A SURVEY OF THE HIV/AIDS PANDEMIC AND ITS MANAGEMENT BY ENTERPRISES IN KENYA: A STUDY OF FIRMS LOCATED IN NAIROBI.

BY

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A Research Project Submitted To Department of Business Administration in Partial Fulfillment of the Requirements for the Degree of Master of Business Administration

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<A> survey of the HIV/AIDS pandemic and
DECLARATION

This is my original work and has not been presented for award of a degree in any other university.

SIGNED MUTISYA KIOKO VINCENT

DATE 1st August 2003

This project has been submitted for examination purpose with my approval as the university supervisor.

SIGNED Dr JONATHAN CHEGE

DATE 1st August 2003

DEPARTMENT OF BUSINESS ADMINISTRATION
DEDICATION

To all my dear family members brother Fidelis, sisters Carol, Lisa and Mary; Mummy and Daddy not forgetting my wife plus baby Terry.
AKNOWLEDGEMENT

Glory and honour be to the Almighty God, for the opportunity to pursue this course at Kenyatta University. Blessed be your name Lord God for the providence of sound health, mind and all the unfathomable daily blessings.

Many individuals contributed greatly for the success of this work. My sincere gratitude goes to my supervisor Dr. Jonathan Chege for his continued guidance throughout the study. His invaluable suggestions, criticisms and expertise brought the study this far.

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ABBREVIATIONS

AIDS - Acquired Immune Deficiency Syndrome

HIV - Human Immuno-Deficiency virus (a combination of signs and symptoms of diseases caused by a weakened immune system).

KANCO - Kenya AIDS NGO's Consortium

NACC - National HIV/AIDS Control Council

PLAWHA - People Living with HIV/AIDS

NGO - Non-Governmental Organization

VCT - Voluntary Counseling and Testing

CBO - Community based organization

CSI - Corporate Social investment

EAP - Employee assistance programme

ILO - International Labour Organization

WHO - World Health Organization

FAO - Food Agriculture Organization
ABSTRACT
The spread of HIV/AIDS in sub-Saharan Africa Kenya included is one of the greatest challenges facing the region in contemporary times. Both absolute numbers and rate of increase of the epidemic are astronomical. The study aimed to survey on HIV/AIDS pandemic and its management by business enterprises in Nairobi.

The research method used in the study was the survey method and data was collected using interviews, questionnaires send to respondents and documented analysis. The data was analyzed using statistical package of social sciences and descriptive statistics was used to determine the variable dynamics in the study.

It was found out that, the trend of HIV/AIDS in the business sector was serious and thus needs to be addressed effectively. Most of the enterprises reported to have incurred productivity losses due to an increase in their operation costs. A big number of enterprises do recruit to manage HIV/AIDS effects on the labour force. The employee employer relationship is also strained and job security threatened. Some enterprises do retrench the very sick workers but the majorities do mix them freely with the other employees. Again most of the enterprises were found to screen recruits as a pre-employment requirement. Workers in the enterprise were found to treat their infected comrades with accommodation and understanding. The management and other employees have good degree of awareness about HIV/AIDS pandemic and most enterprises lack sufficient funds to fight HIV/AIDS. Creating HIV/AIDS awareness and prevention programs is the most suitable control approach suggested.

The research achieved its objectives and to this effect it evident that HIV/AIDS is a major problem in business enterprises in Kenya as it may be to other sectors of the economy. Its recommended that the management should link with the Government to come up with a proper and acceptable work program so as to effectively manage HIV/AIDS in the work place. The Government should also monitor the activities of all the organizations working against HIV/AIDS in the society so as to enhance efficiency. Further research should be done to brig to light the challenges of HIV/AIDS management in the workplace.
CHAPTER ONE

1.1 INTRODUCTION

This chapter gives a brief insight on the background of HIV/AIDS pandemic and how it effects on business enterprises. Also covered are; the statement of the problem, Objectives of the study, research questions, scope of the study, significance of the study, assumptions made in the study and organization of the study.

1.2 STUDY BACKGROUND

Over the years, the HIV/AIDS pandemic has impacted on all the sectors of the economy negatively. According to Gray (1988) in the modern industry, whether extractive, manufacturing, distributive, or service rely heavily on the resources of production and also requires financial and other economic resources, legal and social resources coupled by good management resource. However, with the rapid spread of HIV/AIDS in sub-Saharan Africa there is looming havoc for the African economy. The adverse effects of HIV/AIDS pandemic spell doom in all business enterprises. Consequently, the dynamic changes in the world make it hard for the Business firms to operate smoothly in this era of HIV/AIDS.

Most African countries, especially those in the south of Sahara have a large number of their population suffering from HIV/AIDS pandemic, which causes adverse consequences to business enterprises and the society at large. Business enterprises are experiencing productivity losses, which is as a result of workers
getting sick, leading to increased staff turnover. The firm experiences loss of skills, tacit knowledge and falling worker morale; the ultimate adverse effect will be decline in production and subsequent decline in profits; Absenteeism and sickness of workers disrupts the production cycle, the under-utilization of equipment and the costs of temporary staff compound this problem. This was witnessed in a study by ILO in 2000 where a Kenyan sugar estate measured a 50% drop in amount of sugar processed from raw cane between 1993 and 1997 leading to subsequent decline in profits. Compared with large business enterprises it is usually harder for smaller business enterprises, with less flexibility and fewer financial reserves to cope with the consequences of absenteeism.

Due to the dynamism of HIV/AIDS it indeed implicates on Business costs which skyrocket as the firm struggles in its operations. Recruitment and training of new employees because of increased absenteeism and death will increase on the labour costs. According to the Economist publication (July 2000), some South African firms are hiring three employees for each skilled position to help manage the problem of absenteeism. However, those enterprises most affected by increased labour costs are the micro and small enterprises in third world countries because they have a minimal capital base. Insurance costs have indeed increased; both life and health insurance is known to increase as the risk of large and early payouts increase. The reason is the increase in HIV/AIDS related sicknesses and early deaths among the workers. Consequently, health care has experienced high costs
in terms of medical services that are rising rapidly due to high rate of infection among the entire work pool and community. Death itself imposes significant costs especially to those companies that provide funeral costs by taking care of part or all the funeral expenses. Again, smaller business enterprises are greatly affected due to their inadequate financial base.

Discrimination practice is common among employers and HIV positive employees leading to severed employee/employer relationship. The discrimination manifests itself perhaps in resentment and lower morale or outright conflict, and in any case reducing the smooth running of the enterprise and ultimately jeopardizing productivity of the employees.

The HIV/AIDS scourge has not spared the investor environment either. An area with highly infected population suffers a double impact, where there are many orphaned children that become neglected; thus posing danger of insecurity. The orphans lack support and are likely to become delinquents. Thus, there is a high risk of criminology, which in-turn scares away both local and foreign investors. The area losses the potential to economic growth because there are few or no business investors hence leading to reduced business transactions.

Different firms have varying characteristics and consequently recruit employees with varying degree of education, skill, and cultures. This is an important factor that determines the degree of HIV/AIDS infection among the employees. For
instance, commercial farm workers and those working in the manufacturing sector are at high risk of infection due to their promiscuous sexual behaviour compounded by their poor financial bases. HIV/AIDS increases medical expenses on the victims, lessens their working time, hence reduces their purchasing power; eventually there is some market share lost. The market shrinks with deteriorating macro-economic conditions that may make regions of high pandemic very undesirably places to do business.

In management of the HIV/AIDS crisis business enterprises are employing a combination of strategies. To match the labour skill needs, recruitment and retraining of new employee is commonly applied, although it is more expensive as turn-over of staff increases in the enterprise. A survey by ILO 2000 found out that trade unions play a vital role in the advocacy directed towards the enterprises. They use collective bargaining mechanism and introduce concerns about the effects of HIV/AIDS, to counter discrimination and stigmatisation in the work place.

With the high rate of infection, the business community has tended to work on prevention and control programs than on competitive business transactions. This has been seen in some Asian countries that provide life and health insurance (Bloom and Shah 2000). Further, as evidenced in Levis Strauss company (UNAIDS 1998), are of prevention projects i.e. programs focusing on condom use prevention and education.
1.3 STATEMENT OF THE PROBLEM

In the past few years some dynamic changes have come, and with significant effect on the business environment. These include economic liberalization, privatization of the economy, regional co-operation and globalization among others. However business enterprises have to comply with the latest business trends to enhance business success and growth.

With the advent of HIV/AIDS pandemic, the world's micro and macro economic growth has declined thus putting all business enterprises at great risk. The HIV/AIDS pandemic is felt on all sectors and industries of the world's economy. The productivity of the firm becomes diminished because of employee absenteeism, loss of skill, declining employee morale and high staff turnover. Business operation costs have shot-up due to increased insurance premiums, medical costs, labour costs and funeral costs.

The characteristics of the employees determine their rate of infection (susceptibility). Lowly educated employees are likely to be more susceptible because of their promiscuous sexual behaviour due to ignorance and underpayment in their jobs. Some may turn to prostitution to substitute their low wages to make ends meet.

Management of HIV/AIDS in the firm is a great challenge as it involves recruitment of new staff to balance on the labour force due to the effect of HIV/AIDS. The relationship between the HIV positive employees and the management is also challenged. Creation of awareness among the business community and the society at large is a challenge to all
business firms and it needs to be addressed too. These impacts vary across firms, employee characteristics and working environments.

The businesses at high risk are those whose owners are living with HIV/AIDS and those firms which have got a high number of employees living with HIV/AIDS.

Thus there is a problem of the adverse effects of HIV/AIDS in the business sector which needs to be investigated. This problem has to be addressed to ensure survival of affected business enterprises.

There are relatively very few studies that have addressed this issue in relation to developing countries and especially those in sub-Saharan Africa. Hence, the need for this study.

1.4 OBJECTIVES OF THE STUDY

The broad objective for the study was to investigate on the HIV/AIDS pandemic and its management by Kenyan business enterprises. To be able to achieve this, the study was guided by the following specific research objectives:

1) To assess the effects of HIV/AIDS on all business operation costs in enterprises of all sizes.

2) To find out the problems faced by businesses in dealing with HIV/AIDS epidemic in the workplace and society at large.

3) To assess the effects of HIV/AIDS on employer-employee relationships and job security.

4) To find out the effects of HIV/AIDS on the firm’s labour force and ultimate productivity.
5) To find out the relationship between business category and HIV/AIDS effects.

6) To make policy recommendations for business enterprises in the management of HIV/AIDS.

7) To find out the management practices adopted by enterprises to manage the HIV/AIDS pandemic in the work place.

1.5 RESEARCH QUESTIONS

In order to satisfy the broad objective and subsequent specific objectives, the following research questions were formulated.

1) How does HIV/AIDS affect the various business operation costs in the workplace?

2) To what extend is the employer-employee relationship and job security affected by HIV/AIDS?

3) What is the perception of HIV/AIDS pandemic by both employees and employers?

4) What policy recommendations should be passed for implementation by business enterprises and the government?

5) What firm and employee characteristics favour the spread of HIV/AIDS in the work place?

6) What are the problems faced by business enterprises in management of HIV/AIDS in the workplace?

7) Which business category is most affected by HIV/AIDS and consequently has high infection rate?
8) What management strategies are used by business firms in response to the HIV/AIDS epidemic?

1.6 SCOPE OF THE STUDY

The study was conducted in Nairobi province. It covered a entire cross section of the entire business sector. The Small, medium and large business enterprises operating in Nairobi were involved in the study.

1.7 SIGNIFICANCE OF THE STUDY

The study is expected to be significant to the business management, the government and other stakeholders in the society at large.

1) The study will identify and highlight on business areas that are most affected by HIV/AIDS and thus seek specific remedy strategies.

2) On the basis of the findings of the study, the business management will be in a position to implement appropriate HIV/AIDS management programs and effective strategies for the business community.

3) The study findings will shade light to the researcher, business owners, business management and other concerned stake holders on the obvious adverse effects of HIV/AIDS and thus can seek for workable solutions.

4) From the findings of the study it will be possible to make appropriate recommendations to business enterprises and the government on how to effectively manage HIV/AIDS in the work place.
5) The findings can be used as a guide by the Government to come up with applicable policies on HIV/AIDS and its management by business enterprises in Kenya.

6) The study findings could be of great importance to other business enterprises in developing countries faced with a similar situation as those in Kenya.

7) The study will evoke room for further research on the impacts of HIV/AIDS in the business community hence more information on the area will become available making it easier to manage the problem.

1.8 ASSUMPTIONS OF THE STUDY

HIV/AIDS is a global concern and thus it affects everybody either directly or indirectly globally. It is with this consideration that the study was based on the assumption that; there are people already living with HIV/AIDS in business enterprises. These people are either, the business owners, the management staff or the other working staff.

1.9 ORGANIZATION OF THE STUDY

The study is organized as follows; chapter two, chapter three, chapter four and chapter five. In chapter two literature reviews from related documentations is covered, chapter three covers the methodology of the study, chapter four covers the results and discussion while chapter five covers the conclusion, recommendations of the study and suggestions for further study.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 INTRODUCTION

This chapter reviews literature related to the HIV/AIDS pandemic on business enterprises. It is organized as follows; Productivity losses because of increase in labour costs, insurance cover costs, healthcare costs and funeral costs. These lead to increase in business operation costs. The employer-employee relations and, employee to employee relationships, Management of HIV/AIDS in the workplace and firm characteristics are also highlighted.

2.2 IMPACT OF HIV/AIDS ON BUSINESS ENTERPRISES

2.2.1 Productivity Loss

A decline in productivity leads to a decline in profits. As a result of HIV/AIDS we experience Sickness and pre-mature death of workers. A survey in South Africa by International Labour Organization (1996) showed that there was loss in productivity because workers are getting sick or not turning on for work. A manager of a fruit canning factory in Natal province, South Africa said that Labour costs were sky rocketing because of HIV/AIDS leading to a decline in productivity. This has been backed by a research at the University of Natal (1999) that suggests that productivity levels in South Africa could decline by up to 50% in the next ten years.
Absenteeism and sickness of workers disrupts the production cycle, the under-utilization of equipment and the costs of temporary staff. This was witnessed in a Kenyan sugar estate which measured a 50% drop in amount of sugar processed from the raw can between 1993 and 1997 as reported by International Labour Organization (ILO 2000). It is usually harder for smaller business enterprises, which have less flexibility and fewer reserves, to cope with the absenteeism.

As the business employee stays longer with the HIV virus, the infection takes its final toll- fully blown AIDS. This soon became the main cause of death among employees not those in nearing retirement but those in the middle of their working lives and most productive. A recent study (2002) in Tanzania by International Labour Organization found out that, the mean age of death among workers in seven enterprises is between 31 – 37 years. High rates of morbidity and mortality from HIV/AIDS undermines the entire organization of the enterprise and thus its productivity through rising staff turn-over, loss of skills and cost of retraining, loss of tacit knowledge, and falling morale among workers.

Business response emphasizes on the consequences of loss of skills compounded by the loss of tacit knowledge of the working environment. In view of these pressures, some companies have already begun to train two or three people for the same position where they fear that they employees may be lost due to AIDS.
According to ILO in its Book, HIV/AIDS in Africa (1998) it notes that, whatever affects the individual affects the family. Thus, the impacts on many families of people living with HIV/AIDS have been devastating even as they have mobilized their resources and network to cope with the HIV/AIDS crisis. Workers living with HIV/AIDS need rest and care with early retirement/retrenchment as the last resort. This leaves enterprises at eminent risk of collapse due to reduced productivity and ultimate reduced profits or even total losses being recorded.

In the case where the business owner of a small enterprise is infected, the business faces danger of inevitable collapse. As the illness progresses, the workers' earnings are reduced as the cost of Health care increases. In family owned business, the earnings are depleted exposing the business to risk of liquidity. Eventually the illness kills the family-business head and hence the business enterprise is likely to go down with him/her. In most family owned businesses, succession may be poor and thus accelerating the rate of business collapse when the business head dies of HIV/AIDS.

The table below shows projected labour force losses in 10 African countries due to the HIV/AIDS pandemic. The countries are South Africa, Botswana, Kenya, Zimbabwe, Malawi, Burundi, Congo, Benin, Uganda, and Zambia.
Table: 2.1 Projected labour-force with AIDS, 2005 and 2020, losses due to HIV/AIDS in ten African Countries.

(Percentage loss, compared to a situation without HIV/AIDS)

<table>
<thead>
<tr>
<th>Country</th>
<th>2005</th>
<th>2020</th>
</tr>
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<tr>
<td><strong>High Preference Countries</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>South Africa</td>
<td>-10.3</td>
<td>-24.9</td>
</tr>
<tr>
<td>Botswana</td>
<td>-17.2</td>
<td>-30.8</td>
</tr>
<tr>
<td>Kenya</td>
<td>-8.6</td>
<td>-20.2</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>-19.7</td>
<td>-29.4</td>
</tr>
<tr>
<td>Malawi</td>
<td>-10.7</td>
<td>-16.0</td>
</tr>
<tr>
<td>Burundi</td>
<td>-6.2</td>
<td>-10.5</td>
</tr>
<tr>
<td><strong>Low Preference Countries</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Congo</td>
<td>-7.9</td>
<td>-9.5</td>
</tr>
<tr>
<td>Benin</td>
<td>-2</td>
<td>-4.8</td>
</tr>
<tr>
<td>Uganda</td>
<td>-16.3</td>
<td>-15.8</td>
</tr>
<tr>
<td>Zambia</td>
<td>-4.7</td>
<td>-2.3</td>
</tr>
</tbody>
</table>


As projected by ILO, the size of the labour force in high-preference countries will be more serious than in low preference countries i.e. 10 and 30% smaller by 2020 than it would have been without HIV/AIDS. For instance, the projected loss for Kenya is 20.2%, for South Africa 24.9%, for Botswana 30.8% and for Zimbabwe 29.4% which are among the high preference countries.
In the low preference countries Congo, Benin, Uganda and Zambia, the labour problem is decreasing with Uganda and Zambia showing great improvement in the labour problem. They have a projected loss of 15.8% and 2.3 respectively.

2.2.2 Business Costs

(i) Labour costs

Labour costs have increased and consequently added on to the Business operations costs. The greater the social benefits provided by the enterprise, from Health Care to Life Insurance, the more they are now costing as a result of HIV/AIDS. The less an enterprise provides, the more the pressure on individual workers who are poorly paid to cope with the problem privately. This rebounds on the enterprise through increased absenteeism and perhaps earlier loss of workers than if Health care was available. HIV/AIDS increases labour costs in several ways and spares not on the business profits.

A book by UNAID (1998a) stresses on labour costs by referring to one Kenyan Manager’s remarks – “If you lose someone trained for twenty years, that is a great loss. Condoms and AIDS education cost peanuts”. Furthermore demand for trained workers may increase; further increasing on recruitment costs and inflating wages. The epidemic adds additional degrees of uncertainty as businesses make recruitment decisions. For example the Economist (2001), reports of multinationals in South Africa hiring three workers for each skilled position “to ensure that replacements are on hand when trained workers die”
The impact is potentially more damaging among small businesses and in the informal sector, as seen in a 1999 study of micro and small enterprises (MSEs) and entrepreneurs in Africa (ILO 1999b). Strikingly, the small businesses most affected by the AIDS epidemic in developing countries are those belonging to the Sex industry/brothels, with HIV prevalence rates among sex workers approaching 50% in Mumbai, India (Bloom and Mahal 1998).

It should be noted that many of the infected employees are experienced and skilled in both blue and white collar jobs, thus enterprises are losing skilled labour adversely reducing productivity. For instance, in South Africa, the ING Baring Bank, projects that one-third of the semi skilled and unskilled work force will be HIV positive by 2005. It takes time to replace skilled workers hence this leads to productivity loss in an enterprise (ILO 2000).

(ii) Insurance Cover

Insurance premiums on life and health insurance are known to increase as the risk of large and early payouts increase. A study in Zimbabwe on HIV/AIDS in Africa (2000) conducted by International Labour Organization shows that life insurance premiums quadrupled over a two year period in 1997-98. Today, no business enterprise wishes to buy a health insurance package or life assurance policy, with medical expenses literally shooting up. None of the insurance companies in Kenya have shown a readiness to shoulder the responsibility of
covering medical expenses of those who are HIV positive. Anybody infected with HIV/AIDS is faced with the eventuality of death and needs to do sensible things like investing for their children so that they do not become destitute when they die. You cannot get a loan to invest in business if you are HIV positive, hence a problem. Currently, some insurance firms do provide covers to HIV positive individuals but not without many conditions.

(iii) Health Care

Studies by International Labour Organization on the impact of HIV/AIDS in Africa reveals that, direct costs in terms of medical services provided are rising rapidly as evidenced in a Kenyan flower firm that experienced a tenfold rise in health costs for its employees between 1985 - 1995 affecting profits leading to the sale of the company. This was also seen in INDENI refinery in Chingambo, Zambia which paid more for medical services than it was making profits. Subsequently, a sugar estate in Kenya experienced a ten fold increase in health costs (1995-1997) and a five fold increase in spending on funerals.

A study by Bollinger et al (1999) in Zimbabwe at a large firm with 11,500 workers that offers significant health benefits to its employees reported 3,400 HIV positive workers in the firm, with 64 having so far died of HIV/AIDS and it estimated that the cost of HIV/AIDS in 1996 was 20% of the companies profits, with half the costs due to increased health care, however, by the year 2005, the costs are projected to triple.
(iv) **Funeral Costs**

Death itself can impose significant costs on any business enterprise. These are increasing massively, especially in those companies that provide for funeral costs; due to compounded absenteeism of employees attending funerals. Peter F Young, (1998), reports that in Zimbabwe an agricultural worker estimated that funerals take up to 10% of his working time. Funeral costs are even higher in Uganda where custom dictates that people should be buried in their villages as it is a government requirement to bury dead persons in their villages. However, community based savings and insurance groups such as “The Individual” in Ethiopia which serve funeral expenses are facing financial collapse due to increase in AIDS related deaths as reported by International Development Centre. According to Bloom and Mahal (1998), Zambia’s largest cement factory, saw a 15-fold increase in funeral related absenteeism between 1992-1995 and as a result, the company has restricted employees absenteeism for funerals to only those of a spouse, parent or child.

Farnham and Gorsky (1994) have argued that in the USA, for example a significant proportion of the costs of the epidemic are borne by the business community, due to the employee based system of health, insurance and the provision of many employees of health related benefits.
It should be noted that the costs of HIV/AIDS for business enterprises are both direct and indirect. Many of the hidden costs have only recently become apparent as more and more HIV positive people develop fully blown AIDS. Most of these costs have “exploded” as the HIV/AIDS pandemic continues to bite harder.

According to FHI (1992) in his book; Assessment of the economic impact of AIDS in the Kenyan,- Direct costs will increase steadily from 1991-1994 and shot-up significantly between the year 1994 – 2000. The main reason is because of increased new cases of HIV infection and those PLWHA in the work place developing full blown AIDS. Consequently, staff turnover will increase as Health costs increase too. The indirect costs will too increase but at a lower rate compared to direct costs as they do not truly reflect on impacts of HIV/AIDS.

2.2.3 Workplace relation practices

Discrimination practice is common among HIV positive employees and employers. This inevitably leads to tensions between employers and workers. It manifests perhaps in resentment and lower morale or outright conflict, but in any case reducing the smooth running of the enterprise and potentially jeopardizes productivity. It is however, clear that both workers and employers have more to gain from cooperation than conflicts. The continued functioning of the enterprise is clearly in the interest of both partners, as falling profitability threatens the social benefits of the jobs.
Traditionally, women are taken as the weaker sex and HIV/AIDS does not spare them either in the workplace. Women with HIV/AIDS require lots of understanding by their superiors and should be treated with compassion and humility as they require more empathy than men who are in similar situations and family careers, they are bound to be absent from work more frequently than other groups of workers.

As Bloom (1996) reports, the employer continues to discriminate on the HIV positive employees as witnessed in a survey in Thailand which showed that 12% of Businesses fire their HIV-infected staff. Further Bloom et al. (1996) and Pramualratana (1999) reported on the chief executive of Chilanga cement in Zambia who argued that the natural wastage caused by AIDS deaths was allowing them to reach manning levels; this was in defense to the enterprise firing HIV-infected staff.

However, HIV/AIDS is still surrounded by unusual ignorance, prejudice and stigma. The social impact of the epidemic also has important implications for workplace policy, in that employment policy should support and reflect the national response to the epidemic.

2.2.3.1 Employment job security and the cost of discrimination.
The discrimination against those known or believed to be HIV positive is not only an insult on their rights and the community but also encourages the spread of
HIV/AIDS by making them assume a don’t care attitude and worsens the impact. Discrimination in the world of work has become a major issue of the HIV/AIDS pandemic. Surveys by ILO in the mid 1990’s, in Rwanda, Tanzania and Zambia show that while official and work place policies protected employment security and opposed discrimination, the reality was very different. Covert HIV screening for job applicants took place. In Zambia 15 out of the 18 companies surveyed screened their job applicants to keep out people living with HIV/AIDS. An earlier survey by ILO (1990) in Zimbabwe found that 41% thought pre-employment HIV screening was justified, 22% had already initiated screening of all or some of the job applicants.

However, the Governments view is that HIV screening cannot be justified on moral practical grounds and should not be carried out. Employers Confederation shares the same views as the Government. A positive test does not mean one is unproductive while a negative test does not guarantee productivity or mean one will not get infected sometime in future.

A survey of the agriculture sector in Kenya found that motivation and labour productivity were negatively affected by HIV/AIDS related illnesses and deaths (Rugalema 1999). One study of enterprises found that HIV/AIDS led to a loss of focus on the business, while the Thai business coalition on AIDS highlights poor morale as one factor facing business who fail to deal with HIV/AIDS in the work place (ILO 1996b; UNAIDS 1998A). Team work is so vital to modern business,
and is also threatened by the AIDS epidemic. One extreme example of the latter occurred at New England Bell telephone in the USA, where employees left work (in the presence of television cameras) in protest against working with a colleague who had AIDS (Farnham 1994).

Due to the harsh economic, climate and massive retrenchment, some Zimbabwe industries employers are retaining HIV positive workers as long as they are able to perform their duties while the ones no longer healthy enough are placed on lighter duties. However, the very sick ones are retired on health grounds as evidenced in Anglo American Company (Glen Williams 1993). The bottom line is that business enterprises should create space in the work place to work humanly and effectively with HIV people in the work place.

2.2.4 Management of HIV/AIDS crisis

Enterprises are working hard to manage the HIV/AIDS crisis. However, there is uncertainty about how they will manage, not just to compensate for the loss of skills and experience, but to grow and expand. Many business enterprises employ a set of management plans that include recruitment, retrenchment and training.

(i) Recruitment, training and retaining

The matching of skills to labour needs is complex and it becomes more expensive as turnover of staff increases in an enterprise. To cope with the situation involves replacing missing workers, reorganization of production, reorganization of tasks
and training or retraining new and/or existing personnel. This comes with related costs that may include the need to invest in new or different machinery/equipment with the possibility that more highly skilled workers will need higher wages.

(ii) **Trade Unions**

Trade unions are a vital element in the advocacy directed towards enterprises for they can use collective bargaining mechanisms to introduce concerns about the effects of HIV/AIDS. Some of the effective work place programmes have been the joint creation of employees and workers as found in Botswana’s taskforce on HIV/AIDS. Trade unions also share responsibility with the employers to counter the discrimination and stigmatization that can sadly occur between colleagues in the work place. Governments should encourage the formation of Trade unions giving them the mandate to counter discrimination practices towards PLWHA in the work place.

(iii) **HIV Policies**

Business firms have not been left behind in the fight against the AIDS pandemic. This ranges from protection of employees in the work place to prevention programs for the society at large. To ensure protection for workers, fundamental principles are embodied in the employees and occupation convention that protects employees from any discrimination. The fact that AIDS is a crisis does not exempt employers or any institution from practicing them.
Care and prevention programmes will cost the enterprise less in the longer term than doing nothing as skilled labour will be lost leading to high costs in recruitment and training. This rationale as well as humanitarian concern was used by the Ford Motor Company to set up comprehensive programme in its three plants in South Africa as reported by ILO (2000). The programme is based on zero tolerance of discrimination and believes that prevailing attitude of blame and denial are already changing.

World Health Organization and International Labour Organization have gone further in their fight against HIV/AIDS by formulation of guidelines on HIV/AIDS and the Workplace. Below is a summary of WHO/ILO Guides on HIV/AIDS and the workplace;

Pre-employment HIV/AIDS screening as part of the assessment of fitness to work is unnecessary and should not be required. Pre-employment HIV/AIDS screening for insurance or other purposes raises serious concerns about discrimination and merits close and further scrutiny for persons in employment. HIV screening whether direct, indirect or asking questions about tests already taken should not be required. Confidentiality regarding all medical information, including HIV/AIDS status must be maintained. There should be no obligation for the employee to inform the employer regarding his or her HIV/AIDS status. Persons in the workplace affected by, or perceived to be affected by HIV/AIDS must be protected from stigmatization and discrimination by co-workers, unions, employers, clients.
HIV infected employees and their families should have access to information and educational programmes on HIV/AIDS and they should not be denied access to standard social security benefits and occupationally related benefits. Persons with HIV/AIDS should be able to work as long as medically fit for available appropriate work and reasonable alternative working arrangements should be made.

In the global fight against the spread of HIV/AIDS, ILO (2000) calls upon governments of member states and where applicable, employers' and workers' organizations to Raise national awareness, by involving other groups as appropriate, particularly of the world of work, with a view to eliminating stigma and discrimination attached to HIV/AIDS as well as fight denial fighting spread of HIV/AIDS, Strengthen the capacity of the social partners to address the HIV/AIDS pandemic, formulate and implement policies, Strengthen occupational safety and health systems to protect groups at risk, to Formulate and implement social and labour policies and programmes that mitigate the effects of HIV/AIDS and effectively mobilize resources and to and engage in advocacy and training on HIV/AIDS in the world of work.

2.2.6 Business response in the field of HIV/AIDS

Different companies have different reasons for getting involved in HIV/AIDS. Interventions will be employee-driven, market-driven or a combination of the two depending on both the geographical area and the industry in which the firm is
positioned. Actions on HIV/AIDS therefore are likely to be primarily driven, given
the insurance industry is often highly concentrated.

The actions of Sri Lankan life and health insurance companies in the mid-1990s
where, they denied participation and benefit to people who are HIV positive reflects
one element of this approach (Bloom et al. 1997). By contrast, the efforts of
Thailand’s American International Assurance (AIA), have involved donations to
NGOs and public health organizations at promoting HIV/AIDS prevention and non-
discrimination against policy holders. The company gives financial incentives and
discounts on insurance to companies with strong workplace and community
prevention programs. In connection it has worked with the Thai Business coalition
on AIDS (Daly 2000).

(Misra, Mahal and Shah 2000; Ainsworth, Beyrer and Soucal 2001) reported that the
sex work industry in India and Thailand had taken dramatic steps to address the
HIV/AIDS epidemic by promoting the use of condoms to prevent HIV infection
among their clients.

Another example of a successful business incursion into the field of HIV/AIDS is the
Levis Strauss/UNAIDS AIDS education video, put together in 1998 for employees
and their families which were made available to other companies to educate and
create awareness (UNAIDS 1998). However, it is important to note that the strategies
adopted by any enterprises should mesh well with its objectives and values so that the
enterprise will be able to achieve its mission.
Another example of effective Business action in developing countries is the sex industry in India and Thailand. In Calcutta, brothel owners, sex workers and NGOs have come together to work on a number of programs focusing on condom use, prevention messages and the like and have succeeded in greatly reducing HIV transmission (Misra, Mahal and Shah 2000). Here the effort had multiple objectives – being both employee-driven (since workers are at risk of infection) as well as market-driven, since HIV has the potential of driving customers away.

There are also policies that are against the AIDS pandemic. For instance, regent Hotel in Bangkok (Thailand) has a workplace program of HIV/AIDS prevention and awareness, backed by strong commitment from top management that focuses on HIV/AIDS-related training (Chaturvedi 1998, UNAIDS, 2000a).

Similarly Harmony Gold Mining Company Limited in South Africa set up the Levedi HIV/AIDS prevention project in its Virginia mining community in 1997 with NGO Family Health International (FHI 2000). The company was concerned about the number of its workers falling ill with AIDS-related illnesses and was seeking to prevent further spread of HIV/AIDS. This is estimated to have saved Harmony limited US$540,000 in medical costs alone (FHI 2000).

To crown it all, the United Nations Secretary-General Kofi Anan proposed the formation of a global alliance to tackle AIDS, involving political leaders, health ministers, philanthropic foundations and businesses. In his speech (2000) to the
American Chamber of Commerce, Anan highlighted the importance of involving and empowering local businesses in the alliance’s efforts. Encouraging small businesses to take action on AIDS is likely to be increasingly an important part of future business initiatives.

2.2.5 Investor environment

(i) Social-economic implications

The economic stability and Growth-Economic costs of a disease are estimated as the direct cost of medical care and indirect cost of labour lost because of illness and death of patients. Governments to give AIDS a special attention that it requires means some of the human resource have been siphoned to man AIDS control programmes thus leaving low productivity to kick the ailing economy. This adversely affects the business environment.

(ii) Investor environment HIV/AIDS and the family

HIV/AIDS has the potential to undermine the social fabric of affected communities because it targets those in the reproductive and economically active ages. Also important is the fact that care and support rest to a greater extent on the family and kin.

Social Security is an important factor considered by the investors but one that is far from being achieved. According to international conference on child abuse
and neglect, Durban, (September 2000) AIDS and age will be significant contributors to an increase in crime over the next 10 to 20 years.

Orphans growing without parents and/or badly supervised by relatives and/or welfare organizations end up in the streets, and this poses danger of increased crime which consequently affects the business community negatively due to increased insecurity. This leads to a reduced number of investors in various enterprises in the country although there may be many unutilized business opportunities.

According to the Economist (1997) as the HIV/AIDS pandemic continues to spread in South Africa its impact on investor environment gets worse with time, from 1995-2005 lump sum of death will increase from 2% in 1995 to 7% in 2005, the spouses’ pension will increase from 7% in 1995 to 20% in 2005 of the salary of the employees. The implication of this is reduced purchasing power by the employee and family thus leaving the environment becoming unsuitable for investing.

From a simulation based on data from Benchu, Delcruix and Guillaume (1997), on the impact of HIV/AIDS in households, in Cote ‘de’Ivoire; the general population is that not living with HIV/AIDS. Its monthly income per capita is not strained by the added costs caused by HIV/AIDS, thus it’s very high compared to that of families living with HIV/AIDS. The monthly consumption per capita is
higher for that family living with HIV/AIDS compared to its monthly income per capita and the case is vice versa for the general population (family not living with (HIV/AIDS).

2.2.7 Firm and employee characteristics

There are different enterprises with employees of dynamic personalities and characteristics. This is brought about by the different environments of operation, the education level of employees, the culture of employees, their living standards and nature of the jobs they do.

Farming business provides a livelihood for 70% of the population of sub-Saharan Africa. It has been found that the countries most affected by HIV are those most reliant on Agriculture and Rural Labour Force (ILO 2000). FAO (1998) states that there is increasing evidence that the pandemic is intensifying existing labour bottlenecks in agriculture; increasing burden to families, especially those who survive on farming business. A recent study by FAO (1998) of two districts in Kenya showed that the country’s commercial Agriculture sector is particularly susceptible to HIV/AIDS; with high levels of infection found in many commercial farms, e.g. In one sugar estate a quarter of the work force are infected by HIV. The industry is facing a social and economic crisis as a result of escalation of direct and indirect costs.
Informal workers are especially likely to suffer from the consequences of HIV/AIDS because there are no health facilities or social protection arrangements at their work places. A recent study by FAO (1998) in Owino market of Uganda, showed that hawkers and open air business people (“Jua kali” vendors) quickly lose their livelihoods due to AIDS illnesses, or the need for care from someone close to them, stock spoils, financial reserves are depleted, and they forfeit their stalls and eventually their business collapses.

Biggs and Shah (1997) in their studies have shown that at certain stages in the epidemic HIV infections can be disproportionately concentrated among the skilled workers, while in a further study in Zaire, Biggs (1998) found the highest rates of HIV prevalence were among business executives (5.3%) followed by foremen (4.6%) and then workers (2.8%) in 1992. Rugalema (1999), reported that Kenya’s Agricultural sector has experienced a drop in standards, leading to a decline in profits, due to loss of skilled labour. The theory that economically active populations tend to be instrumental in the early spread of HIV infection is a plausible one and contradicts the perception of African business leaders that they are not instrumental. This was revealed in a recent world Economic Forum survey, thus the disease is more of a problem for the low than the high skilled (Bloom and Riverpath Associates 2000). High HIV/AIDS epidemics may eventually become concentrated among economically disadvantaged populations, but only because the wealthier and better educated have been in a position to take
preventive action as compared to the poor (Bloom and Mahal 1993; Farmer 1999).

The holistic perspective normally focuses on brand (a team that encapsulates the values, images and character of a firm and/or its products, seen through the eyes of a target market and other stake holders and corporate reputation, whereby the "goodwill" that attaches to a company is seen as a valuable asset. Markets in many countries seem certain to shrink and deteriorating macro-economic conditions may make some regions undesirable, or even more undesirable, "places to do business in", but these effects will be less visible to individual firms, unless the firm in question is a major player in the market, or is represented via an association of firms that experience them. The market share of the business firm is ultimately diminished and thus reduced profits will be reflected.

2.2.8 The effect on customer base

Business enterprises have a relatively high degree of control over, and information about their workforces but much less about their customers. Clearly with AIDS begging to take a substantial impact on the demographic profile of the most affected countries, markets are changing, but how much effect will HIV/AIDS have on business is only begging to be studied. The group hardest hit by AIDS are young adults of working age which are also the major source of demand for goods and services. Caring for people with AIDS is expensive, so while certain industries will see increased demand, most others will see spending
redirected to caring costs. The sick are less likely to work and therefore will have less money to spend, and there may be an eventual deterioration in the whole macro-economic environment (Mc Pherson, Hoover and Snodgrass 2000).

As Daly (2000) puts it, “HIV/AIDS” affects people within their most productive years....the results are a reduction in savings rates and disposable income....in the long run this has the.....effect of reducing the market size for the business. There are also potential effects on foreign direct investments (FDI), tourism and export markets. Over seas buyers may also be encouraged if, for example they lose confidence in the reliability of supply from a country. One study that focus on a reduced aggregate purchasing power resulting from HIV/AIDS in Cote d'Ivoire showed that monthly consumption per capita of families living with AIDS was roughly half that of the general population (UNAIDS 2000j).

In 1998, (South Africa’s leading furniture retail) performed a research on the potential impact of the epidemic on its markets and customer base only to find out that with HIV prevalence expected to increase from 15% in 2000 to 27% in 2015, that it reduced its customer base by 18% by the year 2025.

According to Whiteside and Sunter (2000), with the increasing illness and death, customers would have less to spend and be less credit worthy. The insurance sector is not spared either. A Zimbabwean insurance company estimated that 45% of claims were AIDS related in 1995-96 (Bollinger et al. 1999).
2.3.0 Summary of Literature review

The AIDS pandemic threatens the human race all over the world. However, third world countries are most hit because they lack the resources to effectively manage the disease. The impacts of HIV/AIDS are adverse and felt globally. Loss of production by the enterprise is a major impact. The Agricultural sector serves a big deal to the business community; however, it is highly susceptible because of the high number of low educated workers in the industry and nature of the jobs thus high levels of infection are found in commercial firms. HIV/AIDS has severe impacts on the labour force; it causes loss of skill, loss of tacit knowledge and falling worker morale thus leading to high staff turnover and finally to low productivity in the enterprise. There are also increased costs to the enterprise which comes about due to high insurance premiums, medical costs and funeral costs. Discrimination practices among HIV positive employees and the employers lead to tension in the work place. This manifests to lower morale and conflict causing misunderstanding between workers and the management. In areas of high preference investors tend to avoid them due to increased criminology and low market potentiality. Both firm and employee characteristics do greatly determine the rate at which HIV/AIDS spreads among workers and thus aggravate the effects, with the casual workers likely to be more susceptible due to their promiscuous sexual behaviours and ignorance. Those working in agriculture and in the manufacturing sector are thus at great risk. The impact lies also on the reputation of the firm’s brands and the market for the same by a
reduced customer market; this is due to the reduced purchasing power. In managing the crisis enterprises plan policies and programmes that include, recruitment, training, education concerning HIV/AIDS and prevention programmes which costs the enterprise less in the longer term. Also included are plans for care of AIDS orphans left behind for the sake of social stability which will boost society and development in the society.

There is a gap created about HIV/AIDS pandemic in Kenya and what the situation has been with enterprises in Kenya, what trends they are in productivity losses and what specific measures does the business management take in dealing with the AIDS pandemic.

The approach used was descriptive approach through the measurement of some items or through case study of some variables (Kendall; 1990). It involves the systematic collection of data and formulating and drawing conclusions from the data.

The study involves a community sample of different types of businesses enterprises that vary in nature and size to address the variables that will enable us to determine what specific measures does the business management take in dealing with the AIDS pandemic.
CHAPTER THREE

3.0 DESIGN AND METHODOLOGY

3.1 Introduction
This chapter gives details on the methodology that was adopted in this study. It covers the research design, target population, sampling method, data collection procedure and data collection instruments used in the study.

3.2 Research Design
In conducting the study the approach used was descriptive survey. This is a method for gathering data through the measurement of some items or through solicitation from other people or documents (Koul: 1990). It involves the systematic collection of data on an entity or group of entities and drawing conclusions from the data.

The business community consists of different types of businesses enterprises that vary in their characteristics. The study sought to address the variables that will enable us to answer the HIV/AIDS aspects that adversely affect business enterprises. The investigator has explained some situations as they exist or occur among the study respondents and the relationships between variables.

3.3 Target Population
The business community was the universe population and consisted of all the business firms operating in Kenya. All those business firms operating in Nairobi formed the target population.
population. The respondents for the study were specifically the Human Resource
managers for each of the firms that were selected for the study.

3.4 Sampling Design and Procedures

The Kenya Association of Manufacturer’s directory (2000 edition) was used to get a list
of all the firms operating in Nairobi. This formed the sampling frame for the study. In the
directory the firms are categorized into thirteen groups. However, some of the groups
were closely related and thus, the researcher regrouped these firms into eight categories.
Simple random sampling method was used to select fifteen firms from each of the eight
categories. This was done with out replacement leaving an equal chance of selection for
all the firms. These gave us one hundred and twenty firms as the sample for the study.

The enterprises selected for the study were taken to be a good representation of all the
different firms operating in Nairobi. Each firm was perceived to have the potential of
providing the researcher with viable information concerning the study.

3.5 Research Instruments

The main instruments used in the study were primary data and secondary data sources.
The data collection method was chosen so as to ensure data validity, reliability and
relevance to the study. All the data collected was in view to the objectives of the study.
This was ensured so as to get answers to the research questions.
3.5.1 Primary Data

The research instruments used in the study were questionnaires. The questionnaire consisted of both closed-ended and open-ended questions so as to allow for further probing in view of getting in-depth responses and structured answers. The questionnaire was designed so that all questions were of conformity and relevant to the study guided by the specific research objectives.

3.5.2 Analysis of documented resources

This was taken from all secondary sources with relevant information in respect to the study. They included seminar papers, conference proceedings, workshops, journals reports and newspapers that had relevant literature on HIV/AIDS and businesses enterprises.

3.6 Data Collection Procedure

The researcher targeted only the human resource managers of the sample firms and asked for an audience with them. It is here that the researcher identified himself, explained the reason for the study and requested them to kindly fill the questionnaire as accurately as possible. In cases where this was not possible the researcher requested any other relevant person to assist in filling the questionnaire. In some situations an interview was conducted to those who needed elaboration into the questionnaire and the research in general.
Out of the 120 questionnaires distributed for the study, 61 questionnaires were returned giving a response rate of 50.8%. The distribution of the respondents was as shown in the table below.

**Table: 3.1 List of Sample Firms**

<table>
<thead>
<tr>
<th>Type of Enterprise</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>11</td>
<td>18</td>
</tr>
<tr>
<td>Transport</td>
<td>5</td>
<td>8.2</td>
</tr>
<tr>
<td>Agriculture</td>
<td>6</td>
<td>9.8</td>
</tr>
<tr>
<td>Education</td>
<td>8</td>
<td>13.1</td>
</tr>
<tr>
<td>Finance</td>
<td>7</td>
<td>11.5</td>
</tr>
<tr>
<td>Hotel/restaurants</td>
<td>8</td>
<td>13.1</td>
</tr>
<tr>
<td>Healthcare</td>
<td>6</td>
<td>9.8</td>
</tr>
<tr>
<td>Others in service</td>
<td>10</td>
<td>16.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>61</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

The above table 3.1 shows that 18% of the firms were from manufacturing, 8.2% transport, 9.8% Agriculture, 13.1% Education, 11.5% Financial, 13.1% Hotel/Restaurants, 9.8% Health care and the others in service industry were 16.4%.

### 3.7 Data Analysis

The collected data was analyzed using Statistical Package for Social Sciences (SPSS) and the results are presented in tabular form to make meaningful conclusions. Answers to all the study questions were quantified by use of statistical applications. Simple tables were preferred as they clearly show the measurements of the various aspects being tested. The preferred statistics was the frequencies, percentages and cross tabulations on some of the variables.
3.8 Study Limitations

The following limitations were encountered in the study;

1) The time allocated for the study was too short for a thorough and intense study where a large sample could be taken.

1) Due to the fear of stigmatization of the AIDS disease some respondents either refused to give responses or gave partial responses in the questionnaire.

3) Denial is a problem with many people living with HIV/AIDS, this lead to lack of disclosure of employee status and the impact of HIV/AIDS by some firms e.g. Safari park hotel, East Africa breweries limited among others.

4) Some of the respondents were not available on the appointment day and thus this delayed the study progress.
CHAPTER FOUR

4.0 RESULTS AND DISCUSSION

4.1 Introduction

In this chapter, the collected data is presented, analyzed and interpreted in the following order; Sample characteristics of the enterprises, reported trend of HIV/AIDS in the business sector, productivity losses, problems that lead to productivity losses, suffered productivity loss by enterprises, management of HIV/AIDS related problems, insurance cover and insurance cover provided, medical tests and HIV screening, degree of HIV/AIDS awareness, presumed effects of HIV/AIDS in investor environment, management of HIV/AIDS problems encountered, HIV/AIDS awareness in the business sector and recommendations to various stock holders on how to effectively control HIV/AIDS in the work place.

The analyzed data is based on findings from a total of 61 respondents in the study. The collected data was analyzed in tables by giving the types of firms and relative percentages with respect to the various study variables.

4.2 Sample Characteristics

The characteristics of the businesses enterprises are entirely related to the type of the business. Both the employee characteristics and those of the enterprise are likely to relate to HIV/AIDS in the work place.
The study sought to establish the characteristics found among the sample business enterprises. Different firms have different characteristic and thus they are thought to have varying degrees of HIV/AIDS preference.

The table above reveals that be seen from the table that the majority of the enterprises (59%) were aged above 10 years of age. 24.6% of the enterprises are between 6-10 years while only 16.4% are aged between 1-5 years. Only (41%) of the enterprises are aged below 10 years of age.

27.9% of the enterprises have the number of employees being above 100, about a quarter of the enterprises (26.2%) have between 25-49 employees, 24.6% have 50-74
employees, 13.1% have 1-24 employees and 8.2% of the enterprises have 75-99 employee.

A greater majority of the enterprises (59%) have most of their employees with college education, 23% with secondary education level and both with most employee having university and secondary education are 1.6% on each.

It's apparent that majority of the respondents are old and well developed in the business enterprises. They have most of their employees secondary level and above.

### 4.3 Reported Trend of HIV/AIDS pandemic in the business sector

As per the study findings, the following is the reported trend of HIV/AIDS pandemic within business enterprises in Kenya.

<table>
<thead>
<tr>
<th>Reported Trend</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely serious</td>
<td>15</td>
<td>24.6</td>
</tr>
<tr>
<td>Serious</td>
<td>29</td>
<td>47.5</td>
</tr>
<tr>
<td>Fairly serious</td>
<td>14</td>
<td>23.0</td>
</tr>
<tr>
<td>Not serious</td>
<td>3</td>
<td>4.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>61</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

HIV/AIDS has impacted on all the sectors of the economy negatively. According to Gray (1988) modern industry, whether extractive, manufacturing, distributive, or service relies heavily on the resources of production. Thus to say none of the players have been spared by this scourge.
As it can be seen from the table 47.5% of the firms reported that the trend and impact of HIV/AIDS in the business sector to be serious, 24.6% of the enterprises reported the trend as extremely serious, 23% reported trend to be fairly serious and only 4.9% reported trend as not serious. The majority thus thinks HIV/AIDS is of threat to the business sector and should be addressed effectively.

4.4 Productivity losses and HIV/AIDS on the labour force

If labour costs were to sky rocket because of HIV/AIDS it could lead to a decline in the firm’s productivity. A decline in productivity leads to a decline in profits. Absenteeism, Sickness and pre-mature death of workers as a result of HIV/AIDS results to disruption of the production cycle because of the under-utilization of equipment thus leads to the costs of temporary staff.

Table: 4.3 Effect on Productivity loss due to HIV/AIDS

<table>
<thead>
<tr>
<th>Effect</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased Absenteeism</td>
<td>51</td>
<td>37.22</td>
</tr>
<tr>
<td>Increased employee turnover</td>
<td>28</td>
<td>20.43</td>
</tr>
<tr>
<td>Death of employee and loss of skill</td>
<td>40</td>
<td>29.19</td>
</tr>
<tr>
<td>Declining employee moral due to discrimination</td>
<td>18</td>
<td>13.13</td>
</tr>
<tr>
<td>Total</td>
<td>137</td>
<td>100</td>
</tr>
</tbody>
</table>

Total responses>61

* Multiple responses were given
It should be noted from the results that most enterprises has suffered losses on the labour force due to a number of the above effects, thus we got multiple responses.

From the above table, the labour force of some different enterprises has suffered adversely. 33.22% of the responses were suffered increased absenteeism costs of some of its employees either directly or indirectly, 29.19% were responses of suffered productivity losses due to death of employees and loss of skill, 20.43% were responses of suffered productivity losses due to an increase in employee turnover and 13.13% were responses of suffered productivity loss as a result of decline in employee moral due to discrimination practices in the workplace.

Table: 4.4 Type of the enterprise by suffered productivity loss

<table>
<thead>
<tr>
<th>Type of the enterprise</th>
<th>Suffered productivity loss</th>
<th>Not suffered productivity loss</th>
<th>Proportion suffered per category (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency (%)</td>
<td>Frequency (%)</td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>11 (18.02)</td>
<td>-</td>
<td>100</td>
</tr>
<tr>
<td>Transport</td>
<td>5 (8.2)</td>
<td>-</td>
<td>100</td>
</tr>
<tr>
<td>Agriculture</td>
<td>4 (6.5)</td>
<td>2 (3.2)</td>
<td>66.7</td>
</tr>
<tr>
<td>Education</td>
<td>6 (9.8)</td>
<td>2 (3.2)</td>
<td>75</td>
</tr>
<tr>
<td>Financial</td>
<td>6 (9.8)</td>
<td>1 (1.6)</td>
<td>85</td>
</tr>
<tr>
<td>Hotel/restaurant</td>
<td>8 (13.1)</td>
<td>-</td>
<td>100</td>
</tr>
<tr>
<td>Health care</td>
<td>5 (8.2)</td>
<td>1 (1.6)</td>
<td>83.3</td>
</tr>
<tr>
<td>Others in service</td>
<td>8 (13.1)</td>
<td>2 (3.2)</td>
<td>80</td>
</tr>
<tr>
<td>Total</td>
<td>53 (86.89)</td>
<td>8 (13.11)</td>
<td>*</td>
</tr>
</tbody>
</table>

All the enterprises in the categories of manufacturing, hotel, and transport had suffered 100% meaning all the enterprises had suffered from productivity losses due to the advent of HIV/AIDS, (80%) of the 10 firms in category of others, have suffered productivity losses, in health care 5 of the 6 have suffered from productivity losses i.e. (83%). In the
financial category (85%) have suffered. Other enterprises that have suffered productivity losses are 60% of those in agriculture and 75% of those in education categories. It can be deduced that the most affected categories are manufacturing, hotels and transport. This may be due to the high risks involved in the jobs and characteristics of the enterprises.

### 4.5 Trend of Productivity loss for the last five years

Business enterprises may have suffered from productivity losses. However not all enterprises suffered from productivity losses. The table below seeks to establish the trend of HIV/AIDS in the firms for the last five years.

<table>
<thead>
<tr>
<th>Trend</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nil</td>
<td>6</td>
<td>9.8</td>
</tr>
<tr>
<td>Marginal</td>
<td>42</td>
<td>68.8</td>
</tr>
<tr>
<td>High</td>
<td>13</td>
<td>21.3</td>
</tr>
<tr>
<td>Total</td>
<td>61</td>
<td>100</td>
</tr>
</tbody>
</table>

It was reported that the majority of firms recorded marginal trend (68.8%), (21.3%) of the firms reported an high trend while only (9.8%) of the firms reported a nil trend thus their was no change of production in theses firm due to HIV/AIDS.

Productivity losses have been experienced by firms because of increase in labour costs, insurance cover costs, healthcare costs and funeral costs. They result to an increase in business operation costs leading to loss of revenue. The employer-employee relations
and employee to employee relationship are strained, leaving the employee de-motivated and less productive. However the trend of productivity loss varied from one enterprise to the other.

Table 4.6 Type of the Enterprise by trend of productivity loss

<table>
<thead>
<tr>
<th>Type of enterprise</th>
<th>Nil trend</th>
<th>Marginal trend</th>
<th>High trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>-</td>
<td>8</td>
<td>3</td>
</tr>
<tr>
<td>Transport</td>
<td>-</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Agriculture</td>
<td>2</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Education</td>
<td>1</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Financial</td>
<td>1</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>Hotel/restaurant</td>
<td>-</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Health care</td>
<td>1</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Others in service</td>
<td>1</td>
<td>9</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>6</td>
<td>42</td>
<td>13</td>
</tr>
</tbody>
</table>

From the results above it is evidence that agriculture and other services category had an effect of nil and marginal trend on their productivity losses being dominant, transport and health care had marginal trend being dominant. The education enterprises category had experienced a high trend in productivity losses. With an exception of manufacturing, transport and hotel categories all the categories had at least a firm that recorded a nil trend in productivity losses due to HIV/AIDS in the work place.

The most hardly hit is manufacturing category and transport. The reason my actually be because they rely more on casual workers who have low education level, low pay and thus more susceptible to infection.
4.5.1 Business Costs

These are all those costs that are incurred by enterprises during production of a product or service and delivery of the same to the customer. As HIV/AIDS pandemic is concerned the following Production costs are involved; medical costs, funeral costs, retrenchment costs, training costs, absenteeism costs and recruitment costs.

4.6 Increase in operating costs due to the on set of HIV/AIDS

With the on set of the AIDS pandemic, Labour costs have increased and consequently added on the Business operations costs. The impact is potentially more damaging among small businesses and in the informal sector. Insurance premiums on life and health insurance are known to increase as the risk of large and early payouts increase. Direct costs in terms of medical services provided are rising rapidly. Death itself can impose significant costs on any business enterprise.

Table: 4.7 Increase in Operating Costs due to HIV/AIDS

<table>
<thead>
<tr>
<th>Increase in Operating costs</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>57</td>
<td>93.4</td>
</tr>
<tr>
<td>No</td>
<td>4</td>
<td>6.6</td>
</tr>
<tr>
<td>Total</td>
<td>61</td>
<td>100</td>
</tr>
</tbody>
</table>

The respondents were asked to indicate if their enterprises had suffered an increase on their operating cost with the on set of HIV/AIDS. From the results shown in the above table, there has been a sharp increase in operating costs with (93.4%) of the enterprises
experiencing an increase in operating cost and an insignificant number of only (6.6%) of the enterprises not experiencing any increase in operating cost.

4.6.1: Areas of increase in operating costs

It was revealed that enterprises experienced an increase in the following areas; funeral costs, training costs, retrenchment costs, medical costs, absenteeism costs and recruitment costs.

<table>
<thead>
<tr>
<th>Area of Effect</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in medical costs</td>
<td>43</td>
<td>70.5 (20.77)</td>
</tr>
<tr>
<td>Increase in funeral costs</td>
<td>31</td>
<td>50.8 (14.97)</td>
</tr>
<tr>
<td>Increase in retrenchment costs</td>
<td>12</td>
<td>19.7 (5.79)</td>
</tr>
<tr>
<td>Increase in training costs</td>
<td>26</td>
<td>42.6 (12.56)</td>
</tr>
<tr>
<td>Increase in Absenteeism cost</td>
<td>49</td>
<td>80.3 (23.67)</td>
</tr>
<tr>
<td>Increase in recruitment cost</td>
<td>46</td>
<td>75.4 (22.22)</td>
</tr>
<tr>
<td>Total</td>
<td>207</td>
<td>100</td>
</tr>
</tbody>
</table>

Total > 61

* Multiple responses were given

The respondents were asked to state the areas in which they have experienced an increase in operating costs. This sought to establish those areas where firms have experienced an increase in operating costs.
From above table the responses given were as follows, 23.67% of the responses were of increase in absenteeism costs, 22.22% of the responses was in recruitment costs, 20.77% of the responses was on increase in medical costs followed by increase in funeral costs with 14.97% of the responses and increase of training costs (12.56%). Finally is increase in retrenchment costs with 5.79% of the total responses.

**Table: 4.9 Type of enterprise by Absenteeism costs**

<table>
<thead>
<tr>
<th>Type of the enterprise</th>
<th>Increase in absenteeism costs</th>
<th>No increase in absenteeism costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>11</td>
<td>-</td>
</tr>
<tr>
<td>Transport</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Education</td>
<td>7</td>
<td>1</td>
</tr>
<tr>
<td>Financial</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>Hotel/restaurants</td>
<td>7</td>
<td>1</td>
</tr>
<tr>
<td>Health care</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Others in service</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>Agriculture</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>49</strong></td>
<td><strong>12</strong></td>
</tr>
</tbody>
</table>

Absenteeism costs are those associated with employees not reporting for duty. Firms may be forced to hire casual labour at a cost to have their work done. From the table above it is evidence that in all the categories of enterprises an increase in absenteeism costs was experienced. All the enterprises in the manufacturing category are seen to have at least experienced an increase in absenteeism cost however minimal it might have been.

It can be deduced that majority of the enterprises have been hit by absenteeism with manufacturing being the most affected the reason may be because it has so many casual employees who get compound absenteeism due to poor health.
4.6.2 Medical costs in Enterprises

These are those costs incurred when the enterprise covers for medical expenses of its employees. However this may be either fully or partially. It comes in form of medical bills of employees and their families.

Table: 4.10 Catering for the medical costs

<table>
<thead>
<tr>
<th>Cater for medical costs</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>52</td>
<td>85.2</td>
</tr>
<tr>
<td>No</td>
<td>9</td>
<td>14.8</td>
</tr>
<tr>
<td>Total</td>
<td>61</td>
<td>100</td>
</tr>
</tbody>
</table>

In seeking to establish the whether the firms avoided medical cost or not, respondents were asked to indicate if their firms cater for medical costs of employees. Among all the business enterprises 85.2% catered for medical costs of employees in one way or the other as seen below. Only 14.8% did not cater for the medical costs of employees.

4.6.3 Management response to medical cost

Basically there are three ways through which enterprises catered for their employees medical costs. Some enterprises pay a certain amount yearly as per the employees job group, others pay for all medical expenses while others pay only a certain percentage of the total medical bill incurred by the employee.
It sought to establish the different ways in which firms handled their medical costs. In the results tabulated above, 63.9% of the enterprises paid only a certain amount yearly as per the employees job group, 13.1% of the firms paid for all the medical expenses incurred by the employee, (9.8%) of the firms pay a given limit of the medical costs incurred by the employee, while a minority number of firms 13.11% did not pay any medical allowances. Those firms that do not give any medical expenses are generally trying to cut on their operation costs. This however might not be cutting cost as its implied because there are hidden costs like absenteeism and funeral costs that come later.

### 4.6.4 Funeral costs and how they are Handled

When an employee dies, firms that cater for funeral costs incur a cost. Funeral cost once not checked could lead to heavy expenditure, thus they should be controlled by the management. There are various ways identified on how enterprises handled their funeral costs.
Despite the fact that some enterprises what to avoid funeral costs it is a very sensitive area to do away with. The employees need to be relieved of this cost especially in a situation where the enterprise mortality rate is high. The table above reveals that 96.7% of the firms cater for funeral costs with only 3.3% of the firms not catering for funeral costs of deceased employees.

In seeking to establish how the enterprises handled their funeral costs, the respondents were asked to state how they handles it funeral costs. As can be seen from the above table that, 50.8% of the responses was that the enterprise provided a fixed amount for funeral expenses, 34.4% of the firms provided transport only for the deceased employee and a
small number of enterprises (14.8) catered for all the funeral costs of the deceased employee.

4.6.5 Trend of funeral costs

This is the direction in which funeral costs have taken in the enterprise. It could be a low, moderate or high trend. This entirely depends on the mortality rate in the enterprise.

<table>
<thead>
<tr>
<th>Trend</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>27</td>
<td>44.3</td>
</tr>
<tr>
<td>Moderate</td>
<td>22</td>
<td>36.1</td>
</tr>
<tr>
<td>High</td>
<td>12</td>
<td>19.7</td>
</tr>
<tr>
<td>Total</td>
<td>61</td>
<td>100</td>
</tr>
</tbody>
</table>

From the results in the above table 44.3% of the firms have experienced a low trend in the increase of funeral costs, 36.1% of the firms have experienced a moderate increase in funeral costs and a small minority have experience a high trend in funeral costs due to the HIV/AIDS pandemic.

There are a number of ways through which firms have responded to the increased costs. Most firms indicated they had to increase on their budget for absenteeism cost, training costs, recruitment costs and retrenchment costs. Some few firms had to stop paying for employees medical costs to help cut on operation costs.
4.6.6 Insurance and Insurance cover provided

Insurance covers are provided to protect the employees from risks in the workplace. However, this should not necessarily be HIV/AIDS-related cover. Other important covers like medical and health may be provided to protect the employee from possible risks.

Table: 4.15 Provision of insurance cover

<table>
<thead>
<tr>
<th>Provide insurance cover</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>8</td>
<td>13.1</td>
</tr>
<tr>
<td>No</td>
<td>53</td>
<td>86.9</td>
</tr>
<tr>
<td>Total</td>
<td>61</td>
<td>100</td>
</tr>
</tbody>
</table>

As it is revealed in the above table, only 13.1% i.e. 8 out of the 61 firms provided insurance covers for their employees though not HIV/AIDS-related covers. The larger majority of 53 firms (86.9%) do not provide for any insurance cover.

Table: 4.16 Type of Insurance cover provided

<table>
<thead>
<tr>
<th>Type</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life insurance</td>
<td>3</td>
<td>4.9</td>
</tr>
<tr>
<td>Health insurance</td>
<td>5</td>
<td>8.2</td>
</tr>
<tr>
<td>No insurance cover</td>
<td>53</td>
<td>86.9</td>
</tr>
<tr>
<td>Total</td>
<td>61</td>
<td>100</td>
</tr>
</tbody>
</table>

In seeking to find out if there are any firms that provide any HIV/AIDS-related insurance cover for its employees, the respondents were asked to indicate which covers were
available for the employees. From the results in the above two tables only 8 firms (13.1%) provided for insurance cover with 4.9% of the enterprises giving life insurance and 8.2% giving health to its employees. However a majority of 53 firms (86.9%) did not provide for any HIV/AIDS insurance cover.

Some firms that provide insurance cover provide insurance of up to a certain limit HIV/AIDS included. As way of cutting down on the operation costs some firm do not provide insurance cover. Some of the firms had a general health insurance for all employees. They felt that targeting HIV/AIDS for a specific cover would be discriminatory for the employees and thus they did not provide insurance cover for only the infected employee.

4.7 Management of HIV/AIDS in the workplace

There are several ways through which the management of enterprises applies in dealing with HIV/AIDS in the work place. Control of HIV/AIDS is the beginning point followed by solving those problems associated with the AIDS pandemic in the workplace.

4.7.1 Management of problems related to productivity

Losses

Enterprises are working hard to manage the HIV/AIDS related problems that lead to productivity losses. However, there is uncertainty about how they will manage not just to compensate for the loss of skills and experience, but to grow and expand. Some of the management ways identified in the study are; retrenchment of the very sick employees, training and re-training of the employees to face the crisis, recruitment of new employees to fill in gaps, and mechanization of some of the business operations.
Table: 4.17 Management Problems that lead to productivity loss.

<table>
<thead>
<tr>
<th>Measures taken</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retrench those very sick employees</td>
<td>7</td>
<td>6.8</td>
</tr>
<tr>
<td>Re-train the existing employees to fill gaps</td>
<td>28</td>
<td>27.2</td>
</tr>
<tr>
<td>Train those affected to cope with their HIV status</td>
<td>7</td>
<td>6.8</td>
</tr>
<tr>
<td>Recruit new employees to fill in gaps</td>
<td>51</td>
<td>49.5</td>
</tr>
<tr>
<td>Mechanize / Computerize some of the operations</td>
<td>10</td>
<td>9.7</td>
</tr>
<tr>
<td>Total</td>
<td>103</td>
<td>100</td>
</tr>
</tbody>
</table>

* Multiple responses by the respondents

In seeking to establish the measures taken by the management in managing the HIV/AIDS related problems that affect the productivity losses. It was revealed that enterprises have a number of ways used to deal with this problem. 49.5% of the responses was that recruitment of new employees to fill in gaps left was commonly applied by the management, (6.8%) of the responses was on re-train of the existing employees to fill in the gaps left due to high employee turnover or by either the dead employees or retrenched or deserted. Another 6.8% of the responses was on retrenchment of the sick employees and probably those who were unproductive, 27.2% of the responses was to re-training of the existing employees to fill in gaps left due to death/retrenchment/deserted employees. Finally 9.7% of the responses was to computerize/mechanize some of the operations within the enterprise.
It is evident that recruitment was one of the most indicated ways on management measure to solve problems related to productivity losses and thus cope with the HIV/AIDS problem.

Table: 4.18 type of enterprise by retrenchment of infected Employees

<table>
<thead>
<tr>
<th>Type of enterprise</th>
<th>Retrench the infected employees. Frequency (%)</th>
<th>Do not retrench infected employees. frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>4 (37.5)</td>
<td>7</td>
</tr>
<tr>
<td>Transport</td>
<td>-</td>
<td>5</td>
</tr>
<tr>
<td>Education</td>
<td>-</td>
<td>8</td>
</tr>
<tr>
<td>Financial</td>
<td>-</td>
<td>7</td>
</tr>
<tr>
<td>Hotel/restaurants</td>
<td>3 (36)</td>
<td>5</td>
</tr>
<tr>
<td>Health care</td>
<td>-</td>
<td>6</td>
</tr>
<tr>
<td>Agriculture</td>
<td>-</td>
<td>10</td>
</tr>
<tr>
<td>Others in service</td>
<td>-</td>
<td>6</td>
</tr>
<tr>
<td>Total</td>
<td>7</td>
<td>54</td>
</tr>
</tbody>
</table>

Out of those firms that do retrench employees as a way of managing HIV/AIDS in the workplace, it is only firms in two categories that are involved. From the table above only firms in the manufacturing and transport categories are involved in retrenchment of the sick or very sick employees. The enterprises that are very notorious in this practice are those in the hotel category with 3 out of 5 involved i.e. (37.5%), and manufacturing category with 4 out of 11 involved i.e. (36%)

Comments highlighted by some of the respondents were intense counseling which should be encouraged to help the employees not to feel desperate and lose morale for work. These will enable them to remain active and productive in the firm after accepting their condition.
4.7.2 Response on employees living with HIV/AIDS.

It becomes more complete for the management to deals with some employees living with HIV/AIDS in the work place. However most business managements have found out ways through which they handle this situation. These include retrenching of the sick employees, segregation of the sick employees, assigning them lighter jobs and mixing them freely with other employees.

Table: 4.19 Response on employees living with HIV/AIDS

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assign them lighter jobs</td>
<td>16</td>
<td>18.6</td>
</tr>
<tr>
<td>Segregate them from other employee</td>
<td>1</td>
<td>1.2</td>
</tr>
<tr>
<td>Mix them freely from other employees</td>
<td>59</td>
<td>68.6</td>
</tr>
<tr>
<td>Retrench the very sick ones</td>
<td>10</td>
<td>11.6</td>
</tr>
<tr>
<td>Total</td>
<td>86</td>
<td>100</td>
</tr>
</tbody>
</table>

Total>61

* Multiple responses were given

The researcher gauged the very ways through which the management handled known cases of employees living with HIV/AIDS.

68.6% of the responses indicated that they used to mix the infected employees freely with the non infected employees without discrimination, 18.6% of the responses was that they assigned lighter jobs to those employee living with HIV/AIDS especially those with
deteriorating health, 11.6% of the responses were on retrenchment of the very sick employees who could not be of benefit to their firms. Finally a small minority of the responses was that on segregation of those employees living with HIV/AIDS.

It was commended that all employees should be mixed freely irrespective of their HIV status so as to have harmony in the work place. Other suggestions were to retain the employees, counsel them on hope in life and finally they should be supported to meet their medical costs.

4.7.3 Medical tests for recruits including HIV/AIDS test

Some employers have braided Government policies that protect the employee against pre-employment and post employment HIV/AIDS screening. They thus go about screening both recruits and probably existing employees with or without their knowledge.

Table: 4.20 Medical testing including HIV test on recruits

<table>
<thead>
<tr>
<th>Medical test on recruits</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>27</td>
<td>44.3</td>
</tr>
<tr>
<td>No</td>
<td>34</td>
<td>55.7</td>
</tr>
<tr>
<td>Total</td>
<td>61</td>
<td>100</td>
</tr>
</tbody>
</table>

The researcher gauged the very way firms undertook to get recruits working for them. From the results in the table above is evidence that 44.3% of the firms asked new recruits to undertake medical test that include HIV tests before they were recruited to work for
the enterprise. A significant majority of the firms 55.7% did not ask new recruits to take medical tests that included HIV/tests.

4.8 Disclosure of HIV status to recruits

The researcher wanted to know if those firms that asked recruits to go for medical tests really revealed to them their HIV status and the reason why they were not considered for the job. The respondents were asked to state if they informed the unsuccessful employees about their HIV test.

Table: 4.21 Disclosure of HIV status to recruits

<table>
<thead>
<tr>
<th>Activity</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>6</td>
<td>9.8</td>
</tr>
<tr>
<td>No</td>
<td>21</td>
<td>34.4</td>
</tr>
<tr>
<td>No applicable</td>
<td>34</td>
<td>55.7</td>
</tr>
<tr>
<td>Total</td>
<td>61</td>
<td></td>
</tr>
</tbody>
</table>

From the analysis out of all those firms that screened recruits, only a small percentage of 9.8% informed the recruits who failed about their HIV status. This is against the Government labour laws on the employee and the workplace.

4.8.1 HIV/AIDS awareness in the business place

This is the measure of information concerning HIV/AIDS pandemic. The researcher asked the respondents to indicate HIV/AIDS awareness on both the management and the other employees.
Table: 4.22 HIV/AIDS awareness in the business place

<table>
<thead>
<tr>
<th>Awareness</th>
<th>By the management. Frequency (%)</th>
<th>By other employee Frequency (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excellent</td>
<td>25 (41%)</td>
<td>6 (9.8%)</td>
</tr>
<tr>
<td>Above average</td>
<td>24 (39.3%)</td>
<td>22 (36.1%)</td>
</tr>
<tr>
<td>Average</td>
<td>11 (18.0%)</td>
<td>21 (34.4%)</td>
</tr>
<tr>
<td>Below average</td>
<td>1 (1.6%)</td>
<td>19 (19.7%)</td>
</tr>
<tr>
<td>Total</td>
<td>61 (100%)</td>
<td>61 (100%)</td>
</tr>
</tbody>
</table>

As can be seen from the table above, HIV/AIDS awareness in the side of the management is very high as this was seen by the responses of 41% excellence, 39.3% responses of above average and 18% response of average as compared to 1.6% responses given that it was below average.

In the side of other employees awareness was high but lower from that of the management. The response were as follows 9.8% excellence, 36.1% above average, 34.4% average and 19.7% below average. The management is in most cases better educated and well exposed to information on HIV/AIDS as compared to the other employees hence the differences.

4.8.2 Relation between the non-infected and the infected employees

HIV/AIDS is considered as a very dreaded disease and due to these fact the relationship between the HIV infected and non infected employees is at risk as it may be negatively affected. The relation in the workplace is likely to be differed.
Table: 4.23 Relation between the infected employees and non-infected

<table>
<thead>
<tr>
<th>Employee relations</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>With suspicion and fear</td>
<td>19</td>
<td>31.1</td>
</tr>
<tr>
<td>With accommodation and understanding</td>
<td>40</td>
<td>65.6</td>
</tr>
<tr>
<td>With hate and disgust</td>
<td>9</td>
<td>14.8</td>
</tr>
<tr>
<td>With segregation</td>
<td>15</td>
<td>24.6</td>
</tr>
<tr>
<td>With victimization</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>83</td>
<td>100</td>
</tr>
</tbody>
</table>

Total is greater than 61

* Multiple responses were cited

From the results in the above table it can be seen that, of the responses 22.9% indicate relation with suspicion and fear, 48.2% relation with accommodation and understanding which was the majority in responses. However we had some responses of relations of segregation. (18.1%) and finally response on relation with hate and disgust were 10.8% as it was evidence in some firms. It should be noted that there was no victimization given anywhere as a response.
4.8.3 Presumed Effects on HIV pandemic on Investor Environment

The environment to invest in is well considered by investors in all the business categories.

All respondents agreed that HIV/AIDS pandemic in an area play a major role in business growth in that area. Both current and potential investors are kin to note the suitability of the area in respect to the degree/rate of infection on the area.

Table: 4.24 Presumed Effects on HIV pandemic on investor Environment

<table>
<thead>
<tr>
<th>Reason</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Declining labour pool</td>
<td>40</td>
<td>27.4</td>
</tr>
<tr>
<td>Shrinking market thus diminished demand</td>
<td>49</td>
<td>33.6</td>
</tr>
<tr>
<td>High operating costs</td>
<td>57</td>
<td>39.1</td>
</tr>
<tr>
<td>Total</td>
<td>146</td>
<td>100</td>
</tr>
</tbody>
</table>

Total response>61

* Multiple responses cited

From the table above 39.1% response indicated on high operating costs in the area and from the table above it can be seen that out of the 61 firms 40 (27.4%) responded that HIV/AIDS affected the decision of investing in an area because there is a declining labour pool leading to shortage of labour in the area. Out of the total firms 49 (33.6) indicated that it’s not a wise decision to invest in an area with high pandemic of HIV/AIDS because their will be diminished demand due to the market shrinking.
4.8.4 Involvement in the combat of HIV/AIDS

The enterprise involvement in the fight of HIV/AIDS in the workplace is a big step in management of the HIV/AIDS pandemic in the society. The problem was declared a national concern back in 1999 by the late Kenya Government and needs all should join hands to effectively address the AIDS pandemic.

Table: 4.25 Involvement in the combat of HIV/AIDS

<table>
<thead>
<tr>
<th>Involvement</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firm involved in the combat of HIV/AIDS</td>
<td>37</td>
<td>60.7</td>
</tr>
<tr>
<td>Firms not involved in the combat of HIV/AIDS</td>
<td>24</td>
<td>39.3</td>
</tr>
<tr>
<td>Total</td>
<td>61</td>
<td>100</td>
</tr>
</tbody>
</table>

As the table above reveals, majority of the firms (60.7%) are involved in combat of HIV/AIDS in the society by either directly in the workplace or indirectly by funding for HIV/AIDS control projects.

It was thus identified that firms that were involved in the fight of HIV/AIDS in the society do so either directly or indirectly by making condoms available, hanging or giving booklet or posters concerning HIV/AIDS in the workplace. Some other firms gave donations or either supported AIDS prevention programs. Other firms are active in assisting their employees by inviting doctors and other persons to give talks, counsel and advice the employees on how to manage the scourge.
4.8.5 Organization to handle HIV/AIDS in the workplace

There are many groups/organizations that should be involved in dealing with HIV/AIDS in the workplace. These groups involve the business management, Government, religious Organizations, and the worker unions.

<table>
<thead>
<tr>
<th>Organization</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business management</td>
<td>58</td>
<td>36</td>
</tr>
<tr>
<td>Worker unions</td>
<td>32</td>
<td>19.9</td>
</tr>
<tr>
<td>Government</td>
<td>44</td>
<td>27.3</td>
</tr>
<tr>
<td>Religious organizations</td>
<td>27</td>
<td>16.8</td>
</tr>
<tr>
<td>Total</td>
<td>161</td>
<td>100</td>
</tr>
</tbody>
</table>

Total >61
*Multiple responses cited

The researcher asked the respondents to indicate/name whoever should be responsible in dealing with HIV/AIDS in the workplace.

From the results in the above table, 36% i.e. 58 out of the 161 responses were for the business management to be involved in managing HIV/AIDS in the workplace. 27.3.1% of the total responses were for the idea that the government should actively be involved in the fight of the HIV/AIDS in the workplace, while 19.9% of the responses were for the idea that worker unions should actively be involved. Only 16.8% of the responses quoted the church as an organization that should be involved in fighting HIV/AIDS in the workplace.
However some respondents were for the idea that everybody be it an individual, a group or an organization should be involved to effectively deal with the HIV/AIDS scourge in the workplace.

4.9.0 Effectively controls of HIV/AIDS in the workplace

There are different ways that can be used to control HIV/AIDS in the workplace. However some ways are more effective than others. This depends on whom the control is targeted to. As far HIV/AIDS control in the workplace is concerned it should not interfere with other management processes for growth and stability of the enterprise.

Table: 4.27 Effectively controls of HIV/AIDS in the workplace

<table>
<thead>
<tr>
<th>Control</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Counseling of both infected and non-infected employees</td>
<td>60</td>
<td>32.1</td>
</tr>
<tr>
<td>Creating AIDS awareness and prevention programs</td>
<td>60</td>
<td>32.1</td>
</tr>
<tr>
<td>Provision of medical aid schemes and insurance funds</td>
<td>25</td>
<td>13.4</td>
</tr>
<tr>
<td>Guarantee job security to all employees</td>
<td>21</td>
<td>11.2</td>
</tr>
<tr>
<td>Provide care and support programs for all affected employee</td>
<td>21</td>
<td>11.2</td>
</tr>
<tr>
<td>Total</td>
<td>187</td>
<td>100</td>
</tr>
</tbody>
</table>
From the results of the above table, of the total responses, 32.1% was creating HIV/AIDS awareness plus prevention programs to the business community, 32.1% was counseling of both infected and non-infected employees, 13.4% was the response of provision of a medical aid scheme and insurance funds in the workplace. Both to guarantee job security to all employees and provision of care and support programs for all affected employees in the workplace composed of 11.2% each of the total respondents.

A number of the respondents said that it could even be more crucial to have a combination of this controls and not relay on one so as to have a high degree of efficiency.

4.9.1 Problems in management of HIV/AIDS in the work Place

There are a number of problems encountered by enterprises in their efforts to fight and control HIV/AIDS in the workplace. These problems vary from financial to skill of management. The following were the problems the enterprises faced in management of the AIDS pandemic in the work place.
Respondents were asked to state the problems that they encountered in their efforts to fight the HIV/AIDS scourge in the workplace.

From the results in the above table, the major problems cited were shortage of funds and ignorance by employees both with 39.7% response from the respondents. Although not a major problem discrimination and unacceptable cultural practices was reported each with 10.2% responses from the total responses.

### 4.9.2 Preparedness in the fight against HIV/AIDS in the workplace

Preparedness is the measure of what the firm feels and does in the fight of HIV/AIDS in the workplace in order to manage the HIV/AIDS pandemic. However Preparedness among different enterprises might vary in relation to how the management perceives the problem.
**Table: 4.29 Preparedness in the fight against HIV/AIDS**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely prepared</td>
<td>8</td>
<td>13.1</td>
</tr>
<tr>
<td>Moderately prepared</td>
<td>25</td>
<td>41</td>
</tr>
<tr>
<td>Neither prepared nor unprepared</td>
<td>21</td>
<td>34.4</td>
</tr>
<tr>
<td>Moderately unprepared</td>
<td>5</td>
<td>8.2</td>
</tr>
<tr>
<td>Extremely unprepared</td>
<td>2</td>
<td>3.3</td>
</tr>
<tr>
<td>Total</td>
<td>61</td>
<td>100</td>
</tr>
</tbody>
</table>

From the above results it can be seen that, only 13.1% of the responses were for firms that were extremely prepared to fight against HIV/AIDS in the workplace; A further 25 of the 61 i.e 41% were the responses of firms that were moderately prepared, 21 which is 34.4% of the firms were neither prepared nor unprepared with an insignificant minority responses of of 8.3% and 3.3% being moderately and extremely unprepared respectively.

Thus to say more campaign on HIV/AIDS awareness should be targeted on business firms to enable them know about the consequences of HIV/AIDS and its control measures to help them prepared them selves for its fight.

### 4.9.3 Suggested Recommendations by respondents

The following recommendations were given by the respondents in the Fight of HIV/AIDS in the workplace and society at large.
### Table: 4.30 Recommendations to business management

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Protection of employer from discrimination</td>
<td>39</td>
<td>34.5</td>
</tr>
<tr>
<td>Care and prevention programmes</td>
<td>42</td>
<td>37.2</td>
</tr>
<tr>
<td>Provide information and education material on HIV/AIDS</td>
<td>21</td>
<td>18.6</td>
</tr>
<tr>
<td>Engage in advocacy on HIV/AIDS in workplace</td>
<td>11</td>
<td>9.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>113</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

The business management must be fully involved in the fight of HIV/AIDS they should try to follow the ILO policies that have been in co-operated into Government. These policies protect the employees from discrimination practices in the work place and undue treatment i.e. 34.5% of the responses, they should initiate care and support programmes (37% of the responses, provide HIV/AIDS information and education (18.65) of responses and engage in advocacy of HIV/AIDS in the workplace (9.7%).

### Table: 4.31 Recommendations to worker unions

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Counter discrimination in the workplace</td>
<td>36</td>
<td>33</td>
</tr>
<tr>
<td>Counter stigmatization in the workplace</td>
<td>33</td>
<td>30.3</td>
</tr>
<tr>
<td>Train members on HIV/AIDS</td>
<td>40</td>
<td>36.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>109</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
The results in the above table show that from the responses given 33% was that worker unions should counter discrimination in the workplace, 30.3% that the unions should also counter stigmatization in the workplace, and 36.7% of the responses was that worker unions should train their members on HIV/AIDS.

**Table 4.32 Recommendations to the government**

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Frequency</th>
<th>percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raise National awareness</td>
<td>52</td>
<td>24</td>
</tr>
<tr>
<td>Formulate and implement social and labour policies</td>
<td>30</td>
<td>13.8</td>
</tr>
<tr>
<td>Mobilize resources and fund HIV/AIDS projects</td>
<td>55</td>
<td>25.3</td>
</tr>
<tr>
<td>Engage in advocacy and training of HIV/AIDS in the workplace</td>
<td>25</td>
<td>11.5</td>
</tr>
<tr>
<td>Coordinate all HIV/AIDS programmes Nation wide</td>
<td>55</td>
<td>25.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>217</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

The table above reveal the recommendations given to the Government as follows; out of the total responses 24% is that it should raise national awareness, 13.8% it should formulate and implement social and labour policies, 25.3% it should mobilize and fund HIV/AIDS projects, 11.5% it should engage in advocacy and train masses on HIV/AIDS and finally 25.3% the government should coordinate all HIV/AIDS programmes nation wide.
Table: 4.33 Recommendations the trade union

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Push for implementation of Government policies</td>
<td>48</td>
<td>51.1</td>
</tr>
<tr>
<td>Create HIV/AIDS awareness in the workplace</td>
<td>28</td>
<td>29.8</td>
</tr>
<tr>
<td>Fund HIV/AIDS campaigns</td>
<td>18</td>
<td>19.1</td>
</tr>
<tr>
<td>Total</td>
<td>94</td>
<td>100</td>
</tr>
</tbody>
</table>

From the above table the following are the recommendations given to the trade union, out of the total responses 51.1% is that they should push for implementation of Government policies on HIV/AIDS, 29.8% they should create awareness in the workplace and 19.1% they should fund HIV/AIDS campaigns in the society.

The trade union should in the fore line to ensure that all the HIV/AIDS policies are fully effected in the work place. This will see to it that employees are protected all required by law in the work place.

Table: 4.34 Recommendations to Religious organization

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preach morality</td>
<td>32</td>
<td>56.1</td>
</tr>
<tr>
<td>Train their congregation on HIV/AIDS</td>
<td>15</td>
<td>26.3</td>
</tr>
<tr>
<td>Awareness campaigns</td>
<td>10</td>
<td>1.8</td>
</tr>
<tr>
<td>Counseling those affected by the HIV/AIDS effects</td>
<td>20</td>
<td>35.1</td>
</tr>
<tr>
<td>Total</td>
<td>57</td>
<td>100</td>
</tr>
</tbody>
</table>
According to the findings in the above table, the following are the recommendations given to the religious organizations, from 32.1% of the responses they should preach morality, 26.3% they are to involve in training their congregation on HIV/AIDS, 1.8% they should start awareness programmes and 35.1% they should engage in counseling of those infected and affected

Table: 4.35 Recommendations to NGO’s

<table>
<thead>
<tr>
<th>Recommendations</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raise National awareness</td>
<td>20</td>
<td>18</td>
</tr>
<tr>
<td>Fund HIV/AIDS projects</td>
<td>35</td>
<td>31.8</td>
</tr>
<tr>
<td>Counseling of infected workers</td>
<td>23</td>
<td>20.9</td>
</tr>
<tr>
<td>Training and advocacy campaigns</td>
<td>15</td>
<td>13.6</td>
</tr>
<tr>
<td>Start and localize community prevention programmes</td>
<td>17</td>
<td>15.5</td>
</tr>
<tr>
<td>Total</td>
<td>110</td>
<td>100</td>
</tr>
</tbody>
</table>

As per the total recommendations given the respondents felt that NGO’s should help fund HIV/AIDS projects (31.8%), raise National awareness (18%), counsel of infected workers (20.9%), training and advocacy (13.6%) and start and localization of community prevention programmes (15.5%).

The above recommendations could bring harmony in the business place once fully implemented. The major problem is luck of funds so as to smoothly manage the HIV/AIDS pandemic.
CHAPTER FIVE

5.0 SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION.

In this chapter, a summary of the findings is given and then conclusions are drawn from the analysis of the data. This has been done in view of the aim and objectives of the study. Then from these, recommendations on effective management HIV/AIDS in the workplace have been given. Finally the suggestions for further research have been given.

5.2 SUMMARY OF FINDINGS

The research has revealed that the majority of the enterprises in the study were those found in the manufacturing category, followed by category of others in the service sector. Most of the enterprises have been in existence for over 10 years in operation. This was important because it is unlikely to assess the effect of HIV/AIDS pandemic on the labour force of very young enterprises. Majority of the enterprises had over 100 employees i.e. both the permanent and non permanent employees, thus to say a most of the respondents were medium enterprises. Most of the employees are literate with a minimum of secondary education.

HIV/AIDS pandemic impacts on all sectors of the economy negatively. Even the business sector has not been spared as most of them have stated that the trend of HIV/AIDS is serious and thus need to be quickly and effectively addressed. The majority of the firms have experienced an increase in absenteeism costs, the other area of increase in operating costs is in recruitment costs and medical costs then followed by increase in funeral costs.
Most of the enterprises recorded a marginal trend in the increase of their operating cost. This cost includes labour costs, medical costs, funeral cost, training costs, retrenchment costs and also funeral costs. Labour costs were seen to sky rocket because of HIV/AIDS and leads to a decline of the firm’s productivity. A decline in productivity leads to a decline in profits. Most of the enterprises suffered increased absenteeism by employees leading to great losses in the productivity. However those enterprises that are found in the categories of manufacturing, transport and hotel / restaurants are found to be the most affected by productivity losses due to the advent of HIV/AIDS.

In manage of the problems related to productivity Losses; it was found out that recruitment of new employees to fill in gaps left was the most applied measure taken by the management. Although most of the firms used a set of tactics in responses to deal with PLWHA in the work place, it was evident that in most enterprises all employees are mixed freely with out discrimination.

Among those firms that provided for medical costs, a majority number paid only a certain amount yearly as per the employees job group where as a significantly big number of the firms cater for funeral costs of its employees. They however provided a fixed amount for funeral expenses which has had a low trend meaning few employees have died due to the HIV/AIDS scourge.

A larger majority of the firms do not provide any insurance cover related to HIV/AIDS. Out of the few firms that provide insurance cover they only provided for health and life insurance. Despite the fact that very few firms provide insurance cover, enterprises still require recruits to take medical tests prior to employment. However this is in contradiction ILO policies that are meant to protect the employee.
Majority of the business players had significantly high degree awareness, and thus accommodation of infected employees was evident in most enterprises. The HIV/AIDS pandemic in an area play a major role in business growth in that area as Majority of the firms felt that the main reason was due to risk of operating costs in the area.

Most of the business firms were moderately prepared in control of HIV/AIDS in the workplace, and a significant number of enterprises were involved in combat of HIV/AIDS in the workplace. However majority of enterprises stated that it is the management who should be involved in dealing with HIV/AIDS in the workplace. Creating HIV/AIDS awareness and prevention programs to the business community plus also counseling of both infected and non-infected employees in the firms was given as the most effective ways of controlling HIV/AIDS in the workplace.

The major problems encountered in controlling HIV/aids were, shortage of funds and ignorance by employees. Most businesses today are making minimal profits for survival; hence they struggle to remain in the market. This means they will have no extra funds to use in AIDS control in the workplace. To effectively control HIV/AIDS in the workplace the Government should come in and fund HIV/AIDS related programs in the society.
5.3 CONCLUSIONS

The study has managed to achieve the set objectives and come up with the following conclusions;

The enterprise categories of manufacturing, Agriculture and hotel enterprises are the ones that have suffered more in productivity loss as a result of HIV/AIDS pandemic. This proves that different types of firm have varying degrees of preference of the HIV/AIDS pandemic.

Business managements have tried to control the HIV/AIDS pandemic in the work place by modifying on their management style. These are the ways on how they handle the employees and the management of the escalating business operation costs.

There are various problems faced by the business enterprises in their fight against HIV/AIDS in the work place. The problems encountered may differ from one firm to the other but they are common in most of the enterprises.

Discrimination and segregation was common in the relation practices between the non infected employees and the infected employees in the work place. This proofs that the Government and ILO policies are not being obeyed by some enterprises.
5.4 RECOMMENDATIONS

1) The Government should help establishment programs that assist enterprises in the management and control of HIV/AIDS in the workplace; the government should reach the business community and set up a mechanism to assist both the management and employee come in term with the AIDS pandemic. They should be guided on how to best face the problem.

2) The government should monitor the activities of all those organization working to control the problem so as to coordinate their activities. In doing so, duplication and wastage of resources will be avoided.

3) The Business managements should be exposed to the ILO policies and other government policies that protect the employees so as to stop the vice of discrimination and segregation of sick employees it the work place.

4) The employees should be encouraged to go for voluntary HIV screening so as to determine their HIV status and encourage morality among themselves.

5) Insurance firms should be encourage to come up with policies that ensure all the employees are insured irrespective of their HIV status. According to the Daily Nation (10th June 2003) in South Africa insurance companies do insure all tourists against HIV infection during their stay in the country.
5.7 SUGGESTIONS FOR FURTHER RESEARCH

The researcher suggests that further research should be done in the following areas as concerns HIV/AIDS pandemic and the business sector.

1) An investigation into the direct costs of HIV/AIDS in the police force


4) A survey on HIV/AIDS in family businesses
REFERENCE


African development forum, Hanlyn House, London


Action Aid, Hanlyn House, London UK

Glen Williams and Sunanda Ray (1993): Work Against AIDS, Initiative in Zimbabwe;

Action Aid, Hanlyn House, London UK


WHO/ILO (1996)): Guidelines on HIV/AIDS and first aid in the work place,

SERIES NO.7 WHO AID


KIPPA.2001: Legal & other Constraints an Access to Financial Services in Kenya, Survey results, KIPPA


Daily Nation Newspaper, 10th June 2003
APPENDIX: ONE

LETTER TO THE RESPONDENTS ON: A SURVEY OF HIV/AIDS PANDEMIC AND ITS MANAGEMENT BY ENTERPRISES IN KENYA: A STUDY OF FIRMS LOCATED IN NAIROBI

REF: A SURVEY OF HIV/AIDS PANDEMIC AND ITS MANAGEMENT BY ENTERPRISES IN KENYA: A STUDY OF FIRMS LOCATED IN NAIROBI

I am a student at Kenyatta University doing a Masters degree in business administration (MBA) and am carrying out the above named study for my degree project.

The main aim of the study is to determine the impact of HIV/AIDS in the business community. The findings of the study are expected to contribute to the knowledge on HIV/AIDS in relation to business. This will be of great importance to business enterprises in managing the AIDS scourge and its effects in the business world.

Your enterprise has been randomly selected as one of the study respondents. Kindly take a few minutes and complete the attached questionnaire as accurately as possible. The questionnaire is aimed at eliciting information pertaining to the study.

Any information given will strictly be used for academic purposes only and ultimate confidentiality is assured.

Thank you for your assistance.

Yours sincerely,

Vincent Kioko Mutisya

Reg No- D53/9213/2000

Kenyatta university
APPENDIX: TWO

QUESTIONNAIRE

A SURVEY OF HIV/AIDS PANDEMIC AND ITS MANAGEMENT BY ENTERPRISES IN KENYA: A STUDY OF FIRMS LOCATED IN NAIROBI

Name of the Business

Location of the Business

Postal Address

Tel

Fax

E-mail

(For the following questions please tick where applicable)

Designation of the Respondent.

( ) Human Resource manager

( ) General Manager

( ) Others

II GENERAL INFORMATION

1) What is the type of your Enterprise?

( ) Manufacturing

( ) Transport

( ) Agriculture

( ) Education

( ) Construction

( ) Financial

( ) Hotel/Restaurant

( ) Health care

( ) Others in the service industry please (specify)
2) How long has your Enterprise bee in operation?
   ( ) Below one year
   ( ) 1-5 years
   ( ) 6-10 years
   ( ) Over 10 years

3) How many employees does your firm have? __________________________
   (a) How many permanent employees does your firm have? ______________
   (a) How many non-permanent employees does your firm have? __________

4) In your opinion what is the trend of HIV/AIDS and its impacts in the business sector?
   ( ) Extremely serious
   ( ) Serious
   ( ) Fairly serious
   ( ) Not serious
   ( ) Extremely not serious

II PRODUCTIVITY LOSS
5) (a) Has your Enterprise suffered any productivity loss due to the effect of HIV/AIDS on the labour force?
   ( ) Yes ( ) No
   (b) If yes how has the HIV/AIDS pandemic affected your firm’s labour force and productivity?
      ( ) Increased employee absenteeism
      ( ) Increased staff turn-over due to sickness and poor health
      ( ) Death of employee resulting to loss of skills and tacit knowledge
      ( ) Declining employee morale due to discrimination by other employee
   (c) What is the trend of productivity losses for the last five years? ______________
6) What measures does your Enterprise take to manage the HIV/AIDS related problems that affect the productivity losses?

( ) Retrench those affected by HIV/AIDS
( ) Re-train existing employees to fill gaps created by HIV/AIDS effects
( ) Train those affected to cope with the HIV status
( ) Recruit new employees to fill gaps created by HIV/AIDS effects
( ) Mechanize/ computerize most of the firms operations

Comments

6) How does the Management handle the situation of employees living with HIV/AIDS?

( ) Assign them lighter jobs
( ) Segregate them from other employees
( ) Mix them freely with other employees
( ) Retrench the very sick

Comments

II HIV/AIDS RELATED COSTS

8) (a) Has your firm experienced increase in operating costs due to the onset of HIV/AIDS pandemic?

( ) Yes  ( ) No

(b) If yes, in which area or areas has your enterprise experienced an increase in operating costs?

( ) Medical costs
( ) Funeral cost
( ) Retrench costs
( ) Recruit costs
( ) Training costs
( ) Absenteeism costs
( ) Others (Specify)
9) (a) Does your firm cater for medical costs for its employees?
   ( ) Yes  ( ) No
(b) If yes, how does the management handle the medical costs of the infected employees?
   ( ) Pay a certain amount yearly as per the employees job
   ( ) Pay for all medical costs incurred by an infected employee
   ( ) Pay a given amount
   ( ) Other (Specify)

10) (a) Does your firm cater for funeral costs of its deceased employees?
   ( ) Yes  ( ) No
(b) If yes, how does your firm handle its funeral of deceased employee?
   ( ) Provide some fixed amount fixed amount for funeral expenses
   ( ) Provide transport only, for the deceased employee
   ( ) Cater for all the funeral expenses
   ( ) Other (Specify)

11) How has the management responded to those operating costs that have increased due to the effect HIV/AIDS effects?

12) Does your firm provide any HIV/AIDS related insurance cover?
   ( ) Yes  ( ) No
(b) If yes then what insurance cover does your firm provide?
   ( ) Life insurance
   ( ) Health insurance
   ( ) Other (Specify)
(c) If no then what are your reasons?
IV OTHER INFORMATION

12) (a) Does your firm require of new employees/recruits to undergo medical tests including HIV/AIDS screening?
   ( ) Yes  ( ) No

(b) If yes does the management inform the already infected why they failed the HIV test thus can not be employed?
   ( ) Yes  ( ) No

13) (a) Does your management have ways of determining the HIV/AIDS status of its existing employees?
   ( ) Yes  ( ) No

(b) If yes then how do they go about it? ________________________________

15) How would you rate the following groups on their HIV/AIDS awareness?

<table>
<thead>
<tr>
<th>The Management</th>
<th>Other employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excellent</td>
<td>( )</td>
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<tr>
<td>Above Average</td>
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<tr>
<td>Average</td>
<td>( )</td>
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<tr>
<td>Below Average</td>
<td>( )</td>
</tr>
<tr>
<td>Much below Average</td>
<td>( )</td>
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</tbody>
</table>
16) How do the non-infected employees relate to those who are infected with HIV/AIDS in the workplace?

( ) With suspicion and fear
( ) With disgust and hate
( ) With segregation
( ) With accommodation and understanding
( ) With victimization
( ) Other (Specify)

17) What is the education level of most of your employees?

<table>
<thead>
<tr>
<th>Permanent employees</th>
<th>Casual employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary level and below</td>
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<tr>
<td>Secondary level</td>
<td>( )</td>
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<tr>
<td>College level</td>
<td>( )</td>
</tr>
<tr>
<td>University level</td>
<td>( )</td>
</tr>
</tbody>
</table>

18) (a) In your opinion does the HIV/AIDS pandemic in an area affect current and potential investors?

( ) Yes
( ) No

(b) If yes, then in what ways?

( ) Declining labour pool leading to shortage of labour
( ) Shrinking market thus diminished demand
( ) High operating costs
( ) Other (Specify)

19) (a) Does your firm play a major role in to Combat HIV/AIDS in the society?

( ) Yes
( ) No

(b) If yes then how is your firm involved in curbing the spread of HIV/AIDS?
20) In your opinion what should be done to effectively control HIV/AIDS in the workplace?

( ) Counseling of both the infected and the non-infected employees
( ) Creating AIDS awareness and prevention programs
( ) Provision of medical aid schemes and insurance funds
( ) Guarantee job security for employees
( ) Provide care and support program for affected employees
( ) Other (Specify) ____________________________

21) Who should be involved in dealing with HIV/AIDS in the workplace?

( ) Business management
( ) Worker unions
( ) The government
( ) Religious Organizations
( ) Other (Specify) ____________________________

22) What recommendations could you give to the following groups in the fight of HIV/AIDS in the society?

(a) Business management, ____________________________
(b) Worker union, ____________________________
(c) The Government, ____________________________
(d) Religious Organizations, ____________________________
(e) NGO’s ____________________________
23) What problem/s does your firm face in managing HIV/AIDS in the workplace?
   ( ) Shortage of funds
   ( ) Cultural practices
   ( ) Discrimination practices in the workplace
   ( ) Ignorance
   ( ) Other (Specify) __________________________

24) How prepared is your enterprise in the fight against HIV/AIDS in the workplace?
   ( ) Extremely prepared
   ( ) Moderately prepared
   ( ) Neither prepared nor unprepared
   ( ) Moderately unprepared
   ( ) Extremely unprepared
Appendix: three

PLAN AND SCHEDULE OF ACTIVITIES

Plan of Activities

<table>
<thead>
<tr>
<th>Activity</th>
<th>Time in weeks</th>
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<tbody>
<tr>
<td>1. Pilot study</td>
<td>Two weeks</td>
</tr>
<tr>
<td>2. Data collection</td>
<td>Five weeks</td>
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<tr>
<td>3. Data analysis</td>
<td>Five weeks</td>
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<tr>
<td>4. Compilation of the report</td>
<td>Five weeks</td>
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<tr>
<td>5. Submission of the report</td>
<td>Last week of July 2003</td>
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Schedule of Activities

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