Cornell University
ILR School

Cornell University ILR School
DigitalCommons@ILR

Policy & Issue Briefs

ILR Collection

7-1-2001

IWS briefing, Winter 2001 Volume 1 Issue 1

Maralyn Edid, Editor
Institute for Workplace Studies

Follow this and additional works at: http://digitalcommons.ilr.cornell.edu/briefs

This Article is brought to you for free and open access by the ILR Collection at DigitalCommons@ILR. It has been accepted for inclusion in Policy & Issue Briefs by an authorized administrator of DigitalCommons@ILR. For more information, please contact jdd10@cornell.edu.

IWS briefing, Winter 2001 Volume 1 Issue 1

Abstract
[Excerpt] A newsletter on workplace issues and research from the School of Industrial and Labor Relations at Cornell University.

Keywords
ILR, Institute for Workplace Studies, IWS, labor, market, employee, managers, work injuries, managed care, worker, compensation, health insurance, Kenneth Roth, human rights, American, economy, Professor Smith, drinking, work, links, cures, R. Brinkley Smithers Institute for Alcohol-Related Workplace Studies

Comments
Suggested Citation
IWS briefing (Winter 2001) [Electronic version]. New York, NY: Cornell University, School of Industrial and Labor Relations, Institute for Workplace Studies.
http://digitalcommons.ilr.cornell.edu/briefs/18/

This article is available at DigitalCommons@ILR: http://digitalcommons.ilr.cornell.edu/briefs/18

Winter 2001
Volume 1 Issue 1

IWS briefing

from the School of Industrial & Labor Relations

In This Issue

1 Work Injuries
1 Note to Readers
2 Human Rights
3 Drinking and Work

Work Injuries and Managed Care

Anyone who has ever been injured at work or anyone who owns or manages a business where workers have been injured knows the system well. It's called workers' compensation, a no-fault insurance plan that charges employers, through premiums paid to an insurer, for injuries incurred on the job. Anyone who has had experience with the system also knows the ease with which the injury claim, medical costs, and recovery time can all become inflated. In fact, several studies have shown that workers' compensation injuries are more expensive to treat than those covered by traditional health insurance.

For policy makers and legislators, the idea of lowering workers' compensation costs and lost work time without diminishing the quality of care holds great appeal. The advent of managed care, with greater controls over doctors, patients, and costs, provides an opportunity to test whether the workers' compensation system can be reined in. Given this backdrop, the New York State legislature approved a pilot program that permitted the use of managed care in treating workers' compensation cases. Lawmakers also mandated that the ILR School evaluate the effects of managed care on both quality and costs of treatment.

The mandated study was recently completed by ILR labor economist Robert Smith, a professor and associate dean for academic affairs, and several colleagues; it was included in a report to the legislature by the Labor-Management Committee that oversaw the pilot program. Briefly stated, the study found the impact of managed care to be minimal. Relying on data mostly from one large retail company, the study concluded that managed care had no effect on medical costs or lost wages but that injured workers were less satisfied with the managed care system than were those who used the traditional system for work-related injuries.

Professor Smith discussed the insurance system and the research project early this fall at a talk in an ongoing colloquium series sponsored by ILR's Institute for Workplace Studies in New York City.

Results from the study contradict other research efforts that have shown managed care lowers costs significantly. Professor Smith noted that the ILR project was hampered by the small number of companies in the pilot program, which effectively turned the analysis into a large case study.

Nonetheless, the data on worker satisfaction bear scrutiny. Survey participants were asked, among other questions, about the overall quality of care, whether it met their needs, whether the doctor paid attention, whether the office staff was helpful, and whether they would choose the same doctor again to treat the same injury. Four months after injury, workers were interviewed about their first medical visit and their most recent one; they were re-interviewed eight months after injury. A control group of injured workers in the same large company who used the tradi-

continued on page 2

To alumni and friends of the ILR School:

This newsletter inaugurates what we envision as an ongoing exchange between the ILR resident faculty and our key constituents. Produced and distributed by ILR's Institute for Workplace Studies, the *IWS briefing* is a vehicle for sharing information about faculty research, conferences, and colloquia that focus on issues related to the world of work. Our goal is to forge a closer link between what we know and learn at ILR and what you know and learn from your experiences in the field.

Based in New York City, the Institute was created in 1999 to enhance ILR's academic presence in the New York City area. We are also home to the new Master of Professional Studies program, which for the first time offers working adults in the greater metropolitan area the opportunity to undertake an interdisciplinary course of study in industrial and labor relations, taught entirely by Cornell resident faculty. If you know individuals who might benefit from this unique program, please encourage them to contact the Institute or the ILR admissions office.

More information about the Institute and the MPS program can be found at http://www.ilr.cornell.edu/iws.

We look forward to hearing from you.

Professor Samuel B. Bacharach

Director, Institute for Workplace Studies

Professor Edward J. Lawler

Dean, School of Industrial and Labor Relations

ilr CORNELL UNIVERSITY

Institute for Workplace Studies

A newsletter on workplace issues and research from the School of Industrial and Labor Relations at Cornell University

Debating Workers' Rights as Human Rights

THE IDEA OF HUMAN RIGHTS, in American discourse at least, revolves around notions of political and civil rights. Americans consider the issue of economic and social well being to be less about individual rights than about the dictates of the market and the relative power of particular groups. In European countries, the human rights agenda embraces a broader set of concerns, which includes workers' fundamental right to free association, collective bargaining, nondiscrimination, and a safe and healthy workplace.

Whether and how to link workers' rights with human rights is a controversial matter. The outcome of this debate will no doubt influence the priorities and plans of human rights organizations. Perhaps more importantly, it has the potential to affect America's relations with its trading partners, the political and economic divide between industrialized and developing nations, the growth rate and character of the American economy, and the need for and ability of labor unions to find allies both here and abroad.

Although some theoretical consensus about the workers' rights/human rights conundrum may yet emerge, the practical difficulties of codifying and enforcing that understanding could diminish its impact.

Recently, the Institute for Workplace Studies hosted a two-day conference entitled "Human Rights in the American Workplace: Assessing U.S. Labor Law and Policy." Through a series of panel presentations involving academics, lawyers, union leaders, human resources executives, and representatives of non-governmental organizations, participants explored the degree to which workers actually have rights in America, the effects of globalization, the tactical importance of the legal system, and the ethics underlying the drive to promote workers' rights as human rights.

Advocates of various points of view offered both competing and complementary analyses of the issues. For starters, several panelists called attention to critical gaps in U.S. labor law. According to Kenneth Roth, executive director of Human Rights Watch, the National Labor Relations Act does not level the playing field between labor and management. He cited a host of practices, ranging from firings of union supporters and token penalties for management unfair labor practices to delayed elections and surface bargaining, that in sum deny workers their legal rights and their human rights under international law.

> The debate over workers' rights as human rights is imbued with moral and ethical considerations.

Other panel members stressed the distinctions between American and European political and legal culture. In the United States, said Roy Adams, professor emeritus of industrial relations at De Groote School of Business, McMaster University, workers have the right to choose whether or not to be represented by a union. European workers, by contrast, have the right to a voice at work but then choose how that voice will be expressed (i.e., the form of representation). Thomas Moorhead, vice president of human resources at Carter-Wallace, Inc., argued that American law focuses on the rights of individuals and equal opportunity while European law, the usual frame of reference for international law, is more collectivist and thus concerned with equality of outcomes.

Cultural factors aside, equating workers' rights with human rights and codifying these imperatives into laws and trade agreements could lead to unintended consequences. Katherine Stone, Anne Evans Estabrook Professor in Dispute Resolution at ILR and professor

continued on page 4

Work Injuries

continued from page 1

tional system were also questioned. Professor Smith said there was little difference in overall satisfaction with the first doctor visits between the managed care patients and the control group but that dissatisfaction among those in managed care increased over time. "In analyzing the deterioration in satisfaction," Professor Smith explained, "the only consistent factor was the lack of choice in doctors."

This particular study does not offer conclusions sufficient to support reform efforts, and critical questions remain about the structure of the system. Some economists argue that employers should pay the full cost of work-related injuries because they make all the decisions affecting workplace risk. The experience rating system now in place tends to buffer employers' liabilities due to a large time lag in adjusting the cost of premiums. Some economists also argue that states should allow "open competition" on premium rates among insurance companies instead of following the practice in many areas where rate ceilings are set by state regulatory agencies. Economists claim that regulated rates actually serve to increase premium costs. Clearly, more research is needed.

Meanwhile, policy makers in New York are beginning to look at alternative dispute resolution (ADR) as a means of controlling costs and reducing the litigiousness associated with workers' compensation. Again at the behest of the state legislature, ILR is performing a multi-year study to evaluate whether using ADR instead of standard legal channels facilitates faster closure on cases and reduces the number of lawyers involved.

Contact Professor Smith at rss14@cornell.edu or 607-255-7650 for information about the studies. Contact the Institute for Workplace Studies at iwsconferences@cornell.edu or 212-340-2896 for information about future colloquia.

Drinking and Work: Researchers Seek Links and Cures

RESEARCHERS, EMPLOYERS, AND UNION LEADERS have long sought to understand the relationship between work and alcohol abuse. Because of concerns about lost productivity, injuries, and the effect on morale, they have also grappled with strategies designed to prevent and treat drinking-related problems. Stress and alienation have been commonly cited as root causes, and employer responses have typically centered on progressive discipline and individual treatment. The troubling behavior, however, persists.

Alcohol abuse in the workplace has proven to be an enigmatic and stubborn problem. But now, researchers are beginning to discover the layers of complexity underlying job-related drinking and are focusing on new approaches to managing and minimizing its harmful presence. A symposium sponsored by ILR's R. Brinkley Smithers Institute for Alcohol-Related Workplace Studies, held in New York City in mid-October, gave a number of university professors an opportunity to share results of their investigations with a selected group of colleagues.

Several symposium participants explored the incompletely understood relationship between workplace-related risk factors and alcohol consumption. Among blue-collar workers, for example, professors Samuel Bacharach, Peter Bamberger, and William Sonnestuhl of the Smithers Institute said peer culture is critical. They found that permissive norms about drinking as a coping mechanism are important predictors of drinking problems. Professor Judith Richman of University of Illinois-Chicago reported that sexual harassment, general workplace abuse, and discrimination all increase the risk of problem drinking among both men and women. She added that lesbians and bisexual women feel most vulnerable in the workplace and are at greatest risk for inappropriate drinking. Similarly, African-American workers who suffer bias and prejudice, feel financially insecure, and are unhappy in their jobs are more likely to engage in excessive drinking, said Professor Jack R. Martin of Kent State University and his colleague, Professor Steven Tuch of Washington University. On the other hand, African-American workers who are closely tied to their community and church are less likely to drink heavily.

Another group of researchers looked at the effect of non-workplace factors on the use and abuse of alcohol. Gender as an explanatory variable seems to have dissipated over the years. Compared to the 1980s, when alcohol consumption was much less of a problem in female-dominated work environments than in male-dominated environments, the drinking behavior of men and women today is fairly similar, according to professors Richard Wilsnack and Sharon Wilsnack of University of North Dakota Medical School. Research by professors Edward Greenberg of University of Colorado and Leon Grunberg of University of Puget Sound suggested that factors external to the workplace, such as personality, family dynamics, religion, and alcohol-related local ordinances, affect drinking behavior at least as much as conditions at work.

Regardless what causes drinking problems, the workplace remains an important locale for identification and treatment. People spend a lot of time at work, which makes the workplace a logical site for intervention. It also makes sense to link treatment with the source that arranges and pays for most of the health insurance workers carry. Moreover, an estimated 59% of workers and their families have access to "employee assistance programs" (EAPs), which offer help for problems such as alcoholism, other drug addictions, and emotional illnesses.

Unfortunately, the workplace has become an inhospitable site for dealing with alcohol abuse, largely because EAPs are not fully implemented. Professor Paul Roman of University of Georgia reported that employers are backing away from traditional EAPs, which train supervisors to identify employees with problems and steer them into treatment. The new emphasis on cost containment by managed care organizations and human resources departments has shunted discussion of alcoholism to the fringes of employee assistance programs, leaving many workers adrift and insulating employers from their share of responsibility. Researchers, however, remain convinced that EAPs can be an effective mechanism for fighting and treating alcoholism.

Researchers are discovering layers of complexity underlying job-related drinking and focusing on new approaches...

Indeed, many researchers argue that the workplace is the optimal point from which to launch an attack against excessive alcohol consumption. Dr. Joel Bennett of University of Texas identified several models that rely on peer culture to reshape coworkers' attitudes towards drinking, but noted that employers and insurance providers have been reluctant to test these ideas. Symposium participants said this was a policy matter that warranted further discussion and generally agreed that future initia-

continued on page 4

Note: Professor William Staudenmeier, Jr. of Eureka College told symposium participants that culture, labor-management relations, and the structure of health care systems help explain why the EAP paradigm is an American phenomenon that has not been replicated in Europe.

Institute for Workplace Studies

Cornell University
School of Industrial and Labor Relations
16 East 34th Street, 4th Floor
New York, NY 10016

Nonprofit Org.
U.S. Postage
P A I D
Ithaca, NY
Permit No. 177

Human Rights

continued from page 2

of law at Cornell Law School, warned that capital might flee the United States for countries with less stringent statutes. She also cautioned that developing countries regard the insertion of western norms into trade agreements as a protectionist move that favors industrialized economies. Other speakers doubted the value of writing laws and treaty provisions that governments either cannot or will not enforce.

Despite the lack of consensus, one clear note sounded: the debate over workers' rights as human rights is imbued with moral and ethical considerations. "This is the real battle," said Elaine Bernard, executive director of the trade union program at Harvard University. "Should labor and human rights be treated as commodities? Should the market be the sole arbiter of value?"

James Gross, professor of collective bargaining, labor law, and labor history at ILR provided the intellectual leadership for the event. He can be reached at jag28@cornell.edu or 607-255-5490. ■

Drinking and Work

continued from page 3

tives should focus on changing norms about drinking, even if these norms are not the only predictor of alcohol problems.

Ongoing research in this field will likely center on two areas: developing more complex models to explain the risk factors associated with problem drinking and identifying and providing help for at-risk groups of workers, such as women, minorities, and laid-off employees.

Professor Sonnenstuhl is preparing an edited volume of symposia papers that should be available next year. For information about this and future symposia, contact Sara Edwards at sre2@cornell.edu or 212-340-2808. ■

GO TO

www.ilr.cornell.edu/iws for updates about Institute for Workplace Studies events.

Institute for Workplace Studies

Institute for Workplace Studies
School of Industrial and Labor Relations / Cornell University
16 East 34th Street, 4th Floor
New York, NY 10016

tel: (212) 340-2886
fax: (212) 340-2893
email: iwsnyc@cornell.edu
web: www.ilr.cornell.edu/iws

Director: Samuel B. Bacharach
Editor: Maralyn Edid
Program Coordinator: Sara Edwards

ilr CORNELL UNIVERSITY