

September 15, 1999

Drugs in the Workplace—1999

Employers Still Risk Lives, Profits on Impaired Workers

A cocaine-addicted employee responsible for multi-million dollar transactions confessed that he was routinely making financial decisions that he couldn't remember later the same day. A bus driver on the East Coast caused a serious accident while he was high on marijuana.

Like the financier and the bus driver, three of four people who abuse drugs today work full-time. These men and women cost companies billions of dollars annually in accidents, absenteeism, medical claims and lost productivity. In addition, drug-addicted employees are significant risks to commit violence, theft and drug dealing on the job, according to a former U.S. Drug Enforcement Agency (DEA) official.

However, experts say the major problem with drug abuse in the workplace today is not only the number of addicted workers, but also the potency of the drugs. The drugs of choice have a greater power to impair workers than the illegal substances of five years ago.

Many companies misunderstand the nature of today's problems with drugs in the workplace. Firms with drug testing programs have succeeded in reducing the problem of drugs in the workplace, but a drug-free workplace must extend beyond testing. A focus on the nature of today's workplace drug problem is critical to protecting a company's other employees and assets.

Persistent and Prevalent

Drug users in the workplace annually cost employers up to \$100 billion in lost productivity, increased medical costs, theft and resultant extra security measures, destruction of property and job turnover. Although drug users in the workplace make up only 6.7 percent of full-time and 14 percent of part-time workers over 18, employing even one drug user becomes an expensive and dangerous undertaking. Some illegal substances, such as cocaine and methamphetamines, can cause users to become paranoid, violent and irrational. Such people are significant risks to the safety of their fellow workers.

In addition to the dangers posed by users, studies found drug-addicted employees are five times more likely than other workers to hurt themselves or someone else while on the job, and they are

five times more likely to file a worker's compensation claim. The state of Wisconsin determined that losses and expenses related to substance abuse in the workplace average 25 percent of the salary of each worker affected.

Plus, drug abusers often do more than work during business hours. An insurance company study of drug users seeking help for their problem showed 44 percent had sold drugs to other employees during office hours, and 18 percent had stolen from co-workers to support their habit. Experts say selling drugs on the job is common since sellers know their customer base, when their customers get paid, and where their customers work. One DEA official on the West Coast said not only do drug-addicted employees steal from their employer and other employees, but also fellow employees sometimes blackmail them.

Evolving Problem

Often the type of drug problem in the workplace depends on the location of the firm. Currently, 19 major cities in the United States report an increase in heroin use that corresponds to a decrease in the street price of the illegal drug. In the Southwest and Midwest, law enforcement agents report that a class of designer drug, methamphetamine, is increasingly popular. Across the nation, marijuana remains the drug of choice for eight out of 10 workers who abuse drugs and the only drug for six of 10 workers. The annual National Drug Survey, released in August 1999, showed that overall drug use in the United States remained steady in 1998.

Over the years drugs have changed, but how businesses view the drugs has not. Companies tend to retain the image of heroin as the drug of choice for low-income abusers who use needles. In fact, heroin is now widely available in several forms. Since it can be snorted, smoked and even ingested, heroin is more attractive to users, a former DEA official said. In addition, a class of designer drugs that are chemically unique and

(continued on next page)

Drugs in the Workplace—1999

Employers Still Risk Lives, Profits on Impaired Workers

(continued from preceding page)

continually altered by their manufacturers appear sporadically. Even the preferred illegal drug marijuana has become more dangerous over the years. The marijuana of today is eight times more potent than it was five years ago.

Testing, Testing

With the prevalence of pre-employment and random drug testing, many companies believed their problems were over or at least under control, said a former high-ranking FBI official. Experts agree that such testing programs are essential to a drug-free work environment. Since 1987 employee drug testing among U.S. corporations increased 277 percent. Among the country's 200 largest corporations, 98 percent require some employee testing. However, only 3 percent of businesses with fewer than 25 employees require any employee drug tests, a drug screening expert said.

Except for the largest corporations and those companies that must test for drugs under federal law, relatively few businesses screen employees for drugs at all, the expert said. Even among companies that test, employers dilute the prevention effectiveness by failing to: screen for all drugs; test all employees; hire a competent drug-testing facility; institute random testing on all employment levels where permitted by law; and anticipate the ways drug abusers try to defeat the tests. Companies that are serious about drug prevention should monitor their testing facility, collection methods and chain-of-custody procedures to make certain all steps of testing are completely professional.

Proper testing will become even more important in the new millennium. "Employers must realize if they don't bring in testing programs, they will become the employer of choice for drug users, and they do not want to fall into that category," said a spokesman for one of the nation's largest drug-testing companies. "The cost [of employing

drug addicts] will be something an employer won't be able to afford in the competitive business environment." He added that pre-employment screening is only part of the solution. Random screenings—permissible in most places—are necessary, too. Figures from his company show that only five percent of potential employees fail preliminary drug tests, while 26 percent test positive in random screening.

Many firms do not realize that the rise of workplace drug testing has spawned a cottage industry in ways to defeat the purpose of these tests. Drug testing laboratories constantly update collection and testing practices to catch these cheaters, but an industry spokesman says it is very difficult to keep up. The Internet alone offers dozens of websites and pages that describe ways to defeat drug tests. The executive of a health food company said he considers defeating drug tests to be a multi-million dollar business. He said his firm receives 500 calls a day from people asking about herbal detoxification teas, urine sample additives and similar products.

Attempts to mask results are still an indication that the person being tested could have a problem, said one expert. Either the test comes back positive for drugs or reports that the results were adulterated or diluted—and the user is caught, he said. In the first six months of 1999, a report on 5.7 million workplace drug tests showed 4.8 percent were positive for illegal drugs, and nearly 2,000, or 2.8 percent, of those tested showed positive for substances used as masking agents to defeat the detection of illegal drugs. An expert on drug testing said that, in his opinion, an attempt to mask or dilute a drug test should automatically disqualify a candidate for a job.

Few drug abusers can escape a test performed by a competent laboratory. Companies that require testing must ensure the integrity of the process by hiring an accredited laboratory certified by the Substance Abuse and Mental Health

Services Administration (SAMHSA), the federal government's lead agency for all areas of substance abuse prevention, addiction treatment and mental health services. Such a laboratory can assure proper collection, administration, chain of custody and testing procedures, said an expert in national testing procedures.

Corporate Culture

Those who use drugs warn each other of companies that test and what they test for. The drug abuse grapevine steers substance abusers away from tougher companies and toward applying for jobs at companies that do not have drug testing.

Most surprising to experts are the companies that fail to understand the need for a strong drug abuse policy that includes an accredited testing program, preferably certified by SAMHSA. Many corporate cultures today are fostered by executives and managers who grew up during the 1960s, when marijuana was not the potent drug it is now. One former top-ranking DEA official said the cannabis of the 1960s and the drug available today are as different as "riding a bicycle and driving a NASCAR racing vehicle." These experts believe more education is necessary to inform companies about the true nature of the drug problem in today's work environment.

Today's tight labor market generates another problem for companies. When jobs need to be filled and no one is there to do them, some employers may be tempted to make full employment the priority, said a senior security executive. "It's not that companies relax their drug standards, it's that they just don't make a real screening effort. It's not done or done inadequately," he said.

Beyond Testing

While experts agree drug testing as a condition of employment is a powerful tool, companies can and should adopt a three-pronged drug-free workplace program that includes:

- *A tough, written policy by top management that is publicized and understood by all employees.* One of the most recent studies on drug use in the workplace showed lower rates of illicit drug use by workers who have information and written policies from their companies. For example, the most recent SAMHSA report on worker drug use showed that a total of 56 percent of all employed drug users worked in firms of 24 or fewer employees and only half these companies provided substance abuse information or policy statements. However, a total of 90 percent of the employees at the companies with 500 workers or more reported they had information on written drug abuse policies, and only 13.2 percent of drug abusers worked at these large companies.

The expertise of security officials can be invaluable in developing a tough written policy on drug abuse. In general, an effective policy is applied consistently and equally to all employees and: explains the goal of a drug-free workplace; makes it clear that violation of the company substance abuse policy will not be tolerated; states consequences for violating the policy; and outlines drug testing procedures. Legal experts stress that a clear drug policy that is consistently applied can be key in protecting an employer against lawsuits for violation of privacy or for discrimination.

The legal ramifications of having a drug policy might also extend to issues of negligence, a nationally recognized expert on drug abuse said. If companies do not take action to stop drugs in their firms, they are ignoring a major safety issue and may face civil action.

- *A substance abuse prevention program that contains the warning signs of a drug user as well as the dangers of drug use.* Training is vital for supervisors, security personnel and other employees. Supervisors and security man-

(continued on next page)

Drugs in the Workplace—1999

Employers Still Risk Lives, Profits on Impaired Workers

(continued from preceding page)

agers should address drug abuse problems as a job performance issue and keep complete records of each observation or discussion with an employee who exhibits signs of drug use. Supervisors and security managers should be aware of performance and behavior problems common to substance abusing employees. These include: inconsistent work quality, poor concentration, declining productivity, increased absenteeism, unexplained disappearance from the job site, careless mistakes, errors in judgment, needless risk-taking, disregard for safety, extended lunches and early departures from work, and frequent financial problems.

Managers and security officers must also know the personal signs of a drug-addicted worker, such as avoidance of friends and colleagues, blaming others for problems, trouble at home, deteriorating personal appearance, and complaints or vague excuses of illness.

- *A written security plan that outlines how suspected drug users will be handled.* In many cases, drug abuse-related job performance will lead to drug testing for cause, discipline or termination. Since drug abusers are generally unpredictable, security should be alerted. Security procedures for dealing with the termination of drug abusers should be carefully written and followed by company officials and security personnel.

In many companies, random drug testing is also part of a comprehensive program. However, random testing can be a legal issue, and the standards that permit testing for cause are rigorous. Both are necessary in an effective program. Random drug-testing must be truly “random” and even-handed. All employees in every job category should be subject to random tests. These tests, as with pre-employment screening, should be carried out by a SAMHSA-certified, independent laboratory. The random nature of the tests and the fair application

to all levels of employees will decrease the likelihood of discrimination claims.

The problem of drugs in the workplace cuts across industries and impacts all businesses. The most recent studies show that 5.5 percent of the technical and related support staff and five percent of all executives, administrators and managers admit to drug use. The statistics reach 10 percent for machine operators and inspectors, as well as unskilled laborers. Such employees steal from their employers and fellow workers, strain medical services and perform poorly. At worst, a worker suffering from drug-induced paranoia can be a significant threat to commit workplace violence.

Since pre-screening job applicants remains the best way of slamming the door on most illicit drug problems, companies should weigh the cost of keeping a dangerous employee against the \$20 to \$40 per applicant drug screening test. Even small companies can make screening procedures cost effective, and all companies should develop a written policy against drugs. Firms that have initiated comprehensive drug-free workplace programs realize significant savings: one American firm reported a return of \$17 for every dollar spent on such a program.

Moreover, businesses have a positive role to play in the eradication of illegal drug use. Companies must create a culture that discourages drug use and emphasize a message of zero tolerance with those coming out of homes and schools. Business and society at large must work in tandem to eradicate the violence, crime and corporate waste caused by illegal drugs. Considering the known risks inherent in employing a drug user, companies that fail to act are inviting disaster.



The Lipman Report Editors