

Implementing Pre-Work Screening at The Schwan Food Company: Quality, Consistency and Results

Doug A. Klein, CSP
Director of Corporate Safety
The Schwan Food Company
Marshall, Minnesota

Kevin Schmidt
Senior Vice President
WorkWell Systems Inc.
Chicago, Illinois

Introduction/Summary

The Schwan Food Company is an international manufacturer and delivery organization for a vast array of frozen foods, with over \$3 Billion in sales and over 22,000 employees. About 7000 of these employees are delivery drivers—Schwan’s delivery trucks make thousands of stops each day, bringing Schwan’s food products to consumers’ homes and grocery stores throughout the United States. With a system this large and successful in Home Service and Consumer Brands, Schwan hires over 4000 drivers a year—locally and around the country.

In 2003, The Schwan Food Company was seeking a solution to ensure that new applicants for work were physically able to perform their duties—from the very first day on the job. Injuries to newly hired drivers were higher than expected, and it was affecting operations as well as costs.

Schwan’s decided to implement a national physical testing program—a Post-offer Pre-work Screening (PWS)—for all applicants for route drivers and material handlers. This program was to be a supplement to the legally required DOT exam— which wasn’t giving Schwan’s what it needed to determine applicants’ physical suitability for the job.

The solution designed in this effort gave Schwan’s a *consistent, quality-controlled, accurate* physical testing capability that integrates well with their nationwide hiring system. Online electronic software decision tools were used to develop a Schwan’s job bank, a job-matching function and a data base and framework for tracking and reporting results. Thus, a standardized, legally compliant post-offer functional screening specific to Schwan’s key jobs was designed.

Results delivered an **ROI of 3.3:1** in direct savings.

What Is a Post Offer Pre-work Screen?

A Pre-work Screen (PWS) functional test is an evaluation performed by a physical/occupational therapist in order to determine an individual applicant's ability to safely perform the physical requirements of a specific job. This screen or test is performed after an applicant has been offered the job, as the last step to ensuring physical fitness to perform the critical physical demand of the job.

Functional testing may include measuring activities such as lifting, force testing, postural tolerances, grip, push and pull, ambulation, and climbing & balance abilities. On average, tests last from 20 to 35 minutes in length and include a brief physical assessment for things like blood pressure and heart monitoring (to ensure there are no safety issues that would prevent testing any given applicant). The test is not a general physical, like a DOT exam, but is a test of strength and physical ability.

The PWS test is designed using a Functional Job Analysis, performed by a therapist to ensure that it adheres to legal guidelines for validity under ADA and other employment and health data privacy laws. By law, employers are permitted to physically screen applicants only after the job has been offered, conditional on passing the testing.

The PWS process, when performed appropriately, ensures a match between the worker's abilities and the work's physical demands, in a non-discriminatory manner.

The benefit of Pre-work Screening is that the company can be sure the applicant is physically able to safely perform the demands of the job at the time of hire. This "fit" between the worker and the work, has been shown to decrease the frequency and severity of musculoskeletal injuries to workers in numerous studies over the last twenty years.

Implementing Post-Offer Pre-Work Screening at The Schwan Food Company

There were many challenges in implementing post-offer PWS at Schwan's. As a national company with a local delivery model, Schwan's has geographically dispersed hiring locations (over 600 depots). Implementing an efficient, consistent and legally compliant methodology was very important to the acceptance and success of this new program.

The existing hiring process for drivers was already a complex one and very time sensitive. There continues to be a tight labor market for the kinds of applicant drivers that Schwan seeks to add to its workforce; delays in the hiring/recruiting process meant that trucks could be idle and customer needs unfulfilled. There were multiple stakeholders from Operations to HR recruiting to Schwan's legal compliance group that were concerned about "getting it right" and wondering if the right balance could be achieved between efficiency and operations needs to keep trucks on the roads and achieve the important goal of injury reduction.

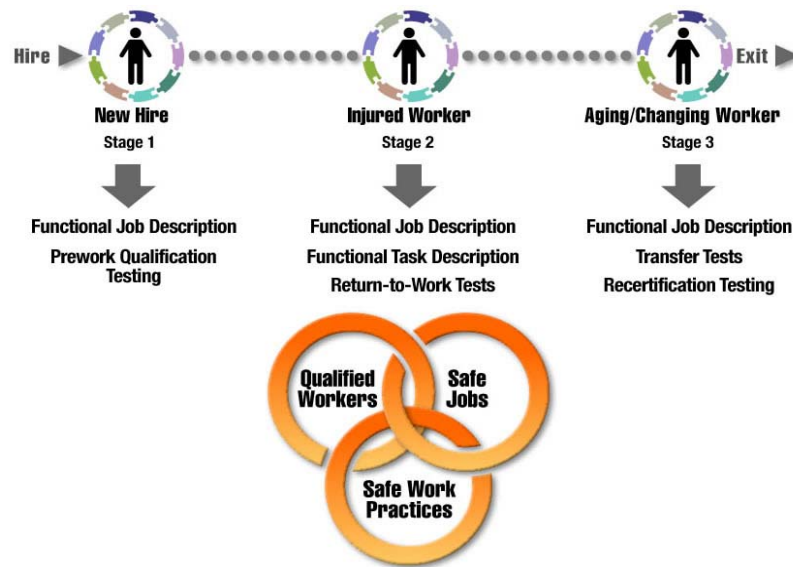


Exhibit 1: Implementing Pre-Work Screening at the Schwan Food Company

First, Schwan’s, working with WorkWell Systems, a national provider of PWS, did an assessment to determine key issues and a plan of action. In addition to the national scope of the hiring process, and despite Schwan’s similarities between its many depots, there were multiple truck/building/freezer/packaging configurations that made designing an efficient but accurate job analysis process a challenge—but doable.

Physical therapy experts reviewed the physical demands of key driver jobs both on the routes and in the depots, and developed the Functional Job Analyses that could be applied across Schwan’s Home Services and Consumer Brands systems-wide. The functional tests were professionally assessed, instrumented, and employee-validated on-site by trained therapists and local Operations.

FCE FJA **FJD** PWS Design PWS Exam My Profile | Log out

Completed FJD

FCE Sort Job Function Activity Sort

Employee Name	Comments	Validated	Validation Date
John Smith	I agree that the Functional Job Description accurately reflects the job in all the categories listed. I understand this is only a list of the functional/physical portions and is not intended to describe more than those aspects.	Yes	11/29/2001
Bill Jones	I agree that the Functional Job Description accurately reflects the job in all the categories listed. I understand this is only a list of the functional/physical portions and is not intended to describe more than those aspects.	Yes	11/26/2002

Employer : Jewel Airlines
Job Title : Aircraft Appearance Worker
Job Sub-title : Apprentice
Job Objective : Cleans interior of aircraft between flights and following the end of the days scheduled flights.
Hours of Work : 12
Clothing : Company Provided Uniform, Other gloves, Steel Toed Shoes/Boots,
Equipment / Tools : vacuum; various cleaning compounds in squeeze bottles, buckets, cloths (dry and damp), small garbage bags, magazines, and paper goods.

Essential Job Functions

Function : provide a clean aircraft interior for passengers

Activity : clean floor and seating surfaces using a broom, vacuum, cloth, mop, and/or whisk broom

Pushing (Occasionally) horizontal at a height of 42 in. with a force of 25 lb. to clean floor and seating surfaces using a broom, vacuum, cloth, mop, and/or whisk



Exhibit 2: Validating the Functional Job Analysis

Putting the program in place included using online electronic software decision tools to develop a Schwan's job bank, job-matching functionality, a data base and a framework for tracking and reporting results. Thus, a standardized, legally compliant post-offer functional screening specific to Schwan's key jobs was designed.

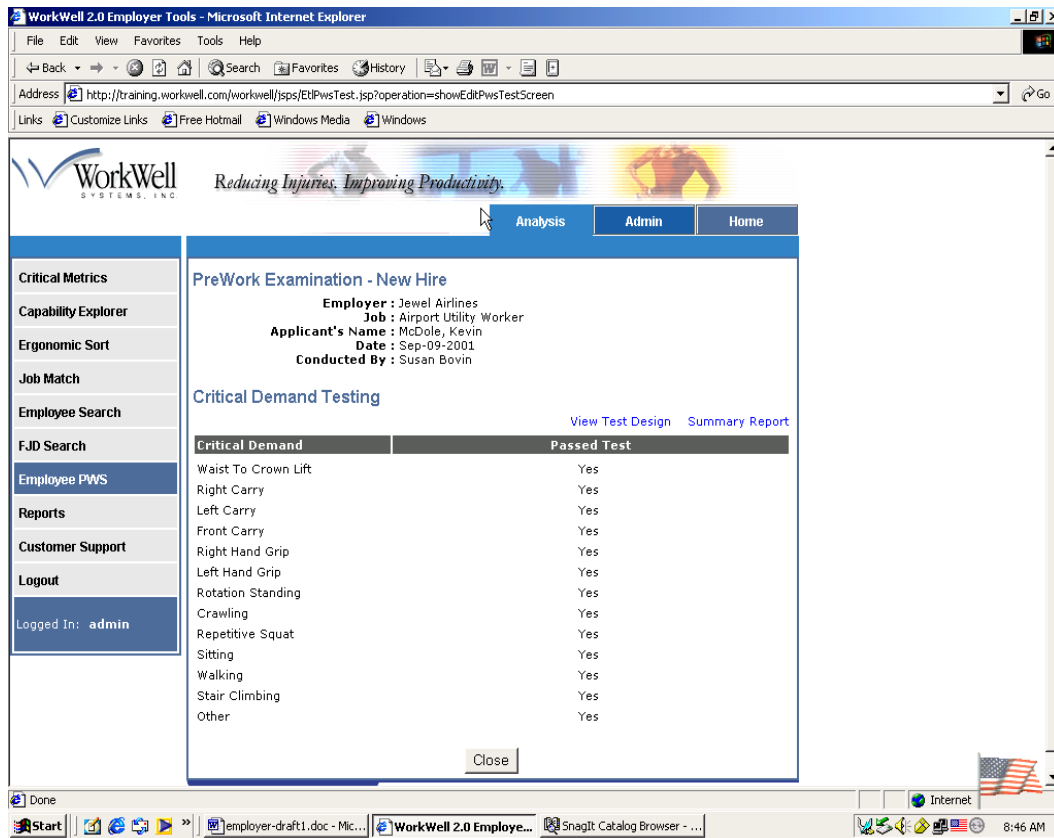


Exhibit 3: Sample Screen Critical Demand Testing

After a short Pilot Program in the Great Lakes Region—PWS was rolled out nationwide to over 600 depots in one year. Since program inception, 97% of all functional tests have been completed by the therapists, with results/report online, within 72 hours of request.

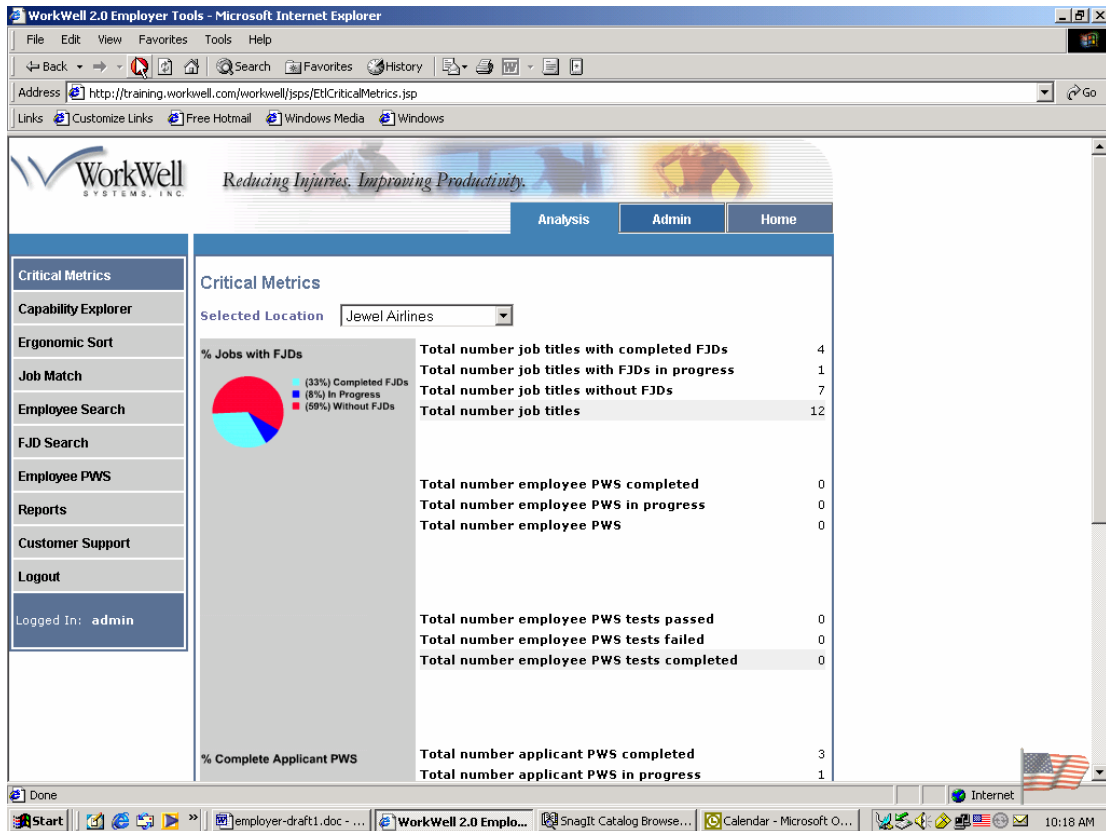
Over 350 physical and occupational therapist providers were identified from WorkWell’s roster of national providers. These therapists, certified in WorkWell’s functional testing approach and online tools, were then trained in the specific customized protocols needed for Schwan’s post-offer testing. Online test schedulers were also integrated into Schwan’s hiring process, to facilitate scheduling around the country, once recruiters had identified applicants that would receive a job offer.

Quality and Consistency, Nationwide

These programmatic solutions gave Schwan’s a *consistent, quality-controlled, accurate* physical testing capability that integrated well with their nationwide hiring system. Local providers—trained in Schwan’s specific methodology and expectations could administer the tests efficiently and quickly to meet the local hiring needs.

From Schwan’s corporate perspective, the system meant they were able to oversee and ensure necessary legal compliance (ADA, EEOC, HIPAA, etc.) during the hiring/testing process across a

widely dispersed system. Quality control in test design, functional exams, format, and reporting and data collection means that system oversight is easy. The national reporting and data analysis capability via an on-line decision support system gives measurement and feedback on test efficacy, quality control and measurement, including ROI and service level compliance.



What About Results and ROI?

However, the smooth and efficient process that was implemented was really the means to the ends. The goal, after all, was to reduce injury to Schwan's workers and to reduce costs from unnecessary work injuries.

From program inception, thru September 30, 2005, over 11,600 post offer pre-work screens were performed on Schwan's behalf. In that period, 3 % of applicants —332—failed the physical test post job-offer. However, 9.6 % (1148) of applicants who were offered a job and asked to take the functional exam, "self-selected" out of the test, and did not follow thru on the job offer. It is likely that some percentage of those who self-select out are to avoid the functional test because they assume or fear that they cannot pass it.

Who are the applicants who do not get hired post-offer?

- Candidates who *cannot* physically perform the job

- Previously, these post-offer candidates would have been hired to work, even though on “day one” they did not have the necessary physical ability to do the job
- Hiring these candidates creates a high risk of work injury with lost time or restricted work days
- If an applicant is not fit enough to do the job before starting work, then gets injured, how can the doctor then release him/her back to work as fit to do the job?
- Testing for job fit avoids injury as well as extensive disability following an injury.

Looking at results for test failures or those who self-select out of taking the test only gives part of the story. It sure looks like Schwan’s “dodged a bullet” by avoiding hiring those not physically fit enough to perform a job’s critical demands. But, do claim trends bear out the rest of the story??

Claims and safety data was collected and analyzed on the frequency and the cost of musculoskeletal injuries to new hires both before and after the pre-work screening program. Baseline data was compared to post program data; a new hire injury was defined as an injury that occurred within 365 days of the first day of work.

Measurement of program outcomes to date—for all hires thru September 2005 and for all injuries reported thru January 2006—show **284 MSD injuries avoided**¹ in the tested new hires that started work thru September 2005.²

Direct claim savings to date have been **\$5,153,500** due to claims avoided. Lost productivity avoided in these same claims is estimated at an additional **\$378,000**.

In looking at the trend for new hire MSD injuries, the baseline New Hire MSD injury rate³ was 69.6 injuries per 1000 hires; after the implementation of the PWS program, new hire MSD injury rate is 40.6 injuries per 1000 hires. This is a **reduction of 41.7%** in the new hire MSD injury rate.

Schwan’s estimates its total savings, direct and indirect, at 3 times direct savings⁴, based on claims costs avoided. ROI, Direct and Indirect, is 9.9: 1. (Direct savings alone were 3.3:1).

Indirect savings estimates include things such as

- Costs of salary while on Temporary Alternate Duty (not represented in claim costs)
- Costs of Turnover: lost investment in every new hire that “doesn’t make it” due to job difficulty or injury

¹ This “injuries avoided” number is derived by looking at “expected” injuries, based on the actual MSD injuries to new hires during the baseline period —prior to PWS intervention—and then comparing to the actual results of new hire claims that occurred to the populations that were tested. This “Expected vs. Actual” analysis is a common and accepted method of actuarially looking at and comparing losses and trends.

² Because many of those hired have not yet completed 365 days of work since being hired, more avoided injuries may yet be determined: additional time must pass for full measurement.

³ MSD injury rate includes both Lost time and Medical Only claims

⁴ This metric is used broadly for measuring its business operations, not just injuries or claim costs.

- If only 25% of the failed candidates had instead been hired and trained, but left Schwan's due to job difficulty or were hurt, the cost of wasted hiring and training would exceed \$3 million
- Productivity losses due to truck downtime or worker overtime, missed customer sales and deliveries
- Workplace disruption: scheduling, supervisor time, HR time, etc
- Health Care Costs
- Savings on defense costs for questionable claims, (litigation due to pre-existing problems)

Schwan considers its pre-work screening a success for the impact it has had on driving down new hire MSD injuries and in avoiding over \$5 million in workers compensation claims costs to date.

Next steps: Schwan is currently doing a pilot project for additional loss prevention using CtdMAP—an online questionnaire for employees that has been statistically proven to predict OSHA recordable injury risk with 90% accuracy: Using this predictive test enables an employer to use health intervention and ergonomic techniques to further reduce risk to its employees of injury and disability.