

## **Employee Assistance Programs-Value to Employees or just a Feel good factor for Employers**

<sup>1</sup>**Dr. Bharati Ranjit Kumar**

(Associate Professor at Sinhgad Business School, Erandwane, Pune)  
bharatiattal@gmail.com

<sup>2</sup>**Dr. Vishal B. Gaikwad**

(Assistant Professor at Sinhgad Business School, Erandwane, Pune)  
vishalg7380@gmail.com

<sup>3</sup>**Dr. Prashant M. Kotasthane**

(Associate Professor at Sinhgad Business School, Erandwane, Pune)  
pmkotas@gmail.com

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### **Abstract**

Growth and success usually come with heavy cost. The cost of success can be in either direct or indirect form. In the race to be successful and to catch up with the ever increasing competition many a times organizations end up with increased work pressure and no fixed hours of work for their employees. Employees on the other hand feel that they are not only becoming low performer but are also losing their work life balance.

Organizations lately have realized and understand that they are nothing but crumbling castles without their employees. Recently the urge to provide some professional help to the working individuals to enable them manage anxiety and stress at work place gave birth to a concept called EAP, the Employee Assistance Program with a motto of enabling individuals to make positive changes in their life. This conceptual paper will help realize the strategic value of an employee assistance program and to acknowledge the contributions EAPs make in helping organizations achieve their business goal

**Key Words:** *Employee Assistance program, stress, counselling, strategic support for handling an organizational change*

### **Introduction**

In this era of ever increasing competition and rapid changes in the technology, our lives are shrinking at a rapid rate. With employees spending more hours at the workplace, they hardly

have the time for their personal lives. Working individuals are not only vulnerable to work related issues but at times their personal issues also have a long lasting effect on their work. Individuals often find it difficult to cope with stress on their own and at times require some support to address a wide range of personal, legal, medical, financial issues along with work related issues. EAP, the employee assistance program is a specially designed external counseling facility provided to the employees. The USB of this program is to maintain full confidentiality while dealing with any issues of the employees so as to build up the confidence in the person and to help him make positive changes in his life within a focused and confidential setting.

Understanding the concept of EAP, it is typically combination of services including support and counselling activities sponsored by the employer. Confidentiality is the crux of the Programme and the employer is also at times not aware about who is using the counselling services, unless the manager has advised an employee to seek EAP for a specific performance related or personal problem affecting work adversely.

It will not be wrong to say organizations that believe in the concept of work life balance and well-being of the employees can't ignore the importance of providing psychological support to their employees. Traditionally many organizations were of the opinion that work life balance initiatives are part of health and safety programs in the workplace, and thus this resulted in providing a strong health and safety policy for the employees. With technological advancement increasing competition the intra-personal and inter-personal relations are suffering the most, thus it has become important now to come up with a holistic solution to this issue of work life balance. The best probable solution in current time seems to be a sound counselling program not only for improving work-life balance for employees but reducing all types of stress on the job.

Past few years have seen organizations using various activities like practicing yoga, meditation etc as some solutions for capturing and reducing job stress in workplace but this is also a fact that often work pressure long working hours, working in night shifts or flexi shifts disturb the biological clock of an individual and result into frustration. When people are asked to work beyond their capacity they get frustrated and usually there is no mechanism in the companies for venting this frustration. Traditional methods like yoga and meditation can for some time help in

handling the frustration these methods can suppress the agitation within an individual but cannot be a perfect solution to this problem. Hence a holistic solution is a must to capture this increasing work stress and frustration.

### **The Scope of EAPs**

The issues which are covered under EAPs are quite wide ranged. These areas have expanded as opportunities have increased. Initially EAPs covered only the financially areas of employees but with changes in time opportunities for expansion of EAPs arose which has widened the scope of EAPs. At present the range of areas which are managed by EAP providers are as follows:

- job stress
- personal issues
- substance abuse
- relationship issues
- separation and loss
- parenting issues such as child care, elder care
- balancing work and family
- family violence
- harassment
- financial or legal

There are EAPs which go beyond this scope. Such programs facilitate the provision of other services such as retirement or lay-off assistance, health promotion and fitness for instance weight control, exercise, nutrition, or smoking. Still others offer services on long term illness and advice for managers on how to deal with difficult situations. Services that help solve crisis or difficult situations such as death at the workplace are also provided (Canadian Centre for Occupational Health and Safety, CCOH, 2009).

### **Literature Review**

Talking about the journey of the employee assistance program, America was the first country to adopt it in 1920s, working under the influence of drugs or drinks was a common factor and so

during those times the organizations were using EAP mostly to tackle drinks and drug related problems at the workplace. Much later, the Government came up with Drug Free workplace act of 1988 as a result it became necessary for the federal employees and employees of firm's under government contract to have access to EAP services. EAP was a mandate. Thus one can say that in the west EAP has travelled a long way.

From an employer's standpoint, an EAP provides help to the employee to deal with issues that might otherwise adversely impact the employee's health and wellness, or work performance. "According to Watson Wyatt, factors such as mental health conditions, sleep problems, stigma, and substance use and abuse affect business performance by reducing productivity and increasing both planned and unplanned absences.

*(Source: The Employee Assistance Research Foundation, an organization that was founded in 2007 to understand the EAP field and the current state of the art and to examine the effectiveness of EAP services overall for employees and employers.)*

Generally speaking, an EAP gives employers a referral option for managers and Human Resources staff to help an employee deal with life and work issues that are beyond the training and scope of the workplace helpers.

It is not expected that managers and Human Resources staff should generally be trained to provide therapy or counseling to employees. An EAP gives them a way to help an employee without turning away an employee in need.

The "National Compensation Survey data show that public sector workers have greater access to wellness programs and employee assistance programs than do private sector workers. The difference in access could be the result of a number of factors, including occupational composition and the different job functions of public and private sector workers. For example, the ratio of public sector workers in education and public safety jobs is relatively high compared with private sector workers." The outcomes of survey in the year 2008 showed that 78% of public sector employees and 46% of private sector employees had access to EAPs, a notable

increase from the percentage of employees covered by EAPs in 1999 when the figures were 43% and 21% respectively.

According to the Employee Assistance Professionals Association (EAPA).

- "In US, over 97% of companies with more than 5,000 employees use EAPs.
- 80% of companies with 1,001 - 5,000 employees have implemented EAPs.
- 75% of companies with 251 - 1,000 employees have EAPs.

A 2008 National Study of Employers following ten year's trends related to U.S. workplace policies and benefits shows that the EAP industry continues to grow, with 65% of employers providing EAPs in 2008 compared to 56% in 1998,

Looking at India, the EAP related government initiatives came into existence from the year 2007 onwards in the form of Employee Assistance Workgroup (EAP Workgroup). This initiative was the result of a contract from the Center for Mental Health Services, a division of the substance Abuse and Mental Health Services Administration, U.S Department of Health and Human Services. The EAP workgroup was created by the National Business Group on Health with recommendations to improve the coordination and integration of employee assistance programs. Systematic examination of best practices and evidence based approach for design and delivery of effective assistance program were some of the main responsibility of the EAP workgroup.

By the year 1970, EAPs started playing a major role in helping the employers address a variety of organizational concerns related with employees that could lead to violence, physical and mental health issues or declining morale among workers. This resulted into rapid growth in the EAPs. Today we see that majority of Fortune 500 Companies offer EAPs with various health and productivity related services to enhance organizational performance on one hand and provide support and guidance to employees and their dependents on the other hand. With ever changing workforce with complex multiple needs resulting from shifting market forces, EAPs are today at a critical stage or juncture.

## Services Offered by EAPs

Any and every type of help including personal well-being and work related which directly or indirectly affects the work performance negatively is combated with the help of EAPs. Some companies make sure that these programs are made available 24 hours a day, seven days a week.

Services and resources can include

- Services for addressing personal problems and concerns, such as
  - interpersonal relationships,
  - legal problems, and financial difficulties or planning.
- Counselling and guidance related with family and work/life issues, such as parenting, child care or caregiving for elderly family members.
- Health related assistance for health promotion and wellness, such as smoking cessation and weight loss.
- Personal and Emotional wellbeing through mediation and conflict resolution services.
- EAPs may also provide training and/or consultation to managers and supervisors (e.g., on wellness programs, business retention, disaster planning).

Consultants offering EAPs offer short-term, confidential, behavioral counseling in person or by telephone. These consultants offer free counseling sessions that can vary, usually between three and 12 sessions. Usually the consultants providing EAPs are staffed with a variety of professionals including social workers, psychologists, psychiatrists, counselors, and psychiatric nurses. To enhance the value of existing programs and ensure high-quality and relevant services, employers should support efforts to integrate roles and responsibilities between their EAP and broader human resource functions.

## EAP Cost / Benefit Statistics / Research Data Backed by Evidence

57% of the class of 1999 graduating business students in 11 countries said that attaining work/life balance is their top career goal. *PricewaterhouseCoopers Survey, 2000.*

<sup>1</sup> A 2001 study by Personal and Work Outcomes of Employee Assistance Services showed that when EAP services are provided work loss was avoided in 60% of cases with an average savings of 17 hrs per case.

72% of these cases showed improved work productivity with an average gain of 43%.

<sup>2</sup> In 2001 itself Watson Wyatt Study indicated that an employer sponsored EAP program can reduce an employee's disability costs, medical cost and worker compensation cost.

<sup>3</sup> A study shows that when legal/financial work life- services are provided work loss was captured in 39% of the cases and work productivity was improved in 36% of the cases. Attridge, M. (2002, June).

Employee assistance program outcomes were similar for (phone and In-person) and legal/finance consultation clients. *(Presented at the American Psychological Society Conference, New Orleans, LA. In 2002)*

<sup>4</sup> Thirty five percent of companies who offer EAP services indicate they've increased such assistance since the 9-11 terrorist attacks. Moreover, 57 percent of employers who've increased their workplace support options since 9-11 say their employees' attitudes have changed for the better and 74 percent of employees who say their company offers workplace support find it valuable or helpful. *(Cigna Report, 2002)*

<sup>5</sup> The Society for Human Resource Management's 2001 Annual Benefits Survey provides testimony of strong EAP market penetration, with 67 percent of 754 human resource professionals responding that their organization offers an EAP, five percent stating their organization plans to offer one in the coming year, and only 24 percent stating they do not offer one. *(Society of Human Resource Management. (2001). Annual Benefits Survey. Alexandria, VA.)*

<sup>6</sup> By 2001, Open Minds, a behavioral health industry research and consulting firm estimated enrollment figures of 51 million in stand-alone EAPs and 15.5 million in integrated EA/MBHC

programs-a 245 percent increase since 1994 and a 13.3 percent increase since 1999 (Open Minds, 2000). Open Minds. (2000). *Yearbook of managed behavioral health market share in the United States, 2000-2001. Gettysburg, PA.*

In the US, over 97 % companies with more than 5,000 employees have EAPs.

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EAPs is growing world-wide almost majority of countries have started appreciating the EAPs and US has the most saturated market of EAPs in the world.

*(All These figures and statistics are from Employee Assistance Professionals Association, The Non-Profit Times, the Exchange Magazine, and U. S. Labor Department)*

India, is not behind when it comes to employee counselling. With a focused objective of managing change, grief and bereavement, marriage and family problems, depression, integrating work and life and managing personal stress, in 2001, IBM piloted an EAP for 3000 employees in India.

IBM implemented the EAPs with the help of printed materials, some major key deliverables included orientation programs, face-to face counseling and referral services.

IBM's also has a Web Site, which aids in online manager stress intervention resource which falls under the IBM Global Stress Management program

*(In favour of Counselling – Supporters and implementers of employee counselling)*

### **Observed Delivery Model of EAP**

It is been observed that majority of employers offer EAP's through various modes.

Some companies may use the External help that is from the External organizations or stand-alone specialists or may use a internal EAP staff. The statistical figures regarding the same are as follows

- External Organizations or Stand-Alone (used by 40 % companies)



- InsuranceHealthplan/managedcare(utilized by 29 % companies)
- InternalEAPStaffwithcontractedvendors(utilized by 24% companies)
- InternalEAPsusingstaff( used by 7% companies)

*Tabular presentation of Delivery Model of EAP*

| <b>Delivery Model</b>                             | <b>Pro's</b>   | <b>Con's</b>  |
|---|--|---|
| <b>Internal EAPs using staff</b>                  | *Maximum Personal touch  | *Expensive<br>*Confidentiality at risk<br>*Changes Perception towards one's using EAP<br>*One point of contact may cause delay in handling issues |
| <b>Internal EAP Staff with Contracted Vendors</b> | *High PersonalTouch<br>*BetterProviderAccess   | *StillExpensive<br>*Effects on Perception   |
| <b>Insurance Health Plan</b>                      | *Inexpensive<br>*EasytoAddtoBenefits   | *Lack of or limited marketing<br>*No Acct Management<br>*Lower Utilization  |
| <b>Stand Alone</b>                                | *DedicatedEAPNetwork<br>* BetterUtilization<br>*BroaderScopeofServices<br>* StrongAccount Management | More Expensive than Insurance   |

Many organizations have benefited from adopting the EAPs for their employees. Significant benefits are reaped by the employers in the form of decrease in absenteeism and turnover. With EAPs employers spend less time on personal issues of the employees and can take care of more important issues. These programs also help in reducing work-related accidents and also gains in productivity.

## **Are Employee Assistance Programs (EAP) Effective?**

Many Research findings shows that EAPs are effective, although, the evidence is controversial. HR professionals get feedbacks both positive and negative through word-of-mouth from employees who have accessed their organizations' EAP. The most controversial finding that has come in picture is that the EAP is not considered to be a confidential service. This is especially true depending upon the service providers, of the EAPs that are provided by employers in the public sector.

Employees regard EAPs departments often warranted suspicion and skepticism. Employees are suspicious that anything they tell a counselor in an in-house EAP will go directly to the ear of related HR staff. They fear that the information will then affect their career.

### **Evidence of EAP Effectiveness**

The Employee Assistance Research Foundation says that the field of employee assistance has not produced enough research to justify its prolific and expanding use by employers. Certain studies suggest that EAPs are generally effective, the EAP evidence base leaves many questions unanswered this could be due to common methodological limitations; for example, the literature is dominated by single case studies and by program evaluations that do not always meet rigorous scientific standards. Although there has been an impressive accumulation of program evaluations undertaken by employers (and their EA providers or consultants), most of these evaluations have been considered proprietary and not widely disseminated or published in scholarly journals. There is a need for additional research focused on contemporary EA service delivery models since this has changed dramatically over the years, on specifically examining the 'active ingredients' in EAP effectiveness, and on measuring outcomes of most relevance to employers and workers."

### **Conclusion**

An Employee Assistance Program (EAP) for organizations is a voluntary, work-based program EAP providers offers free and confidential assessments, short-term counseling, referrals, and

follow-up services to employees who have personal and/or work-related problems affecting directly or indirectly on the work performance of the employees. EAP counselors work in a consultative role with managers and supervisors of the concern organization to address employee and organizational challenges and needs respectively. EAPs when implemented in a proper manner, are active in helping organizations prevent and control workplace violence, trauma, and other emergency response situations. EAPs address a range of problems from minute to high risk one. It helps in broad and complex body of issues affecting mental and emotional well-being, such as alcohol and other substance abuse, stress, grief, family problems, and psychological disorders.

Strong belief in the benefits of EAP itself is the first step towards the beginning of a process that involves sophisticated and sensitive decisions related to employees at every step in the organization. Like any other HR initiative, the key to a successful EAP lies in two folds, first in creating buy-in from management and second making ready its users (employees) to avail its benefits. Once the management has decided to implement EAP, the most critical decision emerges: choosing the right EAP provider. An immaculately framed and designed EAP can fall flat on its face and be fruitless if employee do not make use of the program. To make EAP successful the role of HR Department is very important. HR's prime agenda must be to communicate with the employees and create awareness about credibility and benefits of the program.

Does an Employee Assistance Program (EAP) actually provide value for employers and employees? Or, is an Employee Assistance Program (EAP) a way for employers to feel good about doing something positive for employees—that may or may not provide a value-add to employee wellness and work productivity? To clear this dilemma, an organization must start by undertaking a comprehensive orientation program to help employees understand and appreciate the value of EAP. The orientation program also educates employees about the service provider, and how EAP would work under strict confidentiality. It will also help employees get a deeper understanding of how EAP services can help them resolve their personal and interpersonal conflicts, issues and concerns. Organization can use variety of communication mediums like

posters and brochures, articles in-house newsletters and the intranet on an ongoing basis to keep the EAP momentum on.

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