Accommodation and Compliance Series

Workplace Accommodations: Low Cost, High Impact
Annually Updated Research Findings Address the Costs and Benefits of Job Accommodations
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A service of the U.S. Department of Labor’s Office of Disability Employment Policy
Preface

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Authored by Beth Loy, Ph.D. Updated 09/01/16.
Introduction

The Americans with Disabilities Act (ADA) Amendments Act and regulations from the Equal Employment Opportunity Commission refocused attention on workplace accommodations by broadening the definition of disability; more coverage means more employees will likely be entitled to workplace accommodations. This increased attention has some employers concerned about the costs of providing job accommodations. However, a study conducted by the Job Accommodation Network (JAN), a service of the U.S. Department of Labor’s Office of Disability Employment Policy (ODEP), shows that workplace accommodations not only are low cost, but also positively impact the workplace in many ways.

The JAN study has been on-going since 2004. JAN, in partnership with the University of Iowa’s Law, Health Policy, and Disability Center (LHPDC), interviewed 1,182 employers between January 2004 and December 2006. In addition, JAN, in partnership with the West Virginia University School of Social Work (formerly School of Applied Social Sciences), interviewed 1,157 employers between June 28, 2008, and July 31, 2016. Employers in the JAN study represented a range of industry sectors and sizes and contacted JAN for information about workplace accommodations, the ADA, or both. Approximately eight weeks after their initial contact, the employers were asked a series of questions about the situation they discussed with JAN and the quality of the services JAN provided.

The study results consistently showed that the benefits employers receive from making workplace accommodations far outweigh the low cost. Employers reported that providing accommodations resulted in such benefits as retaining valuable employees, improving productivity and morale, reducing workers’ compensation and training costs, and improving company diversity. These benefits were obtained with little investment. The employers in the study reported that a high percentage (59%) of accommodations cost absolutely nothing to make, while the rest typically cost only $500.

And to top off these positive results about the cost and benefits of workplace accommodations, the employers in the study also reported that JAN understood their needs and provided information that met their needs. In addition, 100% of employers stated that they would use JAN services again for assistance with workplace accommodations.

What is the bottom line? Workplace accommodations are low cost and high impact, and JAN can help employers make them, free of charge.
Findings

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 or promote (83%) a current employee. On average (including those persons who had just been given a job offer or who were newly hired), the employees had been with the company about seven years, with an average wage of about $14 for those paid by the hour, or an average annual salary of about $51,500. In addition, the individuals tended to be fairly well-educated, with 54% having a college degree or higher.

Finding #2: Most employers report no cost or low cost for accommodating employees with disabilities.

Of the employers who gave cost information related to accommodations they had provided, 410 out of 700 (59%) said the accommodations needed by employees cost absolutely nothing. Another 256 (36%) experienced a one-time cost. Only 25 (4%) said the accommodation resulted in an ongoing, annual cost to the company and 9 (1%) said the accommodation required a combination of one-time and annual costs; however, too few of these employers provided cost data to report with accuracy. Of those accommodations that did have a cost, the typical one-time expenditure by employers was $500. When asked how much they paid for an accommodation beyond what they would have paid for an employee without a disability who was in the same position, employers typically answered around $400.

Finding #3: Employers report accommodations are effective.

Employers who had implemented accommodations by the time they were interviewed were asked to rank the effectiveness of the accommodations on a scale of 1 to 5, with 5 being extremely effective. Of those responding, 75% reported the accommodations were either very effective or extremely effective.

Finding #4: Employers experience multiple direct and indirect benefits after making accommodations.

Employers who 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 valued employee, (2) the accommodation increased the employee’s productivity, and (3) the accommodation eliminated the costs of training a new employee.
The most widely mentioned indirect benefits employers received were: (1) the accommodation ultimately improved interactions with co-workers, (2) the accommodation increased overall company morale, and (3) the accommodation increased overall company productivity. The following table gives the percentage of employers who reported experiencing direct and indirect benefits as a result of having made an accommodation.

<table>
<thead>
<tr>
<th>Direct Benefits</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained a valued employee</td>
<td>90%</td>
</tr>
<tr>
<td>Increased the employee’s productivity</td>
<td>73%</td>
</tr>
<tr>
<td>Eliminated costs associated with training a new employee</td>
<td>61%</td>
</tr>
<tr>
<td>Increased the employee's attendance</td>
<td>56%</td>
</tr>
<tr>
<td>Increased diversity of the company</td>
<td>40%</td>
</tr>
<tr>
<td>Saved workers’ compensation or other insurance costs</td>
<td>38%</td>
</tr>
<tr>
<td>Hired a qualified person with a disability</td>
<td>13%</td>
</tr>
<tr>
<td>Promoted an employee</td>
<td>9%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Indirect Benefits</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Improved interactions with co-workers</td>
<td>64%</td>
</tr>
<tr>
<td>Increased overall company morale</td>
<td>63%</td>
</tr>
<tr>
<td>Increased overall company productivity</td>
<td>56%</td>
</tr>
<tr>
<td>Increased workplace safety</td>
<td>46%</td>
</tr>
<tr>
<td>Improved interactions with customers</td>
<td>45%</td>
</tr>
<tr>
<td>Increased overall company attendance</td>
<td>40%</td>
</tr>
<tr>
<td>Increased profitability</td>
<td>27%</td>
</tr>
<tr>
<td>Increased customer base</td>
<td>16%</td>
</tr>
</tbody>
</table>

Finding #5: Employers find JAN helpful during the accommodation process.

Ninety-eight percent of employers found that JAN understood their needs. In addition, 94% of employers stated that the information JAN sent them met their needs. Overall 100% of employers stated they would use JAN again.
Situations and Solutions

Data from the past year provide insight into successful situations and solutions from various employment settings and stages, including a wide sampling of industries and business sizes.

**Situation:** A tax specialist with post-traumatic stress disorder had difficulty handling stress and controlling his emotions. The employee’s physician stated that these limitations were due to his PTSD and the side effects of changing his medication. His job performance and attendance were declining.

**Solution:** As a reasonable accommodation, the employer allowed the employee to use a service animal.

**Reported benefit:** By making this accommodation the employee was able to be more effective. The employer benefitted from improving productivity and attendance.

**Reported cost:** $0.

**Situation:** A product technician with chemical sensitivity was having respiratory distress due to some of the chemicals used in the production process.

**Solution:** As a reasonable accommodation, the employer provided a face mask, ear plugs, lab coat, and gloves. These were already being used by another department.

**Reported benefit:** The employer reported that the employee can now deal with his medical condition while he’s on the job. The change has also saved workers’ compensation costs and improved workplace safety.

**Reported cost:** $0.

**Situation:** A hotel manager with a back condition was having problems working full days. She experienced pain after being on her feet for long periods of time.

**Solution:** As a reasonable accommodation, the agency provided a flexible schedule.

**Reported benefit:** The employer reported the accommodation was extremely effective, eliminating the need of training someone else to do the job and improving morale.

**Reported cost:** $0.
Situation: A middle school teacher with hearing loss had trouble communicating when there was excessive noise in her environment.

Solution: As a reasonable accommodation, the employer purchased noise abatement products for her classroom.

Reported benefit: The employer stated that the accommodation allowed the employee to return to the classroom and increased her productivity.

Reported cost: $140.

Situation: A groundskeeper, who used hearing aids, worked at a school campus and was having problems communicating with his co-workers and during trainings because of hearing loss.

Solution: As a reasonable accommodation, the employee requested a blue tooth streamer, which the employer provided.

Reported benefit: The employee was very happy with the accommodation, stating that it improved his ability to communicate. The employer stated that it improved interactions with co-workers and the public.

Reported cost: $1000.
