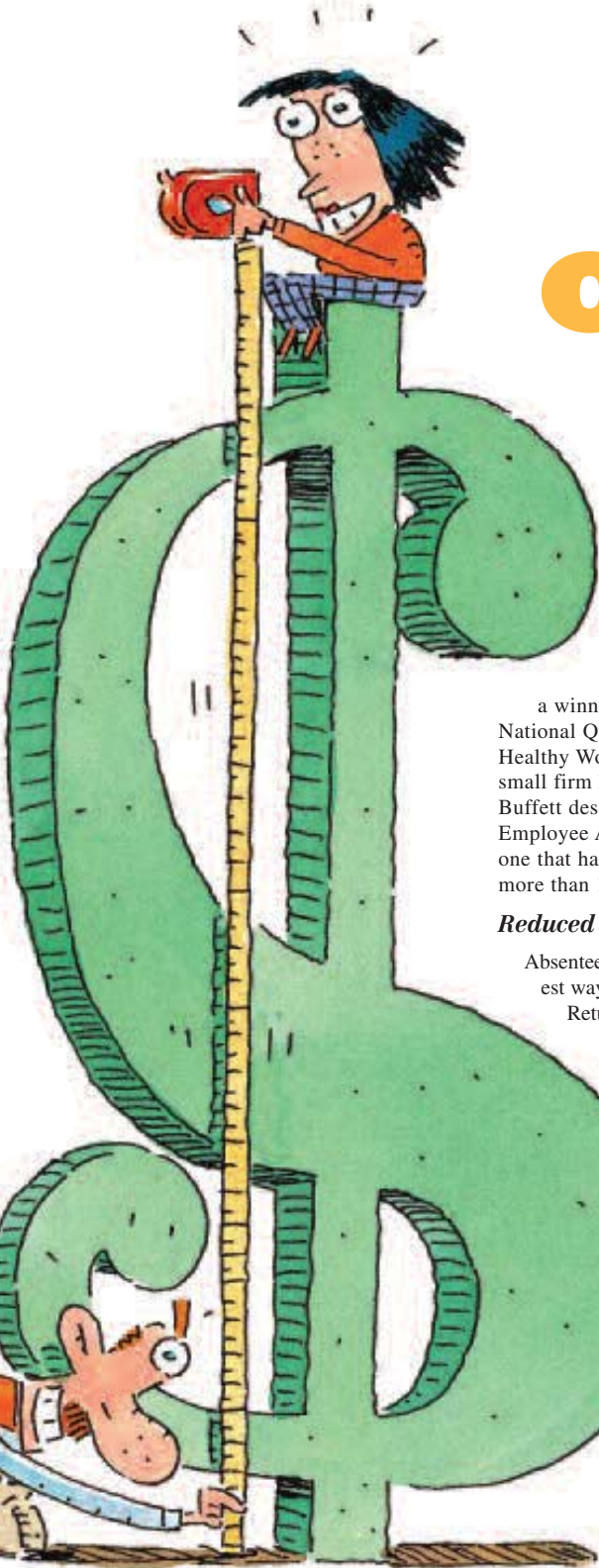


Measuring the success of EAPs



By Stephenie Overman

By practicing what it preaches, a Whitby, Ontario wellness-consulting firm saves about \$100,000 a year on absenteeism costs.

Buffett, Taylor & Associates Ltd., is

a winner of the 2005 National Quality Institute Healthy Workplace Award. The small firm has what President Ed Buffett describes as a “mature” Employee Assistance Program, one that has been in place for more than 10 years.

Reduced absenteeism

Absenteeism is one of the easiest ways to evaluate the

Return on Investment of an EAP, according to

Buffett. He says while the national absenteeism average in

Canada is nine days per employee a year, Buffett, Taylor & Associates’ average is less than two days a year per employee.

Doing the math, Buffett calculates “my absenteeism cost avoidance is \$100,000, with only 30 people. That’s significant. That far exceeds what we spend on our EAP. Forgetting the altruistic reasons, it’s a good investment. I wish

some of my own investments were performing at that level.”

The reason Buffett associates such low absenteeism with EAP services is that “we don’t have a lot of people who need ‘mental health’ days” because the firm concentrates on *keeping* employees well. Too often, he says, the focus is on

employees who are at immediate risk, rather than on preventing healthy employees from becoming at risk.

Among other benefit features, Buffett, Taylor & Associates has a Heart/Health Day, and receives quarterly drug utilization reports to identify the amount of stress and depression in the workplace.

But employees often tend to overlook the benefits of their Employee Assistance Program, so Buffett works with provider C.J. Brown & Associates Inc. to keep the EAP “front and center” in their minds.

“We have town hall meetings every week on a range of issues. We monitor awareness levels. We have a questionnaire yearly to make sure people are aware of the program and know how to access it. We get a report from our provider annually,” he says. “We

scrutinize the report closely.”

ROI calculator

EAP provider Ceridian Canada Limited, based in Markham, Ontario, wants to help companies do a better job of scrutinizing the ROI of their EAPs. Ceridian recently brought an ROI tool to the Canadian market, which, “to our knowledge doesn’t (See *Calculating* on page 30)

Moneris Solutions uses external comparisons with similar companies to monitor how well the EAP is working.

Calculating the ROI of EAPs

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exist elsewhere,” says Sean Slater, director of client services.

“We went to an industry expert to build a return on investment calculator” to measure ROI in five areas: Employee retention, health costs, absenteeism, productivity and time saved.

“Through a number of studies we’ve been able to take unique client data on benefit costs and absenteeism and so on and run [the data] through the calculator to kick out a return on investment,” he says.

Although use of the ROI calculator is still in the early stages, Slater sees “a lot of interest” from clients, who are particularly concerned about health costs and absenteeism. An added advantage of the calculator is that it encourages companies to do a better job of tracking the data they need to effectively measure results, Slater says.

External comparisons

Moneris Solutions, one of Ceridian’s clients, isn’t using the ROI calculator yet, but plans to in the future, says Joan Mitchell, vice president of human resources. “To date we have a fair number of measurements and this will only enhance them,” she says.

The Toronto-based company, which processes debit and credit card transactions, has doubled its employee population in its five years of existence. It now has more than 1,200 employees, mostly in Canada, including call center employees. “It’s a busy, tense environment. You can only keep the jets on so long,” Mitchell says.

Moneris Solutions not only uses data from Ceridian, based on the company’s population, but also external comparisons with similar companies to monitor how well the EAP is working. “We watch the topics; we watch our population. We see where the attention is: half is lifestyle such as day care and elder support. The other half is personal health issues such as wellness, smoking cessation, drug and alcohol use,” she says.

“I watch utilization. There are real tension points that you can put your finger on. We can see that 11% of the people who called in [to the EAP] were looking for financial or legal support. We’re happy they can do that at our expense. Another 20% called regarding health and wellness.”

Action plans

All this measuring and studying leads to action. “The data helps the company better determine its policies and procedures mechanisms. We use our EAP and benefits provider to continue to look at and revamp our



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Sean Slater, director of client services at EAP provider Ceridian Canada Limited, says Ceridian recently brought an ROI tool to the Canadian market.

program. We can change our benefits offering” to respond to trouble spots, Mitchell says. “We’re nimble enough to push our providers to satisfy employees’ needs and wants.”

Stress, for example, “has taken a higher profile than we’d like to see.” To counter that, “we have lunch-and-learn sessions. We invite [Ceridian] in to conduct workshops.”

Moneris Solutions is working with Ceridian to reduce the short-term disability costs that result from stress. “It’s difficult at this point to measure, but it’s on our radar. There’s a lot of stress in the workplace. If they can get in the door before things get desperate, they can most certainly make a difference.”

Employees had so many suggestions concerning health and wellness that Moneris Solutions created a Health and Wellness Day, she continues. “We brought in Ceridian and other service providers. We had exercise specialists and nutritionists to make information available. Those days were created based on information sources.”

“It is important to have the pulse of the different needs” of different groups of employees, she says. “There are easily three generations in this company. It’s important to track them. It’s amazing how different they are, even just 10 years apart.”

Boomers, for example, need information about elder care, not child care, and “we have pockets of employees who say they are not interested in traditional prescription drugs” so Moneris Solutions recently launched an alternative medication program.

Preventing recurrent costs

WarrenShepell, a Toronto-based EAP with 2,500 clients, helps companies analyze data and use it to prevent what are often reoccurring health costs, says President and CEO Rod Phillips.

For example, he says, if a company finds that anti-cholesterol drugs are a high-cost item, “we can help employees modify their behavior, and speak to them in a way that is difficult for the company to do. People know what they need to do — the trick is to do it. Our expertise is around behavior change.”

“When one company had a lot of women in their 30s who were on the partner track but were leaving the organization,” he says, an analysis of the data found that many were leaving because the company failed to



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reintegrate them after they had children. WarrenShepell was able not only to find the root of the problem but to offer maternity support and programs that helped them re-enter the workplace.

“EAPs have both the needed psychological and social health expertise and the tools to connect with employees on a confidential basis. You have a conduit that has employees’ confidence,” Phillips says.

Collaborative approach

Homewood Employee Health in Guelph, Ontario, “is keen on taking a consultative approach to be sure we’re taking care of [a company’s] needs from the get go,” says Patricia Ulbricht, director of sales and marketing.

The EAP uses a series of 32 self-administered questions to help demonstrate outcomes. “We assess at the beginning of a counseling case to get their

impressions of their relations with the workplace. In the fourth session, we conduct an assessment again to monitor the employee’s relationship with the workplace and his/her ability to function both pre- and post-use of the EAP.”

Homewood tries to help companies look not only at where they can measure in dollars and cents, but “how they can measure in other ways that are as important, such as retention through changes and levels of satisfaction,” Ulbricht says.

EAPs can be especially helpful when a company is going into a business cycle where there will be dramatic

Homewood Employee Health’s EAP uses a series of 32 self-administered questions to help demonstrate outcomes.

changes — layoffs or even rapid growth, she says. “It’s not a positive time, but companies see the EAP as something to give employees as a way to feel cared for when they’re going through tough times.”

Often it’s simply the fear of the unknown that can cause stress, she adds. “One of the beneficial things is the EAP’s ability to consult around communication. We help companies put communications plans together. Nothing is worse than not knowing what’s going to happen.”

Again, measuring results is important. Homewood measures through a series of employee satisfaction surveys so “we can take the temperature throughout the business change.” — **E.B.N.C.**

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