

## EAP: A Low-Cost Employee Benefit Yielding a High Rate of Return

**"An EAP is one of the few employee benefits in which the perceived value to employees of the benefit greatly exceeds the actual cost to an employer to offer it."**

**—Rich McGinnis, President & CEO, Home Federal Savings and Loan Association of Nebraska, Lexington, Neb.**

**A**S AN EMPLOYER, YOU ARE FACED EACH YEAR WITH THE rising cost of the benefit package for your employees. What do you offer? How do you get the most for your money? Are you aware of any benefits you could be offering that would have a high return on your investment, as well as reduce the costs of other benefits you offer? Employee Assistance Programs (EAPs) are an employer-sponsored benefit that do just that!

### What Is an EAP?

An Employee Assistance Program (EAP) is an employer-provided program that helps employers address productivity issues and save health care dollars by helping employees identify and resolve personal issues. EAPs also provide special coaching to help supervisors learn the skills they need to intervene with troubled employees and get them the help they need. An EAP provides free, confidential mental health counseling to all employees and their immediate family members, and is offered as part of the employee's "benefit" package.

A 2008 National Study of Employers following 10-year trends related to U.S. workplace policies and benefits shows that the EAP industry continues to grow, with 65 percent of employers providing EAPs in 2008, up from 56 percent in 1998. (Families and Work Institute, 2008 National Study of Employers) Employers with EAPs generally report significant reductions in absenteeism, utilization of sickness benefits, and work-related accidents. Federal Occupational Health (FOH) evaluated the health status of 16,055 EAP clients before and after they used the FOH EAP. Improvement rates from 33 percent to 71 percent were found in the following areas: health, work attendance, productivity at work, and day-to-day functioning. (EAP Digest, Selvik and Bingaman, 1998)

*"I suspect at this time very few NBA member banks are enrolled with Directions EAP. I also suspect most member banks do not know: 1) how inexpensive it is to offer this service as an employee benefit; 2) the types of counseling services available; 3) the statewide locations such counseling is available; and 4) the complete value an EAP has for bank employees' families and the employees' employer (e.g., increased productivity, decreased absenteeism, improved work attitude, lower medical costs, etc)."*

**—Rich McGinnis, President & CEO, Home Federal Savings and Loan Association of Nebraska, Lexington, Neb.**

### The Human Impact at Work

Divorce, death of a loved one, a spouse who has a chemical dependency problem, marital discord, financial stress, a son or daughter who has problems at school, the loss of a pet, car accident, pregnancy, buying/selling a home and moving, chronic health problem, or diagnosis of a life-threatening illness . . . the list can go on and on. Each and every year, people have to deal with these types of stressors and still try to maintain their job, and their job performance. These things happen to our co-workers, our supervisors, our supervisees, and ourselves. How do these issues impact our work environment? Can people really leave these things at the door when they come to work? Absolutely not!

Nearly one-third of workers say that personal life interfering at work is a significant source of stress. (APA 2005) Troubled employees don't leave their personal problems at home. They bring them to work where they show up as tardiness, irritability, poor attitude, missed deadlines and appointments, mistakes, accidents, and diminished job interest. Begin to think about the potential impact of the human factor in your bank or department.

## Extraordinary Service for Extraordinary Members.

What does this mean to you? To your staff? To the overall level of productivity and morale?

The productivity formula used by the U.S. Chamber of Commerce captures the hidden loss and cost of productivity declines by measuring the impact of employees suffering with personal difficulties. Consider this as the cost of NOT having or not utilizing an EAP.

- Troubled employees are estimated to work at only 75 percent efficiency.
- Ten percent to 25 percent of the employees of any given organization are estimated to have personal problems affecting their job performance at any given time.

### The Formula

Average employee wage x 10 percent of your total number of staff x 25 percent in lost efficiency = Conservative Estimate of Annual Loss of Productivity

### EAPs Make Dollars & Sense

A prospective cost-benefit estimate of FOH EAP services showed that for every \$1 spent on the EAP, the expected savings for the first year alone would be \$1.27. (U.S. Department of Health and Human Services, U.S. Public Health Service, Federal Occupational Health, "Documenting the Value of Employee Assistance Programs," [www.foh.dhhs.gov/whatwedo/EAP/EAPvalue.pdf](http://www.foh.dhhs.gov/whatwedo/EAP/EAPvalue.pdf)) Many studies of EAP cost-benefit and process evaluations conducted in the United States and Canada and presented in peer review journals over the past 20 years have found EAPs to have a positive return on investment.

Providing an EAP may earn a premium reduction through your health care/insurance provider, not to mention the use of EAP mental health counseling reducing the number of counseling visits and other stress-related doctor visits that could end up being charged to your health

care plan. Employees receiving mental health counseling lowered the usage of medical insurance by 31 percent. (Group Health Association, APA 2006)

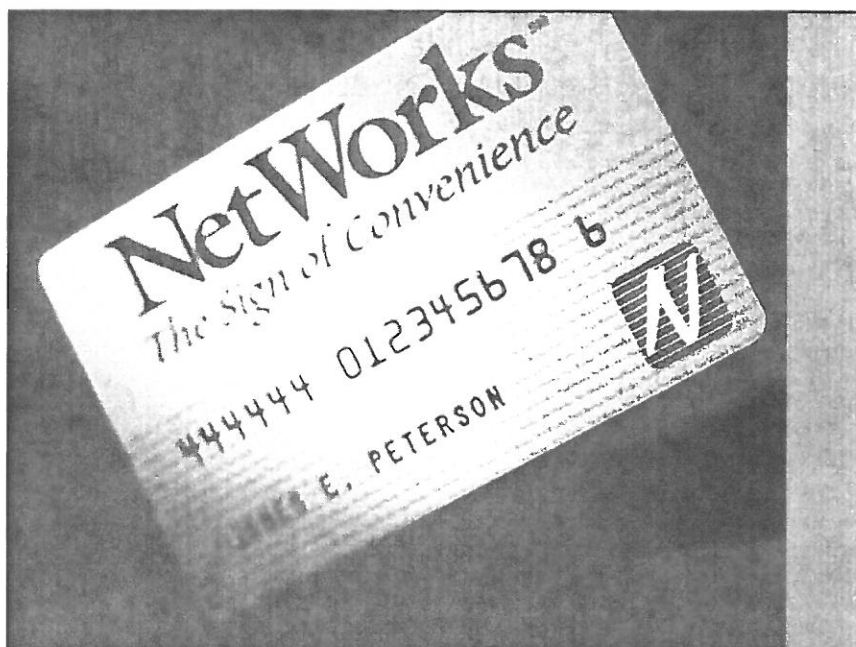
### Why Choose Directions EAP for Your Employee Assistance Program?

*"It's a real comfort knowing that we have Directions EAP to call upon. As*

*an employer, it's very important that we have such a professional, caring group that we can rely upon for our staff, our families, and for the NBA's membership."*

*— Karen Miller, Senior Vice President,  
Nebraska Bankers Association*

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## Extraordinary Service for Extraordinary Members.

### ■ EAP: A Low-Cost Benefit — continued

Directions EAP is an Employee Assistance Program based in Lincoln, Neb., for the past 26 years, currently serving nearly 100 companies. These include local businesses, regional companies, and national employers with employee counts ranging up to 4,000. Directions EAP is a proud member, the only EAP member, of the Nebraska Bankers Association, and provides EAP benefits to a number of banks across the state. Directions has been providing

EAP services to the NBA for many years. Its home office is at 4915 Old Cheney, which is a shared location with First State Bank.

Directions EAP prides itself on providing caring customer service that is second to none! It is a full-service Employee Assistance Program offering counseling and consulting benefits for employees and their families, as well as

site-based benefits for the employee and employer.

While many Employee Assistance Programs provide up to three sessions per occurrence, our basic EAP program covers up to six sessions. Covering more sessions through your EAP helps companies reduce health care costs, as well as providing enough sessions to typically see the issue to resolution.

### **What Types of Services Does Directions EAP Offer In Your EAP Benefit?**

Directions' basic EAP program provides free, confidential mental health counseling for all employees and immediate family members, including free chemical dependency evaluations, as well as access to Omni Law, a legal resource at no cost to the employee. Pricing for a company is typically based on employee count at a per employee/per year rate.

In addition to the counseling benefit, employers are offered monthly employee newsletters, quarterly check stuffers and posters, annual employee orientations, and free one-on-one management consultations. Also, all supervisors and managers are invited to a bi-annual Leadership Development training in Lincoln free of charge.

While Directions EAP's home office is in Lincoln, the company has an extensive affiliate network of licensed providers throughout the state and region. Your employees will have the ability to select a counselor nearby for their convenience.

In addition to the basic EAP program, companies can contract for site-based workshops, work-group mediations, and critical incident stress debriefings (on-site group counseling to deal with the aftereffects of such things as bank robberies, an employee death, or natural disaster).

Directions EAP is excited to offer a web-based "Worklife" optional benefit, that provides 24/7 access by toll-free phone or via Internet to resources, consultation, and referral services on a broad range of work and personal issues. Help is available when you need to find a new childcare provider, assistance for an elderly parent, and many other day-to-day needs.

### **What Directions EAP Client Companies Have to Say**

*"We consider Directions EAP an investment in our employees rather than a business expense. Directions offers our employees and their family members professional and confidential assistance for a gamut of reasons—whether they have stresses that are work-related, family-related, financial, etc., there is someone available to assist them. This makes the employees less stressed, thus more productive. In addition, Directions provides valuable assistance to our supervisors when they are faced with a particularly difficult employee issue."*

*—Sherla Post, Vice President of Human Resources, Cornhusker Bank, Lincoln, Neb.*

*"Directions EAP is a wonderful benefit to offer our staff. I have made direct referrals for individuals who are dealing with work-related issues. In almost every instance, the individual has become a much better employee and feels very good about working with Directions. Staff have also gone to Directions independently and many thank me later for giving them the opportunity to work on personal issues at no cost to them."*

*—Nancy Hanshaw, Office Manager, Southeast Nebraska Cancer Center, Lincoln, Neb.*

Extraordinary Service for Extraordinary Members.



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*"Directions EAP provides a valuable and effective resource for our employees by giving them a safe and confidential means to discuss the personal stressors in their lives. We appreciate the professionalism and dedicated experience they bring to this service."*

*—Nick Anderson, Human Resources Director,  
Lincoln Orthopaedic Center, Lincoln,  
Neb.*

**For More Information**

If you would like to know how Directions EAP can benefit your company and your employees, call 800-563-8201 (or in Lincoln 434-2900) and ask for Kari Hasemann-Herbert, manager of Directions EAP LLC. Visit Directions EAP online at [www.directionseap.com](http://www.directionseap.com). We listen, we care, we can help!

**"The sale of your bank is probably the largest personal business transaction of your banking and professional career!"**

**Rod Vandenberg, former Chairman of FNBT and current Falls City Mayor, stated:**

"Del Sommerhalder and I had personally attempted to sell our bank for several months. Upon engaging **FirstTier Financial Services, LLC (FTFS)**, we were provided an effective process that quickly identified a number of qualified buyers that met our price expectations. From that group, we selected the Phil Burns' banking organization as the right "fit" for our employees, customers, and the great community of Falls City. Based on our positive experience, we encourage other community bankers who are considering a sale to visit with the **FTFS** group, remembering that the sale of your bank is probably the largest personal business transaction of your banking and professional career!"

**Thank you Rod and Del  
for your confidence and statement of support!**

** FIRSTTIER FINANCIAL SERVICES, LLC **

**Mike Nelson     Bill Voss**

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