

## CHAPTER 9

### BENCHMARKS AND PERFORMANCE MEASURES FOR EMPLOYEE ASSISTANCE PROGRAMS

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Total quality management, continuous quality improvement, and other quality initiatives have become a visual part of the American business and industry landscape. From manufacturing concerns to service industries, from big companies to small ones, organizations now realize that their competitive position and survival may well depend on the effectiveness of their quality control programs.

Benchmarking has emerged as an essential component of these quality initiatives (Camp, 1989). It involves isolating key metrics in specific functions (e.g., production, distribution, billing, marketing) and comparing one's own practices with those of organizations that have established themselves as leaders or innovators in that specific business function. In benchmarking, the focus extends beyond measuring outcomes to understanding the processes of how products or services are developed and delivered.

While some quality initiatives have occurred in the EAP field (see Foster, 1994; Maiden, 1993), very little on benchmarking has been included in this work. In a critical appraisal of the status of benchmarking within employee assistance, Googins (1994) states that "the absence of benchmarking principles and techniques puts EA programs outside of the core business and brings into question their perceived linkage with the business goals of the organization" (p. 13).

Today, when organizations are questioning more than ever the value of their EAPs, these programs need to demonstrate their worth and to align themselves with their organizations' missions. Benchmarking offers a potent strategy for accomplishing this while also providing data that a program can utilize for continuous quality improvement.

This chapter will describe specific performance measures for benchmarking EAPs. These measures were selected based on the following criteria:

- They track core activities of employee assistance work,
- They can be easily calculated,
- They are derived from process data that are readily available to most EAPs,
- They are easy to standardize, and
- They are applicable to a wide variety of organizations and programs.

#### Utilization Rate

Utilization rate is the most commonly calculated performance measure in the EAP field and by far generates the most controversy. EA professionals have used many different formulas to derive utilization rates (see Korr & Ruez, 1986), and calculations are more often driven by program managers' marketing needs than by any industry standard. Up to this point, lack of a consistent definition has rendered this performance measure meaningless and has led to confusion over its interpretation.

#### Benchmarking Value

When compared to benchmarking data from comparable programs or similar industries, an accurate utilization rate can provide a general understanding of how well an EAP is engaging the organization's employees in its services.

Although utilization rate does provide a good starting point for understanding an EAP's outreach efforts and casefinding strategies, when viewed in isolation its value is limited because it can only yield an overall indication of the extent to which employees are participating in the program. A low utilization rate, for instance, might suggest that an EAP needs to increase its promotional activities, but does not provide specific direction on what the program should do differently.

Improvements in EAP processes and practices can come about by examining utilization rate in combination with other performance indicators that provide specific information about who participated in the program and how each reached it. For example, a utilization rate of 3% – which most would agree is relatively low – and the additional knowledge that few supervisors have referred employees to the program suggests that the EAP could increase its overall utilization rate by engaging in outreach efforts that target supervisors, such as EA orientation sessions or substance abuse awareness training.

The push for high utilization rates reflects a commonly held misconception that the more cases an EAP opens, the more successful it is. While this may be true for those rare programs with low employee-to-staff ratios, the reality in most EAPs is that this "head counting" comes at the expense of other services that go into making the program successful, such as consistent follow-up. Unfortunately, this approach reduces the program's success for those individuals who receive limited services and, consequently, diminishes the EAP's value to the organization.

Benchmarking can be defined as a systematic process for understanding the services that are recognized as representing best practices for the purpose of continuous quality improvement (Spendolini, 1992). Benchmarks are not set based on the highest achievable levels for a service, but on what one considers best practices. For this reason, a particular EAP's utilization rate should be set at an optimal level of performance that will yield the greatest possible success for that program.

One can determine an appropriate rate by taking into consideration a program's available human resources as well as the extent to which it provides services in areas other than traditional assessment and referral. For instance, individual EA counselors often develop signs of burnout when they open more than 200 new cases per year. With similar knowledge about the capacities of their own professional staff members, EA managers can set a utilization rate based on what can reasonably be expected of their staff rather than on an arbitrary level derived from the size of the organization's workforce.

## **Caveat Emptor**

Utilization rates have been important in both contract proposals submitted by external EA vendors and in accountability reports submitted by in-house programs to their organizations' upper management team. Rates have often been submitted, however, without any indication of how they were derived. As a consequence, the recipients of this information may have made decisions regarding a program's merits based on unwarranted assumptions.

To enable management to make well-informed program decisions, EA professionals should provide the exact formula, and its underlying assumptions, used to calculate utilization rates. In addition, programs should provide decision-makers with other key indicators that capture the broad spectrum of EAP services, including measures of at least the following areas:

- Employee and dependent cases opened,
- Follow-up services provided to clients and supervisors,
- Supervisory case consultations,
- Employee education programs,
- Management training activities, and
- Organizational and non-case services (e.g., critical incident stress debriefings, work group consultations).

Unfortunately, a long history of reporting inflated utilization rates has created its own pressure to continue the practice. How, for instance, can a program report a 5% utilization rate this year when last year it presented one that was 12%? EA professionals should resist this momentum to manipulate the rate's formula to make their EAPs look good and, instead, give an honest and comprehensive accounting of the program's services. In the long run, this approach will yield a better understanding of the EAP's true worth to the organization.

## Creative Number Crunching

Utilization rates can range from lower than 2% to higher than 30%. Why do rates vary so greatly? Some variation is due to differences in program success: Some EAPs are better than others at engaging employees in their services.

Most of the variation in reported rates, however, is an illusion created by differences in calculation methods rather than by true differences in program practices. Because rates have been largely determined by their underlying formulas, their value as benchmarks has been significantly reduced.

The five most common rate calculation methods that create inflated utilization figures are:

- Combining dependents and employees,
- Including supervisory case consultations,
- Adding employees who have participated in EAP-sponsored support groups or workshops,
- Including brief, information-only telephone calls, and
- Counting all active cases.

**Combining dependents and employees.** The common practice of combining dependent cases with employee cases to derive the utilization rate mixes apples and oranges. Dependents arrive at the EAP through different referral routes than employees, they are different demographically, and they have different problems. Because of these significant differences, including dependents in the utilization rate formula obscures the rate's primary purpose of benchmarking the program's employee outreach efforts.

Because dependents comprise an important client group of an effective EAP, reporting the number who participate in the program is important. This reporting should be done, however, through a separate statistic.

**Including supervisory case consultations.** Supervisory case consultations are important EAP services, and they too should be counted, but not in the utilization rate. Because the recipient of consultation services is not the employee with a potential need for EAP services, including consultations in the utilization rate once again interferes with the rate's capacity to provide information on employee casefinding processes. Including supervisory case consultations in the rate calculation also double-counts those particular employees who are the focus of the consultation and later become EAP clients.

**Adding support-group participants.** Employees who participate in EAP-sponsored support groups, workshops, and educational programs are frequently already EAP clients who have been referred to these groups or are exploring whether they need individual EAP services. Including these participants in the utilization rate potentially double-counts many of them. In addition, because these activities (e.g., parenting groups, stress management classes) often serve as casefinding vehicles for the EAP, including their participants in the rate calculation once again confuses these activities with the benchmark that is attempting to measure their impact.

**Including information-only telephone calls.** In traditional EAPs, information-only telephone calls are relatively rare because EA professionals try hard to engage all employees who call in a thorough assessment and referral process. Information-only referrals, without an assessment, are typically given only as a last resort when an employee declines any other offer of help. In some "1-800 programs," however, which provide assistance only by telephone, these brief calls can comprise a large percentage of the services provided. These programs, if they call themselves EAPs, generate the highest apparent utilization rates of all.

Brief information-only services should not be included in the utilization rate because they do not reflect core EAP work. In addition, they do not require an EA professional to deliver the service. If anything, they should be monitored so that their number does not become too large.

**Counting all active cases.** Many utilization rate formulas count all employee cases that were opened during the reporting year plus all active clients from previous years who had contact with the program at some time during the reporting year. Mixing previously opened cases with current ones again decreases the utilization rate's value because it contains many cases that are not a consequence of the program's recent outreach efforts.

Even without including active cases, a program's policy on when to inactivate and close cases can still have a significant impact on the overall utilization rate. If cases are routinely closed quickly after the initial assessment date (e.g., less than six months), they have a greater likelihood of being reopened – and counted again – within the reporting year.

One way to mitigate this potential problem is to adopt a guideline like the “6-month/12-month rule.” Under this rule: (a) no case is closed before six months after the client’s initial assessment date; and (b) all cases are closed at 12 months after the initial assessment unless still active in treatment or follow-up, with active defined as ongoing quarterly or more frequent contact. This policy yields an accurate utilization rate and reduces the administrative burden associated with needlessly reopening case files.

### Standard Definition

A standard operational definition for “Overall Employee Utilization Rate” (UR) is:

$$UR = \frac{\text{Employee Cases}}{\text{Eligible Employees}} \times 100\%$$

Where:

“Employee Cases” = Number of Employee Cases That the EAP Opened during the Reporting Year

“Eligible Employees” = Number of Employees Who Were Eligible to Participate in the EAP during the Reporting Year

This definition is restricted to employee cases only in order to exclude dependents, as well as supervisors who sought assistance with managing an employee. Supervisors who seek help for their own personal problems, however, would be included. Also included would be reopened employee cases – that is, those employees who sought help in previous years and whose previous case file has been closed, and who sought help again during the reporting year. Previous-year employee cases that are still active (i.e., those with case files that have not yet been closed), however, would not be included.

For purposes of the definition, a case is considered opened whenever an EA professional performs a clinical assessment and reviews the case for possible referral for additional services. Because of the requirement for an assessment, this definition excludes information-only telephone call and employees who only participated in training or education programs. The definition does include, however, telephone calls during which an assessment was conducted by an EA specialist. Because not all employees who seek help at an EAP require additional assistance beyond that which they receive from the program itself, this definition does not require a referral to outside services.

Eligible employees are defined by each organization’s EAP policy, which typically specifies all full- and part-time employees who work for the organization. Technically, to calculate the utilization rate, this number should include all employees who were working for the organization on the first day of the reporting year plus any employees who were hired during the year. An easier-to-obtain alternative – and close approximation to this figure – is the average number of employees in the workforce during the year.

An annual rate is recommended to standardize the reporting period and to ensure that adequate data are available for benchmarking. For programs with large caseloads (i.e., greater than 1,000 cases opened per year), annualized rates can also be calculated at mid-year or quarterly to engage in more frequent quality improvement efforts.

### Sample Utilization Rate

Using the standard definition presented here, Table 9.1 shows utilization rates calculated for five internal EAPs. The five sample programs presented in this chapter include:

- Program A: A mostly centralized EAP in a widely dispersed utility company with approximately 20,300 employees; during the time period of these analyses, the program was 15 years old with 4 full-time equivalent (FTE) professional staff members.
- Program B: A regionalized EAP in an international petroleum company with approximately 35,000 employees; a long-standing program with 14 FTEs.

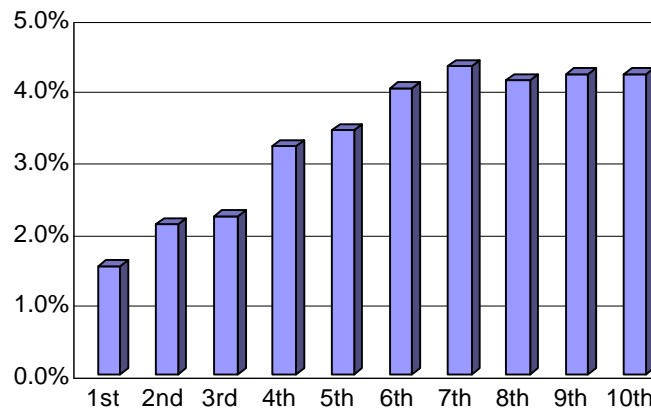
- Program C: A centralized EAP in an aerospace company with 17,250 employees; 2 full-time professionals; data for these analyses were gathered from the time period just prior to the EAP's conversion from an alcohol program to a broad brush one.
- Program D: A mostly centralized EAP in a municipality with 11,600 employees; very broad brush program offering a wide diversity of services; 10 years old with 7 FTEs.
- Program E: A new EAP in a federal agency with 8,500 employees; 3 full-time professionals; all calculations derived from data gathered during the program's first year of operation.

**Table 9.1**  
**Overall Employee Utilization Rate (UR)**  
**for Five Sample Programs**

Sample Program	EAP Cases	Eligible Employees	Utilization Rate
Program A	695	20,300	3.4%
Program B	2,451	35,000	7.0%
Program C	276	17,250	1.6%
Program D	510	11,600	4.4%
Program E	132	8,500	1.6%

As shown in Table 9.1, utilization rates vary across the sample programs from a low of 1.6% to a high of 7.0%. Two factors that significantly impact rates are an EAP's age and the number of full-time equivalent staff professionals who work in the program. The effect of age can be seen in Figure 9.1, which charts utilization rates for Program D during its first ten years of operation. As shown, this program experienced rapid growth in its utilization rates during the first few years, followed by a slowing down in rates until it has now reached a relatively stable rate of approximately 4.4%. This growth pattern is typical for most EAPs.

**Figure 9.1**  
**Utilization Rates for Sample Program D**  
**during the First Ten Years of Operation**



One factor that limits a program’s utilization rate is the number of EA professionals providing services. Dividing the number of each sample program’s cases opened during the year by the number of its full-time equivalent staff members, yields the ratios presented in Table 9.2. As can be seen, ratios are nearly identical for Programs A and B, and are similar to Program C’s ratio, even though their utilization rates differ greatly. The EAP specialists in Program D, which is very broad brush in its services, spend only half of their time providing direct client services, and, as a consequence, their yearly caseload sizes are only half of those found for Programs A, B, and C. Program E’s relatively low ratio reflects that this program is in the growth phase of its evolution.

**Table 9.2**  
**Average Caseload Size**  
**Per Full-Time Equivalent Staff Professional**

Sample Program	EAP Cases	Full-Time Equivalent Professionals	Cases per Staff Professional
Program A	695	4	174
Program B	2,451	14	175
Program C	276	2	138
Program D	510	7	73
Program E	132	3	44

### Setting a Benchmark

One can use projected average caseload sizes per staff professional to derive a rough range of utilization rates for any particular program. Multiply the number of full-time equivalent professionals working in the EAP by 175 and then again separately by 200 (which appears to be an optimal range of cases opened by each professional per year), and divide the two results by the number of eligible employees. Substituting Program C’s numbers into these equations, for example, yields a lower benchmark figure of 2.0% ( $2 \times 175 \div 17,250$ ) and an upper benchmark figure of 2.3% ( $2 \times 200 \div 17,250$ ). Knowing that its utilization rate of 1.6% is below this range, Program C should consider developing an action plan to increase its casefinding activities. (Program C did in fact change its operations significantly during the year after these data were collected. At that time, it converted from an alcohol program to a broad brush one and added additional staff professionals.)

### The Effect of Formulas on Rates

To illustrate the degree to which the calculation method can influence the final rate, consider the utilization figures derived for Program D. Using the standard definition offered earlier yields a utilization rate of 4.4%, illustrated previously in Table 9.1. Calculating the rate by counting everything – dependents, supervisory case consultations, workshop participants, and all active cases – yields a rate equal to 23.6% ( $2,734 \div 11,600$ ).

### Utilization Rate vs. Penetration Rate

Utilization rate as defined here is not the same as “penetration rate,” which measures the proportion of troubled employees who received EAP services. To calculate a penetration rate, a program must have available an estimate of the number of troubled employees in the organization. Because of the difficulties associated with accurately estimating problem prevalence rates, this performance indicator is impractical for benchmarking purposes. Other, more easily determined measures, such as the “Alcohol Cases Participation Rate” that will be presented next, can

serve the purpose of understanding how well the program is reaching the organization's specific troubled employee groups.

### **Participation by Troubled Employee Groups**

In their field-defining papers on the "core technology" of employee assistance, Roman and Blum (1985, 1988) recognized the unique role of EAPs in successfully dealing with workplace alcohol and drug problems: "The EAP focus on employees' alcohol and other substance abuse problems offers the most significant promise of producing recovery and genuine cost savings for the organization in terms of future performance and reduced benefit usage" (p.21).

Even though today's EAPs evolved from yesterday's occupational alcohol programs, the historically important focus on alcohol has diminished in recent years. This marks an unfortunate trend because employees who have alcohol problems continue to present significant risks for organizations, themselves, and other employees. Studies have shown that alcohol use by employees is associated with workplace accidents, excessive absenteeism, turnover, high medical benefits utilization, and other workplace performance problems (see Normand, Lempert & O'Brien, 1994). Further, the Exxon Valdez incident demonstrates vividly the potential liability associated with an unsuccessfully treated alcoholic employee who remains in the workplace.

EAPs have shown good success intervening in the workplace with alcohol and other drug problems (see Blum & Roman, 1995). One recent investigation conducted by the author and several associates (Conlin, Amaral and Harlow, 1996) looked at the unique role of EAP case management in reducing health care claims filed by employees with substance abuse problems. The study compared total medical claims filed by employees with substance abuse problems and managed by the EAP with total medical claims filed by employees with substance abuse problems and managed solely by the organization's PPO medical benefits plan. During a 30-month period following initiation of substance abuse treatment, the average health care claims for employees who first sought help through the organization's EAP were approximately \$6,900 less than the average claims for those employees managed by the PPO.

### **Alcohol Cases Participation Rate**

The continued importance of these cases to the successful functioning of an EAP can be tracked by an "Alcohol Cases Participation Rate" (APR) performance measure. APR is defined as:

$$APR = \frac{\text{Alcohol Cases}}{\text{Eligible Employees}} \times 1000$$

Where:

"Alcohol Cases" = Number of Employee Alcohol Cases That the EAP Opened during the Reporting Year

"Eligible Employees" = Number of Employees Who Were Eligible to Participate in the EAP during the Reporting Year

Like utilization rate, this performance measure is restricted to employee cases only. What constitutes an alcohol case often varies with the professional degree and background of the EA specialist who performs the assessment. To facilitate benchmarking across programs, organizations should use an all-inclusive definition that counts employees who have any level of assessed alcohol abuse, dependence, or problem, regardless of whether alcohol has been identified as primary, secondary, or tertiary.

The denominator for this performance measure is identical to the one used for utilization rate. This reflects the indicator's primary function of measuring the program's penetration into the alcoholic segment of the organization's entire employee workforce. Multiplying the ratio by 1000 to yield a number that is greater than one makes the resulting figures easier to deal with than small decimal numbers. APR is expressed as a number per 1000

employees, as shown in Table 9.3 for the five sample programs.

**Table 9.3**  
**Alcohol Cases Participation Rate (APR)**  
**For Five Sample Programs**

Sample Program	Alcohol Cases	Eligible Employees	Participation Rate
Program A	34	20,300	1.7/1000
Program B	173	35,000	4.9/1000
Program C	57	17,250	3.3/1000
Program D	40	11,600	3.4/1000
Program E	26	8,500	3.1/1000

As this figure shows, Program B has the highest participation rate among the sample EAPs. This reflects, no doubt, the petroleum industry’s understandable concern regarding alcohol in the workplace and the fact that this program has an arrangement under which it has primary responsibility for managing the organization’s substance abuse cases. Ironically, Program A, which today has the lowest APR of the five sample programs, began as an occupational alcohol program with early APRs in excess of 7/1000. Unfortunately, when the recovering alcoholic who started the program retired, the EAP lost its alcohol focus.

### Establishing an APR Benchmark

How best to establish an ideal APR benchmark is not clear. As mentioned previously in the discussion on penetration rate, alcohol problem prevalence rates are difficult to determine for specific organizations. It is safe to assume, however, that the stresses associated with today’s society in general and with the workplace specifically will continue to supply EAPs with a steady stream of alcoholic clients. Given the likely number of current and future employees in need of alcohol-related services, a participation rate of 5/1000 would seem to be a reasonable and desirable minimum threshold for most programs. This benchmark can be achieved through rigorous alcohol casefinding and outreach methods, such as supervisory training and alcohol education programs.

### A Family of Benchmarks

APR is one member of a potential family of performance measures that can be used to track an EAP’s ability to engage in its services those employees who have specific kinds of problems. One companion metric is “Drug Cases Participation Rate” (DPR), defined as:

$$UR = \frac{\text{Drug Cases}}{\text{Eligible Employees}} \times 1000$$

Where:

“Drug Cases” = Number of Employee Drug Cases That the EAP Opened during the Reporting Year

“Eligible Employees” = Number of Employees Who Were Eligible to Participate in the EAP during the Reporting Year

Like APR, the challenge with this performance measure is defining what constitutes a drug case. Again, to facilitate benchmarking across EAPs, a definition that counts all drug-related cases without regard to their level of severity or particular type of drug used is recommended.

One can similarly define performance measures for other types of employee problems, such as psychological/emotional disturbances, family/marital problems, work-related issues, financial problems, and so on. The recent workplace interest in depression suggests that this employee problem area might warrant specific tracking as well. Use of these additional measures is best driven by each particular EAP's interest in them and the availability of benchmarking partners who are willing to share definitions and data.

### **Referral Into the EAP by Gatekeepers**

Roman and Blum (1985, 1988) articulated three separate core technologies to describe the crucial role of supervisors in the operation of EAPs:

- Use by supervisors of job performance issues as the criteria for identifying troubled employees,
- Provision by EAP specialists of expert consultation to supervisors on how to take appropriate steps in utilizing the program's services, and
- Supervisors' use of constructive confrontation to motivate troubled employees to contact the EAP.

In everyday use, these three technologies combine, through job performance monitoring and job leverage, to create a powerful circumstance that strongly encourages employees whose behavioral problems are rooted in denial, such as substance abuse, to seek appropriate help.

The value of supervisors to the success of an EAP was shown in a study conducted by the author and a colleague (Amaral and Cross, 1988). This study compared sickness absenteeism taken one year before and one year after participation in an EAP by two groups of clients with alcohol problems. One group consisted of formal supervisory referrals and were compared with a second group made up of voluntary referrals. During the year after EAP referral, sickness absenteeism for voluntary referrals increased by 49%. In contrast, alcohol-abusing employees who were formally referred to the EAP showed a 33% decrease in sick leave. Savings in reduced sickness absenteeism for the supervisory-referred clients were estimated at approximately \$350,000 over a four-year period.

### **Supervisory Referral Ratio**

The role of supervisors can be tracked by a "Supervisory Referral Ratio" (SRR) performance measure defined as:

$$UR = \frac{\text{Supervisory-Referred Cases}}{\text{Employee Cases}} \times 1000$$

Where:

"Supervisory-Referred Cases" = Number of Employee EAP Cases That Were Referred by Supervisors during the Reporting Year

"Employee Cases" = Number of Employee Cases That the EAP Opened during the Reporting Year

This performance measure is expressed as a percentage of the program's employee cases opened during the reporting year. Because percentages of all types of referrals must necessarily add up to 100%, this definition places the percentage of supervisory referrals and the percentage of self-referrals in opposition to one another. In other words, when one of these two values goes up, the other must go down (unless a third type of referral source also changes significantly during the year, which is uncommon in most programs).

SRR is defined in this way to emphasize the importance of striking a balance between self- and supervisory referrals. With little effort beyond routine program promotion and a history of providing effective services, EAPs typically have no difficulty obtaining large numbers of self-referrals. In contrast, programs must continuously

expend energy through outreach activities and training to maintain high levels of supervisory referrals. Involving supervisors in the program is well worth the effort, however, because these individuals provide the EAP with those employees whose personal problems are having the most deleterious impact on work performance and attendance, and, therefore, those cases with the greatest potential return on investment for the program's services (see Amaral, 1986).

In the numerator of the definition, supervisory-referred cases include all those in which the supervisor is the primary referral source. For those programs that distinguish between informal/voluntary/suggested and formal/involuntary/recommended supervisory referrals, further differentiation of performance submeasures for these two referral types can also be of value (see Amaral & Cross, 1988). They might be described as "Informal Supervisory Referral Ratio" and "Formal Supervisory Referral Ratio," respectively.

### Sample Referral Ratios

Supervisory Referral Ratios for the five sample programs are shown in Table 9.4.

**Table 9.4**  
**Supervisory Referral Ratio (SRR)**  
**For Five Sample Programs**

Sample Program	Supervisory Referrals	EAP Cases	Referral Ratio
Program A	113	695	16.3%
Program B	190	2,451	7.8%
Program C	95	276	34.4%
Program D	154	510	30.2%
Program E	39	132	29.5%

Table 9.4 shows that SRRs vary widely across the sample programs. Programs C, D, and E, for instance, all have ratios of approximately 30%. Program C, which at the time of these data analyses had a strong alcohol orientation, likely achieved its high ratio by conducting frequent, ongoing supervisory training. Similarly, Program E, although new, reached its relatively high SRR by promoting itself almost exclusively to supervisors during its first year, rather than following the typical approach of launching itself through a promotional campaign to the general employee population. Program D is somewhat unique in that it maintains its very high visibility, credibility, and utilization among supervisors through its comprehensive trauma response services.

Ironically, older programs with well-established track records among employees, like Programs A and B, must work doubly hard to achieve high SRRs. Because of their long-standing positive reputations, they receive large numbers of self-referrals, especially among employees who sought help in the past and who return for additional assistance when new problems arise. These kinds of program differences highlight the importance of selecting SRR benchmarking partners that are comparable.

### Other Gatekeeper Benchmarks

Supervisors have historically been the primary referring agents for EAPs from within organizations. HR/personnel representatives, medical department professionals, and union stewards have also traditionally referred many employees to programs. An extended family of gatekeeper benchmarks can track participation by these additional

referring parties and could include “HR/Personnel Referral Ratio,” “Medical Referral Ratio,” and “Union Referral Ratio,” respectively. Definitions for these metrics would be analogous to the one presented here for supervisors.

In recent years, as EA professionals have partnered with other workplace players who have an interest in behavioral issues, referrals have been increasing from sources such as security personnel, workers’ compensation case managers, and disability case workers. Someday, when the absolute numbers of these types of referrals have increased, they too may warrant consideration as formally defined performance measures.

### **Referral Outside of the EAP for Additional Services**

In their presentation of the core technologies, Roman and Blum (1985, 1988) emphasized the vital importance of micro- and macro-linkages between EAPs and outside counseling, treatment, and other resources. In micro-linkages “the individual case is the focal point of this technique, which calls upon the EAP specialist’s skills in creating efficient and effective linkages between each troubled employee and treatment/counseling services in the community” (1988, p. 20). Macro-linkages are “the result of a continued pattern of community-resource usage. It calls upon the skills of an EAP coordinator to create and utilize a management information system based on employee use of different services relative to their clinical conditions and job circumstances” (p. 21).

Embodied within these two core technologies is an important truth about EAP work that is easy to overlook: An EAP’s effectiveness is directly linked to the effectiveness of the service providers in its resources network. Because EAPs are primarily a case management function, they must rely heavily on external resources to provide the therapeutic interventions that lead to behavioral changes in troubled employees. Consequently, an EAP’s ability to select resource providers appropriate to the organization’s employees and their problems and to engage employees in these services is crucial to its ultimate success.

A common frustration among EA professionals has been the perceived erosion of their own effectiveness because of managed care, which often limits an EAP’s ability to screen and select resource providers. Fortunately, new cooperative relationships between EAPs and managed care organizations have mitigated many of these concerns (see Blair, Lackides & Smith, 1997). In addition, market pressures during the past several years have prompted managed care organizations to focus attention on the quality of their providers’ services. This focus is evident today by the development of clinical outcomes measurement systems that managed care organizations hope will show their effectiveness in reducing costs without sacrificing quality (see Donchez, 1997).

Four separate performance measures can be used to track EAP processes associated with referral of employees for additional services:

- Overall Referral Rate,
- Referral Acceptance Rate,
- Referral Follow-Through Rate, and
- Services Completion Rate.

These four measures mark steps in an employee’s participation in the additional services the EAP recommends. The sequence begins with the EA professional’s determination of whether the employee needs assistance beyond that which was provided during the initial assessment, and, if successful, ends when the employee completes the EAP-recommended services.

## Overall Referral Rate

“Overall Referral Rate” (ORR) provides a starting point for understanding EAP referral processes and is defined as:

$$\text{ORR} = \frac{\text{Cases that Were Given Recommendations}}{\text{Employee Cases}} \times 100\%$$

Where:

“Cases that Were Given Recommendations” = Number of Employee Cases to Which the EAP Gave at Least One Outside Referral Recommendation

“Employee Cases” = Number of Employee Cases That the EAP Opened during the Reporting Year

This performance measure tracks the percentage of cases that are given referral recommendations for additional assistance outside the EAP. These outside recommendations might include community-based service agencies and practitioners, self-help groups, as well as departments or services external to the EAP but still within the employee’s organization.

In programs adhering to a strict assessment and referral model, ORRs often exceed 90% because the only employees not referred are those who decline all assistance or whose problems are resolved during the assessment process itself. For many internal programs, however, referral rates are frequently much lower than 90% (often between 50% and 75%) because they opt for providing in-house short-term counseling as an alternative to referral or because they have in place models that allow for three, five, or eight sessions, which is often sufficient time to resolve many employees’ problems.

The question of whether it is to an EAP’s advantage to provide in-house counseling has not yet been answered by research or sound economic analysis of its potential cost-savings value. Roman (1992a, 1992b) argues that provision of short-term counseling presents grave risks to EAPs because of an intrinsic conflict of interest, increased vulnerability to litigation, licensing concerns, and diversion of staff away from providing core EAP services. Until this issue is resolved, appropriate benchmarks for ORR must be established on an individual program basis, taking into consideration its implicit or explicit services delivery model.

## Referral Acceptance Rate

Once the EA professional has determined that additional assistance is appropriate, the next step involves motivating the client to accept the services that have been recommended. This step can be tracked with a “Referral Acceptance Rate” (RAR) performance measure defined as:

$$\text{RAR} = \frac{\text{Cases that Accepted Recommendations}}{\text{Cases that Were Given Recommendations}} \times 100\%$$

Where:

“Cases that Accepted Recommendations” = Number of Employee Cases That Accepted at Least One of the EAP’s Outside Referral Recommendations

“Cases that Were Given Recommendations” = Number of Employee Cases to Which the EAP Gave at Least One Outside Referral Recommendation

RAR is expressed as a percentage of those referred cases (as specified previously in the ORR) that accept at least one of the EAP’s referrals. Acceptance is defined as the client’s expressed willingness, during the assessment interview or interviews, to seek assistance at the agency, practitioner, or service recommended. At this step in the sequence of participation, whether the employee will actually follow through with the recommendation is unknown.

In recent years, managed care and health maintenance organizations have complicated the referral process because these organizations often must grant approval for the EAP-recommended services. This makes the EA professional's job more difficult now than in the past because he or she must convince both clients and approving organizations of the appropriateness of the recommendations. To establish benchmark figures for RAR, therefore, EAPs must consider their unique relationships with partner managed care and health maintenance organizations.

### Referral Follow-Through Rate

As EA professionals know all too well, some employees express a willingness to seek additional help but never actually engage in the services that have been recommended. This prompts definition of a third performance measure in the participation sequence, "Referral Follow-Through Rate" (RFR):

$$\text{RFR} = \frac{\text{Cases that Contacted Recommendations}}{\text{Cases that Accepted Recommendations}} \times 100\%$$

Where:

"Cases that Contacted Recommendations" = Number of Employee Cases That Followed Through with and Initiated Contact at the Accepted Outside EAP Referral Recommendation

"Cases that Accepted Recommendations" = Number of Employee Cases That Accepted at Least One of the EAP's Outside Referral Recommendations

The phrase "followed through with and initiated contact at" in the definition of RFR means that the employee attended at least the first session or appointment at the EAP-recommended service. Because this performance measure tracks the next step in the employee's participation in services, its denominator is identical to the numerator for the previous RAR measure.

The RFR performance measure emphasizes that employees can drop out at many points along the continuum of help-seeking and that EA professionals have primary responsibility for ensuring that they do not. In an ideal world, all clients would follow through with their service plans; hence, the ideal benchmark for RFR would be 100%. Unfortunately, EAPs are prevented from achieving this level of performance by real-world constraints, such as benefits coverage limits, physical obstacles, and other outside influences that change an employee's motivation to seek help. RFR allows EA professionals to track the impact of these constraints and then to take corrective actions to remove them whenever possible.

### Services Completion Rate

Many employees who begin treatment or services do not finish. This suggests the fourth and final performance measure for tracking an employee's participation in services. "Services Completion Rate" (SCR) is defined as:

$$\text{SCR} = \frac{\text{Cases that Completed Services}}{\text{Cases that Contacted Recommendations}} \times 100\%$$

Where:

"Cases that Completed Services" = Number of Employee Cases That Completed the Accepted Outside Services Recommended by the EAP

"Cases that Contacted Recommendations" = Number of Employee Cases That Followed Through with and Initiated Contact at the Accepted Outside EAP Referral Recommendations

This performance measure tracks the percentage of cases that completed all of the EAP-recommended and accepted services. For benchmarking purposes, one should calculate SCR at a standard follow-up period of one year after each employee's EAP initial assessment date. For treatment plans with long-term follow-up or continuing care components, SCR can be calculated using the employee's level of participation in treatment on the one-year follow-up date.

SCR and the three preceding performance measures do not themselves measure the effects of the EAP-recommended services: They merely track the program's ability to keep employees engaged in services. Standard workplace outcome measures are required to determine the impact of EAPs on the actual behavior of troubled employees (Roman, 1990). The EA field must wait for the development of these standard outcome performance measures before advancing to the next level of benchmarking.

## Conclusion

Benchmarking is a valuable methodology that belongs in every EAP's quality improvement tool chest. The benchmarking performance measures presented in this chapter are formulated based on the EAP core technologies as presented by Roman and Blum (1985, 1988). Consequently, they track crucial EAP policies and procedures associated with problem-employee casefinding, participation by supervisors and other gatekeepers, and referral for additional services.

The metrics defined here are not offered as an all-inclusive list, but as a starting point to stimulate the development of a core set of benchmarking indicators that will stand the test of time. By establishing a common set of indicators, it is hoped that the EAP field will focus attention on identifying which policies and procedures are most effective and that, in time, a comprehensive set of employee assistance best practices will emerge based on solid benchmarking data.

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