

Disclaimer: This report does not necessarily reflect the views of the Australian Government or the Department of Social Services.



Making it Easier for Small Business to employ people with disability

**Research Report prepared by the Council of Small Business
Organisations Australia (COSBOA) in association with 89 Degrees
East and Truth-Serum**

Prepared for: Employment Reform Working Group of the national Disability and Carers Advisory Council (NDCAC)

Prepared by: Director, Truth Serum, Level 17 / 31 Queen Street Melbourne

lainine@truth-serum.com.au

Report Date: Updated 13 September 2018

Contents

Making it Easier for Small Business to employ people with disability	1
Research Report prepared by the Council of Small Business Organisations Australia (COSBOA) in association with 89 Degrees East and Truth-Serum	1
Executive Summary.....	3
Key findings and outcomes	3
Barriers getting in the way of the recruitment process for SMEs	4
Ideas for the Future:	6
Background and objectives	7
Methodology.....	9
Stage 1: Quantitative research	9
Stage 2: Qualitative research	10
Sample profile:.....	11
Current recruitment approach for SMEs is primarily word of mouth, social media and traditional channels	21
Barriers getting in the way of the recruitment process for people with a disability.....	23
1. Concerns about legal and ethical risks to the employer.....	23
2. Time and complexities involved in applying for funding for job/workplace modifications or wage subsidies	24
3. Different disabilities pose different challenges, and many are unsure how to deal with this	25
4. The word ‘disability’ is a label with negative connotations.....	26
5. A lack of information and advice about how to hire a person with a disability	26
Awareness and interest in government assistance programs	28
Changes to reduce red tape and compliance when hiring a person with a disability	30
Making assistance programs more attractive for small business requires support and assistance	32
Enablers that would make it easier for small business to consider hiring a person with disability	33
Other suggested changes, additional resource or support required by small business.....	35
Initiatives with high interest and high impact to encourage SME to consider employing PWD	36
Trusted sources of information for business matters	42

Executive Summary

The small business sector represents a key source of employment in our communities, with 90% of businesses in Australia defined as an SME (Small and Medium-sized Enterprise). Yet there has been limited research into understanding the specific needs of SME employers in delivering positive employment outcomes for people with disabilities.

People with a disability of working age (15-64 years) are significantly under-represented in the Australian workforce. At the same time many SMEs are struggling to find suitable employees, and there is a recognition that the talent pool will continue to tighten in the future. Clearly there is a need to bridge this gap between SMEs as employers, and the large numbers of people with a disability seeking employment across a wide range of industries.

The focus of this research is to understand and uncover **relevant enablers and initiatives for small and medium business owners that will make it easier to employ a person with disability**. This includes identifying ways in which government can help to reduce the red tape and identify any regulatory impediments or perceptions of regulatory impediments that may be a barrier or disincentive for businesses to employ people with disability.

This work is a priority for the Employment Reform Working Group which forms part of the National Disability and Carers Advisory Council (NDCAC) and the research has been commissioned by the Department of Social Services to inform pipeline and future policies, programs and processes.

The research project explored a range of existing academic literature, industry studies and government inquiries into employing people with a disability to inform its design. The study specifically targets **small and medium business owners who employ between 1 and 49** staff across Australia and across diverse industries. A sample of n=519 small business owners and managers provided feedback through an online survey, and an extensive qualitative phase followed with more in-depth consultations amongst n=74 small business owners and managers through four focus groups and two online discussion forums. The focus groups were conducted in Sydney, Melbourne, Geraldton and Launceston and participation in the national online forums came from both metropolitan and regional areas.

Key findings and outcomes

Firstly, the consultations reinforced existing literature identifying SME business owners as typically time poor and overloaded with both internal and external expectations. They also lack the formal HR resources and processes that larger businesses may have. The owner of an SME is generally the CEO, the CFO, marketing director, sales director and business development director rolled into one – and often with plenty of other jobs too. Any initiatives that add further administrative or supervisory functions are unlikely to attract any interest, no matter how important.

- Half of SMEs interviewed (50%) have employed a person with disability in the workplace (29% currently and 21% previously). Micro SME business owners employing between 1 to 4 people were least likely to employ a person with disability (see page 10).

- The vast majority of SME employers (69%) stated that employing someone with a disability delivered a positive employment outcome for their business, and more than half said their experience was 'very positive'. The key driver of the positive employment outcome for the SME business owner was that the person with a disability was considered to be "a great worker", had made a positive contribution to the workplace and had the appropriate skills for the role (see page 11)
- More than half of SMEs surveyed (53%) are open to employing a person with a disability in the future and 1 in 4 (25%) were 'very likely'. SMEs who currently employ a person with a disability were the most likely to support future employment opportunities, where 87% stated they were likely to do so (see page 12)
- Mainstream media is creating greater awareness and acceptance of people with disability in the workplace, through TV shows like 'Employable Me' and 'The Employables', and popular TV shows like Survivor (see page 13)
- Small business owners value diverse workplaces and inclusive recruitment which is driving acceptance and open-ness towards employing a person with disability. Disability is seen as a subset of diversity, and there was a positive sentiment towards hiring people from different backgrounds in order to create interesting and productive workplaces (see page 15)
- 'Lack of applications' is the main reason why SMEs haven't employed a person with disability. Current recruitment approach for SMEs is primarily word of mouth, social media and traditional recruitment channels. There is a need to bridge the gap between the job placements ads and candidates with the right skills who have a disability, as employers are open to receiving applications (see page 16)
- Small business is less likely to engage with Disability Employment Services or other disability agencies, primarily due to a lack of awareness/engagement and because these are not channels they naturally have any affiliation with or that they would normally consider using for recruitment (see page 18)

Barriers getting in the way of the recruitment process for SMEs

- Concerns about legal and ethical risks to the employer, particularly if the arrangement didn't work out
- Time and complexities involved in applying for funding for workplace modifications or wage subsidies
- Different disabilities pose different challenges, and many are unsure how to deal with this due to limited understanding about disability and supports required
- The word 'disability' is a label with negative connotations – terms like 'diversity' or 'inclusion' are more appealing, clearer and associated with positive outcomes
- A lack of easily accessible information and advice about how to hire a person with disability
- Concerns over the cost and time involved with workplace adjustments that might be required (including time to apply for and administer any additional funding sources that may be available).

There is a need for greater education and information about these issues, which must be delivered at a relevant time for employers during the recruitment process. SMEs also stated that having 'trusted sources' for this information, such as through their own industry associations or organisations they are already dealing with on a daily basis, was an important factor: establishing new working

relationships with external agencies, either government or community, was considered an additional time burden that many small businesses were not able to absorb.

There is also a need for clarity and simplification in the language used around disability issues and services to 'demystify' disability and make it easier for SMEs (who may otherwise have no experience of disability) to identify relevant skills, strengths, limitations and supports required for a potential candidate who has a disability.

Over half (52%) of SMEs believe there is a higher level of compliance and 'red-tape' involved when hiring a person with a disability compared to hiring staff members without a disability. Education on this issue, and simplifying any additional compliance requirements to create a more streamlined process for small business, both at the recruitment stage and for any ongoing support that may be required, would help address this perception.

Initiatives which small business owners and managers felt would have the highest impact to encourage action to consider employing a person with disability and bridge the employment gap include:

- Ongoing specialist employee and employer support for SMEs throughout recruitment and employment processes (potentially through industry associations or other trusted sources), including transition to work supports, workplace preparedness and on the job training
- Better information and advice around how to hire a person with disability and job match skills and experience. There is a need for a simple classifications system for employers to understand the different disability types and potential modifications or additional supports required, and clarity around the skills, strengths and limitations that people with different disability types may have
- Streamline the existing application and approval process for financial assistance from government for workplace adjustments and wage assistance, and where possible remove the onus on SMEs for completing the paperwork or undertaking additional compliance activities
- Provide clearer information and advice around an SME's legal responsibilities and obligations related to employing a person with a disability. Ideally the information should be industry- and workplace-specific. It is important that the right message is delivered at the right time for employers to engage with the communication.
- Produce more case studies, videos and examples of other small business experiences when hiring a person with a disability. It's motivating for SMEs to see how others are making it work in their business/industry, which creates a positive 'can-do' attitude.

COSBOA believes that there is a strong appetite amongst the small business community to become more actively engaged in delivering employment outcomes for people with a disability, and in becoming more inclusive employers. In light of the national NDIS rollout being close to completion, there is also an additional imperative for the wider business community to more aware of the opportunities and benefits of having more people with disability included in our workplaces and community activities. However, at present the barriers and complexities outlined above have created an overall atmosphere of this issue being in the "too hard" basket for many in the small business sector.

Ideas for the Future:

In order to create the cultural, attitudinal and practical changes necessary, it is recommended the following initiatives be considered by the ERWG and National Disability and Carers Advisory Council and the Department of Social Services:

Recommendation 1: That government develop and trial a new small-scale program aimed at supporting SME employers throughout the recruitment and employment process, including transition to work supports, workplace preparedness and on the job training/support. This could be trialed in targeted locations (metropolitan and regional) and supported through small business industry associations with direct links to SME employers.

Recommendation 2: That the Job Access website—and other government materials aimed at communicating and promoting disability employment services, funding assistance and support service—be reviewed and updated to include material specifically relevant to small business, with a section targeted specifically at SMEs. Once these materials are revised and made fit-for-purpose, a national awareness campaign is run in collaboration with small business industry associations to promote the new resources and promote the benefits of creating more inclusive workplaces at an individual, business and community level.

Recommendation 3: That the Department review all existing application and compliance processes available through JobAccess to streamline and make processes more efficient and manageable from a small business employer perspective. This may include an extension to the role of DES providers to assist employers with the application and compliance processes required to access and acquit these grants.

Recommendation 4: That new information resources be developed, through codesign with small businesses, which ‘demystifies’ disability and that:

- address the concerns of SMEs around the perceived additional legal and compliance issues associated with employing a person with a disability
- provide clearer information about different disability types/categorisations and their impact on employment opportunities, as well as the benefits that different abilities can bring to the workplace
- identify the potential modifications that may be required to accommodate different types of disability, and provide information about assistive technologies and other products available to make workplaces safe and accessible for people of all abilities
- provide examples, through case studies, videos, podcasts and other social media formats, that promote the benefits of employing people with disability and address some of the perceived barriers/difficulties.

Recommendation 5: That a national forum is convened of government representatives, disability consumer organisations, small business organisations and disability service organisations (including Disability Employment Services representatives) to identify a series of mutually beneficial new approaches and initiatives to overcome the identified barriers at the national and local level. This high-level forum could consider setting a national target and action plan to increase employment of people with disability over the next 10 years.

Background and objectives

This research project has been commissioned by the Department of Social Services to carry out independent research amongst small business owners and managers in Australia, in order to inform the potential red tape reduction measures to streamline processes for small business to recruit and retain more people with disability.

This area of work is a priority of the National Disability and Carers Advisory Councils (NDCAC) Employment Reform Working Group (ERWG) and is designed to provide valuable evidence for the Department of Social Services to inform pipeline and future policies, programs and processes. Further, this work aligns with the National Disability Strategy's second implementation plan in improving the evidence base targeting of small and medium business owners.

The Australian Bureau of Statistics (ABS) reports that 53% of working age people with disability were in the labour force compared to 83% of people without disability. The proportion of people with disability who are in the labour force is also reflective of the severity of their limitation. According to the Australian Bureau of Statistics, in 2015, only 25.0% of people with a profound or severe limitation were in the labour force, compared with 59% of those with a mild limitation¹. The cohort of people with disability which is classified as a 'mild limitation'¹, being people who need no additional help and have no difficulty at work but use aids or have limitations, are the largest cohort of people with disability, representing 1.4m Australians.

Small and medium businesses represent a key source of employment for our communities, where 90% of Australians are employed in small to medium sized businesses². There has been limited research conducted with small and medium business owners in Australia in relation to positive employment outcomes for people with disabilities, despite being one of the largest employer groups. COSBOA has publicly committed to doing more work in this space and is working closely with its member organisations to identify further opportunities for research and advocacy work in the coming 12 months.

Understanding what it will take to make it easier for small and medium businesses to consider employing people with a disability is critical, in order to improve employment outcomes for people with a disability.

The research project objectives include:

- Understanding current experiences and challenges involved during the employment process for small business owners who are currently employing people with a disability
- Identifying ways in which government might reduce red tape for small business owners which would support employment opportunities for people with a disability
- Understand barriers facing small business owners and managers who are not currently employing people with disability and identifying opportunities to support employment outcomes

¹ ABS 4430.0-Disability, Ageing and Carers Australia: Summary of Findings, 2015

² ABS 4430.0-Disability, Ageing and Carers Australia: Summary of Findings, 2015

- Identify enablers and initiatives which will make it easier for small and medium business to employ a person with a disability

The focus of this NDCAC research is to understand and uncover relevant enablers for small and medium business owners that will make it easier for small business owners and managers to employ a person with disability. The following report outlines the findings of this research.

Methodology

A two-stage research approach was applied in order to achieve broad consultation amongst small business owners and managers in Australia, including both metropolitan and regional areas. The two stages of research involved:

- A quantitative online survey amongst a representative sample of small and medium business owners who employ between 1 and 49 staff members. Total sample size n=519 participated in the online survey.
- Qualitative feedback utilizing both face to face focus groups and online forums were conducted to explore solutions and ideas that would make it easier for small and medium business to employ people with disability. In-depth consultations across the qualitative phase of research were conducted amongst n=78 small business owners and managers. Of the total sample of n=78, 55% of participants (n=43) were recruited through a self-selection registration process after completing the survey, and 45% (n=35) were recruited based on specifications via a qualitative recruitment business to business database to be representative of small and medium business owners.

Note that respondents to both stages included SMEs who self-selected their participation, therefore may have a greater interest or experience in this field.

Stage 1: Quantitative research

The quantitative stage of research was designed to achieve a robust sample of small business owners and managers across Australia using a 5-minute online survey. A total sample of n=519 small and medium Business owners in Australia participated in the online survey. The sample size of n=519 is a robust sample to conduct analysis on the attitudes, behaviors and preferences of small business which has a margin of error rate of approximately +or- 4.25% at the 95% confidence level. That means we can be 95% confident that the survey estimates will be reflective of the real world population to within +or-4.25%, which is above the industry standard for reliability (Industry standard margin of error rate at the 95% confidence level is +or-5%). The quantitative survey was in field from 18 July to 24 August 2018.

The quantitative sample was sourced through:

- Targeting members of COSBOA, NDCAC (National Disability Carers Advisory Council) and ACCI (Australian Chamber of Commerce): a total of n=126 small business owners and managers participated through these channels.
- A general population sample of n=393 small and medium business owners was recruited as a top-up sample through the TEG Rewards fieldwork business to business panel to ensure representativeness of the total sample. Target quotas were set for business size and location to ensure a representative sample amongst business owners in Australia.

Stage 2: Qualitative research

Qualitative research was used to build on the findings identified in stage one, and to explore in more detail the issues facing small business and workshop ideas and initiative's which would make it easier to employ a person with disability.

The qualitative research comprised of the following:

- 4 x focus group discussions were conducted amongst small and medium business owners and managers employing between 2 and 49 employees. Each group comprised between 8 to 10 participants and were held for 1.5 hours. Locations were based in Melbourne, Sydney, Launceston and Geraldton. Focus groups were conducted between 8 August and 22 August 2018. A total of n=36 small and medium business owners and managers participated in the face to face focus groups (Melbourne n=9, Sydney n=8, Geraldton n=8, Launceston n=11).
- 2 x online forum group discussions with small and medium business owners and managers who employ between 2 and 49 staff were conducted on the 21 and 23 August 2018. A total of n=38 small and medium business owners participated in a one-hour online forum group discussion, which was hosted over a five hour live moderated period, to make it convenient for participants to login to the group discussion from across Australia in both metro and regional areas.
- The recruitment of participants for the qualitative research was conducted by a professional recruiter using phone-based screening criteria utilizing the supplier panel and client provided contacts. Small and Medium business owners were invited to participate through the NDCAC, COSBOA and ACCI networks via an online registration which was emailed from their professional bodies. Screening questions, along with other materials for recruitment were developed in conjunction with NDCAC. Recruiters received a verbal briefing and written instructions and guidelines for recruitment before communicating the phone-based recruitment and confirmation calls. Thank-you payments were provided to all participants involved in the qualitative research as a gratuity, offered as an incentive to take part.
- All research groups were professionally moderated and analysed by a specialist Qualified Practicing Market Researcher (QPMR) who are fully accredited for qualitative and quantitative research and adhere to the Professional Code of Conduct and Australian Privacy Principles.

Where there is a positive significant difference in the data this is highlighted in blue with an arrow up. A significantly lower difference in the data is highlighted in red with an arrow down. Significance testing has been conducted at the .05% level.

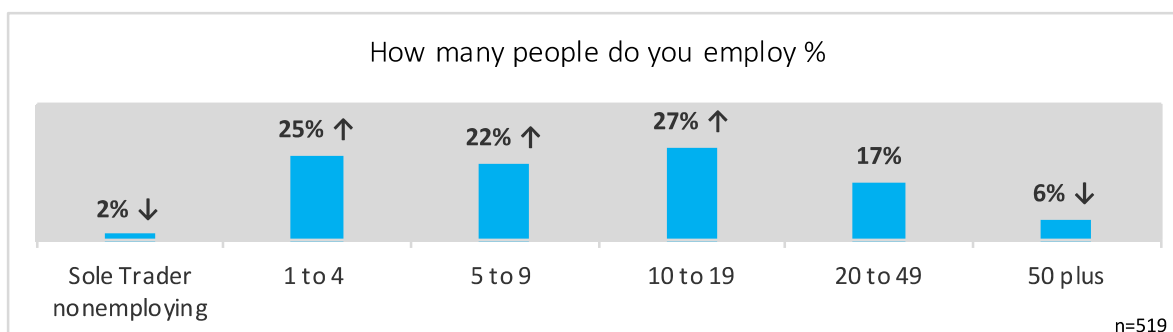
Please note rounding of the data set has been undertaken in the analysis. Readers should note this may cause a variation of + or – 1%.

Sample profile:

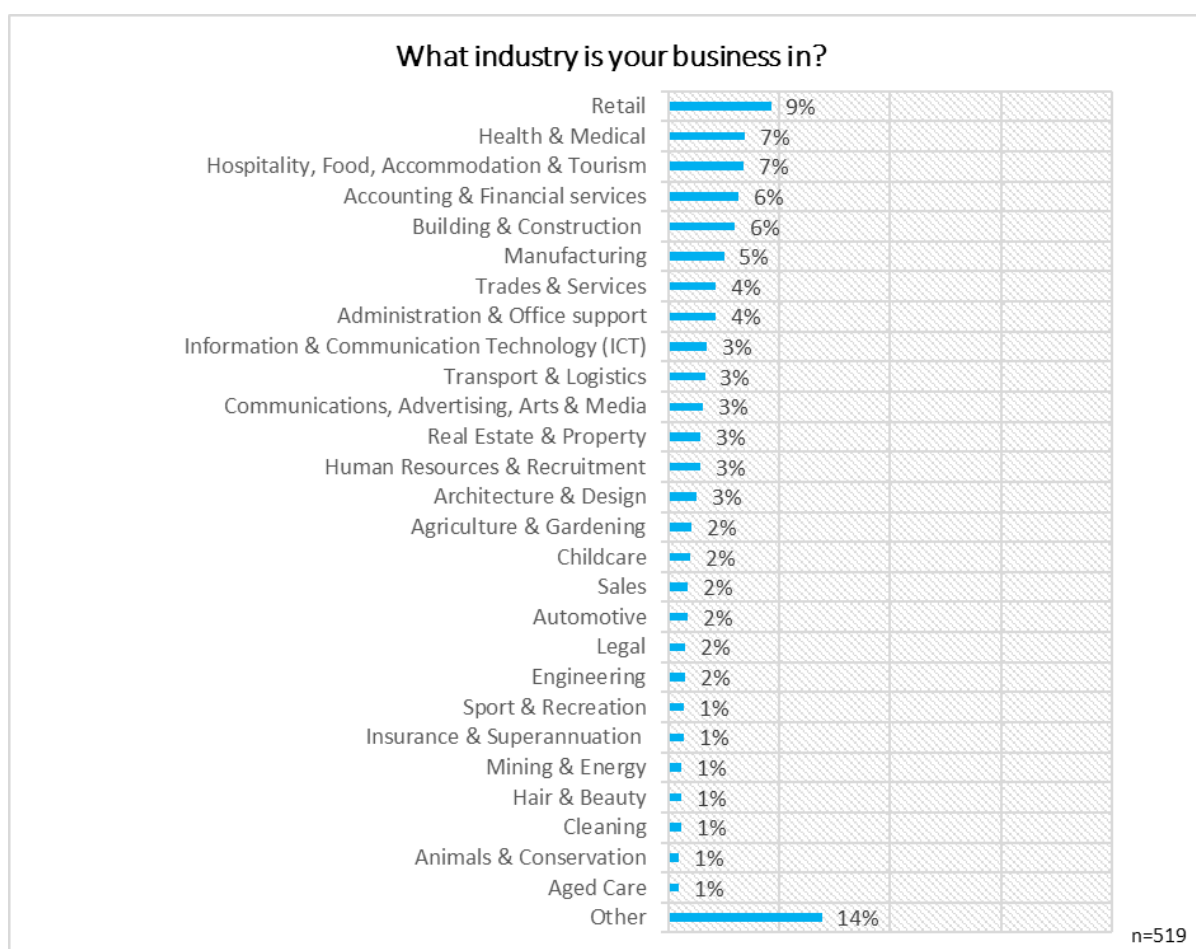
The research study focused on recruiting small and medium business owners and managers who employ between 1 and 49 staff members.

Quantitative sample profile:

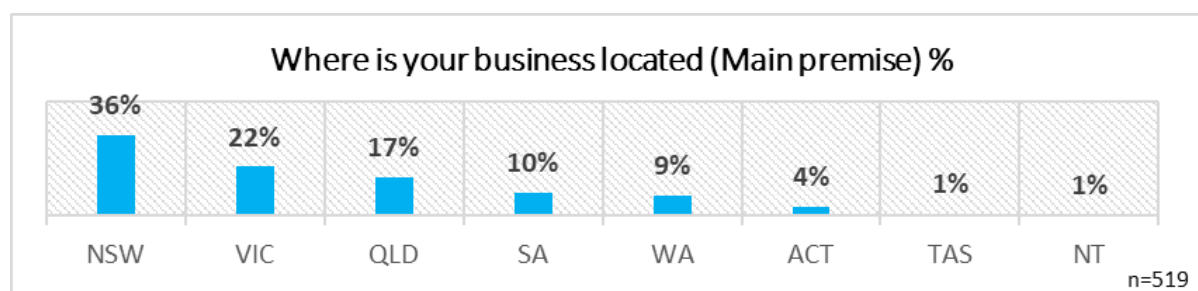
91% of the quantitative sample (n=519) profiled as SME business owners with 1-49 employees in their business.



The sample represented a wide range of business industry types including retail, health and medical, hospitality & tourism, accounting and financial services, building and construction, manufacturing, trade services, administrative support and professional services amongst many others.



Location of SME business owners were represented across Australia, where 75% had a head office located on the Eastern Seaboard representing population distribution.



Qualitative sample profile:

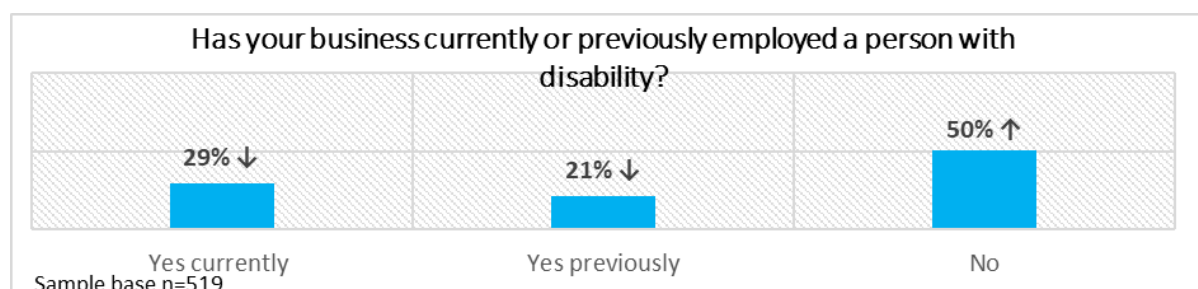
A total of n=78 small and medium business owners and managers participated in the qualitative phase which included views from business owners in city areas and regional areas. The sample in the focus group represented views amongst business owners who have had experiences employing a person with disability and businesses that had not. Recruitment was focused to represent small and medium business owners and managers who employ between 2 and 49 staff members.

A vast range of industry types were represented in the qualitative stage of research including manufacturing, consumer goods, property, food importing, film and TV, finance, professional services, technology, construction, communications, health care, garden design, wholesaling, utilities, hospitality, IT, Sales, agriculture, beauty, aged care, entertainment, logistics amongst other industries.

Current experiences employing a person with disability and attitudes to future employment

Amongst the small and medium business owners who participated in the online survey, 50% stated that they have not had an experience employing a person with a disability. This was significantly higher amongst businesses who employ between 1 – 4 employees where 68% had not.

Half of SMEs interviewed (50%) have employed a person with a disability in the workplace (29% currently employ a person with a disability and 21% have previously).



Experience with hiring a person with a disability increases with the size of the business, where larger businesses who employ 20-49 staff members 39% stated that they currently employ a person with a disability compared to only 17% of business with 1 to 4 employees.

Column %	Number of employees			
	1 to 4	5 to 9	10 to 19	20 to 49
Yes currently	17% ↓	22%	29%	39%
Yes previously	15%	22%	26%	24%
No	68% ↑	56%	45%	38% ↓
Column n	130	116	141	88

71% of SMEs who are currently or had previously hired a person with a disability felt positive about the employment outcome (36% very positive and 33% somewhat positive). The level of positivity felt by small business owners was consistent across all sized businesses.

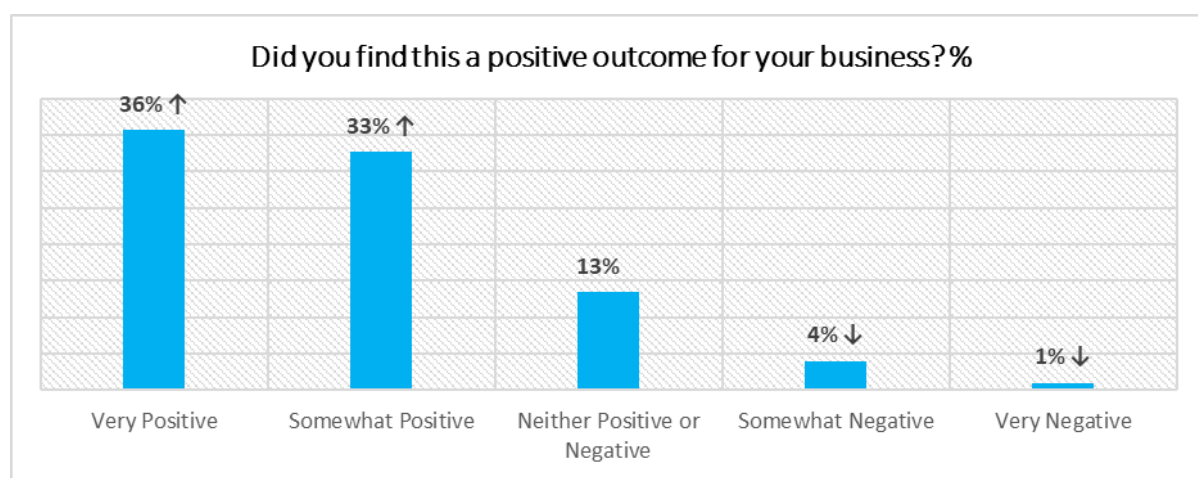
The primary reason why the employment outcomes was positive, was that 28% stated that the individual was a great worker, had the appropriate skills and made a valued contribution to the business (n=59 comments).

The second reason given by employers was that 21% (n=44 comments) felt the benefit to the business was the added diversity that the individual offered to the workplace, the employment was seen as positive as it reflects diversity in the community and had a positive impact on public perception of being an inclusive employer.

18% of comments (n=38) stated the benefit to the organisation was the educational impact and morale boost to other staff members. This was also expressed as a view that the employment leads to bringing out the best in other staff members and helps staff appreciate a better understanding of abilities in different people.

14% of SMEs who had a positive experience (n=29) felt that the benefit was a positive attitude to work, hardworking ethic and reliability in turning up to work from the individual. Only 8% of comments (n=16) stated the benefit was to the individual only, that they were giving them a chance or an opportunity to work. Other comments mentioned were the benefit of creating a rewarding work environment, a happy workplace, ability to relate to customers and reflect the diversity in the customer base, and the financial benefit of the incentive offered.

69% of SMEs employing a person with disability have had a positive employment outcome



The key reasons which made employing a person with a disability a positive employment outcome is that the individual is a great hard-working individual, who had the appropriate skills for the job and made a valued contribution to the business. These results indicate that the primary driver of satisfaction for a small business employer, is to find the right fit candidate with suitable skills, who can contribute to the business – the value is derived based on the merit of the employee to do the job well.

Q3 - In what ways has the experience of hiring people with a disability achieved a positive outcome for your business? - Coded	%	n
Great Worker/Appropriate skills/Contribution	28% ↑	59
Reflect diversity in our community/Add diversity/Inclusive is positive/Public perception	21% ↑	44
Educate other staff/Better understanding for staff/Brings best out of other staff/Staff morale	18% ↑	38
Attitude to work/Better attitude/Hard working/Happy to work/Reliable	14%	29
Help individual develop skills/Chance to work	8%	16
Rewarding work environment/Happy work environment/Work culture	4% ↓	9
Represent customers/ Motivating for customers/Relate to customers	3% ↓	6
Grant/ Subsidy	1% ↓	3
None	1% ↓	3
Other	0% ↓	1

Only 5% of employers stated that their experience employing a person with a disability was negative. The reasons for a negative experience were:

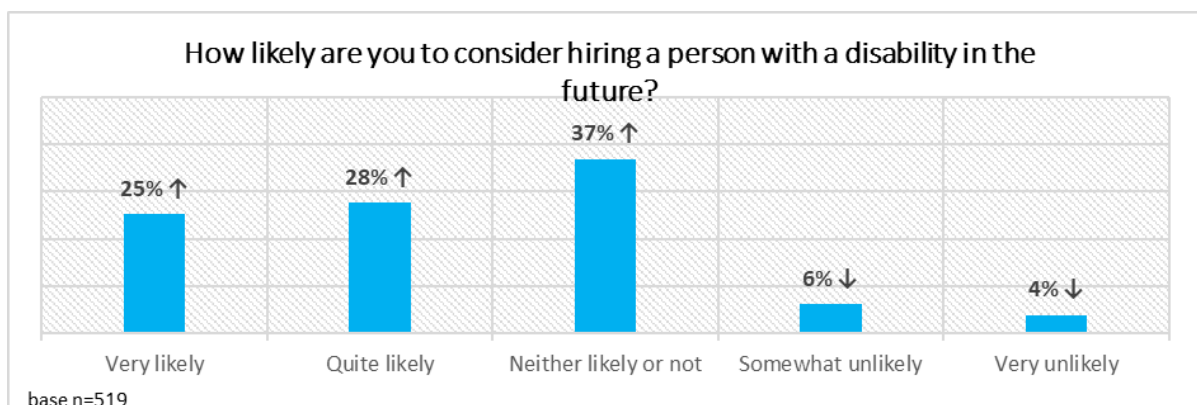
- Mood changes / lack of productivity (4 comments)
- A negative attitude to work (4 comments)
- Difficult to communicate with and take instructions (3 comments)
- Unexplained absences (2 comments)
- Made it hard for others/ level of supervision required (1 comment)
- Risks involved with performance managing (1 comment).

"I find people with disabilities work hard, very conscientious and are willing to learn and adapt".

"All my team work hard and enjoy their jobs, I have around 20 team that are disabled, if you walk into the store you would never know as they are working in the area that suits their need".

Majority of SMEs are open to employing a person with a disability

53% of SME business owners stated that they would be likely to consider hiring a person with a disability in the future (25% very likely and 28% quite likely), indicating an open-ness amongst business owners to consider this employment option for their business.



Likelihood to consider employing a person with a disability increases with experience and exposure of people with a disability and larger businesses with more resources:

Amongst SME business owners who have had experience currently employing a person with a disability, this cohort of employers were significantly more likely to consider hiring another person with a disability in the future.

- 87% of SME business owners who currently employ a person with a disability would be likely employ again in the future (58% 'Very Likely').
- These results indicate there is an opportunity to encourage current businesses who have experienced value from employing a person with a disability to be industry 'advocates' to feature through case studies in order to help educate other business owners and to champion industry change. This cohort is also the segment who are most likely to employ a person with disability in the future.

Q6 - How likely are you to consider hiring a person with a disability in the future?

Column %	Have you employed a person with disability?		
	Yes currently	Yes previously	No
Very likely	58% ↑	19%	9% ↓
Quite likely	29%	46% ↑	20% ↓
Neither likely or not	13% ↓	28% ↓	55% ↑
Somewhat unlikely	1% ↓	4%	10% ↑
Very unlikely	0% ↓	3%	7% ↑
Column n	150	108	261

In contrast, business owners who have not had the experience employing a person with a disability are significantly less likely to employ a person in the future (only 9% very likely). These results indicate that there is a need to change mindsets and educate those business owners with limited experiences and exposure to persons with a disability.

The likelihood to employ a person with a disability increases according to the number of employees, where amongst businesses with 1-4 employees 45% indicated they would be likely to consider compared to 58% of larger businesses with 20-49 employees.

Column %	Number of employees			
	1 to 4	5 to 9	10 to 19	20 to 49
Total Likely (Very + Quite Likely)	45%	49%	55%	58%
Column n	130	116	141	88

"If you can find the right person, you can make an adjustment. I can't imagine a small business who wouldn't do that".

"The issue is people should be employed on their merit, not about trying to do the right thing, people in small business don't have the luxury to employ someone because they feel good about it, it needs to be about productivity. You should put the disability to the side and look at the skill set, if it's what you're looking for then there should be a really easy process as to what does that mean for mods, access and equipment, and not to be overwhelmed by the next phase".

"I think if you've had exposure to people or children with these issues you become very aware of how you may connect and work with people with disability. But in the real world a lot of people don't have that connection with people who have these challenges. Unless you've had exposure to them in your private or work life, as an employer there would be some reluctance".

"I'm reasonably open to employing a person with a disability, it would depend on the disability"

"We have employed several employees with disabilities. They have been well suited to their particular roles and have needed minimal adjustments to their work and workplace".

"We are open to employing people with disabilities as we find that they are committed and give 100% all the time. They can be relied on".

"We are very open to employing people with disabilities. We have a number of tasks that are very manually intensive and would need considerable reworking to be able to be completed safely by a person with a disability, but there are a lot of production tasks that are able to be safely completed without any or minimal modification. We are currently working on a disability inclusion plan to identify roles that are suitable, our business is in a phase of rapid growth and we see this as an opportunity to make disability inclusion something that is inherent in what we do, not just an afterthought".

"We are open to employing people with disabilities, we currently have one employee who we recently employed in our business who has the necessary skills, experience, talent they are very motivated and are working quite well in the business".

Mainstream media is creating greater awareness and acceptance of people with disability

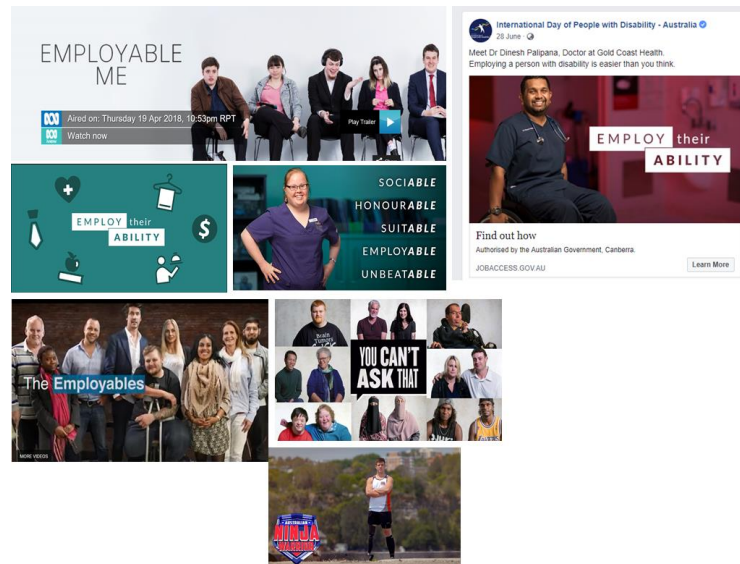
There has been an increased awareness of mainstream TV shows which feature people with disability which has increased exposure and acceptance amongst small business owners.

TV shows including 'Employable Me', 'The Employables' and 'You Can't Ask That' were mentioned spontaneously in the focus group creating a positive shift of sentiment towards acceptance and 'normalizing' disability.

There is a positive impact for small business owners, seeing other businesses whether they are large or small are employing people with a disability, and this has opened the opportunity up to people.

Seeing people with disability achieving success on an equal playing field, through these TV shows as well as during media coverage of events like the Commonwealth Games which placed athletes of all abilities competing at the same games on primetime TV, and popular TV shows like Survivor and Ninja

Warrior. These shows are opening up business owner's eyes to the skills that people with a disability can offer to organisations, and what's involved. There was support for communicating disability as the 'norm' rather than the focus, which is helping to change perceptions and attitudes, although it is recognised there is still a long way to go.



"Recently watching that show on the ABC 'employable me' it's a huge eye opener that there's a process and an avenue for people to be bought in, and they can focus on their skills rather than what they can't do. That TV show is a big eye opener and now a lot of organizations can connect with that"

"I listen to triple J they have a blind radio presenter who does the news, and there's another fellow in a wheel chair, an Olympian, it just needs to be more shown more and have a positive spin to it".

"Survivor had an amputee on it as well".

"They should ride off the back of the TV series Employable Me and go hard with it, send you a kit and an ad campaign ad pack that goes out to all small business".

"Community perceptions and attitudes are changing as people are becoming more accepting and accommodating and become aware of support services that are available to support employing people with a disability. These ads are getting the messages across to people in the community that there are benefits in it".

"I have seen a few commercials on TV. I do feel that community perceptions and attitudes should be changing because it is 'out there' now and people are more aware and helpfully should have a better understanding about the subject".

"It all helps, it shows them in a positive light contributing not only for themselves but for the community".

Small business owners value diverse workplaces and inclusive recruitment which is driving acceptance

The research identified a positive attitude amongst SMEs to embrace inclusive recruitment and diversity in the workplace. It was seen as the right thing to do for the business, to reflect the community and for staff to embrace diversity. A desire to be seen as an inclusive employer creates a positive public perception, and those that have embraced diversity were proud to talk about it.

There were a range of benefits that diversity in the workplace delivers for small and medium business:

- Everybody brings strengths and something different to the workplace
- Better reflection of your customer and clients
- Representative of the community and industry
- Creates happy workplaces which are interesting to work in
- Brings different perspectives to the business

Employers feel there is a need to be more accommodating and flexible to allow for different workers with different needs, whether that is a mum with kids who needs to leave early for school pickup, or younger employees who are seeking more flexible working hours. Employers are looking for productivity in employees and are seeking efficient workers who have the suitable skills.

This presents an opportunity to leverage this shifting mindset to embracing inclusive workplaces, where disability employment is a part of the diversity mix. An opportunity to reflect this attitude through job advertising with a 'trust mark' or brand (like a 'healthy heart tick') to communicate to job seekers that the employer supports diversity in the workplace.

Amongst SMEs surveyed there was a desire to be transparent about the candidate's strengths and limitations, in order for the employer to have a good understanding of the candidates' skill set and where supports are required. This was seen to be of value across all prospective candidates, as there is recognition that all candidates come with skills, strengths and some limitations in their abilities.

"Disability is a sub-set of diversity – we need to ensure everyone is encouraging and accepting of diversity. Focus on inclusion on diversity, rather than disability. Consider it like a range of spectrum rather than pigeonholing".

"We need to support our communities, different nationalities, age groups and people with disabilities, you don't want a homogenized white, male 30-50 year old workplace, and it would be a pretty boring place. Whereas if you have a mixture of all the people who are also your clients, it's a good thing the whole way".

"There's so many benefits of diversity in the workplace. For me we are happy to have people with different needs, all of our people are like that, and we just need to understand about it".

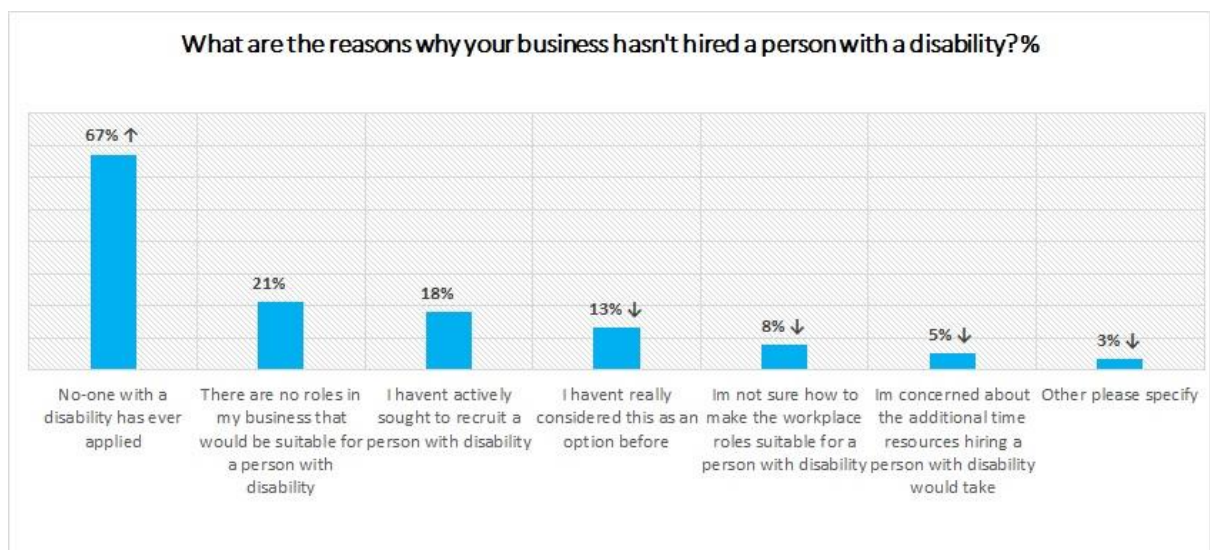
"A lot of people have 'stuff' even if they're not classified as disabled, that impacts their ability to be confident, a lot of people have stuff and need to figure things out".

"We're not looking for workers for 9-5, we're looking at productivity, what they can do to get the job done. I'd rather have a person that works less hours in the office, but is keen to get the job done".

"I don't think we're there yet as a society, we need to create change in workplaces to be more flexible for all different people, whether you're a mum who needs to finish early to pick kids up or have a mental disability and has hours to suit, it depends on the individual and what they contribute to the business".

'Lack of applications' the main reason why SMEs haven't employed a person with disability

- Amongst SMEs that haven't employed a person with a disability, the primary reason (67%) is that they have never had a person with disability apply for advertised positions. This may indicate a gap between the job ad being placed, and candidates with the right skills set applying. Or it may be a perception from candidates that they are unlikely to be considered. Both options require active interventions to reduce the gap.
- 21% of SMEs stated that there are no roles in their business that would be suitable, which is the second highest barrier to receiving applicants from a person with disability. This barrier may be addressed through further information and education around the skill sets and benefits that different candidate's offer, and the ability to match skills to the job requirements, whether or not additional modifications may be required.
- 18% of SMEs stated that they haven't actively sought to recruit a person with disability as the reason and 13% hadn't considered this an option before.



There was a desire expressed amongst SMEs for candidates with a disability or a representative of the candidate to contact the business to apply for the role if their skills are a good fit for the advertised position. The reasons why SMEs haven't employed a person with a disability was relatively consistent according to the size of the business, however 73% of business with 20-49 employers stated the reason that 'no one with a disability has ever applied' and only 7% stated that there are no roles in their business which would be suitable. These results indicate a need to bridge the gap between small and medium business employers and candidates, and an opportunity to clearly communicate that the business is open to receiving candidates from diverse backgrounds including people with a disability.

Column %	Number of employees			
	1 to 4	5 to 9	10 to 19	20 to 49
No-one with a disability has ever applied	58%	75%	68%	73%
There are no roles in my business that would be suitable for a person with disability	26%	19%	25%	7%
I haven't actively sought to recruit a person with disability	15%	21%	19%	17%
I haven't really considered this as an option before	15%	12%	12%	10%
I'm not sure how to make the workplace roles suitable for a person with disability	6%	9%	11%	3%
I'm concerned about the additional time resources hiring a person with disability would take	3%	4%	9%	7%
Other please specify	8%	0%	0%	3%
Column n	78	57	57	30

"We just don't get applicants coming forward, I don't think we put anything out that's a blockage but we haven't had an instance where we've had an applicant with a disability. Would be interested to know from the other side - why?"

"We have never received any applicant with a disability. Maybe it would be a good idea for our associations (MBAV) to have something in place to connect us to the right type of person with certain disabilities".

"We work with a lot of people with disabilities in the arts, we openly attract people to visit our exhibitions, we train our staff to work with people with different languages, we're very accepting of people with disability in our business, but we just haven't had anyone apply".

"We advertise publically through social media, seek, depending on what kind of job, recruitment sites, the usual online mediums, take applications then go from there. We don't have anything specific on our job ads that make you think it is or isn't for people with a disability, we keep it open to everyone, if people turn up we deal with it at the time, but we haven't come across anyone".

"If I'm employing someone I'm not actively going to seek out a person with disability, I'll put the job out there and hope that attracts people from diverse backgrounds, whether they are old, young, different, as long as they have the skills. I wouldn't proactively look for someone with a disability, I want people to be comfortable to apply for the job, if they have the skills to match the job".

"Employers could look more at what the employee can offer instead of what they have done in the past. Other things like requiring recent work references can be a barrier".

"I've never employed a person with a disability. It's not that I've not wanted to, it's just never come up".

Current recruitment approach for SMEs is primarily word of mouth, social media and traditional channels

‘Word of mouth’ is used by most SME business owners as the first method of recruitment, followed by seeking referrals from current staff and industry contacts. Most look within their existing networks for referrals as the first step, and if this is not successful then they will broaden the recruitment search to paid channels.

- Word of mouth is used as there is a desire to create close knit work environments where people get along well, are familiar and can work closely as a team. There is a feeling by some that by recruiting within your network, you will create better work harmony amongst staff.
- It’s considered more cost effective to recruit through your personal and business networks, saving on advertising costs.
- The recruitment process is often more informal, and may start with conversations between staff and people in their network, as the majority do not have a dedicated HR department
- Some expressed that advertising a role online (such as through Seek) can lead to an overwhelming number of applications and many not suitable for the role. Job seekers on Centrelink benefits are required to apply for a minimum number of jobs in order to receive government supports, which is causing some employers to avoid using these mainstream advertising channels or use as a secondary recruitment source.
- Social media is an extension of word of mouth, and many were promoting their available job roles through Facebook groups, Linked-In network and to their online personal contacts in groups.

Seek and other recruitment websites are more often used to recruit for specific roles or higher-level roles that require certain skill sets. The purpose of advertising the role publicly is to attract a wider pool of applicants than through their personal/local networks.

Recruitment agencies were engaged for higher level roles which required specific skills sets or hard to find skills. A higher cost is involved with recruiters, so many would first seek to fill the role through word of mouth, social and online channels before engaging a recruiter.

Apprenticeship recruitment agencies were talked about most positively in terms of their service and customer experience. They provide a key contact person for the business to liaise with, they understand the business requirements and would send suitable candidates to the business and also deal with the paperwork which makes it an easier and more reliable experience for business owners. A ‘good’ recruitment agency understands your business, does the paperwork for you, makes it easy to deal with, has one contact point who is reliable and ongoing and provides good fit candidates.

There were mixed experiences when dealing with government agencies and disability employment agencies.

- High turnover of agency staff was commonly mentioned, which is challenging as the agency lacks consistency dealing with the business and lack of knowledge about the business requirements
- Lack of selection when sending CVs through – many felt they were receiving CVs indiscriminately, with many that don’t match the job skills required

- A feeling that agencies received incentives or commissions and were under high pressure to send candidates, despite them not being a good fit
- Hard to deal with for a small business lacking HR resources - it's seen as a long process, with extensive paperwork and not easy for the employer to navigate the website
- The consultant can often be a barrier to the candidate applying for the role, with a feeling that the consultant may be limiting the opportunity.

"For an employer, applying for the employment assistance fund or the supported wage system is a nightmare. The website for these programs is the most difficult and user unfriendly site I have ever tried to navigate and now the system. I defy any employer to be able to submit an application without assistance".

SME business owners are time poor and look for recruitment agencies who can make the process easier for them, by saving them time and finding the right match candidates that will fit the role and the company. The business owner is most often involved in the recruitment process and interviewing, along with a manager or staff member who is involved in the job role. There was a clear lack of HR personnel and HR processes involved in the recruitment process for small business, in distinct contrast with larger businesses/workplaces.

The most important criteria for SMEs when recruiting for a new role is to find the best candidate based on merit who has the skills required that fit the job description and requirements. The second criteria mentioned was attitude—they are looking for a candidate who has a positive attitude to work, is enthusiastic and passionate about work.

"one of the biggest things we're doing is hiring for attitudes first. We have normal body people and it just churns. If people have the right attitude we might need to tailor the office, but everyone would rather have someone who is loyal, stable and loving their work".

"The most important thing is to find the right fit".

"Hiring staff is normally done by my husband and normally we recruit staff through word of mouth in the industry and approach staff through Linked In and through work seminars. For admin staff we advertise online in places like Seek. However, our last 3 new employees have been people we know".

"The best recruitment agencies are the ones who know your business, they know what you do and what you need. You'd be better off to flip it on its ear, and go to the recruiters in the industry and let them say 'we have this person who could fit into your business, they could help identify people who are a good fit for your business".

"Going through government channels isn't practical, we don't have the time to deal with that".

"The employee assistance fund is about three pages application to fill out, I had the agency do it all for me, and all I had to do was sign the form, if you had to do it yourself you wouldn't do it".

"I've worked for some of these agencies in the past, from day dot when doing the training the consultant is the candidates' biggest barrier, they need to convince the consultant that they're suitable for the job".

"I'm of the opinion with recruitment, that the skills can always be taught, but it's the candidates work attitude, application or approach to customer service that I value higher. So attitude would be a higher consideration".

"To be honest we aren't aware of any place or organisations that can assist with people with disabilities who are looking for work. In saying that the industry should be made more aware clearly of such options with either media, mail outs or information".

Barriers getting in the way of the recruitment process for people with a disability

There were a number of barriers which were holding SME employers back from hiring a person with a disability. These involved concerns about the perceived legal risk to the business, concerns over workplace modifications and complexities involved in applying for wage subsidies and the additional compliance and regulatory requirements.

1. Concerns about legal and ethical risks to the employer

- 64% of SMEs agreed that they were unclear what happens if the candidate isn't a good fit and doesn't work out. There were concerns raised over the risks to the business in relation to unfair dismissal claims, or discriminatory implications the business may face if the candidate doesn't work out. This was a concern raised by SMEs in relation to all staff, leading to a hesitation to employ new staff members as it's difficult for a business to cease their employment if it isn't suitable. When it comes to people with a disability, this concern was raised in terms of the legal aspect as well as ethically, including how the business owner would feel if they had to let go an employee with a disability and the public perception of this.
- 63% agreed that they are concerned about legal responsibilities in terms of duty of care, risk management, discrimination laws and occupational health and safety. Disclosure was a concern raised by employers in that the disability may be 'hidden' during the interview process, but the employee may have limitations on the job once employed. For an employer, they stated they would want to know what the individual's limitations or restrictions are, in order to identify supports and adjustments required to the workplace. There was a preference for disclosure at some stage of recruitment, after the candidate has been selected through potentially a pre-screening skills audit--this would help the business understand their duty of care and any additional occupational health and safety requirements needed.
- The concern of risks raised by small business employers is real in relation to disability discrimination law, the latest 2015 ABS survey identified that 1 in 12 Australians with a disability (8.6%) reported experiencing discrimination or unfair treatment because of their disability in the past 12 months. This evidence further indicates the need to help educate employers about disability discrimination laws, how to deal with them in the workplace and ways to reduce risk to the business.
- 60% agreed it's difficult to interpret the relevant laws and obligations for employers in relation to employing a person with disability, indicating a need for simple, clear advice.
- There was support amongst SME business owners to consider '6-month contract' roles or 'risk free trials' for employers to evaluate if the candidate is a good fit and reduce the perceived risk to the

business. This should be accompanied by simple, easy to understand information about the laws and obligations for employers.

"We don't know what to say in a job ad to not be discriminatory".

"It's the compliance cost I worry about, the issue in the back of your mind is if you hire someone with a disability what is the added cost of hiring that person, like will work cover increase? I think there are questions you need to know".

"Legal responsibilities is a huge issue. We want to make sure our workers are safe and are in a safe environment".

"You need to give employers confidence to ask questions, you feel too uncomfortable asking questions and you don't want the person to feel uncomfortable either, and you don't want to get sued".

2. Time and complexities involved in applying for funding for job/workplace modifications or wage subsidies

- 64% of small business owners agreed that the time and complexities involved in applying for funding is a barrier to employing a person with disability. SMEs are under pressure working on their business and working in their business. The thought of the paperwork, forms and process involved in applying for funding is a key barrier and many don't think it would be worth the effort required.
- 61% of business owners are concerned about the additional compliance and regularly requirements.
- However, if the business finds the right candidate based on skills and merit, then the process of applying for government funding is seen as a benefit, and the funding is a 'bonus'—however it isn't the key reason to employ the candidate
- Most business owners stated that they would be happy to go through required paperwork if the candidate is the right fit and has the required skills. Finding the right candidate is the first step, applying for funding is the secondary.
- Most would want external support and assistance to simplify the application process – a preference to deal with an agency which works in a similar way to the Apprentice trainee system with a key contact point.

"You would think you don't have the budget or time for that, but you don't know that there are supports valuable"

"For a lot of small business, government paperwork is daunting"

"For most small business owners, regulatory paperwork and administrative obligations are key factors of time burdens. Allot of us are HR managers, sales people, site managers, employees, accountants etc, so any admin that could be perceived as adding to our already overloaded workload is definitely a barrier"

3. Different disabilities pose different challenges, and many are unsure how to deal with this

- Many business owners were not clear what the definition of 'disability' is and whether a mental illness is even classified as a disability. There was limited knowledge and familiarisation with different types of disabilities. The most common association is with Down Syndrome and Autism which were mentioned most often in the focus groups and forum.
- 58% agreed that there are many types of different disabilities, and each pose different challenges and limitations and different strengths, however most are not sure how to deal with this and lack knowledge in this area.
- If the disability doesn't impact the person's ability to do the job, for many it's not considered a barrier or even referred to as a 'disabled person'. This was discussed in relation to amputees or physical disfigurement which may not impact the individual's ability in the role.
- There is a need to understand the degree that the disability will impact or affect the individual's ability to do the job. Most stated it is complex to understand, and there's a need for a simple classification system for employees which would help employers identify if the role is a good fit: for example, Mild, Moderate or Severe restriction to classify the ability and supports required.
- Different disabilities were recognised as offering different strengths and weaknesses, like all individuals. This presents an opportunity to deliver messages relating to job fit and skills for different types of candidates. During one focus group a business owner discussed a candidate they were interviewing who had autism, who has a high attention to detail for repetitive tasks, which is seen as a strength and benefit for certain jobs – the understanding of this helped other business owners discuss and identify potential jobs for people with certain disability types for their own business.
- There is a need for education, simplification in language, and articulation of skills and strengths and limitations which will make it easier for small business owners to consider employing a person with a disability.
- "It's worth finding out what kind of impairment the person has, if they're in a wheel chair they would have no problem doing an office job, or on the phone, there's so many impairments that wouldn't affect the role"

"If they have a mild disability they can probably do most jobs, they might be suitable for certain roles".

"If there was a rating scale of disability, so as an employer you could work out if they are capable of the role, like is it a mild disability or a category 1,2 or 3".

"The fact that I didn't even know if mental disability is known as a disability, if we don't know what we're talking about then we won't venture there".

4. The word 'disability' is a label with negative connotations

- Many small business owners felt that labelling all people with work restrictions as 'disabled' creates a blanket negative stigma of 'inability' to do the job. 'dis' is seen as a negative term: it's associated with a 'dis' advantage, a 'dis'like, a 'dis' belief, to 'dis' obey
- For many the word 'disability' is very broad, and general which creates a negative barrier and awkwardness to talk about.
- Many dislike using 'generalisations' or 'labelling' people, it's seen to be uneducated and discriminatory.
- There was a preference to use more specific language as to what the restriction or limitation of the individual is, which makes it easier to understand what supports are required, and whether the limitation will impact the job required. Participants in the focus groups were more comfortable talking about 'hearing impairments' or 'physical restrictions' and this made it easier to understand what limitations the candidate would have, and what workplace adjustments would be required.
- There is a desire by small business owners to use the appropriate language, in order to not offend people with a disability—some questioned what people with disability would prefer, which may be a topic for further exploration.
- Overwhelmingly there was an acknowledgement that all candidates come with strengths and limitations, that there is an opportunity to use more transparent language about the impairment or limitation of the candidate, and clearly articulate the strengths and skills.

"Impaired, like visually impaired, is a more appropriate word, disability has a negative connotation".

"Disability that's pretty broad".

"You can't really understand someone's disability until you talk to them, or work with them. Unfortunately, we already think there is a barrier there, but once you meet them you see they can do a lot of things, but you don't know until you find out".

"You need to know what the disability is, we have a visually impaired staff member she has a guide dog, I don't see her as having a disability, there are things we need to modify around the workplace, but it doesn't impact her ability to do the job".

"I think the word disability brings up negative feelings and emotions for me, whether they are justified or not, it creates automatic bias as we're segregating people, we're all imperfect people we're not good at everything. It's a stigma, not necessarily justifiable".

5. A lack of information and advice about how to hire a person with a disability

- 58% agreed there is a lack of accessible information and advice about hiring a person with a disability and 56% were unclear what the expectations are for the employer when employing a person with a disability. Many were not sure where to start and wouldn't expect to go through a specialist disability employment service as a separate step to their usual recruitment approach.

- There was a preference amongst SME business owners to be contacted directly by a consultant in response to a job ad they have posted and provided with relevant job-fit and job-ready applicants. The preference is also for the employment agency to handle any paperwork associated with the application process for any 'incentive funding', rather than this being passed onto the business owner.
- There was acknowledgement that there may be a need for a support person or a disability expert to represent or attend along with the candidate during the interview process, depending on the level of disability.
- Employers are seeking relevant information when there is a need for the information, during the recruitment process. However most stated that they don't want to be randomly inundated with information—it needs to be the right information delivered at the right time. In addition, it is critical that this information is industry specific, not just generic in nature.
- Simply having a website containing this information is not seen as effective, as many employers would be unlikely to visit the website unprompted. However, if it is provided at the time of need from a trusted source, it would be highly valued and useful.
- An opportunity exists to communicate the information and advice to employers at the relevant point of time, during the recruitment process when the job role is advertised or through relevant industry associations or business councils.

"More information would be helpful, however not as an information dump, like here's a website, rather in the same way we give customers the information they need at the right tie, at the point of sale, when I'm looking at employing a person with Aspergers, that's when I need to know about Aspergers".

"There needs to be stronger advice, information and awareness on hiring people with disabilities. The process would benefit from being streamlined and well trained in the process".

- Concern over workplace adjustments that might be required, the cost & time involved.
- 56% of small business agree that workplace adjustments that might be needed are a barrier to the recruitment of a person with disability. There were concerns over the time and budget that is required to make these workplace adjustments, and many were not aware of government funding that is available.
- Amongst SME businesses who had used the government funding for workplace adjustments, there was frustration that the business has to outlay the money upfront, and then receive the funding after the modification is made, as this impacts on the business cash flow.
- Overall though, 44% of SMEs disagreed that this is a barrier, and would be open to making workplace modifications especially if funding was available to assist with the cost.
- It was noted that in many businesses, adjustments are currently being made to accommodate other staff members, such as stand-up desks for sore backs, flexible working hours, working from home, etc. Making adjustments is seen as an acceptable trade-off for finding the right candidate with suitable skills and is an investment many workplaces are willing to make for a good staff member.
- If financial supports are available, employers want to be made aware of funding and this would overcome the barrier for most. Most would expect the agency or a candidate to advise the

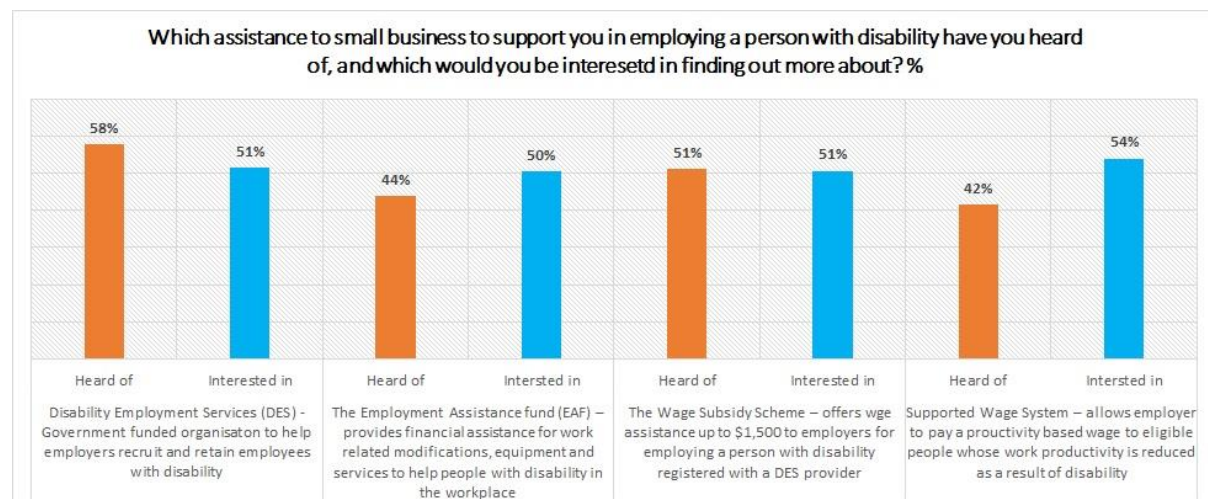
employer directly of the funding supports available, during the recruitment process, again with a preference for relevant information at the right time.

“Another barrier is job access, if person needs workplace mods, you have to pay upfront for the equipment, the person we have needed \$5K of equipment, we had to pay for that upfront then you get reimbursed, it’s hard with cash flow of a small business”.

Awareness and interest in government assistance programs

Around half of SMEs had heard about the various government support programs that are available. The highest awareness was for the DES (58% have heard of) and the lowest awareness was for the Supported Wage System (42% heard of).

The highest interest by business owners is for the Supported Wage Assistance System which allows business to pay a productivity-based wage. With 44% of business owners stating that a concern about productivity is an issue holding them back from employing a person with disability, greater promotion of this initiative would help address this barrier.



There was limited experience amongst SMEs spoken to who had applied for these assistance programs, despite close to half of all SMEs saying they were aware to some degree of these programs, indicating a need to drive further awareness and engagement with these programs. Amongst those with experience using the DES website, there were some frustrations expressed:

- The website is seen to be difficult to use/not user friendly
- Hard to navigate
- Hard to find information that is specific to what you’re looking for
- General information, and lacks industry specific detail required
- Application process is complex and long

Considering the majority of SMEs do not have HR resources internally, they are navigating these programs with limited knowledge and experience of HR processes which larger organisations would have. Most SME business owners expressed that they would be unlikely to actively visit a DES website, as they lack the time and motivation to seek these services out, as they are using mainstream recruitment approaches. There is a need to intercept and educate business owners throughout their

usual recruitment approach, rather than expect them to visit a disability specific website (i.e. focus on changing their attitudes/knowledge, rather than changing their behaviour).

The \$1500 incentive was not seen to be of high value to SME employers through the Wage Subsidy Scheme, as it is seen to be too low to make it worthwhile. The Supported Wage System was of higher interest amongst participants, however there would need to be an easier process to encourage their engagement.

For the majority of SME business owners, the subsidy is considered a secondary benefit: the primary motivation is to find the right candidate with suitable skills. The key focus for the disability recruitment consultant is to focus on job fit and skill matching to help the business find a suitable candidate. The financial incentive is valued, but only if there is a good job fit first.

52% of SMEs believe there is a higher level of compliance required when hiring a person with a disability

- Over half (52%) of SMEs perceive that the level of compliance and regulatory requirements is higher when employing a person with a disability, including 14% believing it is 'much higher'. Results were relatively consistent across business size.
- There is a 'fear of the unknown' amongst business owners, and a perception that when dealing with a government program for funding that the level of compliance, paperwork and forms would be higher than when employing a person without a disability. This perception creates a barrier to hiring a person with a disability, and a concern about engaging funding programs through a government run agency.



Perceived level of compliance when employing a person with disability is consistent according to the number of employees.

Column %	Number of employees			
	1 to 4	5 to 9	10 to 19	20 to 49
Much higher	16%	11%	15%	9%
Somewhat higher	36%	34%	45%	39%
About the same	26%	35%	26%	39%
Somewhat lower	2%	1%	1%	0%

	Number of employees			
Much lower	0%	0%	1%	0%
Not sure	20%	18%	13%	14%
Column n	130	116	141	88

'The public service needs to be more competent. Less repetitive forms to fill in. Medical representatives show less apathy in their understanding of running a small business. Maybe have a consultant call you. Having rights as an employer if the employment is not working out....there is a fear of 'unlawful' dismissal when employing someone 'Depending on the person's disability perhaps less compliance and paperwork. Maybe classify people with a disability as into minor, moderate and major and have documentation relevant to the needs of those specific groups'

*'An upfront document stating what the person can and can't do regarding their disabilities'
'It's been fine so far, not too many issues, just takes a little extra time to make sure the workplace is accessible and flexible to everyone's needs, including people with disabilities'*

Changes to reduce red tape and compliance when hiring a person with a disability

Business owners were asked what changes could be made to make it easier for small business owners and manager to reduce the compliance and red tape when hiring a person with a disability.

- 27% would like a more streamlined processes through a dedicated agency with a key liaison contact who can help manage the process and the paperwork
- 16% would like an easier process, which has simple steps to follow
- 9% would like a website with clear information, guidelines and advice to refer to (including a hotline).

Q11 - What changes could be made in order to reduce the compliance and regulatory requirements when hiring a person with disability to make the process easier for your business?	%	n
A streamlined process/Support plan/Dedicated agency like for trainees/Liaison officer deals with paperwork	27% ↑	50
Simpler process/Assistance to employer/Clearer steps/Make it easier	16% ↑	29
Less compliance/Less paperwork/Less requirements	11% ↑	20
Website with clear instructions and guidelines/Better education/Available online/Advice hotline	9% ↑	16
Easier administration of wage subsidies/Easier forms/Easier regulations/Collecting payslips process	9% ↑	16
Change in outlook/Same as able body	6%	12
Contracts/Trials/Pre-training/Pre-Screening	4%	7
More funding for business/Financial support	4%	7
Focus on skills and abilities/Don't focus on disability/Job match	3%	6
Clear compliance requirements/health and safety guidelines	2%	4
Compliance not a concern if positive outcome	2%	4
Reduce risk to employer	2% ↓	3
A lot of changes	1% ↓	2
Classification of disability into Minor/Moderate/Major	1% ↓	2
Different regulation	1% ↓	2
Government body	1% ↓	1
Upfront skills audit	1% ↓	1
NDIS Funding increase	1% ↓	1
Business pack for owners	1% ↓	1
Requires more time	1% ↓	1

Total sample; base n = 185

'Less red tape and unnecessary paperwork, just clearer guidelines and someone available to call for any advice and help'

'Direct approach and paperwork done by the support agency. Many business owners would love to help if the burden of paperwork was less'

'Less red tape and unnecessary paperwork, just clearer guidelines and someone available to call for any advice and help - currently the admin compliance burden makes it unappealing'

Specific compliance 'red-tape' aspects that SMEs mentioned which cause frustrations during the employment process include:

- Collecting pay slips is time consuming – a need for an easier process for income reporting to Centrelink and proof of ongoing employment.
- A need for easier administration of wage subsidies.
- Using government approved suppliers for workplace modifications, so the business doesn't have to pay upfront and impact their cash flow.
- More streamlined and faster way to pay the wage subsidy.
- Have the same EBA's as the regular workforce.
- Reduce the data required to prove ongoing employment.

'My experience in the past was the info was very really complicated and now as a small business owner, without in-house HR support, it would need to be online, videos and easy to follow and integrate with our practices ie XERO, Work cover and policies and procedures that we could just customize'.

'Most people need to report their earnings to Centrelink. Why should providers be required to collect the same evidence ie. Pay slips to provide to the same Department?'.

'Reduce the data required to prove ongoing employment'.

'Maybe a business manager to come in and advise the business and show them where things need to be changed or adapted and help source and fund such things'.

'The right people should come to place of employment and assess workplace environment before going thru all the red tape'.

'A person comes to work with the employer and does this with them. Like signing up a trainee'.

'Clear and easy to understand guidelines and ongoing support including workplace visits'.

'There's a middle man missing, there's a gap between connecting the people and the organisation together and bridging the support you need to provide'.

'It is not important to reduce the requirements. It is important to have this information easily accessible and understood'.

Making assistance programs more attractive for small business requires support and assistance

- There is a need for more awareness of the current funding available to small business, as close to half of all SMEs were not aware there were supports available
- Support and assistance is required in filling out forms and dealing with the government agency, and navigating through the process—a need for HR support services which are resources lacking within small business
- Dealing with an agency which understands your business, can profile candidates' skills to match the job required to achieve a better job fit
- Direct contact from the agency to the small business to better understand the roles in the business, the skills required and to build a direct relationship
- A need for a 'middle man' to bridge the gap between the employer, the funding available and disability support services
- Consider contracts and trials which have a lower level of risk to the employer
- Workplace assessment after the initial interview to profile candidates' strengths, skills and limitations and to assess the workplace for supports or adjustments required for the individual
- Use of clear language in relation to the level of disability and the level of supports needed. 'Disability' is a general term which creates a negative stigma for many.
- For the agency to have a commercial mindset, thinking about the business needs, rather than approaching the business from a 'charity' mindset. The business owner is more likely to accept a

strong business case as to why the candidate has the skills the business needs, rather than an emotional or social message of doing the right thing for the community.

"If they have a mild disability they probably can do most jobs, they might be suitable for certain roles".

"When it comes to red tape, small business isn't educated about the differences in disability—you think everything is going to be hard".

"They might be attractive, we just don't know about it".

"Break it down in simple ways so you don't have to click through a million things to find information".

"Have someone walk you through it, it's the support that's important—help you fill out the forms and show you the support available".

"Small businesses don't have time to research into the disability services recruitment agencies, they should be putting candidates forward for jobs that we have advertised that meet the skills of their candidates".

"I don't think government is doing much to promote this to small business, they're not utilising it, there's no one calling us, there is no one bridging the connection with small business".

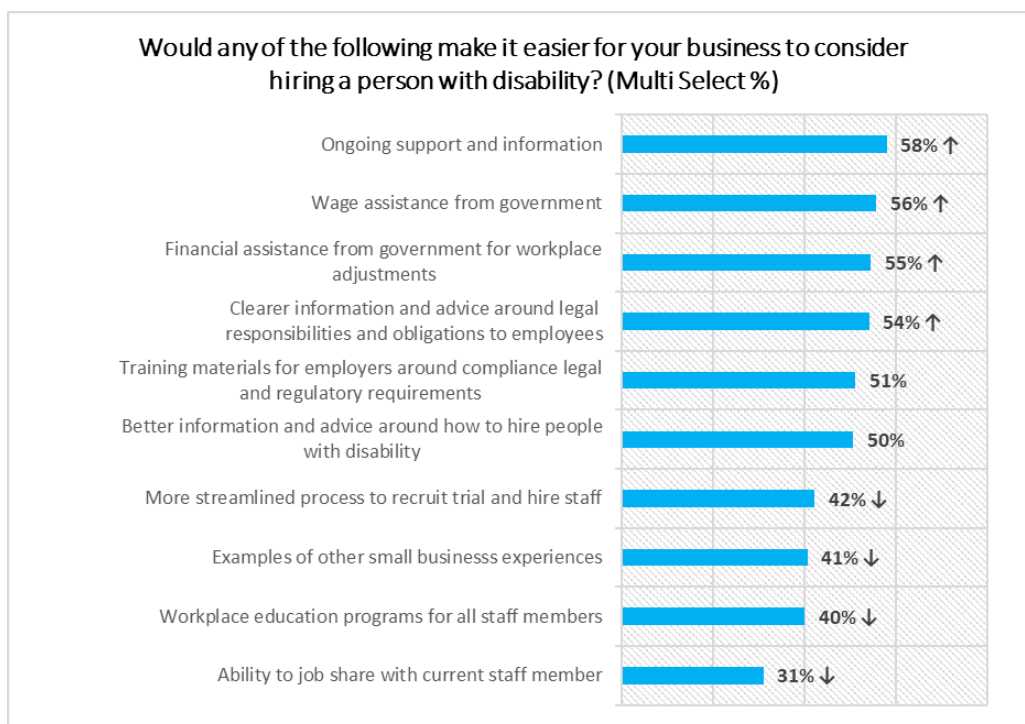
"I'd prefer to go through a recruiter or an agency third party, get them to be accountable and manage the process, and application and funding. They're the ones who can be knowledgeable about it".

"Going through government channels isn't practical, we don't have the time to deal with that".

"If you know that funding is involved, it's always a risk, alarm bells ring, they could pull the plug at any time".

Enablers that would make it easier for small business to consider hiring a person with disability

Small business owners were asked what would make it easier for their business to consider hiring a person with disability. The key enablers that would make it easier is 1) Ongoing support and information, 2) Wage assistance from government, 3) Financial assistance and 4) Clearer information and advice around legal responsibilities. These enablers were further explored in more detail in the focus groups, with actionable initiatives based on these concepts and additional ideas workshopped sourced from the literature review.



- Wage assistance from government holds higher appeal for smaller business sizes. Those with 1-4 employers 63% stated that Wage assistance would make it easier, compared to 47% for business with 20-49 employees.

Column %	Number of employees			
	1 to 4	5 to 9	10 to 19	20 to 49
Ongoing support and information	57%	58%	56%	57%
Wage assistance from government	63%	54%	51%	47%
Financial assistance from government for workplace adjustments	57%	51%	53%	50%
Clearer information and advice around legal responsibilities and obligations to employees	54%	48%	60%	49%
Training materials for employers around compliance legal and regulatory requirements	46%	49%	57%	47%
Better information and advice around how to hire people with disability	55%	45%	49%	50%
More streamlined process to recruit trial and hire staff	42%	38%	45%	39%
Examples of other small business experiences	41%	35%	43%	33%
Workplace education programs for all staff members	33%	33%	43%	45%
Ability to job share with current staff member	34%	25%	28%	33%
Column n	130	116	141	88

'A trial basis would help where the government assists and ensures the workers, the boss and the staff member are all understanding the requirements and a lot of assistance is provided to ensure greater success before petering off with the support once things are running smoothly'.

'Simply need more funds as the ones we have hired on the past are simply not as productive as other staff'.

'Easier process to let them go. It's all about the employee and there needs to be more support for the employer'.

'Ongoing support for person to make sure they understand the job requirements and processes required'.

'Need more government support and funding/incentives'.

'Clearer information on recruiting a person with a disability and how then information on how their disability may hold them back in parts of their role'.

'I wish I had a person I could call to help me understand exactly what I need help with and where to find the information about it - like an information broker or a coach or something'.

"I think the importance of role models in the community is important, maybe amongst more established business, it starts to become more normal seeing someone with a disability in the workplace, and then diverse workplaces start becoming the norm".

Other suggested changes, additional resource or support required by small business

Other suggestions made by business owners which would be useful and encourage consideration for future roles is a better understanding of what's involved throughout the process, further education, support and advice on recruitment.

There was support for a trial basis or a 6-month contract term which reduces the legal risk to the employer, and ongoing assistance through the trial period.

Q9 - Do you have any other suggestions around changes, additional resources or support that would encourage you to consider hiring a person with disability for future roles? (Coded)	%	n
Better understanding of what's involved/ single reference point for Information/Info on recruitment	15% ↑	28
Trial basis/Support and assistance ongoing/Guidance	14% ↑	27
Employer incentives/Business growth funding/Fund additional resources for supervising	11% ↑	21
Reduce legal risks/Risks of discrimination/No risk obligations/Legal information/Safety	9%	16
Employment opportunity consultant/More thorough agency process/Dedicated organisation	7%	14
Better job match/Identify competencies/Job Fit to Skills/Skill screening/Workplace suitability screening	7%	13
Training and help for employers	6%	12
Make it easy	4%	8
Share experiences/Examples/Case Studies	4%	8
Diversity Awareness/ Awareness of inclusive employers/Change mindsets	4%	7
Better access to people with disabilities/Connection portal/Seek/Access hidden job market	3%	6
Other	3%	6
Good as is	3%	5
Depends on suitability for the role	3%	5
Clear benefits to business	2%	4
Support with transition	2%	3
Flexibility of employment	1% ↓	2
Workplace modification information	1% ↓	2

Total sample; base n = 187

“More information or specific website to look for staff who has special needs”

“Clearer information needed”

“Education and a list of what to do and what not to do”

“As much information and support provided to employers the better”

“Perhaps a seminar to help owners understand the logistics and laws behind hiring”

“Disability is a very broad term, hope for more info for different disability employment information”

“Our business employs qualified and licensed tradesmen and also apprentices working towards that goal. There is little or no information on offering apprenticeships to persons with a disability”

“If they could be clear about the disability - for instance a qualified technician in a wheelchair would be difficult to employ as they need to climb ladders and go into roofs etc - however an administration assistant in a wheelchair wouldn't be a problem. Also, clearer info around what you can ask in relation to their disability - for instance will they require additional or short notice leave due to medical appointments—is it a chronic illness, are they likely to be unreliable regarding start times or working fulltime?”

Initiatives with high interest and high impact to encourage SME to consider employing PWD

During the focus groups and online forums, small and medium business owners were presented a range of initiatives that were ideas or programs used previously or examples from other countries based on desktop research conducted. The initiatives were discussed as stimulus to identify the initiatives which had the highest interest and were seen to have impact amongst business owners which would encourage and better enable business owner to consider employing a person with disability in the future.

The top five initiatives which were rated as having the highest impact and highest interest for small business were:

1. Ongoing specialist employee and employer support for small to medium business owners throughout employment, including transition to work supports, work preparation activities and on the job training.
2. Better information and advice around how to hire people with disability and job match to skills and experience
3. Financial assistance from government for workplace adjustments and wage assistance from government
4. Clearer information and advice around legal responsibilities and obligations to employees
5. Case Studies, videos and examples from other small business experiences.

1. Ongoing specialist employee and employer support for small to medium business owners throughout employment, including transition to work supports, work preparation activities and on the job training

- Small business owners are seeking a 'middle man' agency that can bridge the gap between their business, the candidate and specialist disability advice. Ongoing supports are important as they provide assurance to the employer, that they will be supported in the workplace and not 'left in the dark'.
- Having a good account manager or case manager is important, and many would value help with filling out paperwork, applying for funding, advice on workplace adjustments needed and supports in the workplace. There is a desire for this account manager to build an understanding of the employers' business and be flexible in the way they work to meet the business needs.
- Knowledge of disability supports that relate to the specific limitation of the candidate is necessary to provide advice on how to manage workplace situations which is in line with OH&S regulations and legal obligations of the employer.
- An opportunity to create a **specialist agency to represent people with disability who have mild limitations, which is the largest cohort of people with disability who need no help and have no difficulty but use aides or have limitations**. The agency would need to clearly communicate the candidate's skills to meet the job requirements and identify the limitations the candidate has the adjustments or supports needed.

"I'd argue that's high for ongoing support, it needs to be a specialist support service".

"You need a really good account manager who could look after all the paperwork, they know the 6 steps, they know your business, it's no different, and they need to sell".

"This would ensure employers that they are supported and not left in the dark once they hire someone".

"Ongoing support is of the upmost importance due to constant changes in the way companies run and develop".

"If I don't want ongoing support, if I'm happy, if they had to do 6 touchpoints a year that would annoy me, it needs to be flexible".

2. Better information and advice around how to hire people with disability and job match to skills and experience

- Information and advice are an important aspect to educate employers about the why, the how, they when and what in relation to hiring people with a disability which will build employer confidence and overcome the barrier of lack of knowledge.
- Job fit and matching skills and experience to a required position is of high importance to employers, and the primary consideration to employ a candidate with a disability.
- Many stated that they don't just want another website, as they would be unlikely to visit this source actively unless it was relevant and delivered in a timely manner when they have the need for information. Targeted information delivered at the right time, which is relevant to the employer will be more valued.

- A need for clearer language and education around the different types of disabilities, and an easy way to classify limitations of the candidate is important for businesses to understand the supports required. Consider using the language and definitions used by the ABS for classification; Mild Limitation, Moderate Limitation, Severe Limitation and Profound Limitation

"Tell us what each disability is and what it means, and what limitations and strengths they have that fit different jobs".

"Make it more like youth employment services, a personalised advisor that understands your business, I'm less likely to visit a website, I want a more personalized service".

"It's too hard to visit a website to find the information".

"The only thing for me, is it needs to be delivered in a timely way, at the right time when you need it".

"Someone could say let's just do another website, that's not what we need".

"Employers need to be informed on how to employ people with disabilities so that they are more aware".

"Information is vital- it needs to be the first step in all of this. What is it? How does it work? How can we qualify? What can the government do for us?"

"There needs to be stronger advice, information and awareness on hiring people with disabilities. The process would benefit from being streamlined and well trained in the process".

3. Financial assistance from government for workplace adjustments and wage assistance

- Small business owners and managers are budget conscious, have tight margins and the cost of hiring staff is a factor influencing employment decisions. Although financial incentives aren't the key reason to employ a person with a disability (the primary reason is driven on merit and skills to meet the job requirements), the financial incentive is a sweetener or a 'bonus' which would influence many to employ a person with disability.
- Some concerns raised with financial assistance schemes which are introduced, then retracted leaving the business without ongoing funding – there is a desire to have a guarantee or assurance the funding covers a certain timeframe.
- The current \$1,500 one off payment is not seen as high value to small business and would not be a strong incentive. There was higher interest in the wage assistance incentive and funding for workplace adjustments, with a preference for upfront payments which are cash flow friendly to the business.

"We're very conscious of our budgets, so if it's going to cost us more to have someone with a disability, when you've got someone else who can do the job, then you're probably going to go with the other person, as it's a budget thing"

"The more assistance, in resources, \$\$ and compliance I can get, the better!"

"A lot of people are wary about these wage assistance funding schemes, they're here today and gone tomorrow. It needs to be a government guaranteed and over time, not just a \$1,500 hit"

"If a new government comes in it could come and go, we wouldn't even consider it, and the funding needs to be secured"

"Financial assistance is good, needs to be ongoing"

"If someone isn't capable of doing 100% of the role, then you can't afford to pay them 100%, there needs to be some sort of offset, whether it's payroll, work cover or something to help small business"

"The benefit is not just financial, the benefit is more for the persons, and so financial assistance is needed. No small business is a charity"

"I need more help in my business as we are rapidly growing, yet I have limited budget to spend. I would be more than happy to employ someone with a disability to do certain jobs if there was assistance through their employment."

4. Clearer information and advice around legal responsibilities and obligations to employees

- Clearer information and advice around compliance and legal responsibilities when employing a person with a disability is of high importance, as many are concerned about legal implications which is a barrier to considering employment.
- The information is more effective to be targeted to their industry and business, which increases relevance and ability to action the information. A need for the information to be clear and transparent around the legal risks and implications. It's important information which will influence whether the employer is open to considering employing a person with a disability, however it isn't the primary driver of the decision to employ a person with disability, this will come down to job fit and skills required.
- Concerns about implications to the employer if the candidate doesn't work out in relation to unfair dismissal claims, this is an important area to clarify with employers. There is a desire to have contract roles, or a risk-free extended trial period which reduces the legal risk to the employer.

"I don't want to actively go and find that information, but if it's presented to me and managed on my behalf I'd be happy to make a decision on it".

"Some legal responsibilities are important you'd worry what happens if something happens at work, you need to know".

"If it doesn't work out, do you have to pay them out? It's really hard to terminate someone even for regular employees, and when you do it's usually straight to fair work".

"I would assume it's the same legal across the board, it would be good to know if it's different in terms of discrimination and stuff like that".

"I would have more fear of the social ramifications, rather than the legal ones, you can be quickly vilified on social media and be attacked, and that would be a far higher risk. Then the safe option is not to go down that path in the first place"

"Effective, clear and transparent information is crucial, particularly around legalities and responsibilities when dealing with people with disabilities".

“Anything around legal obligations and financial assistance, as these are all topics that would be at the top of a small business employers mind”.

“It should cover all bases in terms of governance, compliance and legal responsibilities. These tools would provide small business with the knowledge and support functions to be better equipped to employ people with disabilities”

5. Case Studies, videos and examples from other small business experiences

- Seeing examples from other small and larger businesses is of value and seen to be motivating, to understand how other business are making it work, the process they have gone through and how they have overcome any obstacles. It creates a sense that if others can make it work, we can too – creates a positive ‘can do’ attitude
- Interest in seeing case studies of different types of disabilities, helps to understand the limitation and the strengths as well. An opportunity to use case studies to help demystify disability and focus on skills, strengths and limitations or challenges
- Important to keep case studies real to life, not ‘glamorized’ or a marketing sell. It’s also important to deliver the right message at the right time in order to be relevant which will increase attention from small business owners.

“They should ride off the back of the TV series Employable ME and go hard with it, you get a kit and an advertising campaign, and a pack goes to your small business”.

“Yes, at the right time—if I’m in the frame of mind and about to employ someone, I want to hear about other people’s experience”.

“If someone came to apply for the job and said that they have Asperger’s, but that is their strength also, and said here is a video about it, then I’d be happy to do that, it would probably never happen though”.

“Information is more impactful coming from the candidate, or a trusted source that you know or word of mouth from another employer who has done this”.

“It gives strong proof from prior experience”.

“It would give easy access and almost a conversation starter approach to employing a person with a disability”.

“Showing employers how other employers are making it work and overcoming the barriers like time off work or productivity issues through financial assistance programs”.

“Anecdotes serve as great examples and give others a sense that they can do it too”.

Other initiatives that were of interest and value to small business owners, although to a lesser extent than the top 5 initiatives, include the following ranked in order of importance:

- Specific grants programs to encourage innovation and partnerships with employers for best practice examples and job creation for people with disability
- National disability awareness advertising campaign to improve awareness and create a positive culture of encouraging and embracing diversity in the workplace including disability
- Training materials for employers around compliance, legal and regulatory requirements
- Making changes to the recruitment process to allow skilled and talented job seekers with disabilities to compete on a level playing field.

Initiatives which had a Medium to Low Impact and Interest amongst small business employers included the following initiatives:

- Employer incentives such as wage subsidies, tax incentives, quotas or targets and using procurement policies to preference disability confident organizations. There was limited interest in setting 'quotas' and targets, which is seen to be restrictive and anti-competitive
- Ability for the employer to allocate NDIS funded supports towards job training and to purchase employment related supports – there was limited knowledge about the NDIS, and this is seen to confuse many.
- More information about how to make adjustments to the workplace to retain employees with disability – this information is seen as more relevant delivered through a specialist advisor and specific to a candidate
- More streamlined process to recruit, trial and hire staff – for many this is a secondary stage, the first step is to create awareness about how to recruit and hire people with disability as many were not sure how this worked. They were unsure whether the process needs to be improved to be more streamlined. However, there is a desire for the recruitment process to be easy, simple steps and streamlined.
- Creating strong connections with other business owners through a peer to peer disability support network to share experiences and practices. The limitation for this initiative is time, many didn't feel that they would have the time to take part in a networking program.
- AccessAbility Day that gives employers and people with disability an opportunity to get to know each other, explore potential roles and career areas. For time poor small business owners this was seen to be a 'nice to do' activity, however most in reality would be unable to attend or participate as they are focused on working in their business and on their business.
- Workplace education programs for all staff members—this was seen as a benefit if you have found a suitable candidate, however wouldn't be relevant unless the business has committed to employing a person with disability
- Ability to job share with another staff member which is subsidised – job sharing or job shadowing was seen as potentially problematic, requiring more space for two staff members, increased cost to the business and inefficient work practice.
- National Disability awards scheme for small business owners who employ a person with disability to reward and celebrate positive employment outcomes. There was seen to be some biases as to which businesses apply for awards, as many didn't have time to do this, and therefore lowering the perceived value of the award.

- Preferential tendering for government contracts, grants and procurement with organizations that hire people with disability receiving preferential weighting. This was only of interest to a few business owners who were using tenders, however this was seen to be more relevant for bigger businesses.

Trusted sources of information for business matters

Small business owners and managers are typically using the internet to source information for business matters, with a range of sources which are used to keep up to date with news, changes and developments for their business and industry. The most trusted sources include:

- Professional Associations are a key source of information for advice of new programs and relevant industry specific news in relation to business matters. Professional bodies are seen to be a trusted source of information, which understands the nuances of their particular industry and the skills and requirements need for industry-based jobs.
- Australian Tax Office (ATO) is a well-used source of information for small business, reading emailed newsletter 'ATO Newsroom' and searching the website. Other government sources including Fairwork.gov, business.gov.au and the department of jobs and small business were also referred to for information relating to business matters
- Business Accountants are a key source for information about business matters, many receiving email newsletter and new business-related information directly from their accountant
- Chamber of Commerce is a source of information for local business news, which was particularly strong in Regional areas, and was a preferred source of information for local business news. Local Chamber of Commerce had a strong presence and connection with small business in Launceston and Geraldton as stated in the focus groups, indicating an important business touch point with local representatives looking after local business matters.
- Local Community Facebook pages, and Forums, Local council Facebook pages keep business owners updated with local business news, and LinkedIn and Seek were also referred to.
- Other websites mentioned include workplace info.com, banking websites and bank newsletters, employmenthero.com, google for general search and small business forums.

"Professional associations that you belong to, they tell you this is a new thing available to you".

"We're involved with the retailers' associations, so it would be the retailers associations where I would go".

"Professional associations for me is as good source as any".

"I use ATO newsroom, I stop everything and read that".

"I get newsletters every few months from my bank, I can scan through".

"Chamber of Commerce - I'd probably go there first, depends on what it is".

"It's the kind of project that would need to be funded, would need some synergy with the chamber of commerce".

“Being able to put people in regional areas, that have a contact with regional people, rather than bringing people from a centralised office, then sending them back, there’s no continuity they need to be part of the local community. Especially if you’re talking with local businesses about employing people with challenges”.

“Local community Facebook pages, local council Facebook pages. We don’t read newspapers only the digital version via Facebook. Local radio is also another place we listen for information”.

“We use a service called Employment Hero, which is pretty much an HR department online. They keep us up to date with all the info we need. It’s a free service to ANX bank business customers, a few bucks a month to others. Invaluable to a small operation who don’t have their own HR in-house”.