

Barriers and opportunities to creating innovation and enterprise faced by disabled people: a summary

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Innovate UK is committed to promoting innovation through its programmes and interventions in the UK innovation ecosystem. This study builds on previous work looking at the barriers and challenges faced by women innovators, and those by innovators of different ethnicities. It focuses specifically on disabled people. The study was conducted between October 2022 and April 2023. It included a review of previous research and of academic and grey literatures; an online survey; and focus groups and interviews with self-identifying disabled innovators as well as a secondary analysis of the Labour Force Survey. The online survey had 1,300 starts, with 435 fully completions covering all regions and nations. Most data are based on the 262 people who responded that they were an entrepreneur or that they had an established business). Four in-depth focus groups and interviews gathered qualitative data to supplement the survey. A total of 32 owners of businesses that offered either generic or disability-focused products or services participated in one of three face-to-face or in an online meeting.

The full report accompanying this briefing paper presents a portrait of disabled innovators in the UK. Through the survey and focus groups, the report examines the working practices of disabled innovators, explores the nature of entrepreneurial and innovation activities undertaken by disabled entrepreneurs, and reflects on the variations in regional innovation activity and availability of support. A final theme discussed is the frequent absence of the voice of disabled entrepreneurs/innovators in the design and delivery of policy and programmes intended to encourage and support them - reinforcing the message of the need to be 'with us not for us'.

Overall the findings present a largely optimistic picture of enterprise and innovation by disabled people when they are appropriately resourced. Based on the findings, we offer a series of reflections on where Innovate UK could provide further support for disabled entrepreneurs/innovators directly and in conjunction with other agencies to remove the following barriers:

- Access to finance, particularly for disabled women;
- Lack of access to practical disability related support;
- Perception and discrimination;
- Lack of access to bespoke business support which includes a health and well-being strand;
- Exclusion from innovation programmes and activities such as being involved in product design for products and services for general and specific disability-related purposes; and
- Exclusion from dialogues around policy design and practice.

Visibility and awareness of Innovate UK

The findings suggest that Innovate UK is not well known or accessed by many disabled innovators. There is considerable scope to increase visibility and awareness of Innovate UK among these groups. The regional analysis shows that the level of self-employment among disabled innovators is c.13% across the UK, but highest in Wales (26%), the East Midlands (25%) and the North East (NE) (24%). Labour Force Survey Data from ONS from December 2022 show that disabled people are slightly more likely to be self-employed than non-disabled people (12.5% compared with 11.9%). The regional variation is less pronounced.

The possibilities of working in collaboration with partner organisations which are led by disabled people across the UK to reach disabled entrepreneurs/innovators to raise awareness of the support that Innovate UK provides are considerable - akin to the other campaigns such as Women in Innovation.

Introducing competitions and awards for disabled innovators has the potential to reinforce the message of inclusivity, providing visibility to Innovate UK as well as current and aspiring disabled innovators. Other initiatives to raise the visibility of disabled innovators could include podcast interviews and case studies of disabled entrepreneurs funded by Innovate UK, blogs, press releases, workshops - and working with existing community organisations and partners. These need to be tailored to recognise gender and age differences as well as other aspects of intersectionality. Innovate UK also needs to be aware of problems faced by disabled applicants in applying for innovation awards and make sure that they are fully inclusive and accessible.

Convene and connect

Beyond the prospect of building visibility and awareness, another key activity relates to strengthening the system within which disabled innovators and aspiring disabled innovators operate. This includes connecting and convening in terms of both policy and practice across the system. The grey literature review identified a number of recent reports written on disability and entrepreneurship suggesting a much more widespread interest in the business and policy communities in the topic. Examples include Department of Work and Pensions (2019), Federation of Small Business (2022), IPSE (2019), Lloyds Bank (2023) and the Lending Standards Board (2021).

A key message throughout the study is the targets and importance of the Department for Work and Pensions' (DWP) Access to Work (AtW) award - a grant that funds practical support if you have a disability, health or mental health condition and are employed or self-employed. [AtW will consider paying grants of up to 100% for self-employed people¹].

The research highlighted that AtW was strongly associated with innovation activity. Tech firms are more likely to agree that AtW really helped their business thinking. The findings highlight a significant relationship between gaining an AtW award and innovation activities, which suggests the value of Innovate UK engaging with DWP to identify how the award can align with and support the outcomes of Innovate UK programmes.

¹ [Access to Work factsheet for employers - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/101442/Access_to_Work_factsheet_for_employers.pdf)

The focus groups helped identify existing organisations and networks supporting disabled entrepreneurs/innovators. These include South of Scotland Enterprise, The Mind Tribe, The Inclusive Entrepreneur Network and Disability Wales. The question for support is how, through engaging with Innovate UK, they might enhance and augment what they provide, while also recognizing that Innovate UK can play an important convening role. Innovate UK has the potential to be a key ally to disabled innovators through listening, collaborating, cooperating with and convening existing stakeholders within the innovation ecosystem. Its actions should target its ambition to better deliver Innovate UK's objectives to members of organisations such as the Federation of Small Businesses and Chambers of Commerce and incentivise them to collaborate with existing sector led networks.

Building innovation leadership

The networking responses and discussion suggest that there is an opportunity to bring groups together to build the leadership role of disabled innovators (and aspiring disabled innovators). Many disabled innovators are engaged particularly around innovation 'design' but could be more widely engaged in leading on innovation. Studies have suggested that people's experiences of disability might act as a stimulus for innovation (Coogan, 2009); that disabled people are often outstanding problem solvers because of the many challenges they face; and that innovative ideas are likely to come from those with new or different angles on old problems (Goggin 2008; Coogan 2009) and that having disabled users is a valuable source of innovation in new product development (Conradie et al, 2014).

One focus group participant said, *"My experience of disability entrepreneurship is usually people solving problems because of either access or societal challenges that they end up getting so frustrated about that they try and, you know, fix something for themselves, then they turn it into a business because they know that there's other people who will be in a similar circumstance,"*.

Throughout the study, the evidence pointed to strong regional differences in innovation practice and opportunity. Innovate UK therefore needs a place-informed strategy to addressing gaps in the provision of networking and bid development, by important and sharing good practice to ensure wider engagement. Leadership building should include working with established networks, preferably led by or working with disabled innovators across the UK, in order to connect them more closely to Innovate UK's support mechanisms. This includes brokering best practice.

Events to promote awareness and engagement of disabled innovators and aspiring disabled innovators could also help develop their understanding of Innovate UK programmes and processes - thereby enhancing the chances of a successful application. Working with partners, such as the Federation of Small Business, Universal Inclusion, Chambers of Commerce and the East London Inclusive Enterprise Zone (ELIEZ) to identify training and development opportunities which support meeting the needs of disabled entrepreneurs/innovators will help build the number of disabled people involved. Working with existing partners who provide business support and mentoring to disabled adults is another way for Innovate UK to promote engagement in business innovation activities.

Building the skill sets of disabled innovators also as a positive action includes the need for Innovate UK to work with those applicants who initially did not meet the threshold for an award. Funding and business support could be set up for applicants in that category. This could be done as a pilot and evaluated through the lens of reapplications. It could be open to anyone who requested reasonable adjustments at application stage rather than just for those in the blue zone², to be more inclusive and supportive across the community.

Overcoming discrimination and barriers

A key theme across the study was discrimination. As was mentioned in the introduction, this affects the innovation process because of the deterrence to such things as being able to raise finance and lack of bespoke support from mentors and business advisors. While discrimination was found to affect all categories of disabled persons in the survey and focus groups, it is particularly pronounced for disabled women. The impact of intersectionality discrimination is not to be underestimated as impacts can be particularly acute. Our findings support those of Vorley et al. (2019) who find that such discrimination has an impact on subsequent applications to Innovate UK.

Quotes from the focus groups that illustrate issues of discrimination;

- “Disabled people are not taken seriously” [by business communities].
- *I tend not to let people know or employers know that I do have a disability so now I'm running my own company in software development and I find that oftentimes when you let employers know supposedly they try to make adjustments or improvements for you, but they start looking at you differently.*
- *“Innovation is risky anyway, when you're disabled and innovative, it's a double bind.”*
- *I've wanted to expand my business for quite a while now. And the barriers, I've found, is going to lenders. As soon as they know you're disabled, it seems to shut a door. We've heard this over and over and over again so many times. I have ideas...about designs or new items that will help people with disabilities that aren't out there at the moment...but again, you need funding for all this, and it can't happen without that funding. And to get funding is a nightmare really.”*
- *I'm currently in the process of founding a new business start-up. I'm putting together an investment deck at the moment and this won't be a small amount of investment it will be hundreds of thousands of pounds worth in the long-term for founding this new business. So, I think the barriers that are faced, it's the intersectionality thing, being a female founder, being taken seriously as a female founder. Access to funding is a challenge at the best of times for entrepreneurs, but when you are disabled, female and have long-term health conditions as well and caring responsibilities, it makes that even harder.*

While Innovate UK now collects data on applicants to programmes, there is an opportunity to address discrimination against individuals at different stages of the application journey. This means understanding how and where discrimination can occur pre-application, during the

² Blue zone refers to those applicants who just failed to meet the threshold for an award. As a positive action, those in ‘the ‘blue zone’ could be mentored in order to produce an application that meets the target next time.

assessment process at review/judging panels, and post-award. Working with disabled innovators and representative organisations to understand how discrimination can manifest itself and how it might be effectively managed is an important focus for future action.

Good practice & Evaluation

As a part of the literature reviewed, the full report also identifies examples of good practice from the USA, Canada, Australia and the European Union as well as within the UK. Many of the examples relate to themes raised in the preceding points. These include:

- Collaborating with existing organisations that provide business and innovation support and funding to understand how accessible this is to disabled innovators;
- working with organisations and networks that work with and support disabled people to provide information about innovation support and funding, particularly relating to the AtW award;
- Sparking the development of an “eco-systemic” change by empowering and supporting business support organisations and investors better to support entrepreneurship and self-employment from under-represented groups.

This reinforces the role of Innovate UK in convening and connecting with disabled entrepreneurs and innovators as part of the innovation ecosystem.

There are also opportunities for more substantive examples, such as supporting a disability specific incubator/accelerator with both virtual and physical such as the kind that exists in Australia (Victoria state-funded) and EU-funded (the LIAISE project). Such initiatives incorporate inclusive business support and grants for innovative start-ups and scale-ups and could include a health and well-being strand of support. Such initiatives are consistent with recommendations from the Inclusive Entrepreneur Network and All-Party Parliamentary Group for Inclusive Entrepreneurship.

A final point relates to the need to understand and evaluate the impact of current and future programmes and interventions on current and aspiring disabled innovators engaging with Innovate UK. There is currently only limited evidence evaluating the impact of targeted support for disabled innovators. And there remains a need to build a stronger evidence base by focusing on disabled innovators in the full evaluations of programmes. A useful toolkit for policy evaluation is provided by the OECD (2014) in its report Policy Brief on Entrepreneurship for People with Disabilities. It argues that evaluation is needed to demonstrate impacts and justify spending and to improve policy by learning from experience. It sets out a set of typical indicators for inclusive entrepreneurship policy evaluation.

For organisations such as finance providers, the LSB (2022) suggest that finance providers should consider how they would measure success when reviewing how disabled customers and those with access needs are treated.

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About the Innovation Caucus

This is an Innovation Caucus funded project. The Innovation Caucus supports sustainable innovation-led growth by promoting engagement between the social sciences and the innovation ecosystem. Our members are leading academics from across the social science community, who are engaged in different aspects of innovation research. We connect the social sciences, Innovate UK and the Economic and Social Research Council (ESRC), by providing research insights to inform policy and practice. Professor Tim Vorley is the Academic Lead. The initiative is funded and co-developed by the ESRC and Innovate UK, part of UK Research and Innovation (UKRI). The support of the funders is acknowledged. The views expressed in this piece are those of the authors and do not necessarily represent those of the funders.

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