencies, generally they felt they needed to have OHS confirmation that the employee fell within the DDA definitions of a disabled person which they believed was necessary prior to providing equipment. Disabled people reported that the procedure was too long with in some cases an 18 month delay in receiving equipment was reported. In other cases because of high levels of labour turnover amongst line managers, requests had to be renewed with each new line manager, leading to people just giving up or purchasing their own equipment. Disabled people described the procedure for reasonable adjustments as the "PSO shunt" i.e., being passed around various people, only to end up where they had began.

5.3 Funding
Funding the cost of adjustments was reported as problematic in both organisations.

5.3.a ELA
In ELA there was a corporate budget for adaptations which managers could make a claim on if there were insufficient funds in their own departmental budget. However, there seemed to be little awareness that this was possible which might explain why the corporate budget was not spent in 2003. In ELA the cost of adaptations were either funded from departmental budgets if costs were small, or split between Access to Work and departmental budgets. Financial problems were experienced as a result of when the need for equipment arose. Requests made at the beginning of the financial year, were less problematic than those made towards the end of the financial year when the line manager's budget had been depleted or spent. In the latter cases disabled people reported having to wait until the following year before equipment could be provided and so again delaying the process.

In ELA generally disabled people reported that line managers were able to adapt jobs to the needs of employees and many cases of re-distributing tasks amongst team members in order to accommodate disabled employees abilities were reported.

5.3.b PSO
In PSO there was a corporate budget for adjustments but again there appeared to be little awareness of this amongst line managers. PSO also provide a variety of different financial initiatives for funding equipment and whilst this was generally well publicised what was less clear to line managers was whether they had access to such funds. On a number of occasions line managers reported trying to claim against financial initiatives only to be informed by finance that they did not access to another division's budget. This fuelled a general perception that funding for adaptations was to be provided from the employee's line manager's budget. The ability of line managers to stay within budget was perceived to be highly valued by PSO and disabled people felt this deterred line managers from using their budgets to fund the necessary cost of equipment. There was generally a lack of awareness of the availability of funds through Access to Work.

In PSO there was a general reluctance amongst line managers to re-distribute tasks amongst team members in order to accommodate disabled employees abilities. A frequent argument made by line managers was that to adapt jobs to the needs of individual disabled employees might result in everyone wanting to 'pick and choose' those tasks they wanted to do and that non-disabled employees might resent having to perform tasks that others were unable to do.

5.4 Advice
Whilst there were good sources of advice in both organisations for managing disabled people, they extent to which these were utilised and implemented varied.

5.4.a ELA
In ELA line managers and disabled employees were generally very knowledgeable of sources of help and advice. Where line managers had not managed disabled employees previously or were unfamiliar with particular forms of impairments, they reported that they would seek advice from the intra-net, corporate HR, OHS or Access to Work. Generally respondents were satisfied with the advice they received from HR although some disabled people felt they had to keep reminding HR of their needs. Line managers regularly used the in-house OHS services for advice and support for which there was no direct charge to their departmental budget. Disabled people did not report reluctance on the part of line managers to refer them for OHS assessment and reported that the OHS nurse would meet them at their workplace to assess their needs in situ, irrespective of whether their impairment qualified them as disabled under DDA definitions. Such meetings included discussions with the employee and their line manager to ensure that the correct adjustments would be provided. Whilst most disabled people were generally satisfied with their experiences of this service some reported that they felt OHS did not take some forms of impairment seriously enough and that they were made to feel they were complaining about trivial issues.

5.4.b PSO
In PSO advice on reasonable adjustments was available from a variety of different sources including: Corporate HR staff, an outsourced HR unit, outsourced OHS, in-house divisional HR sections, a consultancy firm which specialised in reasonable adjustments, and the intra-net on which both HR and the Disabled Employees Group posted advice. Line managers and disabled employees reported that these multiple sources often produced different advice and that they did not feel they had the knowledge or expertise to decide which advice to follow. Disabled people reported that line managers were reluctant to refer employees for OHS reports because the cost of referral had to be born from line manager's budgets and many instances of OHS recommendations not being implemented were pointed out. Their experiences of OHS suggested that staff did not have sufficient time to conduct thorough assessments, that they did not have an adequate understanding of the DDA and the different impairments that were covered by the legislation and that they often refused to accept GP diagnoses and recommendations. As a result of these experiences, generally disabled people had little confidence in OHS believing them to be working in the interests of management and so were seen to be primarily concerned with getting employees back to work with as little disruption to the organisation as possible.

6. Redeployment
Redeployment was used in both organisations to manage both surplus employees and as a means of retaining disabled employees.

6.1.a ELA
In ELA the redeployment procedure was centralised and managed by corporate HR and the Two Ticks system was in operation. The redeployment of disabled employees is only considered after all reasonable adjustments to the existing jobs have been exhausted. When this stage is reached, redeployees are put onto a central register and attempts made to match their skills with any

existing vacancies. When a potential match has been found both the redeployee and the manager of the potential post are consulted to seek agreement to the move. No decisions to relocate an employee are made without the agreement of the employee. Managers do not consider any information from the employees performance development reviews in deciding whether to offer a post to the employee. There was no evidence that disabled employees were over-represented amongst the redeployment pool and no evidence that redeployment between departments was problematic. Whilst generally disabled people who had experienced redeployment were satisfied with this process and believed that the organisation tried hard to find alternative employment for disabled people, concerns were also expressed. These took the form of a concern that paper matching of skills with an existing vacancy were insufficient and a number of accounts of disabled people leaving after being redeployed which might be evidence that inappropriate work was being provided. There was also some evidence that line managers were reluctant to employ disabled redeployees because they feared they would take up too much of their time.

6.1b PSO
In PSO being classified as a redeployee carried a stigma. Redeployment was managed by the external outsourced HR unit which provided some support for redeployees by ensuring that line managers with vacant posts were informed of any redeployees who had appropriate skills. All redeployees were also expected to search for posts themselves via the intranet and submit applications. The organisation operated the Two Ticks system. Although all employees in PSO are subject to redeployment because of constant downsizing, disabled employees felt that they had an extra risk of becoming a redeployee because they were disabled. This perception was substantiated by senior management who reported that disabled people were eight times more likely to become redeployees than non-disabled employees. Disabled people they felt they faced a double stigma of being disabled and being a redeployee. They reported discovering that they had been put on the redeployment list by their line manager on their return from sick leave with little if any consultation, of being redeployed into menial tasks which were not commensurate with their grade, in some extreme case spending months with nothing to do, of being moved from jobs they were able to do because the job no longer existed only to find someone else had been appointed to the same job at a later date, and of receiving rejection letters for posts they had not applied for.

When recruiting from amongst redeployees, line managers reported that although they had to implement the Two Ticks policy they did not expect to find suitable candidates for posts amongst disabled redeployees. They felt that the Two Ticks policy created extra work which served only to demonstrate that PSO policy was being implemented. There was some evidence that not all disabled redeployees with the necessary skills were being offered an interview and some line managers justified this on the basis that they did not have the time to interview all potential candidates. In order to reduce the time spent interviewing, line managers used information from the employees APR to assess their suitability for the post including previous scores achieved in APRs and sickness absence history. Line managers reported that generally disabled people rarely had high APR scores and that they were sceptical that disabled people would be as productive as non-disabled people because they would take more sickness absence than non disabled people.

Constant downsizing in PSO resulted in all divisions having a surplus staff of staff and this led to a reluctance to take any redeployees from other divisions but when the redeployee was disabled it was even less likely they would be offered a post in a different division. Disabled people's experience suggested that redeployment was often used as an alternative to making reasonable adjustments to their job and was used as a means of managing disabled employees out of the organisation.

7. Promotion
As has been widely recognised whilst organisations may have good formal policies on promotion, informal practices can develop in organisations which disadvantage minority groups.

7.1.a ELA
As the analysis of the quantitative data indicates, in ELA disabled people were more likely to be promoted than non disabled people and qualitative research found no further information to either refute or substantiate this finding. Whilst most disabled employees felt satisfied with their promotional opportunities, some concerns were expressed. These included: the lack of physical access to some buildings restricted some disabled people's opportunities, a lack of role models in senior management positions which it was suggested might be evidence of a glass ceiling to promotional opportunities or a lack of willingness by senior managers to declare themselves as disabled, PDRs did not encourage the development of further skills for career development and were not being conducted regularly by some line managers and, a concentration on inability rather than ability by some line managers. There were some accounts of disabled people leaving ELA for promotion in other organisations.

7.2.b PSO
In PSO disabled people felt disadvantaged in relation to promotion. There was a recognition at all levels of the organisation that an informal system operated in relation to promotion. Disabled employees reported that line managers discriminated against them when they became disabled by pointing out to them that they would never get promotion or even overtime. They reported that as a disabled person they were less likely to be offered prestigious work which would help their promotional opportunities, that they were often not asked if they wanted to be considered for promotion, and that decisions were often made on their behalf on the basis that their impairment would rule them out as candidates. In considering candidates for promotion line managers used APR reports and disabled people reported that this compounded their difficulties in being considered for promotion. There was a perception that APRs only considered the performance of the individual over the preceding 6 to 12 months and that what was valued was primarily based on quantitative measures i.e., meeting performance targets, hours worked, and sickness absence record rather than the quality of an individual's work. This impacted negatively on disabled people who may have had a period of absence because of their impairment or who had been less effective because they had been unable to get the reasonable adjustments they required. The outcome of APRs was also affected by high levels of labour turnover amongst line managers so

that new managers knew little of an employees' previous work history, performance or absence history and so often made promotional decisions on the basis that as a disabled person the employee would not be a suitable candidate. Many disabled people had either resigned themselves to the lack of promotional opportunities, reporting that to declare a disability in PSO was "career death", or left the organisation for promotion elsewhere.

8. Sickness absence
Although there is a common social belief that disabled people take more sickness absence than non disabled people, the DRC (2005) argues that there is no evidence to substantiate this belief.

8.1.a ELA
ELA operated a phased return to work system after long term sickness and disabled people reported this worked well and that line managers were sensitive to not overloading them on their return to work. They reported goodwill amongst colleagues in helping to cover absences. However, ELA did not have a formal allowance for impairment related sickness absence and this was a source of concern for disabled people. The sickness absence procedure operated such that when employees had reached the maximum number of allowable absence they would trigger a procedure which required their line manager to meet with the employee to discuss their absence and if necessary issue a caution. Some disabled people felt that they were disadvantaged in this system because they required more time off relating to their impairment and so were more likely to trigger the sickness absence procedure. Senior management reported that there was flexibility in the sickness absence procedure and that line managers could be lenient when dealing with a disabled person. There was evidence that some line managers did make allowances for impairment related absences, however this was not done by all line managers and some disabled people felt embarrassed at having to ask for extra time off or feeling they had to frequently explain how their impairment affected their attendance at work. They reported a concern that should they have a new line manager they may be less willing to make such accommodations. Although formally not a disciplinary procedure, disabled people felt that given they could have trade union representation at such meetings, they did treat meetings as potentially disciplinary situations. It was felt that this situation could be avoided if extra time off for impairment related absence could be formally included as a reasonable adjustment in ELA's policies so that all line managers would apply the same criteria.

8.1.b PSO
PSO operated a similar system of phased return to work after sick leave and a similar sickness absence procedure as ELA. Whilst disabled people in PSO expressed similar concerns over the lack of formal allowance for impairment related sickness they also expressed concerns with the implementation of the phased return to work system. In PSO the management of sickness absence was one of the performance measures, linked to bonus payments that managers were appraised on in their APR. Disabled people reported that this led managers to behave inappropriately and which they characterised as "tantamount to bullying". This was manifested in a variety of ways: putting pressure on them to return to work before they were fit - leading to further absences; putting pressure on them to use annual leave instead of sick leave and, putting

pressure on them to return to full time working rather than use the phased return to work scheme. Each of these were designed to enable line managers and their managers to meet their performance targets on sickness absence. Disabled employees reported that sickness absence levels were used by line managers to identify individuals who might be put onto a redeployment list if the headcount in their team was to be reduced and this disproportionately affected disabled people. Under such pressures, some disabled employees reported not taking time off for general illnesses preferring to keep sick leave for medical appointments or impairment related sickness and some people worked through impairment related illnesses if they were able to work from home. Yet other disabled people felt so demoralised and undervalued that they felt little commitment to keeping their sickness absence levels low.

9. The business case for the employment of disabled people?

In recent years there has been a shift from arguing for equality on the basis legal compliance and social justice to arguing for equality on the basis of the benefits that employee diversity can provide for organisations and employees and a need to move beyond legal compliance in order to become an employer of choice. This report has highlighted a variety of problems that both ELA and PSO have experienced in achieving equality for disabled employees. This section turns to examine the rationales that respondents used in relation to the employment of disabled people.

9.1.a ELA

Whilst senior managers in ELA were generally aware of and able to articulate the business case, they felt that in practice, legal compliance and a social justice rationale underpinned the organisation's approach to equality and felt that this was an appropriate approach within the public sector. Generally line managers and employees in ELA were either unfamiliar with the business case or where they were familiar with it, were resistant to such a rationale. It was argued by both disabled and non disabled people that the language itself suggested an approach which was underpinned by an economic, profit driven rationale and that it emphasised the benefits to organisations rather than to disabled people. Some respondents felt that emphasising the benefits of disabled employee for organisational objectives could be potentially exploitative. Respondents pointed out that whilst ELA was increasingly subject to performance indicators and ever decreasing resources, such an argument did not sit well within the ethos of the public sector. Whilst a minority of people felt that the business case was being used more at corporate level in ELA than it had been in the past, in practice their everyday experiences suggested that the business case was overridden by moral, social justice arguments. Most people felt that the business case approach to diversity was more likely to appeal to private sector than public sector organisations. However they also felt that **all** employers have a moral responsibility to ensure that disabled people are employed and treated equally and that making a business case was not the best approach. At the same time some people made a business case at a societal level by arguing that if all employers ensured that disabled people were provided with the same employment opportunities as non disabled people this would reduce the costs of state benefits and enable disabled people to become financially independent.

9.1.b PSO

In PSO senior managers were more likely to express the business case rationale for employing disabled people and emphasised two aspects: the prospects of being able to generate more business by meeting the needs of disabled customers and, the need to ensure that the characteristics of employees reflected the customer base in order to be seen as a socially responsible organisation which, in turn impacts positively on share value. In contrast, generally line managers and employees had not heard of the business case for the employment of disabled people and tended to use legal compliance and social justice rationales. At the same time they argued that all decision making in PSO was underpinned by cost benefit analyses. Applying the principles of making a business case for the employment of disabled people, given the extra costs for OHS referrals, equipment costs, increased time for managing disabled people and potentially higher sickness absence was likely to produce negative outcomes and unlikely to help achieve equality for disabled people. A large proportion of respondents, disabled and non-disabled believed that the business case rationale in PSO was offset by the need to meet the legal obligation to employ a quota of disabled people. Overall, given their experiences and perceptions, disabled people in PSO felt that the organisation was in practice making a business case for **not** employing disabled people.

Conclusions

A key aspect of managing diversity is the creation of a disability friendly culture in which difference is valued. The research findings suggest that ELA seems to be making more progress towards removing differences between disabled and non disabled employees than PSO. This suggests that the business case alone is unlikely to lead to an improvement in the employment of disabled people unless organisations create a culture in which difference can be valued in practice by those charged with its implementation. This requires that HR systems and procedures enable difference to be accommodated rather than ignored. In PSO the approach to disability was primarily one of *assimilation*. Line managers believed that once specialist equipment had been provided for disabled employees they should then be treated as though they were no different to non-disabled people. In contrast, driven by a social justice rationale ELA appears to be generating a more disability friendly culture. Whilst there is still room for improvement in ELA, the overarching approach to managing disabled employees in ELA is one based on *integration* in which difference is accommodated post provision of specialist equipment.