

**PERCEIVED EFFECTS OF HIV/AIDS ON PERFORMANCE IN THE  
TEA FACTORIES IN BOMET COUNTY- KENYA**

**BY**

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## DECLARATION

This research project is my original work and has never been presented for a degree award in any other university.

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This research project has been submitted for examination with my approval as the University Supervisor.

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## **DEDICATION**

To my children Bradley and Kyle for the support, love and encouragement and whose family time was taken throughout my studies.

## **ACKNOWLEDGMENT**

I wish to express appreciation and gratitude to all the people that have contributed to the completion of this study.

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## **ABSTRACT**

Wellbeing of the mental and physical health of human capital in any business concern is of utmost importance. HIV and AIDS has been a major problem in the current world of human health. HIV and AIDS has had an impact on productivity of various industrial sectors. This study evaluated the effects of HIV and AIDS in the tea sector in Bomet. The main objective of the study was to find out the effects that HIV and AIDS has had on performance of the 5 tea factories in Bomet County. The study sampled 51 personnel in the management level of the 5 tea factories in Bomet County. This was 50 % of the target population of the study. Management was selected because they understand the issues concerning employee health. The research used stratified random sampling to get the study sample. Structured questionnaires were used to collect data from the respondents. The questionnaires were administered in hard copy and collected after two days. This ensured that there was a high response rate of the sampled population. The questionnaire tested several variables that were affected by HIV and AIDS among employees. HIV and AIDS caused the rate of absenteeism to go high in an organization. The least affected of variables was customer satisfaction. There was no positive correlation between HIV and AIDS and customer satisfaction. Programs meant to help the employees suffering from HIV and AIDS had not been in place until five years ago. The study recommended that organizations look into ways of helping infected employees cope with their condition of HIV and AIDS. It was further recommended that organizations improve ways of treating employees who are affected by HIV and AIDS.

## **CHAPTER ONE: INTRODUCTION**

### **1.1 Background of Study**

Organizations need to have workers who can be in a fit state of being in order to run smoothly. Management and the workforce should always be alert to any health problems that could be affecting the workforce. In the effect that the health of workers is not looked into with careful consideration, there can be a problem with the output of the employees. Likewise, the management could have supervisory problems if the employees have health problems.

The physical and mental well-being of workers is important and related to productivity in any organization. Investment in human capital should insist on improving the health of workers in any workplace. Mental and physical health of workers directly determines the success of organizations. If organizations' employees are not healthy, they will underperform, lead to low yields yet gets paid the same salary as that of an employee who gives his full potential (Loeppke et al, 2009).

When companies promote and protect their workers' health, they are bound to be on path of success and competitive advantage. When employees know that their health needs are well taken care of, they become motivated and work to their optimum levels. It is therefore important for management to understand the ways in which health status of their employees can be improved. In some cases, health status of employees can affect the quality of products that are produced in a company. Food and drug industries are very sensitive to the health of their employees because this can affect the products.

The tea production industry is one of the sectors that is sensitive to the health of its workers( Sato et al, 2007). This research investigated the effect of HIV/AIDS on the performance of the tea sector. The research looked at Bomet County tea sector as a case study. This report has the introduction, the literature review, the methodology, results, conclusion and recommendation chapters.

HIV is a virus that interferes with the immunity system of human beings. The virus is known as human immunodeficiency virus (HIV). This virus causes a condition called AIDS. AIDS is a pseudonym for Acquired Immune Deficiency Syndrome. AIDS is a terminal illness that kills its victims through the opportunistic infections that find a person without enough immunity to deal with disease attacks. HIV is infected into human beings mostly through sexual intercourse with an infected partner. Sharing of needles with a person who is infected can also cause infections to the uninfected person (Longini et al, 1996).

Apart from causing deaths to the victims, HIV infection can cause other costs to the society. In order for the patients to live longer, they have to be on anti-retroviral therapy. The therapy is costly and can be time consuming to the patients because they have to adhere to strict rules of taking the drugs. The antiretroviral have side effects to the patients who take them. The patients also have to adhere to strict diet. In the third world countries, such diet can be expensive to afford. The issue of AIDS is not only prevalent in the third world countries. Even the developed world has had to deal with the issue of AIDS amongst their populations (Grassly et al, 2003).

### **1.1.1 Concept of Perception**

Mauno et al (2005), sought to explain perception in terms of psychology. According to the authors, perception is looked at as the way in which the mind infers and deduces an event, an occurrence, an object, a system or a behavior. Perception could be different from reality. Individuals perceive things differently, according to a number of factors. Emotional state, experience and motivational states are some of the factors that influence perception. Two individuals observing the same phenomenon will have different perceptions of the same, depending on the factors. In different emotional and motivational states, the two individuals will perceive the same phenomenon from different angles. Perception is an essential aspect of human behavior. People are either optimistic or pessimistic, depending on how they perceive things. Individuals who perceive situations positively are more likely to solve a problem efficiently than those who look at situations in a pessimistic way. A positive perception of affairs is important for any leadership qualities and for a good work environment in an organization.

Janssen (2005), did studies that related perception of employees and innovativeness of their behavior. The author argued that the way employees' perceived assertiveness of their supervisors had a direct implication on their innovativeness at work. This study showed that in workplaces where supervisors were perceived as being supportive of employee innovation, the employees were encouraged to be innovative at work. Workplaces where employees perceived the management as not being supportive of innovation had little motivation for employees to engage in innovation activities. From this study, it is clear that perception of employees at any workplace about the human

resource management activities is very important. Given that perception by employees about human resource practices can affect productivity, perception management is an essential part of an organization. If the top management understands employee perception, it is easy to shape up decisions that will help create positive perception from all the workers.

### **1.1.2 HIV/ AIDS**

Studies have been done to show that AIDS and HIV can have a negative impact of the performance of business ventures. When an employee in any given organization has a case of HIV/AIDS, there are chances that his productivity will go down. Again, it is possible that performance of an organization can overall go down if its employees have been victims of AIDS and HIV. Work related stress can also affect the performance of an organization (George et al, 1993).

Swindells et al (2012), stated that the quality of life of HIV employees could be improved if the social support was enhanced. If an organization has the welfare of its employees at the core, it should take part in social support systems for the workers who have been infected with HIV/AIDS. This affects the productivity of the company because energy and resources should be channeled into assisting the employees affected with the virus. If a firm has low productivity, its revenue will dip thus affecting its performance in a negative way.

### **1.1.3 Organizational Performance**

Organizational performance is a measurement of the output of the processes at the organization in reference to set goals and objectives. In any organization, three types of performance are always emphasized upon. The first one is shareholder value performance, then financial performance and market performance. In overall view, organizational performance is looked at as the measure of actual output compared to the intended output. Market performance is evaluated in terms of sales, market share performance and customer satisfaction. Economic value added to the money invested by shareholders is the main variable used to measure performance of shareholder value. Financial performance in an organization is measured in terms of return on assets, profits and return on investments. Various stakeholders improve organizational performance in any organization. Specialists who concern with performance of an organization include strategic planners, financial gurus, legal experts and all employees (Hailey et al, 2005).

Organizational performance can also be looked at as the ability of a firm to fulfill and meet its mission through sound management, strong governance and persistence rededication to achieving of results. Companies have to be profit driven, customer focused, adaptable, entrepreneurial and sustainable in order to achieve their goals and mission. Such can only be achieved if an organization is all-encompassing in the way it carries out its activities. This calls for involvement of all the employees and customers' considerations in decision-making (Waggoner et al, 1999).

#### **1.1.4 Tea Factories in Bomet County**

Bomet County is found in the western part of Kenya, in an administrative region that used to be called Rift Valley Province. The county borders Nyamira and Kericho counties. It covers an area of 1,592.4 Sq Km. The mean monthly temperature is 18°C while the annual rainfall ranges between 1,100mm and 1,500mm. Bomet town acts as its administrative centre. A governor leads the county government and is helped by County Representatives who run the local assembly help him.

Weather patterns in Bomet favour tea farming. The county has five tea factories. They include Rorok, Kapkoros, Tirgaga, Kobel and Mogogosiek. Each tea factory is served by tea estates. The tea estates supply raw materials to the factories for tea processing. As well, small scale tea farmers have cooperative societies which sell tea to the factories. The factories contribute to the highest source of revenue in the county (MOA, 2013).

#### **1.2 Research Problem**

Survival of organizations in the business world depends on the way they improve on their performance. Organizational performance is an important point of emphasis because it encompasses the financial, the market and the shareholder elements. An organization that improves its performance will become successful as opposed to that which deteriorates in performance. Employees are very essential in determining the direction which organizational performance will take. Employees directly determine the output of business on a daily basis. Employee health is among the determining factors of



productivity of any workforce. HIV and AIDS has become prevalent, with about 5.3 % of Kenyan population affected, that it affects almost all facets of employment.

The tea sector in Kenya offers employment to more than 10 % of the population. The employment opportunities in tea sector include working in the factory, transportation and cultivating of the crop. Tea production and consumption in Kenya has improved over the years. Health of employees determines the success of any organization. HIV and AIDS has been one of the problems faced by workers in tea sector in Kenya. In Bomet County, the problem of HIV and AIDS is real. HIV and AIDS can affect the productivity of employees thus performance of the tea sector (Jones, 2005).

Fox et al (2004), did a research where the impact of HIV/AIDS on labor productivity in Kenya was studied. The authors used retrospective cohort design to analyze the productivity and attendance of the tea estate employees who died or who were medically retired due to AIDS related causes between the year 1997 and 2002 in western Kenya. The researchers did a comparison of daily output of tea leaves plucked, the use of paid and unpaid leave and the assignments to the less engaging tasks by 54 employees who had died or had been retired due to AIDS cases. Longitudinal regression was used to analyze the results. In the results, it was found that HIV positive employees plucked less amount of tea in the 18 months before they were terminated on medical grounds. The employees also used more leave days for the 3 years before they were terminated. The studied cases showed that the AIDS affected workers plucked between 4.11 kgs and 7.93 kg less in the last year before they were terminated. They also had between 9.2 and 11.0

more sick leave days than other workers. The Patients also took between 6.4 days and 8.3 days more annual leave days than their counter parts who were not infected. The employees spent around 19.2 to 21.8 more days doing less demanding work 2 years before they were terminated (Fox et al, 2004).

Larson et al (2008), conducted a study about the effects of HIV/AIDS on tea workers in Kenya. The author collected data from 59 HIV infected workers from a payroll of company. The data also came from a comparison group of workers who were assigned to the same teams of work for a period of 2 years before the antiretroviral drugs were administered. The mean difference tests were then used to evaluate the harvesting trends of tea per month.

In the results, the author noted that no significant difference existed between the days of plucking in each month until the ninth month when the antiretroviral therapy was initiated in the workers. From this month, the workers began working an average of 2.79 fewer days than the initial times. In the final month before initiating the therapy, the number of days became 5.09 fewer days. After spending 12 months on the therapy, the workers worked twice as many days than they would have done before the therapy. This study showed treatment of workers with HIV/AIDS had a positive impact on the capability of workers to take on their primary duties of harvesting tea (Larson et al, 2008).

All the studies done on the HIV/AIDS effects on performance have centered on the performance of tea pluckers in the tea industry and have been done outside Bomet County. This study sought to fill the gap by finding the effects of HIV/AIDS on performance of the tea sector in Bomet County, given the fact that it has less medical facilities and is inaccessible in comparison to Kericho County that neighbors it. The study concentrated on overall performance that will include the workers in the factories and in the tea plucking field. This study sought to find answers to the question: What are the perceived effects of HIV and AIDS on performance of the tea factories in Bomet County?

### **1.3 Research Objective**

To establish the effects of HIV/AIDS on performance of the tea factories in Bomet County.

### **1.4 Value of the Study**

The results obtained from this study will be of use to various sectors. The tea sector in the country will be a beneficiary of the study. Tea estates managers will understand the effect of the HIV/AIDS cases amongst their workers on the performance of the sector. As well, the government of Kenya will be a beneficiary of the results of the study. The results of the study will also benefit academicians, human resource and community health experts who wish to pursue further studies in the field.

The management will use the data to improve on the medical care that is given the workers who are in the tea estates. The management of tea sector has a duty to improve the net worth of investors who put their money into the enterprises. As the agents of the capital owners, the management use human capital among other resources to improve performance and productivity. The results of the study will help the management to understand the best ways that can be used to improve the output of employees who have been affected by HIV and AIDS.

This study will also be important to the agencies in the country that deal with HIV/AIDS management. The agencies can use the data to compute the benefits of administering antiretroviral therapy to AIDS affected patients. The agencies like the National AIDS Council can use this study to advise other stakeholders on how to improve on the wellbeing of their employees who are suffering from AIDS. Even though the study draws its subjects from the tea sector, the agencies can extrapolate the findings onto other sectors and use them to help manage HIV and AIDS cases of employees.

Researchers who wish to carry out thesis studies about AIDS effect of employment and productivity can also use the results of the study to write literature reviews and to test hypotheses. The results can be used for comparison purposes when doing studies of similar nature in a different sector or a different geographical location. Data obtained from this study will be used to build research cases done by other researchers. The conclusion and suggestions will be helpful in creating new areas of research in the field of human resource practice and management.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

The main focus of this chapter is review of past studies that have dwelt on effects of HIV/AIDS on performance of various business sectors. It looks at the issues of work output by employees who are affected by HIV/AIDS, the cost of dealing with the patients by administering of antiretroviral therapy, attendance at work, doing of light duties and motivational issues. It will also look at the recruitment costs of replacing workers who have died or been dismissed because of AIDS and the profitability of firms that have to deal with patients who are infected with AIDS.

### **2.2 HIV/AIDS in Workplace**

Performance of companies relies on the availability of employees to undertake their daily tasks. Employee work attendance is of significance to the human resource teams in any business concern. One, this ensures that the workers who attend to their duties are not overworked. Secondly, it is easy for the human resource teams to have a properly organized schedule that they can rely on while arranging duties for employees. Employers have therefore to make deliberate and conscious efforts to improve the welfare of their employees to see to it that they can attend to their daily jobs (Schlesinger & Heskett, 2012).

Various studies have been done to evaluate the effects of HIV and AIDS on performance of firms. These studies have looked at different variables that affect performance. Feeley et al (2004), conducted such a study in Uganda where he analyzed the impact of HIV on

labor and productivity costs in two companies. The author named the companies are A and B. The authors used HIV sero-prevalence and employee benefits to measure the costs.

In the study, the authors found out that in over five years at company A and three years at company B, 35 workers had died due to AIDS related illnesses. The annual rate of such deaths and retirements was 1.6 % of total employment for company A and 0.6 % of total employment for company B. For each company, the authors did a case comparison where they estimated the difference between medical care costs and absenteeism. Various benefits like funeral benefit and gratuity were also used in computing the medical care cost. The annual total cost of worker attrition was computed to be 1.9 % of the wage and salary bill for company A and 1.2 % of the same wage and salary bill for company B. The study suggested that companies in Uganda should adopt the highly active antiretroviral therapy to the employees. If this was to be adopted, it could help avoid employee attrition and could cost 4.8 % of the cost for every worker lost at company A and 2 % of cost per worker lost at company B (Feeley et al, 2004).

Beauregard and Henry (2009), did a study about work-life balance of employees and its effects on the performance of organizations. In the conclusion, the authors posited that employee attendance affected the performance of workers in companies. However, the authors stated that there is no sufficient evidence to link work-life balancing with the performance of organizations. This study leaves a lot to be desired about the effects of an unbalanced work-life on the performance of workers. According to what the authors conclude, it can be said that the presence of employees at a work place is enough to

sustain productivity, whether the employees are in the right disposition to work or not. The research is keen on the role of managers in helping reduce absenteeism among employees. The researchers posit that management should be on the forefront in helping employees observe work attendance schedules.

Rosen et al (2004), did a study which looked at information about the costs that businesses in South Africa suffered because of HIV and AIDS cases among its employees. In the analysis, the researchers looked at six private sector enterprises in South Africa and Botswana. The six enterprises provided data about HIV prevalence among its employees. In the findings, the research reported that sick leave among employees who were infected had effects on the productivity of the firms. The authors concluded that absenteeism resulting from sick leave days taken by the employees impacted negatively on the performance of employees in the firms studied. AIDS threatens the competitiveness of industries in South Africa and Botswana.

De Waal (2003), opined that HIV/AIDS in Africa was having far-reaching implications on structural reforms in the economies of Africa. In his view, the author states that social and political mobilization should be put in place in order to forestall the effects that HIV/AIDS has on institutions. Absenteeism is cited as one of the issues that have plagued institutions that deal with employees who have been affected by the HIV/AIDS disease. From this report, it is clear that issues of sick leave by employees affected by AIDS do not only affect private institutions. Public institutions including government workers have had to face issues of unavailability of employees at their duties because of the HIV/AIDS

scourge. Even as industries look at ways of improving their performance amidst issues of HIV/AIDS patients, studies show that the involvement of government is important.

Grassly et al (2003), added their value to this issue by doing a research about the costs that the government faced in Zambia in dealing with teachers who have HIV/AIDS. In the results of the research that was conducted by the authors, it was estimated that the government used 71 % of the money on HIV costs on paying teachers who were absent from work. This was as opposed to the money used for treating the teachers and funding the funeral expenses when any HIV/AIDS infected patient passed on. This indicated that donor funding had been increased because of the HIV/AIDS in the country in the education sector. The research findings agree with the postulate that employee absenteeism can cause a significant increase in the expenditure of an organization. If such effects were noted in a private business concern, it could mean that the firm could experience a dip in its profits because of the increase in its expenditure.

Rugalema et al (1999), conducted a study in east and west of Kenya to understand the impact of HIV and AIDS on the agricultural sector in Kenya. The focus of the study was to place the effects of the HIV epidemic on the agricultural sector. The studies did a comparison of the sectors in west and east of Kenya. The Food and Agricultural Organization (FAO) and United Nations Development Program (UNDP) funded the study. From the results, the study concluded that most of the HIV victims were men and women in their 20s and 30s. The scourge was found to have created rising costs to companies. It has also been found to lead to drop in profits to companies due to loss of



workers and loss of working hours. The medical and funeral costs were found to exceed the ones budgeted by far. Terminal benefits, retraining and replacement measures were part of the expenses that the agricultural commercial sectors faced. Sugarcane factories that relied on out growers as the suppliers of raw materials suffered a decline in quantity of cane delivered (Rugalema et al, 1999).

A company that has workers who are suffering from AIDS has an extra load to do in terms of dealing with the emotional issues affecting the employees. AIDS patients need constant counseling before they accept their situation. Supervisors who deal with the workers on the shop floor have to frequently deal with the employees on a daily basis and they are always expected to handle them with caution. Dealing with such emotional issues can be time consuming. Again, they have to deal with the issue of light jobs given to the infected patients. This leaves other employees overburdened and can compromise the quality and quantity of work done in a company (Cockcroft, 2002).

### **2.3 Organizational Performance**

Organizational change is important in improvement of performance. This is occasioned by the reality that organizations struggle to adapt or face decline in the volatile environments of a global economic and political world. The many potent forces in these environments, competition, technological innovations, professionalism, and demographics, to name a few shape the process of organizational adaptation. As a result, organizations may shift focus, modify goals, restructure roles and responsibilities, and develop new forms. All these are geared towards improving performance of an organization (Murphy & Cleveland, 1991).

Organizational performance can be greatly enhanced if the management of business makes it to be compatible with environment. Part of the factors influencing the environment include all external social, economic, and political conditions that can influence the organization's actions, nature, and survival. Organizational performance can be measured using different criteria of evaluation. Economic impact evaluation, basic evaluation, analytical evaluation and operative evaluation can be used to understand how well an organization has performed. Personnel evaluation is sometimes used where the improvement and enhancement of human capital in an organization is measured (Fiedler & Garcia, 1987).

Organizational performance is dependent on how well management deals with the human capital, among other factors like marketing, procurement and quality control. Management should set goals for employees,, monitor them, share feedback with them and monitor progress. As well, the organization should reward employees who meet their goals. In case employees do not meet their goals, the management should come in to assist them. The assistance comprises taking care of their health needs. This exercise is in resonance with the definition of organizational performance which involves the recurring activities to establish organizational goals, monitor progress toward the goals, and make adjustments to achieve those goals more effectively and efficiently (Lawler III, 1990).

## **2.4 Organizational Performance and HIV/AIDS**

When a firm loses an employee, it has to do replacement in order to have continuity in production. Recruitment costs are always high for any firm because it involves training and job orientation. If the kind of assignment being undertaken is demanding in skills, the new employee will have low productivity until he gets accustomed to the work being undertaken. Waldman et al (2004), in their study about costs of turnover of employees from an organizations listed several effects that this can have on performance of firms. A review of the turnover costs of medical centers. The turnover included hiring, training and losses in productivity. In the results, it was analyzed that most turnover costs were more than 5 % of the annual operational costs of the business ventures. For this reason, the researchers state that managers have to put emphasis on retention of employees. As well as training and recruitment costs, the leaving employees do not emphasize on quality work because, they are no longer committed to their employer.

Jones (2005), did a similar study about recruitment and training costs relating to the employee turnover. The author used human capital theory and human resource accounting methods to determine the costs of turnover of nurses from health institutions. In the results, the author found a positive relationship between the number of personnel that quit jobs or were fired and the costs of training, recruitment and advertising of new employees. Piot et al (2007), notes that 60 % of the people who have been infected with HIV come from the Sub-Saharan Africa. In his review about the effects of HIV on the economies of developing countries, he elaborates how the disease affects companies found in countries with high prevalence rate. Costs of recruitment and training were cited

as parts of the variables that decrease productivity in such companies. It is however noted that the magnitude of such effects is not uniform across all companies. The effects solely depend on individual conditions in the companies affected. From the paper, it is noted that HIV related costs in companies vary between 0.5 % and 10 %.

When evaluated in absolute terms, the cost of providing antiretroviral drugs to patients is high and can cause a company to spend a lot of its operating capital on such. However, some studies done in the past reveal that these costs have been reducing with time. Highly active antiretroviral therapy treatment is so far the most costly treatment of ailments that come with HIV/AIDS. A study was done in Senegal to find out the costs of using such a therapy since its inception by the government in 1998. The number of beneficiaries of the program has been on a steady increase because of the drop in price of the drugs (Desclaux et al, 2003). Such findings are promising but caution should be taken to understand that most governments could negotiate for subsidies on the drugs imported for their own use. Such may not be the case with private companies that have to procure drugs and administer to their own employees.

Companies use insurance to take care of their patients. Insurance costs are dependent on the health status of employees of an organization. In case where employees of an organization have high prevalence of HIV/AIDS, the costs of insurance go high. This means the companies have to set aside a bigger portion of their budget to cater for the insurance of employees. Such costs directly affect the performance of organizations (Haacker, 2004). According to the growing body of evidence, it has been found that

companies that spend their revenue on prevention and treatment plans for HIV patients are profitable than it would have been if the money was saved and the workers left unattended. Rosen et al (2003), explains that companies should invest money in insurance costs that will help the employees affected by the virus to be more productive. Even though the profit margins of an organization can dip because of such treatment programs, it is of advantage to treat the HIV employees than leave them deal with the problem on their own.

Marseille et al (2006), contributed to the issue of costs incurred by companies. The study examined financial incentives that companies in Uganda have in order to treat the HIV infected employees. The study did a cost benefit analysis of the three interventions that the companies had to deal with HIV infected employees. Different interventions were compared and the study came up with a conclusion that intervention that used cotrimoxazole prophylaxis and highly active antiretroviral therapy was the most cost effective method of dealing with the HIV infected employees. If the company spent money on treating 100 skilled employees, it would save the company US\$ 38 939 and 73 disability adjusted life-years. When dealing with unskilled workers who were infected, cotrimoxazole prophylaxis intervention was the most cost effective. It could save the company US\$ 16 417 and 60 disability adjusted life-years. From the studies, it is clear that intervention by companies can help reduce the effects of low productivity that can be caused by HIV infected workers.

## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.1 Introduction**

This chapter deals with the methodology that was used to collect the required data for the research. It explains the research design, the target population, the sampling method, data collection instruments and the method of analysis. The methods used in this section will help the researcher to understand the effects of HIV and AIDS on the performance of tea sector in Bomet County.

### **3.2 Research Design**

This study used descriptive research design. This design reports the status of events and issues the way they are. This was the best suited design for this research because was able to do an in-depth analysis of the problem of HIV and AIDS to employees in tea sector will be done with a high degree of accuracy. The study assessed the issues surrounding HIV and AIDS employees in the tea sector and give a report about the status. This design helped to report the status.

### **3.3 Population of Study**

The population for the research was the 5 tea factories in Bomet County. Each factory has tea estates that supply raw materials for tea processing. The factories are Rorok, Kobel, Kapkoros, Tirgaga, and Mogogosiek. This target group was sufficient because it encompasses all the aspects that relate to HIV and performance of tea sector. The population studied concentrated in Bomet County because it was the targeted geographical area. The population was accessed after seeking permission from the management of the factories.

### **3.4 Data Collection**

The sample size of the study was 51. This was at least 50 % of all the management employees directly engaged in the tea production factories in Bomet County. The sampling method used in this study involved stratified random sampling. In this technique, a population is stratified first and then random sampling is done. Stratification is when members of a target population are divided into homogeneous groups before sampling. After the members have been put into homogenous groups, they are randomly picked using the simple random sampling. This process is preferred because no element of the population is left out. The strata are collectively exhaustive. Sampling error is reduced if the procedure is used.

In this research, the researcher classified the target population into the five strata. They included Rorok, Kobel, Kapkoros, Tirgaga and Mogogosiek factories. This is shown in Table 3.1. The researcher randomly picked 50 % of the population of members of the management and tactical team from each factory. From the selected factory, the researcher drew a list of management employees and folded them into papers. The folded papers were picked without placing it back. The subjects were then be studied.

**Table 3.1: Population and Sample**

<b>Strata(Tea Factories)</b>	<b>Top Management</b>		<b>Junior Management</b>	
	<b>Population</b>	<b>Sample</b>	<b>Population</b>	<b>Sample</b>
Rorok	4	2	15	8
Kobel	7	4	12	6
Kapkoros	6	4	14	8
Tirgaga	8	4	15	8
Mogogosiek	5	2	13	8
Total	30	16	69	38

This research used questionnaires as the data collection instrument. The researcher administered questionnaires to selected respondents. The questionnaire was handed to respondents in a hard copy. The researcher obtained consent from the management of the selected factories before handing out the questionnaires for filling. They were collected after two days of administration to the respondents. This ensured that the rate of response is high. Two days factored in those respondents who may have been absent on the day of handing out the questionnaire. The management of the tea factories was selected for questionnaire administration because they have firsthand knowledge about employee performance and health. The questionnaire was divided into two sections. The first section was made of general information. This had confidentiality clause that assured the respondents that the information collected would be used with confidence and will not be disclosed to unauthorized parties. It also contained provision for general information. The second section comprised of questions seeking to find answers to the research problem.



### **3.5 Data Analysis**

The data was collected, coded and analyzed in order. The data from the completed questionnaires was be recorded. It was then be entered in a computer using descriptive statistics. Descriptive statistics approach was adopted for analyzing and presenting the data in this research. Statistical Package tools were be used to analyze the data. The researcher used qualitative and quantitative analysis to interpret the data obtained from the field. Measures of central tendency was used to analyze the data. Mean, mode and median was used. Measures of central tendency were preferred in analysis because they help in condensing data, in making comparisons and help in giving a representative value.

## CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSIONS

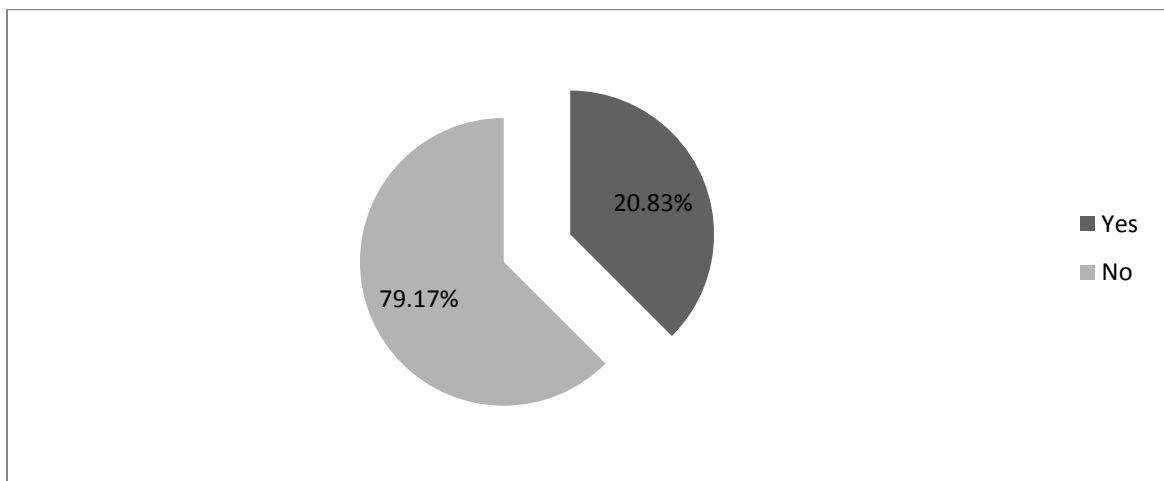
### 4.1 Introduction

This chapter covers data analysis, findings and discussions of the research. Data was collected from management of the five tea factories in Bomet County. Out the 51 questionnaires distributed, 37 were completed and returned representing a response rate of 72.73 % which was considered satisfactory for subsequent analysis. The data was analyzed using descriptive statistics tools. The analysis and study findings were then summarized into mean scores, standard deviations, percentages and frequencies. These were subsequently presented in tables, graphs and charts.

### 4.2 Gender

The respondents were asked to indicate their gender. From the research findings, it was established that 79.17 percent were male while 20.83 percent were female as shown in chart 4.2.0 below. This suggested that management of the five tea factories in Bomet County was mainly done by the male

**Figure 4.1: Gender Distribution**

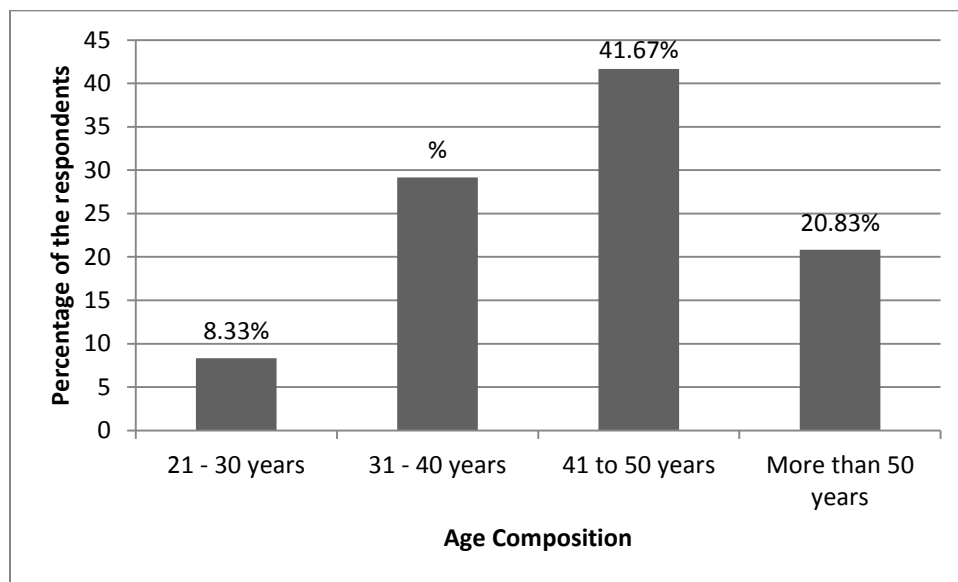


Source: Research data (2013)

### 4.2.1 Age

The study sought to establish the age of the respondents. From the research findings, it was established that 41.67 percent were between 41 to 50 years, 29.17 percent were between 31 to 40 years and 20.83 percent were more than 50 years. It was noted that only 8.33 percent were between 21 to 30 years as shown in graph 4.2.1 below. This implied that most managers of the five tea factories in Bomet County were between 41 to 50 years.

**Figure 4.2: Age Composition**



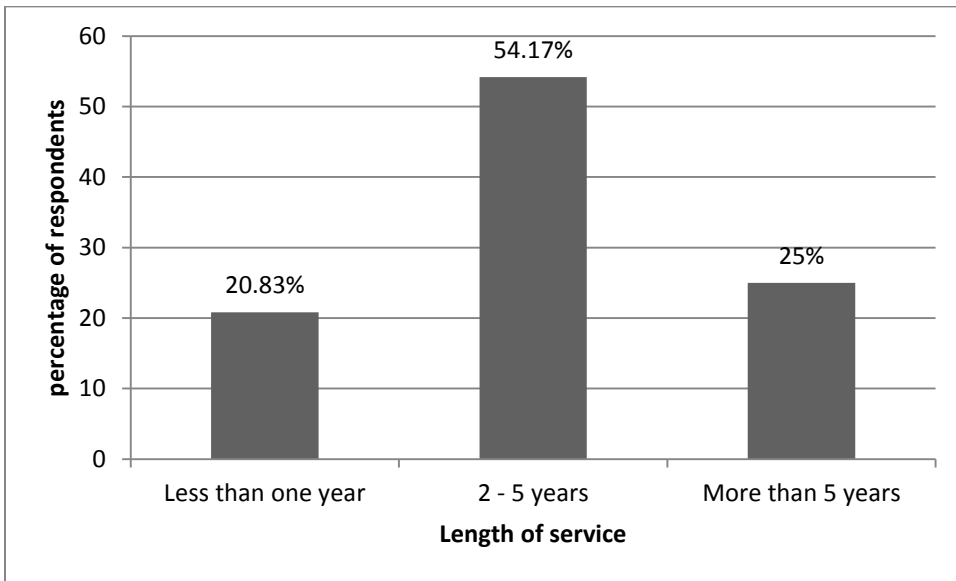
Source: Research data (2013)

### 4.2.2 Length of Service

The respondents were asked to indicate the duration they had worked in their factories. From the study, it was established that 54.17 percent of them had worked between 2 to 5 years, 25.00 percent of them had worked for more than 5 years and 20.83 percent had

worked for less than one year as shown in graph 4.2.3 below. This suggested that most managers of the five tea factories in Bomet County had worked for between 2 to 5 years.

**Figure 4.3: Length of Service**

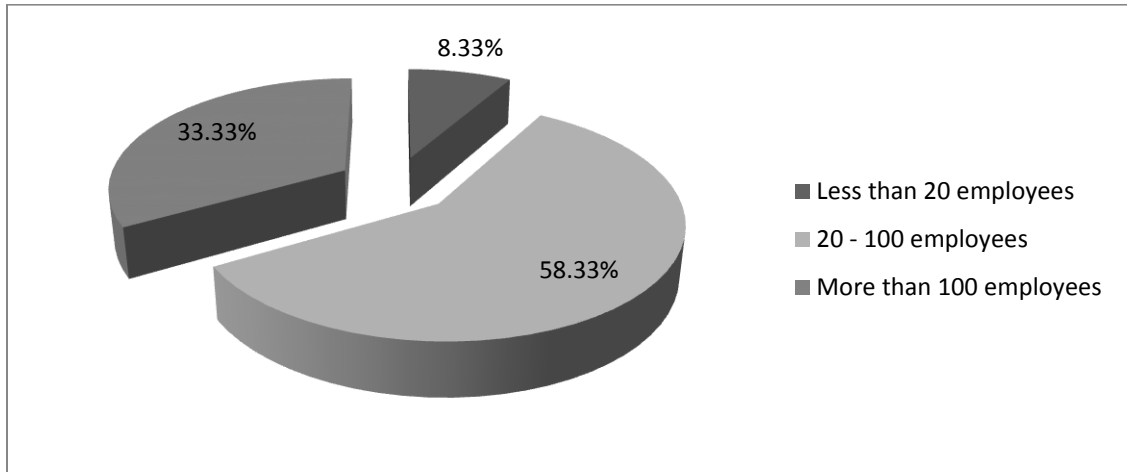


Source: Research data (2013)

#### **4.2.3 Number of Employees**

The study sought to establish the number of employees that were working in each of the five tea factories in Bomet County. From the research findings, it was established that 58.33 percent had between 21 to 100 employees, 33.33 percent had more than 100 employees and 8.33 percent had less than 20 employees as shown in chart 4.2.4 below. This implied that most tea factories in Bomet County had between 21 to 100 employees.

**Figure 4.4: Number of Employees**

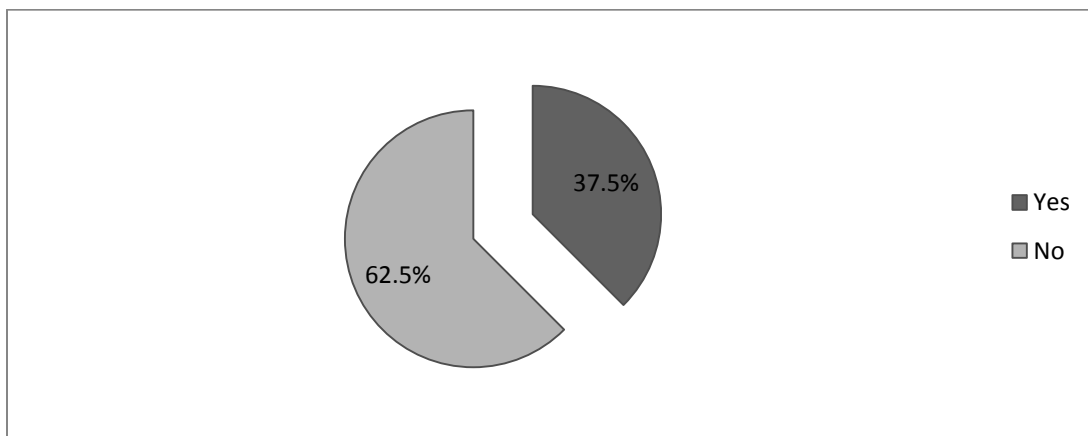


Source: Research data (2013)

#### **4.2.4 Existence of Organization HIV policy**

The respondents were asked to indicate whether their factories had a HIV policy. From the study, it was established that 62.50 percent of them did not have the HIV policy while 37.50 percent had the HIV policy as shown in chart 4.2.5 below. This showed that most tea factories in Bomet County did not have a HIV policy.

**Figure 4.5: Existence of Organization HIV Policy**

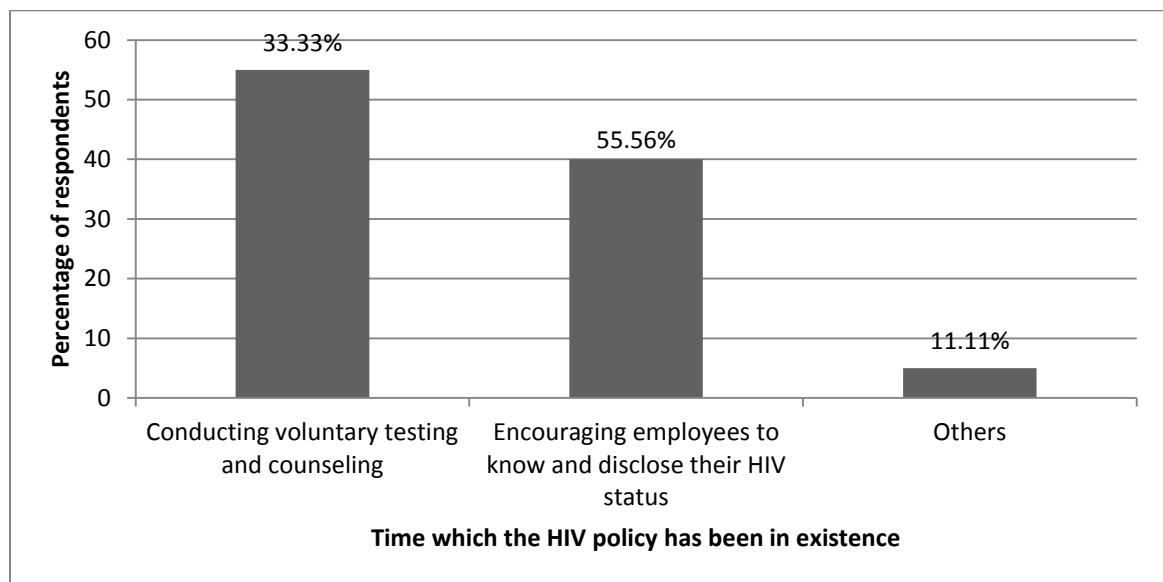


Source: Research data (2013)

#### 4.2.5 Duration that the HIV Policy Had Been In Existence

The researcher wanted know how long the HIV policy had existed for those factories that had the HIV policy. From the research findings, it was established that 55.56 have had a HIV policy for between 2 to 5 years, 33.33 percent have had it for less than one year while 11.11 percent have had it for more than 5 years as shown in graph 4.2.6 below. This implied that most tea factories in Bomet County have had their HIV policy for between 2 to 5 years.

**Figure 4.6: Duration Which the HIV Policy Had Been in Existence**



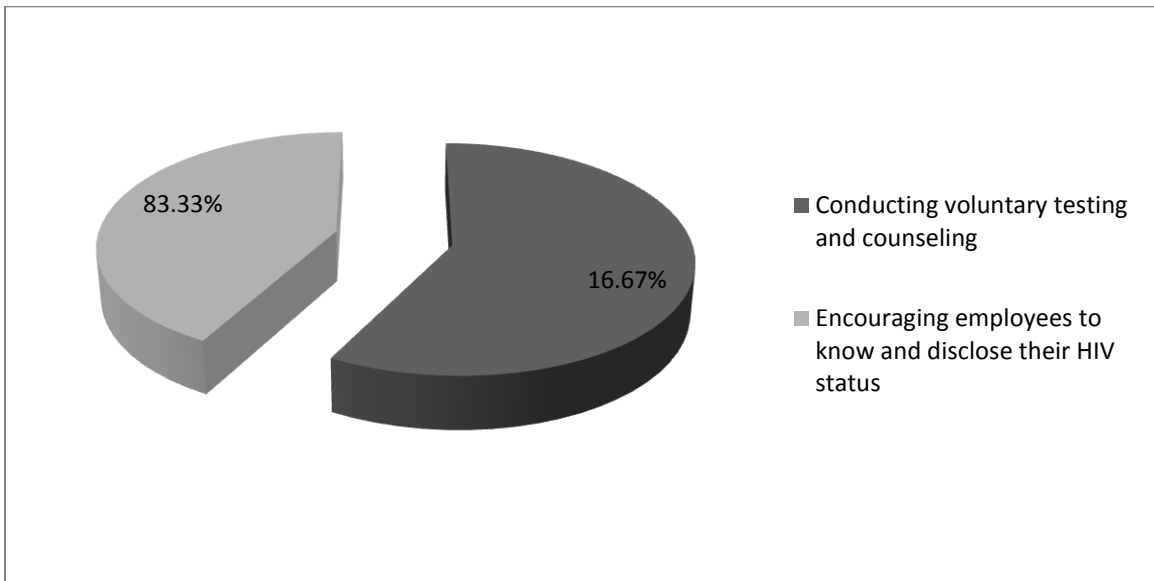
Source: Research data (2013)

#### 4.2.6 Know HIV Status of Employees

The study sought to establish whether managers knew the HIV status of their employees. From the research findings, it was established that 83.33 percent did not know the HIV status of their employees while 16.67 percent knew the HIV status of their employees as

shown in chart 4.2.7 below. This implied that most managers of the tea factories in Bomet County did not know the HIV status of their employees.

**Figure 4.7: Know HIV Status of Employees**

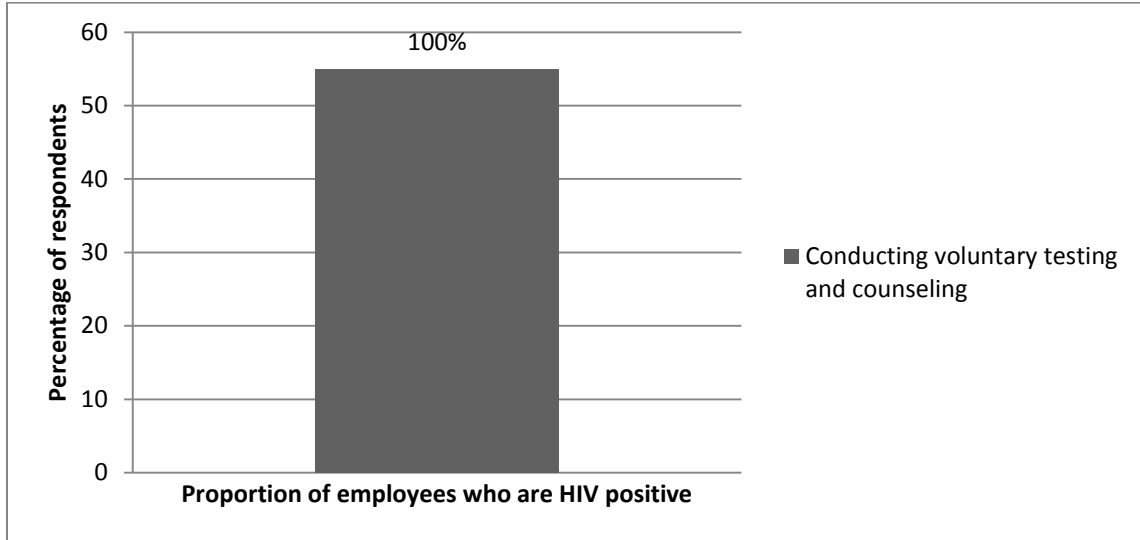


Source: Research data (2013)

#### **4.2.7 Proportion of HIV Positive Employees**

The researcher wanted know the approximate proportion of employees that were HIV positive. According to the research findings, it was established that 100 percent of the factories approximated that less than a third of their employees were HIV positive as shown in graph 4.2.8 below. This implied that all tea factories in Bomet County had less than a third of their employees being HIV positive.

**Figure 4.8: Proportion of HIV Positive Employees**



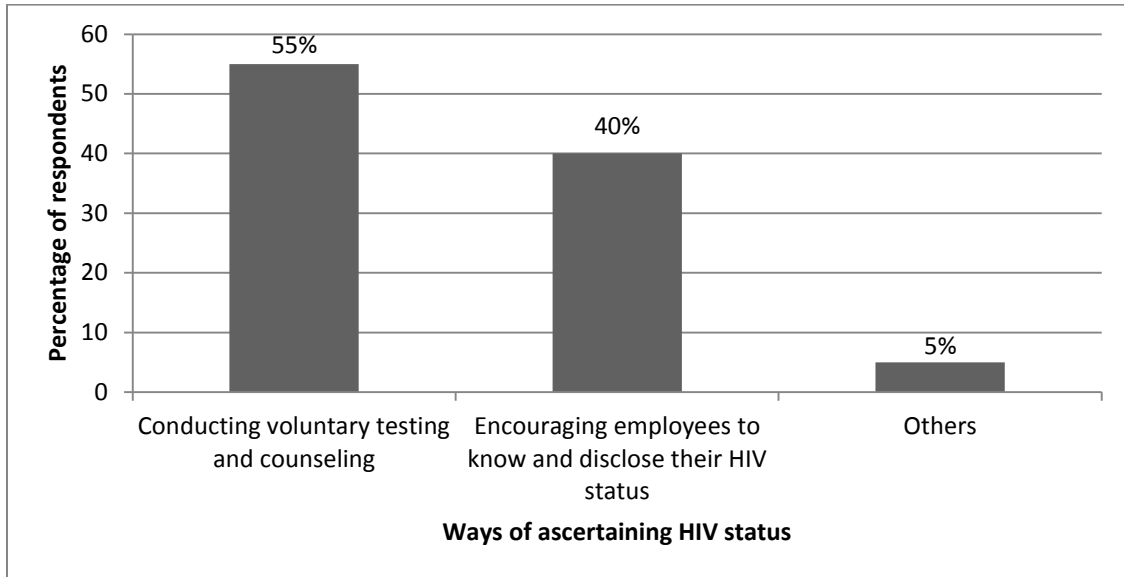
Source: Research data (2013)

#### **4.2.8 Ways of Ascertaining HIV Status**

The study sought to establish how the tea factories planned to measure HIV in their workplace. From the research findings, it was established that 55.00 percent intended to conduct voluntary testing and counseling, 40.00 percent intended to encourage their employees to know and disclose their HIV status and 5.00 percent intended to use other ways not indicated in the questionnaire as shown in graph 4.2.9 below. This implied that most tea factories in Bomet County intended to conduct voluntary testing and counseling. The other way not included in the questionnaire was to conduct a compulsory testing and testing.



**Figure 4.9: Ways of Ascertaining HIV Status**



Source: Research data (2013)

### **4.3 Impact of HIV/AIDS on Performance**

The study sought to establish the extent to which HIV/AIDS had affected performance of the five tea factories in Bomet County. According to the research findings, it was established that increased absenteeism due to sick leave had the highest mean of 4.46 followed by reduced output level of HIV positive employees with a mean of 4.21. Increased customer dissatisfaction had the least impact on factory performance with a mean of 3.54 as shown in table 4.3.0 below. This suggested that most tea factories in Bomet County experienced high absenteeism due to sick leaves.

**Table 4.1 Impact of HIV/AIDS on Performance**

<b>Impact</b>	<b>N</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Mean</b>	<b>Std. Deviation</b>
Increased absenteeism due to sick leave	24	2	5	4.46	.884
Reduced output level of HIV positive employees	24	2	5	4.21	.977
Reduced work performance	24	3	5	4.08	.881
Poor service delivery	24	3	5	4.04	.908
Reduced overall productivity	24	3	5	3.96	.859
Reduced work unit productivity	24	2	5	3.92	.929
Increased workload	24	2	5	3.88	.900
Increased absenteeism due to funeral attendance	24	2	5	3.83	.868
Lowers quality of output	24	2	5	3.67	.702
Increased customer dissatisfaction	24	2	5	3.54	.884
Valid N (listwise)	24				

Source: Research data (2013)

#### **4.4 Discussion**

From the research findings 58.33 percent of the tea factories in Bomet County had between 21 to 100 employees. This implied that most factories had many employees and the probability of AIDS spreading in Bomet County was high. Moreover, it was evident that 62.50 percent of the tea factories in Bomet County did not have a HIV policy. This suggested that most of the tea factories in Bomet County had ignored to know the welfare

of their employees. Schlesinger and Heskett (2012) assert that employers need to make deliberate and conscious efforts to improve the welfare of their employees so that they can attend to their daily jobs. For those tea factories that had a HIV policy, most of them that accounted for 55.56 percent have had it for between 2 to 5 years. 83.33 percent of the managers of the five tea factories in Bomet County did not know the HIV status of their employees and for those who knew, all of them approximated that less than a third of their employees were HIV positive.

Generally, HIV/AIDS had either a moderate or a large impact on performance of tea factories in Bomet County. Increased absenteeism due to sick leaves was found to have the greatest impact on performance of the tea factories with a mean of 4.46 followed by reduced output level of HIV positive employees with a mean of 4.21. Fox et al (2004) study showed that AIDS affected workers had between 9.2 and 11.0 more sick leave days than other workers. The Patients also took between 6.4 days and 8.3 days more annual leave days than their counter parts who were not infected. Reduced work performance and poor service delivery were the other factors that were impacted to a large extent. Increased customer dissatisfaction had the least impact on factory performance with a mean of 3.54. However, it had a moderate impact on the tea factory performance. Loeppke et al (2009) insist that if organizations' employees are not healthy, they will underperform, lead to low yields yet get paid the same salary as that of an employee who gives his full potential.

## **CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

### **5.1 Summary**

The study was to establish the perceived effects of HIV and AIDS on performance of the five tea factories in Bomet County. Generally, most managers in the tea factories in Bomet County were male and most of the managers had worked in their organizations for a period of between 2 to 5 years. In addition, most of the managers were aged between 41 to 50 years. This implied that most managers in the five tea factories in Bomet County had some managerial experience and had matured enough to effectively manage factory employees. De Chernatony (2003) asserts that competent agents are key in developing well-informed advice and port strategies that are sensitive to the various needs of multiple stakeholders and partners, reflect the strategic direction of the department and position in the organization for success.

The objective of the study to establish the perceived effects of HIV and AIDS on performance of the five tea factories in Bomet County was compounded by the findings that HIV and AIDS had a moderate to large impact on performance of the tea factories in Bomet County. Performance was found to have been heavily impacted through increased absenteeism due to sick leaves of employees who were HIV positive. Rosen et al (2004) study which looked at information about the costs that businesses in South Africa suffered because of HIV and AIDS cases among employees found out that sick leave among employees who were infected had effects on the productivity of the firms. The authors concluded that absenteeism resulting from sick leave days taken by the employees impacted negatively on the performance of employees in the firms studied.

Reduced output level of HIV positive employees, reduced work performance and poor service delivery were the other factors that had a large impact on the performance of the five tea factories in Bomet County. This is supported by Cockcroft (2002) study, which found out that supervisors who deal with the workers on the shop floor have to frequently deal with the employees on a daily basis and they are always expected to handle them with caution. They have to deal with the issue of light jobs given to the infected patients. This leaves other employees overburdened and can compromise the quality and quantity of work done in a company. Even though increased customer dissatisfaction had the least impact on tea factory performance, it was noted that it had a moderate impact on performance. However, it was noted that most managers did not know the HIV status of their employees and those who knew the status of their employees approximated that less than a third of their employees were HIV positive.

## **5.2 Conclusions**

From the study findings, it can be concluded that HIV/AIDS affects performance of tea factories in Bomet County. However, it was evident that its effects on performance of the tea factories varied in various ways some considered to have a large impact while others considered to have a moderate impact. This was evident from the way respondents replied to questions and the analysis arising thereof. Absenteeism due to sick leave had the largest impact on performance while increased customer dissatisfaction was considered to have the least impact on performance of tea factories in Bomet County. Moreover it can be concluded that most tea factories did not have a HIV policy which addressed the welfare of HIV positive employees. Those tea factories which had the HIV

policy have had it for a very short period ranging from two to five years. Swindells et al (2012), states that the quality of life of HIV employees could be improved if the social support was enhanced. Social support can only be enhanced if a comprehensive HIV policy exists in an organization.

### **5.3 Policy Recommendations**

This study recommends that the five tea factories in Bomet County should pay a lot of attention to addressing HIV/AIDS in their organizations. To start with, those factories that do not have a HIV policy should develop one to clearly outline the welfare of HIV/AIDS infected employees. Moreover, increased absenteeism due to sick leaves as a result of HIV/AIDS should be addressed adequately. This can be done through establishment of contingency plans and giving employees health insurance covers in order to reduce the adverse effects on performance. Rosen et al (2003), explains that companies should invest money in insurance costs that will help the employees affected by the virus to be more productive. Reduced output level of HIV positive employees, reduced work performance and poor service delivery should also be adequately addressed by the five tea factories in Bomet County as they were found to have a large impact on performance.

#### **5.4 Limitations of the Study**

This study was successfully undertaken but not without a few limitations. One such limitation was that some of the respondents were not available for the interview. The time period covered by the study and the resources available to the researcher were also limited.

#### **5.5 Suggestions for Further Research**

Arising from the study, the following directions for future research in Human Resource Management were recommended: First, this study focused on all the five tea factories in Bomet County. Therefore, generalisations could not adequately be extended to the specific tea factories as the factories have varying financial resources and management personnel to address HIV/AIDS. Based on this fact among others, it was therefore recommended that a narrow based study covering a specific tea factory in Bomet County should be done to establish the effects of HIV/AIDS on performance of that specific tea factory. Similar surveys to this can also be replicated in a few years to come to assess if the the effects of HIV/AIDS on performance of the tea factories have changed as the tea factory sector in Bomet County continues to change.

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## **APPENDICES**

### **Appendix I: Letter of Introduction**

## **Appendix II: Questionnaire**

### **PART ONE: GENERAL INFORMATION**

This section of the questionnaire refers to background information. Although I am aware of the sensitivity of the questions in this section, the information will allow me to compare groups of respondents. Once again, I assure you that your response will remain anonymous. Your cooperation is appreciated.

The questionnaire will focus on HIV and AIDS and its effects on your workforce as well as the factory's performance.

#### **1.2 Personal Information**

##### **1. Gender (Tick One)**

<b>Male</b>	[ <input type="checkbox"/> ]
<b>Female</b>	[ <input type="checkbox"/> ]

##### **2. Age Bracket (Tick One)**

21-30 years	[ <input type="checkbox"/> ]
31-40 years	[ <input type="checkbox"/> ]
41-50 years	[ <input type="checkbox"/> ]
50 and above	[ <input type="checkbox"/> ]

**3. For how long have you been working in this company? (Tick One)**

Below one year	[ ]
1-2 years	[ ]
2-3 years	[ ]
3 and above	[ ]

**4. Please indicate the number of employees in your establishment.**

<b>0-20</b>	<b>21-40</b>	<b>41-60</b>	<b>61-80</b>	<b>81-100</b>	<b>101 and more</b>
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**5. Does your organization have an HIV policy?**

<b>Yes</b>		<b>No</b>	
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**6. If your organization has an HIV policy, how long has the HIV/AIDS policy been in place?**

Less than 1 year	
1 - 2 years	
3 - 5 years	
6 - 10	
10 years or more	

**7. a) Do you know the HIV status of your staff establishment?**

<b>Yes</b>		<b>No</b>	
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If YES, please answer the following question. If NO, please proceed to the next question.

**b) Approximately what percentage of your employees is HIV positive?**

0% -10%	11% - 20%	21% - 30%	31% - 40%	41% - 50%	51% and more
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If NO:

**8. How do you plan to measure HIV in your workplace?**

The organization is conducting voluntary testing and counseling	
Employees are encouraged to know and disclose their HIV status	
Other, please specify	

**PART TWO: RESEARCH QUESTIONS**

This section explores your perceptions regarding the impact of HIV/AIDS on various aspects within your organization.

1. On the scale provided below, please indicate the extent to which each of the statements given in the matrix below reflects the situation in your factory: Use the scale; 1- Not at all, 2 – To a less extent, 3 – To a moderate extent, 4 – To a great extent, 5 - To a very great extent

<b>Question</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1. Does your company have any policy that deals with HIV and AIDS infected employees?					
2. Do employees who are suffering from HIV and AIDS have low output at work as compared to healthy ones?					
3. Does the cost of treating HIV and AIDS employees cause the profits of the company to be low?					
4. Do you think HIV and AIDS affects the rate of absenteeism					



among those infected?					
5. Do you think HIV and AIDS infected employees affect the workplace morale of other employees in a negative way as to lower general productivity?					
6. Do you think termination costs caused by HIV and AIDS employees who are retired are high enough to affect profitability of the company?					
7. Does recruitment and training of new employees to take over vacancies of employees who have left due to HIV and AIDS cost the company a lot of money that can affect profitability?					
8. Does the case of presence of HIV and AIDS infected employees in your company lower the quality of products?					
9. Are employees who suffer from HIV able to do normal duties like those who don't have the infection?					
10. Does the company management have any problems in managing the emotions and psyche of employees affected					

by HIV and AIDS patients?					
11. Do you think treatment of HIV and AIDS employees incurs less costs to the company than it does to neglect them and have them to work in their condition unattended?					

2. To what extent has HIV/AIDS impacted negatively on/contributed negatively to each of the following in your organization? Use the scale; 1- Not at all, 2 – To a less extent, 3 – To a moderate extent, 4 – To a great extent, 5 - To a very great extent

	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Work performance	1	2	3	4	5
Absenteeism due to sick leave	1	2	3	4	5
Workload	1	2	3	4	5
Quality of output	1	2	3	4	5
Absenteeism due to funeral attendance	1	2	3	4	5
Overall productivity	1	2	3	4	5
Work unit productivity	1	2	3	4	5
Output level of HIV positive employees	1	2	3	4	5
Service delivery	1	2	3	4	5
Customer satisfaction	1	2	3	4	5

**Thank you for taking time to respond to my questions**