

Creating Consistent Measures

By LIZ R. SCOTT*

What gets measured gets done. Business executives look to occupational health to minimize disability cost, reduce the number of work related accidents, implement health promotion programs and maximize employee productivity through lower absence and disability rates. It is essential that occupational health professionals measure the impact of their work. By measuring the impact of their work, occupational health professionals are in a better position to get and keep the resources required to accomplish desired outcomes.

This article explores methods to gauge success in the area of disability management and is based on the Workplace Disability Management Benchmarking (WDMB) initiative (www.wdmb.com) that is currently underway with the Institute for Work and Health, Organizational Solutions Inc. and Clarke, Brown and Associates. The initiative is to assist in the establishment of key Canadian metrics in the area of disability. The article will also examine why we measure, how to collect the data and results.

The benefits of disability management activities may seem obvious, especially to employees who lead healthier and more productive lives as a result and the professionals that implement the programs. The benefits to employers may also seem obvious, but will be more apparent when benefits are converted into terms

that have a place on employers' balance sheets. Employers make decisions about allocating scarce resources, and in the process, they quantify benefits as well as the costs of each endeavor.

WHY MEASURE

When looking at reasons for measuring the total costs of disability, the significant financial and human cost of disability, the focus of top management on results, and the role of occupational health professionals should be considered.

The "business" of measuring success clearly assists in meeting the mandate of occupational health professionals within the corporation. It provides the ability to understand and compare what is achievable in disability management and return to work. If success is not measured and goals not established for workplace disability management programs, ill or injured workers, for lack of effective

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management, will remain out of the workplace, far longer than statistically or medically necessary. This has many profound negative effects including:

- Employees falling into the disabled worker syndrome and believing they are more seriously injured or ill than is the case.
- Unnecessary absence from the workplace that increases the employer costs and decreases their competitive ability.

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managing, assisting, and maintaining employment of the ill or injured employee. It is the obligation of the occupational health professional to monitor success and identify any continuous improvement initiatives.

THE SIGNIFICANT COST OF DISABILITY

Measuring is important because disability and its resultant absence is an area of substantial costs to business. Disability rates, including sick leave, short-term disability, long-term disability, and workers' compensation, range from an average low of 25% to an average high of 30% of payroll for Canadian employers (Statistics Canada, 2005).

A recent summary from The Association of Workers' Compensation Boards shows the number of claims in 2004 was 935,000, which translates into an annual direct cost to Canadian employers in 2004 of more than \$9 billion (AWCBC, 2006). The year-over-year increase in the number of claims is 3 – 8%.

Total costs of medical absence including indirect costs have been conservatively estimated to be five times the direct costs, based on industry studies (Guidotti, Cowell, & Jamieson, 1989; Kalina, 1998). Including indirect costs, the total cost of work related absence is \$45 billion per year. In addition to the cost of missed work, there are also increased medical costs involved with lost time injuries and illness, the data shows a 7% to 10% increase in medical cost year-over-year (AWCB, 2006).

Ill or injured workers, for lack of effective management, will remain out of the workplace for longer than necessary.

TOP MANAGEMENT FOCUS

Measurement of results has become an increasingly important aspect of most senior management roles especially in large private sector employers. Measurement of results is a widely studied and published area in business and is becoming an integral part of the business school curriculum.

WHAT GETS MEASURED, GETS DONE

Occupational health professionals make a significant contribution to the health of the workforce. Measurement directs and focuses the attention and interest of line management on outcomes, and what an occupational health professional can contribute to the bottom line. Data generated by disability measurement analysis can be used to determine program efficiency and effectiveness and support decisions about what

services to continue, enhance, or discontinue. This includes programs in health and wellness, safety, benefits, case management, and return to work (RTW).

The results of measures and analysis can result in brainstorming of creative methods to improve the program and reduce absence due to disability. By establishing a measure and setting a desired outcome, in terms of clear measurable goals and objectives, occupational health professionals can create a means to achieve the desired outcome. According to Buckingham and Coffman (1999) performance measures encourage self-directed initiatives to accomplish the goals. Solutions are being derived from the trends and data analysis. It has been demonstrated by behavioural psychologists that data collection and measurement alone will improve behaviours.

HOW TO COLLECT DATA

Occupational health professionals are in a unique position to influence disability claims and the resultant costs through their focus on health and disability management. By quantifying this influence to management through an analysis and communication of the financial impact, it demonstrates the value of disability management.

The information and measurement can influence the support for the program and profile the importance of the contributions of the disability management strategies. Measuring and comparing company performance against goals, national norms, or the performance of other companies (benchmarking) may also be a positive motivation to promote change. Knowing what others have achieved may provide motivation for organizations to try and reach or surpass their competitors. The caution of benchmarking is not to assume those that are being benchmarked against are achieving optimal results.

In order to standardize measurements, the Workplace Disability Management Benchmarking initiative through the Institute for Work and Health, Organizational Solutions Inc. and Clarke, Brown and Associates are taking existing tools and adapting them to meet the needs of employers. A cross-section of employers is being used to test the applicability and usability of tools. Participating employers are currently from Health Care, Universities, Finance, Employee benefit trust, and Pharmaceutical.

The three key tools that are being adapted for use in this project include; EMPAQ, Organizational Solutions Inc. CADMAT© assessment tool, and satisfaction surveys.

Quantitative - Employer Measures on Productivity Absence and Quality (EMPAQ).

The EMPAQ standards were originally developed under the direction of the Council on Employee Health and Productivity (CEHP) of the National



Business Group on Health, in collaboration with the Integrated Benefits Institute (IBI), the Disability Management Employer Coalition (DMEC), and key employer sponsors in the United States of America.

EMPAQ developed and tested industry-wide, standardized measures to evaluate disability management outcomes in the United States. The EMPAQ measures are intended to enable employers to determine how effective their disability management programs are on critical indicators such as cost, number of claims, administrative effectiveness, and productivity outcomes. They are meant to meet the needs of business as a consistent measurement tool.

EMPAQ is also proposing a database to house employer disability outcome data. The thought being that measuring and comparing company performance against national norms or the performance of other companies engenders a positive “peer pressure” and can provide a competitive edge. Knowing what others have been able to achieve makes the numbers all the more achievable, and motivates individuals and organizations to reach or even surpass published standards.

Process — Adapting the Organizational Solutions Inc. CADMAT® tool

Organizational Solutions Inc. developed a tool for the assessment of organizations’ current absence and disability management policies and programs. The Organizational Solutions Inc. tool measures the degree to which a client organization’s policies and practices

align with the regarded evidence-based best practices in disability management.

The Claims and Disability Management Audit (CADMAT®) Tool was developed and copy written in 1994. It takes known best practices and categorizes them into six key areas. The six key areas are examined to determine the adequacy of current process practices in monitoring, managing and measuring disability related absences. These included: Management Participation and Leadership, Claim Initiation, Claim Management, Return to work (Regular/Transitional and Permanent Accommodation), and Performance Measurements.

These six key areas were chosen based on their importance in Disability Management programs. There are two additional optional areas that were also trailed, including Post Offer Screening and Prevention. The tool in its entirety was validated in large multi-function workplaces. The results were quantified with accurate measures based on financial results and subjective feedback from employee populations. The tool was then replicated in other multi-function workplaces with the results supporting the fact that those areas with “high” scores had lower costs and more satisfied employees in the area of disability outcomes. In addition, gaps that were identified during the assessments were targeted with improvement strategies. The improvements followed the six key areas of the assessment and the six (6) month, one (1) year, two (2) year and three (3) year results demonstrated decreases in costs and improvements in employee satisfaction with the revision of disability management programs to meet the evidence-based assessment criteria. The tool has been used in multiple workplaces since with repeated positive results.

The WDMB self-assessment process tool uses a management systems approach, putting a lower emphasis on the exact nature of any given organization’s disability management policies and practices and more concentrated review of its ability to describe or measure its own policies and practices in five key areas: organizational leadership, case initiation, case administration, medical recovery and workgroup adaptation (regular duties or permanent accommodation).

SATISFACTION SURVEYS

The satisfaction surveys were designed by looking at a number of different tools currently in use including the component of the EMPAQ metrics package that is an employee workplace disability management satisfaction questionnaire for those employees who have had a disability claim. The WDMB team has incorporated worthy items from other questionnaires that tap similar constructs: the Worker Injury National Survey or WINS (Amick et al. 2001); a procedural fairness instrument (Roberts and Young, 1997); an Organizational Solutions Inc. tool (Scott, 2005); and a return to work trajectory

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questionnaire (Franche and Severin, 2005). We have distilled from these various sources a set of items applicable to employee disability cases and made the necessary adaptations for supervisors and others involved in work disability management in the organization, using the same domain structure for the tool as the organizational process attributes tool.

The value of benchmarking as a tool for managing, assisting, and maintaining employment of the ill or injured employee is very valuable. The same techniques fulfill an equally important obligation assumed by the occupational health professional to their employer, maximizing employee productivity and reducing costs through lowered disability claims, fewer on-the-job injuries, and improved absentee rates. Organizational health equates to employee health and the health of the organization's bottom line (Curtis & Scott, 2003) and benchmarking is pivotal to improving and maintaining the health of both.

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INTERNAL DATA

Internal data may come from a number of sources including human resources, finance, health and safety, disability management professional or payroll. It is important to have a defined parameter when collecting the data and record the data point so it can be replicated and compared to in the future. The data can represent all aspects of disability including Workers' Compensation, Short Term Disability, Long Term Disability, and Incidental absences. If the data include incidental absence (workers out for five days or fewer), it is important to note whether the Short Term Disability data is then inclusive of those five days or exclusive. The standards that are being developed in the WDMB initiative will ensure the proper definitions exist for each of the key potential areas for data collection. This will assist in ensuring consistency with the external data. This benchmarking will not account for the causes for employees who are still out of work, but workplaces may wish to collect that data as well.

EXTERNAL DATA SOURCES

Various external data sources, including Third Party Administrator, Workers' Compensation Boards / Workplace Safety and Insurance Board, and the Insurer, may all be a good source of data.

If the workplace is collecting the diagnostic data the *Medical Disability Advisor* (Reed, 2001), may be useful. MDA has extensive descriptions for each diagnosis and a glossary of terms and anatomical drawings. Conditions and procedures are arranged alphabetically. The MDA is updated regularly and is comprehensive, covering more than 1,000 ICD9 diagnoses codes. ICD9 codes are identified and cross-referenced.

FUTURE THOUGHTS

A case has been made for measuring. Without the ability to understand and compare what is achievable in disability management, there is the potential for ineffective case management and little or no planning or accountability. As such, employees may be caught in a disability spiral, and adopt a disability mindset due to lack of effective management.

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