

ENTREPRENEURSHIP, REALITY OR ESCAPISM, IN CREATING WORK FOR PEOPLE WITH DISABILITIES?

Karl Gratzner, Centre for Entrepreneurship Research, Södertörn University, Sweden

Karl.Gratzer@sh.se

Stig Larsson, Department of Health Sciences, Lund University, Sweden

Stig.Larsson@med.lu.se

Descriptive abstract:

This paper is analyzing the incentives for people with disability to start businesses from the perspective of both entrepreneurship theory and disability management dimension.

Topic track:

This paper is suitable for all tracks but maybe best for *Theoretical or conceptual*

Extended abstract:

The difficult situation for people with disabilities on labour market is well known both from a social policy (e.g. Berkowitz 1986) and a management perspective (Bruyere et.al.2000) In all most every developed country the increase of small businesses and the decrease in the relatively number of long term employment agreements are significant (Birch 1979 and 1989; Baumol 1993; Acs et al 1999). Despite this situation on many national labour markets and despite the growth of unemployment during the last year, very few studies have been focused on how to use entrepreneurship to improve work opportunities for people with disabilities or chronic illnesses. Also in disability management self employment is seldom mentioned or developed as a tool (Harder & Scott, 2005). For human resource management in general stimulating entrepreneurship has been a common tool in for example outsourcing or restructuring companies (Braunerhjelm & Wiklund 2006).

In a national study from Sweden, Larsson (2006), found that ca 10 % of all receivers of a certain subsidy to start businesses were disabled. It means that in reality many people with disabilities are tackling problems how they could be able to support them self's through entrepreneurship.

In the generally discourse on incentives to begin with self-employment they are often analyzed in to different groups, namely necessities and opportunities. Unemployed people who often meet prejudices have used firms of their own as an alternative to be hired. That means for example that and immigrants in many contexts start their own businesses more often than people in general (Aldrich & Waldinger 1990). That is not until now the case for people with disabilities. But since more than hundred years there has been different kinds of promotion initiatives established for some entrepreneurs with disabilities for example blind craftsmen. For many people who start their own businesses the possibility of opportunities is the most fundamental driving force (Reynolds et al. 2002). But in general there is more or less a combination of the different two groups of incentives (Shane 2003).

This study is analyzing focused interviews about the incentives for start and run firms of their own, among a group of 30 individuals with disabilities. The aim of this study is to show the complex interplay between different motives for entrepreneurs with disabilities. They are put into two main groups which are labelled pushes and pulls. The analyzes content of the

sophisticated interplay between these forces and also how they are linked to health conditions and the perspectives of rehabilitation.

Different types of disabilities as well as chronic diseases are represented in this study. Depending on the severity and kind of disability the circumstances for going in to self employment perspectives vary. It is also possible to observe some barriers in the social security system related to labour market measures for people with disabilities that could play a role of making it much more difficult for this group to enter the position as business owners. Some of these have to do with the problems to fund assistive technology when starting up new businesses. Other are related to the weak support system for social insurances which generally is delicate for entrepreneurs under the starting up process and which naturally affect entrepreneurs with disabilities or various health problem much significant.

The findings could be transformed to other areas in disability management than entrepreneurship mainly from the point of view of understanding the often contra dictionary and compounded picture of motives and pressures. It could also be used as an starting point to understand the mechanisms in incentive processes to make labour market policy in the field of disability in general and in the field of entrepreneurship in particularly more relevant and effectual.

References:

- Acs Z. J., Carlsson, B., Karlsson, C. (1999), *Entrepreneurship, Small & Medium-Sized Enterprises and the Macroeconomy*. Cambridge University Press.
- Aldrich, H. E. & Waldinger, R. (1990), Ethnicity and Entrepreneurship, *Annual review of Sociology*, 16, 111-135.
- Baumol, W. J. (1993), *Entrepreneurship, Management, and the Structure of Payoffs*. MIT, Cambridge MA.
- Berkowitz, M. & Hill, A. (1986) *Disability an the Labor Market*, IL Press, New York
- Birch, D. L. (1979), *The Job Generation Process*, MIT Program on Neighbourhood and Regional Change, Cambridge MA.
- Birch, D. L. (1989), Who creates jobs?, *Public Interest*, 65, 3-4.
- Braunerhjelm, P. & Wiklund J. (Red), *Entreprenörskap och tillväxt. Kunskap, kommersialisering och ekonomisk politik*. Forum för småföretagsforskning, (2006), Örebro.
- Bruyere, S.M., Erickson, W. & WanLooy, S (2000), HR's role in managing disability in the workplace. *Employment Relations Today*, Autumn pp. 47-66
- Harder, H. G. & Scott, L.R. (2005): *Comprehensive Disability Management*, Toronto, Elsevier-Churchill
- Larsson, S. (2006), Disability Management and Entrepreneurship. Results from a Nationwide Study in Sweden, *Int Jour of Disability Management Research*, Vol 1, pp 157-168.
- Reynolds, P. D. et al. (2002), *Global entrepreneurship Monitor 2001 Executive Report*. Babson College, London Business School.
- Shane, S. (2003), *A General Theory of Entrepreneurship. The Individual-Opportunity Nexus*. New horizons in Entrepreneurship. Edwar Elgar, MA, USA.