

FACTORS INFLUENCING RESPONSES TO THE THREAT POSED BY  
HIV/AIDS IN KENYA: A SURVEY OF THE MOTOR VEHICLE  
INDUSTRY

FRED WASIKE

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**DECLARATION**

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

Signature:   
.....  
FRED WASIKE

Date: 31/10/05.....

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

Signature:   
.....  
PROF. P. K'OBONYO  
UNIVERSITY OF NAIROBI

Date: 31/10/05.....

## **DEDICATION**

To my wife Lilian and the children

## **ACKNOWLEDGEMENT**

I wish to thank my Supervisor Professor K'Obonyo for his guidance, advice and constructive criticism. His commitment and unwavering interest in the project facilitated its realization. I am also grateful to the following:

- my parents for believing in education.
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## **ABSTRACT**

Companies respond to the threat posed by HIV/AIDS in many different ways. Some have a one stop comprehensive education, prevention and treatment program while others have nothing in place and respond as if there is no relationship between HIV/AIDS and the business world.

This study was undertaken to establish if there are any factors which influence companies to respond the way they do to the threat posed by HIV/AIDS. Does the response depend on nature of ownership, size, HIV incidence rate, age (how long the companies have been operating in Kenya) or profitability? There already exist guidelines on dealing with HIV/AIDS at work from the Federation of Kenya Employers (FKE), the Kenya Government and the International Labour Organisation (ILO) which have been communicated to companies but which are not being adhered to by all the companies.

The study focused on factors influencing the way companies in the New Vehicle Industry in Kenya respond to the threat posed by HIV/AIDS. Data was collected using questionnaires which were completed by the Human Resources Managers of these companies. The data collected was analysed using descriptive statistics. The data analysed was presented in tables, charts and percentages.

The findings of this study revealed that the age of the company (that is how long they have been operating in Kenya), Nature of ownership, size and profitability influence the way the companies respond to the threat posed by HIV/AIDS. However, knowledge about the extent of HIV infection among staff was found to be a trigger but not an absolute factor influencing company responses to the threat posed by HIV/AIDS.

The study recommends company joint campaigns, work based voluntary counseling and testing (VCT), Establishment of HIV/AIDS solidarity funds, voluntary HIV/AIDS peer education, development of an HIV/AIDS Legal framework, support from government organizations and UN bodies and Tax exemption on HIV/AIDS expenses as a way of encouraging companies to respond appropriately to the threat posed by HIV/AIDS.

The study suggests that further research should aim at explaining why, despite the high level of awareness of HIV/AIDS, people still increasingly get infected.



## **CHAPTER ONE: INTRODUCTION**

### **1:1 Background to the Study**

#### **1.1.1 Overview of the HIV/AIDS Situation in Kenya and Company Responses**

HIV/AIDS is posing a major threat to companies in Kenya. The responses adopted by companies to deal with the threat posed by this epidemic vary from Organization to Organization (Murambi, 2002). Some organizations facing a disease that may cripple both their workforce as well as their financial ability to care for their employees' medical needs, opt to take the problem off their hands by retrenching anyone infected with the virus (The East African Standard, 7<sup>th</sup> May 2002, P.7) Many other companies subject Job applicants to pre-employment tests to determine whether they are medically fit or not and simply refuse to hire anyone who is HIV positive.

On 6<sup>th</sup> February, 2003 Kenyan companies which are members of the French Business Club (FBC) agreed to implement a policy that assures HIV positive members of their workforce access to medical care, counselling, Job security and medical status confidentiality (The Daily Nation, 22<sup>nd</sup> March 2003, P.6-8). These companies felt that the Government and the NGOs alone could not fight HIV/AIDS.

It required action from the private Sector to eliminate stigmatization and discrimination and to encourage voluntary testing, Education counselling and positive living. It had to start in the place where many adults spend most of their time – the office.

Other companies like Tetra Pak International offer their HIV positive employees Counselling and antiretroviral treatment at the company's cost (The East African 22<sup>nd</sup> to 28<sup>th</sup> July, 2002 p.4). It is hoped that this treatment will encourage more of its employees to seek Voluntary Counselling and Testing (VCT) for HIV leading to early control measures, which are necessary to check infection.

The report of the Task force on legal issues relating to HIV and AIDS (Office of the Attorney-General and National AIDS Control Council, July, 2002) recommends that no one should compel a person to undergo an HIV/AIDS test as a precondition to or for the continued enjoyment of employment, marriage or the provision of health care or Insurance cover. The report adds that discriminatory acts and policies based on HIV/AIDS condition will not be permitted at the workplace.

The report further states that no person shall be denied the freedom of abode, lodging, travel or the right to seek an elective office or access to any employment for which he is qualified or transferred, denied promotion or have his employment terminated on the grounds only of his actual, perceived or suspected HIV/AIDS status. On the whole the recommendations of the report give all the rights and freedom and seek to see an HIV/AIDS infected person treated as if he did not have the infection.

However, the HIV/AIDS prevention and control Bill, 2002 which is based on the recommendations of the Task force on legal issues relating to HIV and AIDS is yet to be presented to Parliament for enactment into Law. The result has been for Companies to adopt varying responses to the threat posed by HIV/AIDS.

### **1.1.2 The Motor Vehicle Industry in Kenya**

There are two major players in the Motor Industry in Kenya. The new vehicle franchise holders who number fourteen operating under the Kenya Motor Industry Association (KMI) and dealers in reconditioned and second hand vehicles represented by the Kenya Auto Bazaar Association.

The Motor Industry has undergone a major slump in the sale of new vehicle units following the liberalization of the economy that has resulted in massive importation of second hand and reconditioned vehicles. According to the Kenya Motor Industry Association data compilations the sale of new vehicle units has dropped from 12,000 in 1996 to 5,900 in the year 2001. The Key success factors in the Industry are management of costs (overall cost management affects the pricing and efficiency of the Company), Product and Service quality and After-Sales Service.

This Research project will focus on the factors influencing responses to the threat posed by HIV/AIDS by Companies in the Motor Vehicle Industry in Kenya. I chose the Motor Industry for study because of the ease of data collection being an employee of one of the companies in this industry. Secondly the Motor Vehicle Industry is quite representative as it has companies which are either local private, local public, multinational private, multinational public or joint venture between local and foreign investors.

## **1:2 STATEMENT OF THE PROBLEM**

Despite alarming statistics on the devastating impact of HIV/AIDS, many managers do not consider HIV/AIDS a threat to their organizations (Murambi, 2002). Such Organizations do not have any HIV/AIDS awareness programs. There is general lack of response to the threat posed by HIV/AIDS and commitment to undertaking elaborate HIV/AIDS programs. Other managers like the Chief Executive of Chilanga Cement in Zambia argue that the "Natural wastage" caused by AIDS deaths, " is allowing us to reach our manning levels" (Bloom, 2001, P.5).

Many other Managers consider HIV/AIDS a threat to their organizations (Rosen et al, 2003). These organizations have designed elaborate policies with a state-of-the-art prevention program encompassing educating employees about HIV/AIDS and how it can be avoided, distributing condoms to employees, treating other sexually transmitted diseases and providing full Counselling and testing services for employees and their families. In addition to prevention programs these Companies provide employees either directly or indirectly with free treatment for HIV/AIDS in the form of highly active antiretroviral therapy (HAART).

From the above it can be seen that responses to the threat posed by HIV/AIDS vary from company to company. The question is, what factors influence company responses to the threat posed by HIV/AIDS ?.

No systematic study has been undertaken to provide answers to this question. The proposed research is intended to fill this gap in knowledge.

## **1:3 OBJECTIVE OF THE STUDY**

To establish factors influencing company responses to the threat posed by HIV/AIDS with specific focus on companies in the Motor Vehicle Industry in Kenya.

## **1:4 IMPORTANCE OF THE STUDY**

This study is important in several ways: -

- i It will provide an explanation on why Companies respond the way they do to the threat posed by HIV/AIDS.
- ii. The Government and other parties involved in the fight against HIV/AIDS will find the research useful as it will highlight what the Companies in the motor vehicle industry in Kenya are doing with regard to HIV/AIDS.

- iii. This will guide them on the development intervention strategies for dealing with problems posed by HIV/AIDS.
- iv. The study will trigger interest in what Companies in general are doing to manage HIV/AIDS in the work place in Kenya.
- v. The study will go a long way in generating additional Literature for scholars and all those involved in the fight against HIV/AIDS.

## **CHAPTER TWO: LITERATURE REVIEW**

Before reviewing the existing Literature on the factors influencing responses to the threat posed by HIV/AIDS, It is necessary to provide an answer to this question - Why should companies be concerned about HIV/AIDS?

First, the human element of enterprise is argued to be a vital resource for strategy execution. An organization's commitment to its employees well being can aid in the profitable execution of its positioning strategies (Lee and Miller, 1999). Drucker (2002) observes that whether a company has traditional employees or temps and contracts, today's knowledge workers are not just Labour, they are Capital. And what differentiates outstanding companies is the productivity of their labour.

Secondly, HIV/AIDS is destroying the twin rationales of globalization strategy: cheap labour and fast growing markets (Rosen et al, 2003). HIV/AIDS has a devastating impact on Companies because unlike other diseases that primarily affect young children and old people, it kills young and middle aged adults in their most productive years as employees and customers. As a result, the epidemic both adds to companies labour costs and slows down growth rates in many companies.

Rosen et al (2003) have further observed that company Executives spend time coping with lower morale in their organizations and addressing the difficult legal, social and political issues that stem from the epidemic. Companies in many developing countries face considerable pressure from Governments and Non-Governmental organizations to allocate more resources to tackle HIV/AIDS and to provide Jobs and additional money for victims' families. HIV/AIDS is also reducing the demand for goods and services in developing markets. Often the HIV virus strikes the only breadwinner in the family and the family is forced to spend its meagre savings on Medical treatment for the victim and is left impoverished. In addition to creating a generation of orphans, the epidemic forces many children to drop out of school and this erodes the country's skills base. As more and more families drop out of the economy, it slows down.

When HIV/AIDS mixes with poverty, the humanitarian problem becomes an economic crisis as well. Given this threat posed by HIV/AIDS what factors influence the choice of strategic responses companies adopt to deal with the epidemic?

In a study on differences in large and small firm responses to environmental context, Dean et al (1998) found out that strategies differ from small to large firms. Smaller businesses have resources that are different from those of larger firms and rely on selective focus and flexibility as ways to compete among larger firms.

In another study on proactive corporate environmental strategy and the development of competitively valuable organizational capabilities, Sharma and Vredenberg (1998) concluded that the greater the degree to which a company adopts proactive

environmental responsiveness strategies the greater the likelihood that firm specific organizational capabilities and competitive benefits would emerge. Such perceived benefits shape the nature of strategic responses to the environment, which Companies adopt.

According to Ansoff and McDonnell (1990) the way organizations respond to environmental issues depends on the General Management's ability to respond-their propensity, competence and capacity. Managers are usually in a powerful position within organizations to influence the expectations of other stakeholders. They have access to information and channels of influence, which are not available to many other stakeholders.

Many Companies are concerned with how to protect their workforce from HIV infection and how to deal with those who are already infected. However according to the International organization of Employers (IOE, May 2002) actual initiatives taken by an employer to respond to HIV/AIDS in his/her Company, will depend on the following two key factors: -

- The HIV prevalence rate within the company and the surrounding community and
- The level of knowledge and awareness by the Management of the real and potential impacts of the pandemic.

In low-prevalence industrialized countries where workforce welfare and health-care provision are well established, and where legislation is strong, employers may not feel the need to take extended action.

In developing countries, however where the prevalence rates are high, employers experience increased pressures regarding how to deal with employees living with HIV/AIDS. Another reason why companies in developing countries are under pressure to take action is that Governments in such countries cannot do much, due to lack of resources.

In addition, prevalence rates are so high that nothing short of total social mobilization (involving businesses as key actors in Society) could fight the pandemic.

In a study on six multinational corporations based in South Africa and Botswana Rosen et al (2003) established that these corporations adopted two forms of responses: prevention programs to reduce the number of employees who will get infected and treatment programs to extend the working lives of employees who already have HIV or AIDS. Prevention and treatment were not mutually exclusive operations but two parts of a comprehensive anti HIV/AIDS strategy.

The prevention programs had four elements: Educating employees about HIV/AIDS and how it can be avoided, distributing condoms to employees, treating other sexually transmitted diseases and providing full Counselling and testing services for employees and families.

All the companies in Rosen's study had begun providing employees either directly or indirectly with free treatment for HIV/AIDS in the form of highly active antiretroviral therapy (HAART). The companies studied had three basic treatment models or approaches. Some of them offered third party health Insurance plans and eliminated or reduced the employee co-payment, others contracted Health Management organizations to manage stand alone HIV/AIDS programs while others managed the health care of their employees In-house through company clinics.

Rosen et al (2003) also state in their report that rising absenteeism and high employee turnover due to HIV/AIDS have forced local companies in Zambia and Congo to employ and train more people than usual. In these countries, managers invest in training each worker to handle two or three tasks or they hire two or three workers for every job on the expectation that at least one will die.

However despite elaborate coverage on the programs and cost of the anti HIV/AIDS strategies documented in Rosen's study the factors influencing these companies to respond to the epidemic the way they did were not explored.

According to Bloom (2001) the factors motivating a Business to take action are complex, with different businesses devoting varying proportions of their resources to actions that offer short, medium or long term payoffs. The investment in strategies to fight HIV/AIDS will therefore depend on what companies see as likely payoffs.

The corporate governance arrangements for an organization determine the minimum obligations of an organization towards its various stakeholders. Therefore a key strategic issue within organizations is the ethical stance, which is taken regarding the extent to which the organization should exceed these minimum obligations in relation to any specific stakeholder group (Johnson and Scholes, 1999). At one extreme there are organizations, which have taken the view that the only responsibility of business is the short-term interests of shareholders. Other organizations recognize the long-term benefit to the shareholder of well-managed relationships with other stakeholders. The view of the others is that stakeholder interests and expectations should be more explicitly incorporated in the Organization's purposes and strategies, and they will often go beyond the minimum obligations of corporate governance.

In Kenya, the strategic responses adopted by companies to manage HIV/AIDS at workplace follow the guidelines issued by the Federation of Kenya Employers (FKE). FKE has developed a code of conduct on HIV/AIDS in the workplace (FKE Code of conduct, 1999) whose provisions are as follows: -

- i. The protection of Human Rights and dignity of HIV infected Workers.
- ii. Avoidance of discrimination in relation to workers living with the HIV/AIDS virus.
- iii. Recognition of the scientific and epidemiological evidence that workers living with HIV do not pose a risk of transmission of the virus to co-workers through ordinary work- place contact, such as shaking hands, sharing of food utensils including tea-cups, cutlery, working tools or working in close proximity.
- iv. Application of the universal blood and body fluid precautions to protect other workers from accidental infection by their sero- Positive colleagues, where such a risk-may exist such as piercing of the skin by contaminated sharp objects, or handling contaminated Linen, where the skin is exposed of damaged and avoidance of pre-Employment screening for HIV as part of assessment of fitness to work.

Despite the existence of these policy guidelines from FKE the responses adopted by companies in Kenya differ from company to company (Murambi, 2002). In a Survey of Human Resources Policy responses to the HIV/AIDS pandemic by Insurance companies in Kenya Murambi (2002) concluded that most companies do not have any specific policies on HIV/AIDS and the Medical cover in place does not adequately cater for HIV/AIDS. The companies, which have Human Resources policies on HIV/AIDS, have adopted strategies such as voluntary HIV/AIDS tests, Counselling, Education on HIV/AIDS and distribution of Condoms and HIV/AIDS brochures.

Murambi's study focuses on the actual responses by companies to the HIV/AIDS pandemic and like Rosen's study does not endeavour to establish the factors that influence these responses.

The report of the Task force on legal issues relating to HIV and AIDS in Kenya (Office of the Attorney-General and National AIDS Control Council, July, 2002) prescribe that companies should not discriminate against people living with AIDS in the course of employment. Sero-positive staff should not be isolated and where necessary they should be transferred and given light duties in the interest of their health.

Promotions should be based on the employee's ability to perform, weighed on the same scale, to promote equality and remove discrimination.



The Kenya Government expects the private Sector and Industry to play a major role in the development of policies related to prevention of HIV/AIDS in the workplace (Ministry of Health in collaboration with the National AIDS Control Council Sept, 2001). This is in view of the realization that HIV/AIDS programs at the work place are not as extensively developed, as they should be.

The existing literature has not covered the factors influencing the strategic responses adopted by companies to the thread posed by HIV/AIDS. It is this gap that the proposed study is intended to fill.

## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.1 Population**

The target population in this research was the Companies operating in the New Vehicle Sales Motor Industry in Kenya. The Companies in this Industry are the franchise holders whose business activities include vehicle assembly, New Vehicle Sales and After Sales support- Parts and Service.

A list of these Companies (appendix 4.3) which number fourteen in total was obtained from the Kenya Motor Industry (KMI) Association, the body that validates Motor Vehicle and Accessories Dealerships in Kenya. No sampling was done as all these companies were included in the study. It was therefore a census survey.

### **3.2 Data Collection**

This study largely utilized primary data. A self administered questionnaire was used. The questionnaire consisted of both closed and open-ended questions. Responses were followed up with personal interviews. The respondents were the Human Resource/Personnel Managers of the fourteen motor vehicle companies covered by the study.

They were key respondents as they were responsible for designing the strategic responses to HIV/AIDS in their companies and were therefore expected to have an understanding of the factors that influence such responses.

### **3.3 Data Analysis**

The data was analysed using descriptive statistics and was presented in tables, charts and percentages.

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

### **4.1 INTRODUCTION**

The objective of this research project was to establish factors influencing company responses to the threat posed by HIV/AIDS with specific focus on companies in the Motor Vehicle industry in Kenya. Specifically, it sought to establish if the response is related to any of the following factors:

- (i) The age of the company (the length of time it has been operating in Kenya)
- (ii) Nature of ownership of the company (Local private, local public, multinational private, multinational public, Joint Venture between local and foreign investors)
- (iii) Size of the company
- (iv) Profitability(sales trend), and
- (v) Rate of HIV infection in the company

### **4.2 ANALYSIS**

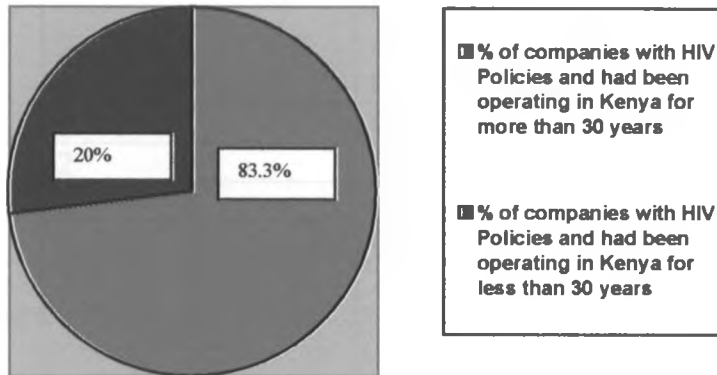
The target population was the fourteen companies operating in the new vehicle motor industry in Kenya. Three out of the fourteen companies did not take part in the survey. Due to the intensity of competition in the motor industry, the business activities of two companies had shrunk so significantly that HIV/AIDS was not of their concern and they could not therefore entertain any discussions on the subject. The third company was reluctant to participate as there was no central person handling Human Resources matters such as HIV/AIDS.

The data collected was analysed using descriptive statistics and presented in tables, charts and percentages as follows:

- (a) Age of the companies surveyed and their responses to the threat posed by HIV/AIDS.

Out of the eleven companies surveyed, six (54.5%) had been operating in Kenya for more than thirty years while five (45.5%) had been operating in Kenya for less than thirty years.

**Figure 4 a: Distribution of companies by age and HIV policies**



Five out of the six companies (83.3%) which had been operating in Kenya for more than thirty years had HIV/AIDS Policies and Education programs for creating HIV/AIDS awareness. On the other hand, only one out of the five companies (20%) which had been operating in Kenya for less than thirty years had HIV/AIDS Policies and Education programs for creating HIV/AIDS awareness.

The results presented in Figure 4(a) reveal that age is one of the factors influencing company responses to the threat posed by HIV/AIDS. Older companies(54.5%) are more likely to have comprehensive responses to HIV/AIDS than younger companies(45.5%). This is probably because older companies have a long term view of their Business investment in this country and recognize the need for corporate social responsibility by undertaking HIV/AIDS Programs.

(b) Nature of ownership of companies surveyed (Local private, local public, multinational private, multinational public, joint venture between local and foreign investors) and their responses to the threat posed by HIV/AIDS is presented in table 4(i).

Table 4 (i) : Nature of Company ownership and responses to HIV/AIDS.

Nature of ownership	No. of companies	No. of companies with HIV/AIDS Policy, Education programme and medical scheme.			%
		Policy	education	medical scheme	
Local Private	5	0	0	0	0%
Local Public	2	2	2	2	100%
Multinational private	2	2	2	2	100%
Multinational public	0	0	0	0	0%
Joint venture between local and foreign investors	2	2	2	2	100%

The above analysis presented in Table 4(i) shows that the nature of ownership of companies influences their responses to the threat posed by HIV/AIDS. Companies that are local public, multinational private and joint venture between local and foreign investors are more likely to have HIV/AIDS policies, Education and awareness programs than local private companies. This is probably because the local public companies, the multinationals and companies which have foreign investors are more endowed in terms of resources and have a higher sense of social responsibility than the local private companies. The multinationals operating in Kenya are under pressure from their overseas Head offices to implement HIV/AIDS programs locally. None of the companies surveyed was multinational public.

(c) The size of the companies surveyed and their responses to HIV/AIDS is presented in Table 4 (ii) below:-

Table 4 (ii) –Responses to HIV/AIDS by firm size

Size of Company	No. of companies	No. of companies with HIV/AIDS Policy, Education programme and medical scheme			%
		Policy	Education	Medical scheme	
Less than 100 employees	3	1	1	11	33.3%
100 – 200 employees	1	0	0	0	0
200 – 300 employees	3	2	2	2	66.7%
More than 300 employees	4	3	3	3	75%

As shown in Table 4(ii), size of the company in terms of staff numbers is one of the factors influencing company responses to HIV/AIDS. From the table above it can be seen that 75% of the companies with comprehensive HIV/AIDS Programs had more than 300 employees while 66.7% of the companies with between 200 and 300 employees had similar programs. On the other hand only 33.3% of the companies with less than 100 employees had comprehensive HIV/AIDS programs.

This is probably due to the fact that the higher the number of staff the higher the number of sexual relationships which are likely to emerge at the workplace and the increase in the threat of HIV/AIDS. The other reason is that companies with a high number of staff are either local public, multinational private or Joint Venture between local and foreign investors which as established under (b) above are more likely to have HIV/AIDS Policies, Education and awareness programs than local private companies (those with smaller staff numbers).

(d) This survey analysed the trend of the annual sales turnover of the companies over the years 2000, 2001 and 2002. Three companies did not provide their annual sales turnover figures, classifying them as confidential. The trend of the annual sales turnover of the companies covered by this survey and their responses to HIV/AIDS is presented in Table 4 (iii) below:-

Table 4(iii) - Firms' responses to HIV/AIDS by trend in annual sales turnover

Sales Turnover trend	No. of Companies	No. of companies with HIV/AIDS Policy, Education and Treatment			%
		Policy	Education	Medical Scheme	
Increasing sales turnover	5	5	5	5	100%
Reducing Sales Turnover	3	1	1	1	33.3%
Others *	3	0	0	0	0%

\* Others in Table 4 (iii) above represent the three companies which declined to give their annual sales turnover figures for confidentiality reasons.

The above analysis (Table 4 iii) shows that business growth is one of the factors influencing company responses to the threat posed by HIV/AIDS. Companies with increased sales turnover are more likely to put in place appropriate HIV/AIDS policies, education and awareness campaigns as well as treatment programs. Companies with reducing sales turnover are less likely to have the resources required to carry out work based HIV/AIDS treatment, education and awareness campaigns.

(e) Out of the eleven companies which took part in this survey, seven said they did not know the percentage of HIV infection amongst their staff. The other four companies estimated their infection rate to be 8%, 1%, 5% and 8%, respectively. Of the seven companies which did not know the percentage of HIV infection, two (28.6%) had HIV/AIDS policies, Education and Awareness Programs. The other five companies (71.4%) which did not know the percentage of HIV infection did not have any HIV/AIDS policy, education and awareness programs. All the four companies which estimated the percentage of HIV infection amongst their staff to be 8%, 1%, 5% and 8%, respectively had HIV/AIDS policies, education and awareness programs.

From this analysis it can be said that it is not absolutely necessary for a company to know the rate of HIV infection before putting in place the necessary HIV/AIDS policies, education, awareness and treatment programs. Two companies did not know the rate of HIV infection amongst its staff and yet they had formulated HIV/AIDS policies and initiated education, awareness and treatment programs. However, knowledge of the HIV infection rate is a significant factor as all the four companies which knew the percentage of HIV infection amongst their staff had put in place HIV/AIDS policies, education, awareness and treatment programs.

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

This research project was undertaken to establish if there were any factors which influenced companies to respond to the threat posed by HIV /AIDS the way they did. From the findings of this study several conclusions can be derived and recommendations made as below.

### **5.1 CONCLUSIONS**

(i) Companies which had been operating in Kenya for more than 30 years had initiated measures to control the spread of HIV among their employees. New companies had not responded appropriately to the threat posed by HIV/AIDS.

(ii) Responses to the threat posed by HIV/AIDS varied from company to company. From the analysis of the findings it can be concluded that the age of a company ( how long it has been operating in Kenya) influenced its responses to the threat posed by HIV/AIDS.

(iii) The nature of ownership of the company influenced its response to the threat posed by HIV/AIDS. Companies that are local public, multinational private and joint venture between local and foreign investors had HIV/AIDS Polices, Education and awareness programs unlike the local private companies.

(iv) The size of a company in terms of its staff number influenced its response to the threat posed by HIV/AIDS. Larger companies were more responsive than smaller companies.

(v)The other factor that influenced the way companies responded to HIV/AIDS was profitability and growth of the company. The higher the increase in sales turnover of the company, the more comprehensive the response to the threat posed by HIV/AIDS. Companies with declining sales lacked the requisite resources to put in place appropriate HIV/AIDS policies, education, awareness and treatment programs.

(vi) Knowledge about the extent of HIV infection among staff did not influence the way companies responded to HIV/AIDS. However, it was a significant trigger for HIV/AIDS campaigns.



## **5.2 RECOMMENDATIONS**

HIV/AIDS poses a major threat to all companies irrespective of their age (how long they have been operating), the nature of their ownership, (whether local private, multinational public or joint venture between local and foreign investors), size and infection rate. All companies need to formulate HIV/AIDS policies and initiate work based HIV/AIDS Education, Awareness and treatment programs. The following recommendations might help companies overcome factors hindering them from responding appropriately to the threat posed by HIV/AIDS.

- (i) Companies should consider pooling resources to undertake Joint HIV/AIDS awareness campaigns. This will help those which are doing nothing at the moment because of low profitability as they will benefit from the resources and experience of their more profitable neighbours. This pooling and sharing of resources could be extended to cover training materials and equipment.
- (ii) Companies should encourage their employees to take HIV tests. This will help them establish the rate of HIV infection and initiate appropriate responses. Achieving this requires a clear company policy against discrimination and commitment to confidentiality.
- (iii) Companies should establish HIV/AIDS solidarity funds and get their employees to make monthly contribution towards these funds. These funds can then be used to buy Antiretroviral drugs (ARVs) for any member of staff who gets infected.
- (iv) Companies should make use of voluntary HIV/AIDS Peer Educators to sensitize staff on HIV/AIDS, increase the level of awareness on HIV/AIDS thereby helping staff to avoid HIV infection. Use of voluntary HIV/AIDS Peer Educators will reduce training costs.
- (v) The Kenya Government needs to put in place a legal framework compelling companies to put in place HIV/AIDS Education, Awareness and treatment programs.
- (vi) Companies, through the Federation of Kenya Employers, should lobby the Government for tax exemption on all costs incurred on HIV/AIDS campaigns and treatment programs.
- (vii) The Kenya National AIDS Control Council (NACC), UN AIDS and other organizations involved in the fight against HIV/AIDS should give support to work based HIV/AIDS programs in order to assist those companies which have limited resources.

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Appendix 1: QUESTIONNAIRE

FACTORS INFLUENCING RESPONSES TO THE THREAT POSED BY HIV/AIDS: A SURVEY OF THE MOTOR VEHICLE INDUSTRY IN KENYA

This survey seeks to establish the factors influencing responses by Companies in the Motor Vehicle Industry in Kenya to the threat posed by HIV/AIDS. You are kindly requested to respond to all questions as honestly as possible. We will be pleased to share with you the findings of this Survey. Your responses will be kept strictly confidential and will be used only for the purposes of the study.

SECTION A : COMPANY PROFILE

1. Name \_\_\_\_\_ of \_\_\_\_\_ the Company \_\_\_\_\_
2. Year of Incorporation/establishment in Kenya \_\_\_\_\_
3. Name of respondent \_\_\_\_\_ Position \_\_\_\_\_
1. Ownership of the Company
  - (i) Local private
  - (ii). Local Public
  - (iii). Multinational Private
  - (iv). Multinational Public
  - (v). Joint venture between local and foreign investors
  - (vi) Any other (please specify) \_\_\_\_\_
5. What is the total number of staff in the Company? \_\_\_\_\_
6. What is the proportion of male to female employees?
  - a) Males \_\_\_\_\_%
  - b) Females \_\_\_\_\_%
7. What is the age distribution of these employees?
  - Less than 30 years? \_\_\_\_\_%
  - 30-40 years \_\_\_\_\_%
  - More than 40 years \_\_\_\_\_%
8. What is your Company's Annual Sales Turnover in Kenya shillings over the last three years?  
  
Year 2000 \_\_\_\_\_  
  
Year 2001 \_\_\_\_\_  
  
Year 2002 \_\_\_\_\_

**SECTION B : RESPONSES TO THE THREAT POSED BY HIV/AIDS AND FACTORS INFLUENCING THEM.**

9. Do you have an HIV/AIDS Policy? Yes/No

10. If the answer to (9) above is

a) No, please explain why \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

b) If yes, please indicate the objectives of the Policy?

- a) Avoid loss of staff to HIV/AIDS
- b) Implement Headquarters HIV/AIDS Policy
- c) Part of employee benefits scheme
- d) Staff Motivation
- e) Reduce staff expenses resulting from HIV/AIDS
- f) If any other, please specify \_\_\_\_\_

11. What prompted the Company to develop the HIV/AIDS Policy?

- a) High infection rate in the Company
- b) Increased medical expenses
- c) Loss of key staff to HIV/AIDS
- d) Demand by employees
- e) Initiative of shareholders
- f) Overseas Head Office (for Multinationals)

If any other (please specify) \_\_\_\_\_

12. Do you consider HIV/AIDS a threat to your organization? Yes/ No

13. What is the estimated rate of HIV infection (if known)? \_\_\_\_\_%

14. What happens to employees infected with HIV or suffering from AIDS?

- a) Retired on Medical grounds
- b) Given lighter or alternative duties
- c) Put on treatment
- d) If any other, please specify \_\_\_\_\_

15. What strategies has the Company adopted to prevent the spread of HIV at the work place?

- a) Pre-employment Screening? Yes/No
- b) Voluntary Counselling and Testing (VCT)? Yes/No

- c) Condom distribution? Yes/No
  - d) Peer Education Programs? Yes/No
  - e) HIV/AIDS Workshops? Yes/No
  - f) if any other(s), please specify \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

16. Is the Company providing Antiretroviral drugs for AIDS treatment? Yes/No

17. If the answer to question (16) above is Yes,

a) Does the employee being treated contribute to the treatment? Yes/No

b) Are other family members included in the treatment program? Yes/No

18. What your HIV/AIDS Budget for 2003? \_\_\_\_\_

19. What problems do you encounter in your campaign against HIV/AIDS and how do you handle them? \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

20. How do you deal with the problems outlined in item 19 above? \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

THANK YOU VERY MUCH FOR YOUR COOPERATION

## Appendix 2: Kenya Motor Industry (KMI) Association Members

1. Amazon Motors Ltd
2. Auto Prestige Motors Ltd
3. Car and General (K) Ltd
4. CMC Holdings Ltd
5. D.T Dobie and Company (K) Ltd
6. General Motors (K) Ltd
7. Hyundai Motors Kenya Ltd
8. Marshalls E.A Ltd
9. Masahariki Motors Ltd
10. Ryce Motors Ltd
11. Simba Colt Motors (K) Ltd
12. SsangYong Motors
13. Subaru Kenya
14. Toyota East Africa Ltd