

# The Business Case for Disability Inclusion in Market Systems Development

## Research Brief

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## 1 Introduction

Market systems development (MSD) programs seek to influence incentives and relationships among actors to affect how public and private actors behave, helping important market functions to perform more effectively and encouraging businesses to innovate, adapt, grow and serve wider populations.<sup>1</sup> Increasing MSD programmes in the field of private sector development like Elan 1.2, a DFID funded MSD programme in the Democratic Republic of the Congo, are taking a closer look at *who* is included these wider populations and *who* is excluded and placing more attention on purposefully including frequently excluded groups like women and people with disabilities (PWD).

Though disability-rights groups like Humanity International have used a market lens and economic rationale to facilitate greater inclusion of PWD, the concept of disability inclusion is new to most MSD practitioners and is sometimes perceived as being at odds with the MSD approach; an issue compounded by the lack of available tools, frameworks and guidance on how to integrate disability inclusion in MSD programmes.

However, the broadening of the definition of disability and the introduction of a continuum model for understanding disability which views the subject as 'a matter of more or less [impairment] and not yes or no'<sup>2</sup> have resulted in a new framing of disability which reveals how prevalent and economically important yet often excluded people with disabilities are in market systems.

The purpose of this brief is to present information on the relevance of disability inclusion in private sector or market development. This paper is the second in a series of three commissioned by Elan 1.2 to increase understanding and applicability of disability inclusion in MSD and disseminate practical tools, frameworks and guidance. The first paper in the series is a [literature review of disability inclusion in MSD](#)<sup>3</sup> and the third paper presents practitioner guidance for disability inclusion in MSD drawing on the findings of the two previous papers.



“Person with disabilities include those who have long-term physical, mental, intellectual or sensory impairments, which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others” **UNCRPD, 2006**

<sup>1</sup> <https://beamexchange.org/market-systems/why-use-systems-approach/>, accessed October 9, 2019

<sup>2</sup> World Health Organization (2011)

<sup>3</sup> <https://static1.squarespace.com/static/5bc4882465019f632b2f8653/t/5e73565f1fbfd37a72ac63f/1584617086596/Literature+Review+People+with+Disabilities+in+MSD.pdf>

## 2 The case for disability inclusion in (private sector) development

The research shows that disability inclusion in private sector and market development programmes is important and economical significant in three ways; 1) general poverty reduction; 2) people with disabilities as employees and 3) as customers. While all have implications for development partners and practitioners, the latter two also have significance for the private sector. It should be noted that no relevant information was found on the role and contributions of people with disabilities as suppliers.

### 2.1 Disability and poverty in the developing world

There are 1 billion people with disabilities in the world; 800 million of whom live in developing countries.<sup>4</sup> The widespread exclusion of people with disabilities from the economy as producers, employees and or consumers has a disproportionate impact on poor people and especially those poor women and men with disabilities living in developing countries.

Disability is both a cause and a consequence of poverty (figure 1).<sup>5</sup> Poor people, women and men, are more likely to acquire a disability because they often lack access to good nutrition, health care and sanitation as well as safe living and working conditions. Twenty percent of the world's poor are disabled and 82% of all people with disabilities live beneath the poverty line on less than a dollar a day.<sup>6</sup> People with disabilities are more likely to live in poverty due to discrimination and barriers to participation in society ranging from education to health services and employment.<sup>7</sup> Disability in developing countries can be a key factor of exclusion from the labour force.

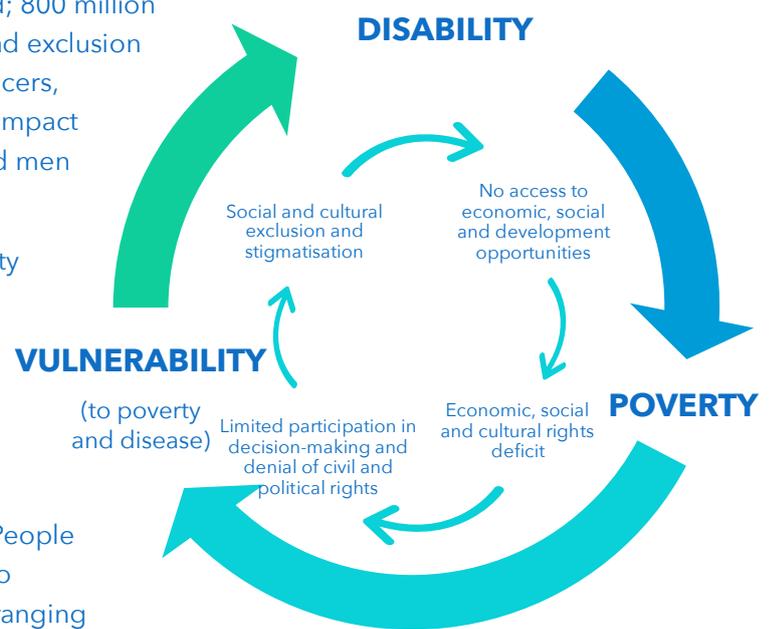


Figure 1: Disability poverty trap

### 2.2 Employees

An estimated 470 million people of working age have some form of impairment.<sup>8</sup> According to the ILO, people with disabilities, particularly women with disabilities, face significant attitudinal, physical and informational barriers to equal opportunities in the world of work. They experience higher rates of unemployment and economic activity and are at greater risk of insufficient social production, when compared to non-disabled people.<sup>9</sup> In developing countries, 80-90% of people with disabilities of working age are unemployed and women and young people or people with severe impairments are likely to face even greater levels of unemployment.<sup>10</sup>

Despite the widespread exclusion of people with disabilities from the labour force and particularly in developing countries, research by disability rights advocate groups found that the inclusion of people with disabilities in the

<sup>4</sup>[https://www.ilo.org/wcmsp5/groups/public/---ed\\_emp/---ifp\\_skills/documents/publication/wcms\\_407645.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---ifp_skills/documents/publication/wcms_407645.pdf) accessed November 14, 2019

<sup>5</sup> Situation of wage employment of people with disabilities: Ten developing countries in focus, Handicap International (2016).

<https://inclusiveemploymentprogram.files.wordpress.com/2018/10/hi-report-on-quotas.pdf>, accessed August 22, 2019

<sup>6</sup> Situation of wage employment of people with disabilities: Ten developing countries in focus, Handicap International (2016):

<https://inclusiveemploymentprogram.files.wordpress.com/2018/10/hi-report-on-quotas.pdf>, accessed August 22, 2019

<sup>7</sup> Ibid.

<sup>8</sup> Leymat, Anne, Inclusive employment: How to develop projects which promote the employment of people with disabilities and other vulnerable populations (2011): [http://d3n8a8pro7vnmx.cloudfront.net/handicapinternational/pages/266/attachments/original/1369073561/Livelihoods\\_InclusiveEmploymentPaper.pdf?1369073561](http://d3n8a8pro7vnmx.cloudfront.net/handicapinternational/pages/266/attachments/original/1369073561/Livelihoods_InclusiveEmploymentPaper.pdf?1369073561), accessed August 22, 2019

<sup>9</sup> [https://www.ilo.org/global/topics/disability-and-work/WCMS\\_475650/lang--en/index.htm](https://www.ilo.org/global/topics/disability-and-work/WCMS_475650/lang--en/index.htm) accessed November 14, 2019

<sup>10</sup> Ibid.



### Women with Disabilities

Women with disabilities face a **double discrimination** because they are both disabled and female. They are more likely to be poor, excluded from education and unemployed. They suffer discrimination at the recruitment stage and have difficulty accessing health and other public services. When disabled women do have a job, they have little access to training, the job is often part-time and / or underpaid

*Source: DFID disability framework (2015).*



### Consumer behaviours of PWD

- Consumers with disability are loyal and spend more despite tending to have lower incomes
- PWD are often “extreme users” and “first adapters who discover new ways of using the most advanced technologies and who often spark innovation for all consumers.

*Source: A hidden market (2018)*

workforce has numerous advantages. They research found that ‘businesses that include people with disabilities on staff enjoy competitive advantages, an increased number of available workers, increased workplace diversity, and make strong contributions to their national GDP’<sup>11</sup>.

The same research found that the private sector has yet to fully recognise and capitalise on the benefits of employing people with disabilities across the globe. The research highlighted the following specific benefits to employing PWD:

- **Return on investment:** Employees with disabilities have better retention and low absenteeism rates and are loyal, reliable and highly motivated.
- **Marketing and innovation:** Many companies find that employing people with disabilities increases their understanding and ability to serve their customers with disabilities.
- **Workplace diversity and culture:** People with disabilities contribute to an organization’s success by bringing unique perspectives and experiences to the workplace; the Institute for Corporate Productivity found that “twice as many high-performing organizations address diversity and inclusion (D&I) at the highest levels of overall business strategy.”
- **Social responsibility:** Companies that demonstrate social responsibility are more competitive, and they attract a larger number of employees and customers<sup>12</sup>

## 2.3 Consumers

In addition to constituting a sizable portion of the workforce, people with disabilities also comprise an important consumer segment. In the US alone, people with disabilities of working-age have an estimated total disposable income of \$490 billion<sup>13</sup> and account for as much as \$1 trillion annual aggregate spending.<sup>14</sup> Despite their spending power and number, 15% of the global population, few companies have targeted strategies to effectively market to people with disabilities. And many are still failing short of even just serving people with disabilities. A recent literature review on consumption and disability confirmed that ‘despite improved accessibility and non-discrimination legislation and existing inclusive design principles, many products, services or marketplaces remain difficult to access for this overlooked consumer group.’<sup>15</sup>

<sup>11</sup> Holmes, R., Turner, K., Alghaib, O.A., Kohama, A., Bevington, M., Lunsfor, M., Good for Business: Promoting Partnerships to Employ People with Disabilities (2018): [https://www.hi-us.org/news\\_b\\_good\\_for\\_business](https://www.hi-us.org/news_b_good_for_business), accessed August 22, 2019

<sup>12</sup> Ibid.

<sup>13</sup> Backup, Sebastian, “The price of exclusion: The economic consequences of excluding people with disabilities from the world of work,” International Labour Organization, [https://www.ilo.org/employment/Whatwedo/Publications/working-papers/WCMS\\_119305/lang-en/index.htm](https://www.ilo.org/employment/Whatwedo/Publications/working-papers/WCMS_119305/lang-en/index.htm) accessed November 1, 2019

<sup>14</sup> Holmes, R., Turner, K., Alghaib, O.A., Kohama, A., Bevington, M., Lunsfor, M., Good for Business: Promoting Partnerships to Employ People with Disabilities (2018): [https://www.hi-us.org/news\\_b\\_good\\_for\\_business](https://www.hi-us.org/news_b_good_for_business), accessed August 22, 2019

<sup>15</sup> <https://www.cogitatiopress.com/socialinclusion/article/view/1952/1952>

### 3 Conclusion

The MSD approach seeks to influence behaviours among market actors to help markets perform more effectively and serve wider populations, generating sustainable and inclusive growth. However, even though people with disabilities constitute a sizable portion of the population, can contribute in significant ways to business and GDP performance, considerations for their inclusion in market systems programmes has been minimal. Further, research shows that the exclusion of people with disabilities from the economy as producers, employees and or consumers disproportionately affects poor people in general and women specifically who often face double discrimination. Given the potential of disability inclusion to contribute to poverty reduction and economic growth objectives of private sector and MSD programmes, it is recommended that development partners (e.g. donors and implementing partners) prioritise investment into developing and circulating good practices in disability inclusion.



Further, research shows that the exclusion of people with disabilities from the economy as producers, employees and or consumers disproportionately affects poor people in general and women specifically who often face double discrimination. Given the potential of disability inclusion to contribute to poverty reduction and economic growth objectives of private sector and MSD programmes, it is recommended that development partners (e.g. donors and implementing partners) prioritise investment into developing and circulating good practices in disability inclusion.

### 4 Resources

- Buckup, Sebastian, The price of exclusion: The economic consequences of excluding people with disabilities from the world of work, ILO, (2009): [https://www.ilo.org/employment/Whatwedo/Publications/working-papers/WCMS\\_119305/lang--en/index.htm](https://www.ilo.org/employment/Whatwedo/Publications/working-papers/WCMS_119305/lang--en/index.htm)
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