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Workplace Accommodations: Low Cost,
High Impact

Office of Disability Employment Policy

Workplace Accommodations: Low Cost, High Impact

NEW RESEARCH FINDINGS ADDRESS THE COSTS
AND BENEFITS OF JOB ACCOMMODATIONS FOR
PEOPLE WITH DISABILITIES



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All employees need the right tools and work environment to effectively perform their jobs. Similarly, individuals with disabilities may need workplace adjustments — or accommodations — to maximize the value they can add to their employer. Employers accommodate workers everyday — with and without disabilities — to build a loyal, dedicated and productive workforce. A few examples include:

- Flexible work schedules to accommodate family responsibilities;
- Software to allow efficient manipulation of data;
- Ergonomic chairs to alleviate back pain;
- Wrist supports to reduce the effects of repetitive stress disorders; and
- Telecommuting to reduce stress or address other issues associated with commuting to work.

Under the Americans with Disabilities Act (ADA), employers must provide employees with disabilities the “reasonable accommodations” they need to perform the essential functions of their jobs. In the more than 15 years since the ADA became law, many employers have expressed concerns about the potential costs of accommodations. This concern often is accompanied by a reluctance to hire individuals with disabilities who may need accommodations. In fact, based on individual stories and media reports from businesses that have actually hired and retained employees with disabilities, these fears seem to have little foundation.

In an effort to separate fact from fiction, the Job Accommodation Network (JAN), a service of the U.S. Department of Labor’s Office of Disability Employment Policy, is going beyond the anecdotal information and is more rigorously assessing the costs and benefits to employers of providing accommodations.

What does it really cost to provide accommodations for job applicants and employees with disabilities? This is one of the questions that the University of Iowa’s Law, Health Policy, and Disability Center (LHPDC) is asking as part of a follow-up survey with employers that use JAN. The answer? Study results show that almost half of the accommodations needed by employees and job applicants with disabilities cost absolutely nothing. Of those accommodations that do cost, the typical expenditure by employers is around \$600.

As of December 2005, the LHPDC had interviewed 890 employers that contacted JAN between January 2004 and June 2005. The employers represented a range of industry sectors and sizes. Preliminary findings illustrate some interesting and useful trends.

Finding #1: Employers want to provide accommodations so they can retain valued and qualified employees. Of the employers who called JAN for accommodation information and solutions, most were doing so to retain (84%) or promote (2%) current employees. On average, these employees had been with the company about seven years, with an average wage of \$13 (for those paid by the hour) and an average annual salary of about \$48,000 (for salaried employees). In addition, the employees these companies wanted to retain tended to be fairly well-educated, with 43% having a college degree or higher.

Finding #2: Most employers report no cost or low cost for accommodating employees with disabilities. Of the employers that gave cost information related to accommodations they had provided, almost half (49.4%) reported that there was no direct cost for the accommodation. Many employers gave changing a work schedule as an example of a “no-cost” accommodation. The remaining 50.6% said the accommodation they had made resulted in a typical cost of \$600. For the majority of accommodations that had a cost, the costs were a one-time only cost (84.7%). The remaining (15.3%) included either an annual cost or a combination of one-time and annual costs for the accommodation.

Finding #3: Employers report accommodations are effective. LHPDC asked employers that had implemented accommodations at the point they were interviewed to rank the effectiveness of the accommodations on a scale of 1 to 5, with 5 being extremely effective. Of those that responded, 76% reported that the accommodations were either very effective or extremely effective.

Finding #4: Employers experience multiple direct and indirect benefits after making accommodations. Employers who had made accommodations for employees with disabilities reported multiple benefits as a result. The most frequently mentioned direct benefits were (1) the accommodation allowed the company to retain a qualified employee, (2) the accommodation eliminated the costs of training a new employee, and (3) the accommodation increased the worker’s productivity.

The most widely mentioned indirect benefits employers received were (1) the accommodation increased overall company productivity, (2) the accommodation increased overall company morale, and (3) providing the accommodation ultimately improved interactions with co-workers and customers. In addition, a significant number of employers said that the accommodation helped improve workplace safety.

The accommodation study is ongoing through September 2007. *For more information on the survey, contact the Job Accommodation Network at 800-526-7234 (V/TTY). For more information on ODEP, go to www.dol.gov/odep.*