

# Corporate Chaplaincy A Case for Chaplains in the Workplace



### About California Corporate Chaplains (CCC)

California Corporate Chaplains is a Roseville, CA based company that provides corporate chaplaincy for businesses.

We provide the missing link in business by taking care of your greatest assets: your employees. If your employees are whole, they can give 100%.

We provide care and compassion to help employees be complete—mind, body, and soul. We believe extending this kind of care improves people's lives and improves human performance.

When people are able to work through personal struggles in a confidential and supportive way, morale goes up, and performancedraining conflicts and corporate cynicism go down.

We incorporate a variety of means for caring in the workplace, including:

- Confidential caregiving
- Crisis intervention
- Ethics training
- Coaching and development
- Referrals to other professionals



#### Life Is Hard . . . Then We Go to Work

We are all people before we are employees. As human beings, we all deal with personal challenges at some point in our life, such as:

- A debilitating illness
- Substance abuse
- A failing marriage
- Incarceration
- Thoughts of suicide
- Grief and loss
- Infertility

When our alarm clock goes off the next day, we can either call in sick or bring our struggle to work with us. Either way, it affects business, and it impacts those around us.

#### What Is the Best Way to Provide Help?

The good news is that 87 percent of employees said they would work harder for a company that is willing to help them with their personal problems. But what *is* the best way to help employees and their immediate families with the tough issues of life while still maintaining appropriate, healthy boundaries between managers and workers?

Answer: Corporate chaplaincy.

## What is Corporate Chaplaincy?

Many companies are discovering the human resource and bottomline benefits of having a corporate chaplain on their premises on a regular basis, and available by phone 24 hours a day, 7 days a week, 365 days a year in case of an emergency, crisis, or other need.

Chaplain-based Employee
Assistance Programs (or CAPs)
enable employers to take care of
their greatest assets—their
employees.

A CAP is a personal, voluntary benefit available to employees and their immediate family members or members of their households. It is sponsored by the company, but provided by a chaplaincy provider.

Features of a CAP include:

- Support for employees that costs them nothing
- Ongoing, accessible, personal care available to all employees and their household members
- Confidential help from a neutral support person who is outside the company<sup>2</sup>

#### CAPS vs. Traditional EAPs

Traditional Employee Assistance Programs (EAP) and Chaplaincy Assistance Programs both help employees deal with personal issues that affect job performance, but they reach and serve employees in different ways. A Traditional EAP provides telephone-based, short-term assistance and referral services. A CAP offers the same assistance and referrals, and much more...

**CONNECTION:** Traditional EAPs have usage rates of 5 to 7 percent.<sup>3</sup> CAPs, however, have usage rates of 55 to 95 percent<sup>4</sup> due to the relational nature of CAP service.

**RELATIONSHIP:** Traditional EAPs are like calling tech support when you have a personal problem. And while some people will call an 800 number and talk to a stranger when they're desperate, most do not. Because chaplains build relationships with people on a regular basis, employees are comfortable enough to confide in them when problems arise in their lives.

**PROACTIVE:** Traditional EAPs wait for the phone to ring, but CAPs uncover and solve small issues before they become big issues. Managers often see the warning signs, but don't feel they can address it—or even tell the employee to call the EAP for help—without crossing the boundaries of their boss-subordinate relationship. Corporate chaplains, however, can address issues in the natural course of their relationships with employees.

CULTURAL TRANSFORMATION: Traditional EAPs focus on helping people through their problems as quickly as possible over the phone. But a corporate chaplain is not just helping solve personal problems, he/she is engaged with managers and staff, helping everyone communicate and work together more effectively—with less conflict and more collaboration. The result is a corporate culture where people stop blaming one another and start taking personal and team ownership of business challenges.

#### Studies Indicate EAPs Are Cost-Effective

The U.S. Department of Health and Human Services reports, "All of the published studies indicate that EAPs are costeffective." More specifically, the U.S. Department of Labor has found that for every dollar invested in an EAP, employers generally save anywhere from \$5 to \$16.6

In addition, EAPs can reduce sick leave usage by 33 percent, work-related accidents by 65 percent, workers' compensation claims by 30 percent, lost time by 40 percent, and grievances by 50 percent.<sup>7</sup>

Goetzel, Juday, and Ozminkowski reviewed findings across 21 studies related to Return On Investment (ROI) conducted by employers and their EAP providers. All of the programs reported a positive ROI, ranging from \$1.49 to \$13 per dollar spent on the program.

Mental health programs demonstrated one of the highest ROIs.<sup>8</sup>

Given the fact that employees utilize Chaplaincy EAPs even more frequently than Traditional EAPs, the ROIs for organizations with CAPs are even higher. Imagine what a difference a CAP can make in your organization.

#### It's Not About Religion

Because chaplaincy and spirituality often go hand-in-hand, there are some common misperceptions and fears about Chaplaincy Assistance Programs. But there's no need to be afraid. Chaplaincy is not about pushing religion in the workplace; rather, it's about personal care for people regardless of their beliefs or backgrounds.

This is not to say corporate chaplains don't talk about faith. Indeed, if an employee initiates and invites a conversation about faith, a chaplain will engage. But if that invitation has not been made, a chaplain simply operates as a life coach, listening, encouraging, advising on practical matters, and helping the employee or their family member deal with life's pressures in a healthy way.

Corporate chaplains follow the Guidelines on Religious Exercise and Religious Expression in the Federal Workplace. In 60 years of corporate chaplaincy, with over 6,000 (and growing) corporate chaplains nationwide, there has never been a court case contesting this institution.

Company	<b>ROI</b> Ratio
Chevron <sup>9</sup>	\$14.00:\$1.00
General Motors <sup>10</sup>	\$3.00:\$1.00
L.A. Water & Power <sup>11</sup>	\$3.00:\$1.00
McDonnell Douglas <sup>12</sup>	\$4.00:\$1.00
Merrill Lynch <sup>13</sup>	\$13.00 : \$1.00

#### What Every Good CFO Dreams About

A Chaplaincy Assistance Program is more than just a good idea; it's a business strategy that is almost guaranteed to generate a return on investment. The financial case for a CAP centers on three areas of measurable impact: reduced "presenteeism" (low productivity) and absenteeism, reduced employee turnover, and reduced health and disability claims. When you look at chaplaincy as an alternative to other corporate investments, considering opportunity costs, it's hard to beat.

#### Reduced Presenteeism and Absenteeism

The majority of productivity improvements associated with EAPs tend to be seen in the reduction of "presenteeism" and absenteeism. Presenteeism—coming to work with your body but leaving your heart and mind at home—accounts for the highest productivity losses in the workplace at 80 percent. Absenteeism accounts for the other 20 percent.<sup>14</sup>

The most common mental health problem in the workplace is depression; it is also the disease that has the most overall impact on job performance. In 1990, depressive disorders were estimated to cost employers \$43 billion per year. Data from a national survey of workforce disability leave also indicated that workers with depression take 10 percent more days off of work than their non-depressed counterparts. 16

EAP programs have dramatically reduced both presenteeism and absenteeism. In one study of 7,000 employees, 88.5 percent of the employees who used an Employee Assistance Program reported an improvement in their problems. The study found that over 403 workdays were saved with the EAP.<sup>17</sup>

EAP programs have also had a dramatic impact on reducing absenteeism, even in smaller companies. In one example, a company of only 30 people calculated the absenteeism cost avoidance to be \$100,000.18

#### Reduced Employee Turnover

Estimates vary, but most agree that the costs associated with employee turnover can be 50 percent to 150 percent of an employee's annual salary. A Chaplaincy EAP can improve employee retention through direct intervention by a chaplain for employees at risk of voluntary or involuntary termination.

Mark Scott, a former vice president of marketing for HomeBanc Mortgage Corporation, attributed his company's low turnover (14 percent, versus the 20 percent industry average) to employing a Chaplaincy EAP.<sup>20</sup> Similarly, a large regional Pizza Hut/Taco Bell franchise, previously

known as Austaco, credited its Chaplaincy EAP with a reduction in annual employee turnover from 300 percent to 125 percent, which is unheard of for fast-food companies.<sup>21</sup> Allied Systems Holdings, one of the largest trucking companies in the U.S., attributes its low employee turnover to its Chaplaincy EAP as well: less than 10 percent a year, compared to the industry average of 100 percent.<sup>22</sup> Finally, Tim Embry, CEO of American Lubefast, reported that since he implemented the chaplaincy program, his employee turnover rate and product shrinkage (losses due to theft) declined dramatically. He described the Chaplaincy EAP as "an employee assistance plan on steroids."23

#### Reduced Health and Disability Claims

When people are able to resolve stress and emotional problems through either a Traditional or Chaplaincy Employee Assistance Program, they file fewer health claims. A U.S. Department of Health and Human Services (DHHS) report compiled data from several studies and concluded that EAP programs are cost-effective for the reduction they bring about in sickness and accident benefits, mental healthcare costs, absenteeism, lost wages, and medical costs.<sup>24</sup> Similarly, a study at McDonnell Douglas indicated that their EAP was effective in lowering costs associated with medical claims as well as reducing issues such as

# [Our Chaplaincy Assistance Program] is an employee assistance plan on steroids.

Tim Embry CEO, American Lubefast

absenteeism and employee turnover.<sup>25</sup> A large-scale study by Abbott Laboratories also reported lower total healthcare costs for employees who used their EAP compared to those who did not.<sup>26</sup>

The International Foundation of Employee Benefit Plans surveyed 185 benefit plan administrators about substance abuse services used by employees through an EAP.<sup>27</sup> The results for those using an EAP speak for themselves:

- Reduced health plan costs for 66 percent of respondents
- Reduced disability costs for 49 percent of those surveyed
- Reduced workers' compensation costs for 41 percent of the respondents

#### Benefits That Can't Be Measured

There are many benefits that cannot be as easily measured as ROI—benefits that can make or break a company.

Saved marriages and lives. Corporate chaplains have played a role in saving countless marriages from divorce. They have also been there to help save lives from planned suicides. These are services no one can put a price tag on.

Better customer service. When your customer service employees are struggling with life's issues, it can negatively affect their ability to provide the best possible service to your customers. Chaplaincy helps employees keep their morale up while they process the stresses of life. As a result, their frustration over their issues is not directed at your customers.

Reduced conflict. How many hours are lost to employee conflicts each month? What if there was someone from outside the organization who, when invited, could coach staff and management to relate to and communicate with one another in a healthier way? How much more work could get done?

**Decreased risk of litigation.** A chaplain can help reduce the risk of litigation by diffusing heated situations and helping the employees involved respond in an emotionally healthy way.

Decreased risk of violence in the workplace. Over 10 percent of deaths in the workplace are murders, and nearly two million people a year are victims of violence or threats in the workplace.<sup>28</sup> Chaplains play a key role in preventing workplace violence by helping people work through their stresses, depression, and/or workplace conflicts.

#### The Difference between Good and Great Is in the Soul

In the groundbreaking research chronicled in *A Spiritual Audit of Corporate America: A Hard Look at Spirituality, Religion, and Values in the Workplace,* authors Ian Mitroff and Elizabeth Denton arrive at some surprising conclusions. Their data strongly suggests that those organizations that have a greater sense of spirituality (i.e., bring their souls to work, not just their minds) have employees who:

- Are less fearful of their organizations
- Are far less likely to compromise their basic beliefs and values in the workplace
- Perceive their organizations as significantly more profitable
- Report that they can bring significantly more of their complete selves to work, specifically their creativity<sup>29</sup>

People can bring their minds and bodies to work, but when they bring their hearts and souls, greatness emerges. Corporate chaplaincy helps employees do their work with their minds *and* souls.

When you look at the totality of evidence from a human capital perspective and from a profitability perspective, corporate chaplaincy offers value on every level.

# What America's CEOs Are Saying about Corporate Chaplaincy

Corporate chaplaincy is not just a great idea; it's also a human capital strategy that works in companies of every size and in every industry—from small businesses to the Fortune 500.

"I have no doubt based on story after story as to the chaplain program's human and bottom-line value."30

John Tyson Chairman and CEO Tyson Foods

"People spend the majority of their working lives here, and I believe that if we recognize their needs and try to create a climate that makes them better people, the byproduct will be better, happier, and more productive associates."<sup>31</sup>

Patrick Flood Former CEO HomeBanc, Mortgage Corporation

"Starting our chaplaincy program was the best thing I have ever done in business." 32

Tim Embry CEO American Lubefast "We recognized that we needed to try to deal with our employees as whole employees—bodies, mind, and soul. It's been enthusiastically embraced by our employees, primarily because it's completely nonintrusive." 33

Lauren Steele Vice President of Corporate Affairs Coca-Cola

#### More from Coca-Cola Bottling...

Robert Pettus, vice chairman of Coca-Cola, has studied the costs and benefits of workplace chaplaincy programs and concluded that they more than pay for themselves in terms of lower turnover, higher morale, and healthier staff. By way of example, Pettus shared that some union employees—who happened to be a group of single mothers—approached him and said that if tough economic conditions meant the workplace chaplaincy program might have to get cut, they were willing to give up other benefits instead so as to keep that one. In 30 years of work in human relations, he had never heard such an offer. 34

#### References

This document was created by Steve Cook and Diane Hanson and adapted from Bryan Feller's "A Business Case for Corporate Chaplaincy" with permission.

<sup>1</sup>Roper Center poll, 1995.

<sup>2</sup>Personal information will not be revealed to management or any other person, except in cases of child abuse, or when someone poses a threat to themselves or the safety of someone else. In such cases, employees will be informed that the conversation is venturing into an area where the chaplain is obliged to report what is discussed and asked if they want to continue.

<sup>3</sup>George E. Hargrave et al., "EAP Treatment Impact on Presenteeism and Absenteeism: Implications for Return on Investment," *Journal of Employee Assistance and Workplace Behavior* (2008).

<sup>4</sup>Corporate Chaplaincy EAP usage rates reported by Capital Chaplains, LLC, Madison, WI (2011).

<sup>5</sup>T. C. Blum & P. M. Roman, "Cost-Effectiveness and Preventive Implications of Employee Assistance Programs," U.S. Department of Health and Human Services (1995).

<sup>6</sup>U.S. Department of Labor, "What Works: Workplaces without Drugs" (1990).

<sup>7</sup>See https://www.investeap.org/.

<sup>8</sup>R. Z. Goetzel, T. R. Juday, & R. J. Ozminkowski, "What's the ROI?—A Systematic Review of Return On Investment (ROI) Studies of Corporate Health and Productivity Management Initiatives," Association for Worksite Health Promotion (Summer 1999); Masi Research Consultants, based on their study with the federal government, Merrill Lynch & Co., and the National Fire Protection Association.

<sup>9</sup>Kenneth R. Collins, "Cost/Benefit Analysis Shows EAP's Value to Employer," EAP Association Exchange (December 1998).

<sup>10</sup>ASIS, O. P. Norton Information Resources Center, "Substance Abuse: A Guide to Workplace Issues" (August 1990).

<sup>11</sup>Amaral & Phelps, EAPA Conference (1996).

<sup>12</sup>Alexander and Alexander Consulting Group (1985-1989).

<sup>13</sup>Employee Assistance Society of North America (EASNA), Selecting and Strengthening Employee Assistance Programs: A Purchaser's Guide (December 2009).

<sup>14</sup>Deirdre Hiatt et al., "EAP Treatment Impact on Presenteeism and Absenteeism: Implications for Return on Investment," *Journal of Workplace Behavioral Health* (2008).

<sup>15</sup>D. Conti, & E. Burton, "The Economic Impact of Depression in a Workplace," *Journal of Medicine* (1994).

<sup>16</sup>R. C. Kessler et al., "Depression in the Workplace: Effects on Short-Term Disability," *Health Affairs* (1999).

<sup>17</sup>Hiatt, "EAP Treatment Impact."

<sup>18</sup>"Measuring the Success of EAPs," Employee Benefit News Canada (January/February 2006).

<sup>19</sup>"Driving the Bottom Line: Improving Retention," Saratoga PricewaterhouseCoopers LLP (2006).

<sup>20</sup>Tracy McGinnis, "Business Has a Prayer," *Forbes*, June 2006.

21 Ibid.

<sup>22</sup>Harriet Hankin, "The New Workforce: Five Sweeping Trends That Will Shape Your Company's Future," AMACOM (2004).

<sup>23</sup>Garrett McKinnon, "Tim Embry: 2007 Fast Lube Operator of the Year," *National Oil & Lube News* (December 2007).

 $^{\rm 24}Blum$  and Roman, "Cost-Effectiveness and Preventive Implications."

25 Ibid.

<sup>26</sup>C. Dainas and D. Marks, "Abbott Laboratories' EAP Demonstrates Cost-Effectiveness Through Two Studies and Builds the Business Case for Program Expansion," *Behavioral Health Management* 20(4).

27 Ibid.

<sup>28</sup>Workplace Violence, U.S. Department of Labor Occupational Safety and Health Administration (2002).

<sup>29</sup>Ian Mitroff and Elizabeth Denton, *A Spiritual Audit of Corporate America: A Hard Look at Spirituality, Religion, and Values in the Workplace* (San Francisco: Jossey-Bass, 1999).

<sup>30</sup>Danny Fisher, "Tyson Foods' Chaplaincy Program Earns 2007 International Spirit at Work Award" (October 2007).

<sup>31</sup>Melba Newsome, "Hey Reverend, Let's Do Lunch," U.S. News & World Report (January 2005).

<sup>32</sup>McKinnon, "Tim Embry."

33Newsome, "Hey Reverend."

<sup>34</sup>David W. Miller, *The History and Promise of the Faith at Work Movement* (New York: Oxford University Press, Inc., 2007).



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Dear Business Leader,

If you have gotten this far, you are to be commended for thinking about your most valuable assets, your employees. When employees love their work and are engaged in your business, not only do they flourish in the workplace so does your work.

So what are the items that are keeping you awake at night? What are the issues you are trying to solve in your business?

I'd love to hear what you are working on and to be of help to you. As a matter of fact, for downloading and reading this white paper I invite you to set up 20-30 minutes to talk through those items that are keeping you awake at night. For some reason you came across our white paper and it spoke to you and I thank you. This is about a relationship, this is not a sales call; this is simply a conversation to talk through the issues you are trying to solve.

I look forward to talking to you. Please email me at <a href="mailto:dhall@ccchaps.org">dhall@ccchaps.org</a> to set up our time to talk.

Thanks,

Derrick Hall

President & Founding Chaplain