

EUROPEAN UNION POLICIES FOR ENCOURAGING THE SOCIAL ENTREPRENEURSHIP FOR PEOPLE WITH DISABILITIES

IVAN TODOROV, PHD

PETAR PARVANOV, PHD

VLADISLAV KRASDEV, PHD

IRINA ATANASOVA, PHD

SOFIYA MIRCHOVA, PHD

SOUTH-WEST UNIVERSITY "NEOFIT RILSKI"

The Cooperation Programme INTERREG V-A "Greece-Bulgaria 2014-2020" is co-funded by the European Regional Development Fund (ERDF) and national funds of the countries participating in it

The presentation is structured as follows:

- ❖ Introduction
- ❖ Increasing the awareness people with disabilities about entrepreneurship as a real and feasible option
- ❖ Developing entrepreneurial skills
- ❖ Support for the development, acquisition and use of aids and technologies
- ❖ Providing access to appropriate financial support
- ❖ Improving access to the Internet, information and telecommunication technologies
- ❖ Conclusions

The Cooperation Programme INTERREG V-A "Greece-Bulgaria 2014-2020" is co-funded by the European Regional Development Fund (ERDF) and national funds of the countries participating in it

INTRODUCTION (SLIDE 1)

- ❖ Ever since the establishment of the European Economic Community in 1957, the organization's primary goal was to provide a socially acceptable standard of living for people. Social policy has been developed through the Single European Act and the Social Charter adopted by the European Commission in 1989.
- ❖ The main guidelines for improving the living standard are: Free movement; Employment and remuneration; Improving living and working conditions; Social protection; Freedom of association and collective bargaining; Professional training; Equal Treatment for Men and Women; Information and consultation of workers; Occupational health and safety; Protect children, adolescents, adults and disadvantaged people.
- ❖ Entrepreneurship can help many people with disabilities to participate in the labor market and society. The approach used to support the participation of people with disabilities in the EU labor market encourages increased participation primarily through employment and less through self-employment or business creation.
- ❖ A common EU approach is to use employment quotas that require public and private organizations to employ a certain number or percentage of people with disabilities. Denmark, Estonia, Latvia, the Netherlands, Finland, Sweden and the United Kingdom do not use this approach (Greve, 2009).

INTRODUCTION (SLIDE 2)

- ❖ There are examples of policies that support self-employment and business creation for people with disabilities. These include the incorporation of self-employment into the general active labor market programs (Ridley et al., 2005), as well as schemes that support people with disabilities when setting up businesses. Areas where such policies can be developed are:
 - Raising awareness of people with disabilities for entrepreneurship as a real and feasible opportunity;
 - Development of entrepreneurial skills;
 - Support for the development, acquisition and use of aids and technologies;
 - Providing access to adequate financial support;
 - Improving access to the Internet, information and telecommunication technologies, etc.

The Cooperation Programme INTERREG V-A "Greece-Bulgaria 2014-2020" is co-funded by the European Regional Development Fund (ERDF) and national funds of the countries participating in it

Increasing the awareness people with disabilities about entrepreneurship as a real and feasible option (Slide 1)

- ✓ The relatively high standards of self-employment for people with disabilities in the EU suggest that the latter are interested in entrepreneurship and self-employment. Many of them are inactive due to unawareness, lack of emotional support from family and friends, low self-esteem and other reasons.
- ✓ The goal of raising awareness should be to raise awareness of self-employment and small business ownership as a career option and the potential benefits it can offer. It is also important to raise awareness of the challenges and risks of entrepreneurship and self-employment so that people with disabilities can decide whether to take them.
- ✓ The promotion of entrepreneurial activities for people with disabilities should strive to reach three target groups: first, disabled people themselves; second, their role models and support networks, such as family and friends; and third, business advisors. One way to raise awareness of entrepreneurship among people with disabilities is to raise the image of entrepreneurship and self-employment in labor market support programs.
- ✓ It is important to provide entrepreneurship awareness training for counselors whose responsibilities include support for people with disabilities. This training should be tailored to the type of disability and take into account their specificities.
- ✓ It is crucial to overcome the reluctance of counselors to recommend self-employment as a good option. Increasing the counselors' confidence to support disabled entrepreneurs can indirectly increase the confidence of the target group of entrepreneurs.

The Cooperation Programme INTERREG V-A "Greece-Bulgaria 2014-2020" is co-funded by the European Regional Development Fund (ERDF) and national funds of the countries participating in it

Increasing the awareness people with disabilities about entrepreneurship as a real and feasible option (Slide 2)

- ✓ Policies can encourage the creation of a business for people with disabilities using role models. Inspiring examples of entrepreneurs with disabilities need to be widely publicized because they prove that business creation and self-employment are achievable for people with disabilities.
- ✓ These role models should also be included in wider promotional campaigns related to entrepreneurship and self-employment to show that self-employment is not atypical activity for people with disabilities. This is important not only for people with disabilities but also for overcoming the negative stereotypes and attitudes in society.
- ✓ Another awareness-raising approach is to promote entrepreneurship through distinctions for entrepreneurs with disabilities. This provides a public recognition of success and, in some cases, financial rewards are provided to support further business development.
- ✓ The awards are an effective way of attracting media attention to show success stories, raise awareness of the potential for entrepreneurship among people with disabilities, and inspire potential entrepreneurs. A good example is the Stelios Award for Disabled Entrepreneurs of the Leonard Cheshire Disability charity in the UK.
- ✓ The European Commission is also working actively in this area by managing the European Entrepreneurship Promotion Awards and sponsoring the First European Social Entrepreneurship Prize for People with Disabilities.

DEVELOPING ENTREPRENEURIAL SKILLS (SLIDE 1)

- **Policymakers can use different approaches to facilitate the development of entrepreneurial skills in people with disabilities. One approach is to provide greater support for people with disabilities in the education system.**
- **The likelihood of people with disabilities to complete vocational education or higher education is twice as low as for people without disabilities. The main reason for this is the lack or inaccessibility of assistive technologies - rehabilitative, adaptive and auxiliary tools that enable disabled people to perform certain tasks.**
- **Improving the availability and accessibility of these technologies is a first step towards raising the level of education, which will lead to improved skills and other individual benefits such as higher self-esteem. This may have a positive impact on entrepreneurial activities, as higher education of people with disabilities leads to better labor market outcomes, including self-employment.**
- **Policymakers can explore the wide variety of existing non-financial benefits to ensure that they are accessible to people with disabilities. This includes providing access to content in non-standard formats and flexibility in delivering them.**

DEVELOPING ENTREPRENEURIAL SKILLS (SLIDE 2)

- As an alternative, individualized entrepreneurship training programs such as "Ready to Start" in the United Kingdom can be developed. This approach can solve the problem of developing training programs tailored to the heterogeneity of the disability characteristics (type, severity, stability, duration and time of appearance).
- This kind of intensive support in small groups ensures the best results. Individualized approaches should assess the business potential of individuals, ensure the feasibility of the business idea, fill skills and knowledge gaps with business education, training and technical support, help develop a realistic business plan, and support adaptation in business.
- Although effective, individualized approaches require a lot of resources and are difficult to implement. This difficulty can be overcome by working together between pollsters and specialized organizations that support people with disabilities.
- In addition to using external knowledge and support, it will improve reach to target customers and allow strategists to take advantage of the reputation and experience of existing organizations.

The Cooperation Programme INTERREG V-A "Greece-Bulgaria 2014-2020" is co-funded by the European Regional Development Fund (ERDF) and national funds of the countries participating in it

Support for the development, acquisition and use of aids and technologies (Slide 1)

- ❖ Assistive devices and technologies can change the lives of people with disabilities. They are becoming more sophisticated, easier to transfer, cheaper and easier to use, and as a result have greater potential to improve the inclusion of people with disabilities in economic activities and entrepreneurship.
- ❖ Policymakers can play an important role in supporting the development of these technologies in order to ensure continuous improvement and to support people with disabilities in acquiring and using these technologies.
- ❖ Existing European policy currently supports the development of assistive technologies for a wide range of applications such as environment, accessible transport and accessible computer interaction. To further support technological developments in these areas, governments can take two actions:
 - First, they can continue to support research in these areas through research grants and incentives for research and development. In particular, more incentives could be provided to develop assistive technologies related to business software and business organizational tools.
 - Second, steps can be taken to improve the standardization of the assistive technology market. Common standards are needed to reduce the complexity and incompatibility of available technologies. The implementation of mandatory standards has a positive impact in the US (Stack et al., 2009) and there are many opportunities for improvement in the EU in this respect. To solve this problem, the European Commission supports a number of projects such as Cloud4all that promote the development of IT tools.

The Cooperation Programme INTERREG V-A "Greece-Bulgaria 2014-2020" is co-funded by the European Regional Development Fund (ERDF) and national funds of the countries participating in it

Support for the development, acquisition and use of aids and technologies (Slide 2)

- ❖ In addition to supporting the development of these technologies, policymakers can support the acquisition and use of assistive technologies by entrepreneurs with disabilities. This is often done by providing direct financial support, such as a grant, which assists in acquiring the specific equipment and technology needed to start a business.
- ❖ One example of this approach can be found in Greece, where the European Social Fund support scheme for self-employment of vulnerable unemployed, which provides grants to cover the cost of starting a business for the unemployed from vulnerable groups. Unemployed people with disabilities can also receive additional grants to cover up to 90% of the cost of adapting their workplace to their disability.
- ❖ This approach is also used in Austria. Grants are provided by the Federal Office for Social Welfare to help people with disabilities get a job or create self-employment (as well as stimulating businesses to hire people with disabilities).
- ❖ Policies can also support learning to make people with disabilities aware of how to properly use their aids, information and communication technologies, and to get the most out of society and the labor market. One approach is the computer training offered by the Latvian Society of Visually Impaired People.

Providing access to appropriate financial support (Slide 1)

- ✓ Access to finance is often cited as one of the biggest barriers to starting a business, and this challenge can be even greater for entrepreneurs with disabilities. Many potential entrepreneurs with disabilities have little work experience and as a result - low levels of savings and collateral.
- ✓ External funding can be problematic for people with disabilities due to poor access to information on funding and sources of investment. They have higher costs for starting a business due to the purchase of technology or equipment related to their disability, or for hiring additional help to perform tasks that many entrepreneurs are doing alone.
- ✓ Public policy must provide access to entrepreneurs with disabilities for funding for business creation. There is usually not a sufficient number of potential entrepreneurs with disabilities to justify the creation of a specialized microfinance scheme for disabled entrepreneurs.
- ✓ It is advisable that policies focus on creating access for disabled entrepreneurs to existing funding schemes. Policies should ensure that funds are available for specialized equipment to help people with disabilities in business creation and management.
- ✓ A first step towards improving access to finance for potential entrepreneurs with disabilities is to ensure that existing funding is available and accessible to people with disabilities. This means that information on sources of funding is available in accessible formats and that funding programs do not discriminate against disability.

The Cooperation Programme INTERREG V-A "Greece-Bulgaria 2014-2020" is co-funded by the European Regional Development Fund (ERDF) and national funds of the countries participating in it

Providing access to appropriate financial support (Slide 2)

- ✓ Second, policymakers can help bridge the gap between potential entrepreneurs and investors by helping disabled entrepreneurs prepare for investment and by facilitating access to investors through business contacts, promotional events and business competitions. The goal is to help entrepreneurs understand the way the financial industry works and the requirements for investment.
- ✓ Policymakers can go even further by gathering investors and entrepreneurs for special events. Face-to-face contact is important for networking and relationships, and entrepreneurs can take advantage of the opportunity to "sell" their entrepreneurial project.
- ✓ A third approach is to increase the availability of direct funding in the form of grants or loans. There are few mechanisms in the EU that provide targeted financial support to disabled entrepreneurs.
- ✓ When developing such mechanisms, it should be borne in mind that financial support for business start-up is more effective when delivered alongside skills training. An example of this approach is the "Search for Another Sense of Entrepreneurship" in the Slovak Republic, which provides training and funding through a business plan competition.
- ✓ Financial support for start-ups by entrepreneurs with disabilities should take into account unemployment benefits and disability pensions for disabled people. The compensation system must be flexible and balanced - it must neither demotivate the willing and able to work with people with disabilities nor deny the care of those who are unable to do so.

The Cooperation Programme INTERREG V-A "Greece-Bulgaria 2014-2020" is co-funded by the European Regional Development Fund (ERDF) and national funds of the countries participating in it

Improving access to the Internet, information and telecommunication technologies

- The Internet and mobile communication technologies have become an integral part of society and basic methods of communication and access to information. Politicians can do more to support the development and implementation of accessibility standards that would improve access to these technologies for people with disabilities.
- The EU has committed to improving access to the Internet and information technologies by signing the Convention on the Rights of Persons with Disabilities. Many EU countries have adopted laws and policies on the availability of websites and software applications for the public and private sectors. However, there is still a long way to achieving the goals set in this respect.
- The first task of policymakers is to improve the accessibility of public websites through information technology. The European Union supports the Member States in improving access to their websites with projects such as the Digital Agenda for Europe. This is crucial for people with disabilities who are considering self-employment because many public services are already online.
- A second task is to harmonize the standards for accessibility of information technology in the EU. The Internet has great potential for entrepreneurs with disabilities because it can help them overcome the challenges of communication and mobility. However, most of the websites are not available in formats and are not compatible with assistive technologies. Significant international efforts are needed to achieve meaningful results in this area.
- There are few projects such as Veritas (<http://veritas-project.eu/about-2>) that try to bring public and private stakeholders together to address these issues.

The Cooperation Programme INTERREG V-A "Greece-Bulgaria 2014-2020" is co-funded by the European Regional Development Fund (ERDF) and national funds of the countries participating in it

CONCLUSIONS (SLIDE 1)

- About one fifth of the working-age population in the EU is affected by disability, and this share is likely to grow with the aging population. The social and economic participation of people with disabilities will become an increasingly important political issue, and entrepreneurship may be part of the solution.
- Self-employment can facilitate active social and economic participation and give the individual control over it. Entrepreneurship allows flexibility in terms of workload, working time and workplace, providing greater success in tackling disability than paid employment.
- There are several ways in which policymakers can improve their support for entrepreneurship for people with disabilities. The first approach is to review startup offerings to ensure that they are available in accessible formats and to educate business consultants about the potential and risks of start-ups and self-employment for people with disabilities.
- An important way to improve information on starting a business for people with disabilities is to increase the available information on the impact of business creation and self-employment income on benefits received by individuals. Many people with disabilities receive different forms of public support, such as pensions, allowances and compensation, which affect the decision to start a business.
- A second area of action for governments is to support the development and adoption of assistive technologies. The development of these technologies is important for the better participation of people with disabilities in everyday life. Politicians can support this development with direct funding, tax and financial incentives. International cooperation is key in this area, and governments should seek partnerships with other governments, international organizations and the business sector to deliver common standards and platforms.

The Cooperation Programme INTERREG V-A "Greece-Bulgaria 2014-2020" is co-funded by the European Regional Development Fund (ERDF) and national funds of the countries participating in it

CONCLUSIONS (SLIDE 2)

- Third, there are serious argument, which substantiate the development of targeted training and support tailored to the needs and problems of entrepreneurs and potential entrepreneurs with different disabilities. Intensified individualized support in small groups ensures best results but individualized approaches require a lot of resources.
- Partnerships with specialized organizations are often essential to the success of targeted approaches, as specialized organizations already have a reliable relationship with their target customers. Policymakers can use existing resources to make cost-effective individualized approaches.
- Governments must ensure that all public websites are accessible. As the Internet is becoming the main way governments and citizens interact, much more can be done to improve the accessibility of online business services such as business registration, tax submissions, and business information resources.

THANK YOU FOR YOUR ATTENTION!