

SHRM®/UTSA/WSU/CPRF

Employer Incentives for Hiring Individuals with Disabilities

SHRM Research





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Employer Incentives for Hiring Individuals With Disabilities

Dr. Mark L. Lengnick-Hall

Professor of Management,
University of Texas at San Antonio

Dr. Philip Gaunt

Director, Interdisciplinary Communication
Research Institute
Executive Director, WSU-LINK, Wichita State University

Jessica Collison

SHRM Survey Program Manager

SHRM **Research**

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For more information, please contact:

SHRM Research Department
1800 Duke Street, Alexandria, VA 22314, USA
Phone: +1.703.548.3440 Fax: +1.703.535.6473
Web: www.shrm.org/research

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About This Report

Despite the implementation of the Americans With Disabilities Act (ADA), government tax incentives, and a record low unemployment in the 1990s, the employment rate of individuals with disabilities actually decreased. Now, with unemployment on the rise, individuals with disabilities may find it even more difficult to obtain employment.

The Society for Human Resource Management (SHRM) in conjunction with the Cerebral Palsy Research Foundation (CPRF), the University of Texas at San Antonio (UTSA), and Wichita State University (WSU) jointly conducted a survey in October 2002 to gain an understanding of why low employment rates for individuals with disabilities persist.

The primary focus of the survey was to determine how knowledgeable HR professionals are regarding various governmental incentives for hiring individuals with disabilities. In addition, the survey sought to find out how many companies actually take advantage of employer incentives and who in companies make decisions about using them.

A secondary focus of the survey was to assess HR professionals' attitudes and opinions regarding the impact of the ADA on the employment of individuals with disabilities; determine the level of effort companies expend in recruiting individuals with disabilities; and gain insight into senior managements' personal experiences with disabilities. Furthermore, the survey sought the opinions of HR professionals on how best to improve the employment of individuals with disabilities.

The following report provides an analysis of

the results from the Employer Incentives for Hiring Individuals With Disabilities Survey. A link to the survey was e-mailed to 2,500 randomly selected SHRM members with managerial or executive job titles. Of those e-mails, 2,175 were successfully delivered, and 299 HR professionals responded to the survey, yielding a response rate of 14%. HR professionals were given 10 business days to respond to the survey online. During the 10 business days, two follow-up e-mails were sent to increase the response rate.

The Society for Human Resource Management (SHRM) is the world's largest association devoted to human resource management. Representing more than 170,000 individual members, the Society's mission is to serve the needs of HR professionals by providing the most essential and comprehensive resources available. As an influential voice, the Society's mission is also to advance the human resource profession to ensure that HR is recognized as an essential partner in developing and executing organizational strategy. Founded in 1948, SHRM currently has more than 500 affiliated chapters within the United States and members in more than 120 countries. Visit SHRM Online at www.shrm.org.

The Cerebral Palsy Research Foundation (CPRF), founded in 1972 by John F. "Jack" Jonas Jr., is a nonprofit organization located in Wichita, Kan., whose mission is to provide people with disabilities customized services, supports and technologies, with an emphasis on employment and training options, to facilitate their chosen economic and personal independence. To accomplish its mission, the foundation conducts federal and state funded research, operates a School of Adaptive Computer

Training in Wichita, Atlanta and Houston, and conducts the Kansas Benefits Counselors Network. Visit CPRF online at www.cprf.org.

The University of Texas at San Antonio was established in 1969 and has an enrollment of more than 22,000 students. It is the third largest component of the University of Texas System, and one of the state's fastest growing public universities. UTSA offers 88 bachelor's, master's and doctoral degree programs, and with six new doctoral programs in the planning stages is rapidly moving toward classification as a doctoral-granting institution. Visit UTSA online at www.utsa.edu.

Wichita State University began as Fairmount College, a congregational institution, in 1895 and today has an enrollment of more than 15,000 students. It offers more than 65 undergraduate degree programs in more than 200 areas of study in six undergraduate colleges. The Graduate School offers an extensive program including 44 master's degrees which offer study in more than 100 areas and doctoral degrees in applied mathematics; chemistry; communicative disorders and sciences; human factors and community/clinical psychology; educational administration; and aerospace, electrical, industrial and mechanical engineering. Visit WSU online at www.wichita.edu.

About the Authors

Dr. Mark L. Lengnick-Hall is a professor of management at the University of Texas at San Antonio. His research focuses on causes of and solutions to disabled Americans' high unemployment rates; strategic human resource management; and human resource management in the knowledge economy. His research has been published in a number of journals, including *Academy of Management Review*, *Human Resource Management Review*, *Human Resource Management*, *Personnel Psychology*, *Public Personnel Management* and *Journal of Organizational Behavior*. He has recently published his third book, *Human Resource Management in the Knowledge Economy: New Challenges, New Roles, New Capabilities*

(2002: Berrett-Koehler publishers). He has human resource management experience in both private industry and state government. Dr. Lengnick-Hall has also consulted with and provided training for numerous organizations.

Dr. Philip Gaunt is the former director of the Elliott School of Communication, and is currently professor and director of the Interdisciplinary Communication Research Institute, as well as executive director of WSU-LINK at Wichita State University. He has written nine books on various aspects of communication and language acquisition, as well as numerous scholarly articles, published in the United States, Europe and Asia, in both English and French. His current interests lie in disability, health communication and organizational communication. Before returning to the academy in 1985, Gaunt spent some 25 years in the field of communication, creating and managing successful businesses in London, Paris and Washington, D.C. In the 1970s, as director of regional information services at UNESCO in Paris, he coordinated that organization's information operations in New York, Caracas, Bangkok, Dakar, Nairobi, Kuala Lumpur and other regional offices. He subsequently became director of public affairs for North America and Western Europe.

Jessica Collison is the survey program manager for the SHRM. Her responsibilities include design and analysis of surveys on HR-related topics. Jessica has been in various research roles for the past seven years.

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Bob Hull, vice president for research at the Cerebral Palsy Research Foundation in Wichita, Kan., was instrumental in designing the survey and providing insight to this report. In addition, SHRM staff provided invaluable feedback and assistance during the design and analysis phases of the survey. John Milatzo and Leslie Weatherly provided valuable HR expertise adding content to the survey report. We also thank Adrienne Brooks for preparing the index on How to Use Employer Incentives for Hiring Individuals With Disabilities and Robert Lynn for categorizing the written responses.

Introduction

According to the U.S. Census Bureau, about 54 million Americans—or approximately one out of five—have some kind of disability and 26 million of those individuals—or approximately one out of 10—have a severe disability. In the prime employable years of 21 to 64, 82% of Americans without a disability have a job or business compared with 77% of those with a nonsevere disability and 26% of those with a severe disability.

The employment rate of individuals with disabilities did not improve during the 1990s, despite a strong economy and the passage of landmark legislation—the Americans With Disabilities Act (ADA)—that made it illegal to discriminate against them¹. Today, with a weak economy, job prospects for individuals with disabilities look even worse.

The number of unemployed individuals with disabilities nationwide is a major economic cost to society. Each year the federal government spends 40 times more to support individuals with disabilities than it spends to help them prepare for and find jobs. The low employment rate of individuals with disabilities is estimated

to cost the nation's economy more than \$200 billion annually².

There are several tax incentives available to employers that hire individuals with disabilities. However, it is unclear just how aware employers are of these incentives and whether the incentives actually affect decision-making. What level of knowledge do human resource professionals have of tax incentives for hiring individuals with disabilities? How much are these incentives used by companies? Who in companies make decisions about whether to use these incentives?

Some people have argued that the ADA has had the opposite of its intended effect and actually discouraged the employment of individuals with disabilities. What attitudes do human resource professionals have toward the ADA? Also, what do human resource professionals believe are the best ways to improve the employment of individuals with disabilities? How much effort do companies put into hiring individuals with disabilities?

This report provides insight into the causes and solutions to the underutilization of talented individuals with disabilities.

¹ Livermore, G.A., Stapleton, D.C., Nowak, M.W., Wittenburg, D.C., & Eisman, E.D., 2000. The Economics of Policies and Programs Affecting the Employment of People with Disabilities. Rehabilitation Research and Training Center for Economic Research on Employment Policy for Persons with Disabilities.

² Williams, J.M. 1998. Getting answers on hiring the disabled. *Nation's Business*. 44(1). http://www.findarticles.com/cf_dls/m1154/1998_Nov_1/53111037/p1/article.jhtml

Methodology

Researchers from the University of Texas at San Antonio and Wichita State University developed the survey instrument, with guidance from an internal committee of SHRM staff. In addition, an external committee of volunteer leaders and experts in the HR field also provided valuable insight and recommendations for the instrument.

The HR professional sample was randomly selected from SHRM's membership database, which includes approximately 170,000 members. Each member of the 2,500-person sample was sent an e-mail invitation containing a link that directed the participant to the online survey. The survey was fielded for a period of 10 business days, and two e-mail reminders were sent to the sample members in an effort to increase response rates.

Executive Summary

This report examines eight major issues regarding the employment of individuals with disabilities in organizations:

(1) What level of knowledge do HR professionals have about employer incentives for hiring individuals with disabilities? (2) How much are employer incentives for hiring individuals with disabilities used by organizations? (3) What do HR professionals believe are the most effective recommendations for improving the employment of individuals with disabilities? (4) What impact has the ADA had on the employment of individuals with disabilities? (5) How much effort do organizations expend to recruit individuals with disabilities? (6) Do organizations have policies for hiring individuals with disabilities? (7) How many individuals with disabilities are employed by organizations? and (8) Do senior managers have personal experiences with disabilities?

Key findings from the report include:

HR professionals' level of knowledge varies substantially for the different employer incentives for hiring individuals with disabilities.

- HR professionals have more familiarity with the Work Opportunity Tax Credit, the Welfare-to-Work Tax Credit and the Veterans Job Training Act.
- In contrast, HR professionals have much less familiarity with the Disabled Access Credit, IRC Section 144; the Architectural/Transportation Tax Deduction, IRC Section 190; the Mentor-Protégé

Program, P.L. 102-172, Section 8064A; and the Social Security Administration Employment Network Cash Provision.

- Level of knowledge also varies by the size of the organization.

The most frequently used employer incentives for hiring individuals with disabilities are the Work Opportunity Tax Credit, the Welfare-to-Work Tax Credit and the Veterans Job Training Act.

- Very few respondents indicated their organizations use the Disabled Access Credit, IRC Section 144; the Architectural/Transportation Tax Deduction, IRC Section 190; the Mentor-Protégé Program, P.L. 102-172, Section 8064A; and the Social Security Administration Employment Network Cash Provision.
- Use of employer incentives also varies by the size of the organization and industry.

A majority of respondents indicated that their organizations do not participate in any of the employer incentive programs for hiring individuals with disabilities.

The top two recommendations for improving the employment of individuals with disabilities are:

- The government should do a better job of communicating available tax incentives for hiring individuals with disabilities.
- Top managers should lead by example and hire qualified individuals with disabilities on their own staffs.

- HR professionals have mixed attitudes about the ADA. On the one hand, they believe the ADA has had a positive impact on changing the climate toward hiring individuals with disabilities. On the other hand, HR professionals believe that the ADA has created more unproductive time spent in compliance activities and created a fear that lawsuits will result if individuals with disabilities are hired and then later terminated.
- Very few respondents indicated their organizations have experienced ADA complaints in the last 12 months.
- Respondents indicated that approximately 38% of reasonable accommodations cost nothing; 28% cost \$1,000 or less; 8% cost between \$1,000 and \$5,000; and 14% cost more than \$5,000.
- Small organizations experience less costly accommodations than large organizations; costs of accommodation also vary by industry.

The large majority of respondents indicated that their organizations exert very little effort toward recruiting individuals with disabilities. Large organizations expend more effort than medium or small organizations; recruiting efforts also vary by industry.

- However, the large majority of respondents indicated that their organizations have a policy for hiring individuals with disabilities.

The majority of respondents indicated that individuals with disabilities comprised less than 10% of their total work forces.

- The majority of respondents also indicated that the percentage of their work forces with disabilities had remained the same over the past five years.
- The larger the organization, the more likely they are to have experienced an increase in the percentage of individuals with disabilities in their work forces; there is some variance in percentages across industries as well.

Approximately 13% of respondents indicated that a member of their senior management has a disability, 26% of respondents indicated that a member of their senior management has a child with a disability, and 36% of respondents indicated that a member of their senior management is involved in taking care of someone with a disability.

- Large organizations are more likely than medium or small organizations to have a member of senior management who has a disability; there is some variance in percentages across industries as well.

Survey Results

Knowledge of Employer Incentives for Hiring Individuals With Disabilities

The first question asked respondents, “What level of knowledge do you have of the following programs?” Respondents were provided the following scale:

- No knowledge (never heard of it)
- Some knowledge (heard of it, but not much familiarity)
- Much knowledge (very familiar with it)

The Work Opportunity Tax Credit—This is a tax credit for businesses that hire individuals from certain qualified groups, of which one is disabled people who completed or are completing rehabilitative services from a state or the U.S. Department of Veterans Affairs.

The Welfare-to-Work Tax Credit—This is a tax credit for businesses that hire individuals who have been certified by the “designated local agency” as a member of a family that received Temporary Assistance to Needy Families (TANF) or Aid to Families With Dependent Children (AFDC).

The Veterans Job Training Act—This provides training costs for employers of long-term unemployed veterans of the Korean conflict or the Vietnam era.

The Disabled Access Credit, IRC Section 144—This is a tax credit for an eligible small business that pays or incurs expenses to provide access to

persons with disabilities. The expenses must be to enable the eligible small business to comply with the Americans With Disabilities Act of 1990.

The Architectural/Transportation Tax Deduction, IRC Section 190—This is a deduction a business can take for making a facility or public transportation vehicle more accessible to and usable by persons who are disabled or elderly.

The Mentor-Protégé Program, P.L. 102-172, Section 8064A—Community Rehabilitation Programs (CRPs) which employ people with disabilities and subcontract work from a prime contractor to the U.S. Department of Defense may receive technical assistance in areas such as production, management, financing, etc. The prime contractor (the mentor) is reimbursed by the federal agency for the costs of the technical assistance provided to the protégé.

The Social Security Administration Employment Network Cash Provision—The formula-based cash incentives are contingent upon favorable employment outcomes for people with disabilities, who are then able to forego their income maintenance (SSI and/or SSDI) benefits.

Charts 1a–1g show that level of knowledge varies substantially across the different employer incentives for hiring individuals with disabilities.

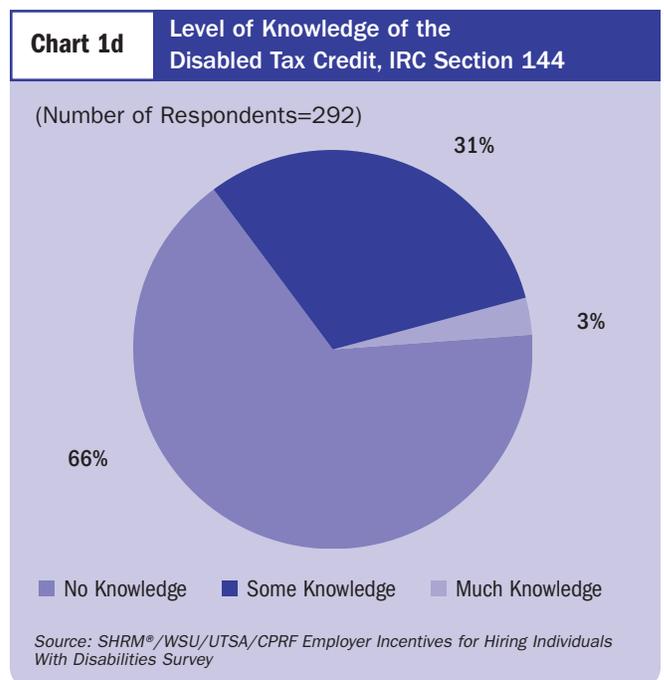
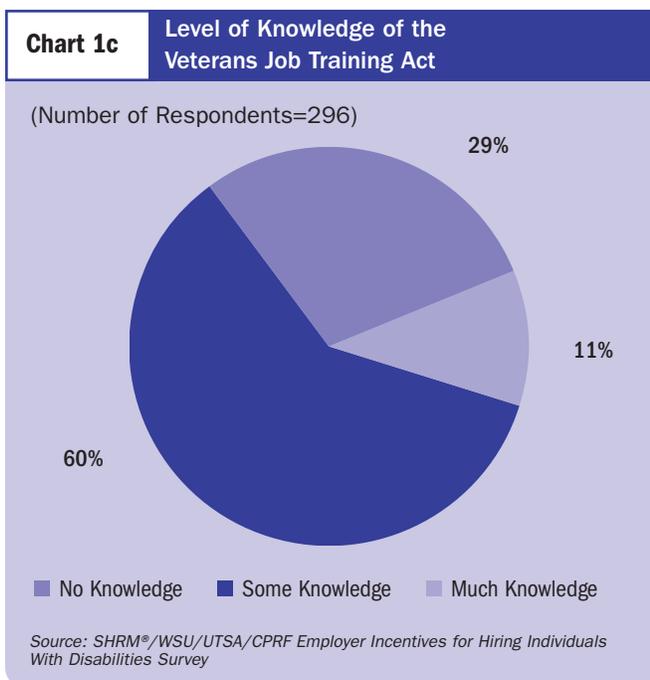
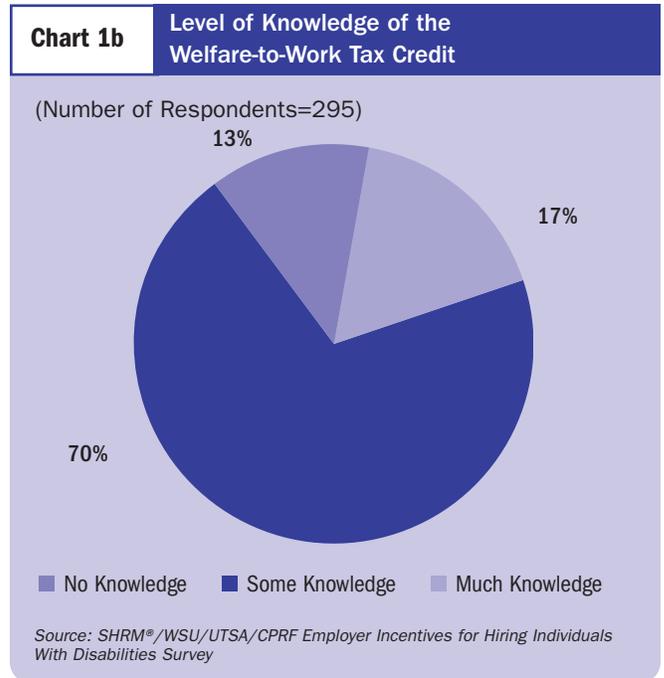
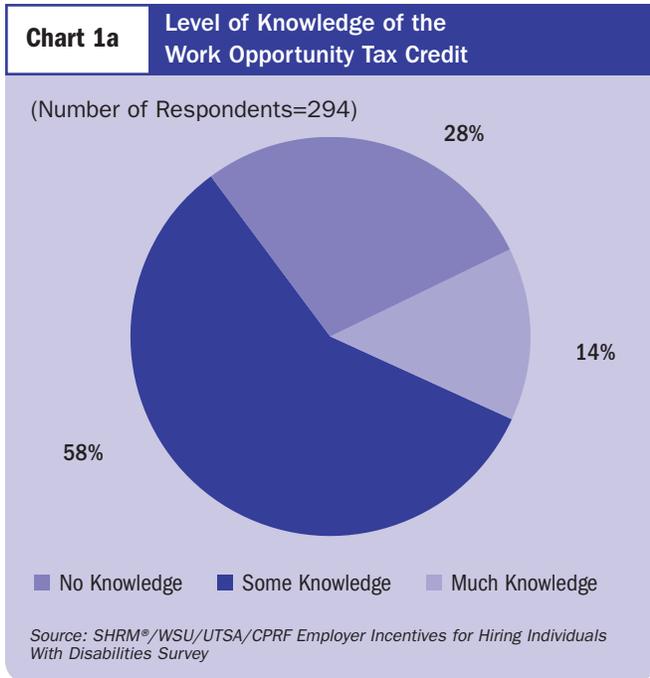
Respondents indicated more familiarity (much or some knowledge) with the Work Opportunity Tax Credit, the Welfare-to-Work Tax Credit and the Veterans Job Training Act. For these programs,

respondents most frequently indicated they had some knowledge (heard of it, but not much familiarity) of these programs.

For these same programs, respondents who indicated “much knowledge (very familiar with it),”

ranged from approximately 11% for the Veterans Job Training Act to 13% for the Work Opportunity Tax Credit to 17% for the Welfare-to-Work Tax Credit.

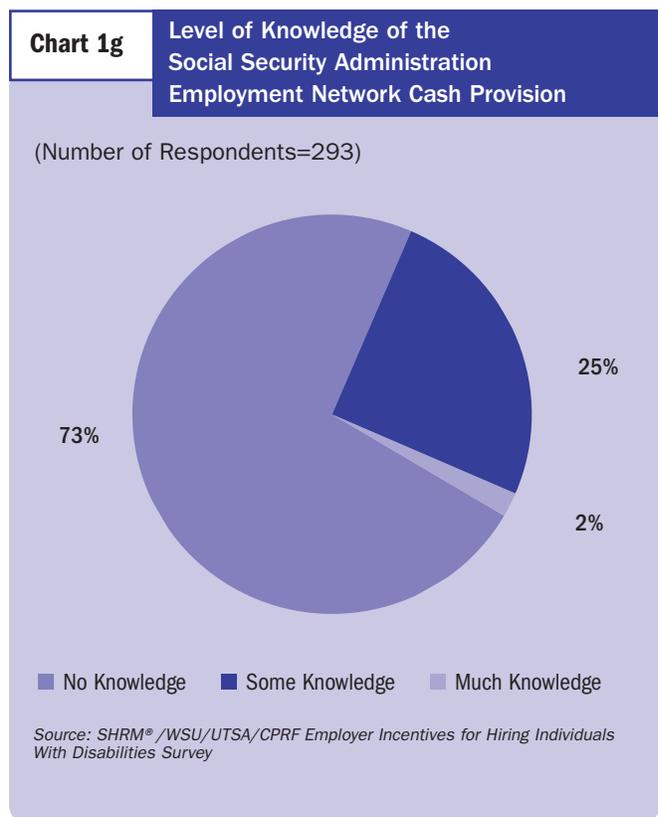
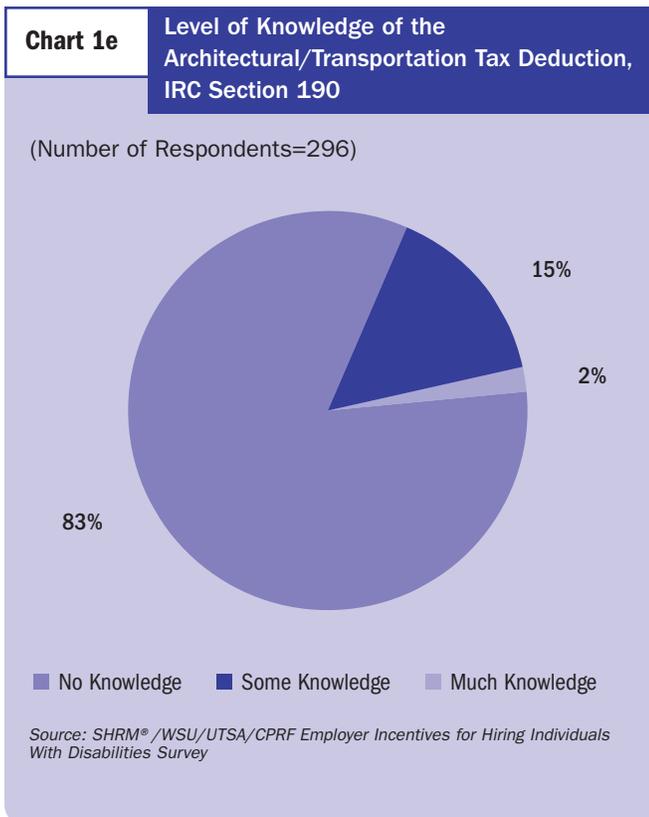
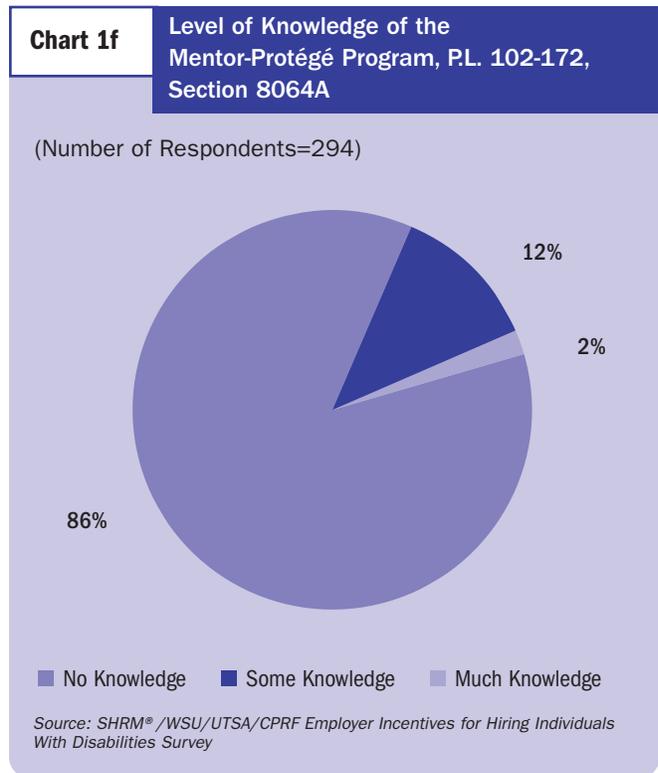
In addition, for those same programs, respondents who indicated “no knowledge (never heard of it),”



ranged from 13% for the Welfare-to-Work Tax Credit to 27% for the Work Opportunity Tax Credit to 28% for the Veterans Job Training Act.

In contrast, respondents indicated much less familiarity with the Disabled Access Credit, IRC Section 144; the Architectural/Transportation Tax Deduction, IRC Section 190; the Mentor-Protégé Program, P.L. 102-172, Section 8064A; and the Social Security Administration Employment Network Cash Provision. For these programs, respondents most frequently indicated they had “no knowledge (never heard of it)” of them.

For these programs, respondents who indicated “much knowledge (very familiar with it)” ranged from 2% to 3%. Respondents who indicated “some knowledge (heard of it, but not much familiarity)” ranged from approximately 12% for the Mentor-Protégé Program, P.L. 102-172, Section 8064A to 15% for the Architectural/Transportation Tax Deduction, IRC Section 190 to 24% for the



Social Security Administration Employment Network Cash Provision to 30% for the Disabled Access Credit, IRC Section 144.

Use of Employer Incentives for Hiring Individuals With Disabilities

The second question asked, “In which of the following programs does your organization currently participate?” The same programs as described earlier were provided as options.

Table 1 shows the participation rates as indicated by respondents. It appears that use of employer incentives for hiring individuals with disabilities mirrors knowledge levels of HR professionals. The most frequently used employer incentives for hiring individuals with disabilities are the Work Opportunity Tax Credit (16%), the Welfare-to-Work Tax Credit (12%) and the Veterans Job Training Act (5%).

Very few of respondents’ organizations (2% or less)

use the Disabled Access Credit, IRC Section 144; the Architectural/Transportation Tax Deduction, IRC Section 190; the Mentor-Protégé Program, P.L. 102-172, Section 8064A; and the Social Security Administration Employment Network Cash Provision.

Seventy-seven percent of respondents indicated their organizations do not participate in any of the employer incentive programs for hiring individuals with disabilities.

Who Makes Decisions About Using Incentives for Hiring Individuals With Disabilities?

Question 7³ asked, “In your organization, who is responsible for making decisions about using available government incentives for hiring employees?” As shown in Table 2, the data indicate that who makes the decision on use of employer incentives for hiring individuals with disabilities varies widely and may include more than one executive. Thirty

Table 1 Employer Incentive Program Participation	
Program	Percentage Participating [Number of Respondents=275]
The Work Opportunity Tax Credit	16%
The Welfare-to-Work Tax Credit	12%
The Veterans Job Training Act	5%
The Social Security Administration Employment Network Cash Provision	2%
The Disabled Access Credit, IRC Section 144	1%
The Mentor-Protégé Program, P.L. 102-172, Section 8064A	1%
The Architectural/Transportation Tax Deduction, IRC Section 190	Less than 1%
None of the above	77%

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 2 Who Makes Decisions About Using Employer Incentives	
Job Title	Percentage Making Decision [Number of Respondents=287]
Director of human resources	30%
Vice president of human resources	24%
Chief executive officer (CEO)	21%
Chief financial officer (CFO)	21%
President	19%
Manager of human resources	19%
Chief HR officer	12%
Chief operating officer (COO)	10%
Board of Directors	6%
Assistant director of human resources	3%
Assistant vice president of human resources	1%
Other	14%

Note: Percentages will not total 100% as respondents were allowed multiple choices.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

³ Some question numbers do not appear in sequence due to the grouping of items intended to make the report flow more smoothly.

percent of respondents indicated their directors of HR make the decision, followed by vice president of HR (24%), CFO and CEO (both indicated by 21%).

What Should be Done to Improve the Employment of Individuals With Disabilities?

Question 3 asked respondents, “How strongly do you agree or disagree with the following statements regarding what should be done to improve the employment of people with disabilities?” Response alternatives ranged from 1 (strongly disagree) to 4 (neither agree nor disagree) to 7 (strongly agree).

Table 3 summarizes respondents’ level of agreement with recommendations for improving the employment of individuals with disabilities. Responses were averaged to indicate the “typical” response for each recommendation. The standard deviation represents the spread of the data around the mean, or typical response. The larger the standard deviation, the greater the spread of responses—or the less consensus among respondents. The smaller the standard deviation, the smaller the spread of responses—or the more consensus among respondents. Standard deviations of 1.5 or higher indicate a relative lack of consensus. Readers should proceed with caution when generalizing the results.

Recommendations that received the strongest level of agreement indicated by an average greater than 4.00 (in descending order of strength of agreement) included:

- The government should do a better job of communicating available tax incentives for hiring individuals with disabilities.
- Top managers should lead by example and hire qualified individuals with disabilities on their own staffs.
- Organizations should help improve the knowledge and sensitivity of all employees toward other employees who may have a disability.
- Companies should provide a “disability-friendly”

environment including accessible architecture to attract individuals with disabilities.

- CEOs should periodically communicate to their entire organizations their support of hiring qualified individuals with disabilities.
- Companies should hire qualified individuals with disabilities for key management positions who will be visible role models.
- The government should offer tax credits for employers to compensate for the higher costs associated with hiring individuals with disabilities.
- The government should amend the ADA and other disability-related legislation to ease employer-related lawsuits.
- Companies should improve the knowledge, skills and ability of individuals with disabilities who need additional training and education so they are better prepared for employment.

Recommendations that received the strongest level of disagreement indicated by an average less than 4.00 (in descending order of strength of disagreement) included:

- Companies should have a specific budget for recruiting individuals with disabilities.
- The government should expand the ADA to cover more employment situations that prevent individuals with disabilities from being hired.

Respondents were neutral about the recommendation “the government should provide companies with subsidies to compensate for lower productivity associated with hiring individuals with disabilities.”

In Question 4, HR professionals were asked, “If you could present one recommendation to improve the employment rate of individuals with disabilities, what would it be?”

Written responses could be grouped into seven categories (ranked in descending order by number of responses). Those categories, the number of responses that fell into the category, and an example response for each are listed as follows:

Table 3 What Should be Done to Improve Employment of Individuals With Disabilities

Recommendation	Number of Respondents	Mean	Std. Deviation	Percent Responding...						
				1	2	3	4	5	6	7
The government should do a better job of communicating available tax incentives for hiring individuals with disabilities.	295	6.17	1.14	1%	1%	2%	6%	13%	25%	53%
Top managers should lead by example and hire qualified individuals with disabilities on their own staffs.	296	6.10	1.16	1%	0%	1%	9%	14%	24%	51%
Organizations should help improve the knowledge and sensitivity of all employees toward other employees who may have disabilities.	296	6.09	1.26	2%	1%	1%	5%	16%	23%	52%
Companies should provide a “disability-friendly” environment including accessible architecture to attract individuals with disabilities.	297	5.65	1.38	1%	1%	4%	14%	22%	19%	38%
CEOs should periodically communicate to their entire organizations their support of hiring qualified individuals with disabilities.	296	5.57	1.29	1%	0%	3%	15%	27%	22%	31%
Companies should hire qualified individuals with disabilities for key management positions who will be visible role models.	298	5.28	1.29	1%	1%	4%	25%	24%	23%	23%
The government should offer tax credits for employers to compensate for the higher costs associated with hiring individuals with disabilities.	295	4.86	1.56*	5%	2%	8%	21%	30%	15%	18%
The government should amend the ADA and other disability-related legislation to ease employer-related lawsuits.	295	4.84	1.83*	6%	6%	8%	25%	14%	14%	27%
Companies should improve the knowledge, skills and ability of individuals with disabilities who need additional training and education so they are better prepared for employment.	297	4.75	1.63*	3%	8%	9%	24%	21%	18%	18%
The government should provide companies with subsidies to compensate for lower productivity associated with hiring individuals with disabilities.	295	4.00	1.82*	14%	9%	12%	26%	17%	13%	10%
The government should expand the ADA to cover more employment situations that prevent individuals with disabilities from being hired.	293	3.48	1.59*	17%	9%	18%	37%	9%	6%	5%
Companies should have a specific budget for recruiting individuals with disabilities.	293	3.40	1.52*	17%	10%	18%	35%	13%	4%	3%

* Standard deviations of 1.5 or higher indicate a relative lack of consensus. Readers should proceed with caution when generalizing the results.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Publicize and/or Improve Tax Incentives (37)

- “The government should do a better job of communicating available tax incentives for hiring individuals with disabilities.”

Educate Employers/Managers (29)

- “Provide better education to hiring managers so they understand how to interview, what expected productivity will be, what incentives exist for the employer, what problems to expect (or not), etc.”

Make the Hiring Process More Disability-Friendly (19)

- “I think more effort in making companies aware that position requirements can be more thoughtfully defined so that they don’t needlessly exclude persons with disabilities would be beneficial.”

Improve Training of the Disabled (17)

- “I feel that we are placing emphasis on the wrong end of the equation. The key should be to provide training to individuals with disabilities so that they can provide a value to any organization that employs them.”

Publicize Disability Programs/Problems of the Disabled (15)

- “I believe better education on resources that are available and also a broader communication of what agencies are available to assist with recruiting qualified individuals with disabilities.”

Focus on Ability, not Disability (13)

- “Dwell less on physical being and focus more on skills.”

Change Laws and/or Administration of Laws (9)

- “Define the ADA and its requirements more clearly and amend the act to reduce the number of ADA lawsuits against companies. This tends to leave companies fearful of additional costly litigation.”

Impact of the ADA on the Employment of Individuals With Disabilities

Question 5 asked, “How strongly do you agree or disagree with the following statements regarding the impact of the Americans With Disabilities Act

(ADA) on the employment of individuals with disabilities?” Response alternatives ranged from 1 (strongly disagree) to 4 (neither agree nor disagree) to 7 (strongly agree).

Table 4 summarizes respondents’ level of agreement with statements regarding the impact of the ADA on the employment of individuals with disabilities.

Responses were averaged to indicate the “typical” response for each recommendation. The standard deviation represents the spread of the data around the mean, or typical response. The larger the standard deviation, the greater the spread of responses—or the less consensus among respondents. The smaller the standard deviation, the smaller the spread of responses—or the more consensus among respondents. Standard deviations of 1.5 or higher indicate a relative lack of consensus. Readers should proceed with caution when generalizing the results.

Statements that received the strongest level of agreement with an average of greater than 4.00 (in descending order of strength of agreement) included:

- The ADA has created an atmosphere where employers understand the need to be accommodating to individuals with disabilities.
- The ADA has raised workplace awareness among employees without disabilities.
- The ADA has led to more frivolous lawsuits than lawsuits with merit.
- The ADA has made it possible for qualified individuals with disabilities to be fairly considered for employment.
- The ADA has made possible continued progress for the employment of individuals with disabilities.
- Employers are reluctant to hire individuals with disabilities because they fear lawsuits will result if they must terminate disabled employees who cannot perform the job.
- The ADA has improved the employment of individuals with disabilities.

Table 4 Impact of the ADA on the Employment of Individuals With Disabilities

Impact	Number of Respondents	Mean	Std. Deviation	Percent Responding...						
				1	2	3	4	5	6	7
The ADA has created an atmosphere where employers understand the need to be accommodating to individuals with disabilities.	294	5.06	1.39	1%	4%	10%	13%	34%	23%	16%
The ADA has raised workplace awareness among employees without disabilities.	295	4.93	1.47	4%	2%	9%	19%	32%	18%	16%
The ADA has led to more frivolous lawsuits than lawsuits with merit.	291	4.91	1.41	2%	1%	7%	33%	22%	16%	18%
The ADA has made it possible for qualified individuals with disabilities to be fairly considered for employment.	293	4.80	1.38	2%	4%	8%	23%	36%	15%	13%
The ADA has made possible continued progress for the employment of individuals with disabilities.	294	4.74	1.15	3%	6%	10%	23%	30%	15%	13%
Employers are reluctant to hire individuals with disabilities because they fear lawsuits will result if they must terminate disabled employees who cannot perform the job.	297	4.69	1.48	3%	6%	10%	23%	30%	15%	13%
The ADA has improved the employment of individuals with disabilities.	295	4.67	1.42	3%	3%	11%	26%	33%	12%	12%
The ADA has facilitated the acceptance of people with disabilities.	294	4.48	1.45	4%	3%	16%	23%	33%	11%	10%
The ADA has caused employers to spend unproductive time completing bureaucratic forms and complying with "red tape."	295	4.44	1.42	4%	4%	13%	36%	24%	10%	11%
The ADA has increased the cost to employers of hiring individuals with disabilities.	292	4.36	1.31	3%	4%	13%	37%	27%	9%	7%
Without the ADA, organizations would have little incentive for hiring individuals with disabilities.	291	4.04	1.63*	8%	9%	20%	23%	21%	7%	9%
The ADA has done more harm than good for improving the employment of individuals with disabilities.	294	3.31	1.42	15%	12%	23%	35%	10%	4%	2%
If the ADA were to be abolished by Congress, the employment of individuals with disabilities would improve.	293	2.67	1.35	26%	20%	24%	25%	2%	1%	1%

* Standard deviations of 1.5 or higher indicate a relative lack of consensus. Readers should proceed with caution when generalizing the results.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

- The ADA has facilitated the acceptance of people with disabilities.
- The ADA has caused employers to spend unproductive time completing bureaucratic forms and complying with “red tape.”
- The ADA has increased the cost to employers of hiring individuals with disabilities.

Statements that received the strongest level of disagreement with an average of less than 4.00 (in descending order of strength of disagreement) included:

- If the ADA were to be abolished by Congress, the employment of individuals with disabilities would improve.
- The ADA has done more harm than good for improving the employment of individuals with disabilities.

Respondents were neutral about the statement, “Without the ADA, organizations would have little incentive for hiring individuals with disabilities.”

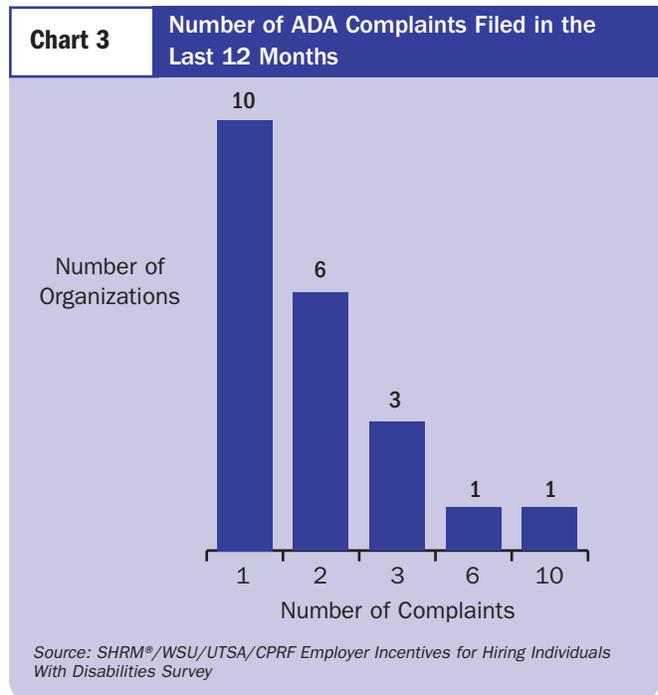
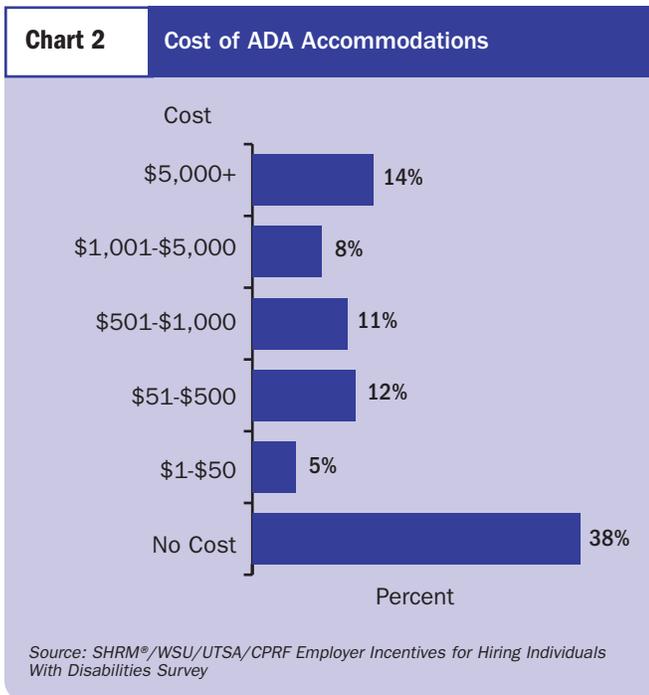
Question 14 asked, “In the last 12 months, approximately how much has your organization spent on accommodating individuals with

disabilities?” Respondents were provided the following answer choices:

- No cost
- \$1-\$50
- \$51-\$500
- \$501-\$1,000
- \$1,001-\$5,000
- More than \$5,000

Chart 2 shows that 38% of respondents indicated their organizations spent nothing on reasonable accommodations in the last year; 28% spent \$1,000 or less; approximately 8% spent between \$1,000 and \$5,000; and approximately 14% spent more than \$5,000.

While some accommodations may be costly, survey data collected by JAN for the president’s Committee on Employment of People With Disabilities between October 1992 and July 1999 shows that among employers making accommodations, 20% of accommodations were made at no cost, 51% cost \$1-\$500, 11% cost \$501-\$1,000, 3% cost \$1,000-\$1,500, 3% cost \$1,501-\$2,000, 8% cost \$2,001-\$5,000 and 4% cost more than \$5,000 (JAN, 2002).



Cost of Accommodation	JAN Data	Our Data
No cost	20%	38%
Less than \$1,000	62%	28%
\$1,000-\$5,000	14%	8%
More than \$5,000	4%	14%

Question 15 asked respondents, “Are you aware of any ADA complaints filed against your organization in the last 12 months?” A majority of respondents (91%) indicated they were not aware of any ADA complaints filed against their organizations in the last 12 months, leaving 9% of respondents aware of ADA complaints.

Question 16 asked of respondents who indicated their organizations had had an ADA complaint filed in the last 12 months, “How many ADA complaints have been filed against your organization in the last 12 months?”

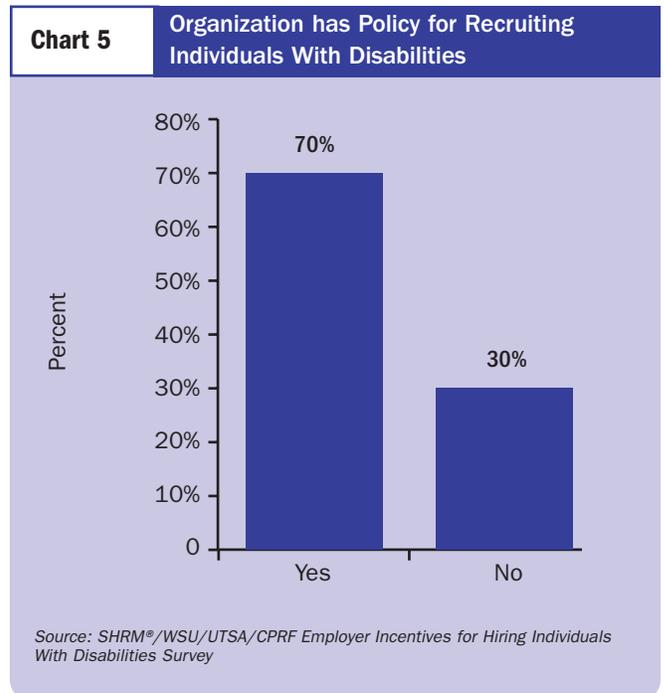
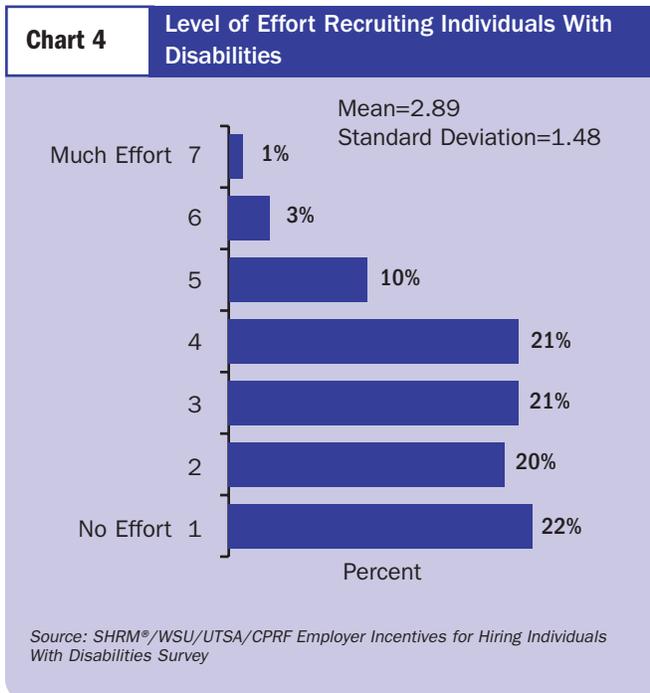
It was decided to look at frequency rather than percentage since there were only 21 respondents

to this question and percentages are misleading with small numbers of respondents. As shown in Chart 3, of the 21 respondents who indicated their organizations had ADA complaints filed against them in the last 12 months, 10 respondents indicated their organizations had one ADA complaint filed against them, six respondents indicated their organizations had two complaints, three respondents indicated their organizations had three complaints, one respondent indicated his/her organization had six complaints, and one respondent indicated his/her organization had 10 complaints.

Level of Recruitment Efforts for Hiring Individuals With Disabilities

Question 6 asked, “On a scale of 1 to 7, where 1 is no effort and 7 is much effort, how much effort does your organization expend to recruit job applicants with disabilities?”

As Chart 4 shows, the majority of respondents indicated their organizations expend low levels of effort to recruit job applicants with disabilities. Sixty-three percent of respondents indicated a 1, 2 or 3.



Policies for Hiring Individuals With Disabilities

Question 11 asked, “Does your organization have a policy regarding hiring individuals with disabilities (even if it is not a separate policy)?”

As Chart 5 shows, the majority of respondents indicated their organizations (70%) do have a policy regarding hiring individuals with disabilities.

Percentage of Work Force With Disabilities

Question 12 asked, “Approximately what percentage of your work force has disabilities?”

Table 5 shows that the majority of respondents reported less than 10% of their organizations’ work forces have disabilities.

Question 13 asked, “Has this percentage increased, decreased or remained the same over the past 5 years?”

Chart 6 shows that the majority of respondents (43%) indicated that the percentage of the work force with disabilities had remained the same, 15% indicated an increase, and 3% indicated a decrease.

Thirty-five percent of HR professionals who responded indicated that they did not know whether any changes occurred in the percentage of individuals with disabilities in their work forces over the past five years. This represents a higher percentage than anticipated in this category due to the requirement for organizations with government contracts to maintain a record of this information for affirmative action compliance plan reporting purposes.

Senior Management’s Personal Experience With Disabilities

Three questions asked respondents about whether the senior management in their organizations had any personal experience with disabilities.

Question 8 asked, “To your knowledge, does any member of your organization’s senior management have a known disability?”

Question 9 asked, “To your knowledge, does any member of your organization’s senior management have a child with a disability?”

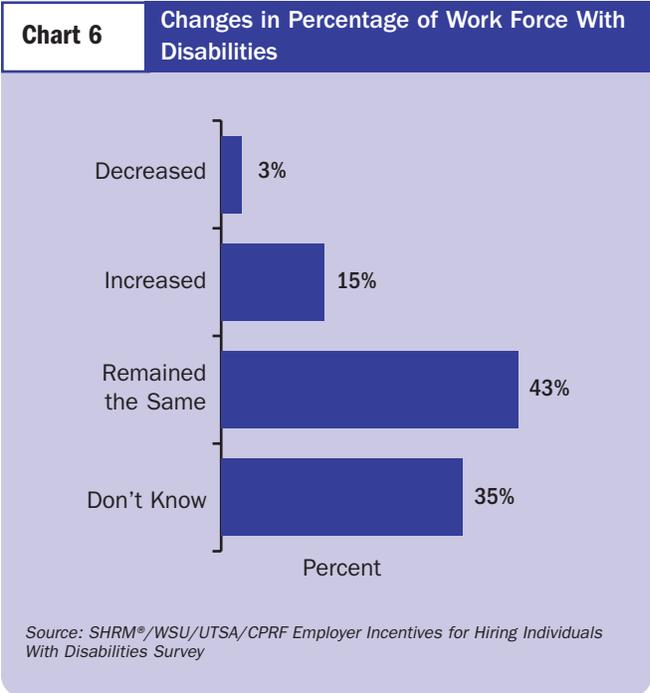
Question 10 asked, “To your knowledge, is any member of your organization’s senior management involved in taking care of someone with a disability?”

Charts 7a–7c illustrate the responses to these questions. Approximately 13% of respondents indicated that they know a member of their senior management has a disability. Approximately 26% of

Table 5 **Percent of Work Force With Disabilities**

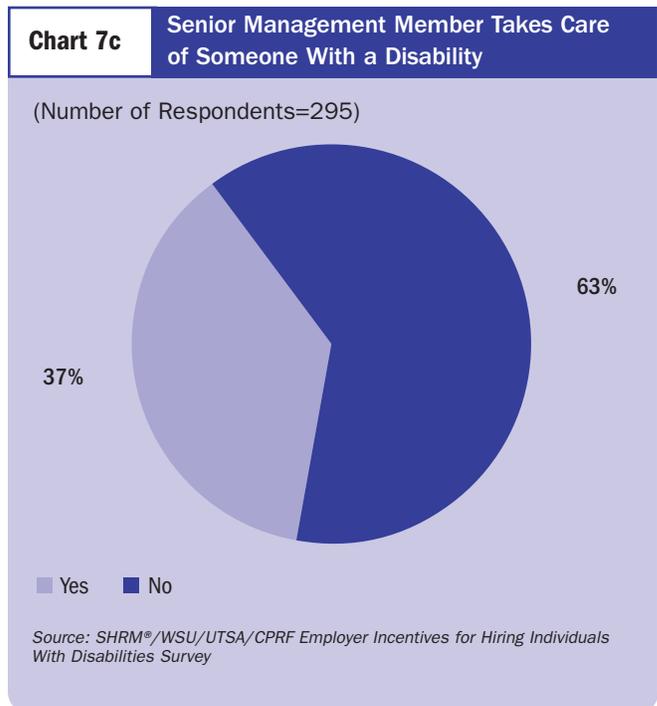
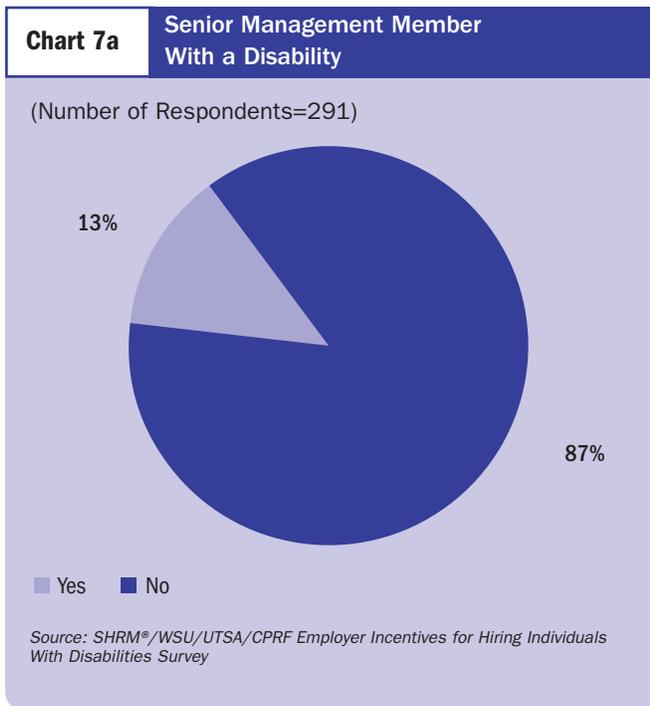
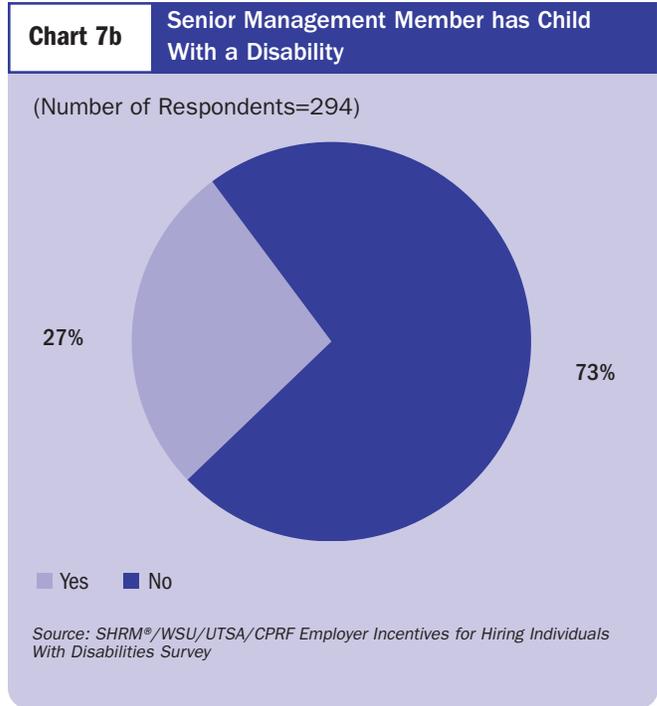
Mean=4.27%	
<1%	6%
1%–3%	54%
3.01%–5%	25%
5.01%–10%	8%
>10%	7%

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey



respondents indicated that they know a member of their senior management has a child with a disability. Approximately 36% of respondents indicated that they know a member of their senior management is involved in taking care of someone with a disability.

Twenty percent of Americans have some kind of disability; therefore our sample indicates an under-representation of people with disabilities in senior management positions; however, in our sample senior managers were more likely to have a child with a disability or be responsible for taking care of someone with a disability than the population data would predict.



Conclusions & Recommendations

The results of this study suggest that employer incentives for hiring individuals with disabilities are not well known by HR professionals and not much used by organizations. Increased use of employer incentives and improvement in the employment rate of individuals with disabilities may both occur if the various incentive programs are better communicated to the HR community.

Improving the employment of individuals with disabilities cannot simply be achieved through the existence of government incentive programs. In addition, communication of these programs must be clear and effective. For example, HR professionals recognize the need for top management to lead by example and communicate values.

Improving the employment of individuals with disabilities requires creating a “disability-friendly” environment. This does not mean organizations have to incur large costs for reasonable accommodations. As this survey, and others before it, have shown, most accommodations for the disabled cost very little. Disability-friendly is more than creating reasonable accommodations—it includes increasing the sensitivity and knowledge of all employees toward those with disabilities, much like what should be done regarding a diverse work force in general.

HR professionals in this survey indicated that their organizations exert very little effort to recruit individuals with disabilities. Simply expanding recruiting efforts to reach sources of qualified individuals with disabilities will increase the opportunity for employment. Numerous organizations

are available to assist employers and HR professionals in accessing these talented individuals. (See the Appendix, Related Resources section at the end of this report.)

The ADA has had a mixed impact on the employment of individuals with disabilities. On the one hand, it has created the necessity for organizations to fairly consider qualified individuals with disabilities for employment. Most HR professionals agree that the ADA has had a positive effect on employing individuals with disabilities, in general. On the other hand, the ADA has created a perception that organizations may incur legal challenges if they do hire individuals with disabilities and, for example, later terminate them. HR professionals must deal with the realities of the law, but counter fears with information. Recent studies of disability law cases have shown that 96% of the decisions were favorable for the employer, either through summary judgment or the merits of the case. Moreover, recent Supreme Court cases have further clarified this complex law, making it easier for HR professionals to implement it in their organizations.

Chicago mayor Richard M. Daley was recently quoted to say, “It’s fine to make office buildings accessible. But how much good does that do if people with disabilities can’t find jobs in those buildings?” Improving the employment of individuals with disabilities is more than reasonable accommodation and legal compliance. It will require many approaches and the creativity and advocacy of top management and HR professionals.

Beyond the results of the survey, we offer the following information on what HR professionals can do to improve the employment of people with disabilities. There are three main areas on which to concentrate HR efforts: (1) organizational culture and climate; (2) recruitment; and (3) tax incentives.

First, assess your organization's culture and climate for people with disabilities. One measure of your organization's culture and climate for people with disabilities is simply the percentage of your work force who have disabilities. If your work force has a low percentage of employees with disabilities, it may be the result of a culture and climate that is less than tolerant of people with disabilities. Another measure is the longitudinal employment rate of people with disabilities. If you identify a decrease in employment of people with disabilities in your organization over the last five years, you may have a culture and climate that is causing people with disabilities to not even apply for available jobs.

If employees with disabilities are concentrated in a few jobs or in only some areas of an organization, it may indicate an overall culture and climate that restricts opportunities. In contrast, an organization with people with disabilities in managerial positions, on executive staffs, or especially in senior management positions, would indicate an organizational culture and climate that is receptive to people with disabilities.

If your organization has received ADA complaints, examine them carefully, looking for organizational problems that can be corrected. ADA complaints are not just costly because of the litigation expenses, they can be damaging to an organization's reputation and ability to attract and retain people with disabilities.

Organizational policies regarding the employment of people with disabilities are another indicator of a culture and climate. While including people with disabilities in an overall diversity policy is positive, separate policies endorsing the values associated with creating a positive environment for people with disabilities are likely to be even more influential.

As with most organizational efforts, top management support is critical. Top managers communicate organizational values and provide examples through their behaviors. Encourage your senior managers to take advantage of opportunities to endorse a "disability-friendly" environment in both what they say and what they do. Encourage them to promote and hire people with disabilities on their own staffs—when possible—to demonstrate that they live their values. Provide senior managers with resources (data, examples, etc.) that they can use in their communications with employees about people with disabilities. Encourage them to use their own personal stories (about family members, friends, etc., who have disabilities) to personalize and illustrate their own commitment to including people with disabilities in the workplace.

Second, assess your organization's current recruiting efforts regarding people with disabilities. How much of your organization's recruiting and staffing budget is devoted to outreach efforts to identify and attract people with disabilities? Even relatively small outlays for expanding recruiting efforts may have beneficial results.

There are a number of specific steps that your organization can take to increase the pool of applicants with disabilities and ultimately the number of employees with disabilities. For example, does your organization advertise available jobs with disability organizations (e.g., National Organization on Disability, local disability organizations)? Does your organization send recruiters/employees to disability organizations to encourage people with disabilities to apply for available jobs? Does your organization include employees with disabilities in the marketing of its products/services? And, finally, has your organization removed as many barriers as possible in the employment process? For example, have you made selection instruments accessible to people with disabilities? Have you made your employment office accessible to people with disabilities?

Are recruiters and managers trained to interview and assess applicants with disabilities? Have you

done more than simply discourage recruiters and managers from violating legal taboos? Have you provided them with training on how to communicate effectively with people who have different types of disabilities?

Oftentimes, attitudinal barriers are greater than the physical ones. In assessing your organization, identify what attitudinal barriers exist, where they exist, and determine what can be done to overcome them (e.g., training). Do top managers express attitudes that suggest that people with disabilities will cost more than employees without disabilities? Do supervisors/managers believe that most people with disabilities do not possess the necessary knowledge, skills and abilities to perform the organization's jobs? Do employees have negative perceptions and attitudes toward people with disabilities as co-workers (e.g., fear of contagion)? Are there other attitudinal barriers that prevent your organization from creating an inclusive environment?

Third, learn about and use available tax incentives

for hiring people with disabilities. Identify what you know and don't know about available tax incentives. How much familiarity do you and others in your organization's HR department have with the available tax incentives: (a) the Work Opportunity Tax Credit; (b) the Welfare-to-Work Tax Credit; (c) the Veterans Job Training Act; (d) the Disabled Access Credit, IRC Section 144; (e) the Architectural/Transportation Tax Deduction, IRC Section 190; (f) the Mentor-Protégé Program, P.L. 102-172, Section 8064A; and (g) the Social Security Administration Employment Network Cash Provision?

If your organization is currently not using one or more of these tax incentives, determine your eligibility. Identify who is responsible for making decisions about using available tax incentives (e.g., director of HR, vice president of finance). Obtain information about the requirements and benefits of available tax incentives. Develop a cost/benefit analysis to demonstrate the bottom-line impacts of using the tax incentives in your organization.

Employing People With Disabilities: An Instrument for Diagnosing Your Organization's Efforts

Assess your organization's culture and climate for people with disabilities

1. Approximately what percentage of your organization's work force has disabilities?
 - a. Has this percentage increased, decreased or remained the same over the past five years?
 - b. Why?
2. Of your employees with disabilities, are they concentrated in a few jobs in your organization, or are they well represented across all jobs?
 - a. Are there people with disabilities in visible managerial positions?
 - b. Do senior executives have people with disabilities on their staffs?
 - c. Do any of your senior executives have disabilities themselves?
3. Have any ADA complaints been filed against your organization in the last 12 months?
 - a. If so, what was alleged?
 - b. Are there any patterns across complaints?
4. Does your organization have a policy regarding hiring people with disabilities?
 - a. Is it a separate policy, or part of an overall diversity policy?
 - b. Is your policy ambiguous, or clear and specific?
5. Does your top management endorse values that encourage acceptance of people with disabilities?
 - a. Do your CEO and senior management take advantage of opportunities (e.g., staff meetings, etc.) to communicate values that encourage acceptance of people with disabilities?

Analysis by Size⁴

The following section analyzes the responses of HR professionals in terms of organization size. Organizations were grouped into three categories: small (fewer than 100 employees), medium (100–499 employees), and large (500 or more employees).

Knowledge of Employer Incentives for Hiring Individuals With Disabilities

Tables 6a–6g show a breakdown of the level of knowledge of employer incentives for hiring individuals with disabilities by organization size.

It appears that respondents from large organizations report “much knowledge” of each of the employer incentives, more so than medium or small organizations. No other clear patterns emerge from these tables.

Table 6a Level of Knowledge of the Work Opportunity Tax Credit by Organization Size

Organization Size	Number of Respondents	No Knowledge (never heard of it)	Some Knowledge (heard of it, but not much familiarity)	Much Knowledge (very familiar with it)
Fewer than 100	107	31%	55%	14%
100-499	113	28%	63%	10%
500+	79	23%	58%	18%
Overall	299	28%	59%	14%

Note: Sample sizes of the size categories are based on the actual number of respondents answering the size question; however, the percentages shown are based on the actual number of respondents by size that answered this question using the provided response options.

Note: Percentages may not add up to 100% due to rounding.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

⁴ In the Analysis by Size section we speculate about differences across organization size. This speculation is based on observed data, not statistical tests. Readers should interpret the data with caution.

Table 6b Level of Knowledge of the Welfare-to-Work Tax Credit by Organization Size

Organization Size	Number of Respondents	No Knowledge (never heard of it)	Some Knowledge (heard of it, but not much familiarity)	Much Knowledge (very familiar with it)
Fewer than 100	107	14%	74%	11%
100-499	113	15%	66%	19%
500+	79	9%	69%	22%
Overall	299	13%	70%	17%

Note: Sample sizes of the size categories are based on the actual number of respondents answering the size question; however, the percentages shown are based on the actual number of respondents by size that answered this question using the provided response options.

Note: Percentages may not add up to 100% due to rounding.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 6c Level of Knowledge of the Veterans Job Training Act by Organization Size

Organization Size	Number of Respondents	No Knowledge (never heard of it)	Some Knowledge (heard of it, but not much familiarity)	Much Knowledge (very familiar with it)
Fewer than 100	107	33%	57%	10%
100-499	113	27%	63%	11%
500+	79	26%	61%	13%
Overall	299	29%	60%	11%

Note: Sample sizes of the size categories are based on the actual number of respondents answering the size question; however, the percentages shown are based on the actual number of respondents by size that answered this question using the provided response options.

Note: Percentages may not add up to 100% due to rounding.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 6d Level of Knowledge of the Disabled Access Credit, IRC Section 144 by Organization Size

Organization Size	Number of Respondents	No Knowledge (never heard of it)	Some Knowledge (heard of it, but not much familiarity)	Much Knowledge (very familiar with it)
Fewer than 100	107	57%	40%	3%
100-499	113	71%	27%	2%
500+	79	74%	22%	4%
Overall	299	67%	31%	3%

Note: Sample sizes of the size categories are based on the actual number of respondents answering the size question; however, the percentages shown are based on the actual number of respondents by size that answered this question using the provided response options.

Note: While larger percentages of respondents from large organizations compared to small and medium organizations indicated much knowledge (very familiar with it) of the tax incentive, the percentages were very small. Therefore, readers should be very careful in the interpretations they make as a result of these data.

Note: Percentages may not add up to 100% due to rounding.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 6e Level of Knowledge of the Architectural/Transportation Tax Deduction, IRC Section 190 by Organization Size

Organization Size	Number of Respondents	No Knowledge (never heard of it)	Some Knowledge (heard of it, but not much familiarity)	Much Knowledge (very familiar with it)
Fewer than 100	107	82%	16%	2%
100-499	113	88%	11%	2%
500+	79	77%	21%	3%
Overall	299	83%	15%	2%

Note: Sample sizes of the size categories are based on the actual number of respondents answering the size question; however, the percentages shown are based on the actual number of respondents by size that answered this question using the provided response options.

Note: While larger percentages of respondents from large organizations compared to small and medium organizations indicated much knowledge (very familiar with it) of the tax incentive, the percentages were very small. Therefore, readers should be very careful in the interpretations they make as a result of these data.

Note: Percentages may not add up to 100% due to rounding.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 6f Level of Knowledge of the Mentor-Protégé Program, P.L. 102-172, Section 8064A by Organization Size

Organization Size	Number of Respondents	No Knowledge (never heard of it)	Some Knowledge (heard of it, but not much familiarity)	Much Knowledge (very familiar with it)
Fewer than 100	107	85%	13%	2%
100-499	113	86%	12%	2%
500+	79	87%	9%	4%
Overall	299	86%	12%	2%

Note: Sample sizes of the size categories are based on the actual number of respondents answering the size question; however, the percentages shown are based on the actual number of respondents by size that answered this question using the provided response options.

Note: While larger percentages of respondents from large organizations compared to small and medium organizations indicated much knowledge (very familiar with it) of the tax incentive, the percentages were very small. Therefore, readers should be very careful in the interpretations they make as a result of these data.

Note: Percentages may not add up to 100% due to rounding.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 6g Level of Knowledge of the Social Security Administration Employment Network Cash Provision by Organization Size

Organization Size	Number of Respondents	No Knowledge (never heard of it)	Some Knowledge (heard of it, but not much familiarity)	Much Knowledge (very familiar with it)
Fewer than 100	107	67%	32%	1%
100-499	113	79%	19%	2%
500+	79	73%	23%	4%
Overall	299	73%	25%	2%

Note: Sample sizes of the size categories are based on the actual number of respondents answering the size question; however, the percentages shown are based on the actual number of respondents by size that answered this question using the provided response options.

Note: While larger percentages of respondents from large organizations compared to small and medium organizations indicated much knowledge (very familiar with it) of the tax incentive, the percentages were very small. Therefore, readers should be very careful in the interpretations they make as a result of these data.

Note: Percentages may not add up to 100% due to rounding.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Individuals With Disabilities

Table 7 shows the use of employer incentives for hiring individuals with disabilities by organization size.

Use of the Work Opportunity Tax Credit appears to be related to organization size in this survey sample. In addition, the Welfare-to-Work Tax Credit and the Veterans Job Training Act are used more in medium and large organizations than in small ones.

The Disabled Access Credit, IRC Section 144 and the Architectural/Transportation Tax Deduction, IRC Section 190 are not used much at all, but appear to be used more by small organizations than medium or large ones.

The Mentor-Protégé Program, P.L. 102-172, Section 8064A is also not used much—more so by large organizations and small organizations than medium ones.

The Social Security Administration Employment Network Cash Provision is used more by medium organizations, somewhat less by large organizations and not at all by small organizations in this survey sample.

What Should be Done to Improve the Employment of Individuals With Disabilities?

Table 8 shows a breakdown of respondents’ agreement and disagreement with recommendations for improving the employment of individuals with disabilities by organization size.

Response alternatives ranged from 1 (strongly disagree) to 4 (neither agree nor disagree) to 7 (strongly agree). Responses were averaged to indicate the “typical” response for each recommendation.

There are very few differences across organization size in attitudes toward what should be done to improve the employment of individuals with disabilities.

Respondents from large organizations appear to agree less than medium and small organizations with the following statements:

- The government should provide companies with subsidies to compensate for lower productivity associated with hiring individuals with disabilities.
- The government should amend the ADA and other disability-related legislation to ease employer-related lawsuits.

Table 7 Use of Employer Incentives for Hiring Individuals With Disabilities by Organization Size

Organization Size	Number of Respondents	Employer Incentives for Hiring Individuals With Disabilities						
		Work Opportunity Tax Credit	Welfare-to-Work Tax Credit	Veterans Job Training Act	Disabled Access Credit IRC Section 144	Architectural/Transportation Tax Deduction, IRC Section 190	Mentor-Protégé Program	Social Security Administration Employment Network Cash Provision
Fewer than 100	107	9%	2%	2%	2%	1%	1%	0%
100-499	113	13%	19%	7%	1%	0%	0%	4%
500+	79	31%	18%	6%	0%	0%	2%	3%
Overall	299	16%	12%	5%	1%	0%	1%	2%

Note: Sample sizes of the size categories are based on the actual number of respondents answering the size question; however, the percentages shown are based on the actual number of respondents by size that answered this question using the provided response options.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 8 What Should be Done to Improve the Employment of Individuals With Disabilities by Organization Size

Recommendation	Overall	Organization Size		
		Fewer Than 100 (n=107)	101-500 (n=113)	500+ (n=79)
The government should do a better job of communicating available tax incentives for hiring individuals with disabilities.	6.17	6.30	6.08	6.13
Top managers should lead by example and hire qualified individuals with disabilities on their own staffs.	6.10	6.18	6.03	6.10
Organizations should help improve the knowledge and sensitivity of all employees toward other employees who may have disabilities.	6.09	6.17	6.02	6.10
Companies should provide a “disability-friendly” environment including accessible architecture to attract individuals with disabilities.	5.65	5.53	5.64	5.85
CEOs should periodically communicate to their entire organizations their support of hiring qualified individuals with disabilities.	5.57	5.41	5.68	5.65
Companies should hire qualified individuals with disabilities for key management positions who will be visible role models.	5.28	5.32	5.15	5.42
The government should offer tax credits for employers to compensate for the higher costs associated with hiring individuals with disabilities.	4.86	5.04	4.88	4.58
The government should amend the ADA and other disability-related legislation to ease employer-related lawsuits.	4.84	4.55	5.12	4.82
Companies should improve the knowledge, skills and ability of individuals with disabilities who need additional training and education so they are better prepared for employment.	4.75	4.95	4.56	4.77
The government should provide companies with subsidies to compensate for lower productivity associated with hiring individuals with disabilities.	4.00	4.10	4.06	3.77
The government should expand the ADA to cover more employment situations that prevent individuals with disabilities from being hired.	3.48	3.71	3.40	3.27
Companies should have a specific budget for recruiting individuals with disabilities.	3.40	3.57	3.28	3.34

Means are based on a scale where 1=strongly disagree and 7=strongly agree.

Note: Sample sizes of the size categories are based on the actual number of respondents answering the size question; however, the percentages shown are based on the actual number of respondents by size that answered this question using the provided response options.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Impact of the ADA on the Employment of Individuals With Disabilities

Table 9 shows a breakdown of respondents' agreement and disagreement with attitudes about the impact of the ADA on the employment of individuals with disabilities by organization size.

Response alternatives ranged from 1 (strongly disagree) to 4 (neither agree nor disagree) to 7 (strongly agree). Responses were averaged to indicate the "typical" response for each recommendation.

Attitudes of responding HR professionals toward the ADA appear to be fairly consistent across organization size.

Impact	Overall	Organization Size		
		Fewer Than 100 (n=107)	101-500 (n=113)	500+ (n=79)
The ADA has created an atmosphere where employers understand the need to be accommodating to individuals with disabilities.	5.06	5.04	4.90	5.32
The ADA has raised workplace awareness among employees without disabilities.	4.93	5.00	4.77	5.08
The ADA has led to more frivolous lawsuits than lawsuits with merit.	4.91	4.50	5.28	4.94
The ADA has made it possible for qualified individuals with disabilities to be fairly considered for employment.	4.80	4.75	4.68	5.03
The ADA has made possible continued progress for the employment of individuals with disabilities.	4.74	4.79	4.58	4.92
Employers are reluctant to hire individuals with disabilities because they fear lawsuits will result if they must terminate disabled employees who cannot perform the job.	4.69	4.55	4.93	4.55
The ADA has improved the employment of individuals with disabilities.	4.67	4.76	4.49	4.81
The ADA has facilitated the acceptance of people with disabilities.	4.48	4.65	4.33	4.48
The ADA has caused employers to spend unproductive time completing bureaucratic forms and complying with "red tape."	4.44	4.30	4.71	4.26
The ADA has increased the cost to employers of hiring individuals with disabilities.	4.36	4.43	4.43	4.16
Without the ADA, organizations would have little incentive for hiring individuals with disabilities.	4.04	4.54	3.69	3.87
The ADA has done more harm than good for improving the employment of individuals with disabilities.	3.31	3.23	3.40	3.30
If the ADA were to be abolished by Congress, the employment of individuals with disabilities would improve.	2.67	2.36	3.08	2.48

Means are based on a scale where 1=strongly disagree and 7=strongly agree.
 Note: Sample sizes of the size categories are based on the actual number of respondents answering the size question; however, the percentages shown are based on the actual number of respondents by size that answered this question using the provided response options.
 Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 10 shows a breakdown of the frequency (given the number of respondents was relatively small and percentages are misleading with small numbers of respondents) of ADA complaints filed against the respondents’ organizations in the last 12 months by organization size.

The frequency of filing ADA complaints against respondents’ organizations appears to be related to organizational size—small organizations experience fewer complaints filed than either medium or large organizations.

Table 11 shows a breakdown of the amount spent on accommodating individuals with disabilities in the last 12 months by organization size.

Medium and small organizations experience a higher percentage of “no cost in the last year” accommodations than large organizations. Medium and large organizations experience a higher percentage than small organizations of accommodations ranging from \$501-\$1,000; \$1,001-\$5,000; and more than \$5,000.

Table 10 Frequency of ADA Complaints Filed Against the Organization in the Last 12 Months by Organization Size

Organization Size	Number of Respondents	Number of ADA Complaints Filed Against the Organization in the Last 12 Months					Total
		1	2	3	6	10	
Fewer than 100	107	2	1	0	0	0	3
100-499	113	6	1	0	0	0	7
500+	79	4	5	3	1	1	14

Note: Sample sizes of the size categories are based on the actual number of respondents answering the size question; however, the percentages shown are based on the actual number of respondents by size that answered this question using the provided response options.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 11 Cost of Accommodating Individuals With Disabilities by Organization Size

Organization Size	Number of Respondents	In the last 12 months, approximately how much has your organization spent on accommodating individuals with disabilities?					
		No Cost	\$1-\$50	\$51-\$500	\$501-\$1,000	\$1,001-\$5,000	More Than \$5,000
Fewer than 100	107	60%	8%	13%	7%	6%	6%
100-499	113	43%	7%	14%	16%	11%	11%
500+	79	18%	0%	15%	17%	10%	40%
Overall	299	38%	5%	12%	11%	8%	14%

Note: Sample sizes of the size categories are based on the actual number of respondents answering the size question; however, the percentages shown are based on the actual number of respondents by size that answered this question using the provided response options.

Note: Percentages may not add up to 100% due to rounding.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Level of Recruitment Efforts for Hiring Individuals With Disabilities

Table 12 shows a breakdown of the average level of recruitment efforts (where 1 is no effort and 7 is much effort) by organization size.

It appears that respondents in large organizations expend more effort recruiting individuals with disabilities than medium or small organizations.

Policies for Hiring Individuals With Disabilities

Table 13 shows a breakdown of whether organizations have policies for hiring individuals with disabilities (even if not a separate policy) by organization size.

While 82% of large organizations have policies for hiring individuals with disabilities, 68% of medium organizations and 64% of small organizations also have these policies. Thus, the majority of organizations of all sizes have policies for hiring individuals with disabilities.

Percentage of Work Force With Disabilities

Table 14 shows the median percentage of work force with disabilities by organization size.

In the “overall” section of this report, we chose to use the mean. When the data were broken out by organization size (Table 14) there were some extreme

values in each size category. The median provides a more accurate measure of the central tendency in this case. It represents the point above and below which half of the data fall within each category.

Medium and large organizations appear to have a higher percentage of work forces who have disabilities, but as can be seen from the data, the percentage of the work force with disabilities is extremely low across all organization sizes.

Table 15 shows the change in the percentage of work force with disabilities in the past five years by organization size.

It appears that increases in the percentage of the work force with disabilities increases with

Table 12 Level of Recruitment Efforts for Hiring Individuals With Disabilities by Organization Size

Organization Size	Mean	Number of Respondents	Standard Deviation
Fewer than 100	2.67	107	1.41
100-499	2.77	113	1.35
500+	3.37	79	1.66*
Overall	2.89	299	1.48

* Standard deviations of 1.5 or higher indicate a relative lack of consensus. Readers should proceed with caution when generalizing the results

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 13 Policies for Hiring Individuals With Disabilities by Organization Size

Organization Size	Number of Respondents	Percent Having Policy
Fewer than 100	107	64%
100-499	113	68%
500+	79	82%
Overall	299	70%

Note: Sample sizes of the size categories are based on the actual number of respondents answering the size question; however, the percentages shown are based on the actual number of respondents by size that answered this question using the provided response options.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 14 Median Percentage of Work Force With Disability by Organization Size

Organization Size	Number of Respondents	Median Percentage
Fewer than 100	107	2%
100-499	113	3%
500+	79	3%

Note: Sample sizes of the size categories are based on the actual number of respondents answering the size question; however, the percentages shown are based on the actual number of respondents by size that answered this question using the provided response options.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

organization size. The larger the organization size, the more likely they are to have experienced an increase in the percentage of individuals with disabilities in their work forces.

Likewise, it appears that small organizations are more likely to have experienced a decrease in the percentage of individuals with disabilities in their work forces, or to have remained the same.

Senior Managements' Personal Experience With Disabilities

Table 16 shows the percentage of senior management with disabilities, the percentage of senior management who have a child with a disability, and the percentage of senior management who take care of someone with a disability by organization size.

Large organizations appear more likely to have a member of their senior management who has a disability (20%) than medium (12%) or small (10%) organizations.

Over one-quarter of all respondents across organization size reported that a member of their senior management has a child with a disability.

Approximately 45% of respondents in large organizations reported that a member of their senior management takes care of someone who has a disability. In addition, 37% of respondents in medium organizations and 30% of respondents in small organizations reported the same thing.

It is clear from this data that a considerable proportion of senior management in organizations of all sizes have personal experience with individuals with disabilities.

Table 15 Change in the Percentage of Work Force With Disabilities in the Past Five Years by Organization Size

Organization Size	Number of Respondents	Change in Percentage of Work Force With Disabilities			
		Increased	Decreased	Remained the Same	Do not Know
Fewer than 100	107	9%	5%	56%	31%
100-499	113	14%	4%	46%	37%
500+	79	28%	0%	27%	45%
Overall	299	15%	3%	43%	35%

Note: Sample sizes of the size categories are based on the actual number of respondents answering the size question; however, the percentages shown are based on the actual number of respondents by size that answered this question using the provided response options.

Note: Percentages may not add up to 100% due to rounding.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 16 Percentage of Senior Management With a Disability, Who Have a Child With a Disability, or Who Take Care of Someone With a Disability by Organization Size

Organization Size	Number of Respondents	Percentage of Senior Management		
		With a Disability	Who Have a Child With a Disability	Who Take Care of Someone With a Disability
Fewer than 100	107	10%	24%	30%
100-499	113	12%	29%	37%
500+	79	20%	28%	45%
Overall	299	13%	27%	37%

Note: Sample sizes of the size categories are based on the actual number of respondents answering the size question; however, the percentages shown are based on the actual number of respondents by size that answered this question using the provided response options.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Analysis by Industry⁵

This section discusses HR professionals' responses by industry. The following industries, which had at least 19 respondents, are included in this analysis: Finance, High Tech, Manufacturing (Durable Goods), Manufacturing (Nondurable goods), Services (Nonprofit) and Services (Profit). Although respondents from other industries participated in the study, a cutoff of 19 respondents to an industry was used as it was a natural break in the data. It was felt that industries with fewer than 19 respondents would yield inconclusive or questionable results.

Knowledge of Employer Incentives for Hiring Individuals With Disabilities

Tables 17a–17g show a breakdown of the level of knowledge of employer incentives for hiring individuals with disabilities by industry.

An examination of the highest percentage (i.e., the highest number of respondents providing a certain answer) for the response “much knowledge” across industries reveals the following:

- The highest percentage of respondents reporting “much knowledge” of the Work Opportunity Tax Credit was in the Services (Profit) industry.
- The highest percentage of respondents reporting “much knowledge” of the Welfare-to-Work Tax Credit was in the Services (Nonprofit) industry.
- The highest percentage of respondents reporting “much knowledge” of the Veterans Job Training Act was in the High Tech industry.
- The highest percentage of respondents reporting “much knowledge” of the Disabled Access Credit, IRC Section 144 was in the Services (Nonprofit) industry.
- The highest percentage of respondents reporting “much knowledge” of the Architectural/Transportation Tax Deduction, IRC Section 190 was in the Services (Nonprofit) industry.
- The highest percentage of respondents reporting “much knowledge” of the Mentor-Protégé Program, P.L. 102-172, Section 8064A were in the Manufacturing (Durable Goods) and Services (Profit) industries.
- The highest percentage of respondents reporting “much knowledge” of the Social Security Administration Employment Network Cash Provision was in the Manufacturing (Durable Goods) industry.

⁵ In the Analysis by Industry section we speculate about differences across organization size. This speculation is based on observed data, not statistical tests. Readers should interpret the data with caution.

Table 17a Level of Knowledge of the Work Opportunity Tax Credit by Industry

Industry	Number of Respondents	No Knowledge (never heard of it)	Some Knowledge (heard of it, but not much familiarity)	Much Knowledge (very familiar with it)
Finance	19	28%	72%	0%
High Tech	19	53%	42%	5%
Manufacturing (Durable Goods)	37	32%	65%	3%
Manufacturing (Nondurable Goods)	19	37%	63%	0%
Services (Nonprofit)	21	24%	67%	10%
Services (Profit)	39	23%	51%	26%
Overall	299	28%	58%	14%

Note: Sample sizes of the industry categories are based on the actual number of respondents answering the industry question; however, the percentages shown are based on the actual number of respondents by industry that answered this question using the provided response options.

Note: Percentages may not add up to 100% due to rounding.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 17b Level of Knowledge of the Welfare-to-Work Tax Credit by Industry

Industry	Number of Respondents	No Knowledge (never heard of it)	Some Knowledge (heard of it, but not much familiarity)	Much Knowledge (very familiar with it)
Finance	19	11%	89%	0%
High Tech	19	22%	78%	0%
Manufacturing (Durable Goods)	37	19%	70%	11%
Manufacturing (Nondurable Goods)	19	11%	74%	16%
Services (Nonprofit)	21	5%	57%	38%
Services (Profit)	39	21%	64%	15%
Overall	299	13%	70%	17%

Note: Sample sizes of the industry categories are based on the actual number of respondents answering the industry question; however, the percentages shown are based on the actual number of respondents by industry that answered this question using the provided response options.

Note: Percentages may not add up to 100% due to rounding.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 17c Level of Knowledge of the Veterans Job Training Act by Industry

Industry	Number of Respondents	No Knowledge (never heard of it)	Some Knowledge (heard of it, but not much familiarity)	Much Knowledge (very familiar with it)
Finance	19	28%	72%	0%
High Tech	19	16%	68%	16%
Manufacturing (Durable Goods)	37	27%	65%	8%
Manufacturing (Nondurable Goods)	19	26%	63%	11%
Services (Nonprofit)	21	24%	67%	10%
Services (Profit)	39	26%	64%	10%
Overall	299	29%	60%	11%

Note: Sample sizes of the industry categories are based on the actual number of respondents answering the industry question; however, the percentages shown are based on the actual number of respondents by industry that answered this question using the provided response options.

Note: Percentages may not add up to 100% due to rounding.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 17d Level of Knowledge of the Disabled Access Credit, IRC Section 144 by Industry

Industry	Number of Respondents	No Knowledge (never heard of it)	Some Knowledge (heard of it, but not much familiarity)	Much Knowledge (very familiar with it)
Finance	19	78%	22%	0%
High Tech	19	67%	33%	0%
Manufacturing (Durable Goods)	37	70%	27%	3%
Manufacturing (Nondurable Goods)	19	78%	22%	0%
Services (Nonprofit)	21	57%	38%	5%
Services (Profit)	39	69%	28%	3%
Overall	299	66%	31%	3%

Note: Sample sizes of the industry categories are based on the actual number of respondents answering the industry question; however, the percentages shown are based on the actual number of respondents by industry that answered this question using the provided response options.

Note: Percentages may not add up to 100% due to rounding.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 17e Level of Knowledge of the Architectural/Transportation Tax Deduction, IRC Section 190 by Industry

Industry	Number of Respondents	No Knowledge (never heard of it)	Some Knowledge (heard of it, but not much familiarity)	Much Knowledge (very familiar with it)
Finance	19	100%	0%	0%
High Tech	19	95%	5%	0%
Manufacturing (Durable Goods)	37	78%	19%	3%
Manufacturing (Nondurable Goods)	19	84%	16%	0%
Services (Nonprofit)	21	62%	29%	10%
Services (Profit)	39	85%	15%	0%
Overall	299	83%	15%	2%

Note: Sample sizes of the industry categories are based on the actual number of respondents answering the industry question; however, the percentages shown are based on the actual number of respondents by industry that answered this question using the provided response options.

Note: Percentages may not add up to 100% due to rounding.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 17f Level of Knowledge of the Mentor-Protégé Program, P.L. 102-172, Section 8064A by Industry

Industry	Number of Respondents	No Knowledge (never heard of it)	Some Knowledge (heard of it, but not much familiarity)	Much Knowledge (very familiar with it)
Finance	19	82%	18%	0%
High Tech	19	79%	21%	0%
Manufacturing (Durable Goods)	37	92%	5%	3%
Manufacturing (Nondurable Goods)	19	90%	11%	0%
Services (Nonprofit)	21	95%	5%	0%
Services (Profit)	39	80%	18%	3%
Overall	299	86%	12%	2%

Note: Sample sizes of the industry categories are based on the actual number of respondents answering the industry question; however, the percentages shown are based on the actual number of respondents by industry that answered this question using the provided response options.

Note: Percentages may not add up to 100% due to rounding.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 17g Level of Knowledge of the Social Security Administration Employment Network Cash Provision by Industry

Industry	Number of Respondents	No Knowledge (never heard of it)	Some Knowledge (heard of it, but not much familiarity)	Much Knowledge (very familiar with it)
Finance	19	67%	33%	0%
High Tech	19	78%	22%	0%
Manufacturing (Durable Goods)	37	75%	22%	3%
Manufacturing (Nondurable Goods)	19	74%	26%	0%
Services (Nonprofit)	21	71%	29%	0%
Services (Profit)	39	80%	21%	0%
Overall	299	73%	25%	2%

Note: Sample sizes of the industry categories are based on the actual number of respondents answering the industry question; however, the percentages shown are based on the actual number of respondents by industry that answered this question using the provided response options.

Note: Percentages may not add up to 100% due to rounding.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 18 Use of Employer Incentives for Hiring Individuals With Disabilities by Industry

Industry	Number of Respondents	Employer Incentives for Hiring Individuals With Disabilities						
		Work Opportunity Tax Credit	Welfare-to-Work Tax Credit	Veterans Job Training Act	Disabled Access Credit <small>IRC Section 144</small>	Architectural/Transportation Tax Deduction, <small>IRC Section 190</small>	Mentor-Protégé Program	Social Security Administration Employment Network Cash Provision
Finance	19	5%	0%	5%	0%	0%	0%	0%
High Tech	19	18%	6%	6%	0%	0%	0%	0%
Manufacturing (Durable Goods)	37	15%	9%	9%	0%	0%	0%	9%
Manufacturing (Nondurable Goods)	19	7%	21%	14%	0%	0%	0%	0%
Services (Nonprofit)	21	0%	11%	5%	5%	5%	0%	0%
Services (Profit)	39	21%	24%	0%	0%	0%	3%	0%
Overall	299	16%	12%	5%	1%	1%	<1%	2%

Note: Sample sizes of the industry categories are based on the actual number of respondents answering the industry question; however, the percentages shown are based on the actual number of respondents by industry that answered this question using the provided response options.

Note: Percentages may not add up to 100% due to rounding.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Use of Employer Incentives for Hiring Individuals With Disabilities

Table 18 shows the use of employer incentives for hiring individuals with disabilities by industry.

- The Work Opportunity Tax Credit is most frequently (i.e., the highest number of respondents providing a certain answer) used in the Services (Profit) industry.
- The Welfare-to-Work Tax Credit is most frequently used in the Services (Profit) industry.
- The Veterans Job Training Act is most frequently used in the Manufacturing (Nondurable Goods) industry.
- The Disabled Access Credit, IRC Section 144 is most frequently used in the Services (Nonprofit) industry.
- The Architectural/Transportation Tax Deduction, IRC Section 190 is most frequently used in the Services (Nonprofit) industry.
- The Mentor-Protégé Program, PL. 102-172, Section 8064A is most frequently used in the Services (Profit) industry.
- The Social Security Administration Employment Network Cash Provision is most frequently used in the Manufacturing (Durable Goods) industry.

What Should be Done to Improve the Employment of Individuals With Disabilities?

Table 19 shows a breakdown of respondents' agreement and disagreement with recommendations for improving the employment of individuals with disabilities by industry.

Across all industries, respondents in the Finance industry had the highest levels of agreement with the following recommendations:

- The government should provide companies with subsidies to compensate for lower productivity associated with hiring individuals with disabilities.

- The government should expand the ADA to cover more employment situations that prevent individuals with disabilities from being hired.
- The government should do a better job of communicating available tax incentives for hiring individuals with disabilities.

Across all industries, respondents in the Manufacturing (Durable Goods) industry had the highest levels of agreement with the following recommendations:

- Companies should hire qualified individuals with disabilities for key management positions who will be visible role models.
- The government should offer tax credits for employers to compensate for the higher costs associated with hiring individuals with disabilities.

Across all industries, respondents in the Services (Nonprofit) industry had the highest levels of agreement with the following recommendations:

- Companies should improve the knowledge, skills and ability of individuals with disabilities who need additional training and education so they are better prepared for employment.
- Top managers should lead by example and hire qualified individuals with disabilities on their own staffs.
- Companies should have a specific budget for recruiting individuals with disabilities.
- Companies should provide a “disability-friendly” environment including accessible architecture to attract individuals with disabilities.
- Organizations should help improve the knowledge and sensitivity of all employees toward other employees who may have disabilities.

Across all industries, respondents in the Services (Profit) industry had the highest levels of agreement with the following recommendations:

- The government should amend the ADA and other disability-related legislation to ease employer-related lawsuits.

Table 19 What Should be Done to Improve the Employment of Individuals With Disabilities by Industry

Recommendation	Overall (n=299)	Industry					
		Finance (n=19)	High Tech (n=19)	Manufacturing (Durable Goods) (n=37)	Manufacturing (Nondurable Goods) (n=19)	Services (Nonprofit) (n=21)	Services (Profit) (n=39)
The government should do a better job of communicating available tax incentives for hiring individuals with disabilities.	6.17	6.50	6.26	6.38	5.95	6.24	6.08
Top managers should lead by example and hire qualified individuals with disabilities on their own staffs.	6.10	6.17	6.37	6.27	5.50	6.52	6.51
Organizations should help improve the knowledge and sensitivity of all employees toward other employees who may have disabilities.	6.09	6.17	6.32	6.14	5.89	6.38	5.85
Companies should provide a “disability-friendly” environment including accessible architecture to attract individuals with disabilities.	5.65	5.28	5.47	5.62	5.26	5.67	5.46
CEOs should periodically communicate to their entire organizations their support of hiring qualified individuals with disabilities.	5.57	5.67	5.63	5.68	5.37	5.57	5.69
Companies should hire qualified individuals with disabilities for key management positions who will be visible role models.	5.28	5.22	5.37	5.46	4.79	5.00	5.28
The government should offer tax credits for employers to compensate for the higher costs associated with hiring individuals with disabilities.	4.86	4.88	4.68	4.95	4.37	4.76	4.79
The government should amend the ADA and other disability-related legislation to ease employer-related lawsuits.	4.84	4.33	4.79	5.16	4.79	4.81	5.23
Companies should improve the knowledge, skills and ability of individuals with disabilities who need additional training and education so they are better prepared for employment.	4.75	4.44	4.61	4.73	3.89	5.14	4.82
The government should provide companies with subsidies to compensate for lower productivity associated with hiring individuals with disabilities.	4.00	4.11	3.84	3.76	3.63	4.05	3.72
The government should expand the ADA to cover more employment situations that prevent individuals with disabilities from being hired.	3.48	4.19	3.58	3.56	3.16	3.38	3.38
Companies should have a specific budget for recruiting individuals with disabilities.	3.40	3.33	3.26	3.08	2.72	3.57	3.26

Note: Sample sizes of the industry categories are based on the actual number of respondents answering the industry question; however, the percentages shown are based on the actual number of respondents by industry that answered this question using the provided response options.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 20 Impact of the ADA on the Employment of Individuals With Disabilities by Industry

Impact	Industry						
	Overall (n=299)	Finance (n=19)	High Tech (n=19)	Manufacturing (Durable Goods) (n=37)	Manufacturing (Nondurable Goods) (n=19)	Services (Nonprofit) (n=21)	Services (Profit) (n=39)
The ADA has created an atmosphere where employers understand the need to be accommodating to individuals with disabilities.	5.06	4.84	5.21	5.35	4.79	4.95	4.89
The ADA has raised workplace awareness among employees without disabilities.	4.93	5.42	4.79	4.95	4.74	5.57	4.29
The ADA has led to more frivolous lawsuits than suits with merit.	4.91	4.83	4.78	5.32	4.63	4.89	4.86
The ADA has made it possible for qualified individuals with disabilities to be fairly considered for employment.	4.80	4.84	4.78	4.68	4.58	4.65	4.70
The ADA has made possible continued progress for the employment of individuals with disabilities.	4.74	4.95	4.89	4.35	4.42	4.90	4.78
Employers are reluctant to hire individuals with disabilities because they fear lawsuits will result if they must terminate disabled employees who cannot perform the job.	4.69	4.84	4.47	4.89	4.53	4.95	4.89
The ADA has improved the employment of individuals with disabilities.	4.67	4.74	4.79	4.65	4.47	4.52	4.63
The ADA has facilitated the acceptance of people with disabilities.	4.48	4.50	4.63	4.08	4.26	5.00	4.29
The ADA has caused employers to spend unproductive time completing bureaucratic forms and complying with “red tape.”	4.44	4.94	4.53	4.70	4.95	4.15	4.45
The ADA has increased the cost to employers of hiring individuals with disabilities.	4.36	4.47	4.68	4.24	4.32	3.95	4.51
Without the ADA, organizations would have little incentive for hiring individuals with disabilities.	4.04	4.53	4.42	3.39	3.79	4.24	4.00
The ADA has done more harm than good for improving the employment of individuals with disabilities.	3.31	3.17	3.32	3.46	3.63	3.00	3.29
If the ADA were to be abolished by Congress, the employment of individuals with disabilities would improve.	2.67	2.53	2.42	3.11	3.28	2.10	2.74

Note: Sample sizes of the industry categories are based on the actual number of respondents answering the industry question; however, the percentages shown are based on the actual number of respondents by industry that answered this question using the provided response options.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

- CEOs should periodically communicate to their entire organizations their support of hiring qualified individuals with disabilities.

Impact of the ADA on the Employment of Individuals With Disabilities

Table 20 shows a breakdown of respondents' agreement and disagreement with attitudes about the impact of the ADA on the employment of individuals with disabilities by industry.

Across all industries, respondents in the Finance industry had the highest levels of agreement with the following attitudes:

- Without the ADA, organizations would have little incentive for hiring individuals with disabilities.
- The ADA has made it possible for qualified individuals with disabilities to be fairly considered for employment.
- The ADA has made possible continued progress for the employment of individuals with disabilities.

Across all industries, respondents in the High Tech industry had the highest levels of agreement with the following attitudes:

- The ADA has improved the employment of individuals with disabilities.
- The ADA has increased the cost to employers of hiring individuals with disabilities.

Across all industries, respondents in the Manufacturing (Durable Goods) industry had the highest levels of agreement with the following attitudes:

- The ADA has created an atmosphere where employers understand the need to be accommodating to individuals with disabilities.
- The ADA has led to more frivolous lawsuits than lawsuits with merit.

Across all industries, respondents in the Manufacturing (Nondurable Goods) industry had the highest levels of agreement with the following attitudes:

- The ADA has done more harm than good for improving the employment of individuals with disabilities.
- If the ADA were to be abolished by Congress, the employment of individuals with disabilities would improve.
- The ADA has caused employers to spend unproductive time completing bureaucratic forms and complying with "red tape."

Across all industries, respondents in the Services (Nonprofit) industry had the highest levels of agreement with the following attitudes:

- The ADA has facilitated the acceptance of people with disabilities.
- The ADA has raised workplace awareness among employees without disabilities.
- Employers are reluctant to hire individuals with disabilities because they fear lawsuits will result if they must terminate disabled employees who cannot perform the job.

Table 21 shows a breakdown of the frequency (given the number of respondents was relatively small and percentages are misleading with small numbers of respondents) of ADA complaints in the last 12 months by industry.

As can be seen from the table, the incidence of ADA complaints experienced in the last 12 months has been extremely small and does not vary by industry. Of those respondents in the Finance industry, none reported an ADA complaint filed against their organizations in the last 12 months.

Table 22 shows a breakdown of the amount spent on accommodating individuals with disabilities in the last 12 months by industry.

The highest percentage of "no cost" accommodations occurred in the Services (Nonprofit) industry.

The highest percentage of \$1–\$50 accommodations occurred in the Services (Profit) industry. The highest percentage of \$51–\$500 accommodations

Table 21 Number of ADA Complaints Filed in the Last 12 Months by Industry

Industry	Number of Respondents	Number of Complaints Filed in the Last 12 Months				
		1	2	3	6	10
Finance	19	0	0	0	0	0
High Tech	19	1	0	0	0	0
Manufacturing (Durable Goods)	37	1	1	1	0	0
Manufacturing (Nondurable Goods)	19	1	0	0	0	0
Services (Nonprofit)	21	1	0	0	0	0
Services (Profit)	39	2	1	0	0	0

Note: Sample sizes of the industry categories are based on the actual number of respondents answering the industry question; however, the percentages shown are based on the actual number of respondents by industry that answered this question using the provided response options.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 22 Cost of Accommodating Individuals With Disabilities by Industry

Industry	Number of Respondents	In the last 12 months, approximately how much has your organization spent on accommodating individuals with disabilities?					
		No Cost	\$1-\$50	\$51-\$500	\$501-\$1,000	\$1,001-\$5,000	More Than \$5,000
Finance	19	44%	11%	11%	11%	0%	22%
High Tech	19	53%	0%	6%	12%	6%	24%
Manufacturing (Durable Goods)	37	40%	3%	14%	14%	6%	23%
Manufacturing (Nondurable Goods)	19	44%	6%	19%	13%	19%	0%
Services (Nonprofit)	21	58%	5%	11%	16%	5%	5%
Services (Profit)	39	36%	18%	15%	9%	9%	12%
Overall	299	38%	5%	12%	11%	8%	14%

Note: Sample sizes of the industry categories are based on the actual number of respondents answering the industry question; however, the percentages shown are based on the actual number of respondents by industry that answered this question using the provided response options.

Note: Percentages may not add up to 100% due to rounding.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

occurred in the Manufacturing (Nondurable Goods) industry. The highest percentage of \$501–\$1,000 accommodations occurred in the Services (Nonprofit) industry. The highest percentage of \$1,001–\$5,000 accommodations occurred in the Manufacturing (Nondurable Goods) industry. The highest percentage of greater than \$5,000 accommodations occurred in the High Tech industry.

Level of Recruitment Efforts for Hiring Individuals With Disabilities

Table 23 shows a breakdown of the average level (1=no effort to 7=much effort) of recruitment efforts by industry.

Responses were averaged to indicate the “typical” response for each recommendation. The standard deviation represents the spread of data around the mean, or typical response. The larger the standard deviation, the greater the spread of responses—or the less consensus among respondents. The smaller

the standard deviation, the smaller the spread of responses—or the more consensus among respondents. Standard deviations of 1.5 or higher indicate a relative lack of consensus. Readers should proceed with caution when generalizing the results.

The Services (Nonprofit) industry has the highest average level of effort to recruit individuals with disabilities across industries. However, all industries had a relatively low average level of effort.

Policies for Hiring Individuals With Disabilities

Table 24 shows a breakdown of whether organizations have policies for hiring individuals with disabilities (even if not a separate policy) by industry.

While the Services (Nonprofit) industry has the highest percentage of respondents who indicated their organizations have policies for hiring individuals with disabilities, the majority of respondents across all industries indicated their organizations have such policies.

Table 23 Level of Recruitment Efforts for Hiring Individuals With Disabilities by Industry			
Industry	Mean	Number of Respondents	Standard Deviation
Finance	2.74	19	1.76*
High Tech	2.74	19	1.48
Manufacturing (Durable Goods)	2.84	37	1.09
Manufacturing (Nondurable Goods)	2.42	19	1.12
Services (Nonprofit)	3.19	21	1.47
Services (Profit)	2.82	39	1.33
Overall	2.89	299	1.48

Note: Sample sizes of the industry categories are based on the actual number of respondents answering the industry question; however, the percentages shown are based on the actual number of respondents by industry that answered this question using the provided response options.

* Standard deviations of 1.5 or higher indicate a relative lack of consensus. Readers should proceed with caution when generalizing the results.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 24 Policies for Hiring Individuals With Disabilities by Industry		
Industry	Number of Respondents	Percent Having Policy
Finance	19	79%
High Tech	19	79%
Manufacturing (Durable Goods)	37	73%
Manufacturing (Nondurable Goods)	19	79%
Services (Nonprofit)	21	81%
Services (Profit)	39	68%
Overall	299	70%

Note: Sample sizes of the industry categories are based on the actual number of respondents answering the industry question; however, the percentages shown are based on the actual number of respondents by industry that answered this question using the provided response options.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Percentage of Work Force With Disabilities

Table 25 shows the median percentage of work force with disabilities by industry.

In the “overall” section of this report, we chose to use the mean. When the data were broken out by organization industry (Table 25) there were some extreme values in each size category. The median provides a more accurate measure of the central tendency in this case. It represents the point above and below which half of the data fall within each category.

The Services (Profit) industry has the highest median percentage (5%) of individuals with disabilities in their work forces.

The percentage of disabled in work forces across all industries is quite low.

Table 26 shows the change in the percentage of work force with disabilities in the past five years by industry.

Respondents in the Finance industry reported, with the highest frequency, that they have experienced an increase in the percentage of individuals with disabilities in their work forces.

Respondents in the Services (Profit) industry reported, with the highest frequency, that they have experienced a decrease in the percentage of individuals with disabilities in their work forces.

Respondents in the Manufacturing (Durable Goods) and Manufacturing (Nondurable Goods) industries reported, with the highest frequency, that the percentages of their work forces with disabilities have remained the same.

Senior Management’s Personal Experience With Disabilities

Table 27 shows the percentage of senior management with disabilities, the percentage of senior management who have a child with a disability, and the percentage of senior management who take care of someone with a disability by industry.

The percentage of senior management with a disability is highest in the Manufacturing (Nondurable Goods) industry.

The percentage of senior management who have a child with a disability is the highest in the Manufacturing (Durable Goods) industry.

The percentage of senior management who take care of someone with a disability is the highest in the Finance industry.

Industry	Number of Respondents	Median Percentage
Finance	19	2%
High Tech	19	2%
Manufacturing (Durable Goods)	37	3%
Manufacturing (Nondurable Goods)	19	2%
Services (Nonprofit)	21	3%
Services (Profit)	39	5%

Note: Sample sizes of the industry categories are based on the actual number of respondents answering the industry question; however, the percentages shown are based on the actual number of respondents by industry that answered this question using the provided response options.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 26 Change in the Percentage of Work Force With Disabilities in the Past Five Years by Industry

Industry	Number of Respondents	Change in Percentage of Work Force With Disabilities			
		Increased	Decreased	Remained the Same	Do Not Know
Finance	19	21%	5%	42%	32%
High Tech	19	16%	5%	37%	42%
Manufacturing (Durable Goods)	37	14%	3%	53%	31%
Manufacturing (Nondurable Goods)	19	11%	0%	53%	37%
Services (Nonprofit)	21	20%	5%	35%	40%
Services (Profit)	39	14%	6%	39%	42%
Overall	299	15%	3%	43%	35%

Note: Sample sizes of the industry categories are based on the actual number of respondents answering the industry question; however, the percentages shown are based on the actual number of respondents by industry that answered this question using the provided response options.

Note: Percentages may not add up to 100% due to rounding.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Table 27 Percentage of Senior Management With a Disability, Who Have a Child With a Disability, or Who Take Care of Someone With a Disability by Organization Size

Industry	Number of Respondents	Percentage of Senior Management		
		With a Disability	Who Have a Child With a Disability	Who Take Care of Someone With a Disability
Finance	19	11%	26%	47%
High Tech	19	5%	16%	21%
Manufacturing (Durable Goods)	37	16%	35%	38%
Manufacturing (Nondurable Goods)	19	24%	11%	21%
Services (Nonprofit)	21	14%	33%	43%
Services (Profit)	39	10%	23%	36%
Overall	299	13%	27%	37%

Note: Sample sizes of the industry categories are based on the actual number of respondents answering the industry question; however, the percentages shown are based on the actual number of respondents by industry that answered this question using the provided response options.

Source: SHRM®/WSU/UTSA/CPRF Employer Incentives for Hiring Individuals With Disabilities Survey

Sample Characteristics

Survey Participants

Table 28	Job Title
(Number of Respondents=286)	
Manager of human resources	43%
Director of human resources	27%
Vice president of human resources	6%
Assistant director of human resources	2%
Assistant vice president of human resources	1%
Other	16%

*Percentages do not add up to 100% due to rounding.

Table 29	Organization Tenure
(Number of Respondents=299, Mean=7.31 Years)	
Less than 1 year	4%
1 to 3 years	37%
4 to 6 years	21%
7 to 9 years	10%
10 or more years	27%

*Percentages do not add up to 100% due to rounding.

Respondents' Organizations

Table 30	Number of Employees at This Location
(Number of Respondents=284)	
Fewer than 100 employees	38%
100 to 499 employees	40%
500 to 999 employees	9%
1,000 to 2,499 employees	8%
2,500 to 4,999 employees	3%
5,000 to 9,999 employees	2%
10,000 + employees	1%

*Percentages do not add up to 100% due to rounding.

Table 31	Number of Employees in the Entire Organization
(Number of Respondents=288)	
Fewer than 100 employees	19%
100 to 499 employees	31%
500 to 999 employees	8%
1,000 to 2,499 employees	13%
2,500 to 4,999 employees	5%
5,000 to 9,999 employees	7%
10,000 + employees	17%

*Percentages do not add up to 100% due to rounding.

Table 32		Industry	
(Number of Respondents=292)			
Services (Profit)	13%	Telecommunications	3%
Manufacturing (Durable Goods)	12%	Construction & Mining/Oil & Gas	3%
Manufacturing (Nondurable Goods)	6%	Insurance	3%
Services (Nonprofit)	7%	Newspaper Publishing/Broadcasting	2%
Finance	6%	Transportation	2%
High Tech	6%	Utilities	1%
Educational Services	5%	Other	12%
Government	5%		
Health	5%		
Wholesale/Retail Trade	5%		
*Percentages do not add up to 100% due to rounding.			

Table 33		Unionization	
(Number of Respondents=291)			
Unionized Employees	14%		
Nonunionized Employees	83%		
*Percentages do not add up to 100% due to rounding.			
Mean percentage of employees who are unionized is 42.8%.			

Table 34		For Profit/Not-for-Profit	
(Number of Respondents=296)			
For Profit	72%		
Not-for-Profit	27%		
*Percentages do not add up to 100% due to rounding.			

Table 35		Sector	
(Number of Respondents=293)			
Public/Government	18%		
Private	80%		
*Percentages do not add up to 100% due to rounding.			

Survey

Employer Incentives for Hiring Individuals With Disabilities Survey

1. What level of knowledge do you have of the following programs? **(Check one for each program.)**

	No Knowledge (never heard of it)	Some Knowledge (heard of it, but not much familiarity)	Much Knowledge (very familiar with it)
The Work Opportunity Tax Credit [This is a tax credit for businesses who hire individuals from certain qualified groups, one of which is disabled people who completed or are completing rehabilitative services from a state or the U.S. Department of Veterans Affairs.]			
The Welfare-to-Work Tax Credit [This is a tax credit for businesses who hire individuals who have been certified by the “designated local agency” as a member of a family that received Temporary Assistance to Needy Families (TANF) or Aid to Families With Dependent Children (AFDC).]			
The Veterans Job Training Act [Provides training costs for employers of long-term unemployed veterans of the Korean conflict or the Vietnam era.]			
The Disabled Access Credit, IRC Section 144 [This is a tax credit for an eligible small business that pays or incurs expenses to provide access to persons with disabilities. The expenses must be to enable the eligible small business to comply with the Americans With Disabilities Act of 1990.]			
The Architectural/Transportation Tax Deduction, IRC Section 190 [This is a deduction a business can take for making a facility or public transportation vehicle more accessible to and usable by persons who are disabled or elderly.]			
The Mentor-Protégé Program, P.L. 102-172, Section 8064A [Community Rehabilitation Programs (CRPs) which employ people with disabilities and subcontract work from a prime contractor to the U.S. Department of Defense may receive technical assistance in areas such as production, management, financing, etc. The prime contractor (the mentor) is reimbursed by the federal agency for the costs of the technical assistance provided to the protégé.]			
The Social Security Administration Employment Network Cash Provision [The formula-based cash incentives are contingent upon favorable employment outcomes for people with disabilities, who are then able to forego their income maintenance (SSI and/or SSDI) benefits.]			

2. In which of the following programs does your organization currently participate? **(Check all that apply.)**

- The Work Opportunity Tax Credit
- The Welfare-to-Work Tax Credit
- The Veterans Job Training Act
- The Disabled Access Credit, IRC Section 144
- The Architectural/Transportation Tax Deduction, IRC Section 190
- The Mentor-Protégé Program, P.L. 102-172, Section 8064A
- The Social Security Administration Employment Network Cash Provision

3. How strongly do you agree or disagree with the following statements regarding what should be done to improve the employment of people with disabilities? **(Check one for each statement.)**

	1—Strongly Disagree	2	3	4—Neither Agree nor Disagree	5	6	7—Strongly Agree
a) Companies should improve the knowledge, skills and abilities of individuals with disabilities who need additional training and education so they are better prepared for employment.							
b) Companies should hire qualified individuals with disabilities for key management positions who will be visible role models.							
c) The government should provide companies with subsidies to compensate for lower productivity associated with hiring individuals with disabilities.							
d) Top managers should lead by example and hire qualified individuals on their own staffs.							
e) The government should amend the Americans With Disabilities Act and other disability-related legislation to ease employer-related lawsuits.							
f) CEOs should periodically communicate to their entire organizations their support of hiring qualified individuals with disabilities.							
g) The government should expand the Americans With Disabilities Act to cover more employment situations that prevent individuals with disabilities from being hired.							
h) Companies should have a specific budget for recruiting individuals with disabilities.							
i) The government should offer tax credits for employers to compensate for the higher costs associated with hiring individuals with disabilities.							
j) The government should do a better job of communicating available tax incentives for hiring individuals with disabilities.							
k) Companies should provide a “disability-friendly” environment including accessible architecture to attract individuals with disabilities.							
l) Organizations should help improve the knowledge and sensitivity of all employees toward other employees who may have disabilities.							

4. If you could present one recommendation to improve the employment rate of individuals with disabilities, what would it be? _____

5. How strongly do you agree or disagree with the following statements regarding the impact of the Americans With Disabilities Act (ADA) on the employment of individuals with disabilities? **(Check one for each statement.)**

	1—Strongly Disagree	2	3	4—Neither Agree nor Disagree	5	6	7—Strongly Agree
a) The ADA has improved the employment of individuals with disabilities.							
b) The ADA has done more harm than good for improving the employment of individuals with disabilities.							
c) The ADA has created an atmosphere where employers understand the need to be accommodating to individuals with disabilities.							
d) If the ADA were to be abolished by Congress, the employment of individuals with disabilities would improve.							
e) The ADA has facilitated the acceptance of people with disabilities.							
f) The ADA has led to more frivolous lawsuits than lawsuits with merit.							
g) Without the ADA, organizations would have little incentive for hiring individuals with disabilities.							
h) The ADA has increased the cost to employers of hiring individuals with disabilities.							
i) The ADA has made it possible for qualified individuals with disabilities to be fairly considered for employment.							
j) The ADA has caused employers to spend unproductive time completing bureaucratic forms and complying with “red tape.”							
k) The ADA has raised workplace awareness among employees without disabilities.							
l) Employers are reluctant to hire individuals with disabilities because they fear lawsuits will result if they must terminate disabled employees who cannot perform the job.							
m) The ADA has made possible continued progress for the employment of individuals with disabilities.							

17. How many employees are employed at **this location**?

- | | |
|----------------|-----------------|
| Fewer than 100 | 2,500–4,999 |
| 100–499 | 5,000–9,999 |
| 500–999 | 10,000 and over |
| 1,000–2,499 | |

18. How many employees are employed in **entire organization**?

- | | |
|----------------|-----------------|
| Fewer than 100 | 2,500–4,999 |
| 100–499 | 5,000–9,999 |
| 500–999 | 10,000 and over |
| 1,000–2,499 | |

19. Are there unionized employees (under a collective bargaining agreement) at this location?

- Yes No → **Skip to question 21**

20. What percentage of employees at this location is unionized (under a collective bargaining agreement)? _____

21. Which industry best describes this location’s main business? **(Check only one.)**

- | | |
|-----------------------------------|----------------------------------|
| Construction & Mining/Oil & Gas | Manufacturing (Nondurable Goods) |
| Educational Services | Services (Nonprofit) |
| Finance | Services (Profit) |
| Government | Telecommunications |
| Health | Utilities |
| High Tech | Wholesale/Retail Trade |
| Insurance | Other (please specify) _____ |
| Newspaper Publishing/Broadcasting | |
| Manufacturing (Durable Goods) | |

22. Is your organization for profit or not-for-profit?

- For profit Not-for-profit

23. Is your organization in the public/government or private sector?

- Public/government sector Private sector

24. What is your job title?

- | | |
|---|---------------------------------------|
| Vice president of human resources | Assistant director of human resources |
| Assistant vice president of human resources | Manager of human resources |
| Director of human resources | Other (please specify): _____ |

25. How many years have you been employed by your organization? _____

How to Use Employer Incentives for Hiring Individuals With Disabilities

There are seven major government incentives available to employers who hire individuals with disabilities.

The following pages describe each of the incentives

and the steps necessary for employers to obtain them.

The survey authors would like to extend their appreciation to Adrienne Brooks for preparing this section.

Program	Work Opportunity Tax Credit
Legislation	Small Business Job Protection Act of 1996 (PL. 104-188)
Eligible Users	Not-for-profit firms ineligible. All for-profit firms, regardless of size, are eligible.
Deadlines	Work Opportunity Tax Credit (WOTC) in force until December 31, 2003 (program subject to yearly congressional renewal)
Forms	IRS Form 8850 ETA Form 9061 or Form 9062
Eligible Employees	Disabled people who completed or are completing rehabilitative services from a state or the U.S. Department of Veterans Affairs.
Incentives	Tax credit of up to \$2,400 for each new hire: 40% of qualified first-year wages for those who are employed 400 or more hours, 25% of those who are employed 120 hours.
Restrictions	<ol style="list-style-type: none"> 1. Qualified capped at \$6,000 per employee. WOTC applies only to new employees hired after September 30, 1996, and before January 1, 2004. (Note: Employers have a maximum combined period of two years to claim WOTC or WtW. Employers cannot claim both on the same individual in the same taxable year.) 2. Credits cannot be claimed for wages paid to relatives. 3. No tax credit can be claimed for federally subsidized on-the-job training. However, wages paid after the subsidy expires can qualify for tax credit. 4. Any individual who previously worked for the employer and does not meet the definition of "qualifying re-hire" is ineligible.
Procedures	<ol style="list-style-type: none"> 1. Complete the one-page IRS Form 8850 by the day the job offer is made. 2. Complete either the one-page ETA Form 9061 or Form 9062: <ol style="list-style-type: none"> a. If the new employee has already been conditionally certified as belonging to a WOTC target group, complete the bottom part of the ETA Form 9062 (and sign and date it), that he/she has been given by a State Employment Security Agency or participating agency, e.g., a Job Corps center. b. If the new employee has not been conditionally certified, the employer and/or the new employee must fill out and complete, sign and date ETA Form 9061. 3. Mail the signed IRS and ETA forms to the employer's State Employment Security Agency. The IRS form must be mailed within 21 days of the employee's employment start date.
<p>http://ows.doleta.gov/employ/wotcdata.asp • http://ows.doleta.gov/employ/updates.asp http://www.dol.gov/odep/pubs/ek97/tax.htm</p>	

Program	Welfare-to-Work Tax Credit
Legislation	Taxpayer Relief Act of 1997
Eligible Users	Not-for-profit firms ineligible. All for-profit firms, regardless of size, are eligible.
Deadlines	Welfare-to-Work Tax Credit (WtW) in force until December 31, 2003
Forms	IRS Form 8850 ETA Form 9061 or Form 9062
Eligible Employees	Individuals who have been certified by the “designated local agency” as a member of a family that received Temporary Assistance to Needy Families (TANF) or Aid to Families With Dependent Children (AFDC).
Incentives	Tax credit of up to \$8,500 for each new hire: 35% of qualified first-year wages, 50% of qualified second-year wages. Employees must be employed at least 400 hours or 180 days.
Restrictions	<ol style="list-style-type: none"> 1. Qualified wages (which include tax-exempt amounts received under accident and health plans as well as educational and dependent assistance programs) capped at \$10,000 per employee. WtW applies only to new employees hired after December 31, 1997, and before January 1, 2004. (Note: Employers have a maximum combined period of two years to claim WOTC credit or WtW. Employers cannot claim both on the same individual in the same taxable year.) 2. Credits cannot be claimed for wages paid to relatives. 3. No tax credit can be claimed for federally subsidized on-the-job training. However, wages paid after the subsidy expires can qualify for tax credit. 4. Any individual who previously worked for the employer and does not meet the definition of “qualifying re-hire” is ineligible.
Procedures	<ol style="list-style-type: none"> 1. Complete the one-page IRS Form 8850 by the day the job offer is made. 2. Complete either the one-page ETA Form 9061 or Form 9062: <ol style="list-style-type: none"> a. If the new employee has already been conditionally certified as belonging to a WOTC target group, complete the bottom part of the ETA Form 9062 (and sign and date it), that he/she has been given by a State Employment Security Agency or participating agency, e.g., a Job Corps center. b. If the new employee has not been conditionally certified, the employer and/or the new employee must fill out and complete, sign and date ETA Form 9061. 3. Mail the signed IRS and ETA forms to the employer’s State Employment Security Agency. The IRS form must be mailed within 21 days of the employee’s employment start date.

<http://ows.doleta.gov/employ/wtw.asp>

Program	Veterans Job Training Program	
Legislation	38 U.S.C. 501(a), 3100-3121 (1944)	
Eligible Users	None*	
Deadlines	None for employers**	
Forms	Minimal paperwork provided by VR & E counselor	
Eligible Employees	Veterans who have service-connected disabilities and are determined (by the Department of Veterans Affairs) to have an employment handicap or serious employment handicap.	
On-the-Job Training Program	<ul style="list-style-type: none"> • Reduction in salary costs. VA can supplement a training wage, paying the veteran directly. VA pays a portion of the difference between actual and journeyman pay to the veteran. Tax costs for Social Security, unemployment compensation and workers' compensation are based only on the salary paid by the employer. • Needed tools and equipment supplied by VA. • Employer pays a salary not less than that paid to other trainees in similar positions. • VA assists in payment of cost of additional training needed. • VA can assist in cost of necessary job accommodation. • VA professionals are available for consultation during the training program. • Training can be up to 24 months, or longer, if approved as an apprenticeship program. 	
Incentives	<ul style="list-style-type: none"> • Up to 50% of veteran's salary paid to employer for indirect expenses related to program costs (e.g., operation losses because of time spent training new employee). • Needed tools and equipment supplied by VA. • Low risk trial period. • Reduced labor and training costs. • Opportunity for employer to view veteran's skills and abilities. • Up to six months reimbursement to employers (nine months with special approval). • Minimal paperwork and employer involvement. 	
Procedures	Interested employers need to contact their local or regional Department of Veterans Affairs office and ask to speak to the Vocational and Rehabilitation & Employment counselor, who will provide all information, forms and processes needed.	
http://www.vba.va.gov/bln/vre/for_employers2.htm#employer_incentives		
*Federal, state and local government employers are not eligible for salary reimbursement.		
** Eligible veterans have a 12-year window of eligibility for this program. However, if a veteran is deemed entitled to "serious employment handicap" status, this time restraint is waived.		
Note: The Work Opportunity Tax Credit (for-profit employers only) is also available when hiring a veteran with a disability who completed or is completing rehabilitative services from a state or the U.S. Department of Veterans Affairs (please see WOTC information table).		

Program		Disabled Access Credit
Legislation	IRS Code Section 144	
Eligible Users	Small businesses that in the previous year earned a maximum of \$1 million in revenue or had 30 or fewer full-time employees	
Deadlines	None (can be used every year)	
Forms	IRS Form 8826	
Description	Eligible small businesses can receive a tax credit for paying or incurring expenses to provide access to persons with disabilities (these expenses must be for compliance with the Americans With Disabilities Act of 1990).	
Incentives	The credit is 50% of expenditures over \$250, not to exceed \$10,250, for a maximum benefit of \$5,000. The credit amount is subtracted from the total tax liability after calculating taxes.	
Covered Expenses	<p>Examples include:</p> <ol style="list-style-type: none"> 1. Sign language interpreters for employees or customers who have hearing impairments; 2. Readers for employees or customers who have visual impairments; 3. The purchase of adaptive equipment or the modification of equipment; 4. The production of print materials in alternate formats (e.g., braille, audiotape, large print); and 5. The removal of architectural barriers in buildings or vehicles. 	
Expenses not Covered	The tax credit does not apply to the costs of new construction; and a building being modified must have been placed in service before November 5, 1990.	
Procedures	Complete the one-page IRS Form 8826 along with regular business tax forms, to be filed for the calendar year in which expenditures were incurred.	

<http://www.dol.gov/odep/pubs/ek97/tax.htm>

Note: Small businesses may use both Disabled Access Credit and Architectural/Transportation Tax Deduction together, if the expenses incurred qualify under both Sections 44 and 190. For example, if a business spent \$12,000 for access adaptations, it would qualify for a \$5,000 tax credit and a \$7,000 tax deduction.

Program Architectural/Transportation Tax Deduction	
Legislation	IRS Code Section 190, Barrier Removal
Eligible Users	All businesses
Deadlines	None (can be used every year)
Forms	None
Description	Businesses may take an annual deduction for expenses incurred to remove physical, structural and transportation barriers for persons with disabilities (or the elderly) at the workplace.
Incentives	Businesses may take a tax deduction of up to \$15,000 a year for expenses incurred to remove barriers for persons with disabilities. Amounts in excess of the \$15,000 maximum annual deduction may be depreciated.
Covered Expenses	<p>This can be used for a variety of costs to make a facility or public transportation vehicle, owned or leased for use in the business, more accessible to and usable by persons with disabilities. Examples include the cost of:</p> <ul style="list-style-type: none"> • Providing accessible parking spaces, ramps and curb cuts; • Providing telephones, water fountains and restrooms which are accessible to persons using wheelchairs; and • Making walkways at least 48 inches wide.
Expenses not Covered	The deduction may not be used for expenses incurred for new construction, or for a complete renovation of a facility or public transportation vehicle, or for the normal replacement of depreciable property.
Procedures	The amount spent is subtracted from the total income of a business to establish its taxable income. In order for expenses to be deductible, accessibility standards established under the Section 190 regulations must be met.

<http://www.dol.gov/odep/pubs/ek97/tax.htm>

Note: Small businesses may use both Disabled Access Credit and Architectural/Transportation Tax Deduction together, if the expenses incurred qualify under both Sections 44 and 190. For example, if a business spent \$12,000 for access adaptations, it would qualify for a \$5,000 tax credit and a \$7,000 tax deduction.

Program	Mentor-Protégé Program
Legislation	PL. 101-510, enacted 1990
Eligible Users	<p>Mentor: Must have at least one active subcontracting plan and be eligible for federal contracts.</p> <p>Protégé: A qualified organization employing the severely disabled as defined in Section 8064A of PL. 102-172.</p>
Deadlines	None (program is ongoing; however, different types of contracts can require internal deadlines)
Forms ¹	Mentor Agreement Template, Protégé Agreement Template*, Semiannual Report**
Description	Businesses which employ the severely disabled (as defined earlier) and subcontract work from a prime contractor to the U.S. Department of Defense may receive technical assistance in areas such as production, management, financing, etc. The prime contractor (the mentor) is reimbursed by the federal agency for the costs of the technical assistance provided to the protégé.
Incentives	Reimbursement of costs , dollar for dollar, both direct and indirect for mentor, and up to 10% of total contract value for protégé, or credit , whereby the mentor receives from two to four times the cost of assistance provided to the protégé in credits toward the mentor's SDB subcontracting goals (as required for contracts over \$500K, or \$1 million for construction).
Reimbursable Costs (for the mentor)	<p>Direct Costs: Providing developmental assistance with the mentor's personnel.</p> <p>Indirect Costs: Travel and subsistence, incidental supplies and materials.</p>
(for the protégé)	Costs not specifically addressed in the legislation, which are otherwise considered allowable, allocable and reasonable. These primarily include travel and subsistence, and incidental supplies and materials.
Types of Credit Available	<ol style="list-style-type: none"> 1. Credit for any reasonable and allowable costs incurred by the mentor that were not reimbursed under the mentor's cooperative agreement or as a separately priced contract line item. 2. Credit for developmental assistance costs that have been reimbursed via inclusion in indirect expense pools. 3. Credit for developmental assistance costs not eligible for reimbursement (to the degree that such costs were identified in the original M-P agreement). 4. Credit for all developmental costs where the M-P agreement is for credit only.
Procedures	<ol style="list-style-type: none"> 1. The first act of participation for either party, mentor or protégé, is to find a counterpart. 2. Once a suitable partner is located, the requirements of the program must be met (see above in Eligible Users). 3. When these requirements have been met, the mentor must complete the Mentor Application (see above in Forms), that is if he/she is not already a mentor, and submit it prior to the agreement. 4. Upon submitting the Mentor Application, the two parties should commence talks discerning what both hope to accomplish through the agreement, setting goals for themselves. 5. Next, both parties submit the Mentor-Protégé Agreement Application (see above in Forms). 6. In addition, in accordance with DFARS (Defense Federal Acquisition Regulation Supplement) Appendix I-111, both a mentor and protégé firm must report on the progress made under active mentor-protégé agreements semiannually and the protégé firm must report on the progress made under the Mentor-Protégé Agreement annually. The protégé firm is also required to provide data on the firm for two fiscal years after the expiration of the program participation term (see above in Forms).

General source information: http://www.acq.osd.mil/sadbu/mentor_protege/

*Templates available at: http://www.acq.osd.mil/sadbu/mentor_protege/participate/aaat.html

**Semiannual reporting format available at: http://www.acq.osd.mil/sadbu/mentor_protege/download/semiannualb.pdf

¹Mentors applying for reimbursement of costs must apply directly through the service/agency, as each might have differences in data required, application process, and timing of application. Links to individual services and agencies can be found at http://www.acq.osd.mil/sadbu/mentor_protege/links/index.htm.

Program	SSA Employment Network Cash Provisions
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Legislation	Ticket to Work and Work Incentives Improvement Act, PL. 106-170, enacted 1999
Eligible Users	All business entities, for profit and not-for-profit (other than 501(c)4 lobbying organizations), that are not disbarred from federal grants and contracts.
Deadlines	None (program is ongoing; however, different types of contracts can require internal deadlines)
Forms	Approved application as an Employment Network (EN); Individual Work Plans for Ticket Users; Annual Reports
Description	An Employment Network (EN) can consist of individual business entities or consortia of business entities or organizations. Business entities or organizations may participate in more than one EN. The EN provides services to individuals with disabilities who receive Social Security benefits to enable them to obtain or advance in employment to the extent that they no longer receive SSA benefits (SSDI or SSI; Medicaid/Medicare may continue).
Incentives	Once the Ticket-holder (beneficiary) achieves "substantial gainful activity" (\$800/mo. in 2003), the EN receives a monthly cash reimbursement of 40% of the average national monthly SSDI or SSI benefit payments. So long as the individual is employed at this salary or wage level the EN receives the cash payment. This may continue up to 60 months.
Current Payments	Monthly cash reimbursements <i>beginning in 2003</i> to an EN (for a former SSDI beneficiary) can total \$19,680 over the 60 months of Ticket eligibility. Monthly cash reimbursements <i>beginning in 2003</i> to an EN (for a former SSI beneficiary) can total \$11,760 over the 60 months of Ticket eligibility. Monthly cash reimbursements for dual beneficiaries (former recipients of both SSDI and SSI) will be paid at the SSDI rate.
Procedures	<ol style="list-style-type: none"> 1. Tickets-to-Work are being mailed to SSA beneficiaries on a phased schedule over three years (2001-2004). Once a beneficiary's state of residence begins participation in the program, he/she can request or will eventually receive a Ticket. 2. The Ticket-holder then selects an approved EN and "assigns" his/her ticket to that EN. 3. The beneficiary and the EN then agree upon an Individual Work Plan, which details the services that the EN will provide to that beneficiary in return for assignment of the Ticket. 4. The Individual Work Plan must be approved by Maximus, Inc., the Program Manager for the Social Security Administration. 5. The beneficiary receives services such as training and employment preparation, and then obtains employment. The EN continues to provide employment support for the 60 months of the Ticket eligibility. 6. When the beneficiary's Social Security benefits cease due to his/her earned income, the EN files for the monthly cash reimbursement. 7. If the EN is a consortium, and more than one business entity or organization has provided services, the monthly cash reimbursement may be divided between them as they agree.

General source information:

Social Security Administration: <http://www.ssa.gov/work>
 Maximus, Inc. (Program Manager): <http://www.yourtickettowork.com>
 or toll-free telephone number: (866) 968-7842 (Voice)
 or toll-free telephone number: (866) 833-2967 (TDD)

Related Resources

Useful Web sites:

Able to Work

<http://www.abletowork.org/>

Disability and Business Technical Assistance Centers

<http://www.adata.org/dbtac.html>

Disability Info.Gov

<http://www.disability.gov/>

Job Accommodation Network

<http://janweb.icdi.wvu.edu/>

National Business and Disability Council

<http://www.business-disability.com/>

National Institute on Disability and Rehabilitation Research

<http://www.ed.gov/offices/OSERS/NIDRR/>

National Organization on Disability

http://www.nod.org/cont/dsp_cont_loc_hme.cfm?locationId=12&locationNm=Home

U.S. Census Bureau Disability Statistics

<http://www.census.gov/hhes/www/disability.html>

U.S. Office of Disability Employment Policy

<http://www.dol.gov/odep/welcome.html>

Worksupport.com

<http://www.worksupport.com/>

SHRM Survey Reports

Downloadable Surveys

Available to the public:

Job Satisfaction Poll (74 pages, December 2002) – http://www.shrm.org/hrresources/surveys_published/CMS_002965.asp#P-6_0

HR Implications of the Attack on America (23 pages, September 2002) – http://www.shrm.org/hrresources/surveys_published/CMS_002959.asp#P-6_0

Corporate Credibility and Employee Communications Survey (14 pages, August 2002) – http://www.shrm.org/hrresources/surveys_published/CMS_002955.asp#P-6_0

Job Opportunities Poll (30 pages, August 2002) – http://www.shrm.org/hrresources/surveys_published/CMS_003181.asp#P-6_0

Workplace Romance Survey (24 pages, February 2002) – http://www.shrm.org/hrresources/surveys_published/CMS_003185.asp#P-6_0

School-to-Work Programs Survey (16 pages, January 2002) – http://www.shrm.org/hrresources/surveys_published/CMS_002941.asp#P-6_0

HR Implications of the Attack on America: Executive Summary of Results of a Survey of HR Professionals (13 pages, October 2002) – http://www.shrm.org/hrresources/surveys_published/CMS_002932.asp#P-6_0

Negotiating Rewards Poll (14 pages, October 2001) – http://www.shrm.org/hrresources/surveys_published/CMS_002934.asp#P-6_0

Search Tactics Poll (8 pages, April 2001) – http://www.shrm.org/hrresources/surveys_published/CMS_002924.asp#P-6_0

Available to members only:

Fun Work Environment Survey (Members Only, 56 pages, November 2002) – http://www.shrm.org/hrresources/surveys_published/CMS_003183.asp#P-6_0

Aligning HR With Organizational Strategy (Members Only, 53 pages, November 2002) – http://www.shrm.org/hrresources/surveys_published/CMS_002963.asp#P-6_0

Recruiter Cost/Budget Survey (Members Only, 30 pages, October 2002) – http://www.shrm.org/hrresources/surveys_published/CMS_002961.asp#P-6_0

2002 SHRM/Fortune Survey on the Changing Face of Diversity (Members Only, 16 pages, October 2002) – http://www.shrm.org/hrresources/surveys_published/CMS_002957.asp#P-6_0

Workplace Demographic Trends Survey (Members Only, 37 pages, June 2002) – http://www.shrm.org/hrresources/surveys_published/CMS_002953.asp#P-6_0

Global Leadership Survey (Members Only, 36 pages, June 2002) – http://www.shrm.org/hrresources/surveys_published/CMS_002949.asp#P-6_0

SHRM 2002 Benefits Survey Results (Members Only, 57 pages, April 2002) – http://www.shrm.org/hrresources/surveys_published/CMS_002947.asp#P-6_0

A Study of Effective Workforce Management (Members Only, 36 pages, February 2002) – <http://www.shrm.org/surveys/results/default.asp?page=UMDstudy02.asp>

Human Resource Strategies, Stages of Development and Organization Size Survey (Members Only, 46 pages, January 2002) – http://www.shrm.org/hrresources/surveys_published/CMS_002938.asp#P-6_0

Job Security and Layoffs Survey (Members Only, 76 pages, December 2001) – http://www.shrm.org/hrresources/surveys_published/CMS_002936.asp#P-6_0

World Events Survey – Impact on Global Mobility (Members Only, 4 pages, November 2001) – http://www.shrm.org/hrresources/surveys_published/CMS_003007.asp#P-6_0

Religion in the Workplace (Members Only, 58 pages, June 2001) – http://www.shrm.org/hrresources/surveys_published/CMS_002930.asp#P-6_0

Employee Referral Programs (Members Only, 40 pages, June 2001) – http://www.shrm.org/hrresources/surveys_published/CMS_002926.asp#P-6_0

Impact of Diversity Initiatives on the Bottom Line (Members Only, 41 pages, June 2001) – http://www.shrm.org/hrresources/surveys_published/CMS_002928.asp#P-6_0

2001 Benefits Survey (Members Only, 59 pages, April 2001) – http://www.shrm.org/hrresources/surveys_published/CMS_002922.asp#P-6_0

2000 FMLA Survey (Members Only, 51 pages, January 2001) – http://www.shrm.org/hrresources/surveys_published/CMS_003179.asp#P-6_0

Workplace Privacy Survey (Members Only, 51 pages, December 2000) – http://www.shrm.org/hrresources/surveys_published/CMS_002920.asp#P-6_0

Performance Management Survey (Members Only, 43 pages, December 2000) – http://www.shrm.org/hrresources/surveys_published/CMS_002918.asp#P-6_0

Impact of Diversity Initiatives Poll (Members Only, 5 pages, October 2000) – http://www.shrm.org/hrresources/surveys_published/CMS_003176.asp#P-6_0

2000 Retention Survey (Members Only, 40 pages, June 2000) – http://www.shrm.org/hrresources/surveys_published/CMS_002914.asp#P-6_0

SHRM Cover Letters and Resume Survey (Members Only, 39 pages, May 2000) – http://www.shrm.org/hrresources/surveys_published/CMS_002912.asp#P-6_0

2000 Benefits Survey (Members Only, 52 pages, April 2000) – http://www.shrm.org/hrresources/surveys_published/CMS_002893.asp#P-6_0

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