Quantitative and Qualitative Analysis of the disabled entrepreneur in Spain in 2016

Moreno Rodríguez, Ricardo; Blanco Jiménez, Francisco; Barragán Domínguez, José Antonio; Polo García-Ochoa, Celia; Tejada Cruz, Antonio; López Díaz, José María y López Bastías, José Luis

Universidad Rey Juan Carlos y Cátedra de Investigación Fundación Konecta-URJC para el Fomento del Emprendimiento de las Personas con Discapacidad. Año 2016
Abstract

This study pretends to shed light on the reality of the disabled entrepreneur, in order to contribute to the development of strategies and take the necessary measures to assure that the necessities of this group are paid attention carefully. For the purpose of generating empirically-driven propositions, we bring together insights from current empirical investigations and insights from the Global Entrepreneurship Monitor (GEM) 2014 survey on Spanish entrepreneurs. In general, the generated propositions seem to indicate a very similar entrepreneurial profile to a non-disabled entrepreneur. In fact, disabled entrepreneurs are more likely to be younger and more highly educated than non-disabled entrepreneurs. Furthermore, both groups are facing the same types of barriers.

Keywords

entrepreneurship; disability; Global Entrepreneurship Monitor; motivation; barriers.
1. Introduction

The current economic panorama highlights the difficulty of being employed. However, this situation has not affected all groups equally, as has, for instance, the crisis which has affected those vulnerable groups more than others: the disabled (OECD, 2014). In this way, the unemployment rate of this particular group doubled between 2008 and 2013 until it reached a 33% of the working population (Odismet, 2015).

In this case, another difficulty should be added to the shortage of job offers: facing the discrimination that may arise as a result of stereotypes and false prejudices. In fact, in 1993, the United Nations (UN) recognized that the barriers concerning the social environment constituted more serious obstacles when considering social participation of disabled persons rather than when considering their functional limits (Standard rules on equal opportunities for the disabled, 1993).

Therefore, the disabled problem not only relies on their functional limits and its effects on themselves, but also in what concerns their social relations (Hunt, 1966:146). In other words, it is the society who defines and imposes the disability sense as a complex system of social restriction imposed at the same time to those persons with deficiencies.

Although in recent years measures have been taken progressively (COM, 1996), it is clear that the disabled still have to face multiple barriers upon social exclusion.

According to recent studies made on “Social exclusion and disability” carried out by La Caixa Foundation and Carlos Pereda, the unemployment rate among disabled persons reaches a 40%, as in a close link between those disabilities that happen unexpectedly before retirement and the precarious conditions of life and work. In addition, the study also shows that this rate is duplicated compared to the one of the general population and that nearly a million of them do not receive any kind of aid, reducing consequently their emancipation level.

Even if working hire is the most chosen option by any individual desiring to work, it is not the only alternative. Undertaking a business is constituted as a solvent and attractive employment alternative as it is, many times, the best way to develop all the professional and innovational potential of the individual (Fernando Bayón, 2016).

However, it should be noted that “undertaking” emerges as a project in which both effort and compromise are needed in order to succeed. At the same time, it also involves avoiding obstacles and difficulties in order to achieve the desired success. In the case of the disabled entrepreneur, those obstacles and difficulties are even bigger due to the fact that they do not only have to face the usual problems when undertaking a business but also to the ones concerning social prejudices, although 11.6% of the disabled are self-employed and capable of carrying out any kind of task (DANE, 2014).

In short, the current situation along with the assumed certainty derived from equality, presume that it is not enough with labor inclusion in the current market or in special employment centers, it is necessary to support and admit the disabled in any kind of business project (Red Vega, Natividad de la; Fernández Sanchidrián, José Carlos; Marbán Prieto, José Mª, 2008).

Therefore, this analysis is facing a double-necessity: firstly, to foster entrepreneurship among the disabled from an inclusive perspective that guarantees equal opportunities, encouraging the autonomy for their professional development for them. Secondly, generating scientific and valid knowledge about the entrepreneur figure of the disabled, as well as its repercussions upon the quality of life, social and labor inclusion and the standardization of the disabled entrepreneurs.

The present study pretends to shed light on the reality of the disabled entrepreneur
in order to contribute to the development of strategies and take the necessary measures to assure that the necessities of this group are paid attention to carefully.

2. Objectives

The path towards a complete labor and social integration of the disabled has often experienced considerable progress in recent years. Their gradual integration in different job positions is just the preamble towards creating new businesses.

In this sense, it should be noted that the worked carried out by the associative movement in Spain in the last years, highlighting the creation of the Spanish Disabled Entrepreneurs Association in 2011. This Association is the only entity of national reference in that field from both a university and professional perspective.

In 2014, a project was launched by the Rey Juan Carlos University and Konecta Foundation in order to foster and support entrepreneurship among the disabled, helping them to manage their talent and develop an action plan that would allow implementing new employment options for this group.

On its behalf, the business sector has developed actions from its respective areas of Corporate Social Responsibility pretending to foster labor inclusion and investing in specialized training for both employment and self-employment for the disabled.

However, there are still certain problems and issues in which the responses are to date incomplete, partial or inexistent. In any case, the resolution of these matters is not possible without prior knowledge of the current situation of the study.

Thus, the objective of this paper is to gather up quantitative and qualitative information about disabled entrepreneurs, comparing it to the information already obtained concerning non-disabled entrepreneurs. In the end, the current situation of the disabled entrepreneur will be known and it could be used, then, as a starting point to orientate the launch of new action plans and support measures for this group.

3. Methodology of the study

The study attempts to present an approximation to the current situation of the disabled sector in terms of business venture that would allow elaborating a diagnosis of this group and its necessities related mainly with formation and competencies, which is the focal point of educational programs of the university sector.

In order to accomplish this, the study applies for a wide amount of information associated with the social and demographic aspects of the disabled entrepreneurs, their formation and entrepreneurship.

The population types studied was classified in the following ways:

- Disabled persons aged between 18 and 65 years.
- Entrepreneurs or persons with a clear profile of an entrepreneur (“potential entrepreneur”; that is, a person that has received the respective formation or specialized orientation).

The people that form the population described above are advised by the Chair of the Konecta Foundation, students in their last years registered in the Department of Attention for Disabled persons at the Rey Juan Carlos University or associates of the Spanish Disabled Entrepreneurs Association.

For the execution of this study, a questionnaire (Attached file I) was elaborated and was provided to 450 persons belonging to the population mentioned before via e-mail and social networks, obtaining as a result an anonymous sample of 137 persons.

The methodology used derives from a descriptive analysis that would allow subsequently a comparison between disabled entrepreneurs and entrepreneurs without disabilities.
4. Results’ analysis and discussion: Disabled entrepreneurship profile

Hereby, from a descriptive perspective, the different aspects proposed will be analyzed with the intent to know the distribution of the given population to verify if there is a clear difference between disabled entrepreneurs and entrepreneurs without disabilities.

4.1. Gender distribution

Firstly, we analyze the gender distribution of the disabled entrepreneurs. As observed in “Illustration 1”, there is not a significant difference. 54% of the survey respondents are men while 46% are women.

This data follows the same tendency as the one observed in the general working population (GEM, 2014); in other words, in Spain there are more men initiating a business activity than women, 58.5% and 41.5% respectively. Therefore, the pattern is repeated: the male proportion of entrepreneurs with or without disability is greater than the female one.

These results confirm the obtained outcomes in other studies that have shown that the fear of failure is greater in women than in men, thus, women have less confidence when starting up a business. This difference is due to the different propensity to undertake that each gender has in the general adult population (Arenius y Minniti, 2005; Köllinger y Minnitti, 2006; Langowitz y Minniti, 2007; Minniti y Nardone, 2007; Wagner, 2007).

4.2. Age distribution

In general, there are many authors that have agreed on the fact that, the older you are, the greater possibility there is on becoming an entrepreneur.

This relationship is presented in a Uinversed form, finding the maximum inflection point at the age of 40 (Bergmann y Sternberg, 2007; Giannetti y Simonov, 2004; Evans y Jovanovic, 1989; Bird y Brush, 2002; Caseo et al., 2010).

By observing Illustration 2, it can be concluded that the average age of this groups is 36 years old, the youngest entrepreneur being 19 years old and the oldest 61. Moreover, most of the survey respondents were aged between 25 and 47, which constitute a 65%.

If this data is compared with the general working population, the average age results as 40 years old (GEM, 2014), and that most of entrepreneurs are aged between 35 and 44, therefore, a slight difference can be appreciated between both groups, the disabled entrepreneur being more prone to undertake younger.

<table>
<thead>
<tr>
<th>Subjects of study</th>
<th>137</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>35.63</td>
</tr>
<tr>
<td>Median</td>
<td>35</td>
</tr>
<tr>
<td>Standard deviation</td>
<td>11.71</td>
</tr>
<tr>
<td>Minimum and Maximum age range</td>
<td>19 - 61</td>
</tr>
</tbody>
</table>

Illustration 2. Age distribution of disabled entrepreneurs./ Own elaboration.

4.3. Nationality distribution

As observed in Illustration 3, 90% of the survey respondents are Spanish.

The remaining 10% is composed of certain EU’s nationalities (such as Germany, France and the UK) and of people originating from countries outside of the EU.

As the image illustrates, the representation of these two last groups is of 5% respectively.

Illustration 3. Nationality distribution of disabled entrepreneurs./ Own elaboration.
4.4. Marital status and number of children distribution

According to Illustration 4, more than half of the survey respondents are unmarried (57%). The remaining is divided between married and civil partnership (31%), and a reduced percentage of divorced/separated persons (12%). This distribution is similar to the one concerning the number of children (Illustration 5): 32.8% of the respondents have children, from which a 12.4% have only one child, 18.97% have two children and 1.45% have three or more.

4.5. Occupational distribution

It is known that not everybody that begins their business project has the same motive to undertake and that the labor situation of each individual in what concerns self-employment is a basic determinant in the intention of creating a business (M. López Fernández, P. M. Romero Fernández, R. Díaz Carrión, 2012). In this way, two groups can be clearly differentiated: the entrepreneur out of necessity that decides to start-up because there is no better option in the labor market, and the entrepreneur by chance (i.e.: the individual that decides to create a business aiming to explode a business opportunity that has not been opportunist). According to this approach, by observing Illustration 6 we can recognize that half of the participants are students (43%), while remaining are classified in employed (27%), unemployed (12%) and people with a pension as their main income (18%). From this data it can be concluded that both students and the employed and pensioners could be defined as entrepreneurs by chance, and thus, they would represent an 88% opposite to the 12% that corresponds to the unemployed that will correspond, at the same time, to those entrepreneurs out of necessity. If this data is compared with the one related to the general entrepreneur population.
in which 66.05% are entrepreneurs by chance and 29.24% are entrepreneurs out of necessity (GEM, 2014) it can be observed that there is a clear difference between both, being that the disabled group are more prone to start-up a business motivated only by the discovery of a business opportunity. In addition, the working experience of the individuals has also been analyzed (Illustration 7), from which it has been obtained that a 59% have or have had a job, leaving the remaining 41% without any kind of working experience. This suggests that 6 out of 10 respondents have had a type of work experience previous to the start of their business.

4.6. Educational level distribution
As shown in Illustration 8, most respondents are graduated or post-graduated (58.8%). More precisely, 45.98% of them have a university degree and 12.4% had a post-graduate degree, while 12.4% only had a high school certificate, 24.6% had professional training and 4.36% had compulsory secondary education. In fact, most of the sample is characterized for having a medium-high level of studies (82.98%). If these results are compared with the ones of the general entrepreneur population, a great similarity can be found in its distribution; 39.1% of the entrepreneurs identified in the GEM 2014 had a type of professional training and 8.5% had a post-graduate degree, while, on the other hand, nearly one third had the compulsory secondary education. However, it should be noted that it is slightly bigger than the group of disabled entrepreneurs with a certain type of professional training or post-graduate degree. This fact confirms what was pointed out by other authors (Davidsson y Honig, 2003; Delmar y Davidsson, 2000); which confirm that the accumulation of knowledge and skills has a positive effect upon the possibilities of undertaking a business, and, in particular, those disabled entrepreneurs that opt to undertake are more prepared than those that do not have a deficiency.

Paying attention to the different branches of knowledge, it can be observed in the following illustration (Illustration 9) that nearly half of the survey respondents (a 40.4% more precisely) belong to social and legal sciences, while an 18.2% are related
to medical sciences, 14.6% to engineering and architecture, and 7.3% to arts and humanities. In this context, 12.4% of the participants didn’t respond.

What is more, another characteristic taken into account for the analysis is if entrepreneurs have received any kind of specific formation on undertaking a business or similar. In this sense, it can be observed in Illustration 10 that an 80% of the survey respondents have not received any kind of specific formation in terms of entrepreneurship, and only 23% of the subjects of study have entrepreneurial experience. It should be pointed out that, from those persons with experience, only 47% had specific formation. If these results are compared with the ones of the general entrepreneur population, a significant difference can be noted when finding that nearly 43.5% of the entrepreneurs of the population in general recognize to have received some kind of specific formation on entrepreneurship (GEM, 2014).

4.7. Income distribution

In order to start and develop your business, it is necessary to first invest in resources. Entrepreneurs can obtain these resources from external sources, or they can use their own sources to undertake, which is the most usual thing. Therefore, another issue analyzed in this study is the level of income of the participants (Illustration 11), which can be decisive when starting up a business.

Despite lacking a response of a quarter of the sample, one third of the respondents is facing an income lower than 9,000€ per year (33%), the lowest encoded rank of the study. Another third has a medium level of deposits, which varies from 9,000 and 22,800€ per year (29%). The highest levels, encoded in this survey as more than 22,800€/year are the less represented with a 13%. That is, there are a higher proportion of individuals with low salaries who decide to undertake than those with high salaries. Thus, a relationship between the level of income and entrepreneurship can be confirmed for this group but with a particular aspect: while in the general entrepreneur population adults with a
higher level of income showed a higher prone to undertake, in this population sample, adults with a medium-low level of income are the ones who show more initiative.

4.8. Entrepreneurial skills and motivations

Although the variables described previously are the most considered, there are other perceptual aspects that might be of interest, and thus are included in this study. Aspects such as the skills and competences of the subjects of study consider that they have and the individual and personal motivations to startup a business.

In this sense, considering the data gathered up with respect to the abilities and competences that the individuals should coin, the following were found: i) problem-solving skills (78.75%), ii) taking the initiative (70%), and iii) good communication skills (67.5%).

Besides, abilities such as social contact (58.75%), leadership skills (57.5%) and creativity (57.5%) are less characteristic on the given sample.

But what is really meaningful is that not more than 50% of the sample considers having the ability of assuming risks, an essential ability when undertaking a business.
Lastly, as mentioned before in section 4.5, not all individuals have the same entrepreneurial motivation.

For this reason, it is important to look into this issue and go further into the labor situation previously analyzed as only determinant when deciding to undertake.

In this sense, when analyzing Illustration 13, it can be observed that the majority of the participants (45%) state that their motivation to become an entrepreneur is their personal fulfillment and their desire for self-improvement.

Along these lines, it should be also pointed out that another main motivation for starting up a business is the eagerness of carrying out new personal projects (37.5%).

Moreover, another of the selected motivations by most participants (40%), is the search of a greater financial independence, this data agrees with the provided by the GEM report of 2014, in which a 39.7% of the general entrepreneur population opts to undertake for this reason.

Finally, unemployment (28.75%) and the desire of increasing their deposits (31.25%) are the less emphasized. For this reason, it can be concluded that this sample is characterized by individuals who prioritize personal aspects rather than economic.

### 4.9. Issues relating to disability

Another of the fundamental matters that characterizes the given sample is the percentage of disabled persons registered in their disability certification.

As shown in Illustration 14, 9.5% show a disability lower than 33%. There is a greater group, representing a 61.3% of disabled with a disability ranging between 33 and 66%.

Finally, the remaining 29.2% represent a group with a disability equal to or higher than 66%, pointing out that undertaking a business with such a percentage of disability means renouncing to the drawing of a compensation, thus, starting a business activity is strongly penalized. It should also be noted that only a 30% of the subjects uses or needs support products.

Regarding the type of disability (Illustration 15), the most common type among the respondents is the physical or organic disability, which represents a 60% of the total, followed by a 20% representing multiple disabilities.

A 13% of the survey respondents present a sensorial disability, while a 10% show a visual disability and a 3% an auditory one. Lastly, the type of disability less represented is the psychological with just a 6.6%.
4.10. Entrepreneurial limitations

Finally, the last issue that has been analyzed was the difficulties that could be found by any of the participants upon starting up a business (Illustration 16). It stands out that the less perceived difficulties concerning their disability only represented an 8.8% of the survey respondents. On the contrary, the most present difficulty is the one related with funding problems (38.8%), a data that coincides with the GEM report of 2014, in which they state that this is one of the explicit reasons that lead to the abandonment of the business activity.

Additionally, it should be highlighted that one third of the participants would state that they are not ready or that they lack extra preparation for initiating a business project (31.3%), while a 20% would perceive a need of information and/or specific advice on the matter. In this way, a lack in the way formation is being given can be observed, as this one is not addressed to the classical aspects of entrepreneurship but to self-management skills and occupational planning concerning entrepreneurs, as well as managing personal image.

As shown in the illustration, from the most...
5. Conclusions and main study implications

In rough outlines, the analysis of the results brings to light that there are not significant differences between a disabled entrepreneur and another one without disabilities as in the limitations that may influence their business activity. In summary, the results of this study point to the following:

- **Entrepreneurs with a physical disability are younger and better prepared:**

Disabled entrepreneurs are younger (36 years old) and those not disabled (40 years old), still, it is necessary to continue fostering the entrepreneurial culture in this group so they are conscious that they have a real opportunity to undertake a business. Moreover, this entrepreneurial culture should be cross-wise and longitudinal with respect to the academic life, thus, it should begin to be cultivated at pre-undergraduate levels. Additionally, an increase in business venture activities can be noted on those persons with a physical disability and on those people with a higher level of education, especially in social and legal sciences.

- **Lack of specific training and information:**

Disabled entrepreneurs present a clear 80% lack of specific training as well as a clear need of information and/or specific advice on entrepreneurial matters from the government.

- **Good communication skills and initiative but risk averse profile:**

The limited participation of the government in the encouragement of entrepreneurship as a professional alternative among the disabled (as specific action plans are not being generated) is becoming a determinant reason for the abandonment of the business plan: insufficiency can be found in the universal accessibility parameters in the establishments of the entrepreneur’s ecosystem, difficulties in administrative management for
the startup, the lack of an economic plan of incentives or scarcity periods that could facilitate the acceptance of all those additional risks indicated previously; altogether they complicate entrepreneurship for the disabled.

Additionally, the development of a specific regulation and introduction of active supporting measures of self-employment and entrepreneurship for disabled persons (at both a national and autonomous level) is indispensable. The aim is not to create closed and exclusive spaces for the disabled, but to encourage their participation in the equality of opportunities of the structures (such as incubation programs, incubators and accelerators) that have been created from an inclusive and normalized perspective.

One of the aspects that determines the quality of life of the human being is the participation in common spaces and public services of his/her community, and, thus, guaranteeing an existing entrepreneurial ecosystem in which the disabled can also participate. It is not about satisfying a right but about fulfilling a social obligation that nearly everybody has contracted. In order to fulfill this obligation, everybody should understand that being disabled means just having different capacities rather than having a limitation. Until this change of mentality is reached, a clear progress on this field won’t be reached either.

Finally, a coordinated action from everybody implicated in these type of initiatives is essential: it is not sufficient neither correct to set up different not coordinated and independent projects. It should be assumed that, in order to accomplish the goal of fostering entrepreneurship among the disabled as well as ensuring such equality of opportunities, everybody should work together as much as possible. If we want to reach the end, we can travel on our own, but if we want go further, we should travel in company.

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Appendix I: Questionnaire

Konecta Foundation – Rey Juan Carlos University for the encouragement of entrepreneurship among the disabled

This questionnaire is anonymous and the data gathered will only be used for research purposes in order to elaborate a diagnosis of the current situation of entrepreneurship among the disabled and their necessities related to this field. There are no wrong answers, so please answer all questions in order to gather as much information as possible.
Thank you for your collaboration.

*Required

Basic Information:

Age*:

Gender*:

Country of birth*:

Marital status*:

Number of children:

Persons in charge:

Place of residence*:

Occupation*: Worker, student, unemployed, pensioner, other?

Type of economic compensation: (in case of any)

Economic level: (per year)

Disabled entrepreneur’s profile:

Degree of disability according to certificate*:

Type of disability*:

In case of multiple disability, indicate which types:

Do you use support products?

Do you believe you have the following qualities? Creativity, communication skills, social skills, initiative, leadership skills, problem-solving skills, risk assumption skills, others?

Level of studies*:

Degree:

Branch of knowledge:

Do you have specific formation on entrepreneurship?

In that case, please specify:

Do you have experience undertaking a business?

Which difficulties have you faced or you believe you might face when being an entrepreneur?

How do you think these difficulties can be avoided?

Brief description of the business idea:

Business sector:

Motivation to undertake: social prestige, personal attainment, financial independence, new projects, unemployment/chance to work, economic resources, others?

Brief description of the business idea:

Business sector:

Motivation to undertake: social prestige, personal attainment, financial independence, new projects, unemployment/chance to work, economic resources, others?