



EXPERTS REVEAL THE SECRETS TO

**FACILITATE A DRUG-FREE
WORKPLACE**



The Case for a Drug-free Workplace

According to the U.S. Department of Health and Human Services, 75% of all adult illicit drug users are employed.

Drug use in the workplace can have serious consequences for both employers and their workers. Studies show that drug abusers are more likely to change jobs frequently, be involved in workplace accidents, and file workers' compensation claims. They are less productive and have higher rates of absenteeism and tardiness. Worse yet, drug abuse in the workplace often has legal and financial implications for businesses, many of which are ill-prepared to deal with them. A drug-free workplace program can help mitigate the effects of illicit drug use. Employers who have implemented drug-free workplace programs report a host of benefits, including:

- **Improvements in morale and productivity, and decreases in absenteeism, theft, on-the-job accidents, and turnover;**
- **improved employee health and lower healthcare costs for the business;**
- **and qualification for benefits such as decreased costs for workers' compensation and health insurance.**

Maybe you're thinking about implementing a drug-free workplace program. Maybe you already have one in place and want to make it better. Or, perhaps you suspect drug use at your place of employment and want to know how to address it. Whatever your reason for wanting to find out more about drugs in the workplace, this guide will give you the information you need to understand the statistics, reduce risks to your business, and save money by establishing a drug-free work environment.

75% of all illicit
DRUG USERS
ARE EMPLOYED

5 Steps to a Drug-free Workplace

The Effects of Drug Use on the Workplace

Illicit drug use in the workplace has a “trickle-down” effect on everyone in the company. One person’s problem with drugs will inevitably become everyone’s problem.

Why? Drug abusers have higher rates of absenteeism and tardiness, forcing others to cover for them. They have higher rates of accidents, resulting in an increase in workers’ compensation claims and higher premiums for the company. Drug abusers are less productive and often produce lower quality work. This means reduced profits for the company and more work for everyone else.

Statistics from studies on workplace drug abuse tell the story:

The U.S. Postal Service found that workplace drug abusers experience **55% more accidents, 85% more on-the-job injuries, and a 78% higher rate of absenteeism** than their coworkers.

Employees who tested positive on their pre-employment drug test were 77% more likely to be let go within the first three years of employment.

Turnover

Studies have shown that about 37% of drug-using employees who work for small- and medium-sized (fewer than 500 employees) companies worked for three or more employers in the past year and about 53% worked for two employers in the past year. Among current drug users who work for larger companies (500 or more employees), 28% worked for three or more employers in the past year. About 65% worked for two employers in the past year.

High turnover rates mean that companies are losing money spent training employees who then leave after a short time.

HOW MUCH IS THIS
COSTING YOU?



Absenteeism

According to the National Drug-Free Workplace Alliance, alcohol abusers are absent from work 3.8–8.3 times more often than normal. Drug users are absent from work an average of five days per month due to drug use.

The Hazeldon Foundation reports that 20% of drug-abusing employees working at medium-sized companies (25–500 employees) missed two or more days of work each month due to their drug abuse.



Absenteeism puts a strain on companies' human resources and lowers profitability.



Productivity

The Small Business Administration reports that substance abusers are 33% less productive and cost their employers \$7,000 annually. According to the Hazeldon Foundation, nearly one-third of employees report knowledge of drug abuse in the workplace that negatively affected his or her job performance.

Workplace drug abuse costs companies millions each year in lost productivity.

Accidents

The Hazeldon Foundation reports that drug-abusing employees are involved in workplace accidents approximately 3.5 times more often than their non-drug abusing coworkers, and are 5 times more likely to file a workers' compensation claim.

According to the National Council of Compensation Insurance, substance abuse is involved in approximately 50% of all workers' compensation claims.

More accidents mean more insurance claims and higher insurance premiums for businesses.



DRUG TESTING

Anyone - Anytime - Anywhere

832-572-5577

5 Steps to a Drug-free Workplace

The Costs of Workplace Drug Abuse

The true costs of drug abuse in the workplace are measured in many ways, including those mentioned on the previous page. In terms of actual dollars spent on substance abusers, there is evidence to suggest that companies are paying a high price.

The U.S. Navy did a study of its own employees that illustrates how expensive drug abuse can be. They found that the average cost for each substance-abusing employee is about \$6,600 per year. To calculate the cost to your company, determine how many employees in your company have a substance abuse problem and multiply by \$6,600. Not sure of the figure? The national average is between 10% and 17% of the total number of employees. At 17%, a company with 500 workers will have 85 drug abusers in the workforce. So, 85 workers x \$6,600 per year equals an **annual cost of \$561,000** for the company. Can your business afford to lose even a fraction of that amount?

Medical Costs

Most companies deal with health insurance increases almost every year, but companies with drug abusers in the workforce are especially hard-hit. **Substance abusers utilize their medical benefits a staggering 300% more than their coworkers.** This raises premiums and forces everyone to pay more for the health benefits they receive through the company.

Theft

According to a study funded by the Small Business Administration, 80% of drug users steal from their workplaces to support their habits. **In fact, drug users are responsible for 35% of all workplace absenteeism and 40%–80% of all theft.**

SUBSTANCE ABUSE
IN THE WORKPLACE
IS AN EXPENSIVE HEADACHE



About 18% of cocaine abusers admit to stealing from coworkers. The bottom line for employers: Drug abuse drains money and human resources, and can seriously affect the bottom line. The costs of drug abuse in the workplace take money from bonuses, profit sharing, raises, and other benefits for employees. Sometimes, these costs may even cause pay cuts and layoffs due to reduced profits.

How much can your company save each year by implementing a drug-free workplace program? Studies suggest that savings realized by implementing a drug-free workplace program can be significant. A 21-year study of alcohol abuse, conducted across 27 states, found that workplace accidents due to alcohol consumption cost the U.S. economy \$45 billion in workers' compensation costs each year. The same study also found that a reduction in alcohol use of just 10% will lower these costs by about \$2.5 billion. This figure doesn't even take into account other costs related to absenteeism, healthcare, loss of productivity, and theft.

Earlier, we mentioned the study conducted by the U.S. Navy. It's interesting to note that after the organization implemented a drug-free workplace program, their employee drug use fell by more than 57%. **This equates to over \$210 million in savings each year.** For every dollar that the U.S. Navy spent on their drug-free workplace program, they realized a savings of \$10! That is a significant return on investment.



THINKING ABOUT IMPLEMENTING A DRUG-FREE WORKPLACE?

WE'RE HERE TO HELP.



5 Steps to a Drug-free Workplace

The commitment to a drug-free workplace requires a comprehensive approach. A drug-free workplace program is a vital component of the plan. In order to be effective, this program must be both economically feasible and in compliance with federal, state, and local regulations. A drug-free workplace program can increase profitability for your business by reducing the costs involved with drug-abusing employees. **For your program to achieve this goal, it should contain the following five elements:**

1. A fair and reasonable written policy
2. Ongoing supervisor training
3. Employee training
4. Drug treatment assistance
5. On-site drug and alcohol testing

Written Policy

Written company policy regarding drug and alcohol abuse is essential to a drug-free workplace program. The policy must be fair, reasonable, and in line with your corporate culture and objectives. It must also comply with all state and federal regulations. Your policy should contain four important elements:

- A statement that all employees are subject to drug testing
- A statement that refusal to participate in drug screening will result in a presumption of drug use
- A requirement that all employees sign the policy
- Strict and universal enforcement of the policy; a policy that is not enforced can often be challenged by a claimant who might argue that an unenforced policy does not exist
- Consequences of violating the policy

Why is a written policy essential to success?

A written policy brings the objectives of the program into focus and sets expectations. With a written policy in place, businesses can be protected from certain claims. They will have a record of the company's intent to establish a drug-free workplace and a reference in case the policy is challenged.

Supervisor Training

Supervisors are on the front line of any drug-free workplace program. They will be required to support the program and respond to all suspected cases of substance abuse. Therefore, it is vital to the success of the program that supervisors receive regular training so that they will be able to make decisions regarding testing in the event of suspected drug use. Supervisors have a number of responsibilities within the program. They should:

- Know the policy inside and out, including details about drug testing
- Be able to explain the program to employees
- Know where to refer employees for help and information
- Understand their role in implementing the policy

Why is supervisor training essential to success?

Supervisors are best positioned to judge employee character and performance. Involving supervisors in a drug-free workplace program and keeping them trained in procedures ensures that suspicious behavior is recognized and dealt with promptly and that the written policy is universally enforced.



IMPROVE TEAM WORK



DECREASE ACCIDENT CLAIMS



INCREASE PRODUCTIVITY

Employee Education

Employee education ensures that workers not only understand the policy but also have every opportunity to comply with it. For your drug-free workplace program to be effective, all employees must be clear about the terms of the policy and the consequences for violating these terms. Employee education is important for a variety of reasons:

- It involves everyone in the program, sending the message that this is a high priority for the organization
- It encourages a spirit of cooperation in creating a drug-free workplace
- It offers facts and information about drug abuse and how it impacts relationships, including those at work
- It reinforces the importance of addressing drug abuse by outlining the effects and consequences for both employees and the companies for whom they work

Why is employee education essential to success?

Without adequate training regarding the drug abuse policy and the consequences of drug abuse in the workplace, employees will not feel included and invested in a program that, ultimately, is meant to help them and keep them safe. **Employee education offers vital information regarding drug abuse, makes clear the consequences for violations, and invests employees in the program.**

Treatment assistance tells employees that they are a valuable resource for the company. Simply offering a list of local or national treatment providers, for instance, sends the message that you care and want to help.

LEARN MORE ABOUT

THE WORRY-FREE WAY
TO REDUCE LIABILITY



Many workers with substance abuse issues can safely integrate back into the workplace, provided they get the treatment they need. Treatment assistance programs offer many benefits, including:

- Help with developing your policy, employee education, and supervisor training
- A possible alternative to termination, saving the costs involved with rehiring
- Access to treatment for employees with drug-abuse problems
- Decreases in drug-abuse-related costs, such as accidents, absenteeism, workers' compensation claims, and employee turnover

Why is drug treatment assistance essential to success?

Treatment assistance programs let employees know that the company cares about their safety and health. They offer an alternative to expensive rehab facilities and encourage the drug abuser's participation in his or her own recovery. Treatment assistance is the follow-through step that gives employees the opportunity to become healthy—and safely return to work.

THIS IS NOT HOW TO MAKE YOUR WORKPLACE

DRUGS & ALCOHOL

PROBLEMS DISAPPEAR.



5 Steps to a Drug Free Workplace

On-site Drug and Alcohol Testing

In order to be effective, every drug-free workplace policy needs a drug testing program, and your testing program must have a clearly stated policy that is distributed to employees. A drug-testing policy protects your company from possible legal challenges and reduces drug abuse-related costs that affect the bottom line. To fulfill the drug-testing portion of their drug-free workplace program, many companies opt for the convenience of on-site drug and alcohol testing, which offers several advantages:

- **Time savings**—employees and supervisors don't waste time traveling to testing facilities; travel liability is eliminated
- **Money savings**—loss of productivity is minimized, and employers pay less in wages during the testing times
- **Reduces sample tampering**—on-site testing means that employees don't have the opportunity to make unauthorized stops on the way to the testing facility
- **Testing is available 24 hours a day, 7 days a week, 365 days a year; on-site testing services can respond immediately when drug use is suspected, a random test is called for, or there is an on-the-job accident**

The drug-testing procedure must follow not only company policy, but also state and federal law. The testing service should follow federal guidelines for collection and testing procedures. Why is this important? Proper testing procedures will ensure that employers are protected in the event of a lawsuit or workers' compensation claim. If, for example, there is evidence that a workplace accident occurred while the employee was intoxicated and that intoxication contributed to the accident, with proper testing procedures in place, an employer can challenge the claim.

A qualified, on-site drug-testing service will understand the regulations and ensure that you are in compliance with all applicable laws. This strengthens your company's position when it comes to legal claims, offers additional benefits such as qualification for reduced benefits costs, and assists the business in maintaining a drug-free workplace.





Conclusion

The costs of drug abuse in the workplace are high. Whether they are counted in lower employee morale, increases in insurance premiums, or reduced productivity, substance abuse can significantly affect a company's bottom line.

By protecting both employers and workers from the devastating legal, financial, and physical effects of drug abuse, a drug-free workplace program can increase your company's profitability while helping you to maintain a happy, healthy workforce.

We hope that this information has given you the tools you need to implement a drug-free workplace program. With a written policy, training for both supervisors and employees, treatment assistance, and on-site drug testing in place, **your company can avoid the costs of substance abuse and make the workplace a safer and more profitable place for everyone.**

