

# EMPLOYEE ASSISTANCE RESEARCH FOUNDATION

Call to Action  
31 July 2007

## Something's Burning, redux

It will come as no surprise to anyone working in the Employee Assistance field during the past few years that we are, once again, facing a perplexing dilemma. At the very least, this dilemma impedes our effectiveness as practitioners; and, at worst, according to some, threatens our very existence as a profession. If you haven't already guessed, I am referring to the phenomenon of "commoditization," a term which comes up with increasing frequency in the literature and convening of the EAP industry. I am not often moved to take public positions on issues impacting our field ("Just Another Burning Issue" Tisone, C., *EAPA Exchange*, February 1994); but over a decade later, I feel compelled to speak out and suggest a way out of the commodity "trap" in which we find ourselves.

What may come as more of a surprise is the reality of the following stark statistics: ***Over the period from 1994 to 2004 in the US, the average capitated rate for a "full-service EAP" declined from \$25.00 per covered employee household to just under \$17.00 (unpublished survey). During that same period of time, total corporate spending on healthcare benefits rose from approximately \$3,600 per employee to over \$6,200. One of the most significant components of this increase was in the purchase of psychotropic prescription drugs.*** Sharar, D., *Institute for Advanced EAP Training web seminar, 24 April 2007.*

What's wrong with this picture? Have prescription drugs escaped the scrutiny of the managed behavioral care industry? (Yes, by being prescribed by general practitioners.) Have EAP professionals decided that they were grossly overcharging their clients? (Hardly!) Why do EAPs continue to be commoditized even as drug treatments are gaining so rapidly in popularity? (Read on.)

Sharar suggests that we may have "shot ourselves in the foot" with capitated pricing of EAPs. While there are certainly pros and cons of capitation as a pricing tactic, I believe that more fundamental factors are at play in greasing the slippery slope toward commoditization. We need to take an honest look at these factors if we are to have any success in reversing them.

## EAP as a commodity

First of all, we must take responsibility for the fact that we, whether as individuals or organisations, have allowed, wittingly or unwittingly, commoditization to happen. It is largely a monster of our own making. Markets always seek equilibrium, and if the right factors are in place, will

commoditize virtually any industry. In our eagerness to propagate EAPs (and build our businesses), we have been willing partners in the march towards EAP commoditization.

Commoditization is a threat from two equally dangerous directions. For providers, of course, it creates huge challenges to the ability to maintain financial health and solvency. Though these challenges are not insurmountable, failure to adequately cope with them raises the spectre of potential ethical violations as a result of desperate cost cutting and/or misleading client reporting. It is uncertain how widespread these violations are, but it has been raised in the professional publications on more than one occasion and prompted EAPA to issue a "White Paper" on the subject, *The Ethical Implications of Capitated Pricing in EAP*, March, 2004. Whilst the focus of this document is on capitation as a pricing mechanism, the same risks exist for any pricing scheme that is predatory, undervalues services, or "low-balls" EAP bids in an effort to sell other services. Commoditization forces even the most ethical of providers to employ every ounce of market and operational creativity they can muster in order to stay afloat. This is a serious risk to our industry; and more importantly, it is a risk to both our corporate and individual clients.

Sharar and Masi in "Crises Facing the EAP Field," *Journal of Employee Assistance*, 4th quarter, 2006, have addressed the consequences of this threat. Again, the ethical risks of a capitated pricing are discussed. I can't help but note that there is more than a little poetic irony in recommending "decapitation" as a remedy for having "shot ourselves in the foot!" More to the point however is the statement, "*The EAP industry has not realised the potential of performance measurement to act as a counterforce to market pressures on price.*" (Ibid.)

I believe this statement, rather than any pricing mechanism, captures the fundamental issue. Pricing is but one of many possible marketplace tactics. I would further suggest that we have lost focus on our roots; specifically, the **focus on job performance**. When is the last time we have been asked in a "Request for Proposal" (RFP) to develop a program for the primary purpose of enhancing work performance and productivity? We have modelled a commodity-style counseling program for the rest of the world. And the world is responding by buying "cheap and cheerful" counseling services, about as far removed from workplace issues as can be. Are they cost-effective? It doesn't matter really, they're so darn cheap.

### **Professionals and Providers**

In a typically candid address at the 2007 EASNA conference in Atlanta, fellow grey hair, Paul Roman, Ph.D., godfather of the EAP "Core Technology," threw down the gauntlet. Roman noted the widening gap between the so-called EAP "professionals" and the entrepreneurs (or "providers") who make their living delivering a variety of EAP services to the marketplace. To be honest, I had not previously drawn this distinction; but, upon reflection, admit that it makes a great deal of sense. I respectfully intend, in this article, to offer some

concrete action steps as a positive response to the challenge raised by Dr. Roman.

At first glance, the distinction between EAP “professionals” and “providers” may appear redundant. Are there not EAP professionals who are also providers? Of course. Are all providers also “professionals?” Perhaps not; but certainly the majority of providers maintain some level of professional credentialing. The relevance of this distinction being made by Dr. Roman is that two separate and unsynchronised forces have emerged in the EAP industry, each with its own agenda. The significant issue is that the lack of consensus, coordination, or perhaps “shared vision,” is undermining our credibility and effectiveness, in terms of both professional recognition as well as our financial viability as providers.

Certainly, to be included amongst the esteemed ranks of EAP “professionals” is that to which we all aspire. The word “professional” suggests a highly trained, accredited and ethical practitioner, driven by the thirst for knowledge and the search for ever more effective methods of applying it, and a firm commitment to adherence to established standards. The EAP “profession” has its roots in the early Occupational Alcoholism Programs of such companies as DuPont and Eastman Kodak. It was further advanced by the seminal research of Lew Presnall and the National Council on Alcoholism, Harrison Trice of Cornell University, Don Godwin and the Occupational branch of the National Institute on Alcohol Abuse and Alcoholism (NIAAA), the “Thundering 100” consultants and many of the other early pioneers of the EAP industry and a woefully small number of academics who have courageously attempted to articulate EAP professional doctrine.

Unfortunately, there are a diminishing number of such individuals or organizations in existence today. Perhaps, in responding to the siren song of the marketplace, we have allowed the academic rigor underpinning our practice to fade with the remnants of history. Whatever the reason, this is where we have allowed a divergence to slowly develop between “*professional*” and “*provider*.”

Despite occasional comparisons to the world’s oldest profession, the provider category is of slightly more recent origin. It comprises those of us driven by the marketplace to apply our knowledge and skills in an efficacious manner, which will be valued (paid for) by our customers.

Obviously, the overlap between “professional” and “provider” is substantial. I suspect that most folks reading this journal have a foot in each camp, even if we come down with more weight one way or the other. But the blurring of that distinction has contributed to the problem currently facing the industry. Dr. Roman rightly pointed out that the lack of hard data has weakened the profession. In fact, he even questions whether we have the respect and recognition of a true profession. If this is the case, it certainly does not accrue to the benefit of either the provider community or anyone aspiring to be an EAP “professional.” Indeed, quite the opposite. Providers are locked into a spiral of downward pricing, industry consolidation and gang whinges at EAP

conferences, precisely because ***our body of work is not valued as a profession.*** EAP professionals, whether or not they are also providers, are equally demeaned as the competitive pressures of the industry preclude adequate funding of research and professional education programs.

### **Is EAP a health program or a work program?**

John Maynard, Ph.D., Chief Executive of EAPA, and Brenda Blair, President of Blair Consulting Group have articulated this question in numerous articles and speeches. In a keynote presentation to the 2003 EAPA Annual Meeting in New Orleans, Maynard and Blair artfully illustrated a key positioning problem we have allowed our field to slip into, i.e., the perception that EA is part and parcel of the "World of Health" (WOH!) vs. the more historically accurate "World of Work" (WOW!). This is not to say that many health organizations have not developed worthy and effective EAPs; but the emphasis on healthcare (and cost-containment in the U.S.) has often distracted us, as providers, from focussing on the work performance issues that constitute the roots of our field.

We need not apologize for the movement of EAPs in the direction of healthcare during the late 1980's and early 1990's because of the Managed Care imperative with which we were faced. EAPs played a significant and even vital role in managed behavioral care in the US and still do today. But in an insidiously subtle way, the shift of focus away from the workplace benefit of EAP has undermined the appreciation of the primary benefit that gave rise to our industry, i.e., improvement of organizational performance. Perhaps we are now paying the price for this foray into the "World of Health."

The shift of EAP to a healthcare model has reduced interest and/or incentive to conduct scientific investigation into the impact of EAP intervention strategies and techniques on workplace productivity. The emphasis of most research has been on the reduction of health care costs, which, in the US, are largely borne by employers. For the emerging world EAP markets, this research is of little value as most health care systems are less dependent on employers. We suffer from a dearth of hard data to support our claims of cost-benefit. Even the oft-quoted McDonnell Douglas study ("Hard Data", Alexander & Alexander, *The Almacan, August, 1986*) leaned more toward the medical plan savings than other areas.

Research into healthcare cost reduction was clearly the path of least resistance, but perhaps we had no other viable choice. The fact is that employee "*well-being*" is easier to sell, largely because the benefits in terms of health care cost-savings are easier to demonstrate. The research on improved productivity is infrequent, generally less than rigorous, and usually conducted or sponsored by those with an obvious vested interest in its success, thus rendering it more than a little suspect.

In the international arena, EAP has followed the path of employee well-being as a more humanitarian (and therefore more noble and acceptable)

endeavour than productivity improvement. Imagined images of wealthy business owners squeezing profits out of the blood, sweat and tears of the working class do not sit well in most country cultures.

But productivity is not a one-way street for employers; it is the life-blood of every vibrant, growing and job producing organization. Our most fundamental assumption in the EA field is that our work benefits both employer and employee; our survival over the past 40 years reflects this assumption, despite the dearth of hard-core, reliable research data.

### Roots

My personal mentors in this field were Ross Von Wiegand, Director of Occupational programs at NCA in New York, and Ray Kelly, Sr., one the "thunderin' hundred" in the State of Illinois. These legends embodied EAP theory and practice as well as anyone I have since met. They were open-minded as well; embracing the concepts of "broad-brush," direct program promotion to generate self-referrals and even the use of short-term counseling for a variety of issues. But they never lost focus on the true core of our profession: the focus on job performance. They exhorted me to remember our mission: in today's business jargon, it would be "the application of our core competencies to the improvement of organizational productivity through the enhancement of individual well-being." To Ross and Ray, it was a lot simpler: "focus on job performance and the rest will take care of itself."

To be honest, there were a few other admonitions from these inspirational figures; some of which we seem to have lost sight of as well in our rush to give the market what it wants (or least what it will pay for). Anyone remember "senior management support?" If you have any doubt about its importance, ask Paul Heck of DuPont if top management support makes a difference in the effectiveness of an EAP. I think all of us in the field are a bit envious of the commitment Paul has from his senior management. They "*get it*," and as a result, Paul *gets it done*.

Anyone who can pass the CEAP exam (not particularly difficult in my opinion . . . but that's a different rant), will know that an EAP that truly focuses on job performance will identify and motivate to treatment a significantly larger number of alcohol-related, addiction and other stigmatised employee conditions as opposed to a program which simply offers a helpline or even face-to-face counseling. But what may not be so evident is that, in departing from the basics, we could be sewing the seeds of our own undoing, as we collectively slide further down the slope of commoditization as indistinguishable "counseling services."

So back to the "commoditization" we so revile. But I still contend that true EAP (if defined as the application of our behavioral health knowledge and skills to the enhancement of individual and workplace productivity) need not become a commodity unless we allow it to be. Counseling, out of context with the workplace, I'm afraid, has become a commodity. To be blunt, I don't think we can do much to stop that process. ***But EAP need not be a commodity.***

***It comprises a body of professional knowledge and skills with tremendous practical benefit to individuals and organisations. We must not give up this mission!***

As John Maynard said, in a recent speech to the Asia Pacific Employee Assistance Roundtable (APEAR), [paraphrased] "We need to be recognised as "knowledge workers", not "service workers." But we will never be regarded as knowledge workers without a solid foundation of empirical research underpinning the program models, designs and individual techniques we practice. Without the underlying science, we will continue to be viewed as warm and fuzzy employee well-being advocates who will continue to be squeezed down to the last nickel and consolidated until we're all working for the McCounseling Corp and providing free EAP services with Funmeals (apologies, Ronald!)

Mine is not the only voice sounding this call. Many of us have recognised these problems and are coping in our own fashions. I believe, however, that the time is ripe for a more coordinated effort between the provider community and the non-aligned professionals and academics in the field to lay the foundation for the next 40 years of our industry.

In fact, it is a "Foundation" that I wish to propose.

### **What can we do?**

We need to restore and re-invigorate the EA profession. Or maybe we need to re-invent it. Perhaps we need to recognise that we *never really were* a "profession" at least not in the same way that doctors, lawyers, psychologists and social workers are.

But as behavioral health care professionals who address vital issues impacting both the Worlds of Health and the World of Work, we have a wealth of expertise to offer. Our unique focus on the niche in which employee and employer interests intersect has not been addressed by the professions of psychology, medicine and social work, except in a marginal fashion. Only a very few academics such as Paul Roman, Dale Masi, Paul Maiden, and a handful of others have embraced and attempted to promulgate EAP. My hat is off to these friends and colleagues; but, to be honest, there should be hundreds, if not thousands more like them publishing cost-effectiveness studies in the Harvard Business Review and other major health and business publications.

### **A Modest Proposal**

It is time for "professionals" and "providers" alike to pull together to revive our profession and raise it to a level where we can truly optimise our effectiveness. This will require focus, commitment and a refusal to engage in turf wars.

I call especially on EAPA and EASNA, but also APEAR, EAEF and the many emerging national and regional Employee Assistance organisations, along with both not-for-profit and the private sector providers to support the creation of an independent EA research body. Its purpose would be to bring *professional legitimacy* to our field through the funding and conduct of high level, academically rigorous research on the efficacy of EAP and its many components. I in no way mean to discount the many efforts that have been undertaken in the past. I recognize that there are a number of individuals and organizations, not referenced in this article, which have engaged in and published meaningful EAP research. Nonetheless, I believe it is time to elevate the field to a new level of practice with the establishment of a highly respected, self-perpetuating independent body that shines a beacon of professionalism upon our EAP endeavors, whether as “professionals or “providers.”

As suggested in the Sharar/Masi article, I propose to create a not-for-profit Foundation, unaligned with any EAP provider or professional interest group, to develop funding for rigorous independent academic research into the efficacy of Employee Assistance policies, strategies and intervention tactics. I envision an organization that is inclusive in its participation requirements, but strictly independent in its mission to seek empirical proofs of EAP efficacy. Although organizational structure is quite fluid at this stage, the Foundation would most likely comprise an Advisory Board, a funding component, a decision-making Council and possibly a publication arm.

### **Actions you can take now**

- Register your interest in any level of participation by sending an email to [www.earesearch.org](http://www.earesearch.org) [site to be established]. This will be used to build a database of interested parties. The only commitment required at this stage is a genuine interest in the enhancement of the EAP profession.
- If possible, attend a pre-organizational meeting of the Employee Assistance Research Council [working title only] in San Diego in October prior to the 2007 EAPA Annual meeting (details to be forthcoming). Summaries will be available to those who cannot attend.
- Amongst the meeting agenda topics will be:
  - The creation of an Advisory Board of respected academics with established research credentials
  - The prospects of funding sources for an Employee Assistance Research Foundation (which are currently being solicited)
  - Legal and organizational considerations
  - Strategic Organizational Plan
  - Next steps
- Upon formation of the Council, protocols will be developed for the solicitation of advanced EA research proposals and the process of awarding research grants
- The ultimate goal of the Council will be to encourage the publication of meaningful research that both informs the advancement of our

profession and enhances it in the eyes of academia and the marketplace.

**In Conclusion**

I am not proposing anything revolutionary here; and there are many others who have voiced similar sentiments. What I hope to stimulate, however, is the momentum required to overcome the inertia caused by the overwhelming daily demands of our work. The formation of the Employee Assistance Research Foundation may not be as **urgent** as our desire to win the next competitive bid; but I would contend that, in the long run, it is actually more **important**. It is time for the EAP field to overcome the "tyranny of the urgent," moving from our perceived image as a "field" to that of a true "profession."

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