



# **Mutual Learning Programme**

DG Employment, Social Affairs and Inclusion

**Peer Country Comments Paper - Finland**

## **Way forward -Focus on employers and diversity management skills**

**Peer Review on 'Work-capacity assessment and employment of persons with disabilities'**

**Riga (Latvia), 26-27 April 2018**



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## 1 Introduction

This paper has been prepared for the Peer Review on "Work-Capacity Assessment for Persons with Disabilities" within the framework of the Mutual Learning Programme. It provides a comparative assessment of the policy example of the host country and the situation in Finland. For information on the host country policy example, please refer to the Host Country Discussion Paper.

This paper aims to draw a general picture of the labour market situation of people with disabilities (PWD) and their services. In doing so, it also makes apparent that the categorization of this particular group is difficult; disability should be seen more in relation to the labour market rather than only a medical condition or diagnosis.

This paper argues that the current policies and services concentrate too much on the job seeker's point of view, his/her disabilities and capacities. To increase participation of PWD's in the labour market one should look at the needs and skills of the employers. The more we promote employers' interest to employ people with disabilities the easier the burden for social and employment services.

With the UN Convention and increasing interest in human rights, inclusion and accessibility, the discourse of labour market participation a new wave of interest has emerged. In Finland like in Latvia governments and ministries have shown an interest to promote participation and inclusion through different policies and projects. Large employers have signed diversity charters (EC Diversity Charter) and studies of advantages of diverse work places are an active discussion in the business world (Hunt et al., 2018). Large global companies like Google (Google, 2018) and L'Oréal (L'Oréal, 2018) have published diversity programmes aiming to make use of different cultures, skills and experiences.

The climate for change is good. The fragmented system of benefits and services, great variations in labour market situation across the country and lack of accessibility remain however still to be tackled.

## 2 Labour market situation in the peer country

Whenever one looks at the labour market situation of people with disabilities, it is apparent that drawing exact statistics is difficult. If you look at the subjective experiences of people, the Statistics Finland has estimated, that there are 1,9 million people of working age who report having some kind of long term illness or disability. This is approximately 50% of the working age population. Of those people 600 000 report that their condition causes difficulties for performing at work or opportunities in the labour market (Tilastokeskus, 2012).

The number is significantly lower, if one looks at the statistics of unemployed people with a disability. In the end of December 2017, the Public Employment Offices had approximately 35 700 people registered under unemployed with a partial working capacity due to illness or disability (partial working capacity is assessed by a physician in relation to one's education and work experience). During the past 10 years the monthly (December) number of unemployed jobseekers with a partial working capacity has varied from 35 700 to 43 200 people (Tilastokeskus, 2018). When figures are compared to the long-term trends of national economy, it is curious that during a low peak of national economic trend in 2008 the number of jobseekers with partial working capacity was 35 300, almost the same as today, when the economy is growing. (Findikaattori, 2018.) This suggests that the employment rate of people with long term illnesses, disabilities or other reasons causing them difficulties to find suitable employment does not so much depend on general economic trends in the society, but rather on some other actions, policies and services that either support employment or unintentionally prevent it. However, the trend might be changing with the current economic growth (Interview, 2018.)

One can also look at the employment of those people who receive disability benefits. A recent unpublished study shows that approximately 51 % have been out of work the past two years. Of those who had been in employment 38% had been employed full-time, 31 % part-time and 30 % had been employed with support of employment measures such as work trials or supported employment in workshops etc. (Tötterman, 2018.)

There are some small-scale studies of employment situation of certain disability groups. A study shows that only 400-600 people with intellectual disability are earning wages, but it is estimated that about 3 000 would be able to work, should they get the right support and encouragement (Vesala et al, 2015).

An annual report from the non-discrimination ombudsman from 2016 showed that a very high rate of people with disabilities have experienced discrimination in the work place (45 % of 445 respondents). Furthermore, 57 % reported negative and discriminative attitudes at work (Annual Report, 2016).

All in all, it is fair to say that the situation is notably worse for PWDs than of those without disabilities. There is a need for new targeted actions and support to improve their situation in the labour market. The costs of having people with partial working capacity, or even a full capacity with sufficient adjustments, outside the labour market and on full-time benefits is not economically desirable nor is it in line with the UN Convention of PWD.

## **2.1 Policy measures and assessment of working capacity**

The Finnish system for promoting employment of PWDs is more fragmented than in Latvia. The main actors are the Ministry of Social and Health Affairs and the Ministry of Economic Affairs and Employment. Another important actor is the social partners who have a significant role in Finnish social politics and working life legislation.

The Finnish system is currently under a major change. The plan is to establish a new county governance level and move public employment services and social and health care services from the responsibility of the state and municipalities to county level. The reform will affect the structures of organising services, but the measures providing support for people with disabilities will most likely remain the same. The measures can be categorized the following way:

1. Public Employment measures: For people who have partial working capacity and are registered as job seekers or unemployed job seekers in the PES.
  - a. Work trials, job coaching services, wage subsidies, career training.
2. Vocational Rehabilitation measures by National Social Insurance Institute, KELA and private employment pension insurance agencies (statutory for employers): For people who have prolonged illnesses or disabilities that hinder their participation in the working life or who are in danger to become incapable to attend work. Also, young people who need special support to enter working life. This is a large group of people with very different disabilities, relations to working life and ages.
  - a. Work trials, job coaching services, therapies, training and re-training, individual and group activities etc.
  - b. Also fixed-term and permanent disability pensions, part-time pension and disability benefits.
3. Occupational Health care services (statutory for employers): For people who have a work contract. The legislation obliges employers and occupational health care to co-operate and take actions to promote good working conditions and health of employees.

- a. Early interventions, three party interviews (employer, employee and health professional), inspections at work place, health care services and co-operation with insurance agencies. Also, full or part-time sick leave.
4. Social welfare measures by the municipalities: For people with special needs due to disability, illness and/or social factors.
  - a. Social work, transportation, personal assistance, housing services, assistive devices etc. Also, Social Rehabilitation services such as job coaching services, workshops and other special employment units for different groups. The employment related measures are to improve functional and social capacities.
5. NGO's
  - a. Important role in different projects innovating and developing new approaches for inclusion and participation.

All above mentioned actors (excluding NGO's) have their own social, employment and health related legislation that requires them to take both preventive and corrective actions if a person has reduced working capacity.

Medical assessment by a physician is always the starting point for determining disability benefits, pension and/or rehabilitation services. Doctor's role is central in qualifying candidates for services as services are not open for all. Medical expertise is essential also when negotiating for the need for assistive devices. However, other professionals like social workers or psychologist play an important role too, when assessing the need for various services. The multi-professional co-operation is often very important when a person is trying to find employment.

Compared to Latvia, the system of determining the loss of work capacity or the remaining abilities has the same problems. To gain services and benefits one has to prove a disability, but to gain work one has to prove capabilities. However, it seems to be more successful to concentrate on assessing the skills and capabilities as well as the support needs rather than finding a more accurate way of determining loss of functional capacity. It is important to assess not only the job seeker's abilities, but also the requirements of the job (Kaikille sopiva työ ja työyhteisö, 2015).

### **3 Assessment of the policy measures**

What differs in Finland compared to Latvia is that the legislation is designed with normality principle. Hence there is no special employment act for people with disabilities. Special legislation is limited to only those situations when the cause for a service is clearly disability based. Like in the case of needing a wheelchair or a personal assistant. This principle is in line with the aims of mainstreaming, but it can also lead to ignorance. If no attention is paid for specialized services for special needs, the small group of people who would benefit from them might fall in between services.

To tackle this problem and to support the new reform the government has implemented a project to promote best practises and form new policies. The OTE-project (Take work into your life) aims at a more holistic way of organising services and improving the co-operation between social, health and employment actors. The project has also increased general discourse on the subject and promoted co-operation between state, municipalities, social partners and NGOs. The OTE-project consists of eight sub-projects that focus on different angles of employment of people with reduced working capacity. It has developed for example a new return-to-work consultant training, support for entrepreneurs with disabilities and new ways of combining wages and pension benefits.

When assessing various current policy measures it should be noted that PWDs and/or people with long-term illnesses is a very diverse group. They have a different work life

relationship which influences their benefits and access to services and their possibilities to combine wages and pension. It is also reasonable to argue that people with disabilities are just as different in motivation to work as any other group. The challenge is to find the right service for the person at the right time so that the client is motivated and committed to the process. Due to the fragmented system and a wide range of actors research shows that case management at personal level, client centred approaches and coordination between the client's immediate service network brings the best results (Härköpää, 2013; Pitkänen et al. 2012)

The OTE-project has tried to solve this problem by introducing a return-to-work consultant training. The focus is on the skills of those professionals who work with PWDs and other groups that need special services. Approximately 400-500 people have passed the course. All of them already work in the rehabilitation/employment field with clients. Technology aided system has helped co-ordination between different actors, and clients have found the right services at the right time. There are high hopes for this service in the future.

The vocational rehabilitation measures that support staying at/returning to work rehabilitation and are targeted at groups that are still close to the labour market seem to work. The early interventions and service process is supported by the legislation that stresses the responsibilities of the employer and occupational health care to take actions and offer adjusted work. However, more attention should be paid to clients with mental health problems. Also, the early interventions seem to work better. When there is a risk of unemployment after the rehabilitation measure the benefit of the activities seem to be lower (Gould et al. 2012).

For those people with disabilities who have little or no work experience and who are on permanent or fixed term disability pension the threshold to services seems to be higher. They can, but are not obliged, to register as job seekers at the PES, but services are not always suitable for this group. They might not meet the eligibility criteria for vocational rehabilitation, so they might fall in between the service system. Those measures implemented for this group tend to have poor employment results (Härköpää, 2013, 137-139). Some studies suggest that there is a lack of targeted measures for people with more severe disabilities. It suggests the inclusion and normalization principles are not always serving this target group (Asplund & Koistinen, 2014, 122-126).

The group that would in my opinion benefit most of better implementation and co-ordination of services is those young people with disabilities who are both motivated and educated and would like to find part-time or even full-time work. The Finnish government introduced a Youth guarantee-policy 2011-2013 that has followed with an ongoing pilot project developing special service point for all young people under 30 called Ohjaamo ('Guidance'). It is yet unclear how well this service will suit those with more severe disabilities.

One best practice that works for a very diverse group of clients is the supported employment job coaching service, very similar to the Latvian example of a support person. The idea of quality supported employment service is based on IPS-model (Individual Placement and Support). This IPS is based on the idea, that a person should be first placed in a job and then trained and supported in the job. The job seeker and the employer are supported by a qualified job coach who has knowledge of work place adjustments and the clients' service and support needs (Bond et al. 2012; Spielkavik, 2012).

The idea of placing and then training is different from most return to work models. It is more common to concentrate on training the job seeker first outside the actual work place in special employment units. This train-place-practise tends to draw attention only to the employee's competences and in a special supported setting. This does not provide the person to benefit from the opportunities and support the real work place and work community could offer.

Another very promising model that is yet not mainstream is a RATKO method. It was developed in a project by Supporting Foundation for Children and Youth with Disabilities. This method offers the employer a tool for supporting diversity in the organization and finding suitable work for persons with partial working capacity. The method basically runs a set of workshops to the work community which result new assignments suitable for employees with reduced working capacity. The essential part of the RATKO model is to assess the newly designed assignments as well as the skills and capabilities of the job seekers. This is done with the analytical IMBA and Melba tools which assess the job seeker's capacity to work and the challenge rating of work assignment. These assessment processes will result in a challenge rating profile for the assignment and an ability profile for the job seeker. The results have been very encouraging, and employers have shown great interest in this methodology.

### **3.1 Need to focus on the employers**

The services promoting employment of people with disabilities or long-term illnesses tend to pay attention to the job seeker alone. Finding suitable therapies and diagnosis and improving the skills of the person is of course important, but it is not the only key for successful employment. A study on vocational rehabilitation measure for people with mental health problems showed that clients feel their professional skills and capabilities could be more acknowledged. The same study also stressed the importance of working with employers; many clients reported disappointment in the professionals' skills to help to find suitable employment and support entering the new work place (Härkäpää, 2013). Working with employers is important also when returning to one's old work after a long sick-leave or vocational rehabilitation period (Seppänen-Järvelä et al. 2015). It seems that when one is outside working life and aiming to return the criteria for skills is stricter than for those people who are already in employment.

This, I believe, is now changing with the policy developments in Finland as well as in Latvia. The shift of viewpoint from the job seeker's disabilities to the needs and capabilities of the employee is recognized. Both countries are looking for new incentives for employers, like the quota system. In Finland, the experience of gender quota in the decision making has proven to be somewhat successful, but it has not changed the strict gender segregation in education, professional fields and careers. Quotas might help entering work places, but would not work alone.

If one wants to make a true change in services and attitudes towards participation of people with various disabilities in the open labour market one has to take a step further and start evaluating the skills and competences of the work places. The policies should find ways to support their diversity management skills, recruitment processes and personnel well-being policies to support inclusion of people with disabilities.

## **4 Questions**

How does the support person work with employers and what are the most common support needs of the person with mental health problem and the work community?

When in motivation programme or in social mentor service, how is the relationship with possible open market jobs created? What are the ways these services work with employers?

What is the academic qualifications of people with disabilities in Latvia? Are all children attending the same schools? Do all get the opportunity for vocational and/or higher education? Does the PES or other actors support further education of PWD, especially young people?

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## Annex 1 Summary table

The main points covered by the paper are summarised below.

### Labour market situation in the peer country

- PWDs have a significantly lower employment rate than those without disabilities.
- Figures depend on view point; Based on self-assessment, 600 000 people report problems with work capacity; the PES reports 35 700 job seekers with reduced working capacity. Disability benefit recipients: 51% have been out of work the past two years, only 400 people with mental disability in paid work when 3000 would be able to.
- Fragmented system of measures and various qualification criteria: PES, Vocational rehabilitation, Occupational health, Social rehabilitation and services by NGOs
- Medical assessment by a physician is always the starting point for determining disability benefits, pension and/or rehabilitation services. Doctor's role is central in qualifying candidates for services as services are not open for all.
- New reform in all national social and health care services.

### Assessment of the policy measure

- Vocational rehabilitation measures most successful, when in earnings-related services. Results are poorer with people with mental health illnesses and those who have a longer history of being out of work.
- People with more severe disabilities tend to fall in-between services for they don't always meet the eligibility criteria.
- New Return-to-work -coordinator training and professionals have promising results in helping people return to work.
- Job coach service implemented following the IPS-model seem to have good results, but this is not mainstream.
- RATKO-method to develop new assignments and assess both capabilities of the job seeker and the requirements of the new assignment has been successful method to work with employers.
- More attention should be paid in the future to the employers and work communities to support inclusion.

### Questions

- How does the support person work with employers and what are the most common support needs of the person with mental health problem and the work community?
- When in motivation programme or in social mentor service, how is the relationship with possible open market jobs created? What are the ways these services work with employers?
- What are the academic qualifications of people with disabilities in Latvia? Are all children attending the same schools? Do all get the opportunity for vocational and/or higher education? Does the PES or other actors support further education of PWD, especially young people?

## Annex 2 Example of relevant practice

Name of the practice 1:	<b>RATKO -model</b> tool for supporting diversity in the organization
Year of implementation:	2016-2017
Coordinating authority:	RATKO was developed as a project. Now it is used as a practise by only a few job coaching organisations. It has no official status yet.
Objectives:	To find new job opportunities for PWDs and introduce ways to modify work and work processes. Also, to implement diversity management practises.
Main activities:	<p>Introduction of diversity: The service begins by introducing the idea for the employer.</p> <p>Workshops with the work community to find and reorganize existing tasks. This kind of employee-oriented process helps the work community to be prepared for the recruitment as well as the new employee.</p> <p>Assessment of the newly designed assignments as well as the skills and capabilities of the job seekers with the analytical IMBA and Melba tools which assess the job seeker's capacity to work and the challenge rating of work assignment. The assessment will result in a challenge rating profile for the assignment and an ability profile for the job seeker.</p> <p>Recruitment and placement. If support is needed it is provided by a job coach.</p>
Results so far:	Encouraging results. During the 2 years two RATKO-coaches introduced the model to 11 employers and 18 work communities resulting 31 employments and 6 other job placements. The project aimed also to train people to use the model and the assessment tools. Over 100 different training sessions were implemented.
Name of the practice 2:	<b>Return to work consultant -a training programme and a sub project in OTE</b>
Year of implementation:	2016-2018
Coordinating authority:	OTE-project to promote inclusion of people with disabilities into working life. Government project consisting of 8 sub-projects. Co-ordination Ministry of Social and Health affairs.
Objectives:	Train professionals to co-ordinate job seekers' return to work process.
Main activities:	10 training days and assignments, total 2 credits, duration 7-8 months.

Results so far:	Co-ordination is important in fragmented service system. Approximately 400-500 people have passed the course. All of them already work in the rehabilitation/employment field with clients. Technology aided system has helped co-ordination between different actors and clients have found right services at the right time.
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