

# Belonging Matters' Podcast

## Transcript

Series 2 Episode 5: The productivity fallacy: why people are worth more than just how fast their hands move

Michael Callahan

This podcast is an edited version taken from:

Callahan, M. (2010). The Productivity Fallacy: why people are worth more than just how fast their hands move. In [TASH Connections Spring 2010 vol.36, #2.](#)

Welcome to Belonging Matters Podcast, Series Two, Employment. Also available on Apple podcasts, Google podcasts, Spotify, and [www.belongingmatters.org](http://www.belongingmatters.org). You can email Belonging Matters on [info@belongingmatters.org](mailto:info@belongingmatters.org), and please, subscribe and share. Series Two, Episode Five, "The Productivity Fallacy: why people are worth more than just how fast their hands move" Michael Callahan has consulted throughout the US, Canada and Europe in the area of employment and transition for the past forty years. He has worked with Marc Gold & Associates (MG&A) for forty-three

years, and has served as president of the organisation since Marc Gold's death in 1982. MG&A is a network of consultants that provides technical assistance to systems, agencies and families interested in insuring the complete community participation of persons with significant intellectual and developmental disabilities. In 2000, Michael joined three other colleagues to form a non-profit organisation, Employment for All. Michael's current work focuses primarily on Customised Employment, Discovery and Systematic Instruction/Job Coaching for adults and youth with significant intellectual and developmental disabilities.

In this podcast Michael explores what happens when disability affects productivity, and how employees with disabilities can move beyond the demands typically associated with productivity standards. This podcast is an edited version of the paper that appeared in TASH Connections, Spring 2010 vol. 36, #2. To view the full article please visit [www.marcgold.com](http://www.marcgold.com). This episode of the Belonging Matters' Podcast is narrated by professional voice artist Brett Carrol.

When Congress passed the sub minimum wage components of the Fair Labour Standards Act, FLSA of 1938, section 14,

Part C, it is clear the intention was to assure that workers who are not able to meet the employer productivity standards, because of the impact of disability on work performance would not be excluded from earning a wage. Unfortunately, the consequences of this well intentioned legislation have been far more negative than positive in the 71 years since its passage. But what happens when disability affects productivity? Congress chose to use a strategy common in the industrial revolution to address this issue to pay workers only what they produced. But how can those individuals ever expect to earn at least the minimum wage and to work in regular community workplaces if the only indicator of contribution is the speed of their productivity?

At least one answer to this dilemma is to confront the presumption that pay and productivity are inextricably linked. While it is important to say that productivity is of critical importance to business, and that every reasonable effort should be made to assist individuals with significant disabilities to enhance their productivity. There is an alternative construction to resolve this dilemma, that of contribution. The concept of contribution offers a richer and broader perspective to solve the equation of employee pay, than a sole reliance on productivity. Of course, one aspect of employee contribution is productivity. But it is of critical importance to understand that employers do not use the productivity yardstick to gauge all facets of employee contribution in typical workplaces. Indeed,

many tasks performed in the workplace are simply accomplished episodically once a week, every other day, or once or twice a day. Yet others are performed in a manner that counting productivity is neither economically or logistically feasible. What matters most in those cases is that the task gets done and gets done correctly.

The concept of pay for productivity used by Congress for sub minimum wage is based on the strictest interpretation of employer expectations. Employers always expect, rhetorically at least, high productivity from employees and compensate them at a reasonable rate less than the value of the productivity. It is true that unless the value of the employees productivity exceeds pay offered, a for profit entity cannot stay in business for long. Even nonprofit and governmental entities must strike a balance, theoretically, between pay and productivity to remain viable and successful. The traditional formula has been that employee pay must be equal to or less than the employers' productivity demands. However, this tight formulaisation does not take into consideration that beyond the demand for productivity, businesses have needs. The concept of adding value by meeting business needs allows for a focus on those aspects of a business that bring added value to the workplace. When the value equation shifts from meeting demands to meeting needs, pay at or above the minimum wage becomes possible.

The most common way to add value to a business beyond typical productivity is to meet unmet needs.

The concept of unmet needs refers to a host of workplace tasks that need to be performed, theoretically at least, but that in actuality, are not being performed. By targeting unmet business needs as an organising concept, individuals with disabilities who have specific contributions to offer can move beyond the demands associated with productivity standards. In 2001, the Office of Disability Employment Policy, ODEP, of the US Department of Labour, has been promoting this strategy through its initiative on customised employment. Through a series of nearly 40 multi year implementation projects, the customised employment CE initiative has set pay of at least the minimum wage as the threshold for a successful job. This initiative has shown that the contribution of meeting an unmet need is valued differently by many employers than that of the original task that was not performed. In other words, customised employment provides a strategy to broaden the pay for productivity equation to an enhanced pay for contribution equation.

Beyond addressing unmet needs, customised employment allows for additional strategies to unbundle the demand for employers. For instance, many employers assign episodic duties to highly paid employees that could easily be performed by workers at a much lower, though at or above minimum wage, paygrade. It has been demonstrated clearly from the

days of Mark Gold's groundbreaking research to the present day examples of individuals in customised supported employment that individuals with even the most significant disabilities have discreet contributions to offer to employers if the demand of preset productivity standards is not present. Gold found it was possible to teach virtually any individual, regardless of severity of intellectual disability, to perform tasks in a quality manner. This finding fits perfectly with the concept of customised employment that allows a business friendly strategy to remove the barrier of productivity.

Another perspective regarding the presumed need for sub minimum wage pay is that individual performance is neither a static nor a general concept. A colleague from the University of Massachusetts, John Butterworth, notes the following:

“The regulations regarding sub minimum wage clearly indicate that it is intended to be contextual in nature, and that even if an individual is paid sub minimum wage for a particular type of job at a particular time, there should be no assumption that the individual is incapable of earning minimum wage or higher in a different position, or in the same position with the benefit of experience. In practice, it appears the contextual nature of sub minimum wage has often been ignored. Anecdotal evidence and observation indicate that when an individual is incapable of working at a rate to meet the requirements of the prevailing wage for a certain position, this is often used as evidence by

service providers that the individual is incapable of working in the community at minimum wage or higher.”

It is estimated that approximately 425,000 individuals with significant disabilities are in services that use sub minimum wage as the basis of pay in the USA. For the first time in the history of the disability field, concerted efforts are being made to remove section 14 Part C from the FLSA. Conversely, those who favour its continued use are stating their case. What seems to be occurring is less of a debate around sub minimum wage payments than focusing on the continued existence of the industry organisations that use section 14 C as an essential ingredient of the viability. It has been suggested that the payment of sub minimum wages is somehow connected to the national value that, disability is a natural part of the human experience as stated in the Americans with Disabilities Act. How can the case be made that disability is being treated as a natural part of our human experience when people with disabilities are virtually the only segment of society for whom it is legal to pay sub minimum wages. In fact, this beautifully stated national value seems to argue strongly for the removal, not the continuation of sub minimum wage.

At this point, only the most traditionally devalued segments of our society are allowed to receive less than minimum wage. This is especially critical in that, in recent years, there has been an increasing focus on the concept of asset development and access to a living wage for persons with disabilities. How can

persons with significant disabilities ever be expected to build assets and earn a living wage if they must start in the hole created by sub minimum wage? In the Americans with Disability Act, ADA, Congress provided that the nation's proper goals regarding individuals with disabilities are to assure equality of opportunity, full participation, independent living and economic self sufficiency for such individuals. Equality of opportunity to earn a living wage that results in economic self sufficiency is only possible for all Americans if they are guaranteed access to at least the minimum wage as payment for their work.

Another argument by those in favour of continuing section 14 C is that of personal choice. Persons with disabilities should have the right to choose to be employed in services that typically pay less than the minimum wage. However, if disability is to ever be seen as an aspect of life potentially associated with all citizens, not just an aberration associated with a small portion of society, personal choice should be overridden, as it is for all citizens on the issue of pay. Job seekers without disabilities do not have the choice to apply for a job for pay of less than the minimum wage.

As the arguments pro and con emerge regarding the sub minimum wage payments, it seems of fundamental importance to separate the issues of pay and programmatic services. It is the position of this paper that the value of contributions made by the individuals with disabilities to

employers goes far beyond how fast their hands and bodies move. By focusing on employer needs, it is possible to achieve pay at or above minimum standards for all people. The fact that 1000s of sheltered workshops depend on sub minimum wage payments is a different issue. While no one wants 10s of 1000s of individuals to be dumped back into non activity sitting at home, or worse, this doesn't have to happen. Providers of sheltered employment could embrace these new concepts, and partner in a plan to gradually reduce reliance on 14C, as they increase customised supported employment outcomes, or, if locally desired, to recast their business model based on a minimum wage threshold for payments to individuals who choose a sheltered form of employment.

At the end of the day, it all boils down to a decision as to how we wish to view the issue of disability and life. Do we see people with disabilities including all people with the most significant disabilities, as co workers, neighbours, friends, citizens and contributors in the regular sense, with support and accommodation as necessary? Or do we see them in a special sense as individuals who are not expected to join society fully living lives apart and differently from the rest of us? The positive concept of moving beyond productivity as the primary indicator of human worth in the workplace provides a pathway to follow. Contribution can then be the basis of legitimising typical pay in typical settings.

You've been listening to the Belonging Matters Podcast, Series Two, Employment. For copies of this and other Belonging Matters programmes, please go to [belongingmatters.org](http://belongingmatters.org). The Belonging Matters website features free podcasts, videos, and many other resources to assist people with disabilities and their families to lead ordinary lives in their communities. To contact Belonging Matters, please email [info@belongingmatters.org](mailto:info@belongingmatters.org). We hope you've enjoyed this episode of the Belonging Matters podcast and please subscribe and share.