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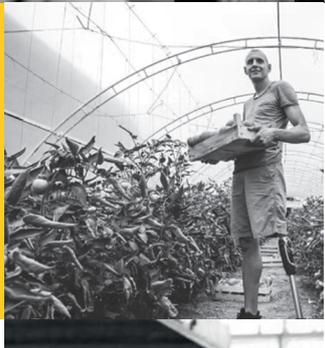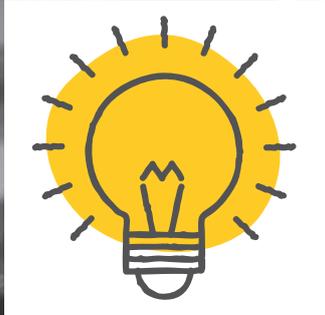**European Union**
European Regional Development Fund

MAKING WORK **WORK** FOR EVERYONE

A RESOURCE FOR POLICYMAKERS

UNCONSCIOUS BIAS AGAINST DISABLED PEOPLE IN THE WORKPLACE

DEVELOPING A CULTURE OF INCLUSION THROUGH HYBRID WORKING

A SYSTEMS APPROACH TO UNDERSTANDING THE JOB MARKET IN CORNWALL

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MAKING WORK *WORK* FOR EVERYONE: **A RESOURCE FOR POLICYMAKERS**

FOREWORD

Although the disability employment gap has narrowed in recent years, the employment rate for disabled people in the UK is still just 54% compared to 82% for non-disabled people[1]. The gap persists despite government interventions like anti-discrimination legislation.

At a time when the UK is facing a labour force shortage of 1.3 million vacancies[2], addressing the issues preventing equal employment opportunities for the 8m disabled people of working age and the third of the workforce aged over 50 (9m people) is a high priority.

Over 99% of all businesses in the UK are small or medium-sized enterprises (i.e., they have fewer than 250 employees; SME). Collectively, SMEs employ 16.3m people and constitute 61% of all UK employment[3]. Despite this, research around inclusive recruitment and retention practices has typically neglected SMEs.

This briefing summarises research by The Inclusivity Project exploring employment for older people and disabled people, with a specific focus on SMEs. We consider the effects of unconscious bias, hybrid work and wider systemic factors that affect employment opportunities. Further materials, including resources for SMEs are available on our website.

Professor Emma Bland and Professor Lora Fleming
Co-Principal Investigators, The Inclusivity Project

1) Labour Force Survey, Office for National Statistics, 2022.
2) Workforce Jobs Survey, Office for National Statistics, 2022.
3) Business Population Estimates for the UK and Regions, Office for National Statistics, 2022.

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The health and wellbeing of employees is not a nice to have – it's a fundamental building block of a successful workplace, whatever its size.

SMEs can, with help and advice, promote an organisational culture that enables staff wellbeing and increased productivity.

Dame Carol Black (Chair of the Centre for Ageing Better)

"

UK employers lose 14.6% of working days due to ill health and this is increasing over time. As work has the potential to create ill health it also has the opportunity to create and maintain good health. Creating inclusive work practices has the potential to contribute greatly to an overall healthier and consequentially more productive society.

Dr Christian van Stolk (Executive Vice President, RAND Europe)

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UNCONSCIOUS BIAS AGAINST DISABLED PEOPLE IN THE WORKPLACE

Our research used the Implicit Association Test to look at unconscious bias towards disabled people and older people within the business community. Previous research has found significant unconscious bias against disabled people among the public, but there has been less research focused on business and specifically on SME employers. We were particularly interested to examine levels of unconscious bias by people making hiring decisions, and any differences between smaller and larger companies.

KEY MESSAGES

- There remains significant and persistent unconscious bias against disabled people amongst the business community.

- Successfully addressing the issue of unconscious bias is key to creating more inclusive workplaces and addressing the UK labour force shortage.

- The significant efforts of large companies in the equality, diversity and inclusion space, especially relating to disability, are ineffective at reducing unconscious bias, so a new approach is needed.

The research team

University of Exeter: Dr Daniel Derbyshire; Professor Anne Spencer; Professor Brit Grosskopf
disAbility Cornwall and the Isles of Scilly: Dr Theo Blackmore

1) The Implicit Association Test is available for anyone to take at https://implicit.harvard.edu/implicit/takeatest.html

RESEARCH AIMS

- To measure the level of unconscious bias among the business community towards disabled people.

- To examine the effect that working for a large compared to a small company has on unconscious bias towards disabled people.

- To examine the effect that working in human resources (or being involved in making hiring decisions) has on unconscious bias towards disabled people.

RESEARCH FINDINGS

- We find significant unconscious bias against disabled people among the business community.

- We find that there are no differences between those who work for large compared to small companies.

- Similarly, we find that there is no difference between people who work in human resources or make hiring decisions and those who don't.

- Being female, being a disabled person or having a worse overall health status are associated with lower unconscious bias against disabled people.

POLICY IMPLICATIONS

- New, more effective strategies for tackling unconscious bias are needed.

- Encourage routine inclusion of disability data in equality and diversity reporting (employee numbers and pay gaps) so that we can monitor progress properly.

- Implement a national evidence-based accreditation framework (including an evaluation framework) for unconscious bias training as recommended by the Equality and Human Rights Commission.

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SUPPORTING SMALL BUSINESSES DEVELOP A CULTURE OF INCLUSION AS THEY TRANSITION TO HYBRID WORKING

The Covid-19 pandemic has changed the way we view work, modern offices and ourselves as a workforce. SMEs and frontline organisations may not have the time and resource to focus systematically on this transition in work culture. We explored the key issues of implementing hybrid working in a frontline SME.

KEY MESSAGES

- Co-designing the processes, policies and culture change with all members of the workforce is essential towards understanding how to democratically embed an enriched culture of work.

- One size doesn't fill all. Hybrid working must be tailored to organisational size, capacity, goals, as well as staff roles, responsibilities, needs and preferences.

- The co-design process is not just a managerial 'tick-box'. Hybrid working is a culture change that must have real impact on accessibility of work and wellbeing of the workforce.

- It is a marathon, not a sprint. Culture change is a slow process. The process will need adjustments over time, so it is important to plan for periodic review and feedback.

The team

University of Exeter: Dr Shruti Raghuraman; Professor Emma Bland; Professor Victoria Tischler; Dr Susan Reh
Age UK Cornwall and the Isles of Scilly: Tracey Roose

AIMS

- To support small businesses and frontline organisations adapt to hybrid working in a fair, equitable and inclusive manner.

- To develop a collaborative process of inclusive culture change at work to future-proof organisations from other shocks and crises.

- To support organisations develop a process of consultation with their workforce to co-design processes, service, and resources that help them adapt to changing trends in work.

FINDINGS

- Productivity, performance measures within the organisation require re-imagining and re-assessing.

- Team building and social connections are more challenging in hybrid work environments and can impact the wellbeing and mental health of the workforce.

- Social connectedness must become a priority for organisations adopting hybrid working practices to ensure that virtual social and work spaces are accessible to everyone.

- The risk of burnout increases in the absence of a physical work space where support can be accessed more easily.

- Transparency and consultation in the decision-making process make hybrid working fair and equitable for everyone.

POLICY IMPLICATIONS

- Policies must reflect the changing priorities of the workforce on health, wellbeing and inclusion.

- The concept of flexible work must evolve beyond the dichotomy of 'remote' and 'office-based' work and look at blending the benefits of both cultures to maximise retention, wellbeing and job satisfaction.

- Organisations must be provided with the necessary frameworks and structural supports needed to transition to more accessible work cultures such as hybrid working.

- Co-designing inclusive processes to transform the culture of work should be adapted and implemented in response to future crises and shocks to build organisational resilience over time.

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A 'SYSTEMS ANALYSIS' APPROACH TO UNDERSTANDING FACTORS AFFECTING THE JOB MARKET FOR OLDER AND DISABLED PEOPLE IN CORNWALL.

Different interconnected factors influence employment. We used a system mapping approach to identify and connect factors that help or hinder older people and disabled people from having a job. We found that the employment system, as a social system, combined with the geographical features of Cornwall, creates reinforcing negative employment practices among many SMEs which act as hurdles for the employment of disabled and older people

KEY MESSAGES

- Overcoming the negative attitudes/ misperceptions that businesses hold towards disabled and older people which reduce the rate of their employment is vital.
- SMEs can get into a cycle: not being visibly inclusive makes it less likely that an older or disabled person will apply for a job, meaning the SME will not employ them and will continue to not be inclusive.
- Disabled and older people can contribute greatly to businesses but more inclusive recruitment policies are required.

RESEARCH AIMS

- To take a systems approach to examining the 'Inclusivity effect', which is the rate of recruitment of older and disabled people in Cornwall.
- To conduct research to reveal the factors that shape the employment profile of older and disabled people in Cornwall – and to see how those factors interact and influence the employment profile.

The research team

University of Exeter: Dr. Khedmati-Morasae; Dr Emma Jeanes; Dr Shruti Raghuraman

RESEARCH FINDINGS

- Businesses have misperceptions about older people that reduce their risk tolerance and reduces the rate of recruitment of older people. They believe that older people:
  - have lower performance (performance misperceptions)
  - are difficult to manage (manageability misperceptions)
  - experience poor health (health misperceptions)
- Businesses have misperceptions about disabled people that reduce the rate of disabled people's employment:
  - time off needed and productivity concerns (time off misperceptions)
  - costs of making reasonable adjustments (costs misperceptions)
  - disabled people being incapable (capability misperceptions)
  - regulations around employment of disabled people (regulations misperceptions)
- Businesses tend to rely on personal networks to find employees instead of using inclusive recruitment methods.

POLICY IMPLICATIONS

- Inclusive recruitment methods are not being used in businesses because of misperceptions around the employability and productivity of disabled and older people.

- Older and disabled people are pushed out of the employment system into benefit dependency.

- Overcoming the misperceptions will improve the rate of recruitment in Cornwall, closing employment and skills gaps.

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SYSTEMS MAP – DISABLED PEOPLE

Rate of resignation

Likelihood of workplace adjustments

Level of support from managers/SME

Level of motivation to apply for jobs

Perceived chance of employment

Level of accessibility (physical)

Workplace accessibility

Degree of flexible work options

Number of job applications

CAPABILITY MISPERCEPTIONS

INCLUSIVITY EFFECT

Negative attitudes towards disability as incapability

Rate of recruitment of disabled workers

Level of SME inclusivity

REGULATIONS MISPERCEPTIONS

COSTS MISPERCEPTIONS

WORD OF MOUTH

Reliance on personal networks

Awareness of regulations and support available

Fear of reasonable adjustment costs

Employers' motivation to employ disabled workers

Level of inclusive recruitment experience (employer)

Fear of wrongdoing

TIME-OFF MISPERCEPTIONS

Employers' awareness of disabilities (mental and physical)

Fear of time-off required

Productivity concerns

Risk and uncertainty aversion

Level of time sensitivity

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SYSTEMS MAP – OLDER PEOPLE

Level of accessibility (physical)

Degree of flexible work options

Workplace accessibility

Perceived chance of employment

Level of motivation to apply for jobs

INCLUSIVITY EFFECT

Number of job applications

Level of SME inclusivity

Probability of workplace adjustment

Availability of HR services

Rate of recruitment of older workers

PERFORMANCE MISPERCEPTIONS

Reliance on personal network

WORD OF MOUTH

Tendency to employ older workers

Perceived risks of hiring younger workers

Intensity of labour

Level of digital competency

Negative attitudes towards older workers' performance

Negative attitudes toward older workers' health

HEALTH MISPERCEPTIONS

Risk and uncertainty aversion

MANAGEABILITY MISPERCEPTIONS

Negative attitudes towards older workers' manageability

Relative age of managers to older workers

Expectations of higher wage demands

Expectations of imminent retirement

Negative attitudes towards higher competence and experience

Expectations of higher sick pay costs

CONCLUSION

Good work is good for people – for their health, wellbeing and independence. Recruiting from a wide talent pool and ensuring staff can perform at their best is good for business. Both are good for the economy. Despite efforts to improve workplace inclusion, there is clearly more to do to ensure that older people and disabled people have the same chances of getting work as anybody else.

Employers themselves can make an immediate and direct difference, at every stage of the job cycle. Small businesses make up the majority of the UK economy, but lack the specialist HR staff, occupational health support, and other resources that larger employers enjoy. Policymakers have an important role to play in shaping the policy and regulatory environment for businesses, which can help or hinder people getting – or keeping – work.

The changes to make work more inclusive for disabled people and older people benefit everyone. So let's make work really work, for everyone.

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The Inclusivity Project funded with support from European Regional Development Fund and the SW Academic Health Science Network, is a partnership between the University of Exeter, Age UK Cornwall and the Isles of Scilly, Disability Cornwall and the Cornwall and Isles of Scilly Local Enterprise Partnership.

The Inclusivity Project has worked with and researched small, medium and micro enterprises in Cornwall and the Isles of Scilly to generate a better understanding of some of the challenges and opportunities that employers have towards creating inclusive places to work for people who are 50+, who are disabled, and/or have a long-term health condition.

Our research and support through our Knowledge Exchange service has empowered SMEs to overcome the challenges and barriers they have faced in their aim to be, and support a more inclusive workplace, both pre and post pandemic.

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