

# COMPETENCIES IN MANAGEMENT SKILLS AND ENTREPRENEURSHIP OF PEOPLE WITH DISABILITIES<sup>1</sup>

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## ABSTRACT

*Fostering entrepreneurship among people with disabilities is a way of supporting their incorporation into the labour market and improving their situation in it, as well as promoting their inclusion and integration into society. To this end, it is necessary to know which competencies of this group affect their intention to develop a business and what deficiencies they perceive. The aim of this paper is to assess whether certain competencies in managerial skills concerning people with disabilities promote their entrepreneurship. Such a first approach is based on a survey conducted on 178 Spanish people with physical, sensory and organic disabilities. Mainly, as the final conclusion, it may be confirmed that certain competencies have an impact when people with disabilities face the decision of launching a business.*

**Keywords:** Entrepreneurship, Disability, Competencies, Managerial Skills.

## INTRODUCTION

Nowadays, entrepreneurship is not only considered a key factor for the economic and social development of economies (Nicolás et al., 2018), but it is also seen as a tool to achieve more inclusive societies. Promoting self-employment fosters integration into society by providing paid work, self-sufficiency and social recognition (Wiklund et al., 2018). That is why entrepreneurs are more satisfied with their jobs than salaried workers (Pagán, 2011).

People with disabilities are a group to be taken into account given their precarious situation in the Spanish labour market. In 2017 there were 1.860.600 people with disabilities between the ages of 16 and 64 of whom just 35% (651.700 people) were active (employed or actively seeking employment) (ODISMET, 2019). So, 90.3% of the jobs held by this group are temporary, a low-qualification ones based on occupations which are elementary ones to be developed within the service sector (ODISMET, 2019). In comparison with the rest of the active population, their entrepreneurial activity is very low (8% of the total active population with

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disabilities) (ODISMET, 2019). 62.8% of disabled persons who are self-employed do not have employees, what illustrates the reduced size of their business/company.

The enhancement of entrepreneurship in this collective demands a study of the entrepreneur's profile, (managerial) competences, context, social factors, type of initiatives or motivation (Ortiz & Olaz, 2017; Olaz & Ortiz, 2018), to develop measures that really promote their entrepreneurship. A first approach is to know the competencies available to people with disabilities and how they influence their entrepreneurship. For this reason, the aim of this paper is to explore the impact of certain competencies in management skills of people with disabilities on this collective's entrepreneurship, such competencies being: detection of other people's personal development needs, promotion of other people's personal growth, promotion of change in the organization, level of persuasion to achieve the proposed activities, conflict management through negotiations and agreements, and teamwork capacity).

## LITERATURE REVIEW

Entrepreneurship refers to *“the process whereby an individual or group of individuals, acting independently of any association with an existing organization, create a new organization”* (Sharma & Chrisman, 1999). This option of self-employment, which sometimes is a consequence of the need rather than of the identification of market opportunities (Martínez et al., 2018), involves a series of risks that can be minimized if certain competencies are made available. These include managerial skills, which consist of identifiable sets of actions carry out by individuals who, thus, obtain certain results (Cameron & Whetten, 2011). Interpersonal competencies concern issues that arise when interacting with other people (Cameron & Whetten, 2011), such as detecting development needs among the staff, encouraging their growth, boosting organisational change, being persuasive, managing conflicts appropriately, and being able to cooperate in a work team. This is how they are considered in the Emotional Competence Inventory (ECI - 2005), a model developed by Hay Group McClelland Center (2005) that has proven the validity of the competency framework in different areas, such as, for example, women and entrepreneurship (Olaz & Ortiz, 2016; Ortiz & Olaz, 2016).

The entrepreneur's ability to develop these managerial skills is essential for the person, as he/she takes the risk of creating, directing and developing business project. Therefore, it is critical to know if these competencies influence the entrepreneurial initiative, and if they are an important motive or reason for developing entrepreneurship. Moreover, these behavioural skills can be learned or, at least, trained. Therefore, it can be, that offering an integral training in this field, especially among people with disabilities, may promote their entrepreneurship.

Knowing the entrepreneurial possibilities of people with disabilities based on a diagnosis of their skills, type of disability, degree in which it manifests itself and other socioeconomic factors can help them overcome the barriers which limit their entrepreneurship (Lindsay, 2011).

Entrepreneurial initiative is a precursor behaviour and fundamental in the beginning of a business project; and entrepreneurship goes beyond the associated personal factors (Shane & Venkataraman, 2000). Thus, personal resources for the identification and use of resources (such as self-efficacy and creativity) must be considered as well as competencies in management skills.

## METHODS

The aim of this paper is to find out whether the competency level in human skills of people with disabilities affects their attitude towards entrepreneurship. To accomplish it, we

developed an analysis of the data resulting from a survey which was carried out by the University of Murcia within the framework of the Project "*Disability and entrepreneurship. Competence Analysis*" (CSO2016-75818-R), which was funded by the National R+D+I Plan. The survey was conducted between November and December 2018 on a sample of 178 Spanish people who have physical, sensory and organic disabilities (see Barba-Sánchez article in this special issue). The sample is characterized by a greater proportion of women (60.1%), an age between 35 and 50 years (42.7%) and a high level of qualification (53.9% have university education and vocational training of higher degree). In addition, almost half of those surveyed live accompanied by relatives or couples without children (47.2%), and most of them have a hearing system disability (20.5%), followed those who have more than one type of disability (20.1%), being the disability grade of 50% of the sample between 33 and 49%, and in 18.3% of the cases 75% or more.

To identify whether there is a significant relationship between management skills competencies and entrepreneurship, cross tables were used. They include as independent variables the competencies in management skills of people with disabilities, such as: detection of the others' personal development needs, encouragement of others' personal growth, favouring organizational change, level of persuasion to encourage the achievement of the proposed activities, conflict management through negotiations and agreements and teamwork ability. As for the dependent variables, following entrepreneurship aspects of this group were considered: the initiative to launch a business (whether they have launched a company or have the intention to do so, or if they have neither done so nor have the intention to do so); the motivation to start a business (need, opportunity, does not know/does not answer), and the reasons to develop a business (to increase personal independence, out of economic need, to achieve social recognition, to fulfil a personal challenge, or others). All variables are based on the ones proposed in the Hay Group study (2005). Control variables such as gender, age or qualifications are not considered because of the small N subsamples. 5-point Likert scale was used to evaluate all competences in managerial skills.

## RESULTS AND DISCUSSIONS

According to the results, it is remarkable that 12.1% of participants have a business and 18.8% intend to create their own one. Within this group of respondents, 78.3% dedicate or would dedicate their activity to the services sector, while 21.7% would do into to the secondary sector and construction. In addition, 41.1% owned and managed the business individually or considered this option, whereas 44.3% did so or would do so jointly. Moreover, among those who already have their businesses, its seniority is more than 3.5 years.

Those surveyed who have a business, the intention to launch it, and those who have had one, but have given it up (21.4%), indicate that the main reason why they launched a business was economic necessity (53.4%), followed by the possibility of developing a business opportunity (38.1%). When analysing in more detail the reasons for entrepreneurship, the results were as follows: The reason indicated the most was to increase personal income (economic need: 33.9%), followed very closely by achieving greater personal independence (30.5%), fulfilling a personal challenge (27.1%), improving social recognition (6%), and other reasons (2.5%).

Respondents assessed competencies in managerial skills (Table 1) and considered themselves to be quite or very competent in emphasizing teamwork, conflict management by negotiating agreements, and being persuasive with the proposed activities.

	Little or not competent at all	Competent	Quite or very competent	Do not know /No opinion
Detecting others' personal development needs	5.6%	22.5%	69.1%	2.8%
Inspiring others' personal growth	6.2%	21.9%	68.0%	3.9%
Encouraging change in the organization	6.2%	18.0%	67.4%	8.4%
Persuasiveness when proposing activities	3.9%	17.4%	74.2%	4.5%
Managing conflicts negotiating agreements	2.2%	11.8%	81.5%	4.5%
Teamwork ability	1.7%	7.3%	87.1%	3.9%

Source: Authors.

As can be seen in Table 2, light is shed on the existence of a relation between competencies in managerial skills and entrepreneurship in people with disabilities. Specifically, taking into account the criterion that the significance of the  $\chi^2$  statistic is greater than 0.05, it is, thus, evident that there is an important relation between the initiative to develop a business and certain managerial skills such as detecting the personal development needs of others, promoting their growth, inspiring change in the organisation and managing conflicts appropriately).

Competencies		Initiative to develop a business		Reason for developing a business			The most important reason for developing a business				
		To develop a business	Not to develop a business	To undertake by necessity	To undertake by opportunity	DNK / NO*	Independence	Income	Recognition	Personal challenge	Other reasons
Detecting others' personal development needs	Competent	69.3%	30.7%	52.2%	38.9%	8.9%	31.0%	32.7%	6.2%	27.4%	2.7%
	Not competent	26.7%	73.3%	100%	0%	0%	0%	75%	0%	25%	0%
	Pearson's $\chi^2$ (Sig.)	11.097 (0.001)		3.55 (0.169)			3.619 (0.605)				
Inspiring others' personal growth	Competent	68.1%	31.9%	52.3%	38.5%	9.2%	30.3%	33.9%	5.5%	27.5%	2.8%
	Not competent	44.4%	55.6%	75%	25%	0%	25%	37.5%	12.5%	25%	0%
	Pearson's $\chi^2$ (Sig.)	4.028 (0.045)		1.810 (0.404)			0.944 (0.967)				
Encouraging change in the organization	Competent	69.7%	30.3%	51.9%	39.6%	8.5%	31.1%	34%	5.7%	27.4%	1.9%
	Not competent	42.3%	57.7%	72.7%	18.2%	9.1%	18.2%	36.4%	9.1%	27.3%	9.1%
	Pearson's $\chi^2$ (Sig.)	7.416 (0.006)		2.026 (0.363)			10.615 (0.060)				
Persuasiveness when proposing activities	Competent	67.5%	32.5%	53.6%	38.2%	8.2%	29.1%	35.5%	6.4%	27.3%	1.8%
	Not competent	46.7%	53.3%	57.1%	28.6%	14.3%	42.9%	14.3%	0%	28.6%	14.3%
	Pearson's $\chi^2$ (Sig.)	2.643 (0.104)		0.464 (0.793)			17.571 (0.004)				
Managing conflicts negotiating agreements	Competent	68.1%	31.9%	54%	38%	8%	31%	35.4%	6.2%	25.7%	1.8%
	Not competent	33.3%	66.7%	50%	25%	25%	0%	0%	0%	75%	25%
	Pearson's $\chi^2$ (Sig.)	5.996 (0.014)		1.498 (0.473)			34.662 (0.000)				
Teamwork ability	Competent	67.3%	32.7%	54%	38%	8%	30.1%	35.4%	6.2%	26.5%	1.8%
	Not competent	40%	60%	50%	25%	25%	25%	0%	0%	50%	25%
	Pearson's $\chi^2$ (Sig.)	3.114 (0.078)		1.498 (0.473)			30.795 (0.000)				

\* Do not know/No opinion; Sig.: Significance level

Source: Authors

However, there is no significant relation between the analysed competencies and the motives for entrepreneurship. Consequently, it is also analysed whether there is such a relation with respect to the most important reason for entrepreneurship. As a result of that some significant relations, in fact, have been detected, specifically with being persuasive, teamwork and managing conflicts both by negotiating agreements and through teamwork.

## CONCLUSION

The importance of entrepreneurship among people with disabilities lies in the fact that it allows them to achieve autonomy and economic independence, as indicated by 53.4% of respondents. Among the reasons for entrepreneurship, in order of importance, may be found: obtaining higher income, greater independence, achieving a challenge, and achieving recognition. Thus, people with disabilities have a set of competencies in managerial skills that can be directed to enhance their entrepreneurship. Furthermore, it has been proven that there is a significant relation between certain managerial skills and the entrepreneurship of disabled people, influencing, moreover, the reasons for entrepreneurship. For this motive, not only training in these skills should be offered to this collective, but their knowledge should also be redirected so that they feel more confident when starting their business.

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