

Disability employment and financial performance: the effect of technological innovation of listed firms in India

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Abstract

Purpose – *Technological innovation (TI) has become a competitive advantage to firm sustainability and survival; however, stakeholders struggle to embrace this revolution. There is a fear that technology innovation leads to massive job loss. Therefore, the purpose of this paper is to investigate TI, employee disability (EDI) and financial performance.*

Design/methodology/approach – *Using the Indian stock market as a testing ground, the authors used panel regression to analyse 80 sustainability-reporting firms (640 firm-year observations) between 2010 and 2017.*

Findings – *The findings show that technology innovation has a positive association with EDI. It further indicates EDI with TI improves the financial performance (return on assets and return on equity) of firms. Also, the study shows that EDI in the service and manufacturing sector are the critical contributors when combined with TI towards an increase in financial performance.*

Practical implications – *The implication for the study allows firms to increase employment of people with disabilities in the workplace because TI has a positive effect on EDI. The results from the study confirm the service sector as the highest contributor to financial performance in the emergence of TI.*

Originality/value – *The novelty of this research provides empirical evidence that the service sector contributes more to financial performance when EDI combines with TI.*

Keywords *Employee disability, Technological innovation, Financial performance, Stakeholder theory*

Paper type *Research paper*

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The research article achieved significant contribution, especially in the areas of how to write useful articles and a scientific method of reviewing literature from the below Professors. Dr M. Abdul Mujeebu, Associate Professor, Department of Building Engineering College of Architecture and Planning, Imam Abdulrahman Bin Faisal University Dammam, Kingdom of Saudi Arabia. Dr Vikash Ramiah, Associate Professor, School of Commerce, University of South Australia, 37-43 North Terrace, City West, Adelaide, South Australia 5000, Australia. Dr Amitabh Anand, Assistant Professor and Head of International Business, SKEMA Business School, University of Cote d'Azur, France.

1. Introduction

News media reports, business reports and industry professionals talk about the impact of technological innovation (TI) on society and stakeholders in the industrial revolution in the 21st century. Experts have made different arguments for and against on TIs effects on new jobs creation and losses of old jobs (Li *et al.*, 2017). It is estimated that 10-70 per cent of employment, including the disabled, will become meaningless due to TI (Chelliah, 2017; IANS, 2019). Moreover, TI is occurring when global disability employment is already low (Quinn *et al.*, 2002; Zaracostas, 2005; UN Disability, 2008). The practice of employee disability (EDI) dates back to the 1920s and 1930s in Ford Motor Company. Henry Ford believed that all people, whether disabled or not, deserved equal opportunity and same pay (Veterans and others with disabilities welcomed at Ford Motor Company, 2020; Ford and Crowther, 2020). The concern for EDI is highlighted with the emergence of the concept of stakeholder theory, which treats people or organisation as stakeholders if the actions of firms affect them or the person or group of person actions affect the firm existence and operations (Freeman, 1984). Global EDI statistics is poor, and India as an emerging economy shows similar characteristic. For example, studies show that 2.6 per cent of the population as per the past census is disabled, and only 36.3 per cent of disabled people