



Employee Assistance Programmes 2013 Market Watch



47% of the UK workforce is supported by an EAP

92% of the top 25 best companies to work for have EAP support

1,300 users gave **95% service satisfaction**

Introduction

Employee Assistance Programmes (EAPs) play an important role in supporting the health of the nation and we welcome the recommendations made by Dame Carol Black and David Frost in their groundbreaking report (Black & Frost, 2011) and the positive government response. It is pleasing to note that government recognises the contribution of EAPs within this key area of national policy and adds weight to the argument that employers should not be penalised through the taxation system for providing access to these services for their employees.

EAPs are now widespread within the UK and have been identified by recent surveys as increasing in terms of their popularity; Employee Benefits reports an increase of 11% from 2009-2011, with 71% of organisations surveyed now providing EAPs for their staff (Employee Benefits, 2013). This report also highlights that organisations have a real desire to improve employee engagement and that counselling and EAPs have been the 'big growth story'. Reasons they give for such growth are a "greater awareness of stress and mental health issues, and how these can affect the workplace" and "the difficult economic climate of the past five years may also be a driver, as employers look to support staff with non-work related issues to prevent these from intruding on the workplace". The UK EAPA agrees with these comments and also that EAPs contribute by supporting those employees with a mental health issue to return to work following sickness absence, and that employees are supported at work to remain productive especially through wellbeing initiatives. Further information on the role of EAPs is available from the *EAPA Guidelines* (2012).

Within this context it is important to understand the size of the EAP market from within the industry, especially regarding the number of employees covered. To address this point, EAPA UK commissioned EAP consultancy Enlighten to carry out a market review based on their understanding of the UK EAP market. This report summarises the findings and we plan to make this a regular publication. We are very grateful for Enlighten's work.

Andrew Kinder
UK EAPA Chair

Market summary

The UK Employee Assistance Programme market is growing rapidly. More than 13.79 million employees are covered by an EAP, representing 47% of the working population. In 2008 the 'EAP headcount' was recorded as 8.2 million, indicating a significant growth of 69%, and EAP coverage has tripled since 2005. Enlighten predicts continued growth in the market, albeit at a slower rate, as suppliers innovate and focus on attracting smaller employers to the market for the first time.

This Market Watch report reviewed the total coverage of all types of EAP products across all sectors and is likely to include some European workers. Categorising the EAP volumes to examine the full-service EAP model versus stripped-down products will be the subject of further research.

The EAP sector is worth £69.13m and directly employs 1,200 people in high-value professional and service roles including psychologists, mediators and psychotherapists. Indirect employment extends to the UK-wide network of professionals that EAPs use, such as psychologists and psychotherapists.

Data was collated from Registered External Provider members of the UK EAPA and significant company information to complete the Market Watch Report. The data includes all suppliers of EAPs to UK workers to ensure a comprehensive assessment of the market is available and was compiled from a myriad of sources including reports and accounts, Duedil.com, reported headcounts, marketing information and historical data. Together the Registered External Provider members of the UK EAPA now represent 77% of the market in 2013.

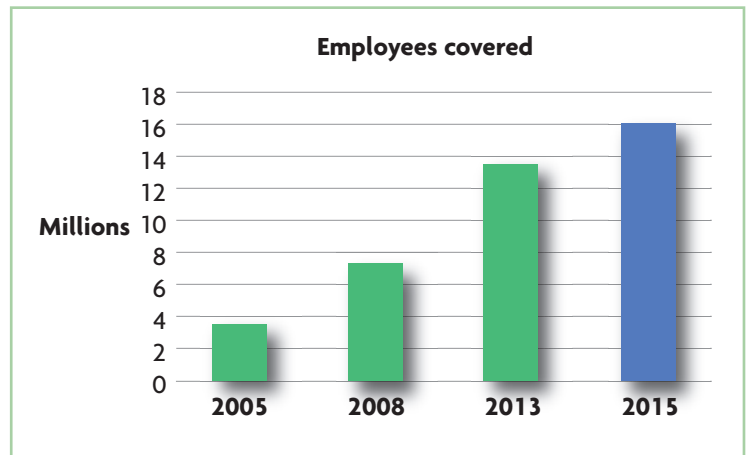
New products and suppliers in the employee assistance field are adding to the rich choice for customers seeking to invest in their people's wellbeing. A new entrant to the market this year is Cigna UK HealthCare Benefits. Head of Product Management, Kirsty Jagielko, explains the rationale for introducing EAP services: 'We understand the challenges employers and line managers face in addressing and promoting employee health and productivity. By introducing an EAP to our suite of solutions, employers can offer their people access to around-the-clock, free and confidential assistance. Accessibility is a key aspect of the EAP and we've provided a range of options that will help ensure engagement and utilisation of the service.'



The British Association for Counselling and Psychotherapy's 2010 survey, *Attitudes to Counselling and Psychotherapy*, found that 54% of employees would like their employer to provide a confidential counselling service to help them through the recession

EAPs: essential for business performance

EAPs represent a significant investment on the part of an employer. Yet the potential returns are clear, especially when the link between high performing companies and EAPs is considered. For example, of the *Sunday Times* 100 Best Companies in 2013, 23 of the top 25 have commissioned an EAP to support mental health and wellbeing. In fact, in each of the last 10 years the best company to work for has had an EAP. This accolade has gone to organisations such as Nationwide Building Society, KPMG, Pets at Home, Iceland Foods and Boots.



Increased return on investment for customers

The cost of EAPs has fallen since the latest data quoted by the UK EAPA (2008). Today, the average benchmark cost of a full-service EAP for an organisation of 100 employees represents good value at £14 per person, per year (although the price is likely to be significantly lower for larger organisations). Along with an increased range of services available to employees, the potential return on investment for employers has certainly grown in recent years.

EAP usage figures vary between providers and there is no universal method of measuring this. It is estimated that overall EAP usage during the recession is up and, in line with this, the return on investment for users has also gone up. As a benchmark, a high usage figure within the industry is considered to be 16% when counting online EAP services as well as telephone helplines for support, information and counselling. Average programme use is around 10% of the workforce but it can be as low as 2%.

Predicting the future of EAP provision

A key trend is for good health and wellbeing to become more dominant for employers. As workplace mental health taboos start to decline, resolving mental health issues and improving resilience in order to deal with continuous change can be readily served by expert EAP solutions. Further outcome research will prove the success of wellbeing programmes and their positive effect on performance.

We predict the merger and acquisition of EAP providers this year as the market matures and investment costs increase to keep up with technology. Access to services via new technology is increasing sharply and the sector's response to providing secure and confidential EAPs requires long-term commitment and expertise. The trend of insurance companies buying in to EAPs will create this merger and acquisition activity and stimulate further gains for customers.

What is an EAP?

An EAP is a strategic, cost-effective workplace programme designed to help increase productivity and reduce attendance issues. It does this within the workplace and supports employees to identify and resolve personal concerns and issues that may affect job performance. This might include health, marital, family, financial, alcohol, drug, legal, emotional, stress or other personal issues.

EAPs act as gateways to a wide range of services and support functions. The use of an EAP service by an employee is voluntary and the vast majority of employees who use the services do so through self-referrals. An EAP must also be able to accept referrals from other organisational parties, including union representatives, occupational health, HR professionals and line managers.



EAPs are strategic and cost effective, offering easily accessible, tangible benefits to individuals and organisations

EAP support services generally include:

- Short-term counselling services
- Money advice and debt management
- Child and eldercare information services
- Legal information and guidance
- Information on emotional, work-life and workplace issues
- Assessment, support, short-term counselling and referral for employee issues
- Management referrals and support
- Management of all ongoing cases to ensure the assessment, treatment and support requirements are carried out to EAPA quality standards
- Utilisation reporting
- Management information on employee and organisational interventions, including consultation to management on behavioural aspects of the workplace
- Working to the confidentiality and ethical standards promoted by EAPA

The UK Employee Assistance Professionals Association

The UK Employee Assistance Professionals Association (UK EAPA) is the body that represents the interests of professionals concerned with employee assistance, psychological health and wellbeing in the UK. The Association's mission is to promote the highest standards of practice and the continuing development of EAPs and associated services in the UK.

The Association exists to:

- Provide leadership in promoting and developing EAPs in the UK
- Set national standards of practice and professional guidelines for EAPs
- Provide support and stimulation for the professional development of its members

Members of the Association include external and internal EAP providers, purchasers, counsellors, consultants and trainers working in the field of employee health and wellbeing. The UK EAPA is a member of EAPA International, the world's largest and oldest association representing employee assistance practitioners.

UK EAPA produces a number of key booklets and reports relating to the EAP industry. To review the latest publications or for more information on the Association, go to www.eapa.org.uk

References and resources

Black, C & Frost, D. (2011) Health at work – an independent review of sickness absence (Department of Work & Pensions)

Employee Benefits (2013) The Benefits Research

Enlighten Market Data 2011, 2013 (Registered EAP providers; Atos Healthcare, AXA PPP Healthcare, Bupa, Care First, CiC, Oakdale Group, PPC Worldwide, Right Management Workplace Wellness, Workplace Options)

BACP (2010) Attitudes to Counselling and Psychotherapy Survey

NHS Attitudes to Mental Illness (2011)

UK EAPA (2012) EAP Guidelines

Enlighten

Paul Roberts from Enlighten specialises in EAPs and works with clients ranging from SMEs to large corporations. For more information, go to www.employeeassistanceprogramme.com



The findings of the 2013 EAP Market Watch are based on research by Enlighten amongst UK EAPA Registered Providers and generated from the analysis of public information sources, as outlined in the document. Although its findings are not a review based on scientific research, they are considered to be a fair and accurate representation of the current EAP market in the UK.



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