

IMPACT OF EMPLOYEE ASSISTANCE PROGRAM ON EMPLOYEE SATISFACTION OF PUBLIC & PRIVATE ORGANIZATIONS OF SINDH

*Dr Iqbal Ahmed Panhwar
Dr Zahid Ali Channar
Muhammad Ali Pasha
Falak Naz Memon*

ABSTRACT

Employee Assistance Program (EAP) is employee based program which is operated within organization; its main purpose is to identify the troubled employees, then help them to solve their troubles, motivate them to resolve their problems through counseling and treatment. The objective of this study is to assess the level of EAP in private & public organizations of Pakistan and then to find the relation between EAP & Employee Satisfaction. Primary data was collected through questionnaires from 100 respondents of 6 different public and private banks and 100 employees of one public and 2 private telecom companies. EAP was measured through instrument designed by John Clifford Anema (2011). Employee satisfaction was measured through instrument designed by Nick Foster (1999).

Keywords: Employee assistance program, Employee satisfaction, Public and Private

INTRODUCTION

Employee Assistance Program (EAP) is beneficial service which is financed by organization to solve personal and family matters of employees, which distract them to perform their work efficiently. (Den, 2000) EAP is provided by a counselor who can be an organization employee but to be more effective. They can also be hired from other organizations that are professional at handling these programs. Information, which is provided by employee to counselor, is kept confidential (Beam, *et.al.*, 1998). For successful EAP some criteria should be followed like being open to employees about and their family members. EAP should be recognized and promoted by higher executives and management so that employees become more encouraged and avail this service more strongly. EAP should be based on strict rules and regulations. There should be proper training for managers and employees to understand the functions of EAP. Regular evaluation of EAP is needed for better results (Martin, 2010). The EAP applies in organization to enhance the performance of employees,

which ultimately lead to organizational performance. It also increases job satisfaction and productivity. EAP is a service provided by employer for employees to provide them counseling for their problems like health issues, marital, family, therapy, career counseling etc to overcome the negative effects of the problems on employee's performance, job satisfaction and productivity (Barker, 2003). As EAP benefits back to organization and employee's performance along with that it also benefits individual employee as well. EAP recognizes the worth and dignity of individual believes in involvement of effected person, caters to incomplete needs and problems (Francis, 2012).

LITERATURE REVIEW

Arthur (2000) worked on employee assistance program: the emperor's new clothes of stress management? He described different aspects of EAP like from its history to development and operation in the end he reviews the evidence to support their claims for effectiveness. The main objective of study is to define how EAP decreases the stress level of employees that affect the organizational performance, productivity and respond to other critical issues. Researcher collected data from different countries to provide the evidence to support the research and he concluded that when EAP is applied alone its result is disappointing. Thus for effective results it should applied as the part of holistic strategies, involving management, human resource development to evaluate policies, procedures, work patterns, communication and decision making within organization.

Zarkin, *et.al.*, (2000) conducted research on the effect of employee assistance programs use on healthcare utilization. The main objective of research was to estimate the effect of EAP use on healthcare utilization as measures by health claims. Researcher collected data by unique data set that combines individual –level information on EAP utilization, demographic information and health insurance claims from 1991 to 1995 for all the employees of a large Midwestern employer. The researcher use fixed-effect econometric model that control for unobserved differences between individuals propensities to use healthcare and researcher use EAP in two steps first he compare the post and pre effect of EAP and second step he compare the claims of employees using EAP and claims of those employees who never use EAP. The author finds out that going to an EAP substantially increase both the probability of an alcohol, drug abuse or mental health (ADM) claim ant the number of ADM claims in the same quarter as EAP

contact. In the end he concludes that the EAP is able to identify behavioral and other health problems that may affect workplace performance and timely EAP users to access ADM and other healthcare.

Kirk (2006) conducted research about employee assistance program adoption in Australia: Strategic human resource management or knee jerk solution? The main objective of this study is to demonstrate the existence of different thematic pattern between prospective and retrospective rationales for EAP adoption in Australia. Researcher used semi-structured interviews for data collection and for the analysis of survey he developed a 2 stage (adoption and continued use) model of organizational rationale for the use of EAP. He finds out that two stage adoption/continued use model assists in the identification of potential factors, strategies and non strategic, that influence the decision to adopt and the decision to continue to use an EAP. He recommended that enhanced understanding of the factors influencing EAP adoption would, in turn clarify expectations of program outcomes, which will ultimately assist in the strategic integration of EAPs in to broader organizational HR functioning.

Csiernik (2012) conducted research in a process evaluation of a Canadian public sector employee assistance program. There was a comprehensive process of evaluation was conducted to evaluate the Canadian public EAP. The main objective of the research was to study that evaluation process, to check whether the current objectives, mandate, services and process of Canadian public EAP were still meeting the need of employees and organization. Researcher used mix methods data collection approach, which include review of former researchers, analysis of different literature review, online survey of different employees and qualitative interviews were conducted to support the research with more evidences. Data was analyzed by descriptive statistics such as proportion and inferential statistics such as chi-squared test at an alpha level of 0.01. The study concluded that the existing EAP is well integrated in organization, well utilized and also getting good outcomes like employee satisfaction and being helpful for them. However some area were indicated, which need improvements according to the present times like revising theology of EAP, providing 24hr services and in the end researcher concluded that there should be more resources allocated to EAP.

Pollack, *et.al.*, (2010) conducted research on employee assistance program services for intimate partner violence and client

satisfaction with these services. The main objective of the research was to study the services available through EAP like Intimate Partner Violence (IPV) and determine the employee satisfaction rate with these services. Researcher collected data through semi structured telephone interview with 28 EAPs about IPV related services and web-based survey was conducted regarding other services. Results of these surveys shows that EAPs provide really sincere services to people related to IPV and people show their satisfaction with EAPs was analyzed through deductive and inductive approaches. Researcher concluded that EAPs are one important resource for women experiencing IPV. EAP services for IPV can enhanced by developing and implementing standardized procedure for identifying individual experiencing IPV, exploring and managing client confidentiality concern as part of standard care and advocating for more direct assistance from EAPs.

METHODOLOGY

T-test was used to measure Employee Assistance Program in employees. This test requires two variables: one categorical, which was “organization” here; and other continuous variable, which was” Employee Assistance Program” here. Analyses showed that there was a significant level of EAP provided in private organization as compared to public organization. Correlation was created to assess the effect of EAP on employee satisfaction. This test requires two continuous variables: one was “EAP”; and the other was “employee satisfaction”. The results yielded by the analysis showed that there was a positive relation between EAP and employee satisfaction that means more we provide EAP in organization more employees will be satisfied. Two-way ANOVA was used to assess the effect of education for the employees of public and private organization on EAP. Two independent categorical variables and one dependent continuous variable were required for two-way ANOVA here organization and qualification were categorical variables and EAP was continuous variable. The result of this test showed that Education of employees does not affect the level of EAP they have been provided in both private and public banks and telecom companies. This research has implications for HRM managers and owners of the organizations.

RESEARCH PROBLEM

Organization lack the information on how much they are incorporating employee assistance program (EAP) and what is the impact of EAP on the employees.

OBJECTIVES

- To assess the level of employees assistance program in public and private sector.
- Study the effect of employee assistance program on employee performance.
- To assess the effect of employee assistance program on the employees of public and private sector.

HYPOTHESES

- H1: The level of EAP is more in private sector than public sector.
- H2: EAP enhances employee satisfaction.
- H3: The effect of education is different for the employees of public and private organization on EAP.

SCOPE OF THE STUDY

The study assessed the level of EAP in organization, in the sector of Hyderabad district private and public telecom companies Pakistan Tele Communication Limited (PTCL), Zong & Telenor and banks i.e. National Bank of Pakistan (NBP), Bank of Punjab, Sindh Bank, Muslim Commercial Bank (MCB), Habib Bank Limited (HBL) and United Bank Limited (UBL) were selected for this study. Employees of both genders-officers and non-officers- were selected for assessing the effect of EAP on employee performance.

TECHNIQUES & TOOLS

For this research, standard or adjusted instrument is used for measuring the variable. As his is a descriptive research, questionnaire is used to measure the variables. The aspects measured are Employee Assistance Program and Employee satisfaction. EAP is measured through questionnaire design by John Clifford Anema (2011). Employee satisfaction was measured through instrument design by Nick Foster (1999).

For this research Independent – Samples T-test is used to compare the mean score for two groups of subjects - private and public- on continuous variable i.e. organization . The categorical variable for this test was EAP.

Correlation is also used is this research to find out the relationship between two variables .here the two categorical variables were EAP and employee satisfaction.

For this research two way ANOVA is used to compare the mean scores of five groups of categorical independent variable “education”

with two groups of another categorical independent variable “organization” and one dependent continuous variable “EAP”.

LEVEL OF EAP IN PRIVATE AND PUBLIC SECTOR

The level of EAP in private and public sector was evaluated through Independent-samples t-test. Two variables were required for this test, one categorical and other continuous. The categorical variable used was organization (private and public) and continuous variable used was EAP.

TABLE-1
GROUP STATISTICS FOR THE LEVEL OF EAP

Group Statistics					
	Organization	N	Mean	Std. Deviation	Std. Error Mean
Total EAP	Private	98	1.3769E2	22.40969	2.26372
	Public	100	1.2830E2	19.58999	1.95900

Source: Field Work.

TABLE-2
INDEPENDENT SAMPLES TEST FOR THE LEVEL OF EAP

Independent Samples Test										
		Leven's Test for Equality of Variances		T-test for Equality of Means						
		F	Sig.	T	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Total EAP	Equal variances assumed	2.059	.153	3.142	196	.002	9.39388	2.98962	3.49793	15.28983
	Equal variances not assumed			3.138	191.471	.002	9.39388	2.99368	3.48906	15.29870

Source: Field Work.

Interpretation: SPSS generated Table-1 for independent sample T-test which shows mean and standard deviation of public and private organization. In the above table N indicates the number of employees of public and private organizations. Here 98 employees were from private organization and 100 were from public organization.

In table-2 Leven's test show significant level of .153, that means the condition of equal variances has not been violated because it is more than the cut out of .05.

Significant value (2-tailed) is .002. We are choosing significant value (2-tailed) because the assumption of equal variance has not been violated. As the significant value (2-tailed) is less than the cut out of .05 (.002) therefore there was a significant difference in the mean score of private and public organization.

An independent-sample test was conducted to compare the EAP scores for Private and Public organization. There was significant difference in scores for private (M=1.3769, SD=22.40969) and public (M=1.2830, SD=19.58999); P=.002 (two-tailed).

Hence the level of EAP is more in private organization as compared to public organization.

EAP ENHANCES EMPLOYEE SATISFACTION

EAP enhances employee satisfaction was tested through correlation. For correlation two continuous variable were required here those are EAP and employee satisfaction.

TABLE-3
DESCRIPTIVE STATISTICS FOR EAP & EMPLOYEE SATISFACTION

Descriptive Statistics			
	Mean	Std. Deviation	N
Total EAP	1.3314E2	21.51079	200
Templsatsfctn	27.7150	5.65097	200

Source: Field Work.

TABLE-4
CORRELATION BETWEEN EAP AND EMPLOYEE SATISFACTION

		Total EAP	templstatsfctn
Total EAP	Pearson Correlation	1	.620**
	Sig. (2-tailed)		.000
	N	200	200
templstatsfctn	Pearson Correlation	.620**	1
	Sig. (2-tailed)	.000	
	N	200	200

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Field Work.

Interpretation: SPSS generated above tables 3 & 4 that shows the mean, standard deviation and number of employees from private and public organizations. In table-4 the correlation is .620 that means both the continuous variables are positively related with the strength of 0.62.

Hence EAP enhances employee satisfaction.

The effect of education for the employees of public and private organization on EAP

The effect of education for the employees of public and private organization on EAP was tested through two-way ANOVA. For two-way ANOVA organization and qualification were categorical variables and EAP was continuous variable.

TABLE-5
DESCRIPTIVE STATISTICS FOR THE EFFECT OF EDUCATION
Descriptive Statistics

Dependent Variable: totalEAP		Mean	Std. Deviation	N
Qualification	Organization			
Intermediate	Total	1.6400E2	.	1
		1.6400E2	.	1
Graduate	Private	1.3659E2	23.69380	22
	Public	1.2757E2	13.27064	14
	Total	1.3308E2	20.54594	36
Masters	Private	1.3744E2	22.14814	70
	Public	1.2904E2	19.91194	77
	Total	1.3309E2	21.28809	148
M.phill	Private	1.4467E2	23.46629	6
	Public	1.2200E2	27.22919	8
	Total	1.3171E2	27.32265	14
PHD	Public	1.3200E2	.	1
	Total	1.3200E2	.	1
Total	Private	1.3769E2	22.40969	98
	Public	1.2830E2	19.58999	100
	Total	1.3314E2	21.51079	200

Source: Field Work.

TABLE-6
TEST OF BETWEEN SUBJECTS EFFECTS FOR THE EDUCATION

Tests of Between-Subjects Effects

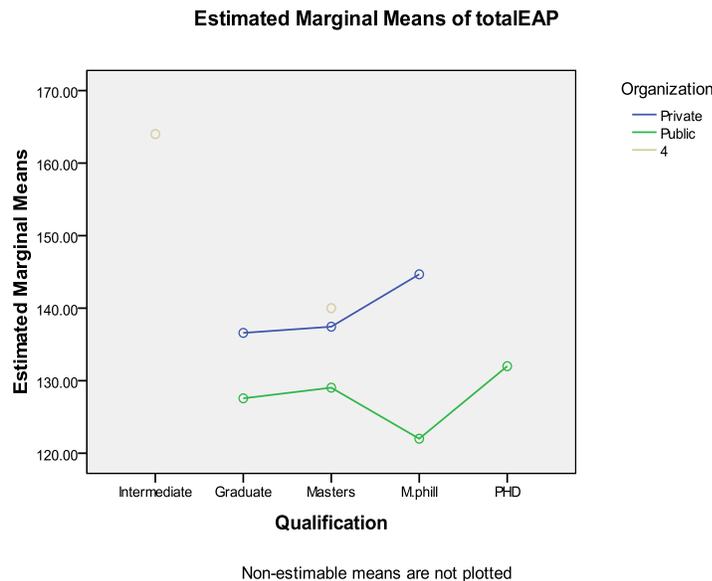
Dependent Variable: totalEAP

Source	Type III Sum of Squares	df	Mean Square	F	Sig.	Partial Eta Squared
Corrected Model	6077.845 ^a	8	759.731	1.687	.104	.066
Intercept	265298.158	1	265298.158	589.193	.000	.755
Qualification	356.847	4	89.212	.198	.939	.004
Organization	3733.948	2	1866.974	4.146	.017	.042
Qualification * Organization	640.395	2	320.197	.711	.492	.007
Error	86002.235	191	450.273			
Total	3637332.000	200				
Corrected Total	92080.080	199				

a. R Squared = .066 (Adjusted R Squared = .027)

Source: Field Work.

FIGURE-1
GRAPH LEVEL OF EAP PROVIDED TO DIFFERENT DEGREES OF EDUCATION IN PRIVATE AND PUBLIC ORGANIZATION



Interpretation: The first table-5 showed that the employees of private organization with graduate degree were provided more level of EAP mean score =1.3659E2 than employees of public organization mean score=1.2757E2. Same as the employees of private organization who have masters degree were provide more level of EAP mean score=1.3722E2 than employees of public organization mean score=1.2904E2. Employees of private organization who have M.Phil were provided more level of EAP mean score=1.4467E2 than employees of public organization mean score=1.2200E2. Table -6 showed that the significant value was .492 which is more than the cut out value of .05 that showed the difference between mean is not that much significant.

Hence the effect of education is not different for the employees of public and private organization on EAP.

CONCLUSIONS

Hypothesis inferred that” The level of EAP is more in private sector than public sector.”

This hypothesis was tested through independent sample t test. The results of this test showed that the private organization have mean and standard deviation (M=1.3769, SD=22.40969) that were significantly higher than the mean and standard deviation of public organization (M=1.2830, SD=19.58999). It proved that the level of EAP is more in private sector than public sector. Hence we accept the alternative hypothesis and reject the null hypothesis.

H₀: the level EAP is not more in private organization than public.

H_A: the level EAP is more in private organization than public.

The other hypothesis inferred that “EAP enhances employee satisfaction.” Correlation was used to test this hypothesis. The result showed that EAP and employee satisfaction have positive relation with a strength of 0.62. It proves that if EAP is increased then employee satisfaction is also increased. Hence EAP enhances the employee satisfaction so we accept the alternative hypothesis and reject the null hypothesis.

H₀: EAP does not enhance employee satisfaction.

H_A: EAP enhances employee satisfaction

The last hypothesis inferred that “The effect of education is different for the employees of public and private organization on EAP. “This hypothesis was tested through two-way ANOVA. The result showed that the employees of private organization with graduate degree were provided more level of EAP mean score =1.3659E2 than employees of public organization mean score=1.2757E2. Same as the employees of private organization who have masters degree were provide more level of EAP mean score=1.3722E2 than employees of public organization mean score=1.2904E2. Employees of private organization who have M.Phil were provided more level of EAP mean score=1.4467E2 than employees of public organization mean score=1.2200E2. It also showed that the significant value was .492 which is more than the cut out value of .05 that showed difference between mean is not that much significant. Hence we accept the null hypothesis and reject the alternative hypothesis.

H₀: The effect of education is not different for the employees of public and private organization on EAP.

H_A: The effect of education is different for the employees of public and private organization on EAP.

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