

## **BEHAVIORAL RISK MANAGEMENT**

**MINIMIZE PREVENTABLE LOSS FROM  
BEHAVIORAL HEALTH PROBLEMS IN THE WORKPLACE**

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Our focus in business has shifted from an emphasis on physical capital (computers, inventory, property) to be much more inclusive of the value of human capital - the employees and people who are involved in business. Business leaders, consultants and health care providers are working together to manage human capital proactively to create organizational success. "In his 1999 book *Human Capital*, Towers Perrin consultant Thomas Davenport provides a compelling case for how companies can benefit financially from taking an active interest in the welfare and successes of their employees." (Attridge, 2001). The issues of employee health and welfare, diversity, organizational trust and support have huge implications for productivity and overall corporate success. Identifying and preventing behavioral risk in the work environment may become one of the most effective strategies in creating and maintaining this Human Capital success. Companies are demanding more from their EAP and work life vendors to help manage human capital.

Mines and Associates is pioneering a structured, periodic behavioral risk assessment process designed to identify and prevent loss from behavioral risk factors, thereby enhancing organizational health and human capital. This process will create multiple results:

- Cost savings from preventable loss
- Increased productivity and profitability by addressing human capital needs
- Enhanced strategic alignment with human resources and organizational leadership
- Measure and demonstrate successes in human capital management

### **Cost savings from preventable loss**

What is behavioral risk management? "Behavioral Risk Management applies to the risks connected with workplace behaviors of employees and work organizations that have a negative impact on the productivity of an organization; behavioral healthcare episodes and the cost of treating these episodes; and life-style behaviors that lead to preventable healthcare conditions and the cost of treating these conditions." (Yandrick, 1996) In his book on behavioral risk management Rudy Yandrick estimates a 3:1 cost saving ratio in taking a preventive vs. "late stage" intervention approach to dealing with behavioral risk issues in the workplace. It is apparent to most human resource professionals that a variety of social factors whether occurring in the workplace or outside of it end up creating significant healthcare and productivity costs. A traditional approach has been for employers to deal with these behaviors at the last stage after healthcare and productivity problems have already taken root. Mines' behavioral risk assessment will help organizations identify and intervene in behavioral risk in preventive, proactive time frames.

### **Increased productivity and profitability by addressing human capital needs**

Most progressive businesses are instituting or have instituted some form of quality management initiatives. "Why shouldn't companies have an efficient, integrated process for managing loss due to behavior-related

workplace problems, just as they have processes for improving production, maintaining machinery, and researching and developing new products?"(Yandrick 1996) Addressing human capital needs through the behavioral risk assessment process will assist businesses in maximizing their competitive potential in an overall total quality management approach.

### **Enhanced strategic alignment with human resources and organizational leadership**

In the many cases that Human Resources Departments are affiliated with payroll they can be perceived as the most significant cost center in the organization. Human Resources are increasingly charged with aligning with the cost reduction needs of the bottom line. As Human Capital is generally the domain of the H.R. functions, the behavioral risk assessment helps align H.R. strategically with the organizations bottom line needs by early detection and prevention of significant cost. It is a clear win/win proposition for organization leadership to be in strategic line with human capital management to create the healthiest, most productive workplace.

### **Measure and demonstrate successes in human capital management**

Should the behavioral risk assessment indicate that there are little or no areas of "unacceptable risk exposure", the organization can use this assessment to understand and demonstrate its best practices and advertise its successes internally as well as externally. Clearly, if any business has low risk exposure potential, it is most likely to be competitive and successful in the marketplace. MINES' behavioral risk assessment can be one excellent indicator of organizational health, potential and growth.

Mines and Associates' behavioral risk assessment process is being offered to EAP client companies at no extra charge and to non-customers for cost. The assessment begins with a contact to determine who will be involved in the audit. The assessment tool will then be sent to the EAP contact. The tool itself may take about 20 minutes to complete. A meeting will be set up for the MINES consultant to meet on site with the participants to understand and discuss the results. The MINES' consultant will then furnish a report to the organization with a summary of the findings, an interpretation of the assessment and any suggested recommendations. The MINES consultant can strategize with the organization to determine what internal resources may be applied to solutions to help prevent risk and offer our menu of organizational development interventions and referrals.

### ***We would like to introduce:***

**Patrick Hiester, MA, LPC** is currently an Organizational Development Consultant for MINES specializing in organizational behavioral risk assessments in addition to facilitating training and organizational interventions. Patrick has over 25 years experience in the counseling and consulting field. His counseling experience includes, substance abuse, inpatient, partial hospitalization, crisis management, private practice, sexual abuse and domestic violence as specialties.

Patrick has consulted with organizations since 1996 in a variety of capacities including: training and development, outplacement consulting, organizational development, experiential education, and multiple functions as an Employee Assistance Professional. As an EAP, Patrick excelled in: account management, training, sales and management consultation. Patrick has participated actively in the International Employee Assistance Professionals Association as well as the Colorado Chapter for which he served as Vice President for 2 years; conference and committee chair 6 years and most recently received the Daetwiler Award for distinguished service in the field of EAP in 2005. Patrick was honored in 1995 with AMEND's Wall of Fame award for contribution to the field of domestic violence treatment.