

## *Employee Assistance Programs ("EAPs")*

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Businesses today are often quick to fire workers who are under-performing. After all, why keep an employee on the payroll if the employee is not pulling his/her weight? Those of us who practice employment law often advise business owners on how to cut their losses and lawfully terminate workers. But, many business owners find that offering employees the use of an employee assistance program ("EAP") instead of termination can benefit both the employee and the business' bottom line.

Employee assistance programs ("EAPs") are job-based programs designed to help identify and provide intervention for employees with substance abuse problems or other personal problems that affect their job performance. As with drug testing programs, EAPs may help reduce accidents, absenteeism and employee theft, as well as improve productivity and morale. They can help to return an employee to an acceptable level of productivity. More importantly, they offer an alternative to firing, thereby saving the costs of recruiting, rehiring and re-training - providing a good return on investment by helping troubled employees restore and maintain their productivity. In addition, employees who use an EAP program typically have fewer absences, use less medical claims and often remain with a company longer resulting in a further return on investment. Lastly, the services of an EAP program can assist as another line of defense against wrongful discharge suits.

According to an article in USA Today, workplaces are becoming increasingly abusive and hostile, with workers subjected to bullying and browbeating by bosses and co-workers. Blame it on down-sizing, corporate changes or increasing pressure to do more with less. Workers who are bullied are filing workers compensation claims or claims for emotional distress. This is one example where referring employees to an EAP program can help to retain qualified workers and reduce costly lawsuits. Although terminating an employee with a short-term problem and hiring a new worker may seem to be the easiest or most cost-effective approach, it may make better sense (on a business level or a humanitarian level) to help an employee overcome his/her personal problems.

EAPs typically are offered as employee benefits at little or no cost to employees. Although EAPs often have focused on alcohol and other drug problems, most EAPs are equipped to address a wide range of employee problems: stress, marital difficulties, depression, family responsibilities and financial problems. EAPs can provide confidential counseling and referral services to employees and their families. Some programs are operated internally, while others are staffed by outside consultants or consulting firms.

For any EAP program to be successful, it must be seen by employees as a confidential source of help. Employees must believe that they will not jeopardize their job by seeking help. However, they also must understand that seeking help from an EAP will not shield them from disciplinary action for poor performance or violations of company policies.

There are five basic types of EAP programs:

- (1) In-House Programs - Often found in large businesses, the EAP staff is employed by the company and works on-site with employees.
- (2) Fixed Fee Contracts - An employer will contract directly with the EAP provider for services, with fees based on the number of employees regardless of how many employees use the EAP.
- (3) Fee-For-Service Contracts - Employers contract directly with an EAP provider but pay only when employees use the services.
- (4) Consortia - Smaller employers may join together to contract with an EAP service provider, helping to lower the cost per employee.
- (5) Peer-Based Programs - Co-worker or peer-based EAPs give education and training assistance to troubled employees and referrals.

In establishing an EAP, you should contact other businesses in the area that provide EAP programs and learn about what services they provide, the cost and the results of those programs. Also, determine whether there is an EAP consortium available in your community that local businesses can join to receive

services which typically may only be available from larger businesses.

As with any employee program, the key to an EAP's success is management support. Supervisors must be trained to understand the program and to refer employees for professional evaluation and assistance when necessary. In sum, offering employees access to EAP services may offer real cost savings to your business in retaining a valuable employee and avoiding the cost of turnover, recruitment, replacement, and perhaps litigation. This is one employee benefit that may directly benefit your business's bottom line.