

**STRATEGIC RESPONSES OF KENYA HIV/AIDS  
BUSINESS COUNCIL MEMBER FIRMS TO THE  
HIV/AIDS PANDEMIC**

**UNIVERSITY OF NAIROBI  
JWELER KABETE LIBRARY**

**By**

**HELEN MUTHONI MAGUTU**

**A Management Research Project submitted in partial  
fulfillment of the requirements for the Masters in Business  
Administration Degree (MBA), Department of Business  
Administration, University of Nairobi.**

University of NAIROBI Library



0493195 2

**August, 2005**

## DECLARATION

This project is my own original work and has not been submitted for a degree in any other University.

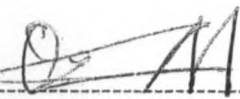
Signed  -----

Date 17/10/05 -----

Magutu, Helen Muthoni

Registration Number: D61/P/9024/01

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

Signed  -----

Date 17/10/2005 -----

Dr. Ogutu, Martin

Chairman of Business Administration Department

University of Nairobi

## **DEDICATION**

To my husband Nathan and my two beautiful daughters Nicole and Natalie. For your enduring love and support.

## **ACKNOWLEDGEMENTS**

This study was inspired by the work of the Kenya HIV/AIDS Business Council in supporting businesses to set up workplace HIV/AIDS interventions. Special thanks go to all the staff of the Kenya HIV/AIDS Business Council for the tremendous support which they gave me during the research period. I particularly thank George Wainaina, the Programme Manager for consenting to the research and his contributions.

Special thanks to God for giving me the strength and patience to be able to carry out the project.

I especially thank Dr. Martin Ogutu, my supervisor who patiently guided me throughout the research period.

I wish to appreciate the active participation of my colleagues Judy Kamau and Rosemary Oloo who constantly gave me moral support.

Lastly, my parents Elias and Teresa Magutu for the care and support they have given me to enable me to be what I am today.

For all others whom I cannot thank in person, I say a big THANK YOU

# TABLE OF CONTENTS

DECLARATION .....	i
DEDICATION .....	ii
ACKNOWLEDGEMENTS .....	iii
LIST OF TABLES .....	vi
LIST OF FIGURES .....	vii
ACRONYMS USED IN THE STUDY .....	viii
ABSTRACT .....	ix
CHAPTER ONE: INTRODUCTION .....	1
1.1 Background .....	1
1.2 The Statement of the Problem.....	7
1.3 Objective .....	8
1.4 Importance of the Study .....	8
CHAPTER TWO: LITERATURE REVIEW .....	9
2.1 Environment and Strategy .....	9
2.2 Strategic Responses to Environmental Challenges .....	10
2.3 Operational Responses.....	13
2.4 HIV/AIDS Impact on Business.....	14
CHAPTER THREE: RESEARCH METHODOLOGY .....	16
3.1 Research Design.....	16
3.2 The Population .....	16
3.3 Data Collection .....	16
3.4 Data Analysis .....	16
CHAPTER FOUR: DATA ANALYSIS AND FINDINGS .....	17
4.0 Introduction.....	17
4.1 General Information.....	17
4.2 Strategic Responses to the HIV/AIDS Pandemic .....	19
CHAPTER FIVE: CONCLUSIONS .....	33
5.0 Introduction.....	33
5.1 Summary, Discussions and Conclusions .....	33

5.2 Limitations of the Study.....	34
5.3 Recommendations for Further Research.....	34
5.4 Recommendations for Policy and Practices.....	35
REFERENCES .....	36
APPENDIX ONE: QUESTIONNAIRE .....	40
APPENDIX TWO: HIV/AIDS BUSINESS COUNCIL MEMBERS.....	46
APPENDIX THREE: LETTER OF INTRODUCTION .....	49

## LIST OF TABLES

Table		Page Number
4.1	Number of Employees	18
4.2	Workplace HIV/AIDS Programme	20
4.3	Factors Influencing Establishment of HIV/AIDS Programmes	21
4.4	Workplace Programme Activities	22
4.5	HIV/AIDS Policy	23
4.6	Personnel Involved in Policy Formulation	24
4.7	Funding of the HIV/AIDS Related Activities	30
4.8	Extent to which the Responses Meet the Firm's Objectives	31

## LIST OF FIGURES

Figure	Page Number
1. The Link Between the Organization and the Environment	11
2. Managing Firm's Adaptation to the Environment	12
3. Long-term Impact of HIV on Organizations	13
4. Ownership of Organizations	19
5. Year of HIV/AIDS Policy Formulation	25
6. Policy Development in Reference to Guidelines	26
7. Communication of the HIV/AIDS Policy	29



## ACRONYMS USED IN THE STUDY

AIDS	Acquired Immune Deficiency Syndrome
ARVs	Antiretroviral drugs
CEO	Chief Executive Officer
FHI	Family Health International
FKE	Federation of Kenya Employers
HIV	Human Immunodeficiency Virus
ILO	International Labour Organization
IPPFAR	International Planned Parenthood Federation Africa Region
MD	Managing Director
MSD	Merck Sharpe and Dohme
NACC	National AIDS Control Council
NASCOP	National AIDS and STI Control Program
RAAAPP	Rapid Assessment, Analysis and Action Planning Process
VCT	Voluntary Counseling and Testing
WHO	World Health Organization

## **ABSTRACT**

The study looked into the strategic responses of the Kenya HIV/AIDS Business Council member firms to the HIV/AIDS pandemic. A cross sectional census survey was conducted. The population of interest was the registered sixty five member firms of the Kenya HIV/AIDS Business Council. The data was collected by use of a semi-structured questionnaire which was administered via E-mail and the drop and pick later method, which is a variant of the conventional mail survey, to the CEOs and MD's of the various organizations. Only 34 responded to the questionnaire. The data was analyzed using descriptive statistics which included mean scores and percentages.

The study revealed that most of the firms studied were responding actively to the HIV/AIDS pandemic. Some of the interventions the firms had put in place were setting up a workplace HIV/AIDS program and coming up with a workplace HIV/AIDS policy. These strategic responses have however been developed in the last few years implying that the firms took long to realize that HIV was not just a medical issue but a business issue as well. The main challenges to these interventions were cited as lack of adequate resources and employee commitment.

The Kenya HIV/AIDS Business Council has played a major role in mobilizing these private sector firms to come up with strategic responses to fight the HIV/AIDS scourge however, efforts must be made to urge organizations to scale up the fight against the HIV/AIDS pandemic as the scourge is ruining the socio-economic fabric of the country.

# CHAPTER ONE: INTRODUCTION

## 1.1 Background

### 1.1.1 Environmental Challenges to Firms

Firms have to relate effectively with the environment for their survival and prosperity. This is because all organizations are environment serving or environment dependent. No organization operates independently, firms are open systems that interact with and depend on its specific environment while remaining ever aware of the potential influences of its general environment (Coulter, 2002). Organizations must adapt their practices to the changing expectations of the society in which it operates. As values, customs, and tastes change so too must organizations. This applies to both their products and service offerings and their internal operating policies. A mismatch with the environment affects the flow leading to problems with the affected components of the environmental inputs and outputs.

The organizational environment is the general business setting created by the economic, technologic, political and social forces in which the firm operates in. An organization's external environment includes economic forces, socio-cultural, demographic, political and technological forces while its internal environment include the organization's systems, policies, resource capabilities and corporate culture (Pearce and Robinson, 1991).

A wide range of environmental influences can affect organizational strategies and performances. The PESTEL framework categorizes environmental influences into six main types political, economic, social, technologic, environmental and legal. It is particularly important in looking at the future impact of environmental factors which may be different from their past impact. Understanding how PESTEL factors might impact on and drive change in general is important but managers need to understand differential impact of these external influences and drivers on particular industries and individual organizations (Johnson and Scholes, 2004). The PEST analysis provides a useful starting

point to any analysis of the general environment surrounding an organization (Lynch, 1997).

SWOT analysis summarizes the key issues from the business environment and the strategy capability of an organization that are most likely to impact on strategy development. This is useful as a basis against which to judge future courses of action. It aims at identifying the extent to which the current strengths and weaknesses are relevant and capable of dealing with the threats or capitalizing the opportunities in the business environment. Opportunities enhance or favour achievements of objectives while threats hinder or disfavour the achievement of objectives.

The external environment is dynamic. It changes continuously, each time, posing new challenges, in terms of new opportunities and threats. This dynamism is described as environmental turbulence, which is a combined measure of the changeability and predictability of the firm's environment.

### **1.1.2 HIV/AIDS Pandemic**

Human Immunodeficiency Virus (HIV)/ Acquired Immunodeficiency Syndrome (AIDS) is rapidly decimating the productive population of the nation and thereby causing havoc to its socio-economic fabric. The magnitude of HIV/AIDS is so high that the Government's limited resources are unable to cope with the situation. In order to address issues of lost workplace productivity, escalating health-care costs and shortened lifespan, which are direct consequences of HIV, the private sector has come up with comprehensive responses to address HIV/AIDS in the workplace and beyond (Tole, 2001)

Kenya has been hit hard by the HIV/AIDS pandemic with a prevalence rate of 6.7% (KDHS, 2004) and over 2.2 million people estimated to be HIV positive (Nascop, 2004). The workforce is placed at increased risk, with the pandemic disproportionately affecting people in their most productive years (Noordwijk, 2003). Largely due to AIDS, the life

expectancy in Kenya dropped from 60 years in 1990 to 45.5 years in 2002. HIV/AIDS constitutes a grave epidemic that permeates every aspect of Kenya's development ( RAAAPP, 2004).By the end of 2005 Kenya's gross domestic product is projected to be 14.5% lower than it would have been in the absence of AIDS while AIDS is forecast to cost the country close to 1.5% of economic growth annually (USAID, 1999). A study by Family Health International (FHI) found that HIV/AIDS could increase labour costs for some businesses in Kenya by 16% by the end of the year 2005. The effect of HIV/AIDS on social and economic activities in Kenya has changed the paradigms upon which business, both small and big, is conducted (Chao, 2004).

There is fear and stigma surrounding HIV/AIDS especially in the workplace where workers are in constant contact with one another and have to live with fear of getting infected at any time. Such stigma and fear do not augur well for industrial relations in the workplace, and tend to impede efficiency by soaring interpersonal relations thus hindering productivity (FKE, 2004).

The private sector can play an important role in curbing further spread of HIV/AIDS.

The utilization of corporate resources, such as management and marketing know how, distribution and suppliers networks and funds is of crucial importance to effectively prevent HIV/AIDS in the workplace. This burning issue of national importance needs to be tackled jointly by all stakeholders if the battle is to be won (IPPFAR, 2004). Businesses can minimize the socio-economic costs of the AIDS epidemic by educating workforces, implementing non-discriminatory policies and partnering with the public sector and civil society to provide medical care to HIV-positive employees. By doing so, businesses are able to promote the important message that people living with HIV/AIDS can have positive and productive lives.

### **1.1.3 Kenya HIV/AIDS Business Council**

The HIV/AIDS Business Council was founded in the year 2000 at the initiative of Unilever Kenya. It works in collaboration with non-governmental and community-based organizations to design and implement HIV/AIDS programs at the workplace and in the community. The HIV/AIDS Business Council is affiliated to the Global Business coalition on AIDS, which has its headquarters in New York and works closely with the Kenya National AIDS Control Council.

HIV/AIDS Business Council is a rapidly expanding alliance of 65 Kenyan businesses dedicated to combating the AIDS epidemic in the workplace and in communities in which they operate (see appendix 2 for the HIV/AIDS Business Council members)

HIV/AIDS Business council supports its member firms in implementing comprehensive HIV/AIDS workplace responses. It advocates that to be effective, any workplace HIV/AIDS program needs to be integrated and comprehensive. The Business council supports various HIV/AIDS interventions in the workplace.

The establishment and implementation of a non-discriminatory policy is the cornerstone of any effective HIV workplace program, underpinning campaigns to promote the take up of voluntary counseling and testing as well as treatment. Companies should state clearly that their employees will not be discriminated against on the basis of their actual or perceived HIV status. Policies should also guarantee the confidentiality of infected employees. The Business Council advocates strongly against mandatory and pre-employment testing, as both unethical and counter productive.

Companies have learned that it is not enough simply to develop policies, to be effectively implemented they need the active endorsement of senior management centrally, regionally and locally. A number of companies have developed specific campaigns tackling stigma and discrimination in the workplace. As well as fostering a more supportive workplace environment, the adoption of non-discriminatory policies wins a clear public commitment that helps to counter the fear and stigma that still typify many

community responses to the epidemic. The involvement of trade unions and employee representatives in the formulation of policies has been important in ensuring employee support.

The council believes that workplace prevention and education programs are the greatest responsibility and opportunity for companies in tackling HIV/AIDS. In many companies, accurate workplace programs will be the only source of accurate information on HIV/AIDS available to employees and their families. Company education programs need to set out clearly how HIV can and cannot be contracted so that staff can arm themselves with information to protect themselves. Such programs play a vital secondary role in fostering more supportive working environments for employees who may be infected with HIV.

Companies should incorporate strategies into their HIV/AIDS programs and policies that are sensitive to the specific needs of female and male workers. Gender specific approaches have proven to be effective in curtailing the spread of HIV/AIDS and sexually transmitted infections.

Effective HIV prevention requires more than awareness. Successful company-based HIV prevention programs have also included condom distribution (often in special dispensers in company facilities or distributed directly to employees with wage slips), as well as diagnosis and treatment of sexually transmitted infections. Some companies have supported their own programs through collaboration with local community-based organizations or public sector health services.

Voluntary Counseling and Testing (VCT) forms the primary entry point for successful prevention and testing programs. Because of the sensitivities, need for confidentiality and potential concerns of staff, VCT can also be the hardest component of a workplace strategy to implement. Yet poor take up of VCT by staff, by definition, significantly reduces the number of staff taking advantage of other company HIV services, particularly treatment. It is therefore crucial for companies to develop active campaigns to encourage

their employees to seek VCT. Companies can offer VCT to staff either directly through their own in-house clinical services, or through contracted out services provided confidentially either by insurance schemes or local community-based organizations. For workplace VCT campaigns to be effective, they need to be supported by active non-discriminatory policies.

Businesses can help their employees living with HIV/AIDS continue to contribute to the business for as long as possible, by providing a range of care and support services through company clinics or in partnership with other healthcare providers. For some, this is an extension or an expansion of existing provision, whether in-house or through health insurance, to employees and their immediate families. Services extend to the treatment of opportunistic infections, particularly TB, psychosocial support, palliative care, home-based care and HIV treatment through antiretroviral therapy. The implementation of combination anti retroviral therapy has transformed the prognosis of HIV infection during the past decade (MSD, 2005).

Monitoring and Evaluation is traditionally an essential part of public health interventions to demonstrate the effectiveness of any given program. However, by focusing on the urgent need to implement programs, businesses have not always paid sufficient attention to the documentation and recording of process and outcomes. Companies have developed indicators to suit their own individual business environment, such as rates of sexually transmitted infections, number of staff accessing services such as VCT, condom distribution and regular KAP (Knowledge, Attitude and Perceptions) studies.

Any workplace program should be of necessity also have a community involvement element. Businesses need to respond to the growing demand from the community in the area of HIV/AIDS. As good corporate citizens, businesses should invest some of their community involvement budgets into HIV/AIDS.

The success of HIV/AIDS programs in the private sector depends on how it implements these interventions. The HIV/AIDS Business Council assists its member firms to successfully put these interventions in place.



## **1.2 The Statement of the Problem**

HIV/AIDS affects all parts of the society. The global HIV/AIDS pandemic is the worst infectious disease crisis to confront the World since the bubonic plague halved the population of Europe in five years since its arrival in 1347(FHI, 2001). Developing, financing and implementing programs to deal with the pandemic in the private sector are of paramount importance since the scourge is affecting productivity in the workplace.

Businesses operate in a highly competitive environment and therefore maintaining optimal productivity is crucial for the success and prosperity of the firms.

Adequate resources remain a key challenge for success in fighting the pandemic. While a growing number of effective clinical and behavioral interventions are being made available to reduce HIV transmission and improve care and support for those living with HIV, the resources available for the Kenyan Government to effectively implement these interventions is insufficient. The private sector needs to establish or strengthen the existing HIV/AIDS coalitions to combat the disease.

Several studies have been done on the responses of the private sector to the HIV/AIDS pandemic. Murambi (2002) carried out a research on the human resource policy response to the HIV/AIDS pandemic targeting the insurance firms in Kenya. Muraah (2003) investigated how the Kenyan pharmaceutical firms have responded to the challenges of the HIV/AIDS pandemic. Rarieya (2001) studied the social responses of pharmaceutical firms to the HIV/AIDS pandemic. Maina (2004) did a survey of the business challenges of private hospitals in Nairobi to the HIV/AIDS pandemic.

None of these studies looked at the strategic responses to the HIV/AIDS pandemic in the private sector by the Kenya HIV/AIDS Business Council member firms. While the other studies are industry specific, this study is unique in that it studies firms from different industries in the private sector to come up with the pattern of the multi-industry response to the HIV/AIDS pandemic. The Kenya HIV/AIDS Business Council member firms have put comprehensive interventions in place to respond to the HIV/AIDS pandemic, no documentation on what these firms are doing has been done. This study will establish and

document the strategic responses the HIV/AIDS Business Council member firms have put in place to address the pandemic.

This research would be of value to managers of private firms and other partners, that is, the NGO's and the public sector , in coming up with strategic responses to the HIV/AIDS pandemic, in order to effectively come up with interventions and programs to combat the scourge.

### **1.3 Objective**

The objective of the study is to establish the strategic responses that the HIV/AIDS Business Council member firms have put in place to address the HIV/AIDS pandemic.

### **1.4 Importance of the Study**

It is expected that the findings of this study will be important to the following – First, HIV/AIDS Business council will use the findings of this study to evaluate itself and forge forward with its new strategies and also as a means of documenting the challenges faced in tackling the HIV/AIDS pandemic. Second, other partners working towards combating HIV/AIDS for example NGO's who can draw important lessons on various strategies used by the private sector in combating the pandemic. Third, to the public sector, in formulating policies which will be necessary in combating the HIV/AIDS disease. Finally to the scholars, the study will lay a foundation of understanding the strategic responses to the HIV scourge in the private sector and form a basis for further research. It will also contribute to the available literature in the Strategic Management field.

## CHAPTER TWO: LITERATURE REVIEW

### 2.1 Environment and Strategy

Johnson (2004) defines strategy as the direction and scope of an organization over the long term, which achieves advantage for the organization through its configuration of resources within a changing environment and to fulfill stakeholder expectations. Strategy can also be defined as the pattern or plan that integrates an organization's major goals, policies, and action into a cohesive whole. A well-formulated strategy helps to marshal and allocate an organization's resources into unique and viable posture based on its relative internal competencies and shortcomings, anticipated changes in the environment, and contingent moves by intelligent opponents (Mintzberg, 1991). Since by definition the formulation of strategy is performed with the future in mind, executives who take part in strategic planning process must be aware of those aspects of their company's environment especially susceptible to the kind of change that will affect their company's future.

According to Porter (1985), companies that focus myopically on improving organizational effectiveness jeopardize long-term success when they fail to develop sustainable strategy. He states that the essence of strategy is choosing to perform activities differently than rivals do and that companies must consider strategic positioning and strategic fit when crafting strategies.

Strategy can be seen as the matching of resources and activities of an organization to the environment in which it operates. This is known as the search for strategic fit, which is developing strategy by identifying opportunities in the business environment and adapting resources and competences so as to take advantage of these. Two models have been developed based on the fit framework, the competitive forces model and the strategic conflict model. Porter (1980) advanced the competitive forces model, whose basis is the need to align the organization to its environment, a key aspect of which is the industry in which it operates.

Shapiro (1989) popularized the strategic conflict model, which advances the view that a firm can achieved increased profits by influencing the behaviour and actions of its rivals therefore in effect manipulate the market environment. The superiority of a firm largely depends on its ability to outwit its rivals

Strategy can also be seen as building on or stretching an organization's resources and competences to create opportunities. The stretch framework proposes that strategy development should be based on leveraging of the resources and competences of the organization to provide competitive advantage and to yield new opportunities. Coined by Wenefolt (1984), the resource based theory advances the idea that strategy of a firm is a function of the complement of resources held by a firm. Companies have different collection of resources and competitive advantage is created when resources that are exclusively owned by the firm are applied to develop unique competencies.

## **2.2 Strategic Responses to Environmental Challenges**

Strategic management allows organizations to be efficient, but more importantly it allows them to be effective. The strategic management process results in decisions that can have significant long lasting consequences. Erroneous strategic decisions can inflict severe penalties and can be significantly exceedingly difficult if not impossible to reverse. Strategists in successful organizations take the time to formulate, implement and then evaluate strategies deliberately and systematically (David, 1997).

According to Strickland (2003), the particular business opportunities a firm has and the threats to its position that it faces are key influences on strategy. Strategy needs to be deliberately crafted to capture some or all of a firm's best growth opportunities, especially the ones that can enhance its long-term competitive position and profitability. Likewise strategy should be geared to providing a defense against external threats to the firm's well-being and future performance. For strategy to be successful, it has to be well matched to the firm's opportunities and threats. Successful strategists aim at capturing a company's best growth opportunities and creating defenses against threats to its

competitive position and future performance. Effective strategy making requires a thorough understanding of the strategic issues a company faces.

One of the toughest strategic leadership tasks is keeping the organization innovative and responsive to changing conditions. In addition to strategic responsiveness, the responsiveness of the firm's organizational capability must also be matched to the environmental turbulence. Strategic success is based on how an organization responds to the environment and its internal capability

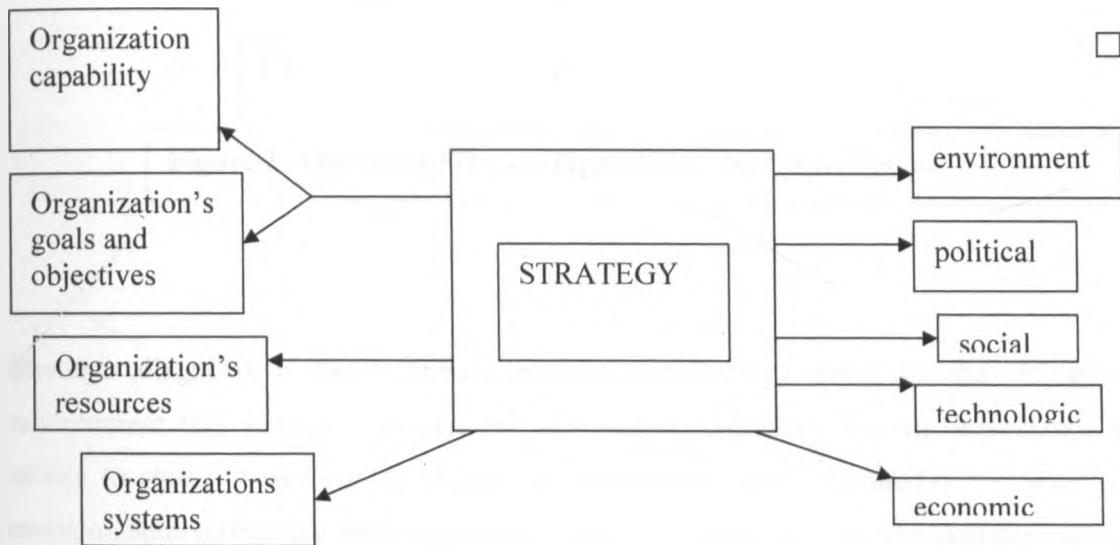
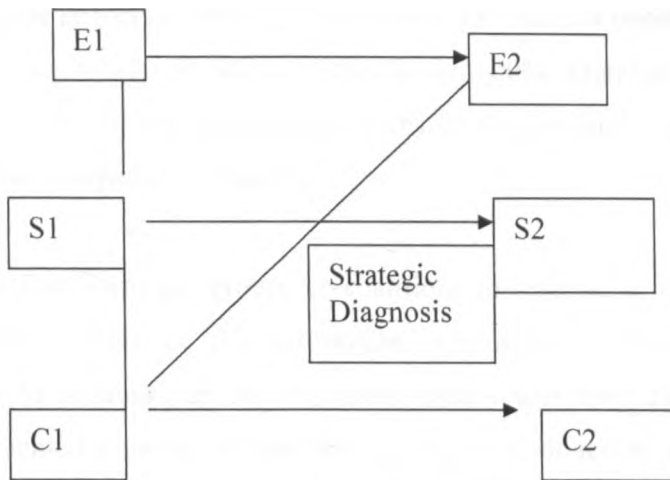


Figure 1: The Link Between the Organization and the Environment

The environment and the internal capability of a firm are always changing, organizations need to match these changes to their strategy.



**Figure 2: Managing Firms Adaptation to the Environment**

Strategic diagnosis is the systematic approach to strategy based on the changing environment (E), strategic response (S) and internal capability (I). An organization's ability to change based on the degree of changeability and predictability i.e. level of environmental turbulence determines its success. A strategic gap is established depending on the degree of change. For highly turbulent environments organizations need to utilize their resources and capabilities to establish a rapid response so as to remain successful.

Organizations need to learn and rapidly adapt their systems to fit in the environment, so as to maintain competitive advantage. The environment is dynamic; this does not mean that organization's, which operate in this dynamic environment, will remain unsuccessful. Organizations should utilize their internal capabilities and strategic responses to ensure that they remain successful (Johnsons and Scholes 2004). Real time strategic response is important since Organizations respond to events as they occur and with the rapidity that is required.

Strategic success for organizations lies in their ability to match the environmental changes to their internal capabilities. Organizations should be able to utilize the competences that they have to match the environment to ensure for success and prosperity. During the process of strategy formulation the future is uncertain, no one firm can boast of knowing what will occur in the future 100%, therefore strategic issues management is important in any organization to ensure for continuity of the firm and for the firms to maintain competitive advantage.

Organizations can form strategic groups or coalitions to respond to the environmental challenges. Strategic groups are the distribution or grouping of firms, which pursue similar responses to address the environmental forces that they face (Pitts, 2003). Coalitions are agreements among at least three actors on joint action; often some of the actors have only indirect relationships with each other. Quite diverse organizations may form a coalition around a common cause (Newman, 1989).

Strategic responsiveness can be institutionalized within a firm by creating a change-supporting environment within a firm (Ansoff, 1990). Every strategic action a company takes should be ethically acceptable (Strickland, 2003). An organization's duty to employees arises out of respect for the worth and dignity of individuals who devote their energies to the business and depend on the business for their economic well-being.

### **2.3 Operational Responses**

Responding to changing conditions is an organization wide task, particularly in large corporations. Crafting still narrower and more specific approaches and moves are aimed at supporting functional and business strategies and at achieving operating unit objectives (Strickland, 2003).

According to Ansoff (1990) operating capability is geared to support profit making, efficiency serving and change controlling behaviour. Operations management is an

important element of corporate strategy. Operations strategy aims at providing manufacturing and related processes that will give the organization competitive advantage over competition. Operations management is also defined as the contribution's ability to add value to its goods and services (Lynch, 1997).

Operational strategies are concerned with how the component parts of an organization deliver effectively the corporate and business level strategies in terms of resources, processes and people (Johnson, 2004). In most businesses, successful business strategies depend to a large extent on decisions that are taken, or activities that occur, at the corporate level. The integration of operational decisions and strategy is therefore of great importance.

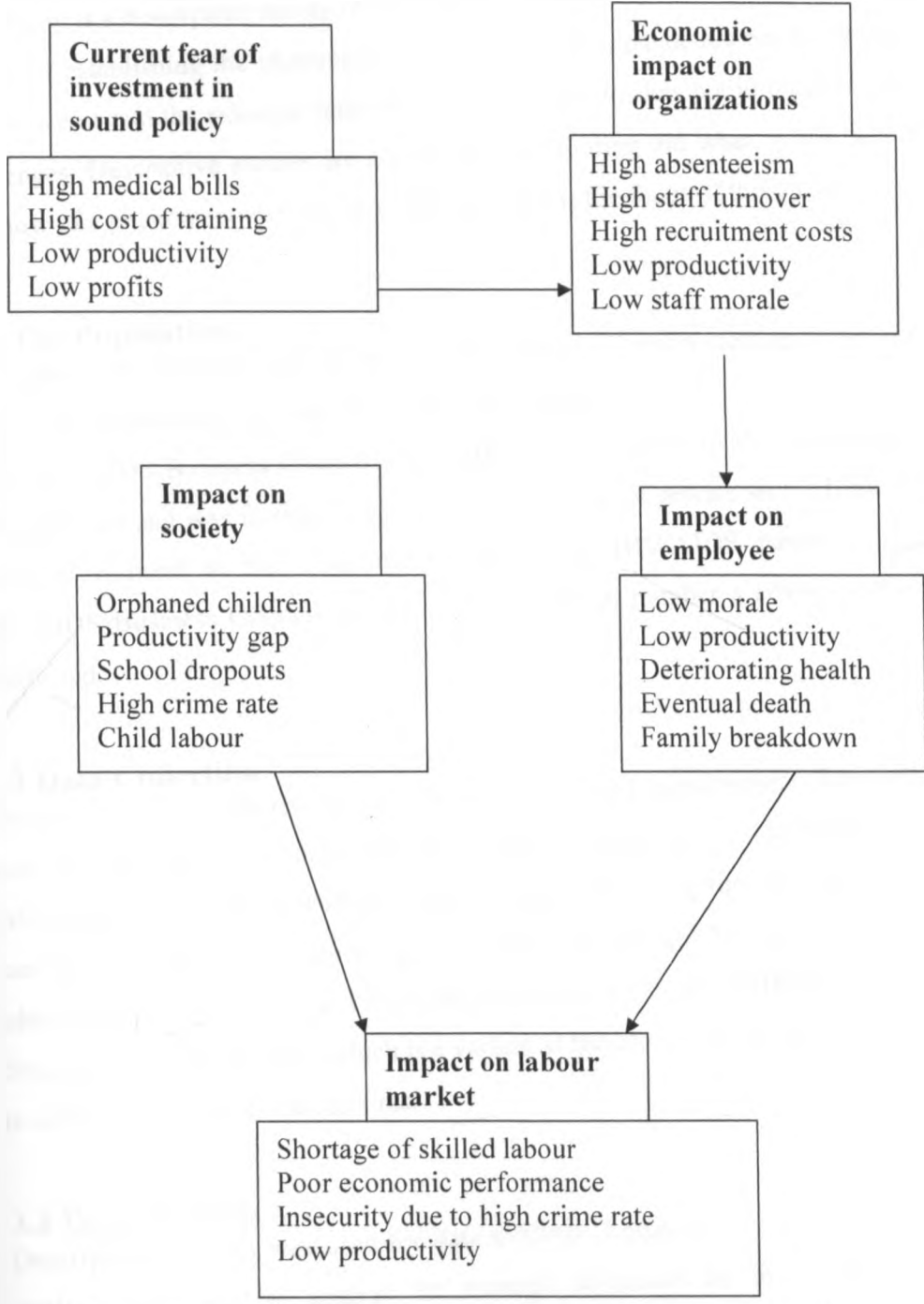
#### **2.4 HIV/AIDS Impact on Business**

HIV/AIDS remains the most pressing strategic concern of many businesses in Africa (Wainaina, 2005). The International Labour Organization (ILO) code of practice on HIV/AIDS was published in 2002. Compliance with the code is required of all employers, a stand that has been adopted by the Federation of Kenya Employers (FKE). The key principles of the code are that HIV/AIDS is a workplace issue and should be treated like any other serious illness in the workplace, non-discrimination of the infected persons, prohibition of compulsory testing of employees and maintaining high levels of confidentiality of worker's personal data.

The magnitude of the pandemic makes it imperative that all sectors of the society i.e. the public, the private, government and local communities be involved in managing the crisis (Maina, 2004). HIV/AIDS is also a general threat to the workplace and productivity and unless organizations address it in earnest, it will cost them dearly (Rau, 2002). Firms need to measure impact of HIV/AIDS on productivity to guide the type and extent of strategy implementation to protect both Human resource and business (Muraah, 2003). According to Murambi (2002), HIV/AIDS may not affect the organizations today, if no sound policies are put in place to counter its negative effects, the future for these organizations is bound to be grim, given the subsequent imbalance in the labour market.



Figure 3 gives a possible future scenario if adequate measures are not taken by organizations today.



**Figure 3: Long-term Impact of HIV on Organizations**

## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.1 Research Design**

This study is a descriptive survey of the HIV/AIDS Business Council member firms with a view of establishing the challenges that the HIV/AIDS pandemic has presented to the private sector and the strategic responses the private sector has put in place to face these challenges. Descriptive studies are concerned with finding out what, when, where, who and how of a phenomenon (Schindler, 2003), which is the focus of this study

### **3.2 The Population**

The population of interest was the HIV/AIDS Business Council member firms using the registered membership list as at 27/07/2005 (see appendix 2).

The HIV/AIDS Business Council will be used since it has actively campaigned against the pandemic and was formed as a result of a coalition of private sector firms who were ready to respond to the challenge posed by the HIV/AIDS pandemic. Since the HIV/AIDS Business Council member firms are 65 in number a census survey will be conducted.

### **3.3 Data Collection**

Primary data was collected by use of a semi-structured questionnaire. The questionnaire was divided into two parts. Part A contained questions to determine the general information of the firms. Part B contained questions to capture the strategic responses that the firms had put in place to fight the pandemic. The questionnaires were administered to the CEO's and Managing directors of the various firms. E-mail and the drop and pick later method, which is a variant of the conventional mail survey were used in administering the questionnaires.

### **3.4 Data Analysis**

Descriptive statistics was used for data analysis. Percentages, mean scores and content analysis were used to analyze the strategic responses by the firms to address the challenges presented by the HIV/AIDS scourge, which is the objective of the study.

## **CHAPTER FOUR: DATA ANALYSIS AND FINDINGS**

### **4.0 Introduction**

This chapter presents the data analysis and the findings of the study. The general demographic information is presented first followed by the analysis and findings on the strategic responses the organizations have developed in response to the HIV/AIDS pandemic.

### **4.1 General Information**

The questionnaires were administered to 65 Kenya HIV/AIDS Business Council member firms. 34 organizations responded, which translates to 52.3% response rate. The respondents were 63.3%, Human resource managers 16% HIV/AIDS coordinators, 6% Administrators 5% peer educators 3.7% customer advisors, others included; production supervisor, managing director, medical officers and welfare benefit administrator.

This was satisfactory because the responses given showed an overall guidance of the top management of the organizations and therefore represented the strategic management views.

#### **4.1.1 Organizational Size**

Being a study of a pandemic disease that affects a large number of people, it was of value to assess the size of the organizations; this was determined by analyzing the number of employees and the firm's approximate annual turnover.

##### **a) Number of Employees**

The respondents were asked to state their organization's staff capacity. The questionnaire categorized the number of employees into three classes.

**Table 4.1: Number of employees**

Class	Frequency	Percentage
0-50	2	5.8
51-200	5	14.7
200 and above	27	79.5
Total	34	100%

As Table 4.1 shows, majority of the organizations interviewed had over 200 employees, which translated to 79.5 percent of the total number of organizations interviewed. This shows that most of the organizations interviewed were large organizations. Organizations that had less than 50 employees were classified as small organizations, which made up 5.8% of the interviewed organizations. Organizations with employees not more than 200 but with at least 50 employees were classified as medium sized organizations. In this study, only 14.7% of the organizations studied were medium sized.

#### **b) Approximate Turnover**

The organizations were asked to state their approximate annual turnover; this was also to be used in determining the size of the organization. However it was not possible to do so since most organizations did not disclose their approximate turnover. Also some responded by disclosing their turnover in weight units while others did so in monetary terms making it impossible to deliver comparative statistics.

#### **4.1.2 Industrial Characteristics**

This part deals with analyzing the characteristics of interviewed private sector firms. It covers the type of industry, ownership of the firms and the year of organization's establishment.

##### **a) Type of Industry**

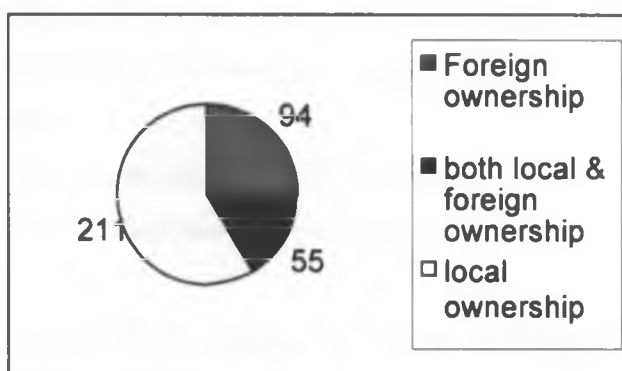
The respondents were asked to disclose the type of industry in which their organizations fall in. This would capture the multi-industry response to the HIV/AIDS pandemic. The questionnaire suggested different types of industries. 21.2% of the organizations interviewed were in the banking industry. Food and beverages contributed 15.2%. The automobile and petroleum

industries each had 11.4%. The others were from the textile, tobacco, packaging manufacturing extensions services and educational institutions.

Out of all the organizations interviewed, none were in the insurance, dairy, consultancy and Telecommunications industries.

### b) Ownership of Organization

Ownership of the organization was classified as local, foreign and both local and foreign as shown in the Figure 4 below:



**Figure 4: Ownership of Organizations**

Local firms were found to be the majority with 21<sup>0</sup> While foreign owned firms followed by 94<sup>0</sup> whereas those with dual ownership were 55<sup>0</sup> forming the minority of the interviewed firms.

## 4.2 Strategic Responses to the HIV/AIDS Pandemic

This study had one major objective which was to establish the strategic responses that the Kenya HIV/AIDS Business Council member firms have put in place to address the HIV/AIDS pandemic. The questions were asked in different forms multiple-choice questions, open ended questions and likert scale questions.

### 4.2.1 Workplace HIV / AIDS Programmes

It was necessary to find out whether organizations have a work place HIV/AIDS programme so as to assess the organizations' commitment to fighting the pandemic. The respondents were asked to state whether they have a workplace HIV/AIDS programme in place. The results are shown in Table 4.2.

**Table 4.2: Workplace HIV/AIDS Programme**

Response	Frequency	Percentage
Yes	28	85
No	5	15
Total	33	100%

The findings in Table 4.2 above show that the most popular response by the firms was that they have a workplace HIV / AIDS programme in place. This is represented by 85% of the firms interviewed. However about 15% of the firms interviewed indicated that they do not have a workplace HIV/AIDS programme. The reasons they gave were;

- a) Lack of awareness
- b) The firm did not have many cases of HIV infection
- c) Lack of staff to write a comprehensive programme.

The questionnaire also required the respondents to disclose the year in which these programmes were established if at all they existed 70% of the firms interviewed indicated that their HIV/AIDS programme was established recently (2001 – to date). This shows an increase in awareness as compared to late 1990's when only few firms had this programme in place (30%) of the firms interviewed.

#### **4.2.2 Factors that Influenced the Establishment of the Workplace HIV / AIDS Programme**

There were many factors that were identified in the study as having influenced the establishment of HIV/AIDS programmes. The respondents were asked to state the extent to which the factors influenced the establishment of workplace programme. The results are shown in Table 4.3 below:

**Table 4.3: Factors Influencing Establishment of HIV/ AIDS Programmes**

<b>Factor</b>	<b>Mean score</b>	<b>Standard Deviation</b>
Mother company's request	3.16	1.9
Own initiative	3.8	1.4
High prevalence rate of HIV /infection	2.96	1.14
Corporate social responsibility	3.28	1.13
Outside pressure (Government, clients)	3.04	1.59

Table 4.3 shows that the firm's own initiative had the greatest influence (with a mean score of 3.8) in the starting of the HIV/AIDS workplace program while the high prevalence rate of HIV infection in the firms had the least influence with a mean score of 2.96. However the other factors still had some amount of influence on the formation of the HIV/AIDS workplace programmes as can be seen from the mean scores of around 3.

#### **4.2.2.1 Activities Included in the Workplace HIV/AIDS Programme**

Most organizations had a workplace HIV/AIDS programme it was therefore essential to determine what activities the programmes were involved in. The questionnaire suggested 7 activities. Respondents were required to indicate the activities carried out by the programme. The results are shown in the following Table 4.4.

**Table 4.4: Workplace Programme Activities**

Activity	Frequency	Percentage %	Cumulative percentage
a) Voluntary counseling & testing	21	14.4	14.4
b) Peer education	17	11.6	26.0
c) Behaviour change communication	23	15.8	41.8
d) Condom dispensing	24	1.4	58.2
e) Awareness campaign	25	17.1	75.3
f) Care and support for the infected	21	14.4	89.7
g) Community outreach program	15	10.3	100

There was normal distribution of the activities carried out since the range was from 10% to 17%. The study established that the workplace HIV/AIDS programme encompassed all the listed activities. Other activities carried out by the workplace HIV/AIDS programmes, not listed in the questionnaire, include.

- a) HIV in-house newsletter
- b) Home based care
- c) Organizing for a family day to increase awareness of HIV/AIDS in the organization.

#### **4.2.3 HIV/AIDS Policy**

In order to determine whether the HIV/AIDS pandemic is treated as a business issue by the Kenya HIV Business Council member firms, it was important to establish whether the firms had a policy on HIV/AIDS as a strategic response to fight the pandemic. It was also key to find out the personnel involved in the formulation process, the year of formulation and guidelines if any, which were referred to during the policy formulation process.

The respondents were asked to indicate whether they have the HIV/AIDS policy in place. The results are shown in Table 4.5.



**Table 4.5: HIV/AIDS Policy**

<b>Response</b>	<b>Frequency</b>	<b>Percent</b>
Yes	22	64.7%
No	12	35.3%
Total	34	

Table 4.5 above shows that majority of the firms indicated that they have the policy in force (64.7%). 35.3% of the private firms interviewed indicated that they did not have the policy in place.

This shows that most Kenya HIV/AIDS Business Council member firms have a HIV/AIDS policy in force. However, those firms that do not have a HIV/AIDS policy in force indicated that it was due to the following reasons;

- a) Lack of awareness
- b) The policy was yet to be approved by the board of management
- c) Lack of personnel to come up with the policy.
- d) The effect of HIV/AIDS was not high in the organization hence lack of commitment.

Some indicated that the HIV/AIDS policy is in the process of formulation.

#### **4.2.3.1 Personnel Involved In Policy Formulation**

Determining the personnel involved in the process of policy formulation would help to know whether the firms realized that HIV/AIDS is a business issue and also indicates the extent of commitment that the form has to fight the scourge.

The respondents were asked to indicate the personnel involved in the formulation of the HIV/AIDS policy. The results are shown in Table 4.6.

**Table 4.6: Personnel Involved In Policy Formulation**

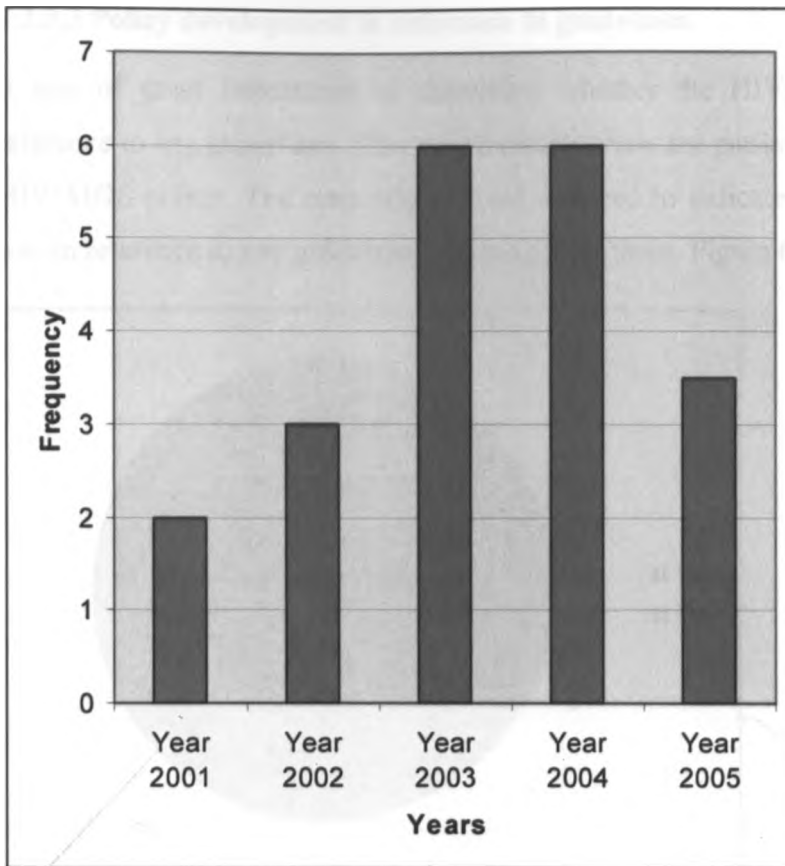
<b>Response</b>	<b>Frequency</b>	<b>Percent</b>
a) Top management	28	82.3
b) Consultants	9	26.5
c) Representative of employees at all levels	13	38.3
d) Others	2	5.8

According to Table 4.6 out of the interviewed, 82.3% of the firms involved the top management in the process of policy formulation. 38.3% of the firms had representatives of employees at all levels, while 26.5% of the firms involved consultants.

This shows that in the majority of the firms, top management was involved in formulation of the HIV/AIDS policy. This shows commitment of top management in dealing with the scourge.

#### **4.2.3.2 Year of Policy Formulation**

It was necessary to determine when the HIV/AIDS policy was formulated, as this would determine the trend of awareness of the disease and intervention strategies. The respondents were asked to indicate the year when the HIV/AIDS policy was formulated. The results are shown in Figure 5 below.



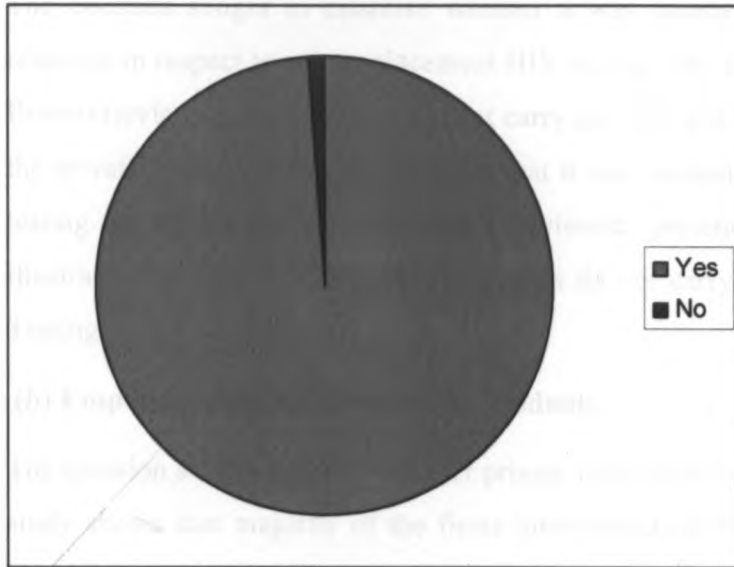
**Figure 5: Year of HIV/AIDS Policy Formulation**

According to Figure 5 out of the 22 firms which responded that they have the HIV/AIDS policy, the majority (55%) indicated that they formulated this policy between the years 2003-2004. Those which formulated the HIV/AIDS policy in the year 2005 are on an increasing trend although the year has not yet ended. It is likely that those who formulated the HIV/AIDS policy in the year 2005 will be more than the others.

This clearly shows that firms in the private sector identify HIV/AIDS as a business issue and are willing to fight the pandemic and therefore trend of formulating HIV/AIDS policies is on the increase.

#### 4.2.3.3 Policy development in reference to guidelines

It was of great importance to determine whether the HIV/AIDS policy was developed in reference to any guidelines. This would clearly show the parties that influence the formulation of HIV/AIDS policy. The respondents were required to indicate whether the policy development was in reference to any guidelines and to specify them. Figure 6 below shows the results.



**Figure 6: Policy Development in Reference to Guidelines**

According to Figure 6 above those who developed the HIV/AIDS policy in reference to guidelines were the majority (356.4%) while those who developed the policy not referring to any guidelines formed the minority with 3.6%.

The study went further to determine which guidelines were used to develop the HIV/AIDS policy. This was to show the parties that influence the process of policy formation in regard to HIV/AIDS. The respondents who had a HIV/AIDS policy were required to disclose the guidelines used in policy development. 78% of the firm that developed their HIV/AIDS policy in reference to guidelines showed their source as the Federation of Kenya Employers guidelines. Only 22% of the firm interviewed had utilized the International Labor Organization's guidelines. This shows that majority of the firms develop their HIV/AIDS policy in reference to guidelines and the major source of these guidelines is from the Federation of Kenya employers.

#### **4.2.3.4 Policy Issues**

In addition, to establishing HIV/AIDS policy, it was of great importance to determine the issues addressed by the policy. Different issues were indicated in the questionnaire for the respondents to disclose what their firms do when faced by the particular circumstances.

##### **(a) Mandatory pre-employment HIV testing**

The question sought to establish whether it was mandatory to test, not to test or any other response in respect to pre-employment HIV testing. The study established that out of the private firms interviewed, 81% of them did not carry out HIV test before employment. However, 15% of the private firms interviewed indicated that it was mandatory to carry out pre-employment HIV testing. In 4% of the private firms interviewed, pre-employment HIV test is optional. This illustrates that majority of the private firms do not carry out mandatory pre-employment HIV Testing.

##### **(b) Employment of HIV Positive Individuals**

The question sought to know whether private firms employ known HIV positive individuals. The study shows that majority of the firms interviewed (82%) indicated that they do employ HIV positive individuals. 18% of the firms interviewed indicated that they do not have such a policy since they do not carry out mandatory pre-employment HIV testing.

None of the organization interviewed discriminate potential employees due to their HIV status.

##### **(c) Treatment of HIV positive individuals with antiretroviral agents**

The questions sought to know whether the firms have a policy of treating HIV positive individuals with ARV. The study shows that out of the interviewed firms, majority (88%) treats HIV positive individuals with ARVs. However, 12% of the private firms do not.

##### **(d) Periodic HIV testing of employees**

The questions sought to determine whether the private sector firms carry out periodic HIV testing of employees. The study revealed that majority (78%) of the firms does not do so. However 18% of the firms interviewed on this policy do carry out periodic HIV testing of employees for insurance purposes. The other 4% indicated that it was optional for the employee to do the test.

**(e) Treatment, care and support for the dependant.**

The respondents were required to disclose whether they cater for the dependants or not. The study revealed that majority (72%) of the firms interviewed do offer care, support and treatment to the dependant. However, 16% of these firms do not cater. The other firms (4%) indicated that this policy is being worked on.

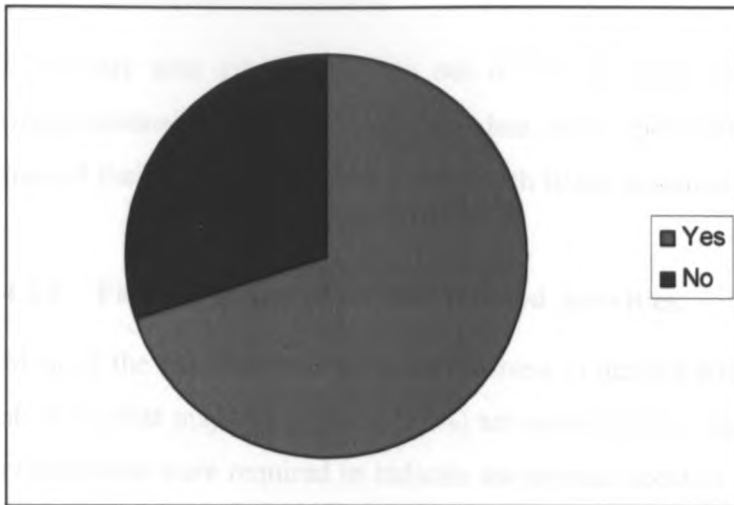
**4.2.3.5 Treatment of HIV People within the Organization**

The study sought to know whether the HIV positive employees are discriminated on or not. The study revealed that majority of the firms interviewed (97%) treat the HIV positive employees within the organization in the same way as those not infected. However, 3% of the private firm indicated that there is discrimination against the HIV positive employees. However, none of these disclosed the reasons.

**4.2.3.6 Communication of HIV AIDS Policy to all Employees**

It was of great importance to determine whether the HIV/AIDS policy had been communicated to all employees. The respondents were asked to indicate whether the policy was communicated to all employees.

Figure 7 below shows the results.



**Figure 7: Communication of the HIV/AIDS Policy**

The study shows that the majority of the firms (252<sup>0</sup>) have communicated the HIV/AIDS policy to all employees.

#### **4.2.4 Organizational Structure**

One way of combating the HIV/AIDS pandemic is through the establishment of a human resource structure that caters for HIV/AIDS issues in the workplace. Establishment of this structure will indicate changes that have been put in place to respond to HIV/AIDS. The study sought to establish whether there has been establishment of such a human resource structure in response to the HIV/AIDS pandemic. The study showed that majority of the private firms interviewed (76%) have established an organizational structure in this respect but 24% had not set up a structure to deal with the scourge.

Those that had put changes to the organizational structure in respect to HIV/AIDS had initiated the following changes:

- Introduction of medical personnel
- Established a committee to deal with the issue
- Trained peer educators

- HIV/AIDS Coordinator

The study also established that out of all the firms that had put in place changes to the organizational structure to accommodate issues pertaining to HIV/AIDS, 93% of them had trained their personnel on how to deal with issues pertaining to HIV/AIDS at the workplace.

#### 4.2.5 Funding of the HIV/AIDS Related Activities.

Most of the firms demonstrated seriousness in dealing with the matter. This was established by showing that majority of them (79%) set aside funds to deal with the HIV/AIDS pandemic. The respondents were required to indicate the amount spent in fighting the HIV/AIDS scourge in the year 2004. The results are shown in the Table 4.7 below

**Table 4.7: Funding for HIV/AIDS related activities**

Class Kshs Million	Frequency	Percentage
Less than 1M	8	36
1M – 10M	9	40
Over 10M	5	24

As Table 4.7 above shows, 24% of the firms spent over 10 million in HIV related activities in the year 2004 while 36% of the firms spent less than 1 million in fighting the scourge during the same year.

#### 4.2.6 Extent to which the Responses meet the Firm's Objectives

HIV/AIDS is a disease that requires a multidimensional approach in tackling it. Organizations have developed different strategies to address the challenges posed by the HIV/AIDS pandemic.

These strategies are:

- Peer education
- Behaviour change communication
- HIV/AIDS policy



- d) Provision of health care to the infected
- e) Community outreach programs
- f) Condom distribution
- g) Voluntary counseling and testing

The question sought to know to what extent each of the above strategy has addressed the challenges posed by the HIV/AIDS pandemic. Respondents were asked to rate the above strategies using a five-point scale ranging from a very great extent to not all based on whether the responses met the respondents' objectives. Table 4.8 below shows the results of the study.

**Table 4.8: Extent to which the Responses Meet the Firm's Objectives**

Strategy	Mean score	Standard Deviation
a) Peer education programme	1.73	2.0
b) Behaviour change communication	2.67	1.12
c) HIV/AIDS policy	3.16	1.3
d) Provision of health care to the infected	3.03	1.32
e) Community outreach program	2.73	1.34
f) Condom distribution	3.5	1.2
g) Voluntary counseling and test (VCT)	3.73	1.3

Table 4.8 above shows that Voluntary counseling and testing had the best effect in meeting the firm's objectives in the fight against HIV/AIDS as it had a mean score of 3.73 while the peer education programme had a mean score of 1.73 implying that it has the least effect in meeting the firms' objectives in fighting the scourge. This could be due to the fact that it is a new concept, which the firms are trying out, and the effects are yet to be fully demonstrated.

#### **4.2.7 Constraints Faced by the Organizations in Dealing with the Pandemic**

It was necessary to assess the level of difficulties faced by the firms in dealing with the HIV/AIDS pandemic. The respondents were asked to state these difficulties. The question had identified four main constraints namely; time, finances, workers commitment and stigma. Majority of the organizations (40%) face financial problems. Those with lack of workers' commitment were 29% out of those interviewed. 27% of the organizations interviewed claim that they lack adequate time and 32% of the organizations interviewed indicated stigma as a problem.

Other constraints mentioned were as follows;

- a) Employees fear disclosing their status
- b) Lack of technical capacity
- c) Lack of top management commitment.

## CHAPTER FIVE: CONCLUSIONS

### 5.0 Introduction

In this chapter a summary of results is presented, discussed and conclusions drawn. Limitations of this study, recommendations for further research, policy and practice are also provided.

### 5.1 Summary, Discussions and Conclusions

In this section the results are summarized, discussed and conclusions drawn. The sole objective of the study was to establish the strategic responses that the Kenya HIV/AIDS Business Council member firms have put in place to address the HIV/AIDS pandemic. The Kenya HIV/AIDS Business Council member firms are composed mainly of private sector firms and the study identified the strategies that these firms have developed to fight the HIV/AIDS pandemic in the workplace.

The study recalled that the HIV / AIDS pandemic posed many business challenges to private firms. The challenges pose a risk in terms of the financial and the human resources of the organizations. HIV and AIDS is a chronic illness that requires frequent follow up not only to the infected but also to the affected e.g. the dependants of the HIV infected individuals. The employees are principal resources of the organizations. It was therefore important to study the workplace programmes, policies and commitment that the organizations have put in place to combat the scourge.

Majority of the firms (79%) set aside funds to deal with the HIV/AIDS pandemic with 40% of the firms spending in between Ksh1million to 10million in the year 2004. This means that the firms identified HIV/AIDS as a business issue and they decided to tackle these challenge by availing funds from their budget to deal with HIV related activities. The study revealed that 93% of the organizations interviewed had put trained personnel in charge of issues pertaining to the HIV / AIDS pandemic.

64.7% of the firms had a HIV/AIDS policy in place this shows that the firms want to clearly stipulate their responses to the HIV pandemic. Furthermore, most organizations would like to know their employees HIV/AIDS status for purposes of providing them with care, support and

treatment and not for discriminatory practices as 97% of the firms interviewed do not discriminate based on ones HIV status but instead 72% of the firms provide treatment to the HIV infected employees with antiretroviral drugs.

The most popular response by the organizations to the HIV / AIDS pandemic was to have a workplace HIV / AIDS programme (85%). This was seen as a strategic approach. In order to be effective these programmes are implemented through formulating appropriate HIV/AIDS policies (64.7%), establishing a human resource structure, which accommodates issues pertaining to HIV/AIDS and formulating strategies to address the challenges posed by the HIV/AIDS pandemic. This really helped in fighting stigma and discrimination of the HIV positive employees in the organizations.

## **5.2 Limitations of the Study**

The study was limited to the Kenya HIV/AIDS Business Council Member firms inclusion of other firms in the private sector and from other sectors for instance the public sector, may have enriched the study and its findings but it was not possible to include them as this would have resulted in a different group of study units. It was also not possible to include many small business enterprises as the Kenya HIV Business Council deals mainly with large firms in the private sector, this however would have enriched the study and would have enabled comparisons between large, medium and small enterprises.

## **5.3 Recommendations for Further Research**

The study could cover other private sector firms that are also hard hit by the pandemic. This can then be compared to the Kenya HIV/AIDS Business Council member firms to see how different or similar the responses are.

The responses adopted by the firms to tackle the challenges posed by HIV/AIDS on their businesses are good but have not been observed for a long time to determine their success. Therefore more research can be done with time to measure the success of the responses adopted today by the firms in fighting the pandemic.

The pandemic affects all sectors of the economy. The research focused on the private sector firms only and did not look into other sectors. The scourge requires a multifaceted approach to bring it under control further research can be conducted on other sectors to find out how the pandemic has affected their day to day business and how they have responded to it as well as measure the success of these responses.

#### **5.4 Recommendations for Policy and Practices**

The study concluded that the Kenya HIV/AIDS member firms have identified HIV as a business issue and have come up with programmes and policies to deal with the HIV/AIDS pandemic in the workplace. However the organizations need to continue with the fight against the scourge so as to combat further spread of the disease. The researcher therefore recommends that the organizations need to keep re-launching the workplace HIV/AIDS programmes so as to avoid burn out amongst the employees and maintain their worker's commitment in fighting the scourge. The policies put in place need to be updated with time, for example, with the availability of ARVs at access prices the companies can afford to offer treatment to the infected and pre-employment and periodic testing of employees should be encouraged but with an aim of offering treatment to those infected with the Human Immunodeficiency Virus and not as a basis for discrimination.. This would ensure that the organizations have a healthy workforce and high productivity is maintained which ensures for continued prosperity and success of the firms.

## REFERENCES

- Aczel, A.D. (1999). Complete Business Statistics. Fourth Edition, Irwin McGraw-hill
- Ansoff, A. I. and McDonnell, E. J. (1990). Implementing Strategic Management.  
Second Edition, Prentice Hall
- Central Bureau of Statistics, 2000, Economic Survey. Ministry Of Planning P. 43
- Chao, V. W. (2004). Trickle up Kenya: HIV and Business Training Manual. Betty press
- Cooper, D. R. and Schindler, P.S. (2003). Business Research Methods. 8<sup>th</sup> Edition,  
Tata McGraw-Hill Edition
- Coulter, M. and Robbins, S.P. (2002). Management. 5<sup>th</sup> Edition, Prentice-Hall of India
- David, F. R. (1997). Strategic Management. Sixth Edition, Prentice Hall International, Inc
- Elcas, T 1991, the Relationship Between Circumcision And His Infection In  
African Population. Population Association of Kenya.
- Family Health International (FHI), (2001). Strategies to an Expanded and  
Comprehensive Response (ECR) to a National HIV/AIDS Epidemic. Sponsored  
by USAID
- Federation of Kenyan Employers (FKE), (2004). Facilitators training manual:  
HIV/AIDS workplace – based awareness and education. First Edition, sponsored  
by UNDP/NACC
- International Labour Organization (1997). ILO code of practice on HIV/AIDS and  
the World of Work. Geneva

International Planned Parenthood Federation Africa Region(IPPFA), (2004).

Africa Link. Camerapix Publishers International

Jarabi O 2003, A Pe- Examination Of The ABC Approach In Tackling HIV / AIDS.

A Case of Nakuru District, Kenya.

Johnson, G. and Scholes, K. (2004). Exploring corporate strategy. Sixth

Edition, Prentice-Hall of India

Kenya Demographic Health Survey, (2004)

Lynch, R. (1997). Corporate Strategy. Pitman publishing (p 96)

Maina S. (2004). A survey of the business challenges of private hospitals in Nairobi

to HIV/AIDS pandemic. Unpublished MBA project, University of Nairobi

Mathew, Et Al, 1994 Business Response To HIV / AIDS Informal Sector Workplace.

A Needs Assessment Study, "Socio – Economic Impact Of AIDS.

Merck, Sharp & Dohme, (2005). The role of anti-retroviral therapy in the management  
of HIV/AIDS at the workplace for health professionals. The Journal of

Infectious Diseases.Vol. 191.825-829

Mintzberg, H. and Quinn, B.J. (1991). The Strategy Process: Concepts, contexts,

cases. 2<sup>nd</sup> Edition, Prentice-Hall International, Inc. (p 47-49)

Muraah, M. M. (2003). A survey of strategic responses by Kenyan pharmaceutical

firms to the challenges of the HIV/AIDS pandemic. Unpublished MBA

project, University of Nairobi

Murambi A. (2002). Human resource policy response to the HIV/AIDS pandemic:

- A Survey of Insurance Firms in Kenya. Unpublished MBA project, University of Nairobi
- Nascop, (2004). National Antiretroviral Therapy Training Program presentation
- Newman, W. H. and Logan, W. H. H. (1989). Strategy. A Multilevel, Integrative Approach. South – West publishing company
- Noordwijk, (2003). Report of the expert meeting, published by The Global Business Coalition on HIV/AIDS
- Pearce II, J.A. and Robinson JR, R. B. (2002). Strategic Management: Strategy formulation and implementation, 3<sup>rd</sup> Edition, A.I.T.B.S. ( India)
- Pitts, A. R. and Lei, D. (2003). Strategic Management: Building and sustaining competitive advantage. 3<sup>rd</sup> Edition, Vikas Publishing House
- Porter, M.E. (1985). Competitive Advantage. The Free Press.
- Rapid Assessment, Analysis and Action Planning Process (RAAAPP) for Orphans and Other Children made Vulnerable by HIV/AIDS (2004). Report prepared for Ministry of Home Affairs
- Rarieya, G. (2003). A survey of social responsiveness of pharmaceutical firms to the HIV/AIDS pandemic: A case of selected firms in Nairobi. Unpublished MBA project, University of Nairobi
- Ryder , T And Melbye, B, 1990 Operations Research In HIV / AIDS. Horizon Report.
- Thompson, A.A. and Strickland, A.J, (2003). Strategic management: Concepts and cases. Tata McGraw-Hill. 13<sup>th</sup> Edition



Thompson, A.A. Strickland, A.J, and Kramer, T.R. (1998). Readings in Strategic Management. 10<sup>th</sup> Edition, Irwin/Mc Graw-Hill

Tole J. M. (2001). The BAT Kenya Experience with ARV Therapy. Strategies Health Kenya Ltd. Unpublished presentation

UNAIDS Press Release 1 May 2000, AIDS Devastating Health Sector In Africa.

UNAIDS Report 1998 “Social Marketing An Effective No In The Global Response To HIV / AIDS.

Unaid , 2001, Report On The Global HIV / AIDS Epidemic

USAID, (1999). The Economic Impact of AIDS in Kenya

Wainaina G. (2005). Business AIDS Watch. The Kenya HIV?AIDS Business Council

WHO,1994, The HIV/AIDS Epidemic

## APPENDIX ONE: QUESTIONNAIRE

### Part A : General information

1. Name of the Organization (Optional)

2. Position of the contact person

3. Number of employees

- 0 - 50
- 51 - 200
- 201 and over

4. Type of Industry

- |   |   |
|---|---|
| <input type="checkbox"/> Insurance      | <input type="checkbox"/> Banking                        |
| <input type="checkbox"/> Pharmaceutical | <input type="checkbox"/> Oil/ Petroleum                 |
| <input type="checkbox"/> Automobile     | <input type="checkbox"/> Consultancy                    |
| <input type="checkbox"/> Tobacco        | <input type="checkbox"/> Soft drinks & Carbonated water |
| <input type="checkbox"/> Textile        | <input type="checkbox"/> Telecommunications             |
| <input type="checkbox"/> Dairy          | <input type="checkbox"/> Baking                         |

Others (please specify)

5. Who owns the organization?

- Local
- Foreign
- Both Local and foreign

6. When was the organization established in Kenya?

7. What is the firm's approximate annual turnover?

**PART B: Strategic Responses to Address the HIV Pandemic**

8. Does your organization have a workplace HIV/AIDS programme? Yes  No

9. If your answer to question 8 above is no, please explain why the program is not in

place

10. If the answer to 8 above is yes, when was the programme started?

11. To what extent did the following factors influence the starting of the workplace programme? Use a five point rating scale to indicate the extent, where;

1 = not at all

5 = Very great extent

	1	2	3	4	5
a) Mother company's request	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Own initiative	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) High prevalence rate of HIV infection	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Corporate social responsibility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Outside pressure (Government, Clients)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

12. What activities is the HIV/AIDS workplace programme involved in

- a) Voluntary Counseling and testing
- b) Peer education
- c) Behaviour change communication

- d) Condom dispensing
- e) Awareness campaigns
- f) Care and support for the infected
- g) Community outreach programs

h) Others (please specify)

13. Does your organization have a policy on HIV/AIDS? Yes  No

14. If your answer to question 13 above is no, please explain why

15. Who was involved in the policy formulation process? (Please tick where appropriate)

- a. Top management
- b. Consultants
- c. Representatives of employees at all levels
- d. Others (please specify)

16. When was the policy formulated?

17. Was the policy developed in reference to any guidelines? Yes  No

18. If the answer to question 15 above is yes which guidelines were used?

- a. International labour Organization's guidelines
- b. Federation of Kenya Employers' guidelines

c. Others (please specify)

19. What is your organization's policy on the following issues?

a) Mandatory pre-employment HIV testing?

- To test
- Not to test

Others (please specify)

b) Employment of HIV positive individuals

- To employ
- Not to employ

Others (please specify)

c) Treatment of HIV positive individuals with antiretroviral agents?

- To treat
- Not to treat

Others (please specify)

d) Periodic HIV testing of employees?

To test  
 Not to test  
Others (please specify)

--	--

e) Treatment, care and support for the dependants?

To cater  
 Not to cater  
Others (please specify)

--	--

20. In your Organization, are the HIV infected people entitled to the same benefits, rights and opportunities to people with other life threatening illnesses? Yes  No

21. If the answer to question 20 above is no please explain why

--	--

22. Has the HIV/AIDS policy been communicated to all employees? Yes  No

23. Have you established a human resource structure in response to the HIV/AIDS pandemic? Yes  No

24. If the answer to question 23 above is yes please explain what kind of changes have been

put in place

--	--

25. If the answer to question 23 above is yes, are the people in-charge of issues pertaining to HIV/AIDS in the organization trained on HIV/AIDS? Yes  No

26. Has the firm set aside resources to deal with the HIV/AIDS pandemic? Yes  No

27. How much did the firm spend on fighting the HIV/AIDS scourge in the year 2004? \_\_\_\_\_

28. In your opinion to what extents have the strategies your organization has put in place to address the challenges posed by the HIV/AIDS pandemic met your objectives.

Use a five point rating scale as before where:-

1= not at all

5= Very great extent

	1	2	3	4	5
a) Peer education programme	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Behaviour change communication	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) HIV/AIDS policy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Provision of healthcare to the infected	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Community outreach program	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Condom distribution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) Voluntary counseling and testing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

29. What constraints is your organization facing in dealing with the pandemic?

- a. Time
- b. Finances
- c. Worker's commitment
- d. Stigma

30. What other constraints is the organization facing in fighting the pandemic?

**THANK YOU**

## **APPENDIX TWO: HIV/AIDS BUSINESS COUNCIL MEMBERS**

**Registered member firms of the Kenya HIV/AIDS Business Council as at 27 July 2005**

1. AON Minet
2. Associated Battery Manufacturers
3. Alliance Group of Hotels
4. Barclays Bank of Kenya
5. Bayer East Africa Ltd
6. Bidco Oil Refineries
7. Brooke Bond Kenya
8. Cadbury Kenya
9. Capital FM
10. Caltex
11. Commercial Bank of Africa
12. Coca cola Kisii Bottlers
13. Cooperative Bank of Kenya
14. Cooperative Insurance Company
15. DT Dobie & Co
16. Eveready Batteries
17. East African Portland Ltd.
18. Housing finance company limited
19. Gailey & Roberts
20. GlaxoSmithKline
21. Haco Industries
22. Integri Healthcare
23. Intercontinental Hotel
24. Celtel Communication
25. East African Breweries
26. Kenya Commercial Bank
27. KPMG
28. KTN
29. Magadi Soda



30. Mobil Kenya
31. Mount Kenya Bottlers
32. Nairobi Bottlers
33. Nation Media Group
34. Nestle Foods Kenya
35. Old Mutual Life Assurance
36. Ramageco Kenya Ltd.
37. Ernst & Young
38. General Motors
39. PriceWaterHouse Coopers
40. Reckitt Benkiser
41. Rift Valley Bottlers
42. Sara Lee Household & Body Care
43. Serena Hotels
44. Standard Chartered Bank
45. Total Kenya
46. Tetra Pak
47. SDV Transami
48. Safaricom Ltd
49. Securicor Service Kenya Ltd
50. Uchumi Supermarkets
51. Unga Holdings
52. Unilever Kenya
53. Unilever Tea Kenya Ltd.
54. Coca-Cola Africa
55. BAT(British American Tobacco)
56. Nairobi bottlers
57. Kameme FM.
58. Institute of Personnel Management
59. NIC Bank
60. Del Monte

61. Bata Shoe Company
62. Mantrack
63. Symphony
64. Colgate Palmolive E.A. Ltd
65. De La Rue Company and Security Print

## **APPENDIX THREE: LETTER OF INTRODUCTION**

July, 2005

Dear Respondent

### **MBA RESEARCH PROJECT**

I am an MBA student at the University of Nairobi. I am conducting a management research on the strategic responses of Kenya HIV/AIDS Business Council member firms to the HIV/AIDS pandemic. This letter is to request you to assist in filling the questionnaire, the information given is basically for academic research and not in any way meant to assess any given institution.

The information you will give and the conclusions made will be treated with strict confidence and will not under any circumstances be divulged, even where a name has been indicated it will not under any circumstances appear in the final report.

Your co-operation will be highly appreciated.

Yours truly

Helen Magutu

Student

Dr Martin Ogutu

Supervisor