

Inclusive employment of people with disabilities

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1. Background, establishment process, and current status of Samhall

Samhall is a state-owned Swedish company dedicated to providing employment opportunities that promote the development of individuals with disabilities. The company envisions a Swedish labor market where every person is perceived as a valuable contributor.

Established in 1980, Samhall was created from the merger of 375 sheltered workshop companies that were previously owned by various Swedish counties and municipalities. Over the years, the company has undergone significant business transformation. While its foundation lies in industrial workshops, Samhall has diversified to become a versatile service provider, venturing into sectors like workplace and property management, elderly care, retail, storage and logistics, manufacturing, cleaning, and laundry services.

By focusing on roles that prioritize personal development, Samhall has successfully transitioned from sheltered workshop roles to diverse employment opportunities in the open labor market. Employing over 25,000 individuals across Sweden, Samhall is recognized as one of the nation's largest enterprises.

Employees at Samhall enjoy the same pension, insurance, and market-based salaries as those in the open labor market. These benefits are determined through collective bargaining agreements with labor unions, a process which is integral to the Swedish labor market system and has a significant impact on Samhall's business operations.

Although Samhall is state-owned, it operates competitively within the mainstream economy, akin to other open labor market companies. Samhall is granted financial support termed "compensation for additional costs" for employing individuals with disabilities. This assistance is designed to counterbalance costs associated with labor market policy responsibilities that other companies do not incur. This state aid is allocated annually and is proportional to the number of working hours of employees with disabilities.

Samhall's endeavors generate a significant return on investment for the Swedish state. The company has sought a national economic analysis to evaluate the socio-economic impact of its activities. Focusing solely on the economic aspects, such as increased productivity and reduced costs in subsidy systems, the socio-economic return is estimated to be at least 1.5 times the state's support for Samhall. This assessment doesn't account for the social gains or the potential savings in healthcare and for the judicial system, which are likely substantial.

2. Operating Principles and Employment of Persons with Disabilities

The Swedish Public Employment Service is responsible for determining who is eligible for employment at Samhall. To qualify, an individual must have a disability that leads to a reduced working capacity. Furthermore, they must prove their inability to secure employment elsewhere after having exhausted all relevant labor market policy measures provided by the state. A thorough evaluation process is in place before an individual is recommended to Samhall.

Samhall introduced the "Samhall method™", which is both a tool and a management philosophy. This structured and unique methodology evaluates an employee's capabilities, ensuring there's an alignment between their abilities and the job requirements while also meeting customer needs. It's grounded in the principle that a person's work capacity is shaped by three intertwined factors: the individual, the job task, and the working environment. A comprehensive assessment gauges individuals across 16 functional parameters. This approach guarantees that employees are aptly paired with one of 25 professions, aligning with customer demands.

Upon successful pairing, the "target and development dialogues" begin, signifying a crucial transitional phase. In these structured dialogues, employees and managers establish and pursue specific goals, ranging from mastering a particular task to moving from Samhall to the open labor market. Ultimately, the objective is for each employee to establish personal growth goals and, for those capable, to pave the way for employment in the broader labor market.

The following phase involves education through the "Samhall School", which features structured training modules. The curriculum kicks off with a universal introductory course for newcomers, succeeded by preparatory sessions. Specialized training enhances existing skills, equipping employees for immediate on-the-job responsibilities. Continuous training sharpens long-term capabilities, prepping them for roles outside Samhall. Most courses are led by experienced Samhall employees who themselves have disabilities. In addition, Samhall offers training to clients and other firms, aimed at dismantling obstacles and nurturing inclusive work environments for disabled individuals.

As Sweden's primary institution for transitioning workers with disabilities to the open labor market, Samhall collaborates with both public authorities and private enterprises. They've cultivated enduring customer relations with around 30 major entities, including household names like IKEA, Volvo, Burger King, and public employers such as the Swedish police and the Swedish Armed Forces. Some of these collaborations have spanned more than four decades. 95% of Samhall's workforce is stationed directly at these client facilities.

3. Current Status of Employment and on-the-job-training

Samhall offers two types of employment contracts, as well as on-the-job training. One of the organization's primary objectives is to facilitate as many of its employees with disabilities as possible into mainstream jobs in the open labor market.

Sheltered Employment

Samhall's core purpose is to provide jobs under sheltered employment. These contracts allow employees to refine their skills, boosting their potential for employment in the mainstream labor market. Those in sheltered employment are hired on a permanent basis. Samhall strives to avoid laying off individuals with disabilities due to work shortages. Moreover, the company endeavors not to close operations in regions with limited job opportunities.

A majority of recruits to sheltered employment should stem from priority groups that Samhall and the Public Employment Service collaboratively identify. The primary targets for this employment type include unemployed individuals with mental disabilities, those with general learning disabilities, and unemployed individuals with multiple disabilities that considerably hamper their work capacity.

Wage Subsidy for Development in Employment (Apprenticeship)

Introduced in 2012, the "development contracts" offer temporary employment of up to two years. Catering to about 10% of Samhall's workforce, these contracts predominantly target individuals under 30. At least a quarter of the work hours should focus on developmental activities, such as workplace orientation, training, or internships with different employers.

On-the-job Training

Samhall also provides on-the-job training. The Public Employment Service can arrange work training at Samhall for job seekers with disabilities affecting their work capacity. This training aims to develop or clarify a job seeker's role. Although not part of the company's labor market policy mandate, this is a service that Samhall extends to the Public Employment Service under market conditions.

Transitions to Open Employment

One of Samhall's foundational goals, as set by its proprietor, the Swedish state, during annual meetings, is to ensure a minimum of 1,500 employees—roughly 7% of its workforce with disabilities—transition to other employers annually. Thanks to committed local managers who consistently pursue new job opportunities and motivate their staff to venture into the mainstream labor market, Samhall often achieves or nears this objective.

Such transitions typically open doors for the Public Employment Service to introduce new job candidates to the company, highlighting the role's effectiveness in its labor market policy mission while ensuring workforce fluidity.

Samhall excels at transitioning its employees to mainstream job roles by aligning them with suitable positions, preparing them through continuous education and training, and offering the security of returning if challenges arise.

A significant contributor to Samhall's success in transitions is the "right to return" clause, granting a one-year trial period in new positions. If either party is dissatisfied during this period, the employment can be terminated and the employee returns to Samhall. Beyond 365 days of employment, a permanent contract signifies a successful transition from Samhall. This clause serves as a vital safety net for all parties.

Furthermore, ensuring a smooth and lasting transition, Samhall's managers maintain contact with former employees until they are comfortably settled in their new roles. This approach not only supports the employees but also alleviates concerns of employers, who might be apprehensive about offering long-term contracts to workers with disabilities. By witnessing their skills and capabilities firsthand through a trial period before committing to a permanent position, employers gain confidence in their hiring decisions.

4. Samhall's Challenges and Recommendations to Korea

Several factors influence the success rate of the Samhall model that can be shared with other countries and social economy entities.

The Samhall method™ is intrinsically tied to its mission of creating meaningful jobs for people with disabilities. However, it's noteworthy that Samhall competes with other companies in the marketplace. This competitive edge allows Samhall to grow its business, combat social exclusion, and contribute to a sustainable Sweden. One recommendation for other organizations is to harmonize the social mission with a business perspective. For Samhall, this philosophy motivates the continuous quest for more job opportunities for persons with disabilities in the open labor market.

A pivotal component of Samhall's strategy is its collaboration with large Swedish corporations. These corporations have the resources and demand to employ more individuals and have maintained longstanding partnerships with Samhall. The trust built through these enduring collaborations minimizes risks for both parties and challenges biases regarding the capabilities of workers with disabilities. While the social mission is paramount, it's essential to recognize the mutual business interests on both sides. An increased commitment from more companies to hire workers with disabilities and adapt the work environment is desired.

A proposed approach is to concentrate on the abilities of employees rather than their medical diagnoses when considering them for positions. Additionally, a labor market safety net, like the “right to return” discussed earlier, can significantly foster sustainable employment for workers with disabilities in the open market.

Through the Samhall Method™, approximately 250,000 persons with disabilities have secured long-term positions in the Swedish labor market, promoting a more inclusive job market and society. The Swedish government's active role, as the owner of Samhall, is noteworthy. The government explicitly tasks Samhall with transitioning as many individuals with disabilities as feasible from Samhall roles to roles within client organizations.

Although Samhall's transition model has positively impacted numerous lives in Sweden, the organization faces challenges in securing open market job opportunities for its workforce. Biases and misconceptions about individuals with disabilities and their job capacities still impede Samhall's growth potential in Sweden.

Moreover, Samhall's status as a state-owned entity competing in the marketplace has drawn criticism. Especially in the service sector, several competitors have lodged grievances against Samhall with both national authorities and the European Commission. These competitors argue that a state-owned enterprise shouldn't fully operate in private markets.

While the societal benefits of employing people with disabilities are evident and widely accepted, it's equally vital to underscore the economic advantages. Initiatives targeting employment and educational programs for people with disabilities often have substantial upfront costs. By quantifying and demonstrating the socio-economic returns on such investments, stakeholders might be more encouraged to contribute to the sector.