

Leeds University Business School

Employer engagement in employment and skills programmes in the UK and Denmark: focus on disabled people

Report of interim findings for IntoWork Convention 2016

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Introduction

This briefing reports interim findings from a research project on employer engagement in employment and skills programmes in the UK and Denmark. A telephone survey was conducted with over 1,500 employers in both countries, followed by in-depth qualitative interviews with employers and providers. The telephone survey was with a random sample of employers and representative of the business populations in each country. The interviews are ongoing; to date almost 100 interviews have been completed across varying sizes, sectors and geographies of employers. The UK and Denmark were chosen for the study because they are both considered to be pioneers of active labour market programmes (known as 'welfare to work' programmes in the UK and 'activation' in Denmark).

Findings from the employer survey

- In both the UK and Denmark, employers who were engaged were more likely to recruit from disadvantaged groups.
- Regardless of their level of employer engagement in programmes, the proportion of organisations that had hired from all disadvantaged groups of workers was higher in the UK compared with Denmark (see Figure 1).



Figure 1: Recruitment of disadvantaged groups

- In the UK, the recruitment of disadvantaged groups by employers was primarily dependent on companies' own policies and activities but in Denmark such recruitment was dependent on 'activation' programmes.
- We analysed the effects of a number of factors on the likelihood of employers hiring employees from disadvantaged groups. We found that active labour market programmes were important for increasing the recruitment of disadvantaged groups and that employer engagement was critical to this. Trust in providers positively influenced the hiring of the short-term and long-term unemployed in Denmark and the long-term unemployed in the UK and employers in both countries did not consider engagement in programmes to be risky.

Emerging findings from interviews so far...

UK

- Employers were generally positive about employing disabled people, however few had done so and reported that they had not knowingly received applications from disabled people.
- Most employers assumed that disability meant physical disability. However, most also cited personal experience of disability (people they knew personally who were disabled) which was broader than physical impairments. Employers wanted to employ disabled people in order to give them an opportunity, or to contribute to their company's social responsibility.
- The 'right person for the job' was considered important when recruiting, demonstrated by particular behaviours (such as soft skills). There was a recognised need for disabled people to build confidence about their capabilities during the pre-employment phase.
- Some employers had made changes to their recruitment processes to accommodate applications from disabled people; there were good examples from retail and call centres. There were also examples of changes to job roles, including making hours flexible to support disabled people. Such initiatives were supported by 'honest conversations' about the support that individuals needed, highlighting the importance of dialogue and personal relationships between organisations and individuals. Sometimes this required thinking differently, or 'mindset' change.
- Having a single point of contact for the employer in provider organisations was considered to be important. However, employers were dissatisfied about receiving large numbers of unsuitable and unfiltered applications via programmes and viewed these as simply fulfilling conditionality requirements.

Denmark

- The 'Flexjobs' programme was widely-used by employers. This allows disabled people to work limited hours and have their wage topped up by the local authority (which is responsible for employment and skills programmes) which also funds additional support for the job role, e.g. physical adjustments and/or an additional employee to support the disabled person. The intention is to support disabled people to increase their hours over time, if possible. Flexjobs has been subject to some criticisms that have led to recent policy changes (e.g. a cap on the number of Flexjobs that companies can have). An important dimension of Flexjobs was workplace mentoring.
- For Flexjobs to be successful it was considered important that activation, education and health support were integrated, although this was dependent on the actions of local authorities.
- Employers and providers viewed programmes as a service in return for payment of their taxes. There was also a sense of collective responsibility linked to the Danish flexicurity model (which is comprised of activation, social security and legislation supporting flexible hiring and firing) and social responsibility within organisations. Public sector organisations were obliged to participate in programmes.

• Employers reported a lack of a single point of contact in Jobcenters and other provider organisations and Jobcenters were not considered to provide a tailored service or to be focused enough on the needs of businesses. As in the UK, there was significant dissatisfaction with large numbers of unsuitable and unfiltered applications via programmes.

Recommendations for the UK

- Employer engagement can facilitate the matching of employers' interests with the goals of helping more disabled people into work. Critically, this relies on understanding the needs of businesses and in some cases supporting employers to change the way they recruit to encourage applications from those outside the labour market, such as disabled people. There is a potential role for more mentoring in workplaces.
- In order to recruit and retain disabled people, some employers would benefit from receiving advice and guidance in order to understand what disability can mean and how individuals can be supported. In particular, some employers need information about legislation, e.g. clarity around disability and the recruitment process (UK Equality Act 2010) and reasonable adjustments (particularly Access to Work (AtW)). However, there are concerns that the AtW claiming process and changes to rules may lead to less successful applications. In Denmark this process is handled by local authorities.
- There is a need to better align health, employablity and workplace support for disabled people. Local Enterprise Partnerships and devolution provide significant opportunities in this regard. However, in our study LEPs were not important for employers in terms of accessing employment and skills programmes but local authorities and sector skills bodies played an important role.

The data presented here are from a project entitled 'How do inter-organisational relations affect employer engagement in active labour market programmes in the UK and Denmark?' funded by the Economic and Social Research Council <u>www.esrc.ac.uk</u>

For more details see our Policy Report:

Ingold, J. and Valizade, D. (2015) *Employer engagement in active labour market policies in the UK and Denmark: a survey of employers. CERIC Policy Report No. 6.* Leeds: Centre for Employment Relations Innovation and Change <u>http://ow.ly/CnHA301PT12</u>

If you make use of our findings in your work, or would like more information please contact us:

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For more information about the research visit: <u>http://ow.ly/gb0s301PT52</u>

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