

U-Haul's no-smokers hiring policy tests the boundaries of corporate wellness

Critics contend the moving truck company's new policy raises privacy concerns.

By **Rachel Siegel**

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When U-Haul announced it would stop hiring nicotine users in the states where it could, the reactions were decidedly mixed.

“Good for U-Haul! Nicotine is a drug. ... It just happens to be legal!” wrote one Facebook commenter.

“I’m not [a] smoker, but I don’t think being a smoker should keep you from employment,” wrote another.

One posted a simple, “Dream on!”

Cigarettes have largely disappeared from employee break rooms and corporate board rooms, mirroring larger societal trends. But U-Haul’s move — which it framed as a way to foster a “culture of wellness” and reduce health-care costs — stands apart from how companies typically address tobacco use within their ranks, such as cessation assistance, wellness programs and, in some cases, incentives to quit like extra vacation days.

Critics say the moving and storage company's policy, which applies to new hires effective Feb. 1 and only in the 21 states where there are no prohibitions against it, takes corporate "wellness" too far, crossing squarely into employees' private lives.

"Smoking is universally considered to be a bad idea," said Anthony Johndrow, a corporate reputation adviser. "Now it can inhibit your career? That's a new one."

Workers give up some measure of privacy when they're on the job, given the relative ease by which their email, phone and browsing habits can be tracked. But companies are increasingly bumping up against privacy concerns as technological advances, for example, give them the ability to collect personal data on employees through their apps or use artificial intelligence to scan applicants. Some argue that screening out smokers and not, say, those who drink, creates an unfair hiring dynamic. U-Haul's policy also would weed out applicants who use e-cigarettes and nicotine patches, which many smokers use while trying to quit.

Data suggests no-hire policies disproportionately affect those near the bottom of the socioeconomic ladder. According to the national Centers for Disease Control and Prevention, Americans with low incomes, limited education and infrequent access to health care are at greater risk of developing smoking-related diseases.

Others contend that a no-hire policy is the wrong way to discourage smoking, as it stigmatizes nicotine users as lazy or burdensome and doesn't treat the addiction as a disease.

“When that habit is one that is concentrated among lower-income people, that is something we should really think hard about,” said Natalia Mehlman Petrzela, a historian at the New School who is writing a book on American fitness culture. “A decision like that ends up very concretely excluding working-class people from sorely needed employment opportunities.”

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U-Haul declined to answer questions about the policy, including how much it expects to save in health-care costs for its 30,000 employees in the United States and Canada. But a 2013 Ohio State University study estimated that employees who smoke cost American businesses nearly \$6,000 more per year than those who don't. The study found that lost productivity, in the form of smoke breaks represented the highest share of that premium, followed by health-care bills that exceed those of nonsmokers.

Instead, the company pointed to other programs meant to bolster a healthy workplace, including nicotine cessation assistance for employees, gym and personal trainer reimbursements, and registered dietitian plans.

In mid-January, U-Haul had roughly 1,600 job openings on its website, from housekeepers to customer service representatives to maintenance technicians. The company operates in all 50 states, but the policy applies only in 21; the remaining 29 states and the District of Columbia have “smoker protection” laws that prevent hiring discrimination, according to the American Lung Association.

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“If we take care of our Team Members, they will take care of our customers,” U-Haul chief of staff Jessica Lopez said in a statement.

But how do companies determine what “taking care” of workers means?

There’s a “policing aspect” to hiring decisions that draw on people’s health habits, Petrzela said. Policies like U-Haul’s impose value judgments against those who smoke, she said, whereas people who run marathons, for example, would be perceived as “disciplined and virtuous and fit.”

U-Haul is not the first company to adopt a nicotine-free policy; Alaska Airlines has had one in place since 1985. In an email, Alaska spokesperson Alexis Myers pointed to nicotine's health hazards and associated medical costs as drivers of the policy. Plus, Myers said, many of the air carrier's jobs, especially those at airports and on planes aren't conducive to taking smoking breaks. In-flight smoking has long been prohibited under federal law.

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Cliff Douglas, vice president of tobacco control for the American Cancer Society, said that as smoking becomes less normalized in American culture, "it makes it easier for businesses and governments and others to take these policy actions in support of public health."

But nicotine-free rules don't take in the full picture, Douglas said, adding that "if businesses take these steps, they must be offering a comprehensive package of support." That can include counseling services, smoking cessation programs and FDA-approved nicotine replacement therapies. (The American Cancer Society also does not hire smokers.)

Hiring policies aren't the only ways large companies clamp down on smoking. In 2014, CVS became the first U.S. drugstore chain to stop selling cigarettes. At the time, the company said selling tobacco products was inconsistent with its purpose.

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But Johndrow said that even CVS isn't a perfect analogy. In one case, a pharmacy decided it couldn't focus on health care and still sell tobacco products to customers. But U-Haul's rule could get messy given that it applies unevenly to applicants across the country and does not apply to existing employees.

"They're trying to make a statement, and they're doing something that is unfair to a variety of people," Johndrow said.

"It's going to hurt them as a potential employer, because ... being unfair — that's the message people are going to take away."

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