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EAP enters its fourth decade and changes its core focus

Boston Business Journal by Linda Goodspeed, Special to the Journal

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As it enters its 40s, the employee-assistance program is having identity issues.

Companies first implemented EAPs in the 1960s as a management tool to help supervisors address alcoholism in the workplace. Today, while alcoholism and drug abuse remain a serious workplace issue, the focus of EAPs has dramatically changed.

"Even people in the EAP field don't agree on the purpose of EAPs," says Ken Collins, a behavioral health consultant in Orinda, Calif., who has worked in the EAP field for more than 20 years.

"Most companies buying EAPs today see them as an employee benefit, which is a far cry from their original objective, which was to be an adjunct to management and a means of dealing with employees whose job performance was deteriorating, usually due to alcoholism," Collins said.

The evolution from management tool to employee benefit seems complete. The Society for Human Resources Management (SHRM), the largest HR association in the world, now includes "Employee Assistance Programs" in its annual survey of employee benefits. According to the 2002 SHRM survey, more than two-thirds of all companies offer EAPs, and Collins said the number is well over 90 percent among large companies.

Low usage, changing demands

But even as EAPs have become more commonplace, employee usage of their services has declined. In-house EAPs have the best utilization, Collins said, averaging about 7 percent to 8 percent of the employee population. When EAP services are outsourced, utilization drops to around 5 percent, Collins said.

"Visibility and access drive utilization of EAPs," Collins said. "Moving EAP programs outside the workplace is causing EAP utilization to decline."

Caseloads are also changing. Alcoholism and drug abuse now account for very few EAP referrals.

"The No. 1 reason people come to us today is because of a relationship problem," said Beth

Niedbala, an EAP consultant at EAP Systems in Woburn, a vendor of EAP services.

While some relationship problems may involve a supervisor or colleague, most involve "significant others," said Bara Litman, vice president of client services at Sobel & Raciti Associates Inc. of Wayland, a provider of EAP and work-life services. She said legal and financial woes are other reasons employees use an EAP.

"People need financial assistance sorting through credit card debt, or legal help sorting through finances or a divorce," she said.

More employees are also using the EAP simply as a resource to find child care, elder care, afterschool programs, a fitness center, weight-control programs and "every work-life balance issue you can think of," said Kathleen Greer, president of KGA Inc. in Framingham, an EAP service provider. KGA has two full-time researchers just to answer those kinds of questions from employees.

While most employees using the EAP are self-referrals, managers still sometimes refer employees.

"Supervisory referrals are always performance based," Litman said. "Managers can't refer an employee simply because he's an alcoholic or has some other personal problem. There has to be a performance problem rising out of the alcoholism — underperforming, accidents on the job, absenteeism, tardiness, deteriorating job performance."

Referred employees cannot be required to use the EAP unless it is part of the company's policies. Neither can they be fired for not using the EAP, although using the EAP may be part of the employee's disciplinary plan.

How effective are EAPs?

Effectiveness depends on what the employee needs -- information or clinical intervention -- and the employee's own motivation. If the need is for clinical intervention, treatment can include a few telephone sessions, face-to-face counseling or a referral to a specialist in the employee's insurance network.

Although few employees actually use EAPs, providers say the services have huge cost benefits for employers.

"Employers always want healthy and productive employees," said Bruce Cedar, president of CMG Associates Inc., an EAP provider in Newton. "EAP programs can assist employees and their families, cut down on absenteeism and increase productivity."

Collins said the cost benefits of EAPs were more substantial in the old EAP model, in which the programs were a management tool to address performance issues related to alcoholism and drug abuse.

"That model was very successful," Collins said. "The research from the traditional models shows that EAPs had the ability to return \$4 to \$6 for every dollar invested in them. It's a widespread practice for EAPs today to sell that research and return on investment when in fact they are

selling a different model."

Still, Collins agrees that EAPs, despite their deviation from their original intent, remain a useful employee benefit.

"They are still performing a serious purpose; it's just that the purpose has changed," he said.

"The fact that EAPs make short-term counseling and critical incident stress debriefing immediately available for a company's employees are good things. Unfortunately, most companies don't understand the difference between EAP models. They don't understand that if they really want the EAP to really impact productivity, it has to be better integrated into the workplace."