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SOCIETY FOR HUMAN RESOURCE MANAGEMENT

About the Respondents

Staff size categories of respondents:

- The majority of organizations had fewer than 2,500 employees (80%):
 - More than one-third of organizations had 100 to 499 employees (36%).
 - Nearly one-quarter of respondents had 1 to 99 employees (24%).
 - One-fifth of respondents had 500 to 2,499 employees (20%).

Sectors of respondents:

- The majority of organizations were publicly owned for-profits (50%).
 - Almost one-fifth each were from privately owned for-profits (19%) and nonprofit organizations (19%).

Industry of respondents:

- The largest proportion of organizations were from the manufacturing (18%) and health care (14%) industries.

SHRM/DATIA Poll: Drug Testing Efficacy ©SHRM 2011

Key Findings

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- **What percentage of organizations conducted pre-employment drug testing in 2011?** More than one-half of organizations (57%) indicated that they conduct drug testing on *all job candidates*. More than one-quarter (29%) of the organizations do not have a pre-employment drug testing program.
- **Is there a correlation between drug testing programs and absenteeism?** Yes. In organizations with high employee absenteeism rates (more than 15%), the implementation of a drug testing program appears to have an impact. Nine percent of organizations reported high absenteeism rates (>15%) prior to a drug testing program, whereas only 4% of organizations reported high absenteeism rates after the implementation of a drug testing program, a decrease of approximately 50%.
- **Are workers' compensation rates affected by drug testing programs?** Yes. In organizations with high workers' compensation incidence rates (>6%), the implementation of a drug testing program appears to have an impact. Fourteen percent of organizations reported high workers' compensation incidence rates prior to a drug testing program, whereas only 6% of organizations reported similar rates of workers' comp after the implementation of a drug testing program, a decrease of approximately 50%.
- **Do drug testing programs improve employee productivity rates?** Nearly one-fifth (19%) of organizations experienced an increase in productivity after the implementation of a drug testing program.
- **How much of an impact do drug testing programs have on employee turnover rates?** Employee turnover rates decreased nearly one-fifth (16%) in organizations after the implementation of drug testing programs.
- **Do multinational organizations apply similar drug testing protocols/policies in the United States and globally?** Nearly three-quarters (72%) of organizations that have multinational operations indicated that all, almost all or some of the same protocols/policies are applied while conducting drug tests outside the United States.

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Organizations with Drug Testing Programs

- Pre-employment with job candidates
- Post-employment with employees
- Pre-and/or post-employment with contract employees

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How are you involved in your organization's drug testing program?

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Involvement Level	Percentage
I am a decision maker	41%
I make recommendations	29%
I am not directly involved	23%
Other	8%

Note: n = 636. HR professionals who answered "not sure" were excluded from this analysis. Percentages do not total 100% due to rounding.

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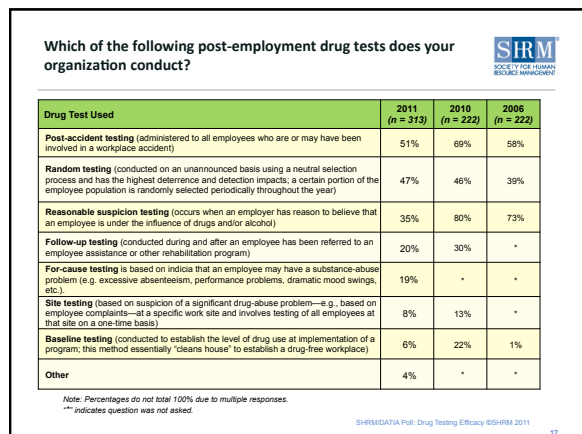
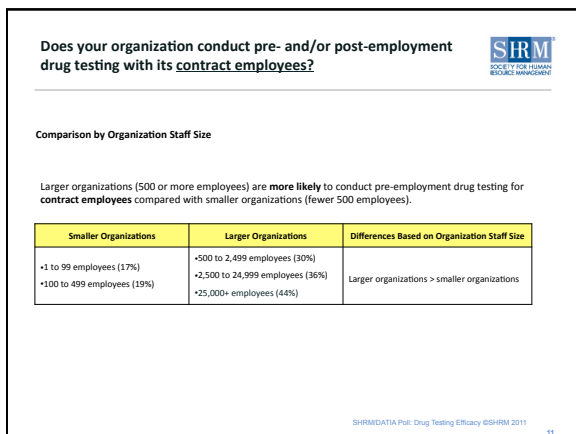
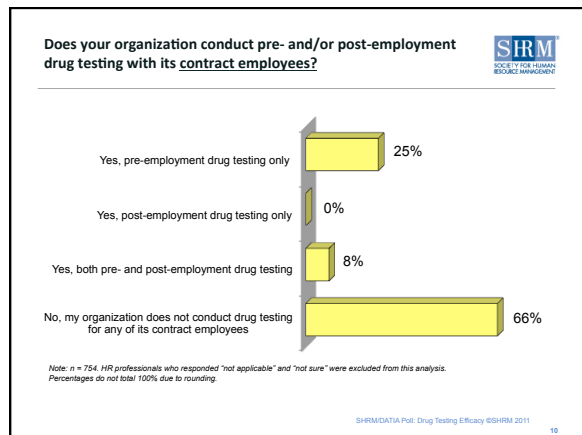
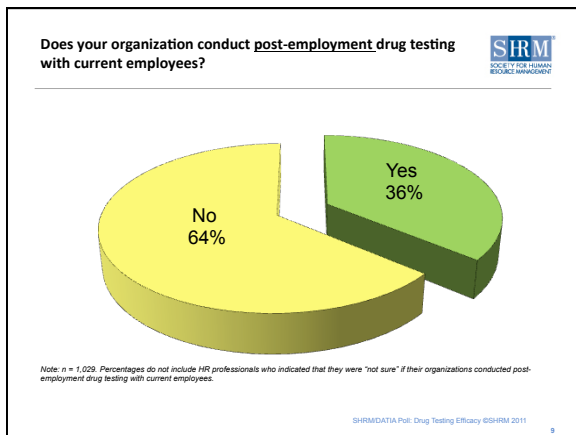
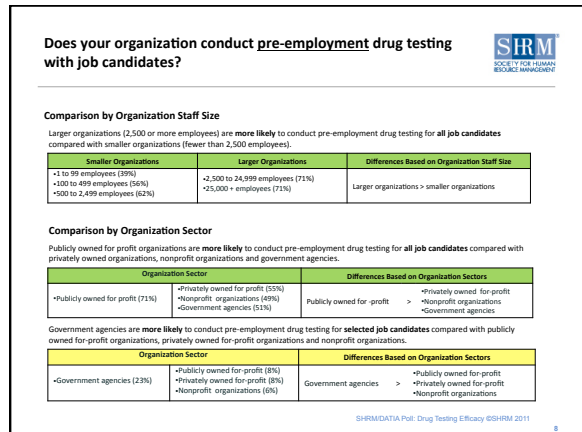
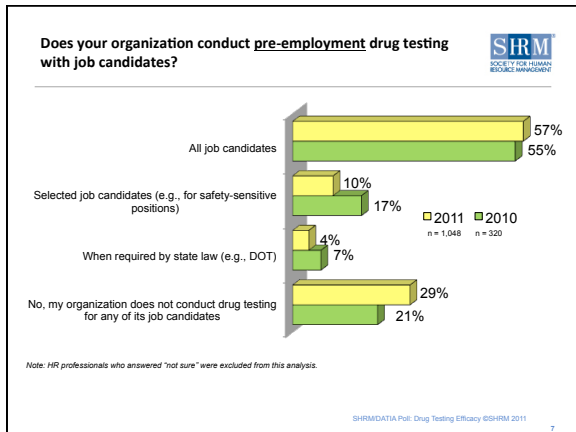
For approximately how many years has your organization been conducting pre- and/or post-employment drug testing?

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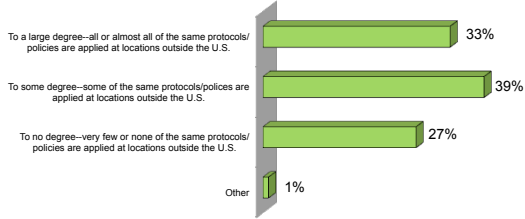
Years of Testing	Percentage
7 years or more	69%
5 to 6 years	12%
3 to 4 years	12%
1 to 2 years	6%
Less than 12 months	2%

Note: n = 626. Percentages do not total 100% due to rounding. HR professionals were asked to round to the highest year.

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To what degree are the U.S. pre- and/or post-employment protocols/policies also applied at locations outside the United States?



Note: n = 150. Percentages do not total 100% due to rounding. Only organizations with multinational operations were asked this question.

Impact of Drug Testing Programs

- Absenteeism
- Workers' compensation
- Employee productivity
- Employee turnover



Absenteeism rates at organizations before and after drug testing program implementation



	Before implementation of a drug testing program (n = 162)	After implementation of a drug testing program (n = 218)
0-15%	91%	96%
More than 15%	9%	4%

Note: HR professionals who answered "not sure" were excluded from this analysis.

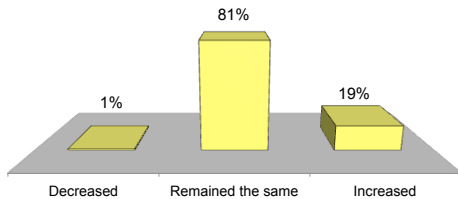
Workers' compensation incidence rates at organizations before and after drug testing program implementation



	Before implementation of a drug testing program (n = 285)	After implementation of a drug testing program (n = 212)
0-6%	86%	94%
More than 6%	14%	6%

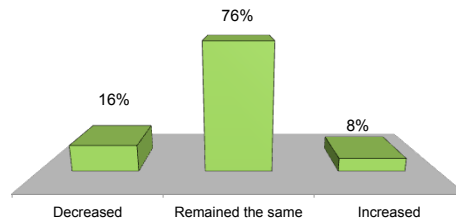
Note: HR professionals who answered "not sure" were excluded from this analysis.

Change in employee productivity in organizations after drug testing program implementation



Note: n = 513. HR professionals who answered "not sure" were excluded from this analysis. Percentages do not total 100% due to rounding.

Change in employee turnover rates in organizations after drug testing program implementation

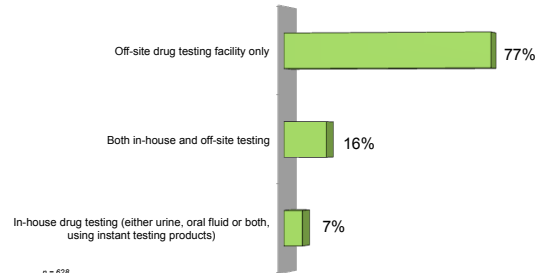


Note: n = 520. HR professionals who answered "not sure" were excluded from this analysis.

How Drug Tests Are Performed

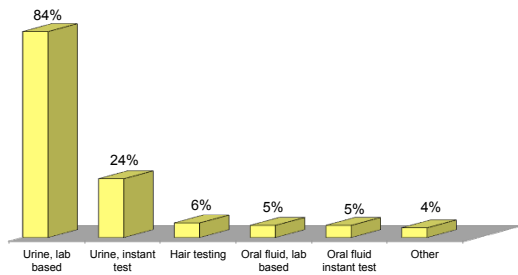
- > Where?
- > What type?
- > How much?

Does your organization conduct drug testing in-house or at an off-site testing facility run by another entity?



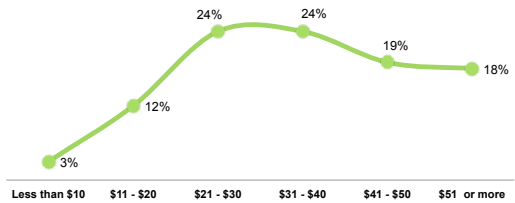
n = 628

What type of sample is used for your organization's drug testing program?



Note: n = 634. Percentages do not total 100% due to multiple responses.

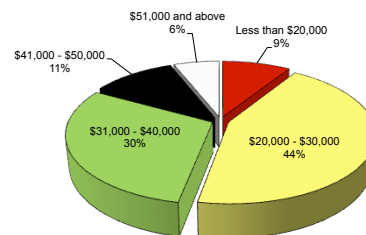
How much does it cost your organization each time a drug test is conducted (per employee or job candidate)?



n = 633

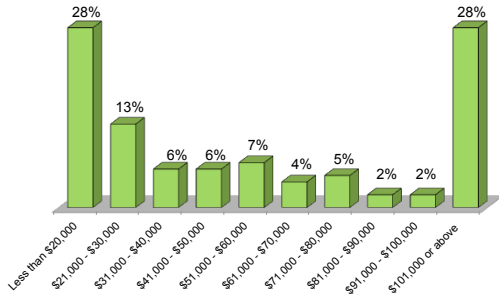
Characteristics of Organizations With Drug Testing Programs

What is the average entry-level full-time annual salary at your organization?



n = 632

In 2010, how much did your organization spend on recruiting, training and drug testing combined?



Note: n = 595. Percentages do not total 100% due to rounding.

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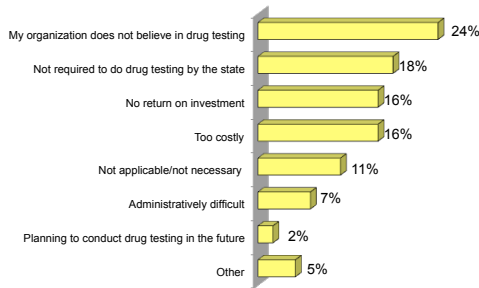


Organizations that Do Not Have Drug Testing Programs

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What are the primary reasons your organization does not conduct pre-and/or post-employment drug testing?



Note: n = 262. Percentages do not total 100% due to rounding.

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What is the primary reason your organization does not conduct pre- and/or post-employment drug testing?



Analysis by Organization Staff Size

	1-99 employees (n = 104)	100-499 employees (n = 95)	500-2,499 employees (n = 36)	2,500-24,999 employees (n = 21)	25,000 or more employees (n = 6)
My organization does not believe in drug testing	23%	22%	28%	19%	17%
Not required to do drug testing by state	21%	6%	25%	24%	33%
No return on investment	11%	19%	25%	5%	0%
Too costly	14%	19%	11%	19%	17%
Not applicable/not necessary	15%	10%	0%	0%	0%
Administratively difficult	4%	9%	3%	19%	0%
Plan to conduct drug testing in the future	4%	3%	0%	0%	0%
Other	7%	11%	8%	14%	33%

Note: n = 262. Some row percentages do not total 100% due to rounding. Caution should be used when generalizing results when the sample size is less than 30 for any category.

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Demographics



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Demographics: Industry

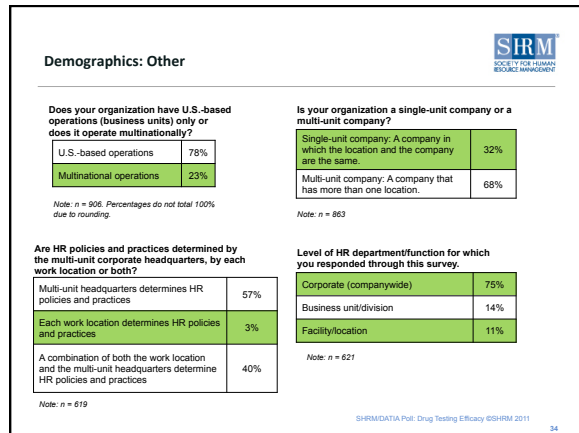
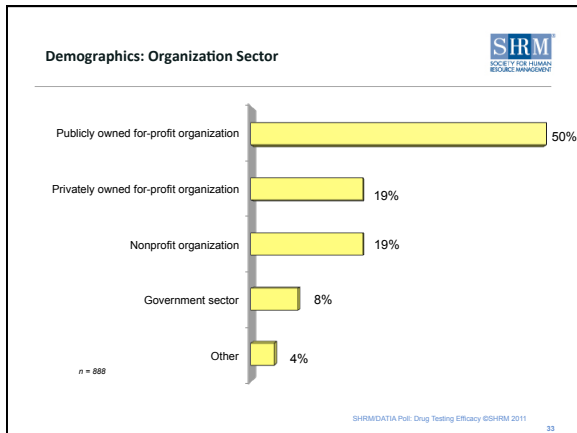
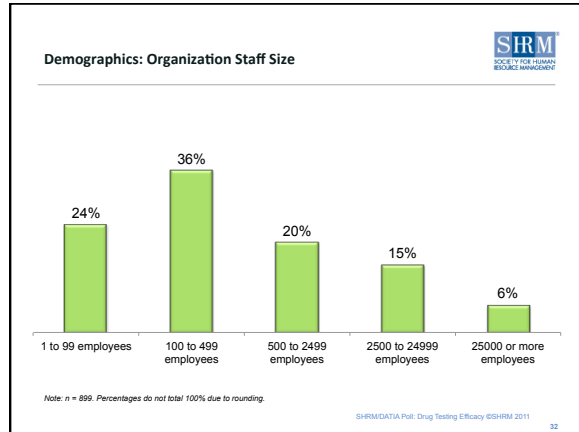
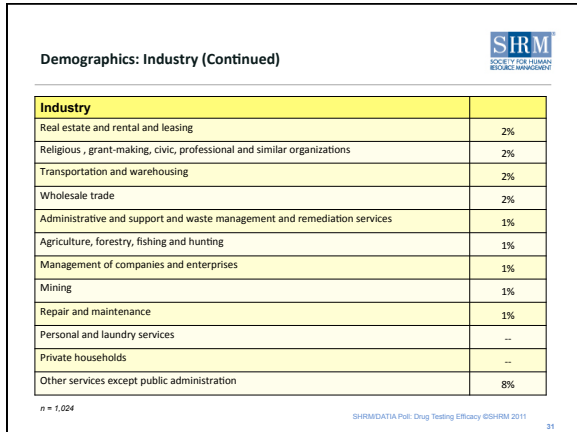


Industry	Percentage
Manufacturing	18%
Health care and social assistance	14%
Professional, scientific and technical services	11%
Finance and insurance	9%
Educational services	5%
Public administration	5%
Retail trade	4%
Accommodation and food services	3%
Construction	3%
Utilities	3%
Arts, entertainment and recreation	2%
Information	2%

n = 1,024

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Methodology

- Response rate = 20%
- Sample composed of 1,058 randomly selected HR professionals from SHRM's membership
- Margin of error is +/- 3%
- Survey fielded March 1-14th, 2011

For more poll findings, visit www.shrm.org/surveys
 Follow us on Twitter: http://twitter.com/SHRM_Research

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