

The European Observatory for Inclusive Employment and the SDGs

Case study for Slovenia / ZIPS

The contribution and created benefits of companies employing persons with disabilities to the economy and society in Slovenia – the case of Želva

Introduction and background information

In Slovenia, it is estimated that 12-13% of the total population are persons with disabilities. There is no official data on the exact number of persons with disabilities, but on basis of registers of the different categories of disabilities, it is estimated that there are between 160,000 and 170,000 persons with disabilities in the country. Slovenian companies employing persons with disabilities have set it as their primary goal and mission to increase the inclusion of persons with disabilities and offer them more personalised development possibilities. They operate on the basis of regular entrepreneurial strategies and market principles, while their aim to realise their social goal through employment and training of disabled workers entitles them to financial support from the government.

The following case study provides an example of the business model of one of these companies. It aims to raise awareness on how persons with disabilities are included into the Slovenian labour market and how this in turn creates benefits for the companies themselves, the broader economy, the government and society overall. The example at hand is the company Želva, an inclusive company employing persons with disabilities based in the capital Ljubljana. The findings build on an interview from Spring 2020 with Mr Matevž Pirih, the Head of Economic Activities at Želva, in which he provided first-hand insights on the organisation, structure, and day-to-day business of Želva.

Želva acts as a regular player in the mainstream economy and is privately owned by “Zveza Sožitje”, the Slovenian Association for Persons with Intellectual Disabilities. Želva’s mission is the training and employment of persons with disabilities and by doing so improving the social inclusion in Slovenia and driving more opportunities for persons with disabilities. The company was founded in 1991, just after Slovenia gained independence. The idea behind the organisation came from the Slovenian national institute of employment, which at the time was attempting to establish a new company as a framework in which persons with disabilities could find work in an inclusive environment together with persons without disabilities. Firstly, it started with only a few employees and the activities focused on outdoor gardening work. Today, Želva employs 265 employees of which 50% are persons with all kinds of different disabilities and 50% are persons without disabilities. 59% of the persons in the workforce are women, 41% are men. There is no difference in the kind of work activities that are completed between the different groups of employees, the company employs both persons with and without disabilities in all areas. Persons with disabilities are working with persons without disabilities together in daily tasks such as cleaning, gardening, maintenance and IT tasks, as well as in administrative work and at management level. Also, Želva’s business activities are spread across Slovenia, as shown on **Illustration 1**.

How Želva employs persons with disabilities and creates benefits for all involved parties

Name	Želva
Objectives	Business development, training and employment of persons with disabilities
Activities	Providing services to clients and increasing employment opportunities and social inclusion for persons with disabilities
Target groups	All persons with disabilities
Timeline	Since 1991
Location	Across Slovenia (See Illustration 1)
Stakeholders	Želva, Slovenian Association for Persons with Intellectual Disabilities, Slovenian government

Želva’s business model is founded in two different pillars of activities: A profit and a non-profit department. In the profit-based activities, they are competing on the open market with other companies that do not employ persons with disabilities. In the non-profit activities, Želva has specific kinds of contracts with the Slovenian Ministry for Employment, that they received through public procurement and that shall create more

employment opportunities for persons with disabilities. The Slovenian National Institute of Employment hereby refers persons with disabilities that are looking for work to Želva, who can then provide them with jobs they received through these non-profit contracts. The profit-sector activities include for example communal and gardening services, cleaning services, facility management, maintenance services, furniture production, sewing services and laundry services. The non-profit activities constitute of general trainings and education programmes for the workforce, as well as social inclusion programmes for persons with disabilities with higher support needs in residential units.

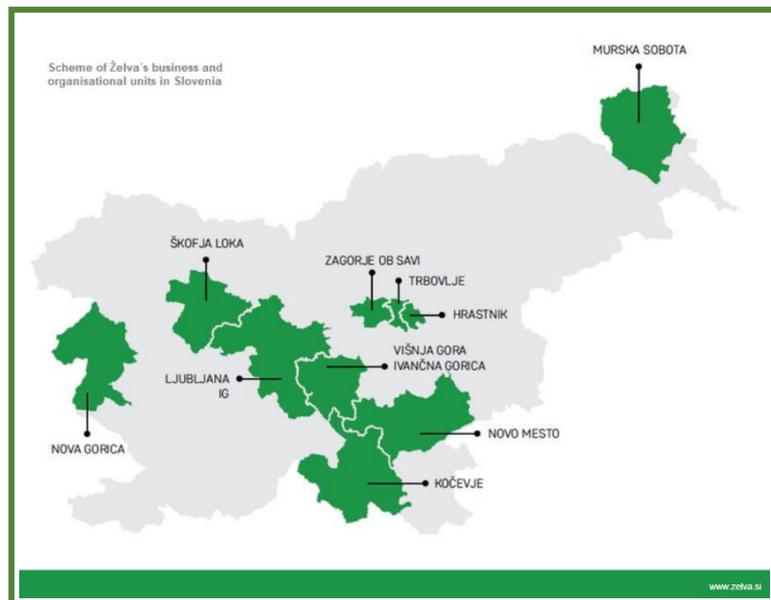


Illustration 1: Overview of Želva's business and organisational units across Slovenia.

Želva has also many persons with disabilities in its workforce that work in regular service jobs at client sites, for instance for cleaning, reception desk and maintenance tasks. One example for such a client-relationship is SIQ - Slovenian Institute of Quality and Metrology. SIQ and Želva have a long-term contract agreement that enables Želva workers to be employed directly at the SIQ headquarters. While the employees are being supervised by job coaches, they work in an open setting in the institute, with direct client contact. However, officially they remain employees of Želva and also remain on Želva's payroll and in its workforce.

Želva has many of these long-term contracts with large companies across Slovenia, as well as with public clients. However, Želva also engages in short-term work with smaller companies that need ad-hoc support or services. The sales and acquisition processes function like in every other company on the regular labour market as well. According to Mr Pirih, there are two main factors for clients to choose working with Želva. Firstly, the company provides high quality services and has proven this to many clients for decades in long-term working agreements, competing at regular market prices, similar to its competitors. Secondly, through the cooperation with Želva, client companies can fulfil the Slovenian quota-scheme, which regulates that all companies must include a certain amount of workers with disabilities in its workforce.

As regards the recruitment of its employees, as mentioned above the Slovenian National Institute of Employment often refers persons with disabilities looking for jobs to Želva. But the company also searches for new candidates through other channels, for example regular job advertisements and enquiries on- and offline, as well as through networking activities or assessment centres where the candidate's skills and abilities are assessed and matched with the portfolio of activities and tasks that the company provides. Once hired, people are on-boarded with the help of specialised trainings, depending on the job task required. The company has created a very supportive environment with job coaches and supervisors that provide technical and moral support for the workers for their daily work. In addition the employees that work at client's sites are provided with support staff and Želva ensures that its workers are treated in the client companies in an inclusive and respectful way. The employees are paid the same full salary as every other worker in the same sector. For this, Želva does receive subsidies for the salaries of its employees with disabilities. Further, the company receives tax reductions as a compensation for employing a significant share of persons with disabilities, for instance for social services, health system and pensions system.

“Yes, we do receive subsidies as compensation measures in order to pay full salaries to our employees with disabilities. But business-wise, from a practical point of view, our work and our company are really not that different from other companies and service providers that do not employ persons with disabilities.”

Matevž Pirih, Head of Economic Activities, Želva

For the Slovenian government, the benefits of having as many persons with disabilities in employment as possible are significant. When persons with disabilities are able to participate in the labour market through Želva, or through other companies that Želva provides services to, they are included more strongly in the labour market and create a better society for all. By providing State aid to companies such as Želva, the government further saves financial resources. Investing tax payers’ money into companies that employ persons with disabilities is economically speaking the wiser choice for the government, as it is less costly to fund employment opportunities of persons with disabilities than providing unemployment or wider social protection benefits. In other words, it is more costly for society as a whole to not to employ persons with disabilities. This was for example also shown by a 2013 Slovenian cost-benefit study, which concluded: “considering inputs from state-aids and outputs (taxes from the companies), data showed that in years of economic prosperity companies employing persons with disabilities paid more taxes than they were given state-aids”¹.

Further, this brings of course a social benefit of great importance. Many of the persons with disabilities employed by Želva would not be able to participate in the labour market if they were not provided with an opportunity by the company. The Slovenian labour market as it stands currently is not offering sufficient employment opportunities to many persons with disabilities, which would often lead to them being marginalised and dependent on care and financial support. Through creating work for persons with disabilities in an inclusive environment, together with persons without disabilities, companies such as Želva create benefits for the government in terms of more included people in the labour market, and an overall more inclusive society. Finally, many Slovenian public government institutions and service facilities are clients of Želva themselves and profit of the services the company provides.

“For the government, the most desirable thing that can happen is that as many citizens as possible have jobs. It doesn’t matter if they are a person with or without disability. It is simply the cheapest and best way for the government. And we are helping them with this.”

Matevž Pirih, Head of Economic Activities, Želva

For the clients of Želva, international as well as Slovenian enterprises and local businesses, also many benefits are created. They are provided with the services they need, without a loss in quality compared to other service providers that do not employ persons with disabilities. As Mr Pirih reported, many of Želva’s clients already notice after a short period of collaboration, that the tasks are completed equally well by a person with disability, if she or he receives adequate equipment and support – which the client then is willing to pay for as well. Unlike Želva, the client does not receive a subsidy, but as mentioned above they do fulfil the quota system by contacting companies that employ persons with disabilities for their services. Further, the clients often report that they feel like contributing to a more fair and inclusive society when collaborating with Želva.

As regards the workforce, Želva provides them with many working benefits, such as individual professional assistance, professional mentorship for their career development, regular training and education programmes, cultural and sport events and a non-discriminatory, inclusive environment. Both employees with and without

¹ Soča Center for vocational rehabilitation, University Rehabilitation Institute, Republic of Slovenia, 2013: “Večletna analiza stroškov in koristi financiranja zaposlitvene rehabilitacije in zaposlovanja invalidov v invalidskih podjetjih in zaposlitvenih centrih” / “Multiannual Analysis Of Costs And Benefits Of Financing Vocational Rehabilitation And Employment Of Persons With Disabilities In Companies Employing Persons With Disabilities And In Employment Centers”, see [here](#).

disabilities, report that the work at Želva has proven to be very fulfilling for them, and they are proud of working in an inclusive and prosperous working environment. Many employees with disabilities who struggled with

“One thing we are very proud of at Želva is that we offer our employees, regardless if they are a person with disability or a person without disability, all appropriate and achievable possibilities for their personal development. They help us to achieve our social mission and our business goals, while we help them to create their lives independently and follow career opportunities.”

Matevž Pirih, Head of Economic Activities, Želva

finding a job before, regard Želva as a place where they can be part of the labour market and develop their careers. This was also the initial thought of the owner of Želva, “Zveza Sožitje”, the Slovenian Association for Persons with Intellectual Disabilities, when they created the company. They simply wanted to provide persons with disabilities with more opportunities and independence, to be able to create their own lives rather than having them created for them.

Main success factors and challenges of Želva’s employment model

According to Mr Pirih, the largest success factor of Želva is that they offer so many different jobs, tasks and opportunities to its workforce, which helps the company on the one side to broaden their earnings portfolio and the employees on the other side to drive their career development in the direction that they would like to follow. This way, Želva can also take up employees with all kinds of different backgrounds and skillsets.

Further, the mixed workforce of 50% persons with disabilities and 50% persons without disabilities is a strong asset to Želva. It creates a more diverse and more inclusive way of working environment, to which the employees feel proud belonging to. This diversity is not only fulfilling Želva’s social mission, but is also good for business and helps the company to strive for more and grow further, which in turn leads to more persons with disabilities being offered a job, supported and included into the labour market.

Another success factor for Želva is that the quality of its services always is a priority. While having its social mission and the employment of its workers with disabilities in mind, the services have to be carried out professionally and with a high quality. Otherwise, companies would no longer hire Želva and it could in turn employ fewer people. The right personnel and training are therefore key. This remains true for all sectors and activities Želva works in. Further key success drivers are the knowledge and experience of leadership staff and supervisors, costly and up-to-date equipment, as well as a sophisticated organisation and structure of the company. The human resource management challenges remain the same in a company that employs 50% persons with disabilities as in every other company as well.

“With our company, we have the opportunity to give people something back – with the help of our social system through government subsidies. We can train them well, we can see every day what an amazing asset persons with disabilities can be on the labour market, what positive things they can do.”

Matevž Pirih, Head of Economic Activities, Želva

The challenges for Želva are just as diverse as its workforce. A big challenge can be for example to employ workers at a client’s site when having previously employed them only at Želva facilities. For example, IT tasks or jobs at pharma clients of Želva are usually more complex and the working environment is more difficult to habituate to. Therefore, Želva employees require specific support for being on-boarded in these companies. At the same time, the employees also receive higher salaries as in for example the gardening or cleaning services.

Another challenge for Želva’s business model is the strong dependency on government subsidies. Without the continued State aid, Želva would have to cut a significant amount of jobs or even shut down production completely. Many employees with disabilities would lose their employment opportunities and be dependent on the state again. Not subsidising companies that employ persons with disabilities such as Želva would therefore

be - financially and socially - more expensive for the government. At the same time, former subsidies for training and employment were cut over the last decade and it is becoming increasingly harder for Želva to appropriately train its employees. The subsidies it receives are just barely sufficient to pay the employee's salaries.

But the main challenge for Želva and for many other companies that employ persons with disabilities is how to transform and adapt businesses in the future. Many of the services that Želva provides require job tasks that are threatened by digitalisation and automation. Želva can already see this now, and former tasks such as packaging work and postal services are not required anymore. Želva now has to re-educate and re-skill its workforce to adapt for the upcoming challenges and prepare them for new job fields. This however has proven to be a very difficult task because of insufficient resources to offer trainings, as well as digital and accessible equipment. Without the support of the government, the task of ensuring a smooth transition into the age of digitalisation and automation will become impossible. Even though Želva does receive subsidies to pay every worker with disability the same fair amount of salary as every employee without disability, the company does not receive sufficient financial support for buying assets and equipment for its workforce, and also no financial support for significant and extensive training that especially persons with disabilities need. Therefore, one main challenge for Želva is keeping up with technology and equipment and the right skills to use them for workers with disabilities, in order to make the working environment as inclusive as possible.

Drivers and success factors	Challenges and learning points
<ul style="list-style-type: none"> - Broad portfolio of activities and tasks for employees - Diversity of workforce - Quality level of services 	<ul style="list-style-type: none"> - Employment at client sites - Dependency on State aid - Re- and upskilling of workforce for transition through digitalisation and automatisisation

Recommendations to other organisations willing to engage in a similar process

On basis of the learnings from Slovenia, there are several recommendations that can be given to organisations from other countries. For example, raising awareness and advocating for the work of companies employing persons with disabilities towards the government and decision-makers in order to show their benefits for overall society, is important. For Želva for instance this is done through ZIPS, the Observatory partner from Slovenia. ZIPS is the Slovenian Alliance of Companies employing Persons with Disabilities and was also established in 1991. It aims at promoting employment and training opportunities for persons with disabilities and jointly represents companies employing persons with disabilities towards the government and national authorities.

Another recommendation that was named by Mr Pirih is to offer a diversity of tasks in the portfolio of a company employing persons with disabilities, in order to include as many persons as possible and to let the staff choose their own career path rather than making decisions for them. Also the work that is done on the sites of clients is very important and it is recommended to find more collaboration opportunities between companies employing persons with disabilities and other mainstream companies on the labour market in order to increase overall inclusion.



Illustration 2: Želva employees at a company event in front of the Želva headquarters.

Conclusion

Through the example of the inclusive company Želva, this case study attempted to show how companies employing persons with disabilities promote the inclusion of persons with disabilities in the labour market in Slovenia and how they can create benefits for all involved parties, including the government, and society overall. The example delivered many arguments for continuing the support and promotion of the inclusion of persons with disabilities into labour markets and showed which critical developments the sector is facing in the future. Government support will be crucial in order to equip these companies and their workforces with the right tools for the economy and labour market of the future.

Also in the light of these difficult challenges ahead, the Slovenian example of Želva highlights the importance of equal opportunities and of well-being for everybody. The social mission and goal of Želva, the training and employment of persons with disabilities, improving social inclusion in Slovenia and driving more opportunities for persons with disabilities, showcases values that should also be promoted further in the future across Europe.

About the Observatory

Created in 2018, the European Observatory for Inclusive Employment and Sustainable Development Goals aims to build an EU partnership dealing with the challenges faced by social economy organisations and companies employing a significant percentage of persons with disabilities in Europe, while seizing the opportunities stemming from these. Members include:

National member organisations from Spain, France, the Netherlands, Belgium, Sweden and Slovenia	
European network partners	
Observer organisations	

In its first phase of actions over 2018-20, the Observatory aims to analyse how these organisations and companies provide work and employment opportunities to men and women with disabilities and effectively include them into the labour market and society in Europe.

Case study methodology

This case study is part of a series of six - one for each national member organisations of the Observatory. The overall objective is to contribute to better understand how persons with disabilities actually access economic opportunities, while recognising the diverse legal forms and adopted approach towards employment of workers with disabilities taken throughout Europe. The data collection process was qualitative in nature and conducted by Weber Shandwick, acting as the Observatory Secretariat. It consisted of a brief document review and semi-structured interviews with the key contact persons involved. Each case study was drafted by Weber Shandwick and approved by the respective national member organisation before being publicly released.

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