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THE INTEGRATION OF DISABLED PEOPLE INTO THE GERMAN LABOR MARKET - HOW THE WORKPLACE HEALTH MANAGEMENT IS ABLE TO COMPLEMENT THE EXISTING TOOLS

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Summary: The German labour market, in particular the German small and medium sized enterprises (SME) as a part of the supply side of the labour market, has to deal with huge problems caused by a lack of skilled workers. Not only engineers are missing, but also mechanics, electricians and other craftsman. Among others, the most important reason for this is the demographic change the German society is facing. In order to recruit the best qualified employees in the needed amount successfully, German companies will have to use all their possibilities to win the battle for the most talented employees. Especially SME will have to search for new paths to find the appropriate employees. One new approach could be to focus on disabled workers: On the one hand, those who are already working within the company, on the other hand those which are new hired from the labour market. This article gives an overview about the impacts of the demographic change in Germany, especially for SME. Furthermore, the examination illuminates the three different pillars of the Workplace Health Management (WHM): occupational safety, prevention and the Corporate Integration Management (CIM) and shows a theoretical approach how the Workplace Health Management could be able to support the integration of disabled people. Summarized, away from the advantages for the entire workforce, the WHM includes effective tools for the operational integration of disabled employees and thus can increase the efficiency of the companies.

Keywords: disabled employees, Workplace Health Management, SME, demographic change, Human Resource Management

1. Introduction

The German labour market has to deal with huge problems caused by a lack of skilled workers in the near future. Not only engineers are missing, but also mechanics, electricians and other craftsman (Bundesagentur für Arbeit, 2013). Because of the inherent structural characteristics (i.e. short-term personal planning, used search strategies and less attractive working conditions (IAB, 2015)) and the fewer financial resources than the large companies the German SME are in particular affected by these problems. Beside the reason that knowledge, which is more difficult to generate for SME than for large companies, is fast becoming the driving force behind labour market competitiveness (Czeglédi-Juhász, 2013) one of the most important reasons for these problems is the demographic change which will change the consistence of the German society. Current reports of the federal statistic service show a decline of the people in the employable age from 15,6 millions in the year 2011 to 12,9 million in 2030 (Federal statistic service 2011). In the same time period the over 65 age-group will increase from 16,7 million to 22,3 million. The predicted “war for talents” will require new ways in the Human Resource Management of the companies. Results of the medium-sized panel of the Federation of German Industries by the end of 2014 (BDI 2014) showed that 90,7 % of the participated companies stated that they apply special measures to recruit and train skilled workers. The applied actions were company-based training (64,1%),

flexible work time models (52,3%), expansion of the occupational training (51,4%), options making it easier to reconcile work and family life (34,8%) and strengthen recruitment of older workers (33, 9 %) as response for the demographic challenge (Marosne Kuna, Czegledi et al., 2013).

In addition to the already undertaken measures, a new approach could be to focus on disabled workers: On the one hand, those who are already working within the company, on the other hand those which are new hired from the labour market. The current situation for disabled in the German labour market depends very much on the individual age, qualifications and the degree of disability, which makes it difficult to find general conclusions. At the end of 2014, about 178.000 people with disabilities were unemployment in Germany (Bundesagentur für Arbeit, 2014). In comparison: The overall unemployment rate was about 6,4 % (Federal statistic service, 2015):. Almost 40 % of the jobless disabled were 55 years or older. High qualified disabled have typically fewer problems to find an adequate job compared to disabled without these skills and qualifications, however, compared to able bodied people their chances to end unemployment are slightly worse.

Away from the social aspects, it is necessary to consider the economic impacts: Facing the demographic change, the German economy can hardly allow a waste of working force. In this sense, two elements are important and will become more important in the near future: An intensive examination with the question how to support the health of the personnel body within the companies to avoid sickness and followed by that disabilities on the one hand, and how to improve integration chances for disabled on the other hand.

The Workplace Health Management (WHM) is an upcoming approach within the Human Resource Management. As a theoretical approach, this article aims to show which impacts the WHM could provide for other fields (indirect-effects) like the field of the integration of disabled.

2. The impacts on German SME sector

The resilience and good performance of the German economy during the last decade to a great extent has its roots in a strong and stable SME segment. Often referred to as the “backbone of the German economy”, the German *Mittelstand* with its longstanding record of high employment and productivity increasingly raises interest abroad, where decision makers are keen to learn from the German model (BMW, 2013). Obviously, there are specific factors unique to the German *Mittelstand* which account for its success and superior performance as well as its stabilizing role in the German economy. German Small and medium sized Enterprises are in fact the backbone of the German Economy. More than 99% of the German companies are SME. Therefore, the SME were in the focus of many research projects. But not only had the scientific community a strong interest to generate insights about the German SME and especially about their macroeconomic role within the German economy.

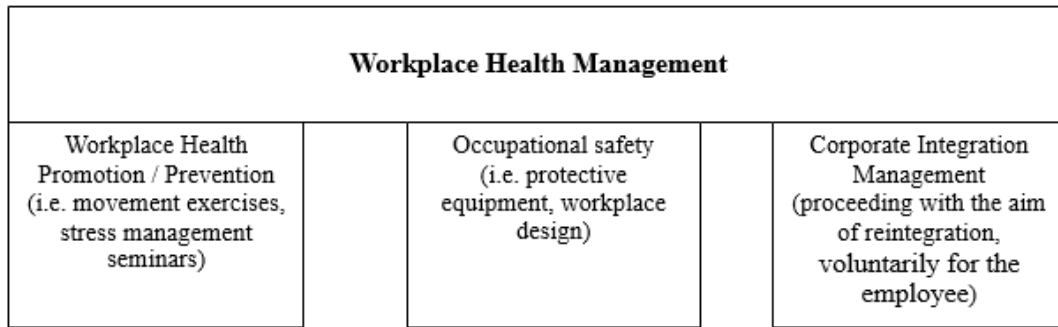
Policy makers and many more organizations – public and private - had a strong interest to find out more about SME and especially which factors are most important for the market success or failure. This has led to many research results during the last years about German SME and their role for the economy, as well as about SME in Europe, too. SME were in the focus of research very often because of their macro-level importance and their role as *engines for innovation* or for their importance as employers, (more than 50 % of the German employees work for SME). However, there’s only few data (particularly) about the internal processes of German SME concerning their recruitment of personal or the qualification of their workers and how these processes are, organized, monitored and evaluated etc. This lack of data obtained from field work results is quite remarkable, because that would allow to shed some light on some very important aspects which are essential for the performance of SME,

e.g. for their Human Resource Management. The skills and qualifications of the SME staff is a crucial and most important element for the German SME that survive and compensate some disadvantages they have compared to big Companies. The SME provide typically special tailored solutions and offer a product-orientated service at the same time. This requires a special know-how and highly qualified staff. Compared with big companies they have some typical disadvantages like difficulties to get access to the financial market or the lack of an organized personal recruitment which is furthermore not supported by a specialized unit within the SME. For example SME in the manufacturing branch have an increased demand for high quality equipment and machinery and high skilled employees. The markets they are in represent a major trade partner for export-oriented German SME in the industrial sector. SME which are engaged in the manufacturing businesses have a strong orientation toward foreign markets, and these companies are highly productive, show high investment ratios, and are responsible for a substantial share of employment. While this exposure in the markets of the emerging countries also bares a certain risk, these SME engaged in the manufacturing industry represent an important stimulus for growth and increase of the competitiveness of the economy as a whole (Tchouvakhina and Schwartz, 2013). Data that focuses on disabled and/or SME is quite rare. Data is usually collected by authorities in order to perform legal tasks like calculating social insurance fees. A study of the IAW, the institute for work and economy of the University Bremen in the year 2011 (IAW, 2011) showed, that about seven million disabled lived in Germany, among them there were about three million disabled people between 15 and 65 years of age (potential employees), about three quarters or 2, 2 millions of them were employed. Empirical information about the number of disabled people within SME, like data about disabled in general, is pretty poor. Relevant data is typically collected by German authorities to perform legal tasks like calculating fees for the social insurance. Nevertheless, knowing that as a rough rule of thumb 60 % of the employees are working for SME, the conclusion is possible that about 1, 3 million disabled people are employed in German SME.

3. Integration approaches

There are several approaches to support the integration of disabled into the German labour market. The tools and measures can basically be divided into two groups: Firstly, measures to integrate disabled people by financial support for the employers or by supporting their working environment which allows the handicapped people to start or continue working within the company. Secondly, measures to support the staff within the company to keep their productivity and performance by several approaches like the “Workplace Health Management” which is ideally embedded in a diversity framework concept. In this sense for the try to avoid early - retirement or loss of work-force as a consequence of long-term sickness the best option is prevention. Prevention within the companies in this sense can be organized by two of the three parts of the WHM: the Workplace Health Promotion and the Corporate Integration Management (CIM) (see Figure 1).

Figure 1: The “three-pillar-model” of the Workplace Health Management;



Source: own illustration based on iqpr 2005

3.1 General measures to integrate people with disabilities

The integration of people with disabilities in Germany is ruled by law. Depending on the type of disability and on the dimension the measures and support is individually organized. Quite a big number of authorities deal with integration of disabled and the number of law prescriptions is very big as well and is not the main focus of this paper. Basically, the kind of disability or sickness is not decisive if the handicapped people can proof their need of support by a medical expertise: the law meets the needs and interests of handicapped people and provides counselling, technical (like special equipment for the workplaces) and financial support if necessary.

Therefore there are many measures and possibilities in Germany to support the integration of people with disabilities into the labour market whether to keep the work for those who became sick or disabled during their employment or to integrate jobless handicapped. In case of financial support for the employers the basic idea is to compensate the reduced output of disabled employees especially at the beginning of their employment.

3.2 Workplace Health Management (WHM)

Beside the described below principal tasks of the WHM, this article aims to show possible indirect-effects for the integration of disabled people into a company.

The cradle of the Workplace Health Management lies in the 1986 Ottawa-Charter (Ottawa Charter for Health Promotion, 1986). Away from that the WHM arose out of the occupational safe, too. In Germany, the third important root is the social security code book IX (SGB IX). This contains the occupational integration of disabled and sick employees. For purpose of this article we use the WHM illustration called the “three-pillar-model” (iqpr 2005). This “three-pillar-model” is divided into the three segments workplace health promotion / prevention, occupational safety and the corporate integration management (see figure 1).

(1) The function of the occupational safety is to create and preserve healthy and sound working conditions. This work safety is supplemented by the accident prevention. The design of the occupational safety is done by the layout of work processes, work environment and equipment, the work organisation and the employment relationship itself. There are many tools for the integration of disabled people which are similar to the tools of the occupational health and safety protection and therefore similar to the WHM (about the same historical roots), i.e. large displays, special phones. About the proper functioning of the occupational health and safety protection tools, we think that in this area the WHM is not able to improve the integration.

(2) The workplace health promotion is aimed at prevention. The intention is to have influence on the behaviour of employees and the conditions at work. The target of the WHM is to improve the occupational health (Kaiser 2011). In the area of behavioural measures among

other movement exercises like sport groups, information events (e.g. nutrition), eye examinations, preventive medical check-up, vaccinations (e.g. flu vaccination) and stress management seminars or seminars for personal further development come into consideration (Baumanns & Münch 2010). The field of situational prevention pays attention to ergonomics at the workplace, management of working time, the organisation of workflow, nutrition-related measures and health promoting constructional measures. The tools for the integration of disabled people are pretty similar to the tools of the occupational health and safety protection and therefore similar to the WHM. In the section of prevention, disabled people can be better integrated into the company or work community by the implementation of joint actions and projects. These may have two important effects: First the not-handicapped employees become familiar with the handicapped people and as a result possible shyness anxieties can be reduced. Handicapped are perceived as colleagues and not as disabled. Second the handicapped may have more pleasure at the workplace (caused by more personal contact and the actions itself) and thus will have an increased willingness for integration into the company.

(3) The third mainstay, the Corporate Integration Management (CIM), is the last of the three pillars. The CIM was established by law in the year 2004 (§ 83 and § 84 SGB IX/social security code book IX). Aim of the CIM is on the one hand to support the employee to get over his actual disability and on the other hand to prevent a fresh disability and ultimately to receive the workplace of the concerned employee (Adlhoch et al. 2010). The CIM is a proceeding which has to be provided to an employee if he/she is ill more than six weeks in a year. In this case the employer has to provide an integration dialogue to start off the procedure for the employee. This applies not only for handicapped, but also for every employee in every company in Germany. The exact procedure of the CIM-proceeding is not fixed by law. About this it is possible for a company to adapt the proceeding to their own corporate situation and structure. The course of the proceeding will be agreed between the parties. This can be changes at the workplace, changes in the work-team or any other necessary measure. Important points are firstly that the CIM-proceeding is voluntarily for the employee (he/she can terminate it at any time) and secondly that the participants, which are intended to support the employee can be freely chosen by him/her (e.g. the disability manager, the superior, the commissioner for data protection, the corporate social counselling, the equal opportunities officer, the quality management manager, representatives of the health insurance funds and the social security benefits offices). In the field of CIM in the last ten years considerable experience has been gained. This is caused by the fact that the proceeding is prescribed by law and about that many companies were compelled to do integration-processes with not-handicapped employees. These facts launched an altogether different development within the companies. The integration process has been professionalized and now it is common practice in the companies. It is no longer a topic on the periphery which was not important enough to deserve the attention of the management. About these changes in the overall framework, the opportunities for disabled have changed, as well.

4. Conclusions

The social and economic framework in Germany will change massively in the next years. As the German economy depends on high-skilled staff and experts, new paths are needed for the companies to act successfully at the labour market and to hire needed employees. In this sense the focus on the integration of disabled people and the implementation of measures to keep the body of personnel healthy and efficient at the same time are promising approaches. Beside the principal tasks of the WHM, it seems that the WHM causes indirect-effects for the integration of disabled people into a company. In this relation the CIM-dialogue seems to be

the most appropriate tool to complement the existing tools in the integration of disabled people at companies' level. Supported by the actions in the field of the workplace health promotion, which are also very well suited to play an important role for the individually integration of the disabled into the work community. Additionally to the direct effects on the employees, one other indirect-effect may be that the support of disabled people has a positive influence of what and how people perceive about a company which could be a positive marketing instrument.

To examine the theoretical approach presented in this article, we suggest to carry out empirical investigations. The aim of these examinations should be to investigate which actions of the workplace health promotion (i.e. sport groups) are particularly suited to integrate disabled. Furthermore, it should be explored if the performance of CIM factual changed the position of the company managers towards the integration and reintegration. For this purpose, the companies which do not perform the CIM (despite the statutory obligation) could serve as reference groups.

Summarized, the WHM is not only a benefit for the entire workforce, but it may also be suitable to complement the existing tools for the operational integration of disabled employees.

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