



**Employee Assistance and Related Programs:  
Strategies for Helping Low-Wage Workers**  
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*Editor's Note: This Sagamore Policy Paper is the sixth in a series of essays in support of Sagamore's project on the Benefits Access Learning Cluster, an effort funded by the Charles Stewart Mott Foundation and managed by Senior Fellow April Kaplan. The project aims to identify effective employer-based models for raising awareness of and participation in work-support programs and to develop and disseminate knowledge about best practices to employers, benefit-program administrators, human-service agencies, and other important stakeholders.*

**Introduction**

This paper takes a comprehensive view of three types of work support programs. The first type, which is the main focus of this paper, is employer-based Employee Assistance Programs. The second type is related programs that employers can link their employees to or use themselves. The third type is creative alternatives that employees can use when the employer offers no work supports or if they are self-employed.

Employee Assistance Programs are not just beneficial to employees but benefit employers as well and can help create a positive working environment and relationship between the employer and the employee.

**Employee Assistance Programs (EAPs)**

*What are EAPs, and why are they needed?*

Economically disadvantaged employees, commonly referred to as "the working poor," are typically employees with few skills and multiple barriers. Studies have shown that job placement is not enough to establish a productive future. The long-term – and in many cases, the short-term – success of these employees lies in providing a balanced support structure to assist in their work and personal lives. Not counting work expenses such as transportation and child care, the household income for a family of three with one full-time worker earning the federal minimum wage is just 67 percent of the 2005 federal poverty level.<sup>1</sup>

Finding a balance between personal and professional obligations can be challenging, particularly for low-wage earners. Workers today are struggling to handle dependent care needs, further their education, play a role in their community and enrich their personal relationships, all of which are demanding responsibilities.

Work supports can help reduce turnover costs and improve employee productivity. Many employers cannot meet all the support services needs of their low-wage employees. It can be particularly difficult for small businesses to provide benefits to their low-wage workers. By helping connect

workers to available supports, employers can take advantage of public and community programs to meet workforce needs. Employers who actively promote, and even help fund, work supports may enjoy greater employee loyalty and a more positive public image. Work supports can help level the playing field for small businesses by making benefits that a business could not otherwise afford to provide available to low-wage workers.

Employee assistance programs (EAPs) are a type of employee benefit designed to help employees and families of employees whose attendance and job performance are adversely affected by job stress, alcohol or substance abuse and other professional and personal problems.

EAPs are designed and marketed to companies as a mechanism for providing employees with a proactive, confidential assessment and guidance for personal and work related issues. EAPs have become a valuable part of an effective human resources strategy and lead to increased productivity for companies that take advantage of them.

In addition to EAPs that provide personal support for employees, employee development also focuses on job skills training, which is particularly important for employees in the lower-wage bracket, who often begin jobs with few soft skills, and for immigrant workers, for whom language is a barrier to both job performance and a comfortable work experience. Pressures, such as the need for child care, transportation and second jobs, make on-site job training the most beneficial to lower-wage workers. Though on-site training is usually focused on specific skills that may not translate across different job types, more basic skills are often incorporated, such as reading, writing and verbal communication. Programs that combine focused skill training with basic education increase company flexibility in work assignments, improve communication within the organization and increase the well-being of the entire organization.

A good EAP is designed to educate employees and identify problems as early as possible.

EAPs typically provide social support in the form of worksite-based programs that help identify and resolve productivity problems related to personal concerns, such as health, marriage, family, finances, alcohol and legal issues. EAPs provide counselors for some issues, but many EAP representatives act as liaisons between employees and outside support sources.

A good EAP will also connect employees to work supports, training and other resources that will help them deal with and resolve their issues and concerns. The resources may be

provided by the employer or by outside organizations.

*Services and issues that EAPs can but are not limited to covering*

The following are some examples of how EAPs may respond to needs for services and to certain issues. This is not a complete list but is meant to give examples of the broad range of response. Employers are encouraged to be creative in the ways they respond to the particular needs of their employees. Creativity and innovation are important. New approaches that are effective should be shared so they can be replicated by others.

- *Workplace Literacy:* Provide training/workshops that teach a core of basic skills that employees need in order to do their jobs successfully. The training will address attitudes and behaviors that are essential to workplace success and high performance, such as the following: communicating effectively; thinking critically and acting logically to solve problems and make decisions; creating a positive attitude toward change; and acting appropriately with supervisors, co-workers and customers. Many low-wage workers are in service occupations which require face-to-face service work, emotional labor and/or caring labor. This category is one of the fastest growing because jobs that require a high level of human interaction cannot be automated or transferred off shore.
- *Financial literacy:* Provide training/workshops that will address the following areas: establishing a budget, managing debt, avoiding money traps, using financial institutions, being taught the facts about credit cards and learning about public and job benefits.
- *Benefits literacy:* Host training seminars and workshops for employees regarding public benefits that can potentially supplement their income. These events should emphasize why the benefits should be used and how to apply for them.
- *Substance prevention:* Present training programs and workshops that speak to drug abuse prevention and related problems. Referrals to qualified community and state agencies for alcohol and substance abuse can be provided through the assessment counselors.
- *Health care and preventative services:* One of the more important areas in the health arena has been the growing focus on “chronic disease self-management.” Common conditions include diabetes, heart disease, lung disease, pain, depression, arthritis, obesity, and high blood pressure. There are two major drivers for this focus: The first is for wellness and quality of life for individuals with these conditions. The second is the cost containment for individuals, insurance companies, HMOs, governments and the general public that the management of chronic disease can bring. “Chronic Disease Self-Management” classes include: 1) techniques to deal with problems such as frustration, fatigue, pain and isolation; 2) appropriate exercise for maintaining and improving strength, flexibility and endurance; 3) appropriate use of medications; 4) communicating effectively with family, friends and

health professionals; 5) nutrition; and 6) how to evaluate new treatments.

- *Domestic abuse:* Provide domestic violence awareness seminars to employees and/or provide referrals to qualified community or state agencies through the assessment counselors. Many advocacy agencies stress that being able to continue working is a key element for being able to deal with domestic violence.
- *Counseling:* Refer employees to qualified community or state agencies that have experience and expertise in the areas of mental health, anger management, depression, stress, grief counseling, marriage counseling and sexual abuse/offender counseling. Depending on the issue, these could be voluntary referrals or mandatory referrals that are part of a corrective action.
- *Legal services:* Refer employees to qualified community or state agencies that have experience and expertise in providing advocacy and legal services to the economically disadvantaged population.
- *Tax services:* Partner with local nonprofits that assist economically disadvantaged individuals with tax services. The Volunteer Income Tax Assistance (VITA) program is a cooperative effort by the Internal Revenue Service and many individual states that provides income tax assistance to low-income individuals. Volunteers trained by the Internal Revenue Service and the Department of Revenue in each state prepare basic income tax returns free of charge at VITA sites. Some VITA sites offer free IRS electronic filing of tax returns. Most of these services assist individuals in getting Earned Income Tax Credit, and several states are offering no-interest loans for the period when the tax return is being processed.
- *Consumer literacy:* Link employees to banks for home ownership and car loans.
- *Adult literacy:* Provide referrals to agencies and educational institutions that provide Adult Basic Education (ABE), Adult Secondary Education (ASE) and English as a Second Language (ESL). These courses consist of teaching reading, writing and math skills that are essential for the workforce and life. The 2003 National Assessment of Adult Learning (NAAL) found that nearly half the adult population does not possess the literacy skills required to achieve economic self-sufficiency in today’s labor market.<sup>ii</sup>
- *Emergency child care:* Temporary problems with child care arrangements can be a major barrier to retaining a job. Some employers of higher-wage workers have offered emergency child care benefits, but low-wage workers have been unlikely to have access to similar benefits until now.
- *Financial literacy and asset development:* To help low-wage workers prepare for personal crises that can threaten job stability, some public and private organizations include financial literacy education or counseling as part of their package of services. Such

programs aim to improve financial literacy and help low-income working families build assets. They may refer clients to money management classes in the community or offer these classes on-site. Organizations may also offer Individual Development Accounts (IDAs) for low-wage workers, or they may partner with banks or credit unions to try to expand access to low-interest savings or checking accounts in low-income communities.

### Why invest in EAPs and other work and life supports?

There are a variety of social, business and professional reasons to invest in EAPs and other work support programs. Non-experimental research indicates that receipt of financial work supports is associated with increased employment rates, increased family income, lower rates of return to welfare and improved job retention. Limited recent experimental studies show that a package of supports (health, child care, wage subsidy, etc.) can increase work effort, decrease poverty and increase the well-being of young children.<sup>iii</sup>

#### *Social reasons*

At a low cost, these programs can benefit employees, families, communities and the country. They can help prevent or resolve problems that have very negative consequences for the individual and for society.

- a. EAPs can help employees deal with small problems before they become big problems. Small problems can be treated as serious learning experiences without long-term or devastating consequences on the employees, their families and employers.
- b. Knowledge of preventive health measures that can be utilized by the individual will lower the incidence of health issues and reduce healthcare cost.
- c. The effects of domestic violence are devastating. The lack of knowledge of legal protection and places to go can fill workers with fear, making them unable to work.
- d. Money management and consumer skills are critically important for all individuals and their families. Many low-income families could benefit from learning how to use their financial resources more effectively.

#### *Business and professional reasons*

Regardless of the social reasons, EAPs and related supports can be justified as a good business decision, particularly since so many of the actual supports don't have to be provided by the business itself. With the growth of service occupations, it appears that workplace literacy and other focus areas for EAPs are often the most important requirements for doing the job. For a variety of reasons, many employees come to a job without having gained these basics. As detailed below, these needs and issues not only have an impact on the employee and society but also on the business itself.

- a. Health issues with employees can cause major issues for corporations by:
  - Increasing employee absenteeism
  - Contributing to the rising cost of corporate and/or society health care coverage

- Lowering productivity, which can evolve into employee turnover.
- b. A physically, emotionally or verbally abused employee will ultimately be an unproductive employee. An abused person will often miss many days directly related to this abuse. Days from work are missed due to health issues, fear to leave the home, legal issues and psychological issues.
  - c. By taking advantage of employer tax credits, enterprise zones and other similar programs targeted toward low-wage workers, employers can gain substantial funding streams which then can be used to support their EAP and work supports. It is also likely that supported workers will be more productive and the business more profitable.
  - d. If employees are doing well and day-to-day problems aren't a distraction, they are more likely to be alert, motivated and concentrated on their job. This results in a more productive organization.
  - e. It costs more to hire and train a new employee than it does to help and keep a current employee. In spite of this logic, employers are sometimes reluctant to invest in an employee who may leave for a better job or another employer. One innovative approach to this concern is sectoral training.<sup>iv</sup> With this approach, a group of employers cooperates to design training that meets the needs of a particular industry and group of employers. The employers share in the cost and share in the benefits when trained employees move to a different employer.

#### *Employer perspective*

Much of the writing and research about the benefits of EAPs and other work and life supports have been done primarily from the employee's perspective. It is interesting that the Institute for a Competitive Workforce (ICW), an affiliate of the U.S. Chamber of Commerce, has arrived at similar conclusions from a business perspective. These are summarized below.<sup>v</sup>

Employers whose hourly wage workers are experiencing difficulties navigating life due to the economic insecurity of their families see the spillover in the workplace. The result is lost days, declining work quality, an increase in the number of conflicts and rapid turnover.

Turnover is expensive business. In the hospitality industry, for instance, every worker who leaves his/her job costs the employer between \$3,000 and \$13,000.

A comprehensive ICW employer survey found:

- 50 percent report having a hard time or very hard time finding qualified job applicants.
- Securing qualified applicants is greatest for small businesses: Nearly 60 percent of employers with 11 to 50 employees report having a hard time
- "Recruiting and retaining employees" is identified as an extremely important factor, on par with "remaining competitive."

The survey results also indicate that even though businesses report that recruitment and retention of workers is critical, few are prepared to address the issue. The challenges that employees face, and the perception that their positions add little value to the company, may result in workers who are willing to leave their job at a moment's notice.

The ICW is encouraging small business employers to adopt two no-cost strategies to increase employee retention:

- a. The first is to develop an "effective workplace." A Sears study with the University of Michigan Business School found that if employee satisfaction increases, there would be a corresponding improvement in customer satisfaction and quarterly revenue would grow by about 1.6 percent. An effective workplace is one in which employees experience both supervisor and co-worker support, job autonomy, input into management decision-making, opportunities for learning and personal enrichment and flexible work options. In effective workplaces, employees are engaged, committed, satisfied with their jobs, are not likely to seek another job with a different employer in the next year and exhibit good mental health.
- b. The second is to encourage employees to use government-sponsored benefit programs. These are state and federal programs that assist eligible workers by supplementing their wages and helping them with work-related expenses. They allow lower-skilled people to maintain employment and advance in their jobs. These include the Earned Income Tax Credit, local housing programs, state and regional transportation assistance, Child Care Assistance, the State Children's Health Insurance Program (SCHIP) and training programs at One-Stop Career Centers.

The ICW is also encouraging employers to use Comprehensive Employee Assistance Programs as a way of maintaining employees' health and wellness. These are quite sophisticated, offering a wide range of services. EAPs may be prohibitively costly for small employers. Fortunately, many community-based organizations and other service providers directly provide these services, often at no cost to the employer or employee. The Institute for a Competitive Workplace has offered employers a series of next steps for implementing "effective workplace" principles and for connecting workers to government-sponsored work supports.

#### *Dispelling myths and misconceptions*

Other important reason for investing in EAPs and other work and life supports are found by dispelling the many myths and misconceptions about low-wage workers and, for that matter, all workers. There are few areas where this is more important than the hiring of workers with disabilities.

Rise Inc., a nonprofit agency serving people who have disabilities and other barriers to housing and employment in the Twin Cities area and Greater Minnesota, has put together a list of facts in their monthly newsletter that counter many of the myths and misconceptions.<sup>vi</sup> Their information came from the U.S. Department of Labor Office of Disability Employment Policy Job Accommodation Network, the Center for Workforce Preparation (a nonprofit affiliate of the

U.S. Chamber of Commerce) and the U.S. Business Leadership Network (BLN). Examples from their newsletter include the following:

*Today's workforce is changing. Baby boomers are nearing retirement age. Some predictions show that by 2010, the American economy will support 168 million new jobs, but there will only be 158 million workers to fill them. Where will the needed workers come from? Many businesses would be wise to consider one of the best kept secrets and an untapped resource in today's economy: workers with disabilities.*

*Myth: Having workers with disabilities on site will make co-workers uncomfortable and their productivity will be negatively impacted.*

*Fact: Workers with disabilities have a positive effect on co-workers. Watching someone who manages a disability on the job often raises morale and provides a good working environment.*

*Myth: Hiring employees with disabilities is complicated and costly.*

*Fact: Most workers with disabilities require no special accommodations and the cost for those who do is minimal or much lower than many employers believe.*

*Myth: Employees with disabilities have a higher absentee rate than employees without disabilities.*

*Fact: Studies by firms such as DuPont show that employees with disabilities are not absent any more than employees without disabilities.*

There are also myths about low-wage workers in general, concerning their abilities, interests and aspirations. Little more than an attitude change can have positive impacts on employees and on employers because a better workplace usually translates to higher productivity for the business. Then, once EAPs and other work and life supports are in place, employers are poised to offer value to their employees and ensure that they will get the most benefit from their employees.

Government can and should be a leader in this area. In our experience, we have seen that the positive results greatly exceed the costs of establishing comprehensive EAPs and reaching out to employ individuals with disabilities. We saw how the productivity of the organizations increased and how all of the employees in the organization saw these strategies as the right thing to do and essential for creating a positive work environment.

#### **Examples of Employer Assistance Programs**

##### *Third-party community-based organizations and nonprofit organizations*

An alternative to businesses developing and maintaining their own EAPs is to use a third-party community-based organizations and nonprofit organizations to provide those services.

Many employers want to provide their low-wage based employees with services and programs to enhance their skills and knowledge but for a variety of reasons have not put these programs into effect. In addition, many unemployed individuals can also utilize these services and programs.

Through the securement of public and private funding, a nonprofit can either directly or indirectly provide much-needed programs. These programs can be presented directly to the individual or in partnership with employers.

The Institute for a Competitive Workforce provided some examples of these organizations:<sup>viii</sup>

- Community colleges
- Workforce investment boards
- Churches and faith-based organizations
- Local housing authorities
- Child care providers
- Neighborhood associations

There are many benefits for the employer in working with nonprofits. For small employers, working with nonprofits can provide a comprehensive EAP that they could not afford otherwise. For medium and large employers, working with nonprofits offers a way to tap into experience and expertise that they may not have. More specifically, these many benefits include:

- Employers will have a socially conscious partner that will provide needed support programs and service.
- Employers can concentrate on their core business while being assured that its selected workforce is participating in life-changing and skill- and knowledge-based programs, leading to enhanced productivity.
- Employers can increase their competitive advantage while also becoming the employer of choice because they will be partnering to provide their employees with a career path.
- Employers can reduce turnover because their employees will have enhanced their productivity and knowledge and can now be utilized in other functions or departments of the business.
- Employers, by partnering with select nonprofits, can do well by supporting their employees without the expenditure from their operating budget.

One example of a nonprofit organization providing services to employees is the Family Service of Morris County, a nonprofit agency in New Jersey that has been serving families who live or work in Morris County since 1813.<sup>viii</sup> It is the oldest social service agency in Morris County and one of the oldest in the United States. Family Service of Morris County has therapists available to help residents handle grief, stress, family issues, parenting challenges, substance abuse and alcohol concerns, and other life problems. It is a good example because its services are so comprehensive, including child and adolescent services, senior services, families in transition services, support and therapy groups, and employee assistance programs. Its Employee Assistance Program brings services to employers and employees throughout the region as a means of increasing wellness, improving job performance and productivity, and decreasing health care

costs and absenteeism. Family Service of Morris County contracts directly with companies interested in the EAP on either a capitated or fee-for-service rate.

Below are the services of Family Service of Morris County for employers and employees:

- Supervisory/management training workshops*  
Training workshops are provided to assist supervisors and managers in identifying job performance problems, dealing with troubled employees, understanding referral procedures and providing information about the Employee Assistance Program. A didactic format is used, including role-play and discussion. EAP staff conduct the supervisory training.
- Employee orientation*  
The EAP staff member provides orientation to all covered employees. The orientation session gives information about the nature and purpose of the program, explains how employees may access the program and answers any questions employees may have. A combination of lecture, discussion, and films are used during the orientation.
- Consultation*  
The EAP representative can provide on-site or telephone help to individual supervisors in identifying specific employee problems and resolving such personnel problems before they escalate. Questions and concerns about specific employee problems and the referral process can be brought to the representative at any time. The EAP representative is available for consultation as needed regarding program design, development of policies and procedures, and implementation of the Employee Assistance Program.
- Referral to other resources*  
After definition of the problem, it may be determined that another source of help is needed. In those situations, the EAP counselor will refer the employee to the most appropriate source and follow up to ensure that help is being received and that the referral was appropriate and satisfactory.

#### *Lease your employees*

Another approach is to lease employees. The leasing agency might provide an EAP as one of the benefits provided to employees. With this model, a different employer becomes the “employer of record.” This is particularly effective with employees who are self-employed, work for nonprofits or work for government agencies.

One example of a for-profit company that has marketed this approach is Employ America.

Employ America’s mission is to “to provide low-income employees working at not-for-profit, for profit and government agencies with affordable meaningful benefits programs that will assist them in achieving financial independence and to provide these organizations with a unique way to realize administrative cost savings while generating additional revenue by hiring the working poor and individuals with barriers to employment.” In more concrete

terms:

- a. Employ America becomes the employer of an organization's low-wage employees.
- b. Employees have access to benefits and services including workman's compensation and unemployment insurance.
- c. Employees work at the organization and are supervised by the organization.
- d. Employ America handles all payroll, workers compensation, unemployment programs, tax filings and back office and benefits administration associated with the employment of these individuals.

This approach is being used with day care workers and home care workers. It can provide not only benefits these workers did not have before, but also training and a career ladder. An important variation of this model is being used in Newark, N.J., where a nonprofit organization is serving as an intermediary and thus simplifying the process for the nonprofit organizations that are using this.

#### *Resource guides*

Another alternative to providing an EAP is to provide a list of places where employees who have issues and needs for services such as a drug or alcohol problem can get help. The guide can provide a list of local resources, both private and public, and offer some informative literature.

In an effort to make sense of the many services and programs available, most states have created resource guides for their own case workers. These are not only informative but also reinforce the need for these programs and services to interact, since usually a person or family will need services across multiple areas.

Because this information already exists and is usually widely available at the state level or through local one-stop centers, it should be viewed as a necessary resource for employer EAPs. The information is extremely useful and can be made easily available to employees.

A good example is the Maryland Department of Human Resources Family Investment Administration Resource Guide for Case Workers. It provides basic information across a wide variety of programs and services. This includes a basic description, eligibility, services and contact information. It covers the entire state and includes the following program and service areas:

- Workforce investment programs
- Health programs
- Early childhood education
- Adult education programs
- Social services supports
- Youth programs
- Parental services
- Housing programs
- Tax benefit programs for individuals
- Legal services
- Transportation
- Additional services

A good first step for employers wanting to obtain this kind of information would be to contact the local One-Stop Career Center. Most offer services for employers and would be happy to assist.

#### *Online Services*

Information, programs and services are now available through the Internet and are expanding at a rapid pace. Many of these resources are free and can become part of an EAP. Employers and employees should learn about these resources and how to use them. Learning how to assess and use these online services is an important skill for employers and employees to develop. Internet literacy is a key life skill as more and more of our information and interactions will be online.

#### *a. Information*

Through the federal Workforce Investment Act (WIA) states have, in essence, built online One-Stop Career Centers that serve both employers and job seeker/employees. Several examples are listed below:

- Wisconsin: [www.wisconsinjobcenter.org/](http://www.wisconsinjobcenter.org/)
- Florida, Gulf Coast region: [www.theworksource.org/index.html](http://www.theworksource.org/index.html)
- Minnesota: [www.deed.state.mn.us/bizdev/](http://www.deed.state.mn.us/bizdev/)

#### *b. Access*

Through encouragement by the federal government, states are building "access" systems that provide individuals with information about which government programs they are likely to be eligible to receive and, for some programs, allow them to apply for benefits online. These should be part of an employer's EAPs.

Online applications represent the growing trend of states offering alternative ways to apply for benefits. By doing this, states are catching up with common business practice, which is increasingly moving to online and call center services. States are also recognizing that people who can be helped by the programs and services are not helpless. For the most part, they are the general public and should be treated that way. This is particularly important for working people who don't have time to leave work to go to the social service agency to apply for benefits and services.

Employers don't have to be involved in the process or event to know that their employees are applying for benefits and services. The employer's role is to show their employees that these resources are available and should be used if needed.

Examples from several states are listed below. It is interesting how many different programs can be screened with this type of tool.

- Wisconsin: [access.wisconsin.gov/access/](http://access.wisconsin.gov/access/)
- Florida: [www.dcf.state.fl.us/ess/](http://www.dcf.state.fl.us/ess/)
- Massachusetts: [service.hhs.state.ma.us/ier/jsp/screening/LoginServlet?Application=Screening](http://service.hhs.state.ma.us/ier/jsp/screening/LoginServlet?Application=Screening)

c. *Human resources (HR)*

It is not surprising that employers can now get HR information, tools and services via the Internet.

One example is HRTools.com. HR Tools.com ([www.hrtools.com/Content.asp](http://www.hrtools.com/Content.asp)) is a Web site that provides employers with HR-related information and tools. The site is maintained by a company called Administaff, a professional employer organization (PEO) serving as a full-service human resources department that provides small and medium-sized businesses with administrative relief, big-company benefits, reduced liabilities and a systematic way to improve productivity. The site offers information, tools (for writing job descriptions and performance evaluations, etc.) and links.

This is a good example. The site has some free information and tools and some that have a fee. The company also offers contract-out HR services.

d. *EAP associations*

There are associations and societies that are dedicated to EAP best practices. Two are listed below.

- The Employee Assistance Society of North America ([www.easna.org/home.asp](http://www.easna.org/home.asp)) is an association focused on advancing knowledge, research and best practices toward achieving healthy and productive workplaces. EASNA was founded in 1985 with an original charter to develop standards of excellence for providers of Employee Assistance Programs. With EASNA, employers can find information, become accredited, get training and attend conferences.
- The Employee Assistance Professionals Association ([www.eapassn.org/public/pages/index.cfm?pageid=1](http://www.eapassn.org/public/pages/index.cfm?pageid=1)) is a membership organization for employee assistance professionals. It has nearly 5,000 members in over 30 countries. It is a source of information and support for and about the employee assistance profession. EAPA publishes the Journal of Employee Assistance, hosts professional conferences and offers training and other resources to fulfill its mission. EAPA's mission is to promote the highest standards of EA practice and the continuing development of employee assistance professionals, programs and services.

The Web site has some free information, news and reports. More information is available to members. Members may also obtain the Certified Employee Assistance credential. This is based on an exam. The credential is designed to promote employee assistance programs, demonstrate a mastery of the employee assistance body of knowledge and distinguish employee assistance professionals from other related professions.

e. *Online or distance learning*

Distance learning is emerging as a significant use of new technology and as a tool to help address a very difficult issue for many low-wage workers. The dilemma is to be able to juggle work, family and training all at the same time. This is particularly difficult for low-wage female workers who are caring for children and who often don't have transportation. The traditional classroom approach is simply not a viable option for many people. Distance learning offers a solution. It is always available, offers a growing amount of curricula and can be done anywhere (at home, at work or at the library). From an employer's perspective there is much that is available for little or no cost. Furthermore, distance learning can address a wide range of curricula needs, including work readiness, high school education, skills for a particular job, career ladders and higher education. Some examples that illustrate this variety are listed below. Distance learning can also include the resources of an online instructor and periodic meeting every couple of weeks with other students and an instructor.

- The Dallas Texas Workforce Development Board (WDB) jointly developed a model for welfare to work participants with Business Access, a private company. Participants were given a computer, Internet access from their home and online courses. This model is now in use throughout Texas and has spread to other states, such as New Jersey. Both Texas and New Jersey use Individual Training Account (ITA) vouchers, which are available to former Temporary Assistance for Needy Family (TANF) participants who are no longer receiving cash assistance because they are working. Studies in both states show good job retention, increase in wages and faster transition off of public assistance. Many of the participants say they would not have been able to take the training if it were not available online in their home. Participants who successfully complete the program are allowed to keep the computer and can continue to access the online courses.

For the Dallas WDB site, visit [www.worksource.org/WSMain.shtml](http://www.worksource.org/WSMain.shtml). For the Business Access site, see [www.business-access.com/default.asp](http://www.business-access.com/default.asp).

- The State of Illinois Department of Commerce and Economic Opportunity developed the Illinois eLearning Initiative in mid-2004. The initial goal was to utilize an online curriculum to assist out-of-school youth trying to obtain a high school diploma. It was later upgraded to become a true diploma recovery and career planning program by adding career exploration and job readiness skills components. It allows adults who are short on credit for graduation to complete the credits through distance learning and then earn a diploma from the high school they attended.

From January 1, 2005, through June 30, 2006, there were 144 WIA eligible youth served by four

eLearning pilot grants. This included two sites in Chicago, one in East St. Louis and one Madison County. The sites used different online providers to provide instruction and online tutors. One of the sites employed former Chicago Public School teachers. All locations had on-site monitors/counselors.

Illinois has been operating under a U.S. Department of Labor (DOL) waiver of the prohibition in the Workforce Investment Act final rule excluding the use of Individual Training Accounts (ITAs) for out-of-school youth participants. They hope to use this to expand eLearning throughout the state. Illinois also has several other initiatives. One is the use of eLearning as part of its Foster Care Youth Demonstration Project to prepare participants for high-growth career jobs. The other is with the Illinois Community College Board to pilot the use of blended online learning within health care bridge programs to move low-income, low-literacy adult workers toward career pathway opportunities in the health care industry.

- Colleges, technical colleges and universities are now offering a large variety of online courses and programs. The following is an example from Minnesota: [www.minnesotaonline.org/](http://www.minnesotaonline.org/).
- The Equipped for the Future Work Readiness Credential offers an excellent framework for online learning. Business leaders in New York, New Jersey, Florida and Washington have reached a consensus on a new 21st Century work readiness profile that will be the basis for a national Work Readiness Credential. The profile confirms that employers want new workers with strong communication, interpersonal and problem-solving skills who are responsible and can work as part of a team. The Work Readiness Credential focuses on what new workers in entry-level jobs need to be able to do. The four key areas are communication skills, interpersonal skills, decision-making skills and lifelong learning skills. Improving skills in these areas will be beneficial for any employer and any employee. For more information, see [eff.cls.utk.edu/workreadiness/default.htm](http://eff.cls.utk.edu/workreadiness/default.htm).

#### *Marriott: The Associate Resource Line*

Marriott International Inc. has, for the tenth time, been named one of the 100 Best Companies for Working Mothers, according to the October issue of Working Mother magazine. The publication spotlights outstanding workplaces for women and tracks family-friendly workplace trends.

Working Mother recognized Marriott's flexibility pilot project at three Boston area hotels, which is designed to identify and focus on the diverse needs of the company's associates. The publication also cited Marriott's programs for women's advancement that are creating career development paths for female associates and executives.

Working Mother selected 2000's "100 Best Companies"

based on five criteria: child care, leave for new parents, flexible work arrangements, work/life benefits such as elder care and adoption assistance and opportunities for women. Editors looked at a range of supportive company offerings, including health insurance premiums, availability of time off to care for sick kids, mentoring programs and extras such as on-site gyms and other conveniences.

One of Marriott's most innovative work-life programs is the Marriott Associate Resource Line, which provides confidential counseling through a one-stop resource that can address a wide range of personal issues. The nationwide toll-free Associate Resource Line, staffed by social workers, is available in more than 150 languages to all Marriott associates.

Employers have recognized the benefits of supporting lower-income workers: more engagement at work, higher productivity and fewer turnovers.

When Marriott International Inc. piloted the Associate Resource Line (ARL) in 1994, it began with a response to employees' needs for child care. Marriott very quickly realized it is hard for workers and their families to focus on child care if they are being evicted, their car breaks down or they're having personal problems.

The Resource Line began to offer a range of services, including helping employees sign up for the Earned Income Tax Credit and learning how to manage household budgets.

The Associate Resource Line has evolved to become an employer-sponsored program that provides confidential help to manage the competing demands of work, home and life. It is a hybrid between a traditional Employee Assistance Program (EAP) and a full continuum of work-life support. Assistance is offered 24 hours a day, 7 days a week in order to meet the unique scheduling needs of shift workers. Marriott International's ARL represents a commitment to always being there by providing:

- One place to turn for family, life, money and work questions and concerns
- A real person to talk to
- Easy-to-use online services with articles, quick quizzes, newsletters, locators and much more
- Referrals to local services and national resources
- Booklets and audio recording.

For more information, visit

[www.marriott.com/careers/Benefits.mi](http://www.marriott.com/careers/Benefits.mi)

#### *Florida Power & Light (FPL) – Health Management Program<sup>ix</sup>*

Florida Power & Light Co. is located in Juno Beach, Fla. Since 1991, FPL has invested in a Health Management Program for its managers and employees. The investment has been small, but the returns have been large. The fitness programs cost the company less than \$100 per employee, but since starting the program, FPL has seen a drop-off in insurance claims for cardiovascular disease, cerebral vascular disease and some cancers. Its weight management program is helping workers control their diabetes.

### *FedEx*

Federal Express is headquartered in Memphis, Tenn., and is one of the largest employers in the area. The Memphis Temporary Assistance for Needy Families (TANF) program has an excellent long-term working relationship with FedEx, and the company hires many Memphis TANF participants. FedEx is an airline, and most of the work happens on the third shift. There are about 200 openings per month in Memphis. Due to the nature of its work, the positions are high-wage part-time (17.5 hrs guaranteed) jobs at a starting salary of \$11.80 per hour. After 90 days, medical benefits are offered at a less-than-\$20-per-month premium, which includes optical, dental and prescriptions. Most workers in Memphis average 19 to 20 hours per week. FedEx also offers tuition reimbursement.

Since its jobs are part-time and third shift, FedEx realizes that many of its employees will move on to other jobs. Therefore, the program with the Memphis TANF program puts much emphasis on the participants also getting their high school diploma or GED so that they will be in the best position for their future employment after working with FedEx.

### *Public Sector Uses of EAPs*

According to the North Carolina Division of Social Services Work First Family Assistance Program, North Carolina has implemented an Enhanced Employee Assistance Program (EEAP) demonstration initiative. It is an innovative model that expands traditional EAP services to provide support to Work First participants. The role of EAPs in the workplace has grown and evolved in recent years. Originally developed as a tool to identify employee alcohol and substance abuse problems, EAPs have grown to encompass a myriad of issues that can impact employee job performance. Other problems frequently seen by the EAP are depression, financial difficulty, marital conflict, family/child concerns, stress and anxiety, emotional difficulty and work performance problems.

Initial demonstration sites were selected through competing proposals developed as a part of a Planning Grant process. The model is designed to enhance EAP services by providing gender-sensitive substance abuse assessment, two-year aftercare for relapse prevention and work-site mentoring programs. Through the EEAP initiative, the program seeks to serve as a resource for employers by helping them identify troubled employees and referring them to the EEAP. Additionally, the EEAP will establish an information system to ensure program needs and objectives are being met effectively. The EEAP initiative will provide the needed data to the demonstration sites so those communities can self evaluate.

### **Research**

Related research supports a number of the already-mentioned characteristics of EAPs, including:

- Work and life supports are beneficial to both workers and employers.
- Jobs taken by low-wage workers often require face-to-face and emotional skills.
- EAPs and other supports can actually increase the skills that are needed for many low-wage jobs.

- Many low-wage jobs are offered by small employers, which may have a hard time offering EAPs and supports.
- EAPs and other supports help to increase employee retention, which is a major concern for many employers.

### *A recent paper for the National Academies Center for Education<sup>x</sup>*

The low-wage service occupations are among the jobs projected to have the largest growth in the next decade. Most have very low earning and require little training. One exception, nursing aides, requires more than short-term, on-the-job training but is still neither highly skilled nor highly paid.

While most service occupations require little training, most have basic skill requirements: active listening, instructing others, speaking effectively, reading comprehension, service orientation, social perceptiveness and time management. They require face-to-face and emotional skills.

Overall, with low-wage service occupations, we have not identified the skills that are needed and how best to train the workers for those occupations.

### *Retention*

Retaining employees is one of employers' most mentioned needs. The Administration for Children and Families has published some of its findings.<sup>xi</sup>

Factors that can jeopardize employment for low-wage workers:

- More fragile child care arrangements because of limited subsidies and fewer low-cost options
- Greater likelihood that children or others in their care have special needs
- Limited access to employer benefits (such as paid sick or vacation leave and dependent-care benefits)
- Less flexible work schedules and greater likelihood of working night shifts.

Employment retention services that can benefit low-wage workers:

- Enhanced approaches to post-employment case management (for government programs, such as TANF, that place individuals into jobs)
- Working with employers to improve job retention (partners for public or private organizations that are interested in promoting employment retention for low-wage workers)
- Offering additional retention services to fill in gaps (for example, emergency child care, financial literacy education and asset development, and transportation services).

### *Low-wage employers*

The Families and Work Institute (FWI) is a nonprofit, nonpartisan research organization that studies the changing workforce and workplace, the changing family and the changing community. As a preeminent think tank, FWI is known for being ahead of the curve, identifying emerging issues and then conducting rigorous research that often

challenges common wisdom, provides insight and motivates action.

According to FWI, low-wage and low-income employees are also much more likely (36 percent) to work for small employers that have fewer than 25 employees nationwide than employees in higher wage and income groups (16 percent overall). Conversely, they are much less likely (35 percent) than others (62 percent overall) to work for large employers that have 250 or more employees nationwide. These differences are particularly striking when we compare the extremes – low-wage and low-income employees vs. high-wage and high-income employees. For information on Fringe Benefits of Employees in Different Earnings and Income Groups, refer to [familiesandwork.org/site/research/reports/brief1.pdf](http://familiesandwork.org/site/research/reports/brief1.pdf).

### More Programs<sup>xii</sup>

These are examples of programs that are run by nonprofit organizations who partner with employers and employees.

#### *Work Central Call Center*

The center is located in Rocky Mount, N.C., and is operated by Connectinc., a community-based organization. The center provides case management services to low-income workers via telephone – at convenient daytime, evening and weekend hours – through a partnership with public and private organizations. The ultimate goal for Work Central is to prevent future reliance on cash assistance. The call center serves former TANF recipients, dislocated workers from the tobacco industry and other families with incomes up to 200 percent of the federal poverty level. It is able to maintain 8,200 cases across 10 rural counties in the state, using technology to link clients with training, placement and family support resources in their communities as well as with prospective employers. Work Central’s seamless and nearly paperless case management processes address four customer goals:

- *Reemployment* typically involves job-finding and job placement activities such as job matching, interview scheduling and resume assistance. The North Carolina Employment Security Commission supports this goal by assigning a full-time employee to serve Work Central’s customers.
- *Job retention* services include assistance with applications for family-management supports (like daycare, emergency economic relief, child support and domestic violence services), addressing employment barriers through counseling and referrals and providing consistent social support for the development of optimism, persistence and a solid work ethic.
- *Career advancement* is promoted by supporting longevity of employment and by encouraging customers to upgrade their academic and employment credentials. Strategies include referral to low-cost correspondence or community-based programs for General Educational Development (GED) classes and skills training; facilitating registration at local postsecondary and adult education and training institutions; accessing financial aid, Individual Training Accounts (ITAs) supported by

Workforce Investment Act (WIA) funds, and other resources to support education and training; and encouraging the completion of such programs.

- *Asset accumulation* – viewed as a significant motivating factor for the three preceding goals – is addressed through outreach concerning the Earned Income Tax Credit (EITC), helping customers open accounts at cooperating banks, making referrals for credit repair and financial literacy counseling, and connecting customers to resources to purchase vehicles and homes.

#### *The Illinois ERA program*

This program operates in St. Clair and Cook Counties and serves welfare recipients who have worked at least 30 hours per week for the past six months. The Chicago provider, Employment and Employer Services (EES), has trained a team of seven staff members dedicated to supporting clients as they pursue advancement opportunities. The Career and Income Advisors (CIAs) provide customized case management that addresses the full range of customers’ personal and social service needs while remaining focused on advancement. The staff has developed creative marketing materials that focus on program outcomes rather than program services. These materials and a variety of incentives have proved useful in outreach efforts and in sustaining clients’ participation.

#### *Seedco*

Seedco, a nonprofit intermediary organization, has created EarnFair LLC, a limited-liability staffing agency, to place low-income (WIA-eligible) clients with New York City employers and to provide them with post employment services. After a trial period, employers either can put successful temporary employees on their own payroll or can retain them as contract workers for up to two years. While working in temporary placements, EarnFair LLC clients receive post employment services and supports, including health benefits, case management and an Employee Assistance Program through partner CBOs. The EAP includes such services as:

- Seedco’s family loan program (a resource to cope with emergencies)
- Referrals for work supports, social services and postsecondary, adult education and training programs. (Some training options are available on-site at the CBOs.)
- Asset development and financial literacy services, including free Citigroup checking accounts, personal financial management training, Individual Development Accounts (IDAs) and assistance filing income tax forms.<sup>xiii</sup>

The project is a result of the EarnFair Alliance, a large-scale collaboration between Seedco and a host of other public and private organizations, including the New York City Human Resources Administration, the Local Initiatives Support Corporation (another intermediary organization), nine CBO service providers and the City University of New York. As an intermediary, Seedco has developed new foundation and public funding resources, offered economies of scale and assumed for the smaller CBOs the risks involved in performance-based contracting. The program is supported by

nearly \$20 million in private funding from foundations, a range of innovative financing strategies (including welfare diversion grants, wage subsidies and loans), fees from employer clients, and financial or in-kind contributions from other partners.

#### *Portable Employee Assistance*

This program is another employer-focused retention initiative and is the pilot test of a Portable Employee Assistance Program (EAP) for low-wage workers in St. Paul, Minn., sponsored by the McKnight Foundation. The program involves an unusual private-public partnership to reach both low-wage workers and their employers. The St. Paul Port Authority is managing the project in conjunction with its affiliated workforce development organization, Employer Solutions Inc., and an established EAP provider for low-income families, Family Service Employee Resources. The pilot test aims to bring intensive EAP counseling, soft-skills training and referral services to employers of selected low-wage workers (earning \$12 or less an hour) in an effort to increase the workers' job retention rates and career mobility opportunities. If the low-wage clients switch employers, they take their EAP services with them. A secondary benefit may be to influence the employers to provide greater advancement opportunities more broadly throughout their workforce. If successful, the Port Authority hopes to provide the portable EAP on a much broader scale. The pilot test draws on existing EAP and community services, including:

- An intake interview to evaluate clients' soft skills, job skills and psychological status
- A consultation by Employer Solutions regarding the employer's advancement opportunities and barriers to advancement for all workers
- An individualized advancement plan for each worker
- Face-to-face counseling, including referrals to services offered by the EAP (for services such as domestic violence counseling); by Family Services Inc., the parent organization of Family Service Employee Resources (regarding, for example, housing and legal services); or by other community providers (for such problems as substance abuse)
- One-on-one soft-skills training (in such areas as contingency planning and workplace conduct) and help accessing adult or postsecondary education programs

Directly helping employers to improve their workers' job retention rates is a promising approach that benefits both low-wage workers and the companies that hire them.

#### *Detroit Chassis*

The Detroit Chassis program contracted with the Children's Aid Society of Southeastern Michigan to provide enhanced employee assistance. The program has an on-site social worker who can address a wide range of family needs. The EAP assists families in accessing benefits for housing, health, education, transportation and legal needs. The program also serves as a conduit for the flow of information pertaining to other available resources.

#### *Consumer Credit Counseling Service (CCCS)*

CCCS is a local, nonprofit community service organization that offers variety of public services and consumer education

programs designed to aid individuals and families with financial rehabilitation and mastering the art of money management. It is a member of the National Foundation for Credit Counseling (NFCC) and is certified by the Department of Housing and Urban Development (HUD) to provide comprehensive housing counseling services. It is also accredited by the Council on Accreditation of Services for Families and Children (COA) and is a member of the Better Business Bureau (BBB). Established in 1966, CCCS has strong roots in our community as well as hundreds of affiliated locations nationwide. For more information, visit [www.californiacccs.org/EmployeeAssistancePrograms](http://www.californiacccs.org/EmployeeAssistancePrograms).

#### **Summary**

EAPs and work and life supports are particularly important for low-wage employees and employers. Benefits far outweigh immediate costs. For employees, they can make a large difference in terms of quality of life, quality of work and opportunities for advancement. For employers, they can increase productivity and retention. While comprehensive EAPs can be very expensive, there are so many resources available and organizations willing to help that even small employers can offer a program for their employees. Furthermore, EAPs have something to offer all employees and should be considered as a prerequisite for any employer.

<sup>i</sup> Martinson, Karin and Holcomb, Pamela. 2007. *Innovative Employment Approaches and Programs for Low-Income Families*. The Urban Institute.

<sup>ii</sup> Kutner, M., Greenberg, E. And Baer, I. (2006). *A First Look at the Literacy of America's Adults in the 21<sup>st</sup> Century*. Washington, DC: U.S. Department of Education, National Center for Education Statistics, Report #2006 470. <http://nces.ed.gov/NAAL/PDF/2006470.PDF>.

<sup>iii</sup> Martinson et al. 2007.

<sup>iv</sup> Martinson et al. 2007.

<sup>v</sup> Institute for a Competitive Workplace, Recruitment and Retention of the Frontline and Hourly Worker: A Business Perspective. U.S. Chamber of Commerce.

<sup>vi</sup> The Rise Reporter. *Just the Facts*. March 2007. [http://rise.org/assets/reporter\\_3\\_07.pdf](http://rise.org/assets/reporter_3_07.pdf).

<sup>vii</sup> Institute for a Competitive Workplace et al.

<sup>viii</sup> Family Service of Morris County. <http://www.fsmc.org/>.

<sup>ix</sup> Larson, Christine. 2006. When Your Boss Says Jump. U.S. News and World Report.

<sup>x</sup> Gatta, Mary, Heather Boushey and Eileen Applebaum. 2007. "High-Touch and Here-to-Stay: Future Skills Demands in Low Wage Service Occupations." Paper commissioned for a workshop organized by the National Academies Center for Education on Research Evidence Related to Future Skills Demands, Washington, D.C.

<sup>xi</sup> The first four programs were highlighted and written about by the Administration for Children and Families and can be found at the following ACF Web site: [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/improv\\_lowincome/reports/building\\_bridges/bb\\_chap4.html](http://www.acf.hhs.gov/programs/opre/welfare_employ/improv_lowincome/reports/building_bridges/bb_chap4.html).

<sup>xii</sup> The first four programs were highlighted and written about by the Administration for Children and Families and can be found at the ACF Web site listed in the footnote above.

<sup>xiii</sup> See Administration for Children and Families Web site [www.acf.hhs.gov/programs/opre/welfare\\_employ/improv\\_lowincome/reports/building\\_bridges/bb\\_chap4.html#foot6.b#foot6.b](http://www.acf.hhs.gov/programs/opre/welfare_employ/improv_lowincome/reports/building_bridges/bb_chap4.html#foot6.b#foot6.b).