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Chathapuram S. Ramanathan  
*Michigan State University*

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# Occupational Social Work and Multinational Corporations

Chathapuram S. Ramanathan

Michigan State University  
School of Social Work

*In a global economy, transfer of human technology via multinational Employee Assistance Programs (EAPs) is a reality. Successful development and implementation of multinational EAPs require attention to the host country's political, legal frameworks, and cultural issues. The roles of occupational social workers vary based on these dimensions and issues. The targets of interventions are foreign executives and their families, host country employees and their families, and the organization itself.*

The provision of social services at the workplace dates back to 1875 (Poppo, 1981). The term in vogue for such counseling services for employees and their families is employee assistance program (EAP). In the United States, the number of EAPs has grown from fewer than 100 EAPs in 1950 to 10,000 by 1987 (BNA-Special Report, 1987; ALMACA, 1987) serving more than one-third of the work force (Blum & Roman, 1986). This growth clearly indicates the acceptance of EAPs in American industry. EAPs are the dominant model in contemporary occupational social work (Balgopal, 1989).

Googins and Godfrey (1987) define occupational social work "as a field of practice in which social workers attend to the human and social needs of the work community by designing and executing appropriate interventions to insure healthier individuals and environment" (p.38). In this context, the occupational social worker may address an array of individual and family needs, relationships within organizations, and broader issues and relationships of the world of work to the community at large (NASW, 1987). Given that the EAP is the dominant model in occupational social work, changes and developments occurring in EAP will impact the practice of occupational social work.

National and global changes in the economy and privatization in the provision of social services affect EAP and occupational social work practice.

Due to the contemporary nature of the global economy, expansion of multinational corporations is inevitable. In the mid-1970s multinationals accounted for 20% of the world's output. Their production growth rate was at 10 to 12% per year, nearly twice that of the growth of the world output (Dunning, 1981). The outflow of U.S. foreign direct investment was at 29% between 1974-79 (Dunning, 1985), and is still the largest single source. The American-based multinational corporations have significant international investments accounting for half the world's total multinational assets (Little, 1982). Despite the widespread attention to the issue of protectionism, continued international trade is a reality for local economies throughout the world (Yandrick, 1986). Also, the recent socio-economic and political realities in the Soviet Union and the eastern block countries have created opportunities for the expansion of multinational corporations. Multinational companies are confronted with the challenge of transferring technology, while still maintaining control over their own technological and financial assets. In addition, these corporations are transferring human technology and establishing EAPs. For instance, American multinational corporations are frequently extending coverage of their EAPs to foreign based American employees and families as well as employees and families of the host country (Durkin, 1986).

If American style EAPs are to undergo successful transplantation, it is imperative to investigate and assess the suitability of the various U.S. based EAP models to the organizational climate of the host countries. For instance, in the United States the rate of unionization of the labor force has declined, there are fewer legal constraints affecting the provision of EAP services, and tolerance of alcohol and drug abuse is different compared to other countries including developing nations.

This paper focuses on a comparative analysis of EAP service delivery models, their suitability for global transplantation from the U.S., and an analysis of factors that affect the establishment of multinational EAPs. The relevant role of the International Labour Organization (ILO) to the multinational EAPs, the range

of roles for occupational social workers, and the potential client population and target of such intervention are also addressed.

### Comparative Analysis of EAP Models

Knowledge about and functions of the diverse models are critical to delineating the relevant roles of social workers. EAP service delivery models identified in the literature can be broadly classified into in-house and contractual programs. In-house programs can be offered exclusively by the management, union, or as joint ventures, and their services are usually limited to diagnostic assessment, short-term counseling, and referral to the community resources. The special focus of this model is on substance abuse problems and periodic training of supervisors in procedures for referring employees. The contractual programs are sponsored by corporation or jointly by corporations and management. Under the auspices of an external contractor (family service agency, community mental health center), the various services include diagnostic assessment and referral, focus on substance abuse problems, periodic training of supervisors in procedures for referrals, and crisis intervention (Fleisher & Kaplan, 1988; Bickerton, 1989). The various in-house models include service center programs and internal programs with service center support. The contractual models include EAPs located in treatment or social service agencies (Phillips & Older 1981), and group consortia (ALMACA, 1987).

Comparative analysis of the various models was conducted expanding Straussner's (1988) criteria. The roles of the occupational social worker vary depending on the model of service delivery. Organizations that have between 250 and 350 employees may benefit from an internal program while smaller organizations may choose one of the contractual service options (Bickerton, 1989). The extent to which interventions are made in the person and in the environment is influenced by the service delivery system. In-house occupational social workers have familiarity with the work environment and can be effective in their advocacy role on behalf of the employees (Straussner, 1988). If the EAP is offered through a contractual arrangement outside the organization, the occupational social workers are less likely to be in a position to intervene in the work environment.

Interventions in the work environment are warranted when the source of the problem or solution lies in the work milieu.

Comparative analysis of the EAP service models reveals that models include such features as assessments, referral to community resources, and a focus on individual changes. However, the occupational social workers in the in-house programs have

Figure 1

*Comparison of service models on selected variables*

Variables		Internal Program	Service Center	Internal Program with Service Center	Social Service Agency	Union Based	Consortia
Size of Organization		250 to 300 Employees	>50 <100 Employees	250 to 300 Employees	>50 <100 Employees	250 to 300 Members	<50 Employees
Locale	Within Organization	X		X		X	
	Outside Organization		X		X		X
Mental Health Preventive Programs		X		X		X	
Mental Health Promotive Programs		X		X		X	
Psychosocial Assessment		X	X	X	X	X	X
Counseling Referral			X	X	X		X
Referral for Services		X	X	X	X	X	X
Opportunity for Individual Change		X	X	X	X	X	X
Opportunity for Organizational Change		X				X	

opportunities to serve as advocates and bring about organizational changes by influencing human resource managers on matters such as job enrichment and redesign. Also, those models where services are provided through the organization (as opposed to contracted out) are likely to offer counseling services, render preventive and promotive mental health programs in addition to assessment.

### Establishing Multinational EAPs

Application of the ecological perspective in occupational social work is a recent development. The ecological perspective refers to the interaction of the person-in-environment (Googins, 1984; Balgopal & Nofz, 1989; Balgopal, 1989). The environment includes both personal and work environments. Successful development and implementation of multinational EAPs from an ecological perspective require close attention to the different socio-cultural and political realities in developed countries (builders of multinationals) and developing countries (receivers of multinationals). In developing countries service delivery models based on contractual programs may not be relevant and the group consortia model may not be germane because in developing countries industries tend to be labor intensive. Therefore, internal programs and union based programs may be the only viable options in developing countries. However, the spectrum of service modalities may be appropriate in developed countries. There are several factors that require consideration while developing and implementing EAPs in both developed and developing host countries: the political and legal framework, corporate culture, the role of the union, and cultural issues.

### Public Sector: Politico-Legal Dimension

EAPs have developed on a voluntary basis in democratic countries that operate in capitalist economies. However, in socialist democracies, business and industries are mandated by law to provide many labor welfare programs and services that are offered by comprehensive EAPs. In communist countries these may be offered through government initiatives. The health

care policies of a nation significantly influence the structure and functioning of EAPs. Employers in socialist, socialist democracies, and nations that have socialized medicine are receptive to the establishment of EAPs as there are no additional costs (Yandrick, 1986; Bitten & Keis, 1986). In these countries clients are conditioned to expect free health services. As a result, for example, in Canada, it is difficult to motivate clients to pay for private practitioners (Bitten & Keis, 1986). Thus, the political realities of the host countries can either inhibit or encourage the development of EAPs.

Legal systems vary from one country to another. For example, legal systems in Canada and U.S. are very different, though both countries are culturally similar and highly industrialized democracies. There are major differences in legality of issues such as client/counselor privilege, drug screening, confidentiality, third party access to records, and grievances and arbitration (Bitten & Keis, 1986). Many countries vary in their legislative stipulations regarding substance use and abuse inclusive of alcohol and other drugs. These legal issues have ramifications regarding the kinds of treatment strategies that can be developed. For example, as stated earlier, in many socialist and socialist democracies services that affect the quality of life of employees are mandated through legislation. Thus, the development of EAPs in these countries will require coordinating those services in addition to providing the services that are unique to U.S. based EAPs.

#### Private Sector: Corporate-Labor Dimension

The EAP as a subunit of an organization must find a niche within the corporate culture and must fit into the existing organizational structure, values, and beliefs. In corporations where employees are unionized and represented by a bargaining agent, a joint labor-management EAP will be more effective. Attention has to be paid to treatment issues, personnel policies, confidentiality, training programs, insurance coverage, and marketing strategies. In order for an EAP to be successfully implemented and utilized, the EAP needs a full commitment of management (Scanlon, 1986), and where applicable, the union, the works councils, or other work groups.

Occupational social workers need to have a clear understanding of the labor-management relationships that exist in the host countries. In the United States in 1980 only 25% of the labor force was unionized, while it was much higher in other developed countries for the same year. For instance, it was 65% in Austria, 73% in Belgium, 72% in Denmark, 41% in Federal Republic of Germany, 56% in Great Britain, 41% in Netherlands, 62% in Norway, 87% in Sweden (Windmuller, et al. 1987). The rate of union membership varied in developing countries as well. For example in the early 1980s, union membership was at 40 to 50% in Algeria, and Tanzania, 30 to 40% in Argentina, Barbados, Chile, Ethiopia, Fiji, Guyana, Singapore, Sri Lanka, Venezuela (International Labour Office, 1985). In the U.S., unions have had little close direct contact with political parties, i.e., unions were not created by political parties. However, in most European as well as the developing countries, a close association exists between unions and political parties (Bean, 1987). The EAP models in the U.S. have developed in a less unionized environment, where unions have reduced political party identification.

Given the fact that unions are politically active in European and developing countries, unions are to be systematically addressed while transplanting U.S. based EAPs. Further, labor unions in Europe, Australia, and other developing nations appear more suspicious of management's motives regarding EAP than in the U.S. (Yandrick, 1986). If the suspicion of the labor unions is not structurally addressed, the success of the EAPs will be minimal. Therefore, in the development process of EAPs, establishment of credibility is needed with both the management and the union. As it is generally the practice of management to pay for social services, this could be perceived as management's infringement on the union territory. In order to avoid this confusion and the resulting suspicion, the union is to be consulted from the beginning of the planning for EAPs. Hence, a tripartite board consisting of the director of the EAP, the corporate personnel director, and the president of the union is essential and could be responsible for policy formulation (Ramanathan & Ramakrishnan, 1987). Workers' participation in decision making through works councils or worker committees is greater in



Europe and developing nations like India and Pakistan (ILO, 1981). Thus, systematically involving either works councils or worker committees in the policy formulation and implementation process will increase the success of an EAP.

### Cultural Issues

In addition to the U.S., EAPs or EAP-like efforts are prevalent in Canada, Western Europe, India, Malaysia, and Australia (Ramanathan, 1990). There is a large percentage of self-referrals in the United States and Canada, while there is little emphasis on self-referral in Australia (Roman, 1983). Further, Australians and Malaysians view alcohol and drug abuse as a national threat and have stringent federal policies in response to that threat. Such differences warrant networking with host country's EAP associations so as to be sensitive to cultural nuances while transplanting EAPs.

Besides providing counseling services multinational occupational social workers need to be aware of treatment or intervention specific to that culture. For example, the occupational social workers are advised to incorporate, wherever appropriate, such cultural elements as folk theories, ethnic disease taxonomies, and indigenous curers (Green, 1982). Further, in many cultures, people often seek help from spiritual healers, extended family members as well as their natural networks (LeVine & Padilla, 1980; Mokuau, 1988; Balgopal, 1986). Occupational social workers ought to incorporate these elements in both the assessment and development of intervention strategies.

The interaction of the host society's culture, its politico-legal system, and its trade union-management relations influence the functioning of the multinational EAP. There are important challenges in adapting EAPs to developing nations. These may include government regulations (Negandhi & Baliga, 1980; Goldberg & Negandhi, 1983), and ethnic stratifications (Kumar, 1980).

### ILO's Relevance to Multinational EAPs

Given the increasing levels of global economic integration, the International Labor Organization (founded in 1919) with

its 150 member countries is interested and concerned with all aspects that impinge upon the world of work. Due to the ever increasing problem of alcohol and drug abuse in the workplace, the ILO is increasing its attention to this problem. In the 1973, 1980, and 1985 sessions of the ILO in Geneva, resolutions concerning alcoholism and drug dependence were addressed and the member states were urged to implement treatment and rehabilitation programs. Thus, ILO is spearheading the need to provide substance abuse services. The "multi-media resource kit" developed by ILO and World Health Organization is available to employers and trade unions, and specifically to foremen, welfare officers, social workers, personnel managers, and medical officers to identify potential and problem cases and to develop and manage a program aimed at treating and preventing substance abuse (Shahandeh, 1987).

#### Roles for the Multinational Occupational Social Workers

Occupational social workers' roles in multinational corporations will vary according to the EAP service modality in use. Roles include problem assessment, brief treatment, client follow-up, development and design of corporate-wide substance abuse policies, case consultation, referral, supervisory training (regarding referral procedures), and marketing of EAP services (Ramanathan, 1990). Other emerging roles for occupational social workers may arise in response to the legislative requirements. For example, the Indian Factories Act of 1948 mandated employers to provide child care assistance if they employ 50 women (Srivastava, 1967). According to the 1976 amendments, employers were mandated to provide child care if 30 women were employed (Srivastava, 1988).

Multinational business brings with it many unique problems in the management of human resources. The most fundamental of these is the necessity for managers raised and experienced in one culture to play bicultural and or multicultural roles. Managers of foreign subsidiaries play a buffer role between two cultures (Robock, Simmonds, Zwick, 1977). Cultural differences will add to both over all stress and job related stress.

Foreign executives and their families are likely to face environmental differences that are more pronounced than the

on-the-job differences. Robock and colleagues cite a research study of almost 2,000 employees of a multinational firm on cross national assignments. Of these 2,000 employees about 20% were of American nationality, and the findings indicate that the employee's satisfaction with the foreign assignment depended mainly on the spouse's adjustment to the assignment (Purcer-Smith, 1971 as cited in Robock, Simmonds, Zwick, 1977).

Occupational social workers in the multinational corporations are bound to work with employees who have work related stress. This work stress may be due to job ambiguity, worker alienation, repetitiveness, information overload and other structural issues in the organization. Many social workers have been concerned with bringing about intraorganizational changes (Reynolds, 1951; Patti, 1980a; Patti, 1980b; Patti & Resnick, 1980; Pawlak, 1980). However, bringing about organizational changes as a occupational social worker in the area of job stress may require different sets of strategies. For example, if a particular group of jobs, i.e., job family is over represented in work related stress, this information could be communicated to human resource managers who consequently may engage in job enrichment and job redesign. Additionally, as introduction of new technology could cause anxiety and stress, occupational social workers may serve as consultants to the human resource managers regarding stress management, and management of technology change.

### Conclusion

In a global economy, expansion of multinational companies is inevitable. Transfer of human technology via multinational EAPs is a reality. Successful development and implementation of multinational EAPs require attention to the socio-cultural factors of the host countries. The socio-economic and political realities among developed countries and between developed and developing countries vary significantly. These are to be systematically addressed while transplanting U.S. EAP models. Given that the social work profession is rooted in the ecological tradition of person-in-environment, occupational social workers should provide leadership in sensitizing multinational corporations to cultural and ethnic uniqueness of host countries.

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