THE IMPACT OF HIV/AIDS ON COMPANIES AND THEIR RESPONSES TO THE EPIDEMIC (A Case of Del Monte Kenya Limited)

By

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AUGUST 2005
DECLARATION

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

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Date 31st August 2005

SUPERVISOR’S APPROVAL.

This project has been submitted for examination with my approval as University supervisor

Signature DR. GEORGE GONGERA
Date 21/10/05

Lecturer,
Department of Business Administration

This work has been submitted for examination with my approval as Chairman

Signature DR. GEORGE GONGERA
Date 21/10/05

Chairman,
Department of Business Administration

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DEDICATION

This work is dedicated to my mother who taught me the value of hard work and determination and through financial and moral support, made this work possible.
ACKNOWLEDGEMENT

My appreciation first goes to my project supervisor, Dr. Gongera for guiding me so well throughout the course of the research despite his many commitments and engagements as Chairman of the Department.

I also thank the teaching staff of the School of Business for equipping me with the necessary knowledge and skills during my coursework. Special thanks to Dr. Bett and Mr. Khasiani for their invaluable guidance.

My heartfelt gratitude goes to my sister, Wanja, who inspired me to take on the course and without whose support I would not have made it.

Finally to Beatrice Kathure and Fredrick Ajode without who, this project would not have been complete.
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ABSTRACT

The HIV/AIDS epidemic has had devastating effects in the workplace. It poses challenges to companies such as loss of productivity, employee turnover, increased medical costs, cost of HIV testing and treatment etc. (Aventin 1998). HIV/AIDS is not just a potential crisis, but also a real threat to the workforce and the entire community at large.

This paper looks at the impact that HIV/AIDS has had on companies and the responses that companies are making towards prevention of these costs. While there is an ever-increasing emphasis on HIV/AIDS awareness and prevention, there often appears a disconnect between being aware and acting to prevent.

The research project introduces us to the impact of HIV/AIDS epidemic on business. It contains the objectives, scope and significance of the study. For many businesses the impact of HIV/AIDS is severely constraining their ability to be competitive, while for others, the potential risks are significant in both high and low HIV/AIDS prevalence regions. Del Monte Kenya Ltd., the case study for this paper is a plantation located in Thika District a HIV/AIDS high prevalence region.

It is acknowledged that much research has been conducted to study the devastating effects of the epidemic on businesses and the strategies that these companies have come up with to address the crisis caused by HIV/AIDS. The literature review section looks at these studies.

Chapter Three is a research methodology, which is a brief on how the researcher collected data, analyzed and presented the findings on the study. This includes use of questionnaires, use of descriptive statistics to collect and present findings respectively.

The analysis of the data collected is presented using frequency tables and graphs in Chapter Four and finally there is a conclusion from analysis, recommendations and suggestions for further research.
List of Abbreviations

AIDS - Acquired Immune Deficiency Syndrome
GDP - Gross Domestic Product
HIV - Human Immunodeficiency Virus
NAC - National AIDS Council
NACP - National AIDS Control Programme
NGO - Non-Governmental Organization
STI - Sexually Transmitted Infection
UNAIDS - Joint United Nations Programme on HIV/AIDS
UNDP - United Nations Development Programme
UNICEF - United Nations Children Fund
WHO - World Health Organization
DMKL - Del Monte Kenya Limited
CHAPTER ONE

1.0 GENERAL INTRODUCTION

Presently, HIV/AIDS is the greatest threat to human development in the country and a major contributor to poor performance in various sectors. It continues to bring great suffering to the people of Kenya in terms of its physical, psychological and emotional devastation. The spread of this disease is so pervasive that it threatens the most productive groups in our society. In 2001, it was estimated that the infection rate for the population group of 15-49 is 16%. The implications for the planning and management of our national development programme are immediately obvious.

Today, Kenya is facing grave threats to its hopes of attaining full and sustainable development by the year 2020. One such challenge is HIV/AIDS which has placed a virtual stranglehold on our present and is well on the way to compromising our future.

According to estimates form the Joint United Nations Programs on HIV/AIDS (UNAIDS) and the world Health Organization (WHO), 38.6 million adults and 3.2 million children were living with HIV AIDS at the end of 2002. Of these 41.6 million, 29.4 are estimated to be living in Sub-Saharan Africa, making Africa by far the worst affected continent. Kenya has one of the fastest growing HIV/AIDS epidemics in the world, with the current estimates positing that over 3 million of Kenya's 33 million people are HIV infected. The resulting impact on Kenya's economy has been profound. HIV/AIDS has directly affected-and-infected human resources across the country; with the government itself expected to lose one-fifth of its employees to the disease over the next few years.
Absenteeism and high levels of attrition due to HIV-related illnesses and death, funeral attendance, and care of dependant have all contributed to the enormous strain on Kenya's workforce.

In 2001, Kenya's former President declared HIV/AIDS a National Disaster and the government has taken a decision lately as a matter of urgency, to develop a detailed operational plan on provision of anti-retroviral treatment programme.

That is why this study is important for the private sector, which is the acknowledged engine for economic growth, the efficiency and effectiveness of any economy and is critical for enhanced productivity.

DEL MONTE KENYA LIMITED

Company Profile

Del Monte Foods a company formed in 1948 has grown at a rapid pace and has become an industry leader in the 21st Century food marketplace. The company's product are so popular with consumers that you can find Del Monte products in many stores both in Kenya and the United States.

Del Monte Kenya Ltd is located in Thika District. The company has one of the largest pineapple plantations. The company employees more than 4000 workers in the plantations alone. It is covers an area of 5 500 hectares where more than 300,000 tonnes of pineapples are harvested each year. Most of the plantation workers are housed by the company is the compound while the rest live in the locations surrounding the farms. The company has 2 main company clinics where the workers receive treatment.
Like many companies, Del Monte has been hit by the HIV/AIDS epidemic in a hard way. Del Monte has responded to the epidemic and has been involved in various projects to curb the spread of the disease. According to B. Washington, (Human Relations) Del Monte has felt the effect of the epidemic in terms of accosts both direct and indirect. Management has allocated funds to respond by providing education about the epidemic and how to prevent it. The company is currently looking into a program to provide anti retroviral treatment to its employees.

1.2 STATEMENT OF THE PROBLEM

The HIV AIDS epidemic is, unlike other common diseases, not a disease of poverty. In many countries its effect is greatest among people with relatively high incomes and education such as managers and technical workers. Absenteeism and high levels of attrition due to HIV related illnesses and deaths, funeral attendance and care of dependants have contributed to the strain on workforce. The impact of the AIDS epidemic will be felt severely in the working population, since a large proportion of the HIV infected population is in the age group 20-49 years. Until recently, most workplace across Africa had done nothing to directly address the HIV/AIDS pandemic. The predominant response has been selected ad hoc efforts to create awareness. Few organizations have done little more than encourage the distribution of posters and warning of HIV/AIDS and urging caution. Businesses avoid facing the systematic issues raised by HIV/AIDS by finding ways to rid the employee pool of HIV-positive employees. The majority of company intervention strategies when they do occur typically focus on a combination of preventing new infections and avoiding and/or reducing the costs associated with existing and probable.
This study sought to establish the impact of HIV/AIDS on DMKL plantations and also analyzed the interventions that Del Monte has adopted to cope with HIV/AIDS, including Human Resource strategies.

1.3 OBJECTIVES OF THE STUDY

1.3.1 General Objective
The general objective of this study was to establish the impacts of HIV/AIDS on DMKL plantation workers.

1.3.2 Specific Objectives
The specific objectives of this study were:
1. To establish what is known about the internal costs of HIV/AIDS to companies in Kenya in particular DMKL.
2. To analyze some of the strategies the company is adopting to reduce these costs.
3. To describe what interventions the company has taken to curb the spread of the disease among its workforce.

1.4 RESEARCH QUESTIONS
In order to attain the set objectives, the researcher addressed the following question during the study:

1. Has HIV/AIDS made an impact on the plantation workforce of DMKL?
2. What are the actual impacts/costs (internal) of workplace HIV/AIDS in Del Monte Kenya Ltd?
3. Have managers adopted any strategies to reduce these HIV/AIDS related costs?
4. What policies has the company put into place to prevent the spread of the disease among its workforce?

1.5 SIGNIFICANCE OF THE STUDY

There have not been many studies conducted to assess the impact of HIV/AIDS on human capital development, supply and productivity in the corporate sector since the advent of the epidemic, there was general acknowledgement that the effects of HIV/AIDS in the workplace are considerable.

The study will provide business managers, researchers and policy makers with better understanding of the impact of HIV/AIDS on different units within a company.

This study will also establish an accurate picture of morbidity and mortality trends in the corporate sector.

It will enable the companies to adopt appropriate strategies and interventions to mitigate the impact of HIV/AIDS on productivity in the Private Sector.

It would also enable Human Resource Management and Development departments to take the impact of the HIV/AIDS epidemic into account in human resource planning and management.

1.6 SCOPE AND LIMITATIONS OF THE STUDY

This study focused on the impact of HIV/AIDS on the workforce in Del Monte Plantations. The main focus was specifically on internal cases and costs. Large plantations are ideal due to the large numbers of workers they employ, thus they provide a significant representation. Money was a limitation especially during analysis of the data.
1.7 RESEARCH ASSUMPTIONS

The study was informed by various assumptions, which may influence conclusions and recommendations.

Firstly, it was assumed that the people consulted were fairly knowledgeable about HIV/AIDS causes, transmission mode and symptoms. As a consequence, they were able to give an informed response during discussions and suggest appropriate workplace practices to prevent HIV/AIDS transmission.

Secondly, it was assumed that rates of overall adult morality are a fairly accurate reflection of mortality rates among workers at all levels. Because mortality can only be linked to HIV/AIDS after a test with positive results, proxies based on established adult mortality trends were said to determine HIV/AIDS-related deaths among the workers.

Finally, it was assumed that deaths from certain causes or symptoms within the age group of 25-40 years are AIDS-related. This assumption is supported by the NAC (National AIDS Council).
CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

At the onset of the 21st century, sub-Saharan Africa faces daunting economic and social challenges. Although a few countries posted economic gains and carried out multi-party elections, the 1990s were in general a period of economic stagnation or decline and slow political progress for the entire sub-Saharan region. The 20th century left Africa as the world's poorest continent, stricken with internal and trans-border violence, high unemployment, crumbling education and health systems, and little investment. (Fisher et al. 2000)

Ironically, the same decade that brought so little progress to Africa saw the global economy surge ahead. Most economists and political leaders, regardless of their political orientation, have come to accept that countries that do not participate in the global economy will not grow. Being able to compete in the global market for goods and services is thus vital to a country's economic and social development.

Nowhere is this truer than in sub-Saharan Africa. Despite their political and economic problems, as the twenty-first century opens, African nations have an opportunity to rejoin the world and the removal of governments philosophically committed to central planning and the protection of domestic industries creates an opportunity for African nations to concentrate on competing effectively in local markets for the first time in many decades.

If Africa is to take advantage of this opportunity, its private, formal-sector companies must cut costs, raise productivity, and improve quality control. Sadly, one of the many consequences of the HIV/AIDS epidemic that is devastating parts of the continent is an increase in the costs of production for African businesses. These HIV/AIDS-related costs stem from both internal and
external effects, which are those caused by changes in external markets such as increases in wages, decreases in demand for companies products and rising costs associated with breakdowns in institutions, will be extremely hard for firms to manage or control.

The purpose of this study is to summarize what is known about the internal costs of HIV/AIDS to companies in Commonwealth countries in sub-Saharan Africa. Even without considering external (market) factors, it is possible to identify a dozen different types of workforce costs that HIV/Aids to business, we describe some of the strategies companies are adopting to reduce the costs. Although the evidence is still largely anecdotal, it is clear that companies, while bearing some of the costs of AIDS prevention and care internally, will be able to shift many of the internal costs of HIV/AIDS onto governments and households. Doing so may make sound business sense and even be necessary for their survival.

2.2 THE COST OF WORKFORCE HIV/AIDS

The cost of HIV/AIDS on African businesses is unlike anything seen before. In contrast to malaria, diarrheal diseases and other common infectious diseases, where mortality is concentrated among infants, children, the elderly, and the infirm, AIDS kills primarily young and middle-aged adults during their most productive years. Also unlike other common diseases, HIV is not fundamentally a disease of poverty. In many countries, HIV prevalence during the early stages of the epidemic has been greatest among people with relatively high incomes or education levels such as managers and technical workers (Ryder 1900; Melbye 1986). Here is a brief review of the results of some previous research on the costs of HIV/AIDS to businesses presented in two models for assessing these costs.
2.2.1 Review of previous cost estimates

Despite the potentially ruinous impact of HIV/AIDS on African businesses, few attempts have been made to quantify the effect of the disease on companies’ productivity and profitability. Rigorous, quantified estimates of costs borne by businesses are rare in the published literature. Most accounts of the impact of HIV/AIDS on businesses are anecdotal. A handful of quantitative assessments have been published, however.

Before reviewing the results of these assessments, a number of limitations should be noted. First, all of them reflect the situation in Africa in the early-to mid-1990’s a time when HIV infection rates were climbing rapidly but there was still relatively little AIDS-related morbidity or mortality. Second, each study defines or reports costs in a different way e.g. as a percentage of the wage bill or a percentage of profits-making comparison across companies and countries difficult. Finally, the published studies rely on national HIV prevalence – often data most often collected from pregnant women at antenatal clinics to protect the prevalence in largely male workforces. Few companies have conducted HIV seroprevalence surveys of the surveys of their workforces. And none has allowed the results to be published.

The most widely cited of the published assessments are six case studies in Kenya and Botswana conducted by the AIDSCAP project in 1994. They report costs ranging from a low of less than 1 percent of profits to a high of nearly 9 percent with most costs resulting from employee absenteeism (FHI 1995). A more recent analysis of a sugar mill in South Africa estimated a cost of approximately $1,600 per infected employee per year during the last two years of the employee’s life, including two extra months of absenteeism over this period (Morris and Cheevers 2000). In contrast, Smith and Whiteside (1995) found that costs were low for three companies in Zambia, although there was a marked increase in absenteeism and mortality.
A detailed study of a large tea estate in Malawi in 1996 (Jones 1996) came to similar conclusions, observing that the company was able to cap costs in the short run by adjusting its employees' contracts and benefits. A five-company study in Botswana found that HIV costs were still relatively low as late as 1997: an average of 0.7 percent of the total wage bill (Greener 1997). In these studies, the share of costs attributable to absenteeism, medical care, pensions, training, etc. varied widely, as did the impact on the companies' profitability. The inconsistent methodologies and scarcity of hard data make their conclusions difficult to interpret.

2.2.2 Models for assessing costs to business

There is a great need for careful quantitative assessments of the costs of workforce HIV/AIDS to businesses in various sectors in a wide range of countries and settings. While these assessments are not conceptually complicated, they do require a large amount of data, which can only be obtained from the companies themselves, and a significant investment in the analysis.

The first, depicted in Figure 3, is a chronological model designed to demonstrate to business managers how HIV/AIDS among employees is likely to affect a company's expenses and labor productivity. The aggregate impact of all the costs described in Figure 3 is an increase in labor costs and a decline in labor productivity, making it more expensive for a company to produce a given quantity of its product. If the company cannot reduce its costs in other ways, it will then have either to raise prices or, if it faces a competitive market and cannot raise prices without losing market share, accept a reduction in profits. If the increase in HIV/AIDS-related costs is large enough, the company will go out of business, causing all of its employees to lose their jobs and incomes. See Fig 2.3 (Appendix II)
2.3 COMPANIES' RESPONSES TO THE EPIDEMIC

In the Commonwealth countries of Africa, as in most regions of the world, most companies have been slow to recognize the threat to profits posed by HIV/AIDS. Companies that have acknowledged the threat can pursue two basic strategies for mitigating near-term and long-term consequences. They can:

(1) Try to prevent new infections and
(2) Avoid and / or reduce costs associated with existing and probable infections. Many companies pursue both strategies simultaneously.

Strategy 1

2.3.1 HIV Prevention

The initial response of many companies is to implement HIV prevention programs. These usually include AIDS education among employees, employees’ families and where appropriate, commercial sex workers associated with their workforces, as well as distribution of condoms and treatment of STD’s. Some of these interventions appear to be having some success in reducing new infections, but reliable information is scarce. The growing body of published and gray literature dealing with workplace HIV interventions tends to describe only the more successful experiences and, when it qualifies impacts at all, looks only at immediate results (outreach materials disseminated, condoms distributed, STDs treated, etc.). Unfortunately, there have been almost no well-designed controlled trials to measure the effectiveness of workplace intervention in preventing new infections. A great deal more evaluation research is needed to gauge and interpret their real impact.
Companies with data on the full costs of a new infection might conclude that HIV/AIDS prevention activities can be justified on financial grounds, as well as on moral and social grounds. Many companies will find that the net present value of a new HIV infection among skilled technical and managerial employees is far higher than the cost of intervention programs to prevent new infections. Similarly, they might conclude that it is cost-effective to provide life-extending antiretroviral therapy to critical employees. Unfortunately, these economically sound arguments are a two-edged sword, because for employees who are less skilled or easier to replace, the value to the company of preventing a new infection or prolonging a life might not exceed the cost of doing so. Companies will find decisions about how much to invest in prevention and/or treatment, and for whom, to be fraught with ethical and practical.

**Strategy 2**

**2.3.2 Cost Avoidance**

The second strategy companies have adopted is cost reduction and cost avoidance. This strategy has largely been neglected in the published literature. Companies might reduce the benefits available to infected workers, avoid hiring new employees who are infected or are thought to be in high risk groups, outsource production activities with workers in high risk groups, or shift from labor-intensive to capital-intensive production technologies. In Zimbabwe, for example, there is widespread anecdotal evidence of illegal pre-employment testing of job applicants and screening to avoid hiring ones with risky lifestyles (Collins 1997). Similarly, between 1997 and 1999, the in-house health insurance provider of one large South African employer reduced its ceiling for HIV-related claims from R100 000 per family to R15 000.
Many African companies might have undertaken parts of the cost avoidance strategy even in the absence of HIV/AIDS, particularly in South Africa. The second half of the 1990s brought to South Africa a difficult combination of rising labour costs resulting from new labour legislation, affirmative action goals leading to unusually high rates of employee turnover, high inflation in health care costs, and exposure, for the first time, to competitive global markets. All of these factors are encouraging companies to restructure their workforces, reduce production costs, limit employee benefits, and shift to more capital-intensive production technologies—the same strategy suggested by the HIV/AIDS crisis.

One very large South African company, for example, dissolved its shipping department and established its truck drivers as independent contractors, at least in part to support the formation of a black entrepreneurial class. The company is thus no longer responsible for providing any benefits to drivers with HIV/AIDS; although its business will suffer its distribution network is disrupted by high mortality among drivers. Another large company is eliminating the unskilled cadre of its workforce entirely, because it can obtain the same services at lower cost from outside. While the outside contractors might hire the same unskilled employees, they are not likely to receive equivalent health and pension benefits.

The coincidence of the epidemic and changes in the economic environment makes it difficult to ascertain the cause of such business decisions. For employees infected with HIV, however, the effect is the same.

2.4 CONCLUSION

By reducing their own costs associated with HIV/AIDS, companies effectively shift these costs and the care burden onto households and government. When an employer-subsidized health
insurance plan caps benefits for HIV disease at far less than the cost of the treatment needed, employees with HIV must neither pay for their own treatment, forgo treatment, or rely on publicly-provided services. In the end, it is likely that households and extended families will bear the brunt of the costs. Government and NGO health care facilities have already been overwhelmed by HIV/AIDS patients, who occupy 70 percent of hospital beds in Kenyatta Hospital (Daily Nation 2005). Given limited government and NGO resources, individuals with HIV/AIDS have no option but to turn to their own households for support and care.

Transferring costs to government, to households, and to lesser extent to other companies is a rational response by profit-maximizing businesses, and it should be expected. Of all those who are affected by the epidemic, private firms have the greatest flexibility in containing and avoiding costs. Companies will avoid costs because they can; government and households will bear costs because, in most cases, they cannot avoid them.

Governments in the Commonwealth countries of Africa can and do constrain the actions of private companies regulations. In South Africa, for example, new legislation requires health insurance plans to pay for HIV-related claims (Metlife 1999). If governments demand too much of the private sector, however, companies are likely to fail or if they can, relocate to lower cost countries. Private sector bankruptcies and relocations are an undesirable outcome for everyone; governments lose tax revenue, employees lose jobs and communities lose investment and commercial activity. Because of this threat and the importance of a successful private sector to achieving economic growth in Africa, the moral argument that businesses should bear all the costs of HIV/AIDS among employees is a risky one.

The private sector clearly has an important responsibility for preventing HIV/AIDS infections among employees and caring for those who are infected, but it appears inevitable that primary
responsibility for prevention of HIV and care of those infected will continue to fall on governments and households. The potential of the private sector should not be neglected, but it should not be overestimated either.

Recent statements from development organizations implying that the private sector is the solution to the HIV/AIDS epidemic in Africa should thus be viewed with caution. Private sector action is the only one of the many solutions that will be needed to sustain social and economic development in the face of this crisis.

### 2.5 CONCEPTUAL FRAMEWORK

**Fig 2.1**

- **HIV/AIDS**

  - **(INDEPENDENT VARIABLE)**

  - **POLICY**

  - **DIRECT INDIRECT AND SYSTEMIC, COSTS**

  - **AWARENESS AND PREVENTION MEASURES**

  - **MORALE, ABSENTEEISM AND LABOUR TURNOVER**

  - **(DEPENDENT VARIABLES)**

Source: Author (2005)
Direct costs are impacts that involve increased financial outlays of the company; indirect costs are reduced workforce productivity, systemic costs are costs that result from the cumulative impact of multiple HIV/AIDS cases.

Most direct costs can be readily measured using human resources and financial data that large companies routinely collect. Indirect costs are much more difficult to measure. Some, such as the costs of absenteeism and morbidity, are measurable in theory; the difficulty lies in generating relevant data. For on-the-job morbidity, for example, estimates are needed of the percentage loss of productivity experience by the sick worker and the duration of the productivity loss. Estimating the opportunity cost of management time devoted to HIV/AIDS-related issues is even more difficult.

Systemic costs are the most difficult to measure, especially in the short run and for individual companies. They include the toll that illness and death among co-workers take on employee moral and motivation, increases in such behaviors as slacking and theft, and the overall loss of experience and skills in the workforce. The practical impossibility of measuring these costs in most cases should not be taken as a sign that they are not significant or can be omitted from companies’ strategies for coping with the epidemic. On the contrary, these costs are surely important and could in the long run pose the most serious threat to companies.

The Conceptual Framework could further be elaborated in the following Fig 2.2(Appendix I)
CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Research Design

A descriptive research design was utilized in this study. This method is appropriate because it explores the relationship between variables in their natural setting in addition to this it enables respondents to give more information freely. This has been used by other researchers e.g. Mulongo (1998) to communicate research findings.

3.2 Target Population

The population of interest is as indicated in the table below.

Table 3.1 Target Population

<table>
<thead>
<tr>
<th>Category</th>
<th>Population</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supervisors</td>
<td></td>
<td>150</td>
<td>3.8%</td>
</tr>
<tr>
<td>Operatives</td>
<td></td>
<td>1850</td>
<td>46.2%</td>
</tr>
<tr>
<td>Casuals</td>
<td></td>
<td>2000</td>
<td>50%</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>4000</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Author (2005)

Most studies would prefer population or census enquiry where the whole population is considered. However for this study a purposive sample size of 400 was taken for the Supervisors Operatives and Casuals. It was targeted to those Operatives with basic Form Four education.
3.3 Sample Design

As indicated in 3.2 above, a purposive sample of 400 workers was taken as shown in the following table.

<table>
<thead>
<tr>
<th>Category</th>
<th>Population Frequency</th>
<th>Ratio</th>
<th>Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers</td>
<td>150</td>
<td>0.1</td>
<td>15</td>
</tr>
<tr>
<td>Supervisor</td>
<td>1850</td>
<td>0.1</td>
<td>185</td>
</tr>
<tr>
<td>Operatives</td>
<td>2000</td>
<td>0.1</td>
<td>200</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>4000</strong></td>
<td></td>
<td><strong>400</strong></td>
</tr>
</tbody>
</table>

*Source: Author (2005)*

Purposive sampling is a non-random method where the researcher chooses who to interview by judgement. Purposive sampling method was used to interview the managers and supervisors while convenience sampling was used to interview the operatives. Here the researcher chose whom to interview at her own convenience.

3.5 Data Collection Procedure and Instrumentation

Data pertaining to the impact of HIV/AIDS on the plantations was collected through: Questionnaires. These were used as an instrument for collection of primary data and were administered to the various managers, supervisors and operatives of the company. The researcher
also analyzed hospital records from the companies' records, and examined personnel records and files of workers.

Secondary data was also derived from existing literature on the topic. Qualitative data was gathered from existing sources to establish a relationship between HIV/AIDS and absenteeism, changes in disease burden and attrition rates.

3.5 Data Analysis

The data for this study was analyzed by the use of descriptive statistics like mean, median and standard deviation, and with the help of Statistical Package for Social Science (SPSS), it is presented in tables, pie charts, frequencies, percentages and graphs.
CHAPTER FOUR
DATA ANALYSIS AND INTERPRETATION

4.1 Introduction

This chapter presents the results of the data collected and further discusses the findings. It presents the relationship between the independent variables and dependent variable as presented in the study. The presentation of the results is followed with test of relationships and discussions respectively.

4.2 General information

The study targeted supervisors, operatives and casuals in the plantation who totaled up to 400. Each supervisor was in-charge of approximately 26 operatives and casuals. 72% (288) of the target population was able to fill in the questionnaires. 20% of the respondents did not respond due to unavailability because of the shift schedule. This study was carried out during non-harvesting time. The other 8% did not respond due to lack of information or knowledge concerning the topic. Out of the 288 respondents 10 were supervisors, 122 were operatives whereas 156 were casual workers. The study targeted people with at least basic form four education.

Table 4.1 Response rate.

<table>
<thead>
<tr>
<th>Response</th>
<th>Population</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Filled questionnaire fully</td>
<td></td>
<td>288</td>
<td>72</td>
</tr>
<tr>
<td>Did not fill due to unavailability</td>
<td></td>
<td>80</td>
<td>20</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td>32</td>
<td>8</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>400</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Author (2005).
4.2.1 Policy Implementation.

100% of the supervisors said that the plantation has an official policy on HIV/AIDS. Some of the pertinent issues that they said were covered and implemented include a policy on HIV/AIDS Awareness, training and education, provision of medical cover for the supervisors and dependents, Voluntary Testing and Counseling, care of the infected and affected and separation as a result of the epidemic. When asked why the HIV/AIDS policy was designed in the plantation, 50% of the supervisors said that it was to complement the fight against HIV/AIDS, 30% said it was to help reduce the impact of the epidemic while others 20% cited reasons like to create awareness, to minimize work interruption as a result of absenteeism due to illness and to minimize deaths from the scourge.

Table 4.2 Indicates why HIV/AIDS policy was designed.

<table>
<thead>
<tr>
<th>Reasons</th>
<th>Population frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>To complement the fight against HIV/AIDS</td>
<td>5</td>
<td>50</td>
</tr>
<tr>
<td>To help the impact of the epidemic</td>
<td>3</td>
<td>30</td>
</tr>
<tr>
<td>Others</td>
<td>2</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>10</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Author (2005).
While 100% of the supervisors cited there was an internal policy on HIV/AIDS, only 7.7% of the casuals and operatives said that the plantation has an internal policy, 73.9% said no while 18.4% did not answer. This is illustrated in table 4.3. This shows that a majority of the casuals and operatives are not aware of any policies related to the subject. Out of the 7.7% of the operatives and casuals who said that there was an internal policy on HIV/AIDS, the issues they said are covered and implemented in the plantation were, provision of condoms, awareness through posters and catering for burial expenses for the deceased.

**Table 4.3 Casuals and operatives response on policy design.**

<table>
<thead>
<tr>
<th>Response</th>
<th>Population Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>21</td>
<td>7.7</td>
</tr>
<tr>
<td>No</td>
<td>201</td>
<td>73.9</td>
</tr>
<tr>
<td>No response</td>
<td>56</td>
<td>18.4</td>
</tr>
<tr>
<td>Total</td>
<td>278</td>
<td>100</td>
</tr>
</tbody>
</table>

**4.2.2. Awareness and Prevention Measures.**

The plantation has some programmes, which the company uses overtime to try preventing and controlling the spread of HIV/AIDS amongst members of staff. From the study, the supervisors
said that some of the programmes included training and education, provision of condoms, provision of anti-retroviral and awareness campaigns. However, only 77.6% of the casuals and operatives said that the plantation has specific programmes in place aimed at preventing and controlling the spread of HIV/AIDS amongst the members of staff. Majority cited programmes like provision of condoms and awareness campaigns through posters and bulletins. 22.4% of the respondents said that they did not feel the impact of these programmes claiming that programmes like seminars and awareness campaigns were only open to supervisors and upper management as the programmes coincided with their work hours.

Table 4.4 Programmes designed to prevent and control the spread of HIV/AIDS.

<table>
<thead>
<tr>
<th>Response</th>
<th>Population frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>206</td>
<td>75</td>
</tr>
<tr>
<td>No</td>
<td>59</td>
<td>21</td>
</tr>
<tr>
<td>No answer</td>
<td>13</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>278</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Author (2005).

Fig 4.3 Showing in percentage the response rate of casuals and operatives on programmes designed to prevent and control HIV/AIDS.

4.2.2.1 Voluntary HIV/AIDS Testing.

HIV/AIDS testing programme is not mandatory for the employees as part of the prevention and control measures. All respondents said that the testing was voluntary. Respondents said that after voluntary testing there were programmes in place aimed at helping members of staff who were
infected or affected by the HIV/AIDS virus. Majority (91.3%) of the respondents cited programmes like provision of anti-retroviral drugs, coverage of funeral costs and medical cover for pensionable employees (supervisors and operatives). The other 8.7% said that they were not aware of such programmes.

Table 4.5 Achievement of programmes designed as preventive and control measures for HIV/AIDS epidemic.

<table>
<thead>
<tr>
<th>Achievements</th>
<th>Total Frequency</th>
<th>Major Achievement in %</th>
<th>Minor Achievement in %</th>
<th>No Response in %</th>
<th>Total Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduction in HIV/AIDS infection rates</td>
<td>10</td>
<td>60</td>
<td>20</td>
<td>20</td>
<td>100</td>
</tr>
<tr>
<td>Increased worker productivity</td>
<td>10</td>
<td>30</td>
<td>60</td>
<td>10</td>
<td>100</td>
</tr>
<tr>
<td>Increased profitability</td>
<td>10</td>
<td>30</td>
<td>70</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Decreased cost on medical expenses and other expenses.</td>
<td>10</td>
<td>70</td>
<td>20</td>
<td>10</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Author (2005).

When casuals and operatives were asked if they felt the programmes had helped in combating the spread of the epidemic 5% said yes, 94.2% said no while 0.7% of the respondents did not answer as indicated in fig 4.4. The 5% who said yes said that the condoms helped enhance responsible sexual behavior.
Fig 4.4 Response from casuals and operatives on whether the programmes have helped in combating the spread of HIV/AIDS.

Source: Author (2005)

Fig 4.5 Achievement of programmes designed aimed at preventing and controlling HIV/AIDS.

Source: Author (2005)
B - Increased workers productivity.
C - Increased profitability.
D - Decreased cost on medical expenses and other expenses.

From the study, it is clear that reduction in HIV/AIDS infection rates and decreased cost on medical expenses and other expenses related to HIV/AIDS are the major achievements met by the programmes. This is indicated by the 60% and 70% response rate respectively on table 4.4 and fig 4.4. Increased worker productivity and increased profitability were minor achievement as indicated by 60% and 70% respectively.

4.2.3 Cost, morale and labour turnover.

All respondents (supervisor) said that their section has been affected by HIV/AIDS epidemic as indicated by fig 4.5.

Fig 4.6 How HIV/AIDS has affected the sections.

![Percentage Chart]

Source: Author (2005)
The epidemic has had various effects. The effect on the individual worker and workforce and the extent of the effect is analyzed in table 4.6 below.

### Table 4.6 Effect of HIV/AIDS epidemic on individual worker and the entire workforce.

<table>
<thead>
<tr>
<th>Effects</th>
<th>Total frequency</th>
<th>Major effect in %</th>
<th>Minor effect in %</th>
<th>No response in %</th>
<th>Total percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work performance declines due to illness.</td>
<td>10</td>
<td>90</td>
<td>10</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Reduction of productivity due to absenteeism</td>
<td>10</td>
<td>80</td>
<td>20</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Sick leave and absenteeism</td>
<td>10</td>
<td>70</td>
<td>20</td>
<td>10</td>
<td>100</td>
</tr>
<tr>
<td>Payout to pension increases increasing individual contribution</td>
<td>10</td>
<td>30</td>
<td>60</td>
<td>10</td>
<td>100</td>
</tr>
<tr>
<td>Co-workers are demoralized by loss of colleague</td>
<td>10</td>
<td>50</td>
<td>50</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Discipline and concentration of other employees disrupted by frequent deaths</td>
<td>10</td>
<td>40</td>
<td>50</td>
<td>10</td>
<td>100</td>
</tr>
<tr>
<td>Other employees absent to attend funerals</td>
<td>10</td>
<td>10</td>
<td>90</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

*Source: Author (2005).*

From the analysis, it is clear that the major effects include decline in work performance and productivity due to illness and absenteeism and sick leave. This is indicated by 90%, 80% and 70% respectively in table 4.6 above. Supervisors felt that absenteeism to attend funerals, lack of discipline and concentration by other employees due to frequent deaths and increase in payouts to pension schemes were minor issues as even with the death rates, casual workers were always available to work in the plantation.
Table 4.7 Effects of HIV/AIDS in Human Resource Department.

<table>
<thead>
<tr>
<th>Effects</th>
<th>Total Frequency</th>
<th>Major Effect in %</th>
<th>Minor Effect in %</th>
<th>No Response in %</th>
<th>Total Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss of qualified and experienced staff.</td>
<td>10</td>
<td>90</td>
<td>10</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Reduction in the experience, skill and</td>
<td>10</td>
<td>20</td>
<td>70</td>
<td>10</td>
<td>100</td>
</tr>
<tr>
<td>performance of workforce.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hiring of additional medical staff for</td>
<td>10</td>
<td>50</td>
<td>50</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>company’s health clinic.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Time and monetary resources spent on</td>
<td>10</td>
<td>70</td>
<td>30</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>HIV/AIDS related issues.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recruitment and training of new employees.</td>
<td>10</td>
<td>80</td>
<td>20</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Other employees spend time providing on-the-</td>
<td>10</td>
<td>60</td>
<td>40</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>job training.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Author (2005).

The Human Resource department felt that the HIV/AIDS epidemic has led to additional costs in terms of time and other monetary resources, which have interfered with the overall productivity of the plantation. Some of the major issues cited by the supervisors as affecting the human resource department included loss of qualified staff (90%), additional costs relating to the epidemic (70%) and recruitment and training of new employees (80%). Others included reduction in experience and skill of workforce (70%) and hiring additional medical staff (50%), but these were considered as minor effects.

Table 4.8 Effects of HIV/AIDS in Finance Department.

<table>
<thead>
<tr>
<th>Effects</th>
<th>Total Frequency</th>
<th>Major Effect in %</th>
<th>Minor Effect in %</th>
<th>Total Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payout for medical scheme rise.</td>
<td>10</td>
<td>90</td>
<td>10</td>
<td>100</td>
</tr>
<tr>
<td>Company loans to employees (infected) are defaulted.</td>
<td>10</td>
<td>80</td>
<td>20</td>
<td>100</td>
</tr>
<tr>
<td>Increase in overtime and contractors wages to</td>
<td>10</td>
<td>90</td>
<td>10</td>
<td>100</td>
</tr>
<tr>
<td>compensate for absenteeism.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
This study reveals that the major effects to the Finance department and the productivity of the plantation as a whole in terms of cost included expenses in terms of increase in payouts for medical schemes, recruitment, induction and in-service training and hiring of overtime and contractors to cater for absenteeism. Others include losses due to loans defaulted by infected parties.

**Fig 4.7 Effects of HIV/AIDS in Finance Department.**

**KEY:**

- A - Payout for medical scheme rises.
- B - Company loans to employees (infected) were defaulted
- C - Increase in overtime and contractors wages to compensate for absenteeism.
- D - Cost of recruitment, induction and in-service training.

**Source:** Author (2005).
CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter gives the conclusions and recommendations arising from the study. This section focuses on the impact of HIV/AIDS on companies and their response to the epidemic. It draws together evidence from the questionnaires and survey carried out across Del Monte Kenya Limited. To guide the study some objectives and research questions were formulated.

5.1 Conclusions

This study endeavored to answer the research questions and in conclusion, the finding there is a significant relationship between the impact of HIV/AIDS and policy implemented, prevention and awareness measures, direct, indirect and systemic costs and morale and labour turnover of employees.

DMKL has an official policy on HIV/AIDS as indicated by 100% of the supervisors who were sampled for the study. Only 7.7% of casuals and operatives said they were aware of this policy indicating that the policy is just on paper but not in practice or that it is not communicated to the lower level employees. This shows that the policy has not been fully implemented. The policy aimed at complementing the fight against HIV/AIDS, reducing the impact of the epidemic and creating awareness amongst others.

Programmes are in place in the plantation aimed at preventing and controlling of HIV/AIDS amongst members of staff. All respondents said they were aware of at least one programme
designed to help combat the spread. Some of the programmes cited include training and education and provisions of condoms for all workers. Through probe of casuals and operatives it was established that the provision of ARVS has not been communicated to all workers. This was mainly because HIV testing was voluntary and this provision was only communicated to the infected and affected. Other programmes for the infected and affected include covering of funeral costs and medical cover for the pensionable employees. The major achievements of these programmes were, reduction in HIV infection rates and decreasing costs on medical expenses and other expenses related to HIV/AIDS.

From the study it was revealed that the plantation incurred direct, indirect and systematic costs in terms of increase in payout for medical schemes, hiring of overtime and contractors to cater for absenteeism, costs related to recruitment, induction and in service training. Other costs included hiring of additional medical staff in the companies health clinic, indirect costs relating to loss of qualified and experience personnel and time and resources spent on HIV related issues.

Productivity of employees has gone down at DMKL due to reasons like a demoralized workforce as a result of loss of colleagues, decline of performance due to employees’ illness and absenteeism.

5.2 Recommendations.

From the conclusions of the study the following recommendations were made;

DMKL should come up with an official internal policy that should be open and communicated to all stakeholders especially the employees.
DMKL should come up with programmes that help reduce all the costs relating to HIV/AIDS such as training and education on HIV/AIDS, seminars, workshops to sensitize the employees on the effect of the scourge. All these programmes should include everyone including casual and sub contractual workers who are not pensionable.

Activities such as counseling for the infected and affected as well as the other employees should be used to improve on employee morale. Employees should also be urged to practise responsible sexual behaviour.

The company should also come up with a fund scheme in which all employees should contribute to cater for the infected and affected. This can help reduce some of the direct costs associated with the scourge.

Employees should be encouraged to take a voluntary HIV/AIDS test so that the infected can access anti-retroviral drugs, which can prevent opportunistic illness and therefore preventing absenteeism.

5.3 Limitations of the study

The major limitation of the study was time allocated as well as the resources to carry out the research. Should there have been more time and resources, it would have been prudent to carry
out a research on at least three or more plantations for comparison purposes. At the same time secondary data regarding the topic was not available in scholarly form.

5.4 Suggestion for further research

Further research should be carried out to establish the practicability of the policies and programmes in place to measure whether they are contributing to the minimization of HIV/AIDS.

A similar study should be carried on other firms and other variables should be included in the conceptual framework.
REFERENCES


Collins J. (1997), Leveraging private sector support for HIV. AIDS prevention: opportunities and obstacles, Family Health International/AIDSCAP, Washington, DC.


## Appendix I

### Economic Impact of Workforce HIV/AIDS (Internal Effects Only)

**Source:** HIV AIDS in Malawi, A Ministry of Health Document

<table>
<thead>
<tr>
<th>Direct Costs</th>
<th>Indirect Costs</th>
<th>Systematic Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Benefits Package</strong></td>
<td><strong>Morbidity on the Job</strong></td>
<td><strong>Loss Of Workplace Cohesion</strong></td>
</tr>
<tr>
<td>- Company run health clinics</td>
<td>- Reduced performance due to HIV/AIDS sickness on the job.</td>
<td>- Reduction in morale/Motivation and concentration</td>
</tr>
<tr>
<td>- Medical Aid /Health insurance</td>
<td></td>
<td>- Disruption of schedules and work teams or units</td>
</tr>
<tr>
<td>- Disability Insurance</td>
<td></td>
<td>- Breakdown of workforce discipline (Slacking unauthorized absences, theft, etc.)</td>
</tr>
<tr>
<td>- Pension Funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Death benefit/Life insurance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Payout</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Funeral Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Subsidized loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Recruitment</strong></td>
<td><strong>Management Resources</strong></td>
<td><strong>-Workforce Performance and experience</strong></td>
</tr>
<tr>
<td>- Recruiting expenses</td>
<td>- Managers' time and effort for responding to workforce impacts, planning prevention and care programs, etc.</td>
<td>- Reduction in average level of skill, performance, institutional memory, and experience of workforce</td>
</tr>
<tr>
<td>(Advertising, Interviewing, etc.)</td>
<td>- Legal and human resource staff time for HIV-related policy development and problem solving</td>
<td></td>
</tr>
<tr>
<td>- Cost of having positions vacant (Profit the employee would have produced)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Training</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Pre employment education and training costs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Salary while new employee comes up to speed</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>HIV/AIDS Programs</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Direct Cost of Prevention (Materials, Staff, etc.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Time employees spend in prevention programs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Studies, Surveys, and other planning activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Absenteeism</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Sick Leave</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Other leave taken by sick employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Bereavement and funeral leave</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Leave to care for dependents with AIDS</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Direct Cost</strong></td>
<td><strong>Indirect Costs</strong></td>
<td><strong>Systemic Costs</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total Costs Of HIV/AIDS in the Workforce**

*Fig 2*
Appendix II
Progression of Cases and costs of Workforce HIV/AIDS

Progression of HIV/AIDS in the Workforce

1. Employee becomes infected with HIV virus

2. HIV/AIDS-related morbidity begins

3. Employee leaves workforce due to death, medical boarding, or voluntary resignation

4. Company recruits a replacement employee

5. Company trains the new employee

New employee joins the workforce

Economic Impact of Individual Case

No costs to company at this stage

- Sick leave and other absenteeism increase
- Work performance declines due to employee illness
- Overtime and contractors’ wages increase to compensate for absenteeism
- Use of company’s on-site health clinics increases
- Payouts from medical aid schemes increase

- Payout from death benefit or life insurance scheme is claimed
- Pension benefits are claimed by employee or dependants
- Other employees are absent are absent to attend funerals
- Company loans to employee are not repaid
- Co-workers are demoralized by

- Company incurs costs of recruitment
- Position is vacant until new employee is hired
- Cost of overtime wages increases to compensate for vacant positions

- Company incurs costs of pre-employment training (tuition etc.)
- Company incurs costs of in-service training to bring new employee up to level of old one
- Salary is paid to employee during training

- Performance is low while new employee comes up to speed
- Other employees spend time providing on-the-job training

Economic Impact of All Cases

No costs to company at this stage

- Overall productivity of workforce declines
- Overall labour costs increase
- Additional use of medical aid benefits causes premiums to increase
- Additional medical staff must be hired at the company health clinics
- Managers begin to spend time and resources on HIV related issues.

- Payouts from pension fund cause employer and/or employee contributions to increase
- Returns to training investments are reduced
- Morale, discipline and concentration of other employees are disrupted by frequent deaths of colleagues.

- Additional recruiting staff and resources must be brought on
- Wages for skilled (and possibly unskilled) employees increase as labour markets responds to the loss of workers

- Additional training staff and resources must be brought on

- There is an overall reduction in the experience, skill, institutional memory, and performance of the workforce
- Work unit productively is disrupted as turnover rates increase.

New employee joins the workforce
APPENDIX III
THE IMPACT OF HIV/AIDS ON COMPANIES AND THEIR RESPONSES TO THE EPIDEMIC
SUPERVISORS' QUESTIONNAIRE

SECTION A
General Information

1. How many workers are you in charge of in your section?

2. Do all of these work in the plantation?
   □ Yes       □ No

3. If no in 2 above, state how many in your section are plantation workers.

SECTION B
Policy, Awareness and Prevention Measures

1. Does DMKL have an official internal policy on HIV/AIDS?

2. If yes in 1 above, what pertinent issues does the policy cover?
3. Why was the policy designed?
   □ To complement the fight against HIV/AIDS
   □ To help reduce the impact of the epidemic
   □ Others (specify)

4. Have any of the policies in 2 above been implemented?
   □ Yes  □ No

5. Do you have any programs designed with the company aimed at preventing and controlling the spread of HIV/AIDS amongst members of staff?
   □ Yes  □ No

6. If yes in 5 above, highlight them

6. Do you have a mandatory or voluntary HIV testing policy?
7. Do you have specific (official) programs in place aimed at helping members of staff who are infected or affected by the HIV/AIDS virus?

☐ Yes ☐ No

8. If yes in 8 above, highlight the programs.

___________________________________________________________________________

___________________________________________________________________________

___________________________________________________________________________

9. What is the overall achievement of these programs in your organization? Indicate if these achievements are major or minor.

☐ Reduction in HIV/AIDS infection rates ☐ ☐

☐ Increased worker productivity ☐ ☐

☐ Increased profitability ☐ ☐

☐ Decreased costs on medical expenses and other expenses related to HIV/AIDS ☐ ☐

☐ Others (specify) ___________________________________________________________ ☐ ☐
Costs, Morale and Labour Turnover

10. Has your section been affected by the HIV/AIDS epidemic

☐ Yes  ☐ No

11. If yes state how it has affected you in the following areas and indicate if the effect is a major or a minor effect

a) The Individual worker (Tick where appropriate)

<table>
<thead>
<tr>
<th>Major</th>
<th>Minor</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Work performance declines due to employee's illness</td>
<td>☐  ☐</td>
</tr>
<tr>
<td>☐ Reduction of productivity due to absenteeism</td>
<td>☐  ☐</td>
</tr>
<tr>
<td>☐ Sick leave and absenteeism</td>
<td>☐  ☐</td>
</tr>
<tr>
<td>☐ Payouts to pension increases hence increasing individual contribution</td>
<td>☐  ☐</td>
</tr>
<tr>
<td>☐ Others (specify)</td>
<td>☐  ☐</td>
</tr>
</tbody>
</table>
b) The employees (workforce)

- Co-workers are demoralized by loss of colleague
  - Major: ☐
  - Minor: ☐

- Discipline and concentration of other employees are disrupted by frequent deaths
  - Major: ☐
  - Minor: ☐

- Other employees absent to attend funerals
  - Major: ☐
  - Minor: ☐

- Others (specify)
  - Major: ☐
  - Minor: ☐


c) Human Resource Development

- Loss of qualified and experienced staff
  - Major: ☐
  - Minor: ☐

- Reduction in the experience, skill and performance of workforce
  - Major: ☐
  - Minor: ☐

- Additional medical staff must be hired at the company’s health clinics
  - Major: ☐
  - Minor: ☐

- Managers begin to spend time and resources on HIV related issues
  - Major: ☐
  - Minor: ☐

- Recruitment and Training of new employees
  - Major: ☐
  - Minor: ☐

- Other employees spend time providing on-the-job training
  - Major: ☐
  - Minor: ☐

- Others (specify)
  - Major: ☐
  - Minor: ☐
d) Financial costs

<table>
<thead>
<tr>
<th>Major</th>
<th>Minor</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Payout form medical schemes rise</td>
<td>☐ ☐</td>
</tr>
<tr>
<td>☐ Company loans to employees (infected) are defaulted</td>
<td>☐ ☐</td>
</tr>
<tr>
<td>☐ Overtime and contractors' wages increase to compensate for absenteeism</td>
<td>☐ ☐</td>
</tr>
<tr>
<td>☐ Company incurs cost of recruitment, pre-employment training, training etc.</td>
<td>☐ ☐</td>
</tr>
<tr>
<td>☐ Others (specify)</td>
<td>☐ ☐</td>
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</tbody>
</table>

Thank you for your co-operation
THE IMPACT OF HIV AIDS ON COMPANIES AND THEIR RESPONSES TO THE EPIDEMIC
OPERATIVES /CASUALS QUESTIONNAIRE

Policy on Awareness and Prevention

1. Does DMKL have an official internal policy on HIV/AIDS?

2. If yes in 1 above, what pertinent issues does the policy cover?

_________________________________________________________________________
_________________________________________________________________________
_________________________________________________________________________

4. Have any of the policies in 2 above been implemented?

☐ Yes  ☐ No

5. Are there any programs designed with the company aimed at preventing and controlling the spread of HIV/AIDS amongst members of staff?

☐ Yes  ☐ No

6. If yes in 5 above, highlight them

_________________________________________________________________________
_________________________________________________________________________
6. Does the company have a mandatory or voluntary HIV testing policy?
   □ Yes □ No

7. Does the company have specific (official) programs in place aimed at helping members of staff who are infected or affected by the HIV/AIDS virus?
   □ Yes □ No

8. If yes in 8 above, highlight the programs.
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________

9. In your opinion have programs been helpful in combating the spread of the disease?
   □ Yes □ No

10. If yes, briefly state how.
    _________________________________________________________
    _________________________________________________________
    _________________________________________________________
    _________________________________________________________

Thank you for your co-operation