The value that employees with Down Syndrome can add to organizations

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Throughout its history, McKinsey & Company has been engaged in contributing to the development of a better society, undertaking projects that have had major impact on the government, private and social sectors. With over 100 offices in several countries, McKinsey is involved in numerous projects for the world’s leading companies, governments and other organizations, always helping resolve complex problems.

Aware of the importance of including people with disabilities in the job market, we decided to look at the impact these people might have on the business environment. The focus of this study was the inclusion of people with Down Syndrome in the job market. The results are very encouraging and offer a new and revolutionary way of looking at the theme.

This effort was undertaken with the support of Instituto Alana, a non-profit organization that looks for transforming ways to honor children through education and childhood defense, as well as other community-centric projects. This specific study was conducted within the scope of a program entitled Outro Olhar (A Different Look), which focuses on improving the quality of life of people with Down Syndrome.

We would like to thank the Brazilian and international companies, organizations and associations involved in the theme, and the experts who have dedicated their lives to this issue. Their efforts and support were essential for the results we discuss in the following pages.

Vicente F. Assis
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Several countries in the world have specific legislation requiring companies to hire people with disabilities. In general, the focus is more on the challenges of inclusion than on the actual value these people can add to organizations.

The paths to inclusion depend on the need for support and on eliminating barriers related to the different types of disability and the individual characteristics of the people involved. As a rule, it is more challenging to include people who are intellectually challenged, and companies would rather hire people with physical or sensory disabilities.

However, some companies have chosen to tackle the far more complex challenge of hiring people with intellectual disabilities. Those that have done so have found that these people can add value to “organizational health” (an organization’s ability to align, execute, and renew itself faster than competitors so that it can sustain exceptional performance over time). Employees with Down Syndrome are a particularly interesting topic of research, as they have a number of characteristics that both increase the challenges associated with inclusion and bring added benefits.

There are mutual gains when people with Down Syndrome are included in the workplace. People with Down Syndrome involved in such initiatives have a better quality of life and opportunities for development, while the companies that employ them often report significant improvements in their “organizational health”.

People with Down Syndrome generally have a positive impact on a number of “organizational health: dimensions such as leadership, external orientation (a positive impact on client satisfaction), culture & climate, motivation and coordination & control. This impact has been measured in qualitative and quantitative surveys of leading organizations that have chosen to hire people with Down Syndrome.

The positive impact people with Down Syndrome can have on “organizational health” also reflects on business performance, as it is known that there is a direct, mapped relationship between increased “organizational health” and business performance. As people with Down Syndrome can affect more than one of the dimensions that make up “organizational health”, they are one of the numerous factors that can influence business performance.

Yet despite all of the potential advantages, it is important to be well aware of some of the challenges to overcome in order to effectively include people with Down Syndrome on the staff. Preparing employees to receive them and creating opportunities for growth for these people are only two of many.

Before hiring people with Down Syndrome it is important to make sure the corporate culture is compatible with including people with such disabilities. It is recommended that inclusion reflect an existing cultural element or be a mechanism for cultural transformation. Inclusion is not advised for organizations unwilling to go through all of the steps involved in overcoming the associated challenges.

For organizations wishing to exercise corporate responsibility, and at the same time improve their “organizational health”, a program to hire people with Down Syndrome may be an interesting opportunity.
CHAPTER ONE

Context
Several countries around the world have specific legislation requiring companies to hire people with disabilities. (Exhibit 1) Within the specificities of each nation, this legislation has a common goal: protect the rights of people with disabilities and ensure access to employment and an economic life. Within this context, private, and sometimes government companies, must grapple with the challenge of filling part of their positions with people with disabilities, lest they be subject to fines or citations. In general, companies tend to focus more on meeting their quota and the challenges they must overcome to do so, often ignoring the very real contribution these people can make to the corporate world.

Exhibit 1

Countries with specific legislation requiring companies to hire people with disabilities

<table>
<thead>
<tr>
<th>Country</th>
<th>Legislation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>✔</td>
<td>▪ 4% for government owned companies and incentives for private companies</td>
</tr>
<tr>
<td>Germany</td>
<td>✔</td>
<td>▪ 5% for companies with over 20 employees</td>
</tr>
<tr>
<td>Austria</td>
<td>✔</td>
<td>▪ 4% for companies established 25 or more years ago</td>
</tr>
<tr>
<td>Brazil</td>
<td>✔</td>
<td>▪ Starts at 2% for companies with over 100 employees</td>
</tr>
<tr>
<td>Belgium</td>
<td>✔</td>
<td>▪ 2.5% for government owned companies only</td>
</tr>
<tr>
<td>China</td>
<td>✔</td>
<td>▪ 1.5% to 2%, depending on municipality</td>
</tr>
<tr>
<td>Spain</td>
<td>✔</td>
<td>▪ 2% for companies with over 50 employees</td>
</tr>
<tr>
<td>US/Canada</td>
<td>✔</td>
<td>▪ 4% for government owned companies and incentives for private companies</td>
</tr>
<tr>
<td>France</td>
<td>✔</td>
<td>▪ 6% for companies with over 20 employees</td>
</tr>
<tr>
<td>Japan</td>
<td>✔</td>
<td>▪ 1.8% for companies with over 56 employees</td>
</tr>
<tr>
<td>Italy</td>
<td>✔</td>
<td>▪ 7% for companies with over 50 employees</td>
</tr>
<tr>
<td>Portugal</td>
<td>✔</td>
<td>▪ 2% for private companies and 5% for government owned</td>
</tr>
<tr>
<td>UK</td>
<td>✗</td>
<td>▪ 2% for private companies and 5% for government owned</td>
</tr>
</tbody>
</table>

SOURCE: UN Disabilities and Economies; International Disability Alliance; www.isocial.com.br; interviews; team analysis

The first challenge companies face when trying to hire and retain people with disabilities, is access to where they will work. Countless architectural, urban and communication barriers have kept many of these people from actually reaching potential job locations freely and safely. The second challenge, also known as lack of human access, is the fact that companies are not prepared to receive people with disabilities. It is unusual to find suitable behaviors to provide these people with everything a company can offer, in a manner that is both inclusive and respectful. Company employees often don’t know what to do or how to work with people with disabilities, and many times they are let go because they or the company have trouble adapting.
Furthermore, finding people with some sort of disability who are also professionally qualified is no easy task. For example, Ministry of Education data shows that in 2011 there were 30 million students enrolled in primary school and 8.4 million in secondary school. However, among children with disabilities, only 570 thousand were enrolled in primary school, and 33 thousand in secondary school (Exhibit 2). This means that the share of people with disabilities who go on to secondary school is 22% smaller than the proportion of total students who go on. This creates a group of people who are less qualified to take on jobs that require more advanced, formal education.

According to a survey of leading experts and organizations in different industries conducted by McKinsey & Company, the challenges are different depending on the type of disability. For people with physical disabilities, the main barriers have to do with infrastructure. For people with sensory disabilities (the deaf or blind), the challenges also involve physical infrastructure, but are mostly related to adapting communication. When it comes to people with intellectual disabilities, the problems to overcome are generally cognitive, and the barriers include communication and attitude, requiring team preparation and adapting training materials to use simpler language.

The inclusion of people with intellectual disabilities tends to be more complex. By and large, the business environment is not prepared for employees with limitations in logical thinking, memory and communication. These people require more time and effort to train, and must be monitored more closely than employees with other, non-intellectual disabilities. In addition, a significant number of those with intellectual disabilities have limited autonomy and depend on their parents or guardians for a number of activities, such as getting to work. Because they are less independent within the work environment, people with Down Syndrome tend to require closer monitoring that do employees with other types of disabilities.

For this reason, companies find it easier to hire people with physical or sensory disabilities. In principal, this requires making more changes to physical infrastructure, such as building ramps and installing special keyboards, but requires fewer changes in organizational behavior, such as changing interpersonal relationships to eliminate attitudinal barriers. Furthermore, people with non-cognitive disabilities can adapt to a wide range of business tasks that are common in the business world.

This has led to a shortage of employees with physical and sensory disabilities, and a high turnover of such professionals, as they are the ones companies reach out to first to fill open positions.
This is why a number of organizations have decided to hire people with intellectual disabilities, and learn how to deal with the characteristics that come with each type of disability. Over the years, some of the companies that took the initiative to hire people with intellectual disabilities have found that these very characteristics can add value to their “organizational health”. Despite the problems they have had to face, these companies recognize the intangible advantages of having these people in their workplace.

Despite individual specificities, people with intellectual disabilities normally share a number of characteristics. People with Down Syndrome (DS) often have limited short term memory and find it hard to establish emotional ties.

Among the different types of intellectual disabilities, Down Syndrome is an interesting case for analysis, as people with DS present characteristics that make inclusion even more challenging, yet also provide additional benefits. (Exhibit 3) McKinsey captured these challenges and benefits in an analysis that included a broad survey of companies and institutions in countries such as Brazil, Spain, the United States and Canada.

“There is a significant demand for people with disabilities that don’t require that companies adapt as much. A paraplegic is an example of a professional whose cognitive and intellectual capabilities are preserved, and can thus perform highly complex tasks requiring merely a few adjustments in the company’s infrastructure. This type of professional gets job offers all the time.”

CEO of a training and placement company

Citibank case

In 2007, Citibank Brasil created Project SOMAR, one of the more successful diversity measures ever taken by the banking industry in Brazil. The goal of the project was to integrate people with intellectual disabilities into administrative positions and customer service at bank branches.

By late 2013, there were 43 people in the program, which covers all of its branches in the greater São Paulo area. SOMAR was designed by the bank itself, with the support of specialized institutions. Participant retention is 96%. SOMAR has since become a reference for similar Citibank initiatives in other countries.
CHAPTER TWO
The impact of people with Down Syndrome on organizational health
2.1 Mutual advantages for people with Down Syndrome and the companies for which they work.

Including people with Down Syndrome in the job market is a path that appears to be mutually beneficial. On the one hand, work significantly improves the quality of life of people with Down Syndrome, and on the other, the presence of these people in the workplace can improve the “organizational health” of the companies they work for.

Working enhances the quality of life of people with Down Syndrome, as they develop new social relationships, acquire technical knowledge and develop more independence. The corporate environment and the tasks performed can contribute towards collaboration, respect and independence. People with DS recognize the importance of work in their routine. As adults, it is primarily work that gives these people a sense of social inclusion.

In addition to the employees themselves, family members of people with Down Syndrome also see significant progress in their quality of life. They believe that the work environment, where people with DS are less protected than they are at home or at school, provides learning opportunities that are not available elsewhere.

Companies also benefit, as people with Down Syndrome tend to have characteristics that foster positive reactions in the workplace, which can contribute to better “organizational health” (Exhibit 2). While one cannot generalize the behavior of people with Down Syndrome, a number of characteristics stood out during the course of our many interviews with managers, and focus groups with employees who work alongside Down Syndrome colleagues on a daily basis.

“I have a lot of things to do at work. I really like that.”
Down Syndrome employee

“Work brings me love, it brings me happiness. When I don’t work I get sad.”
Down Syndrome employee

“Work has increased my daughter’s self esteem and personal connections. In other words, she now has a life that is closer to what we consider a balanced, happy life”

“My son is now part of the real world. He keeps asking when is the next holiday”

“Now my daughter believes she can do much more because she gets a salary”
Down Syndrome employee family member
The impact people with Down Syndrome can have on "organizational health"

Doubtless there are many qualitative indications that people with Down Syndrome have a positive impact on the workplace. The challenge was to create a database that can quantitatively demonstrate this impact.

"Organizational health" may be measured in many ways. McKinsey has developed a tool for this purpose, known as the "Organizational Health Index" (OHI). This tool analyzes nine dimensions that, together, define the "organizational health" level of a given company.

Qualitative and quantitative analyses show that having people with Down Syndrome in the work environment can impact five of the nine dimensions that comprise the Index. These are: leadership, external orientation, motivation, culture & climate, and coordination & control (Exhibit 3).
The value that employees with Down Syndrome can add to organizations

Exhibit 3

The dimensions of McKinsey’s Organizational Health Index (OHI)

Description of the Methodology

The first step in our investigation was to interview companies, institutes and experts in several countries, including Brazil, Canada, Spain and the United States. Almost all the people we interviewed mentioned the benefits that people with Down Syndrome offer the workplace.

The second step was a qualitative survey of companies that employ significant numbers of people with Down Syndrome. This included interviews with employees at Carrefour and Pão de Açúcar stores, who had significant contributions to make regarding the impact people with Down Syndrome have on the workplace. We also conducted numerous focus group sessions with employees of several Raia Drogasil stores, including Down Syndrome employees and their parents or guardians.

This qualitative analysis was complemented with quantitative analyses to ensure more reliable results. Comparative analyses were perform to compare the perception of employees in stores with and without Down Syndrome employees. This included answering broad questions about several dimensions of “organizational health” as defined by McKinsey. We also conducted absolute analyses in stores that employ people with Down Syndrome, with specific questions about the perceived impact of the inclusion of Down Syndrome employees.

This same survey was conducted at McDonald’s do Brasil, McDonald’s Argentina and Raia Drogasil, which employ 37, 21 and 40 DS employees respectively. In all, over 2,000 employees in more than 100 stores of these three brands participated in the survey.

The results were so encouraging that the survey is already being applied in a number of companies in Brazil and other countries.
2.2.1 Leadership

Leadership is the most important dimension. In addition to being directly related to all other dimensions, it is the engine that drives business alignment, renewal and transformation processes. Here the results of our survey were extremely positive.

The survey showed that the presence of employees with Down Syndrome gave people a new view of the world, especially their direct supervisors. They believe that people with DS help others develop virtues such as patience and tolerance. As a result, they became better able to handle adversity and meet the various demands of team members and clients. Many managers found that they changed the way they lead, shifting from an authoritarian to a more participative model.

To demonstrate this impact we analyzed the outcome of a survey applied to over 170 managers of McDonald's and Raia Drogasil stores. The vast majority agreed that interacting with Down Syndrome employees made them more empathetic people, and increased their ability to understand another person's emotional state. This interaction also made them better able to view others as individuals, thus improving conflict management. Finally, they also recognized that they had become more collaborative leaders. (Exhibit 4)

In addition, all of the employees - the entire team, including managers - recognized there had been a positive change in leadership style. The absolute quantitative

Exhibit 4

<table>
<thead>
<tr>
<th></th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conflict management</td>
<td>2 6 92</td>
</tr>
<tr>
<td>Empathy</td>
<td>1 5 94</td>
</tr>
<tr>
<td>Collaboration and hierarchy</td>
<td>4 10 86</td>
</tr>
<tr>
<td>Individuality</td>
<td>3 6 91</td>
</tr>
</tbody>
</table>

When looking at the outcome of this survey one should bear in mind a greater inclination to respond positively, because this is a social theme, people tend to give what they feel is the politically correct answer.

SOURCE: Interviews; team analysis
survey mentioned above collected answers from over 800 people who work in locations where there are DS employees. In aggregate form, 83% believe that having people with Down Syndrome in the workplace made their direct supervisor - the store manager - better able to manage and resolve conflicts, thus making a positive contribution to people development. In particular, results at McDonald’s stores in Brazil were impressive, with fully 92% of the interviewees agreeing on the impact Down Syndrome employees had on their leaders.

2.2.2 External Orientation

This survey also revealed an important change in the external orientation dimension. Because it is directly linked to customer perception and satisfaction, this is the dimension where impact was highest. Elements such as customer service and concern for society, which strongly influence this dimension, improved in work environments where people with Down Syndrome were present. Given that in only a very few situations customers were unwilling to deal with a person with disabilities, employees and managers believed the interaction between people with Down Syndrome and business clients to be very successful. Their simple and direct way of communicating, and the empathy they typically display, seem to be very much appreciated by the public. This ability to handle customers was seen in both small retail establishments and in large supermarkets and hypermarkets, such as Carrefour and Pão de Açúcar. In an absolute survey conducted at Raia Drogasil, over 80% of the respondents agreed on the positive impact, adding that customers had sent in e-mails praising the program to include people with disabilities in the Raia Drogasil workplace.

In addition to leadership and external orientation, three other dimensions reinforce the improvement in “organizational health” (Exhibit 5).

2.2.3 Motivation

We noted a major impact on employee motivation. It is clear that a person with disabilities in the work environment, performing tasks and overcoming challenges, makes the rest of the team think about how they can overcome their own limitations and exceed expectations. The quantitative survey mentioned above showed that 78% of the respondents believe that the inclusion of people with Down Syndrome in the workplace has a positive impact on motivation in the workplace. The results of the survey applied at McDonald’s in Brazil reinforce this impact, with 85% of the respondents agreeing.

“I am very different today. I want to have an employee with Down Syndrome when I open my own business.”

“You have to learn how to handle differences. It’s different with him, you end up learning how to solve things in a much more easy-going way.”

“I didn’t use to be tolerant at all. I developed my flexible and tolerant side by interacting with him.”

Store manager, pharmacy chain

“Our person with DS is not good with her hands, but she is very good at dealing with customers. She is the poster-person for our store. Everyone in the neighborhood knows her.”

“Customers miss her when she’s not in the store. They always ask about her if they don’t see her when they walk in.”

“We all miss the person with DS when she’s on vacation.”

General Manager of a supermarket chain

“Her demeanor and service are excellent. It is as if she were the face of the store. Everyone in the neighborhood knows her.”

Store manager, pharmacy chain
Furthermore, this impact has also been seen in large retail establishments. According to the Carrefour and Pão de Açúcar employees interviewed for this study, the happiness displayed by Down Syndrome employees, and the challenges they must overcome, motivate the other store employees.

### 2.2.4 Coordination and control

Our survey also revealed advantages in coordination and control. Working with people with Down Syndrome helps leaders develop conflict resolution skills. The novel situations that arise from working with people with disabilities, such as asking questions of the manager in the middle of serving a client, help them acquire a resilience they did not have before. These leaders added that the skills they acquired are not limited to handling employees with Down Syndrome, but extent to other employees and clients as well.

In the absolute survey, 86% of the respondents agreed with the positive impact on conflict resolution. This was particularly evident in the answers of McDonald’s employees in Argentina to both the absolute and comparative surveys. In the absolute survey, about 90% agreed that the inclusion of people with Down Syndrome had a positive impact. In the comparative survey, which was also applied to stores in Argentina, when store employees were asked if they agree that people in their store are able to handle difficult and conflicting situations well, 69% of those working in stores with Down Syndrome employees agreed, compared to only 59% in stores with no DS employees. This is a significant difference of 10 percentage points.

### 2.2.5 Culture & climate

Finally, the presence of people with Down Syndrome in the work environment has a positive impact on the organization’s culture & climate. These individuals seem to make the workplace more united and collaborative. In the absolute survey applied to these same stores, 88% agree that having people with Down Syndrome in the store had a positive impact, making the relationship between collaborators more reliable and transparent. The positive impact of people with Down Syndrome is also seen in the fact that employees say they miss their DS colleague when he or she is on vacation.

Furthermore, the outcome of the comparative survey applied to McDonald’s stores in Argentina shows that there is a better perception of the culture & climate in stores that employ Down Syndrome people, compared to those that do not. In stores where there are Down Syndrome employees, 66% of the people agree that people want to work there because of the good working environment, compared to only 55% in stores without DS employees. This is an 11 percentage point difference. Comparing responses to the statement “the relationship between people in the workplace is based on trust and transparency”, the difference was even larger, with a 14 percentage point advantage for stores with Down Syndrome employees.

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“I feel motivated when I look at her. She has problems, yet she has achieved a lot.”

“His life is very organized. If he can do it, I can too.”

*Clerk at a pharmacy chain*

“He (the Down Syndrome employee) is motivated by nature, and this spreads to other employees.”

*Store Director, Supermarket Chain*
2.3 The link between organizational health and performance

There is a correlation between organizational health and performance. (Exhibit 6) Elements that have a positive impact on organizational health normally improve performance as well.

Exhibit 6

Organizational health and performance

<table>
<thead>
<tr>
<th>Health</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>The ability of an organization to align, execute and renew itself to sustain exceptional performance over time</td>
<td>What a company delivers to its stakeholders in financial and operating terms (e.g.: net operating profit, ROACE, TRS, net operating costs, inventory turnover)</td>
</tr>
</tbody>
</table>

SOURCE: McKinsey
Social inclusion has been a vital element of Raia Drogasil's culture since the company was created. This point is brought home by the active role the organization plays in including people with disabilities in the workplace. Right now, it has more than the legally required number of people with some form of disability on its staff.

The company created a program it calls "Lado a Lado" (Side by Side). The aim is not only to make sure they fulfill legal quotas, but also to improve company culture. The focus of the program is to illustrate organizational culture by recruiting, training and inserting people with disabilities in their stores located across the country.

One of the great distinctions of this program is that it includes people with intellectual disabilities. In a situation where most companies would rather not hire people with intellectual disabilities, Raia Drogasil stands out for seeking to offer opportunities for people with this type of disability. This inclusion is especially visible in Raia brand stores. Our survey found over 300 people with intellectual disabilities employed in almost all Raia stores, working in direct contact with the end consumer.

Something else that stands out is the significant inclusion of people with Down Syndrome. Currently about 40 people with Down Syndrome work at Raia drugstores. A McKinsey survey of over 20 companies and institutions in Latin America, North America and Europe reveals this is a reference not only in Brazil, but other countries as well.

From the start, the company realized it was essential to learn what types of activities were a better fit with the skills of people with Down Syndrome and the needs of the stores. It came up with customer service, replenishing merchandise on shelves and selling magazines as the activities with the best fit between what the stores needed and the skills of employees with DS. Activities with a clear routine or that involve customer contact tend to have the best fit with the skills of people with Down Syndrome.

The program is a success not only because of the number of people with disabilities it employs, but also because of the benefits the organization perceives. According to Raia Drogasil managers, this program has had a positive impact on its teams, and is often praised by customers.

Despite the problems of inserting people with Down Syndrome, the rewards are clear. Employees with Down Syndrome recognize that work is an important source of happiness and achievement. Their quality of life improves, and they develop capabilities and become more independent. In addition, the "organizational health" of the stores improved, with employees and managers further developing their leadership, motivation, coordination and control skills. The inclusion of DS employees also results in an organizational climate and culture that favors success.

Despite all of the difficulties the program has faced, the aim of Raia Drogasil is to have at least 1 person with a disability at each of its existing 900 stores. This means that all company employees will have some form of contact with employees with disabilities. The benefits reaped are reflected even more strongly, and are aligned with the company's history and the culture it has disseminated in recent years.

"It’s my favorite job. They are very patient with me, they teach me a lot of things.”

“I miss Droga Raia. When I go on vacation I want to go back to work.”

Down Syndrome employee
Performance is what a business delivers to stakeholders in financial and operational terms. It is analyzed using metrics such as net operating profit, return on capital employed, total shareholder returns, net operating costs and inventory turnover. “Organizational Health” is the ability of an organization to align, execute and renew itself faster than its competitors in order to sustain exceptional performance over time. It includes essential organizational skills and capabilities - such as leadership, coordination and external orientation - that traditional metrics do not capture.

Over a decade of research, together with our ample experience, have led us to firmly believe that organizational health drives performance. In fact, at least 50% of an organization’s long term success is driven by its health. McKinsey found that business performance improved following analyses that cross-referenced “organizational health” and the operational and financial performance of companies in a range of industries such as financial, mining, retail and telecom. (Exhibit 7) There was an improvement in the performance of companies with a balanced approach between performance and health, when compared to companies whose approach focused only on performance.

Exhibit 7

<table>
<thead>
<tr>
<th>Returns of companies that focus on performance compared to those with a balanced focus</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bank 1</strong></td>
</tr>
<tr>
<td>Bank profit per employee</td>
</tr>
<tr>
<td><strong>Coal mine</strong></td>
</tr>
<tr>
<td>Cross sales per employee</td>
</tr>
<tr>
<td><strong>Retailer</strong></td>
</tr>
<tr>
<td><strong>Telco</strong></td>
</tr>
</tbody>
</table>

SOURCE: McKinsey
McKinsey studies also show that companies with high OHI scores are more likely, on average, to have above average net margins and EBITDA. (Exhibit 8)

Exhibit 8

Probability that companies with strong health profiles have above median financial performance

<table>
<thead>
<tr>
<th>Quarterly company performance</th>
<th>Superior</th>
<th>Average</th>
<th>Inferior</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA margin²</td>
<td>68</td>
<td>48</td>
<td>31</td>
</tr>
<tr>
<td>Increase in enterprise value vs. book value</td>
<td>62</td>
<td>52</td>
<td>31</td>
</tr>
<tr>
<td>Increase in net income as a proportion of sales</td>
<td>58</td>
<td>53</td>
<td>38</td>
</tr>
</tbody>
</table>

It is important to point out that, although there are indications that people with Down Syndrome will have a positive impact, numerous other factors also influence “organizational health”. In the first place, four (direction, innovation and learning, capabilities and accountability) of the nine dimensions that make up McKinsey’s Organizational Health Index are essentially not affected by having people with disabilities in the workplace. In addition, other factors impact the five dimensions that these people can influence. In short, while there is the clear possibility that the inclusion of people with Down Syndrome will influence “organizational health”, this will never be a determining factor of a company’s “organizational health”.

Given that people with Down Syndrome can improve the workplace environment, it is important to take a close look at the challenges that must be overcome to capture this impact. Once overcome, these challenges normally make including people with Down Syndrome a virtuous circle for the company, the people who work there and society at large.
20 years ago McDonald’s Latin America (Arcos Dourados) started a program to include people with disabilities in its stores in Argentina. The goal of the program was the social inclusion of these people, and from the start had the support of specialized institutions that have remained its partner to recruit and monitor employees with disabilities.

The program has been analyzed in different ways, and the outcome has always been positive. Regular interviews and focus groups with employees in different stores have enabled capturing their favorable view of including people with disabilities. They claim that having these people around has a humanizing influence on the work environment, making it more friendly. Also, the level of absenteeism among program members is extremely low, and there is a 50% advantage in the turnover of employees with disabilities, when compared to employees who are not part of the program.

Although this program does not focus specifically on people with intellectual disabilities, McDonald’s stores in Argentina do employ a large number of them. In all, there are over 80 employees with intellectual disabilities working in McDonald’s stores in Argentina, 21 of them with Down Syndrome.

Given the successful outcome of the programs, McDonald’s Latin America decided to extend it to other countries in the region. A best practices manual was written, laying out the steps to take to mitigate the risks and capture the advantages of hiring people with disabilities. McDonald’s Brazil started hiring people with disabilities even before it became required by law. Currently over 500 people with disabilities work at McDonald’s stores, 80% of them with intellectual disabilities. McDonald’s employs close to 40 people with Down Syndrome in Brazil.

According to McDonald’s management, the program has clear advantages for the company. Hiring people with disabilities is not only a way to comply with the law, but these people also add a competitive edge, as wherever they are, the work environment tends to be more animated and the people more motivated.

“The thesis that people with Down’s syndrome can bring a positive impact has been proven over and over to me, at least, in our company over the years. Their sensitivity, willingness to help, and enthusiasm as well as the good feelings they elicit in their “normal” work companions are amazing. Above all, they teach us that we are all different and that we need to make do with the talents and abilities that we have, as best we can, and that it is through teamwork that we get things done. Also, and as importantly, working in areas where our customers can see them being productive and functioning like any other employee gives the broader society a deeper sense of tolerance for differences in humankind.”

Woods Staton, CEO Latin America
CHAPTER THREE
The path to overcoming challenges
Companies willing to invest and hire people with Down Syndrome should be clear about some of the challenges they will face.

The first challenge is how to deal with people with Down Syndrome who have not had the opportunity to develop their social skills by going to regular schools, or taking part in sports or other ludic activities. They often have a great potential that is unexplored simply because they have not been exposed to the types of stimuli needed to acquire and improve these skills.

Both the absence of development and over-protection can compromise the extent to which people with Down Syndrome develop any autonomy, which will have a direct reflection on the workplace environment. Many times, the parents or guardians of people with Down Syndrome are so dedicated that they protect them from the conflicts that arise merely from interacting with others. This creates a challenge as, when these people are exposed to the environment where they work, they come face to face with limits and rules of coexistence for the very first time. In this case, professional leaders play a key role, setting rules and behavioral limits.

The fact that most people with Down Syndrome are generally not qualified for any specific job is the second challenge: how to create opportunities for growth for these people. Although there are no reliable statistics regarding how many people with Down Syndrome complete secondary school or even reach university, experience shows that only a small number remain in any type of formal education at this point in their lives. Although policies for inclusive education are evolving, the current scenario for businesses is that it is not only difficult to make more involved positions available to these people, but also to offer any type of professional growth.

Aligning the expectations of those responsible for Down Syndrome individuals with the company vision is yet another challenge to overcome. In some cases, parents and guardians expect their children to take on jobs the company believes are inappropriate, either because they lack professional qualification, or because of the risk involved. Candid dialog between the company and parents can help their relationship with their child and their child’s employer.

There is no formula to make sure the benefits of hiring people with Down Syndrome will be captured. However, it is possible to maximize the possibility of success. Without losing sight of their individuality, companies can steer these people to jobs that are more compatible with the activities they tend to perform best. This will reduce the possibility of productivity losses. It is also essential that the company consider the inclusion model it wants to adopt. This model can be developed completely in-house, or the company may reach out to professional training and placement institutions for varying degrees of support.
CHAPTER FOUR
How to capture opportunities
The individuality of people with Down Syndrome must also be considered for any inclusion program. Like everyone else, people with Down Syndrome are different from each other, and some may exceed our expectations, while others will fail to live up to them.

People with Down Syndrome must be treated as unique individuals with different needs, limitations, talents and backgrounds. Not all of them will have the skills required to have a positive influence on “organizational health”. For this reason a detailed evaluation by an expert is essential to diagnose each person’s skills and limitations. This is the only way we can prepare them for a given activity, or select activities that are more compatible.

Yet experience shows that, in general, these people are steered to those activities they already perform well. These are normally jobs that demand routine or organization, or related to customer service.

As many people with such disabilities use routine to achieve recognition at work and in their social relationships, they normally perform any task that requires method and organization well and fast. They can also be extremely efficient in direct customer service. Because of their ability to communicate and show empathy, they often bond with customers. This helps, for example, sell items that may not have been on a customer’s shopping list, and also helps secure customer loyalty. It is important to realize that recognizing these skills does not impede the continuous development of these professionals, and their ability to develop new skills and occupy different positions.

The impact that hiring people with Down Syndrome can have on an organization must be taken as a whole. According to businesses that hire people with Down Syndrome, there are pros and cons, but when these are added up the outcome is positive. On the con side are the challenges companies must overcome to make inclusion a success. On the pro side are the benefits their presence can have on the organization.

Depending on the activity performed and on the inclusion process, people with Down Syndrome can have lower than average productivity. This normally happens when they are assigned to tasks that aren’t right for them, or for which they were not trained, or that require efforts beyond their grasp. In any event, this measure of productivity must be analyzed with caution. According to the companies that most hire people with Down Syndrome, the quality of the tasks performed and the intangible benefits seem to offset any possible productivity decrease.

During the planning phase companies must consider if their culture is compatible with including people with Down Syndrome. In some cases this inclusion may represent the company’s values. In other cases, it can become a means to transform the culture. Lastly, inclusion may not be advised for companies unwilling to face and overcome the challenges inherent to each step of the process.
Companies must also reflect on the inclusion model they want to use to address these challenges. These models are classified based on the relationship between the company and professional training and placement institutions. Selecting the ideal model requires identifying the implications of each one, and deciding which one best fits the company’s needs and culture.

Models range from total independence and total support of professional training and placement institutions (Exhibit 9). At one end are companies that have their own team and develop their own in-house inclusion program. In this case there is no or only occasional support from specialized institutions. At the other extreme are companies that would rather simply have these institutions take over responsibility for contracting, training and keeping track of people with Down Syndrome. This model also delegates responsibility for preparing the company to welcome the new members.

There is no need to adopt a rigid model, or to stick to the first model chosen. Change is valid so long as one does not lose sight of the fact that the aim is to improve the relationship between professionals and the company, and to use a system that is consistent with the company’s culture and needs.

Exhibit 9

**Different ways companies can position themselves**

<table>
<thead>
<tr>
<th>Model</th>
<th>Pros</th>
<th>Cons</th>
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| **1** Program with no outside support     | • Program becomes part of the company DNA  
• Development of in-house intelligence | • Requires an in-house team  
• Steeper/longer learning curve  
• Hiring problems                                |
| **2** Program with support for contracting [people with disabilities] | • Speedy hiring  
• Development of in-house intelligence | • Requires an in-house team  
• Depends on partner for recruiting                                    |
| **3** Program with support for contracting and training | • Establish solid partnerships  
|                                                    | • Conflict management is delegated                                  | • Depends on partner for the program itself  
• Depends on partner for the program itself                                    |
| **4** Program with support for contracting, training and follow-up | • Rents are transferred to the partner | • Risks are transferred to the partner                                |
| **5** Fully outsourced program              |                                                                      |                                                                      |

SOURCE: Interviews; team analysis
Regardless of the model chosen, the company will have to prepare itself to welcome these new employees, minimizing the risk of failure. Planning should start by defining an internal support team, and then move on to adapting the recruiting and selection materials and process. This effort includes preparing the team with which the DS person will work, in which case the direct supervisor will be responsible for the person’s routine and for making sure he or she is included.

For organizations wishing to exercise corporate responsibility, and at the same time improve their “organizational health”, a program to hire people with Down Syndrome may be an interesting opportunity. Based on the background work to prepare this document, a well structured program that seeks to maximize mutual gains without neglecting the difficulties is enough to transform challenges into advantages. The result will be a positive impact, not only on the companies that exercise this type of inclusion, but also on society as a whole.