

Workplace Behaviour Statistics

Workplace Facts

- In New Zealand:
 - People report experiencing workplace problems due to family issues (25%), stress (22%), depression (16%), alcohol & drug abuse/dependency (15%), critical incident/trauma (8%), job conflict (6%), legal/financial issues (6%), other (2%).
 - 700 to 1000 people die prematurely each year as a result of illness or disease linked directly to their workplace. Each year there are between 17,000 and 20,000 new cases of 'workplace disease' being reported.
 - 3% of New Zealanders need treatment for dependency (addiction) and further 10% for alcohol and drug abuse.
 - If the person is off work for 20 days, the chance of ever getting back to work is 70%; 45 days, the chance of ever getting back to work is 50%; and 70 days, the chance of ever getting back to work is 35%.
- In Australia:
 - Average age of working people in treatment for alcohol or drug at anytime is 34.
 - The average annual absence rate for 2009 was 4.0% or 9.3 days per employee, an increase of 0.7% from 2008 levels.
- In the United States:
 - Psychological problems account for 61 percent of absences from work each year, as well as 65-85 percent of employee terminations and 80-90 percent of industrial accidents.
 - Up to 68 percent of all workers will, at some time, experience workplace problems severe enough to prevent them from coping with day-to-day duties.

- At any given time, approximately 18 percent of any work force is affected by personal problems that can affect work performance.
- Thirty-five percent of employees who had been at a job for less than two years report that they quit because of stress.
- Up to 40 percent of industrial fatalities and 47 percent of industrial injuries can be linked to alcohol consumption and abuse.
- Abusers are 5 times more likely to cause accidents involving themselves and their workmates.
- A national average of 15 percent of any given workforce has chronic problems with substance abuse.
- Seventy percent of all current adult illegal drug users are employed. 15% of alcohol and drug abusers are executives.
- Between 75 percent and 90 percent of visits to primary care physicians are related to stress.
- The number of employee lawsuits has been doubling every year since the mid-1980s. The EAP can serve as an added level of defence against personal grievance, wrongful discharge and discrimination suits.

Cost of Troubled Employees

- In New Zealand:
 - The number of people who are on sickness benefits due to being unable to work because of alcohol and drug abuse has doubled from 2004 to 2008.
 - Over the year to March 2010, the number of Sickness Benefit recipients in New Zealand increased by 5,000 people, or 9 percent. Over the last five years (2005 until 2010) the number of working-age clients receiving a Sickness Benefit increased from 44,000 to 56,000. The majority of people on the Sickness Benefit had psychological or psychiatric conditions; 41 percent between 2005 and 2010. The next most common condition was

musculo-skeletal disorders with 15 percent of people on the Sickness Benefit suffering from this disorder.

- In a study commissioned by the Southern Cross Medical Care Society, it was estimated that the total cost to employers from the poor health of employees is \$2 billion per annum. This works out to be on average over \$1500 per employee per annum.

- In Australia:

- The cost of absence has increased from an average of \$354 per absent day in 2008 to \$370 per absent day in 2009.
- Drug and alcohol cost Australia \$19 billion annually (including nicotine).

- In the United States:

- Stress costs American employers approximately \$200 billion a year in absenteeism, lower productivity, rising health and workers compensation costs as well as other expenses.
- Each employee experiencing job performance problems costs a company or organization conservatively 25 percent of salaries and fringes in absenteeism, tardiness, reduced efficiency, accidents, medical benefits, and judgment errors.
- The U.S. Department of Health and Human Services estimates that alcohol and drug abuse cost American businesses \$100 billion a year.
- Estimates are that perhaps 17 percent of workers use alcohol and other drugs on the job. One consequence of this is that every employee who does use alcohol or drugs on the job costs his or her employer between \$4,000 and \$5,000 per year above payrolls.
- Nearly 25 percent of a drug-dependent employee's salary is lost through increased use of medical benefits, poor attendance, and low productivity.
- Workers with alcohol problems generate eight times more medical costs.

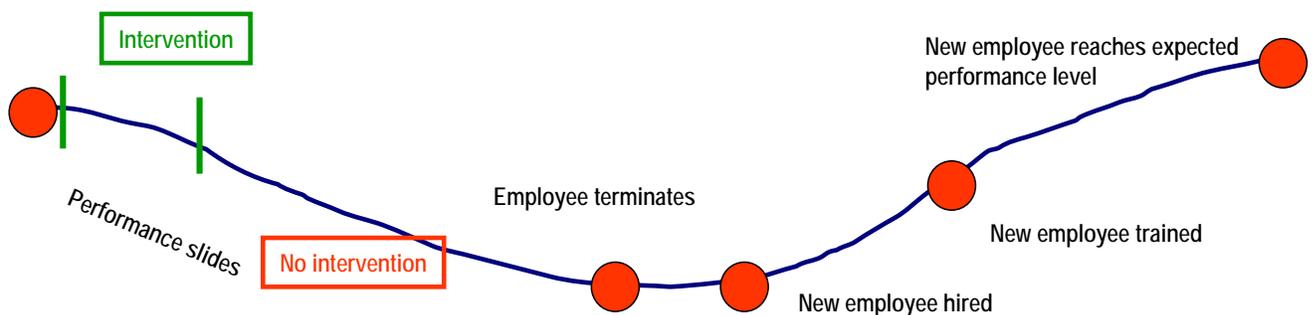
- An overwhelming majority of Americans (92 percent) agree that personal problems often spill over into work, decreasing productivity.
- Alcohol and drug abusers are absent at least 16 times more often than persons who are not harmfully involved. Even if they are not absent, they are three times more likely to arrive late.
- Organizations with 99 or fewer employees have the highest per employee absenteeism cost, at up to \$1,044 per year.

Return on Investment – Lost Cost of Troubled Employees

Data supplied by Marsh Ltd & Right Management, 2009

Costs of Troubled People

Orgn Size	10% (Troubled)	Average Salary \$40K	Average Salary \$80K
50	5	200K	400K
300	30	1.2M	2.4M



People who are troubled at work are at best 50% productive during that time. If they are managers, the dysfunctional influence they may have over their direct reports can be substantial.

From the time that an individual's work performance declines through to at worst case, termination and thus recruitment, hire and training of a new employee, (often a year) the effect of that position on the organisation can be up to 3 times salary (general employee) or 7 times salary (mid-level manager). If the problem person is the GM or CEO, the effect on the bottom line of the business could be as much as 15 times that person's salary.

Therefore, **early identification and intervention** are fundamental to achieving a cost effective solution.

Cost Saved by EAPs

- In the United States:
 - For every dollar invested in an EAP, employers generally save anywhere from \$5 to \$7.
 - With an investment of just over \$58,000, the city of Phoenix is realizing an estimated savings of \$2.5 million each year.
 - In 1997, Quaker Oats Co. reported saving an estimated \$2 million annually through an EAP-based program that targets high-risk behaviours.
 - General Motors reported a savings of \$3700 per year for each employee successfully enrolled in, the EAP. General Motors realized reductions of 85.5 percent in lost person-hours, 72 percent in dollar amounts of accident and sickness disability benefits, and 46.9 percent in the number of sick leaves taken.
 - A small company (70 employees) reduced its workers' compensation and vehicular accident costs by \$75,000 by establishing an EAP with an emphasis on safety awareness.

- McDonnell Douglas saved \$5.1 million over a period of four years, a return of \$4.00 for every \$1.00 invested.
- A survey of 50 companies done by Marsh and McLennan Companies in 1994 showed that EAPs lowered absenteeism by 21 percent, on-the-job accidents by 17 percent, and increased productivity by 14 percent.
- Illinois Bell estimates that, over a five-year period, its alcohol program saved \$1,272,240 in reduced absenteeism.
- In 1993 Crestar Bank recorded that the average psychiatric costs were 58 percent less for EAP participants than for non-participants.

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