Survey of New Jersey Drug-Free Workplace Policies and Practices

Prepared for the Partnership for a Drug-Free New Jersey by RoperASW January 2004

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I. Introduction

A. Background and Objectives

According to findings from the 2001 National Household Survey on Drug Abuse (NHSDA) three-fourths of drug users are employed, amounting to an estimated 13.4 million adult (age 18 and over) drug users, 10.2 million working either full or part-time. This means that approximately 7% of the full-time workforce and 9% of the part-time workforce use illicit drugs.

Alcohol abuse among workers is no less of an issue. According to statistics released by the National Council of Alcoholism and Drug Dependence (NCADD), about 7% of full-time workers and nearly 5% of part-time workers report heavy drinking. Research has shown that the drug and alcohol abuse among workers can be serious problem to employers by increasing workplace accidents and lowering worker productivity.

The Partnership for a Drug Free New Jersey is a non-for-profit corporation that strives to increase public awareness of substance abuse issues and to discourage the abuse of drugs and alcohol in New Jersey. To understand the level of concern among New Jersey companies about employee substance abuse issues and the steps that are being taken to prevent employee abuse of illegal drugs and alcohol, the Partnership for a Drug Free New Jersey commissioned RoperASW to conduct a study to examine workplace substance abuse issues and policies at New Jersey companies, the results of which are presented in this report

B. Method

The survey findings are based on 267 RDD (Random Digit Dial) telephone interviews conducted among a sample of human resources managers, senior managers, and owners at New Jersey companies.

The sample was drawn to include all non-government employees, including non-profit organizations, with headquarters and single locations within the state of New Jersey. Government employers were excluded from the sample.

The source of the sample was Survey Sampling International LLC, one of the premier sample companies in the U.S.

The sample was further stratified by three employee size groups and the following number of interviews was conducted in the three groups:

- · "Small" companies defined as 10 to 29 employees in New Jersey: 114;
- · "Medium-sized" companies defined as 30 to 99 employees in New Jersey: 78; and
- · "Large" companies defined as 100 to 250 employees in New Jersey: $75^{\frac{2}{3}}$.

The data for the three groups were weighted so that they are represented in the sample in the same proportions as they exist in the total non-government business universe in New Jersey._

The interviews were conducted between October 9 and November 10 2003. The margin of sampling error at the 95% confidence level is 6.0 percentage points for the total sample. The sampling error is larger for subgroups.

II. Summary of Key Findings

- · Nine in ten New Jersey companies (89%) are "somewhat" or "very" concerned about drug or alcohol abuse among their employees; seven in ten (71%) are "very" concerned. Indeed, this possibility ranks second only to concern about worker safety (among five key issues asked). Moreover, the levels of concern about this issue are the same regardless of company size.
- · Approximately two-thirds of managers believe that serious problems of substance abuse both alcohol and drug -- exist at most New Jersey companies. About three in ten think that these are "very" serious problems. In contrast, however, only about one in four says that either alcohol or drug abuse are serious problems at their own company; and only about one in ten considers them to be "very" serious problems. perceive that their company has employees with substance abuse problems.
- · New Jersey companies turn to several different sources for information about drug-free programs. Tops among them, each used by about two-thirds of managers, are business colleagues, the Internet, and physicians/occupational health clinics. A majority, regardless of company size, have or would turn to Partnership for a Drug-Free New Jersey.

- · Written drug-free workplace policies are more common among medium-sized (82%) and large companies (81%) than among small companies (60%). Interestingly, as well, managers who admit that their company has a serious problem with employee substance abuse are only somewhat more likely to have a written policy than those who say they do not have a serious problem (72% vs. 64%).
- · Legal or contractual obligations are the most frequently cited motivation for adopting drug-free workplace policies, particularly among medium-sized and large companies (39% of each) vs. 28% of small companies. About one in four small and medium-sized companies say evidence that such policies reduce accidents is also a motivator. Only one in ten managers at large companies cited this reason. A recommendation from their insurance carrier was a factor for about one in seven, regardless of company size. Interestingly, evidence of substance abuse among employees is rarely cited as a motivation.
- · Most managers see several virtues in implementing a written drug-free workplace policy. About three-quarters of managers at companies with a written policy say it has been at least "somewhat effective" in addressing four key worker-related issues; at least four in ten feel it is "very" effective. The four issues are:
 - Reducing accidents
 - Reducing absenteeism
 - Increasing productivity
 - Reducing the number of worker compensation claims filed
- · It appears that written policies can be implemented in a reasonable time frame. Virtually all the companies with a written drug-free workplace policy implemented it in less than a year, and typically in even less time in total, eight in ten did so in less than six months. Small companies implemented the policy the most quickly, though larger companies were not that far behind (86% of small companies implemented within six months vs. 74% for medium-sized and 65% for large companies).
- · About one in four managers say they have recommended instituting a written drug-free workplace policy to other companies or business colleagues, although this is more common among managers at small (25%) and medium-sized companies (23%) than among large companies (11%).
- · A majority of New Jersey companies with a written drug-free workplace policy say they review their policy at least once a year. However, four in ten do so only every year or less often if ever (10% say they never review it).
- · Interest in adopting a written drug-free workplace policy is quite widespread provided an incentive is included. Of the five possible incentives assessed, a discount on workers' compensation premiums generates the greatest interest three in four managers at companies currently without a policy say they would then be at least "somewhat" interested in instituting a policy; more than a third would be "very" interested. A discount

on corporate income taxes and employee liability protection are also appealing incentives to a large majority.

- Only three in ten New Jersey companies have implemented substance abuse, education, training or assistance programs for employees. Such programs are least often available at small companies (23%), but are far from universal even at medium-sized (38%) and large companies (56%). Moreover, these programs are no more often available at companies whose managers admit that their company has serious problems with alcohol or drug abuse than those who do not. Companies that have a written drug-free workplace policy are more likely than those without a policy to have substance abuse programs, but that proportion is still only 34%.
- · About four in ten small companies and about half of medium-sized and large companies have general health and wellness programs for their employees. Those that do are also more likely than those that do not to also have a written drug-free workplace policy. However, they are still a minority 38% (vs. 22% of companies that have substance abuse programs but do not have general health and wellness programs).
- · The most common substance abuse programs currently employed are written materials, an EAP, and supervisor training programs. However, each of these is utilized by only about 15% of companies in total.
- · In total, seven in ten managers at companies that do not have any substance abuse programs in place attribute this lack to the perception that drug/alcohol abuse is <u>not a problem</u> at their company. This proportion ranges from 72% at small companies to 57% at large companies. However, many, regardless of company size, admit that other factors also play a role.
 - Roughly half cite either insufficient staff time to develop/maintain, or the costs or both.
 - Approximately one-quarter cite uncertainty about liability, and lack of information.
- · Employee/applicant drug and alcohol testing is considered the most effective means for discouraging workplace substance abuse <u>by its practitioners</u>. Supervisor training and an EAP are also highly regarded for their efficacy by the managers at companies employing those measures.
- \cdot Only about one in four companies tests job applicants or employees for drug use; fewer than one in five tests either group for alcohol abuse. Large companies are about twice as likely as small ones to test for drugs/alcohol, but testing is still used by fewer than half the large companies.
- · The most frequent measures taken when an employee violates the company's written workplace policy or tests positive are: a verbal reprimand, suspension/ probation, and

counseling or EAP referrals. Dismissal or a request for a resignation are the policy at 30% - 40% of companies having drug-free policies or testing programs.

· The principal reasons given for not testing for alcohol or drug use are the same as for the lack of other prevention measures – no perceived need, not enough staff, and lack of funds.

- 1. "Heavy Drinking" is defined as drinking five or more drinks per occasion on five or more days in a 30-day period.
- 2. The exact number of New Jersey employees for each of the 267 companies that participated in the survey was obtained from the company executive who completed the survey. In turn, the company size categories shown in this report are based on these estimates.
- 3. Our best estimate is that companies with under 100 employees make up approximately 94% of the businesses with 10 to 250 employees in New Jersey. Accordingly, the weighted data for total New Jersey companies are heavily driven by the responses of these smaller sized businesses