

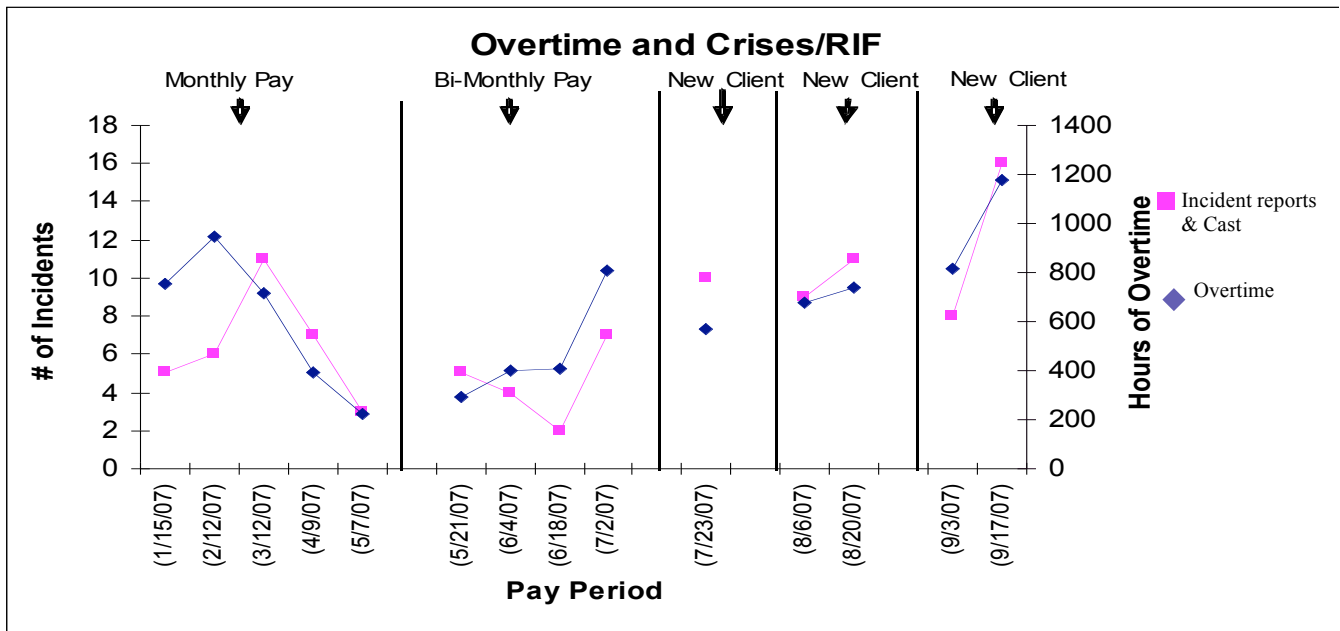
Integration and Efficiency: Managing the Safety of Your Clients, Employees and Company

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What's the problem with overtime? Everything.

It may, on the surface, seem to be a boon to many workers, in that they get extra money at the end of the week at a higher rate (time and a half). However, the short term gains for individual employees will have the long term effect of sinking your company into the abyss.

Behavioral Services of Tennessee (BSTN) conducted an internal study on the relationship between overtime and Reportable Incidents/Crisis (CAST) Calls. These are incidents that may result in harm to a client, such as medical problems or incidents of abuse and neglect. The results are displayed below.



As can be seen visually, reportable incidents moved in the same way that overtime moved. The vertical lines on the graph represent changes in pay scale and times that BSTN took on a new client. These lines also represent times that it was necessary to hire and train new staff members. We found that the amount of overtime and the amount of Reportable Incidents/Crisis calls were correlated at a rate of approximately 74.6%. A conservative estimate of overtime pay, as a dollar amount, was \$49,054. This is only for a nine month time period. If you adjust the numbers for a year, you would spend approximately \$72,705.

It is easy to see that these soaring expenses would eventually sink your company, especially if you kept adding new clients. Not to mention the fact that as the overtime rises you see a spike in potential medical/safety problems and abuse.

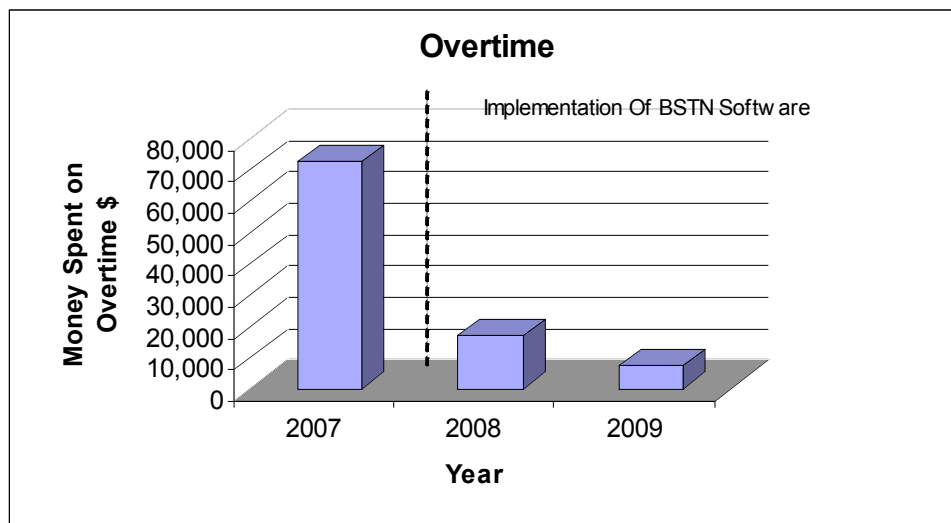
If you applied this same logic to a factory that makes widgets you would likely find similar problems. Overtime would cause your staff to become less alert and at a higher risk for injury. Not to mention the fact that you are hemorrhaging money that could be utilized for a variety of projects (improving the quality of your products, improving the quality of your infrastructure, giving good employees promotions, expansion, etc.).

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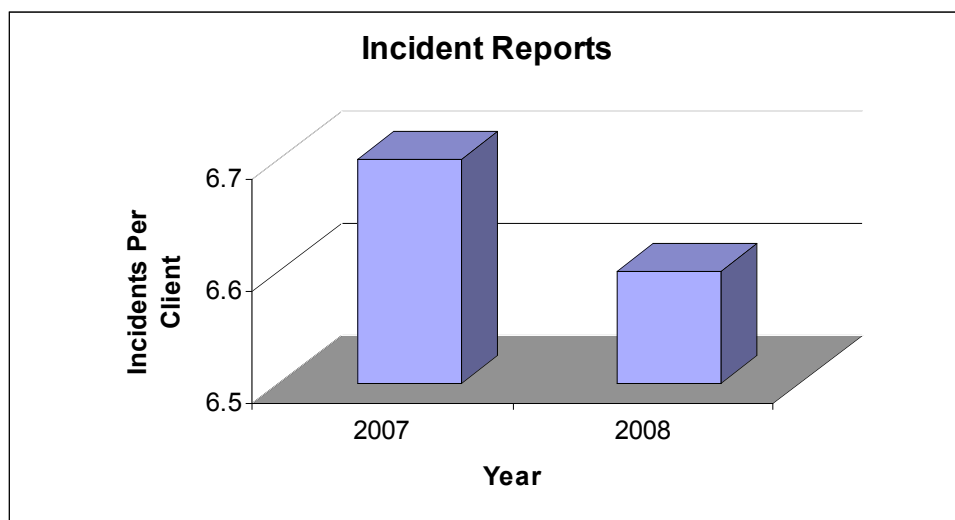
How do you solve this problem? **Step 1:** You have to identify that you have a problem. For a small company like BSTN, it may be easier because typically the person writing the checks is also very involved in looking at the entire budget on a daily basis. However, in a large company you have to integrate your systems so that people in London can communicate with people in Beijing. In simple terms we are talking about integration and efficiency.

How do you become more integrated and efficient? **Step 2:** BSTN created a unique tool, software called (coincidentally) BSTN (Business Software for Therapist Networking). The BSTN software allowed BSTN to, among other things, identify problem areas that were causing overtime, which allowed them to target and eliminate this black hole. BSTN developed this tool toward the end of 2007 and by April of 2008, the tool was fully integrated across the entire company. The results that this had on overtime are presented below:



It does not take a sophisticated statistical analysis to see that overtime costs dropped significantly after the BSTN software was implemented. It should be noted that the 2009 data is an estimate of overtime based on current data that are available. It should also be noted that during this time BSTN continued to add clients, which in the past, was directly related to an increase in overtime costs.

As was noted before, the total number of overtime was correlated very closely with incident reports. Below is a graph that represents the average number of Reportable Incidents per client for 2007 and 2008:



This graph is a more conservative estimate of change as we only included Incidents that rose to the level of being required to be reported to State authorities. Although, it may not seem like a significant drop from 2007-2008 (6.7 incidents per client to 6.6 incidents per client), it should be noted that in 2008 three more clients were added to the

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company. This helps support the theory that if we can effectively reduce overtime, we can more safely support more clients.

In summary it appears that overtime expenses can be a significant burden to any company for a variety of reasons. As stated before, overtime can contribute to decreased safety in any environment and it can also lead to exorbitant expenses that may lead to the demise of a company and, at the very least, prevent a company's efforts to improve their services.

The key to solving these problems is integration and efficiency. BSTN has found this integration and efficiency in their BSTN software. In addition, this software not only allows BSTN to tackle a problem like overtime, but it also has helped BSTN to solve and streamline some of the following aspects of running a company:

1. Hiring and Training
2. Documentation and Storage
3. Payroll
4. Benefits Administration
5. Scheduling
6. Root Analysis/Trend Analysis
7. Employee Management/Monitoring

However these aspects are beyond the scope of this article and will be addressed at a future date along with any other innovations that are created out of necessity.