

REACTIONS TO THE AMERICANS WITH DISABILITIES ACT: ATTITUDES OF BUSINESS DECISION MAKERS

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ABSTRACT

This study focused on two major objectives: to measure attitudes that business decision makers have toward the ADA and to determine what difficulties these individuals feel they face in attempting to comply with the ADA. A survey was conducted to assess the perceptions of respondents from prominent businesses in a midwestern state. Findings indicated that respondents from service businesses perceived fewer barriers to ADA compliance than those from sales businesses. Business owner respondents had less favorable attitudes and perceived more barriers to compliance than those respondents in human resource positions. Respondents from larger businesses perceived fewer barriers.

The Americans with Disabilities Act (ADA) is currently a concern for most business owners. The ADA was signed into law in 1990 to protect individuals who have a disability from discrimination and to facilitate their integration into the mainstream of American society. By July 1994, it was in effect for any firm employing fifteen or more employees. By the end of the third quarter of fiscal year 1995, more than 50,000 charges of discrimination had been filed under the statute [1]. The purpose of the present study is to identify the prevailing attitudes of business decision makers toward the ADA.

The protection of the ADA applies to the forty-nine million citizens in the United States who have a disability [2]. In 1991, 60 percent of these individuals were not employed [3]. This problem is further compounded by the fact that of those employed, many are underemployed. Most individuals who have a disability work in the secondary labor market, which offers low-paying, seasonal, low-skilled, low-security, part-time jobs with little prospect for advancement [4].

In 1986, Harris and Associates surveyed 1,000 individuals who had a disability and found that 66 percent were unemployed but wanted to work [5]. Edward Rensi, president of McDonalds Corp. USA stated, "People with disabilities comprise the largest pool of underutilized labor in America" [3, p. 52]. Shapiro went on to say that this high rate of unemployment is not due to the person's disability but instead to discrimination [6]. The goal of the ADA is to eliminate discrimination, ensure that individuals who have a disability receive equal and fair consideration in applying for jobs, and to remove barriers with regard to public services and transportation.

Greenwood, Johnson, and Schriener reported that 50 percent of the employers they surveyed were most hesitant to place individuals who have a communication, mental, or emotional disability in sales, professional, and managerial jobs [7]. Employers were less concerned about placing individuals with these types of disabilities in low-level production jobs [7]. By the end of 1995, in claims regarding alleged discrimination, the second most common disabilities were emotional/psychiatric impairments [1].

One employer concern reported by Greenwood, Johnson, and Schriener had to do with the cost of compliance [7]. Karr suggested that most large employers will incur relatively small costs in complying with the law [8]. In fact, a recent survey found the cost of accommodating each disabled employee was \$223 [2]. Many large firms were already in compliance in most areas. In addition, they have the financial resources to both modify buildings and absorb the cost of legal challenges.

Small business owners, on the other hand, are wary of the implications of the ADA. The major concern among small business owners is the cost of compliance [9]. The cost per accommodated individual is higher in that these businesses are less likely to experience the economies of scale of the larger businesses. John Sloan, past president of the National Federation of Independent Businesses, remarked that the ADA will "impose costly requirements on businesses" and is "so broadly written" that business owners are unsure how far they must go or how much they must spend to avoid being vulnerable to a lawsuit [6, p. 20]. Many human service professionals disagree with this assessment and state that the cost of compliance is actually minimal. They estimate the cost of remodeling an existing structure will run from 0 to 2 percent of the building's cost. Shapiro revealed that incorporating changes into a new building or one that

is undergoing major remodeling will add approximately 0 to 1 percent to building costs [6].

A recent study conducted by the Job Accommodation Network discovered that approximately 19 percent of the modifications performed by the firm involved no expense. Another 50 percent of the accommodations were achieved for between \$1 and \$500. The median cost for accommodation was found to be \$200, drawing the fear of excessive accommodation expense into question [10]. This is consistent with a recent poll by the National Organization on Disability that found that 80 percent of responding corporate leaders stated that costs have increased either little or not at all because of the ADA [2].

In addition to cost, another potential problem is the negative attitudes people have toward individuals who have disabilities. Yuker pointed out these negative attitudes place the individual with a disability at a disadvantage in the workplace [11]. Other employees may be fearful of the disabled based on stereotypes of these individuals [12, 13]. Bowe suggested that employer attitudes are critically important because they ultimately affect employment and promotion decisions [14]. He went on to observe that while most people do not express overt rejection of a person with a disability, there is a subconscious tendency to focus on a person's disabilities instead of his/her abilities. Falsely concluding a person does not have the ability to perform a task or job can actually become a self-fulfilling prophecy [15].

Yuker emphasized that employer attitude is the single biggest obstacle an individual with a disability faces when applying for a new job [11]. He concluded that the firms most likely to hire individuals who have a disability are those that have a philosophy emphasizing the significance of the individual and firms that strive for low employee turnover. These firms are committed to fully developing human resources by making accommodations for all employees. They tend to be firms that also offer flextime, childcare, carpooling, job-sharing, and continuing education and that promote employee volunteerism.

Freedman and Keller also agreed that negative attitudes by employers regarding individuals who have a disability have an adverse impact on a person's acceptance and/or employment opportunities [16]. In fact, Huss argued that sensitivity training is likely to be a key to increasing acceptance of disabled individuals [13]. Interestingly, it was found that employers who had more frequent contact with a person who has a disability developed more favorable attitudes toward this group [17]. They concluded that the more contact an employer has with individuals who have a disability, the more likely s/he is to hire such a person. Gade and Toutges discovered that firms employing more than fifty people were more likely to hire persons who have a disability than those employing fewer than fifty people [18]. Glasiris justified the need for federal laws such as the Americans with Disabilities Act by saying, "Many activists insist that there is nothing sad or negative about a disability that cannot be altered by changes in attitudes, behavior and public policy" [19, p. 23].

THE PRESENT STUDY

The literature review concerning employers' attitudes toward individuals with disabilities and more specifically the Americans with Disabilities Act of 1990 suggested a number of areas of interest that need to be addressed. The study had two primary objectives: to measure attitudes that business decision makers have toward the ADA and to identify what these individuals feel are the major barriers they face in attempting to comply with the ADA. Additionally, the study attempted to determine whether relationships exist between respondents' attitudes toward the ADA and a variety of personal and organizational characteristics.

METHOD

Procedure

The population of interest for this study consisted of decision makers from businesses in a rural midwestern state as defined by Dunn & Bradstreet's *Million Dollar Directory: America's Leading Public and Private Companies* [20]. For an organization to be included in the *Million Dollar Directory* it must meet one of the following criteria: 1) have a minimum of 250 employees at the location; 2) generate \$25,000,000 or more in annual sales; or 3) have a tangible net worth of at least \$500,000. The selection criteria are designed to identify only businesses with significant impact on the business community. The listing was comprehensive, including agriculture, forestry, fishing, mining, construction, manufacturing, transportation, communications, public utilities, wholesale, retail, finance, insurance, real estate, and business services.

Using these criteria, a list of 532 businesses was generated. A mailing consisting of a cover letter, questionnaire, and business reply envelope was assembled and sent to all businesses on the list. A second mailing was sent to the original listing as a follow-up and had the same basic components as the first mailing.

Subjects

At the end of the data collection period 282 business people (53%) had responded to the survey. The sample included 242 males and forty females. The respondents also included 263 Caucasians and eighteen Native Americans. (Note: any deviation from 282 respondents reflects missing data.) The average size of the business of those responding was 60.79 employees, with a range of one to 450 employees.

Respondents were asked to identify the primary business of the organization. To facilitate data analysis, these categories were condensed into four groups. One hundred forty-seven respondents identified sales as their primary business,

fifty-nine were in manufacturing or agriculture, forty-four in service industries, and thirty-two stated they were involved in other industries.

Of the respondents, fifty-seven stated they were owners, thirty-eight stated they were human resource officers, 109 stated they were general managers, forty-five stated they were presidents or CEOs, and thirty-three were listed as other. Individuals completing the questionnaire were assumed to be responsible for ADA matters and may have had other human resource management responsibilities as well. This was important to this study, as earlier samples were criticized for the use of exclusively high-level (i.e., CEO) employees who may not be as informed regarding the ADA [21]. Because of their responsibility for ADA matters, individuals in the "other" category were combined with those in the human resource officer category for purposes of further analysis.

Questionnaire

Because the literature review did not reveal an instrument that was designed to assess attitudes toward the ADA, a questionnaire had to be developed for the present study. To aid in questionnaire development, one of the authors interviewed several business persons concerning their perceptions of and attitudes toward the ADA. Based on these interviews a twelve-item measure was developed to assess respondents' attitudes toward the ADA and their perceptions of potential barriers to successful implementation of the ADA (see Appendix). Each item was measured on a six-point Likert scale. Additional questions were used to gather demographic data about the organization and information about the individual completing the questionnaire.

Data Analysis

Respondents' responses to the attitude questions were factor analyzed, and factor-based scale scores were computed. Scale scores were correlated with one another and with the demographic data. In addition, a multivariate analysis of variance (MANOVA) was conducted utilizing business and position type as the independent variables with attitude measures as the dependent variables. Follow-up analyses were conducted to investigate significant effects.

RESULTS

A factor analysis was conducted on the twelve-item attitude scale. Two factors were identified using varimax rotation. Table 1 displays the results of the factor analysis. Individual factors were identified by those items that loaded highly (+ or -.50) on one, and only one, of the factors resulting from the rotation. Factor I was named Attitudes Toward the Americans with Disabilities Act (ADA). Factor II was named Barriers to Compliance. Factor-based scores for each subject were obtained by averaging his/her responses to the items that comprised each factor.

Table 1. Factor Loadings, Eigenvalues, and Percentage of Variance

Item ^a	Factor I	Factor II
5	.83	
2	.77	
7	.77	
4	.68	
8	.66	
11	-.58	
12	.54	
3		.62
6		.55
1		.53
9		.52
Eigenvalue	4.13	1.18
Percentage of Variance	34.40	9.90

^aSee Appendix A for a listing of all twelve items.

The reliability estimates (coefficient alpha) for factors I and II were .86 and .64, respectively. Further analysis involving subjects' attitudes toward the ADA and perceptions of potential barriers used the factor-based scores.

Product-moment correlations between attitudes toward the ADA, perceived barriers to compliance, and firm size were computed. There is a significant negative relationship between attitudes toward the ADA and perceived barriers to compliance ($r = -.32, p < .001$). Number of employees is negatively related to perceptions of barriers, suggesting that respondents from larger employers may perceive fewer barriers ($r = -.21, p < .001$).

MANOVA analyses were conducted to determine the effect the type of business and the respondent's position within the organization had on attitude toward the ADA and perceived barriers to compliance with the ADA. The first MANOVA used business type as the independent variable and attitudes and barriers as the dependent variables and was found to be significant ($F(6,538) = 2.58, p < .05$). Investigating further, the type of business did not have a significant effect on attitudes toward the ADA ($F(3,269) = 1.82, p > .05$). However, type of business did have a significant effect on the respondent's perceived barriers to compliance ($F(3,269) = 4.53, p < .01$). Table 2 presents the means and standard deviations on the attitude and perceived barriers to compliance variables for the four types of businesses. A Tukey's honestly significant difference (HSD) test was conducted to compare the mean values on the variable for the four types of businesses. This analysis indicated that respondents from the services and "other"

Table 2. ANOVA Results of Attitudes and Barriers Broken Down by Business and Position Type

	Business Type				F
	Sales	Manu./Ag.	Service	Other	
Attitude	3.22 (1.07)	3.18 (1.03)	3.44 (1.10)	3.64 (0.92)	1.82
Barriers	4.08 (0.99) ^{a,b}	4.01 (0.77)	3.59 (0.95) ^a	3.59 (0.85) ^b	4.53**
	Position Type				F
	Owners	HR	Gen. Man.	Pres./CEO	
Attitude	3.02 (1.19) ^a	3.63 (1.00) ^a	3.26 (0.93)	3.19 (1.14)	3.82*
Barriers	4.15 (0.89) ^a	3.65 (1.00) ^a	3.95 (0.94)	4.07 (0.85)	3.38*

a; b; a,b Means with same letters are significantly different at the .05 level (Tukey's HSD).

Note: Numbers in parentheses are standard deviations.

* $p < .05$

** $p < .01$

*** $p < .001$

categories of businesses perceived significantly fewer barriers to compliance than did those from the sales categories ($p < .05$). No other comparison between mean values was significant.

Utilizing MANOVA analysis, the respondent's position within the organization was found to have a significant effect on attitude toward the ADA and perceived barriers to compliance with the ADA ($F(6,538) = 2.72, p < .05$). The follow-up univariate tests revealed this effect of position was found for both attitudes ($F(3,269) = 3.82, p < .05$) and barriers ($F(3,269) = 3.38, p < .05$). Table 2 also shows the means and standard deviations for these variables for the four different position classifications. Pairwise comparisons of means on these variables for the four positions were computed using Tukey's HSD. Respondents classified in the owner positions were computed using Tukey's HSD. Respondents classified in the owner category had a significantly less positive attitude toward the ADA than did those in the human resource officer category ($p < .05$). Respondents in the owner category also perceived significantly more barriers to compliance than did human resource officers ($p < .05$).

DISCUSSION

A number of interesting findings emerged from this study. Not surprisingly, those who had a negative attitude toward the ADA also perceived greater barriers to compliance. Given that this is a correlational finding, it is not possible to state that perception of fewer barriers leads to more positive attitudes toward the ADA. However, this would certainly seem to be a reasonable conclusion. If an individual had a better understanding of the barriers and realized they were not as

challenging as imagined, this might improve attitudes. In fact, this was noted in an earlier study [21]. In that study the respondents were noted to express empathy toward employees with disabilities, but they still showed hostility toward the ADA issue. Much of the hostility seemed to stem from the areas of cost and undue burden.

In another finding of the present study, decision makers from the larger employers perceived fewer barriers to compliance. Two factors may explain this result. The first is that larger firms may have already invested financial resources to make facility modifications. As a result, their facilities are already in compliance. The second factor is that they may have more experience in employing individuals who have a disability. This experience may reduce their fear of the ADA. They may realize that the cost of most modifications required to accommodate individuals who have a disability is relatively inexpensive and thus they have a diminished view of the magnitude of barriers to compliance.

The MANOVA results reveal that individuals from different types of businesses and in different positions may have different attitudes toward the ADA. Individuals from sales businesses perceive more barriers to implementation than those from service businesses and "other" businesses. One explanation for this finding is that individuals from sales businesses may believe the costs of implementing the ADA are too high. However, this explanation seems unlikely because many sales organizations, particularly retail companies, have already made their facilities accessible to their disabled customers. A more plausible explanation of the finding may involve basic beliefs and attitudes about employment of the disabled. Owners of sales organizations and their managers may have concerns about hiring individuals with disabilities for positions that require direct contact with customers. The owners and managers may believe their customers would be reluctant to approach sales personnel who are disabled. This belief is particularly likely if the owners and managers themselves have negative attitudes toward individuals with disabilities.

The position results suggest the owner is not likely to be as good an advocate of the ADA as would an individual in the human resource officer position. As these individuals have been officially designated as the individuals responsible for these issues, they may have developed a better understanding of the ADA and the barriers to compliance. It may be that they have a better understanding of the costs (being lower than what the owners might believe them to be). It also is possible that owners focus more directly on costs and profits and, therefore, may be more sensitive to any expense item.

While the law does contain a myriad of technical specifications, the basic concepts of the law are not difficult to understand. A factor that may significantly reduce employers' resistance to the ADA is the offering of local training sessions designed to help business owners/managers understand the actual costs of providing accessibility and reasonable accommodation. This is not to diminish the fact that certain parts of the act are open to interpretation. The fear that numerous

lawsuits would result from the ADA appears to be well-founded. Undoubtedly, the courts will play an important role in assisting business in defining the meaning of compliance. Local advocacy groups may also provide valuable insight to the employer as to how regulations can best be interpreted to achieve the desired goal: a higher level of employment of qualified individuals who have disabilities. By asking the person who has the disability for input and suggestions, a mutually agreeable solution may be reached within a reasonable budget.

Areas for Further Study

Based on the literature review that was conducted few, if any, empirical studies of employers' attitudes toward the ADA have been conducted. Additional research is needed to determine whether the results of the present study can be generalized to other samples of business decision makers. Additional research is also needed to assess whether awareness and education programs are successful in increasing business owners'/managers' level of acceptance of the ADA.

In this rural midwestern state, most business decisions are made by the owner, president/CEO, or manager of the organization (73% of the respondents were from these groups). Frequently, these individuals may not have relevant training on human-resource-related issues, such as the ADA. The problem is compounded by the fact that because of their size most organizations in this state do not employ a human resource manager or human resource specialist to assist them in interpreting aspects of the law.

It is probable that the lack of knowledge was a contributory factor to the other barriers to compliance this group perceived. Lack of specific knowledge about the ADA may make obstacles to compliance appear more expensive and insurmountable than they really are. As mentioned earlier, a recent study has shown that the cost of complying with many of the regulations of the ADA is often less than \$500 [10]. Such a modest cost is one that even business owners in small communities can afford. Yet, due to their lack of knowledge, business leaders may envision the cost of making modifications to be thousands of dollars.

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APPENDIX
Questionnaire Measure of ADA Attitudes and Perceived Barriers

Instructions: This section contains statements regarding feelings you may have with regard to the Americans with Disabilities Act (ADA). To respond to the following statements use the scale below. All responses will be completely confidential.

1	2	3	4	5	6
Strongly Disagree	Disagree	Slightly Disagree	Slightly Agree	Agree	Strongly Agree

Circle the most appropriate answer

1. The cost of making modifications at your place of business is a major obstacle in attempting to comply with the Americans with Disabilities Act (ADA). 1 2 3 4 5 6
2. Enacting federal legislation is the most effective method of protecting the rights of individuals who have a disability. 1 2 3 4 5 6
3. Training of employees to deal with the various provisions of the ADA is a major obstacle in attempting to comply with the law. 1 2 3 4 5 6
4. The ADA improves the quality of life of individuals who have a disability. 1 2 3 4 5 6
5. It is essential that government establish federal regulations to ensure the rights of individuals with disabilities are protected. 1 2 3 4 5 6
6. Understanding the requirements and regulations of the ADA is a major obstacle in attempting to comply with the law. 1 2 3 4 5 6
7. The benefits of the ADA are worth the burden it places on businesses. 1 2 3 4 5 6
8. The ADA helps individuals with a disability become more productive workers. 1 2 3 4 5 6
9. Disruption of the daily business routine is a major obstacle in attempting to comply with the ADA. 1 2 3 4 5 6

10. As an employer, you are willing, at this time, to make changes in the workplace to fully comply with the ADA. 1 2 3 4 5 6
11. Passage of the ADA is an example of how the federal government is getting too involved in the activities of businesses. 1 2 3 4 5 6
12. The ADA makes it easier for individuals who have a disability to become employed. 1 2 3 4 5 6

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