

Private Sector Response to HIV/AIDS in Swaziland

Impact, Response, Vulnerability and Barriers to Implementation of workplace HIV/AIDS prevention programmes

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EXECUTIVE SUMMARY

Findings of this study reveal that the private sector in Swaziland is facing economic hardships due to the impact of HIV/AIDS. The excess morbidity and mortality are costing the private sector financially, economically and socially. There is increased loss of skilled and experienced labour. For the private sector to remain viable businesses, it is necessary and urgent to approach the epidemic with the seriousness it deserves. This includes well-elaborated prevention programmes and concerted mitigation strategies at company level, in collaboration with other businesses, Government, NGOs and the civil society.

This report presents a detailed analysis of the impact of HIV/AIDS on the private sector, by focusing on costs imposed on the private sector as a result of increased illness and deaths from AIDS. The report also discusses the Knowledge, Attitudes and Practices of businesses in the area of HIV/AIDS at the workplace. The report further analyses the company level response to the epidemic currently being pursued by the private sector, the difficulties being faced and the possible solutions that can be implemented.

Finally, the report presents policy recommendations on how to confront HIV/AIDS at the workplace, particularly in the context of the private sector and the wider Swazi community.

Findings of the study indicate that

- ❑ A prevalence of HIV/AIDS is found in most businesses in Swaziland and most of these businesses have felt the socio-economic impact of the epidemic.
- ❑ The excess morbidity and mortality due to AIDS have significantly reduced productivity, increased production costs and caused disruptions in business operations.
- ❑ The main causes of reduced productivity are increased absenteeism due to HIV/AIDS illnesses and workers taking time off to look after their sick relatives and funeral attendance and high labour turn over due to HIV/AIDS related deaths of the employees.
- ❑ The main causes of increased production costs are increased in-death benefits, medical costs, training costs and funeral costs. There has also been an increase in recruitment costs; costs due to reasonable accommodation, catering for employee families and orphans; and extended succession plans.

- ❑ There is increased loss of skills and compromised human resource planning due to excess morbidity and mortality due to HIV/AIDS.
- ❑ Swazi businesses provide a wide range of employee benefits. These include retirement schemes, death in-service benefits, burial fees, medical care, group health insurance, disability payments and on-going family support. Because of the large outlay in employee benefits, Swazi businesses are vulnerable to the economic impact of excess morbidity and mortality due to HIV/AIDS.
- ❑ Swazi businesses' response to HIV/AIDS is poor and inadequate as few businesses have well-defined policies to guide their HIV/AIDS prevention and control programmes. This is an element that increases their vulnerability to the economic impact of excess morbidity and mortality due to HIV/AIDS. Health education programmes are the only elements that are widely implemented but these are limited to employees and management. The larger enterprises are relatively ahead of the smaller enterprises in implementation of HIV workplace programmes
- ❑ Swazi businesses face certain barriers and lack information that is necessary for setting up workplace prevention programmes.
- ❑ Swazi businesses are more concerned with protecting their business operations and profitability, as opposed to welfare of employees living with HIV/AIDS and protection and safety of other employees, the community at large, and the world wide epidemic.

For the private sector to maintain commercial viability it is recommended that businesses reduce operational costs incurred by HIV/AIDS. This can be done by reducing on employees acquiring new HIV infections and providing appropriate care for those who are infected so that they stay longer in employment. This requires formulation of HIV/AIDS workplace policies to guide the response, set up human resources strategies and comprehensive prevention programmes; care strategies and disease management protocols.

To enable SMEs that lack the necessary financial and human resources to run these programmes, partnerships between large and small and medium enterprises in the fight against HIV/AIDS are recommended.

Lastly social investment and targeted prevention activities in the communities will reduce on new infections in the wider society.

1. Introduction

1.1 Swaziland

Swaziland is the smallest country in Southern Africa comprising of approximately 17,000 square kilometres. It is located in the South East of the African continent and is surrounded by South Africa and Mozambique. The population of Swaziland is estimated to be 991,725 (extrapolated from 1997 census). The country has a good road and communications infra-structure and it is possible to reach the two main cities from any part of the country within two hours. In 1997, 23% of the population lived in urban or peri-urban areas. Almost two-thirds of urban residents live in unplanned townships, where safe water, sewerage, solid waste disposal and sanitation are a problem.

Traditionally there has been a large migrant working population. Initially, men working in South African mines and returning home every few months, but in the past 20 years the immigrant labour force has increasingly been internally based on sugar, citrus and timber estates. Swaziland has a youthful population. The dependence ratio based on 1997 figures is calculated at 91.9.¹ There is an observed decrease in life expectancy from 65 years in 1991 to the current 58 years (Census data 1997).

The Federation of Swaziland Employers - the only organisation that businesses are affiliated to - has 440 businesses on its July 2000 register. Most of the businesses lie in the small to medium enterprises range, with employees ranging between one and 250. Only 34 businesses have more than 250 employees at their work sites.

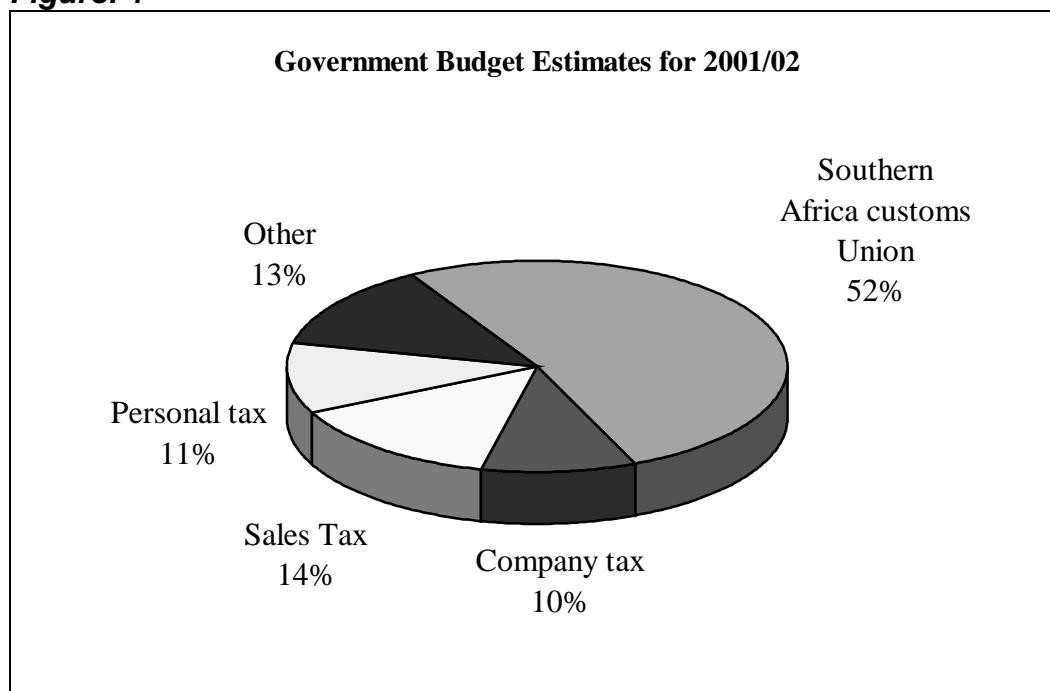
The Swazi economy relies heavily on the export sector, which is largely based on agriculture (10% of GDP), agriculturally based industries and manufacturing (48% of GDP).

Growth in private investment has subsided significantly during the past ten years, this has been followed by failure of employment growth rate to live up to the paces of economic growth and growth in labour force. According to the 2001/2002 budget speech -private sector contributes 10% of government revenue, while 52% comes from the Customs union², of which a good proportion is tax collected from raw materials imported by manufacturing industries. (see figure 1)

¹ Dependency ratio is the ratio of economically dependent population (below 15 years and above 64 years) and the economically active population (aged 15-64).

² Customs Union is an organisation of four Southern African Countries (Lesotho, South Africa, Namibia and Swaziland, where taxes for imported goods are collected by South Africa on behalf of the other three members and then distributed accordingly.

Figure: 1



Source: Times of Swaziland Friday August 17 2001 p16

1.2 HIV/AIDS in Swaziland

HIV/AIDS was first detected in Swaziland in 1986 and a National AIDS Control Programme was established in 1987. The 7th sentinel survey of 2000 puts the national HIV prevalence in ANC clients at 34.2%. Pregnant women aged 20-29 years show high levels of infection - 40%. The HIV prevalence in general population - urban areas was estimated to be 35.6% and 32.7% in rural areas.(SNAP 2000)

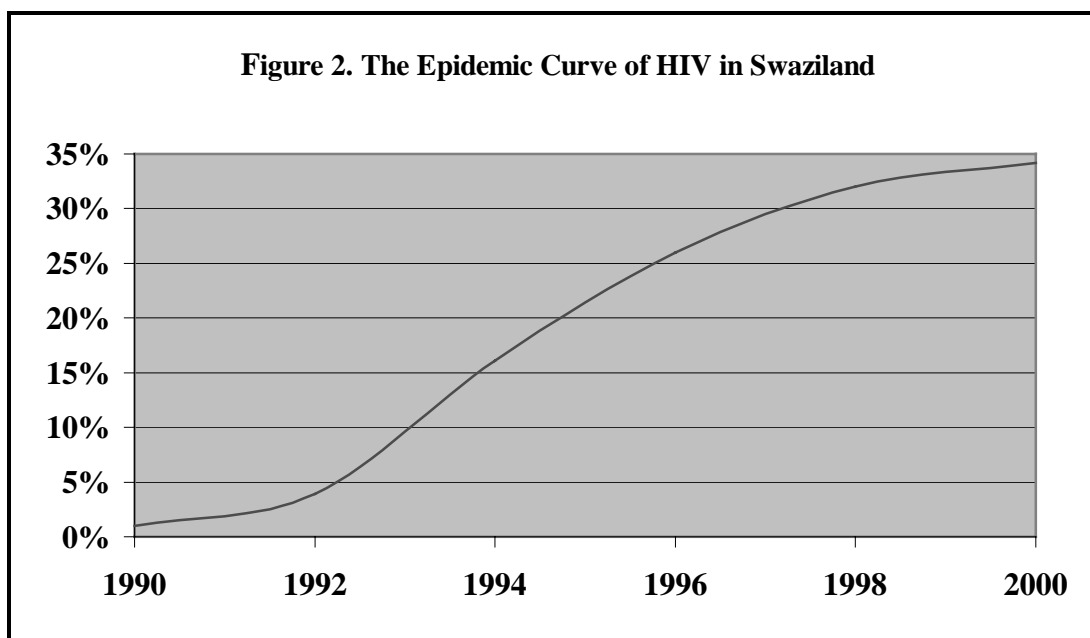
The epidemic curve of HIV in Swaziland is based on ANC data. The “pre-epidemic stage” before 1992, characterised by a flat HIV prevalence curve was followed by the “epidemic stage” during which HIV prevalence rose very quickly(1992-1998). (See Figure 2) During the endemic stage, HIV remains in the population for several years and HIV prevalence eventually stabilises at a certain level. This is not yet the case in Swaziland, and urgent preventive efforts are required to ensure that HIV prevalence drops and eventually stabilises at a lower level. Long term HIV prevalence levels in the Swazi population will mainly depend on the effectiveness of HIV/STD prevention, behavioural change, and access to treatment.

In 1998 a study was carried out to determine the HIV status of inpatients at various hospitals in Swaziland(Swaziland National AIDS/STD Programme 1998). The results summarised in Table.1 were alarming.

Table 1. HIV prevalence in hospital in-patients in Swaziland (1998)

Test Group	Category	Number Tested	Number HIV positive	% positive
Area of Residence	Urban	444	202	45.5
	Rural	636	337	53.0
Sex	Male	444	202	45.6
	Female	629	332	52.8
Ward	Medical	678	378	55.8
	Paediatric	65	29	44.6
	Surgical	271	102	37.6
Total tests		1116	552	49.5

Source: SNAP 1998

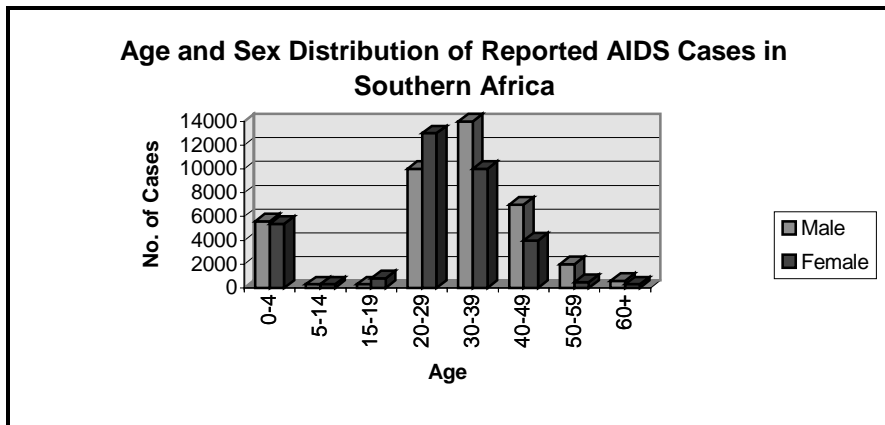


Source: SNAP 7th HIV Sentinel Sero-surveillance report 2000 p 58

2. Literature review

The epidemic primarily affects working age adults and far exceeds any other threat to the health and well being of Swazi employees(See **figure 3**). The disease destroys the immune system, leaving the person vulnerable to other infectious diseases, which are typically fatal within six to 24 months, it is believed to be much shorter in developing countries (Kitahata, Koepsell, Deyo, Maxwell, et al, 1996, pp 701-706). It is estimated that by end of 1999 there were 120,000 adults (aged 15-49) living with HIV/AIDS, 67,000 of these being women. Number of adult deaths -- 7100 with 4,400 of these being in the productive age group (15-49). (UNAIDS 2000)

Figure 3








Source: *The POLICY project 2000 p 11*

Impact on business

The final stage of the infection -- AIDS stage, is associated with opportunistic infections such as TB, pneumococcal disease, pneumocystis carinii pneumonia, toxoplasmosis, candidiasis, cryptococcosis, and AIDS-associated cancers(Morrow, Richard, Colebunders and Chin, 1989, pp 79-87). It is within this stage of protracted morbidity that medical care or treatment is sought. The progression of HIV/AIDS in an employee has economic implications for the employer.

The implications are summarised in **Table 2**

Table 2 Progression of cases and related costs

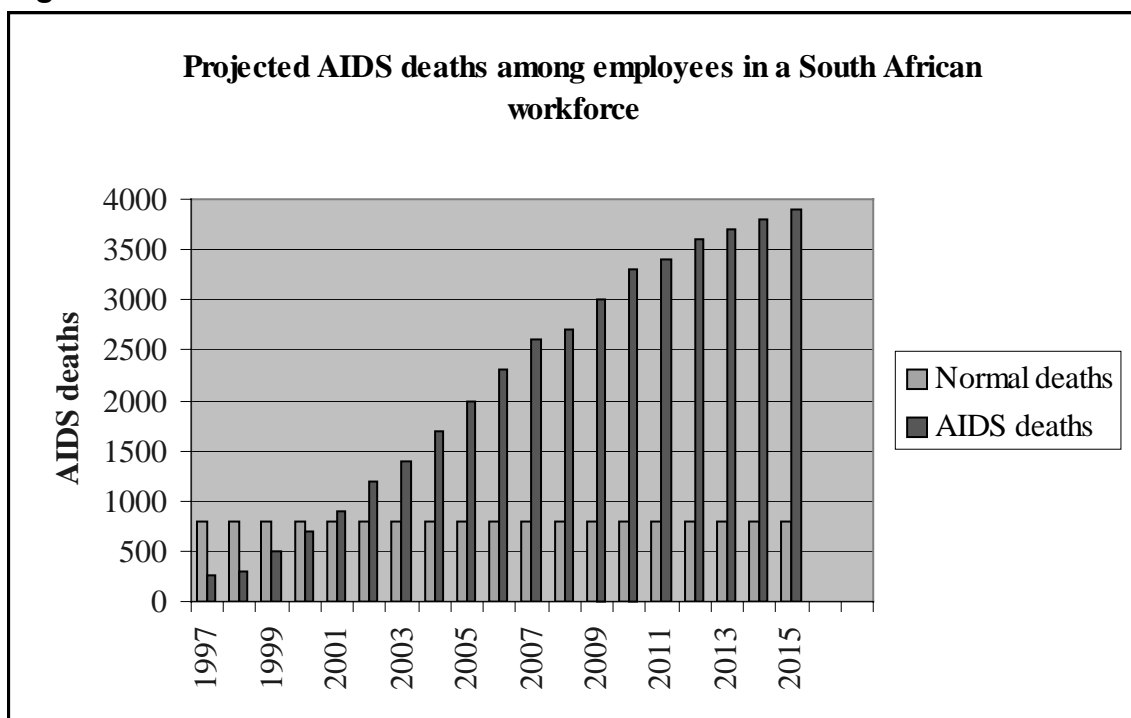
Progression of HIV/AIDS in the Workforce	Economic Impact of Individual Case	Economic Impact of All Cases
1. Employee becomes infected with HIV 	<ul style="list-style-type: none"> <input type="checkbox"/> No costs to the Department at this stage 	<ul style="list-style-type: none"> <input type="checkbox"/> No costs to the Department at this stage
2. HIV/AIDS-related morbidity begins 	<ul style="list-style-type: none"> <input type="checkbox"/> Sick leave and other absenteeism increase <input type="checkbox"/> Work performance declines due to employee illness <input type="checkbox"/> Overtime and contractors' wages increase to compensate for absenteeism <input type="checkbox"/> Use of health/medical aid benefits increases <input type="checkbox"/> Employee requires attention of human resource and employee assistance personnel 	<ul style="list-style-type: none"> <input type="checkbox"/> Overall productivity of workforce declines <input type="checkbox"/> Overall labour costs increase <input type="checkbox"/> Additional use of medical aid benefits causes premiums to increase <input type="checkbox"/> Managers begin to spend time and resources on HIV-related issues <input type="checkbox"/> HIV/AIDS interventions are designed and implemented
3. Employee leaves workforce due to death, medical boarding, or voluntary resignation 	<ul style="list-style-type: none"> <input type="checkbox"/> Payout from death benefit or life insurance scheme is claimed <input type="checkbox"/> Pension benefits are claimed by employee or dependants <input type="checkbox"/> Other employees are absent to attend funeral <input type="checkbox"/> Funeral expenses are incurred <input type="checkbox"/> Loans, e.g. housing, Are not repaid <input type="checkbox"/> Co-workers are demoralised by loss of colleague 	<ul style="list-style-type: none"> <input type="checkbox"/> Payouts from pension fund cause employer and/or employee contributions to increase <input type="checkbox"/> Returns to training investments are reduced <input type="checkbox"/> Morale, discipline, and concentration of other employees are disrupted by frequent deaths of colleagues
4. Department recruits a replacement employee 	<ul style="list-style-type: none"> <input type="checkbox"/> Department incurs costs of recruitment <input type="checkbox"/> Position is vacant until new employee is hired <input type="checkbox"/> Cost of overtime wages increases to compensate for vacant positions 	<ul style="list-style-type: none"> <input type="checkbox"/> Additional recruiting staff and resources must be brought in <input type="checkbox"/> Wages for skilled (and possibly semi-skilled) employees increase as labour markets respond to the loss of workers
5. Department trains the new employee 	<ul style="list-style-type: none"> <input type="checkbox"/> Department incurs costs of pre-employment training <input type="checkbox"/> Department incurs costs of in-service training to bring new employee up to level of old one <input type="checkbox"/> Salary is paid to employee during training 	<ul style="list-style-type: none"> <input type="checkbox"/> Additional training staff and resources must be brought in
6. New employee joins the workforce	<ul style="list-style-type: none"> <input type="checkbox"/> Performance is low while new employee comes up to speed <input type="checkbox"/> Other employees spend time providing on-the-job training 	<ul style="list-style-type: none"> <input type="checkbox"/> There is an overall reduction in the experience, skill, institutional memory, and performance of the workforce <input type="checkbox"/> Work unit productivity is disrupted due to increased staff turnover

Source: Whiteside and Sunter 2000 p110

Data on infection levels in the Swaziland workforce is scarce, and workforce profiles may change, over the next decade the number of employees lost to AIDS could be the equivalent of the current workforce in some companies.

Projections done in South Africa indicate that AIDS deaths among employees in the South African work force could rise to 4000 by the year 2015(**figure 4**). HIV infections may cost companies between 2 and 6% of salaries per year(Harvard Centre for International Health). In addition each infection is likely to cost companies between 1 and 6 times the employee’s annual salary, depending on the company’s benefit structure.

Figure 4



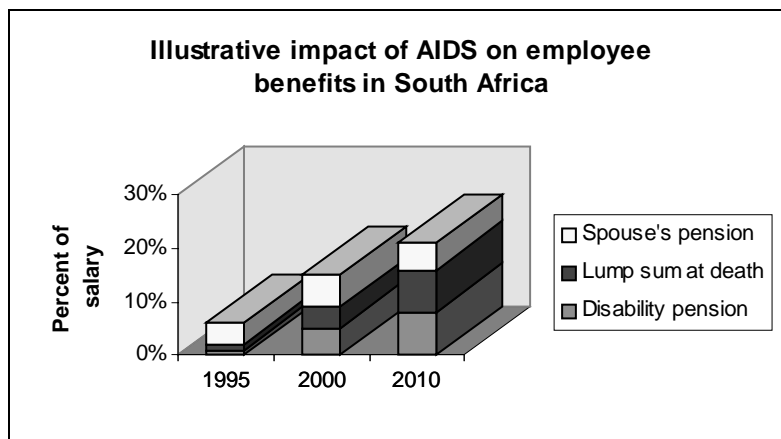
Source: LoveLife 2000

Costs

The costs can be divided into direct and indirect costs. Direct costs to companies include costs of healthcare and other employee benefits. However, as lower income earners who are disproportionately affected tend to have few benefits, the impact of HIV/AIDS on direct costs will not be as much as may have been expected. Nonetheless, HIV/AIDS is already resulting in rising costs of employee benefits, and the cost of an average set of risk benefits is expected to double over the next 5-10 years, unless they are restructured. Projected cost increases for specific benefits in South Africa are illustrated in **figure 5**

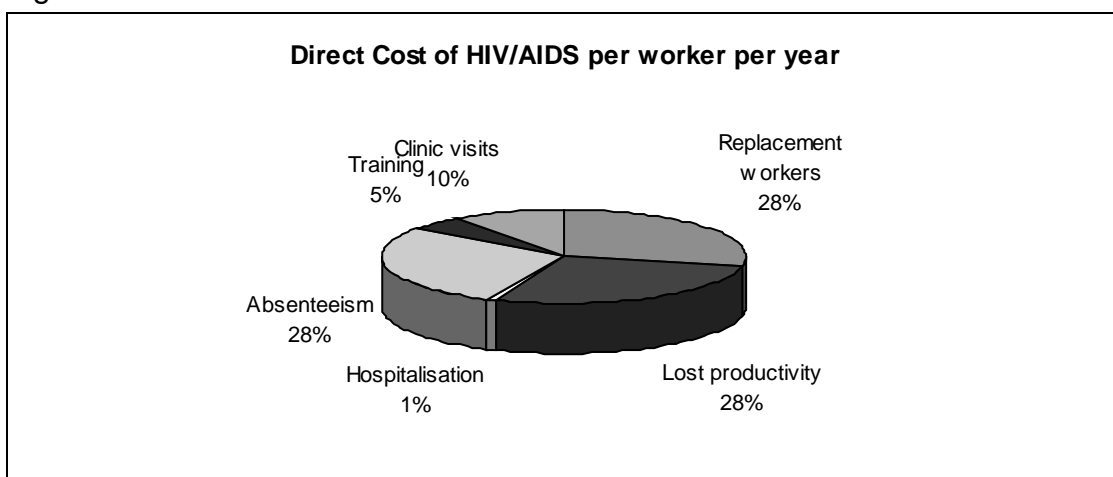
The most significant costs for most companies are likely to be indirect. These include costs of absenteeism due to illness or funeral attendance, lost skills, training and recruitment costs, and reduced work performance and lower productivity. Obviously these costs are most striking for skilled workers, where instant substitution is more difficult. It is estimated that between 10-15% of highly skilled employees will have contracted HIV by 2010. The combined effect of morbidity followed by mortality makes absenteeism due to HIV/AIDS a significant cost (Robert, Matthew and Rau 1996, pp. 5-8; Rugalema et al 1999, p 21). In one case study on a sugar mill with 400 workers in South Africa -- costs per year per employee amounted to R9 543³. Absenteeism accounted for 28% of costs. (Morris and Cheevers, 2000, pp 7-8) (**figure 6**)

Fig 5



Source: Metropolitan life Limited

Figure 6



Source: AIDS Analysis Africa, 2000

³ 1 United States Dollar = 8.34 South African Rands (August 2001)

The contribution of this study therefore is expected to be four fold:

- analyse the impact of the epidemic on the private sector
- assess knowledge, attitudes and practices of Swazi business about HIV/AIDS
- assess the response of private sector to the epidemic and problems being faced
- make policy recommendations on how to address the impact.

3. Research methods

3.1 Study population

The study -- a probability survey was done on 45 businesses affiliated to the Federation of Swaziland Employers(FSE) employing 21 or more employees. These were stratified according to total number of employees:-

- 21-49 - Small enterprises
- 50-99 - Small to medium enterprises
- 100-249 - medium enterprises
- 250-599 - medium to large enterprises
- 600 or more - large enterprises

207 businesses- those with 21 or more employees were eligible for inclusion in this study. Stratified random sampling was used to select the sample

Table 3. Sample and its proportions

<i>Number of employees</i>	<i>Companies</i>	<i>Proportion of total no of companies under study</i>	<i>Number of companies sampled</i>
21-49	84	40%	16
50-99	51	25%	9
100-249	38	18%	9
249-599	22	11%	8
600 and more	12	6%	3
Total	207	100%	45

3.2 Data collection techniques

3.2.1 A structured questionnaire administered on CEOs and/or Human resource managers was used to collect data pertaining to:

- i) The impact of the epidemic. This focused on the linkage between increased morbidity and mortality due to AIDS and increase in production costs, reduced productivity and disruption of business operations.
- ii) Employee benefits that are provided to employees
- iii) Knowledge, attitudes and Practices of the companies in areas of HIV/AIDS at workplace.

- iv) Business response to the epidemic
- v) Needs and barriers to setting up prevention programmes
- vi) Suggested approaches
- vii) The willingness of businesses to setting up prevention programmes

3.2.2 Detailed data was collected on ten companies out of 45 pertaining to costs incurred due to HIV/AIDS. This covered employee benefits, gross annual payroll, costs for recruitment and training, and productivity level as related to HIV/AIDS absenteeism.

3.3 Data analysis

3.3.1 The data was analysed using SPSS to determine:

- i) companies that have experienced:
 - a prevalence of HIV/AIDS at the work place
 - increase in costs of production
 - reduction in productivity, and disruption of business operations
- ii) the business responses that businesses have implemented, barriers, KAPs and possible solutions to the epidemic.
- iii) Vulnerability of Swazi businesses to HIV/AIDS

3.3.2 Using AON Model Lite v2⁴ an assessment of the projected financial impact was done on randomly selected ten companies. This included an analysis of the benefit of various methods of intervention against HIV/AIDS.

3.4 Consent

The study was approved by the Office of the Principal Secretary - Ministry of Health. One week before the study began, telephone conversations were held with the CEOs and Human resource managers seeking for their consent to participate in this study. To facilitate access a letter introducing the investigator to the companies was obtained from the Federation of Swaziland Employers.

Companies were willing to take part in the study, as they were and continue to feel the impact of HIV/AIDS, yet for one reason or another they have not seriously analysed the impact. Companies expressed the feeling that the study will provide ideas on how to better protect their workforce and avert the painful impact of the disease on business.

⁴ AON Model Lite v2 is an actuarial and epidemiological model designed by Lifeworks for AON and American Chamber of Commerce in South Africa. It used to calculate impact on an organisation.

HIV/AIDS is a sensitive matter amongst the workforce and trade unions. Concern was raised over publicity that would come out of publication of this report. Confidentiality and anonymity were assured.

4. RESULTS

4.1 COMPANY CHARACTERISTICS

Table 4 : Company and Industry type

Type of industry	Company Size(Number of employees at work site)					Total
	21-49	50-99	100-249	250-599	>600	
Agriculture & Forestry	1	3	1		1	6
Construction	1	1		1		3
Distribution	2		1			3
Manufacturing	1		4	1	1	7
Transport	1					1
Services	10	5	3	6	1	25
Total	16	9	9	8	3	45

Table 5: Number of years business has been in operation

	Number of years in operation					Total
	0-9	10-19	20-29	30-39	>40 years	
21-49	1	4	6	3	1	15
50-99	1	1	3	1	3	9
100-249	2	2	3		2	9
250-599		2	1	1	4	8
>600		1			3	4
Total	4	10	13	5	13	45

4.2 HIV/AIDS PREVALENCE AND EFFECT ON BUSINESSES.

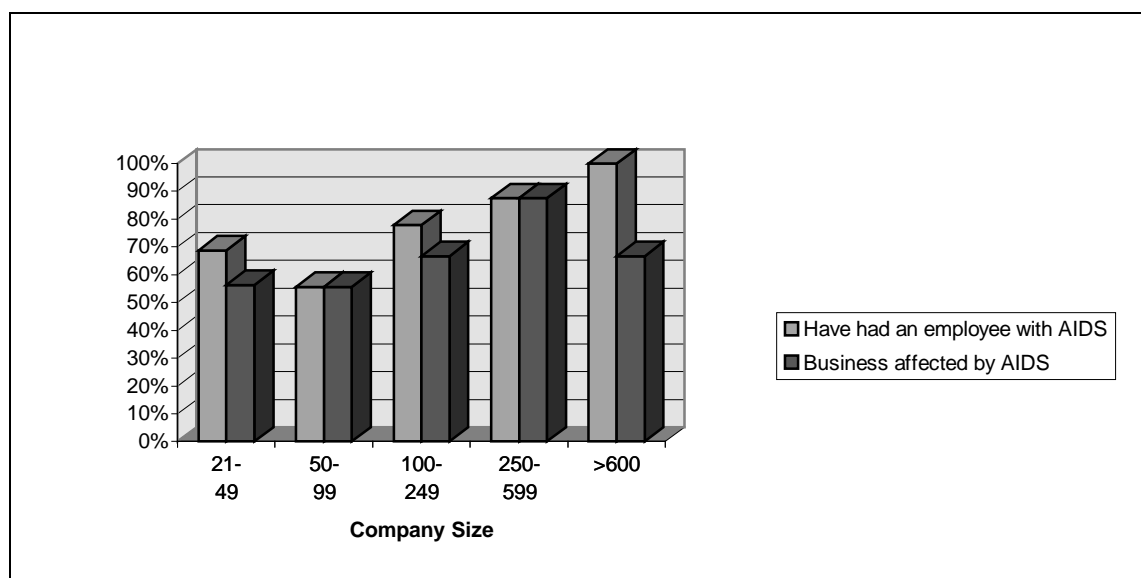
Companies were asked whether they had a case of an employee living or who had died of HIV/AIDS. Because of the sensitivity and secrecy attached to HIV/AIDS, specific number of cases that have been observed were not asked for. There is a bias in reporting as management may not have records of these cases as this is confidential information

kept by the medical staff. Secondly, the information obtained is about people with clinical symptoms. Some cases may fall sick and die of AIDS without the management coming to know about the actual diagnosis. This is usually due to the secrecy and stigma attached to AIDS and the poor communication between clinics that treat these people and the companies. Therefore this data represents only a portion of the actual prevalence of the disease amongst Swazi businesses.

Table 6: Companies that have experienced a case of a worker living with HIV/AIDS and have been affected by the epidemic

HIV/AIDS effects and prevalence	COMPANIES					Total
	21-49 (n=16)	50-99 (n=9)	100-249 (n=9)	250-599 (n=8)	>600 (n=3)	
Have had at least an employee with AIDS	11	5	7	7	3	33
Business affected by AIDS	9	5	6	7	2	29

Figure. 7: Percentage of companies by size that have had an employee living with HIV/AIDS and have felt the impact of HIV/AIDS on their businesses



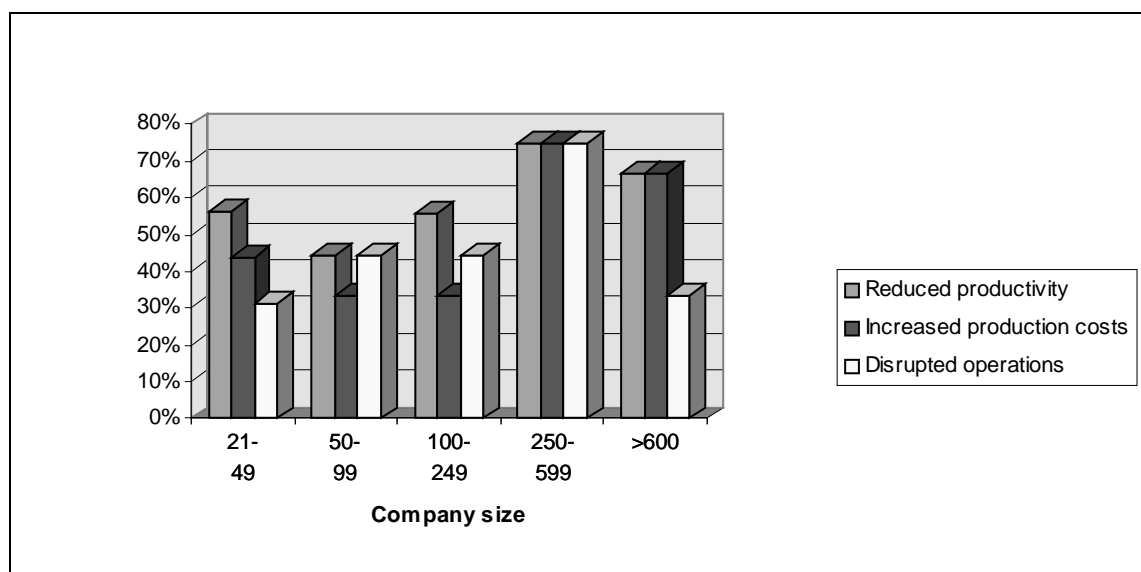
4.3 THE IMPACT OF EXCESS MORBIDITY AND MORTALITY DUE TO HIV/AIDS ON SWAZI BUSINESSES

Table 7 and Figure 8 present the impact due to HIV/AIDS that Swazi businesses are facing - these include reduced productivity, increase in production costs and disruption of business operations.

Table 7: How HIV/AIDS has impacted on Swazi businesses.

Impact	COMPANIES					Total (n=45)
	21-49 (n=16)	50-99 (n=9)	100-249 (n=9)	250-599 (n=8)	>600 (n=3)	
Reduced productivity	9	4	5	6	2	26
Increased production costs	7	3	3	6	2	21
Disrupted operations	5	4	4	6	1	20

Fig. 8: Percentage of companies by size that have experienced reduced productivity, increase in production costs and disruption of operations due to HIV/AIDS.

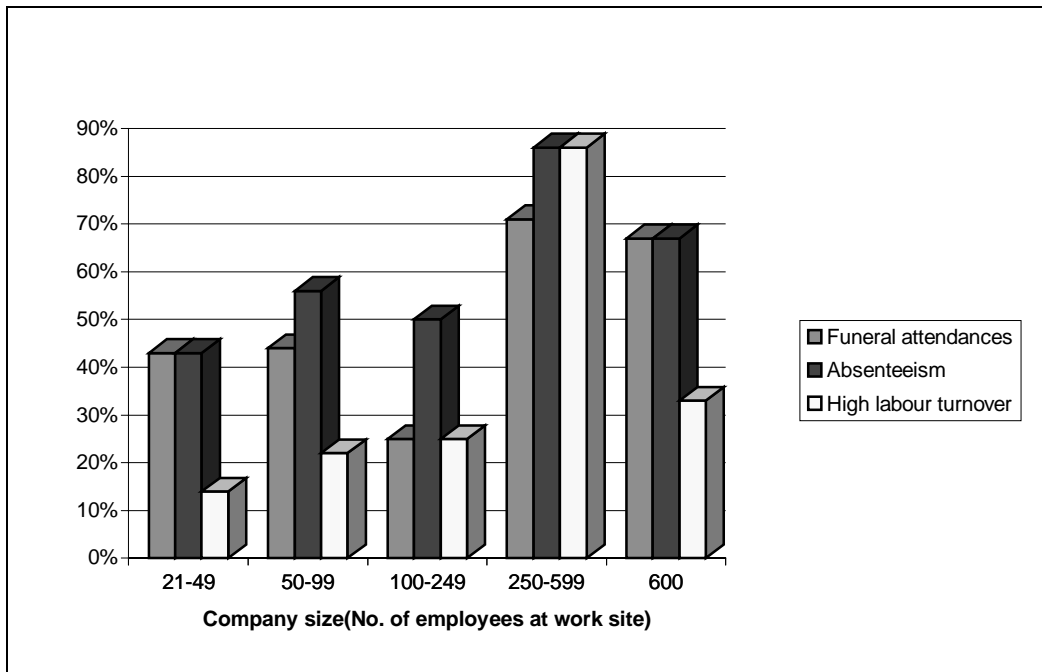


4.3.1 Table 8 and Figure 9 present the causes of reduced productivity due to HIV/AIDS .

Table 8. The impact of HIV/AIDS on productivity of Swazi businesses

Causes of reduced productivity	COMPANIES					Total (n=45)
	21-49 (n=16)	50-99 (n=9)	100-249 (n=9)	250-599 (n=8)	>600 (n=3)	
Increase in funeral attendances	7	4	2	5	2	20
Increase in absenteeism	8	5	4	6	2	25
High Labour turn over	3	2	3	6	1	15

Figure 9: Percentage of companies by size that have experienced reduction in productivity due to HIV/AIDS related increase in funeral attendance, absenteeism and high labour turnover.



4.3.2. Table 9 and Figures 10 and 11 represent Increase in costs of production that HIV/AIDS has impacted on businesses

Table 9. Causes of Increased costs of production

Causes of increased costs of production	COMPANIES					Total (n=45)
	21-49 (n=16)	50-99 (n=9)	100-249 (n=9)	250-599 (n=8)	>600 (n=3)	
Increased loss of skills	3	2	3	6	1	15
Increased costs for recruitment	2	1	3	6	2	14
Increased training costs	3	1	3	6	2	14
Increased funeral costs	4	3	2	6	2	17
Increase in healthcare costs	7	3	3	7	2	22
Increase in death benefits	3	2	3	5	2	15

Fig: 10. Percentage of companies by size that have experienced increase costs of funerals, healthcare and death benefits due to HIV/AIDS.

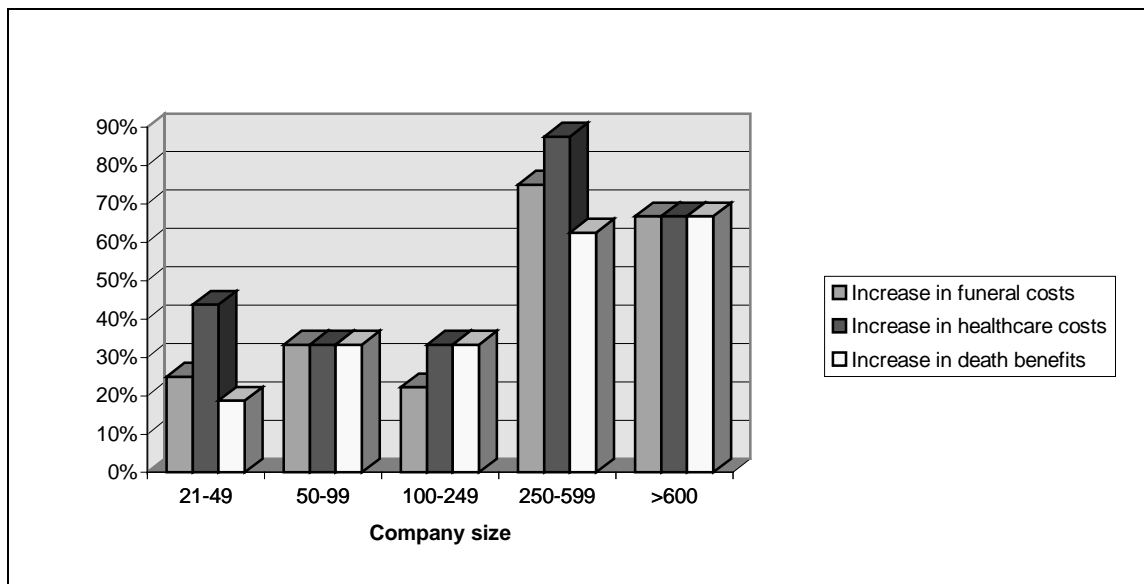
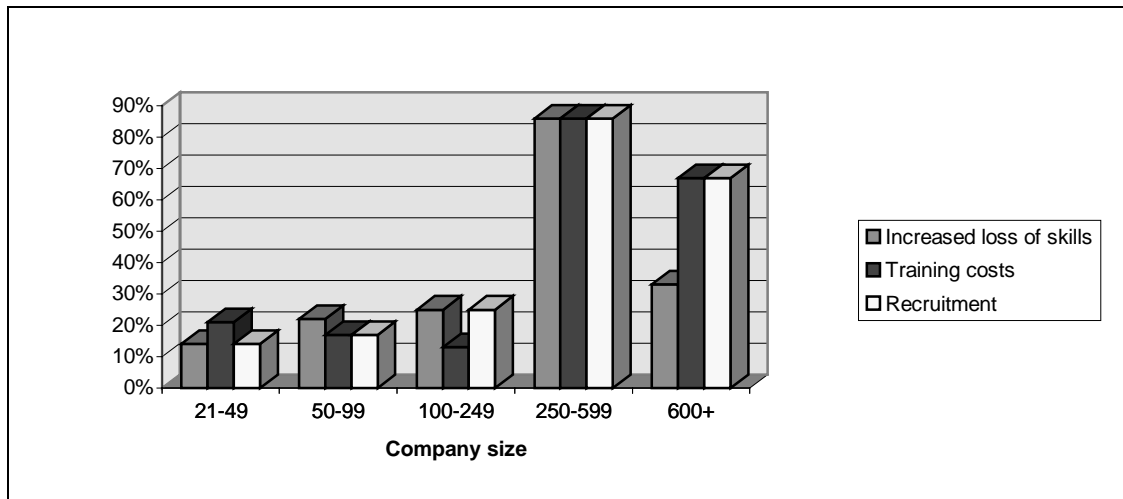


Figure 11 :Percentage of companies by size that have experienced increase in loss of skills, training and recruitment costs due to HIV/AIDS.



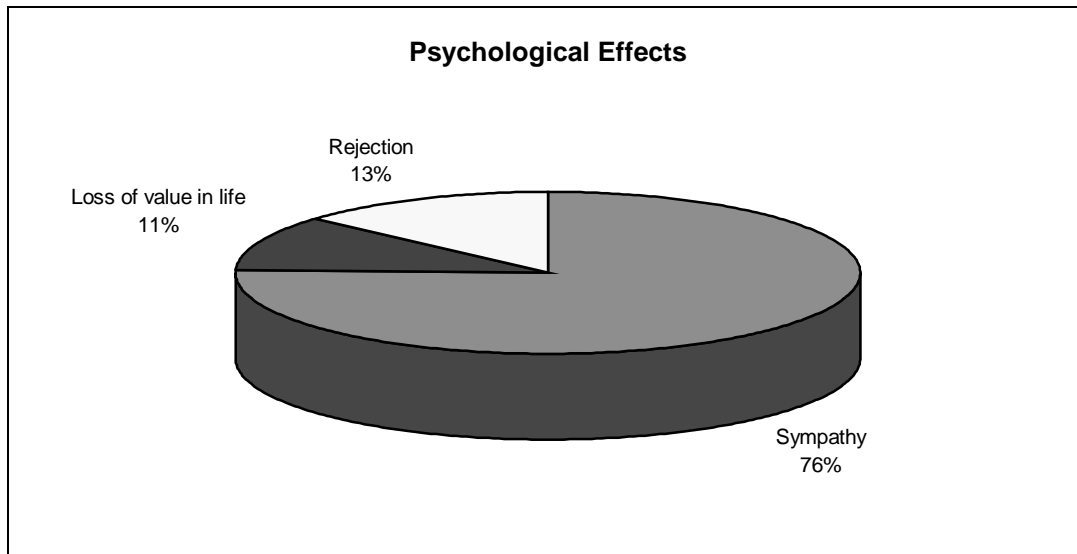
4.3.3 Disruption of business operations

Absenteeism, funeral attendance, morbidity due to AIDS and psychological problems at work all lead to disruption of business operations that affects profitability. The effect of psychological problems and the mechanisms behind the effects are illustrated here.

Table 10. Companies that have experienced psychological effects related to HIV/AIDS illnesses within the workforce

Effects	COMPANIES					Total (n=45)
	21-49 (n=16)	50-99 (n=9)	100-249 (n=9)	250-599 (n=8)	600+ (n=3)	
Psychological effects	4	3	4	4	2	17

Fig. 12: Mechanisms behind the psychological effects amongst workers



4.4. Table 11 and 12, Figures 13 and 14 represent employee benefits provided by the companies

Table 11: Medical benefits provided by companies to their employees

Medical benefits	Companies					Total
	21-49 (n=16)	50-99 (n=9)	100-249 (n=9)	250-599 (n=8)	>600 (n=3)	
Free treatment onsite	1	3	3	3	2	12
Pay for treatment at private clinic	2	3	3	3	1	12
Pay health insurance	3	1	3	2	3	12
No responsibility other than sick leave	8	2	3	2	1	16

Figure 13 Percentage of companies by size that provide the various medical benefits to their employees

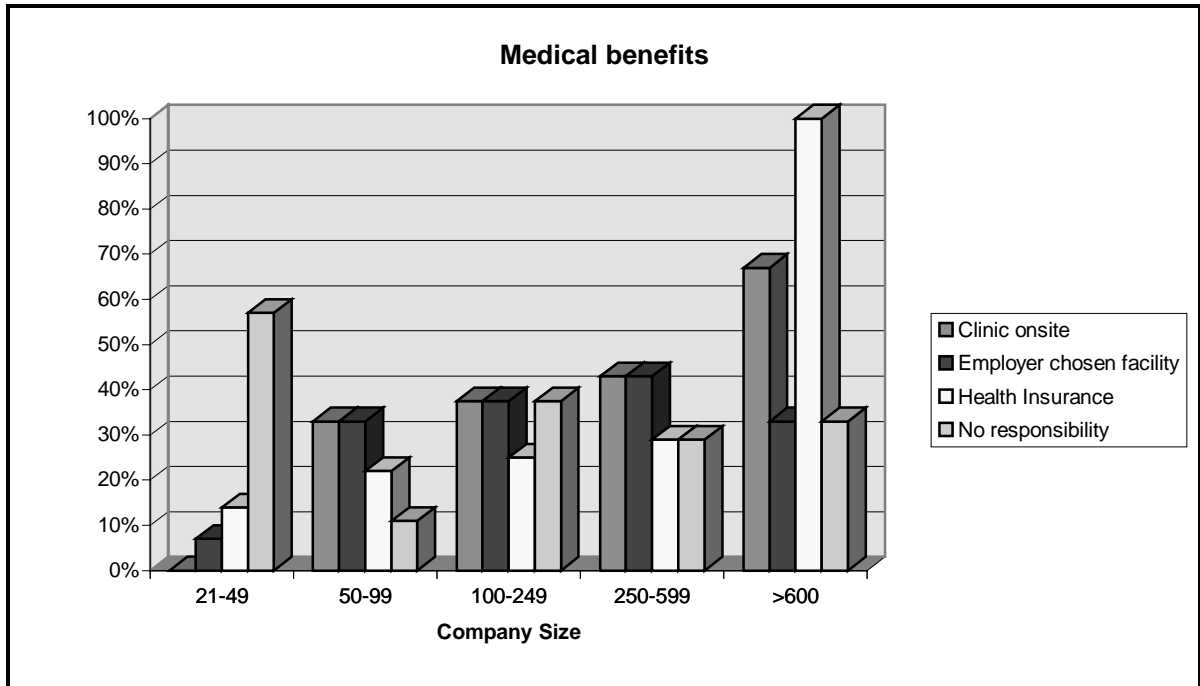
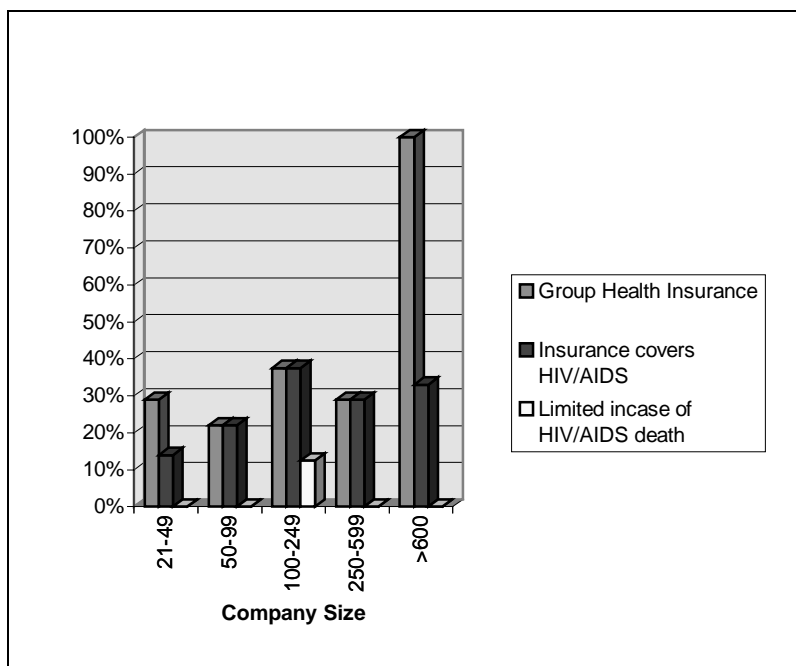


Table 12. Benefits provided by companies to their employees

Employee Benefits	COMPANIES					Total (n=45)
	21-49 (n=16)	50-99 (n=9)	100-249 (n=9)	250-599 (n=8)	600+ (n=3)	
Death in-service	5	3	7	4	3	22
Retirement scheme	5	3	5	5	3	21
Disability payments	7	4	3	5	3	22
Burial fees	9	4	6	7	3	29
Ongoing family support	2	2	1	0	0	5
Offer Group health insurance	4	3	4	2	3	16
Insurance covers HIV/AIDS	2	2	4	2	1	11
Insurance Limited benefits in case of an HIV/AIDS death	0	0	1	0	0	1

Figure 14. Percentage of companies by size that provide group health insurance



4.5 Knowledge, Attitudes and Practices on HIV/AIDS among management

To examine the knowledge, attitudes and practices of corporate management about HIV/AIDS at workplace, CEOs and/or Human Resource managers in the surveyed companies were asked about what they intended to do about the increasing loss of workers due to HIV/AIDS (human resources strategy), what they thought about the likely impact of HIV/AIDS on their businesses, the likely effect of loss of suppliers and customers on their business operations and profits, and whether HIV/AIDS could be classified as a disability. The results are illustrated in this chapter.

Table: 13. Human resources strategies taken by the companies

Human resources strategy	COMPANIES					Total (n=45)
	21-49 (n=16)	50-99 (n=9)	100-249 (n=9)	250-599 (n=8)	600+ (n=3)	
Sick leave policy	0	1	0	0	0	1
Increased Recruitment & multi-skilling	0	0	1	1	1	3
Health education	1	2	1	5	1	10
Automation	0	0	1	0	0	1
Outsourcing	0	0	0	0	0	0
None	15	6	6	2	1	30

Table 14. Companies that think HIV/AIDS is a problem at workplace and will continue to be.

What CEOs think about the effects of HIV/AIDS	COMPANIES					Total (n=45)
	21-49 (n=16)	50-99 (n=9)	100-249 (n=9)	250-599 (n=8)	600+ (n=3)	
HIV/AIDS is a problem and will continue to be	13	8	8	8	3	40
Loss of customers will lower business profits	4	0	2	4	1	13
Loss of customers will lead to disruption of business operations	2	0	2	3	1	8
Loss of suppliers will affect profits	1	0	0	2	1	4
Loss of suppliers will lead to disruption of business operations	1	0	1	2	1	5
AIDS is a disability	7	6	4	4	2	23

Fig 15. Reasons given by companies for thinking that HIV/AIDS is and will continue to be a problem at workplace .

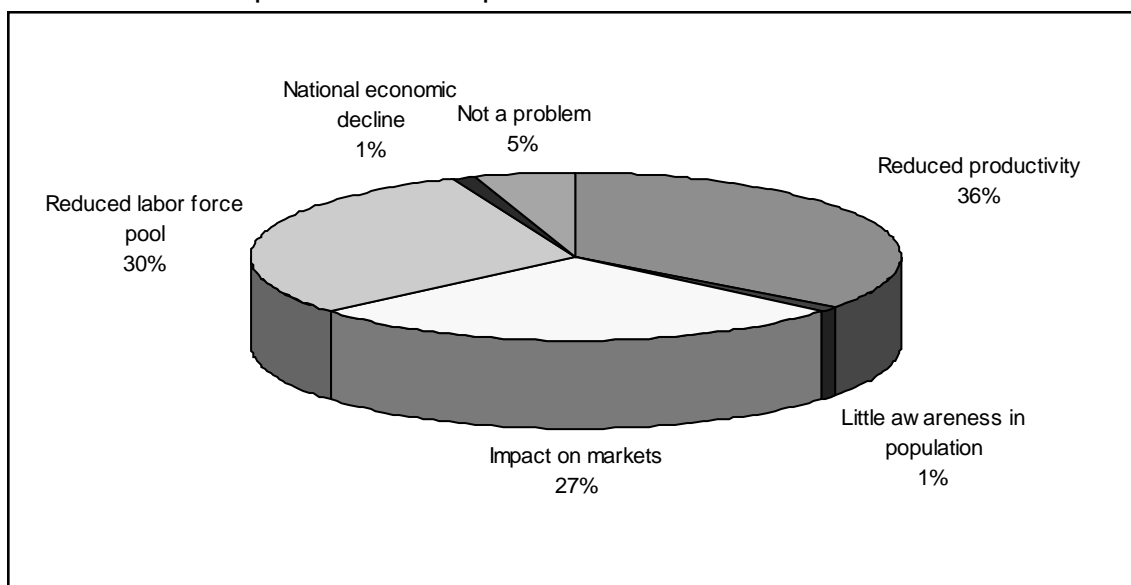


Table 15: Companies that have a policy and practice reasonable accommodation and have experienced HIV/AIDS work related problems

	COMPANIES					Total (n=45)
	21-49 (n=16)	50-99 (n=9)	100-249 (n=9)	250-599 (n=8)	600+ (n=3)	
Reasonable accommodation						
Have Policy on reasonable accommodation	10	5	3	5	3	26
Practice reasonable accommodation	1	1	0	3	2	8
Work related problems due to HIV/AIDS	1	1	0	1	1	4

4.6 Business response to HIV/AIDS at work place

This chapter presents the response that Swazi businesses have implemented. This covers policy formulation, health education, awareness programmes, corporate philanthropy and volunteerism, advocacy and leadership.

Table: 16 Companies that have work place HIV/AIDS policies

Policies	COMPANIES					Total (n=45)
	21-49 (n=16)	50-99 (n=9)	100-249 (n=9)	250-599 (n=8)	600+ (n=3)	
Policy on chronic diseases	1	2	4	2	2	11
Policy on chronic diseases includes HIV/AIDS	1	2	3	2	2	10
Have specific policy on HIV/AIDS	4	1	2	1	0	8
Have Policy on eligibility or maintenance of medical benefits/health insurance	5	2	2	2	2	13
Have Policy on HIV testing	0	1	2	0	1	4
Do HIV testing of employees	0	1	0	0	0	1
Do test applicants for HIV	0	1	0	0	0	1

Fig. 16 Percentage of companies by size that have HIV/AIDS workplace policies

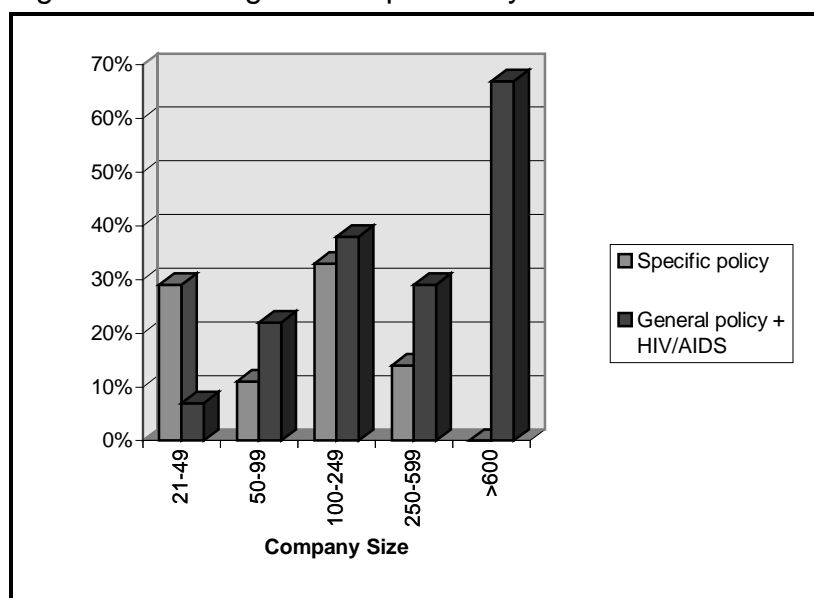


Table 17: Companies that Train and give health education on HIV/AIDS

	COMPANIES					
Training and health education	21-49 (n=16)	50-99 (n=9)	100-249 (n=9)	250-599 (n=8)	600+ (n=3)	Total (n=45)
Train managers on HIV/AIDS	6	3	4	5	3	21
Train labour leaders on HIV/AIDS	4	2	3	5	2	16
Educate employees specifically on HIV/AIDS	5	4	5	5	3	22
Educate employees on general occupational diseases	3	3	3	3	2	14

Table 18. Companies that have HIV/AIDS Awareness programmes

	COMPANIES					
Awareness programmes	21-49 (n=16)	50-99 (n=9)	100-249 (n=9)	250-599 (n=8)	600+ (n=3)	Total (n=45)
Role play	0	1	2	3	0	6
Formal presentations	1	3	3	6	3	16
Brown bag lunches	0	1	0	0	0	1
Small group discussions	1	3	3	4	2	13
Video presentations	0	1	2	4	3	10
Participatory discussions	3	1	3	5	3	15
Distribute printed material/posters	4	1	5	6	3	19
Encourage examination of own values and attitudes	3	2	4	4	2	15

Table 19. Companies that extend health education to the Community, suppliers, customers and employee families

Extent of health education	COMPANIES					Total (n=45)
	21-49 (n=16)	50-99 (n=9)	100-249 (n=9)	250-599 (n=8)	600+ (n=3)	
Train employee families	0	3	0	0	2	5
Train surrounding community	1	3	1	0	1	6
Train suppliers	1	1	1	0	0	3
Train customers	1	1	1	1	0	4

Fig. 17: Percentage of companies by size that extend health education to the community, employees' families and their clients

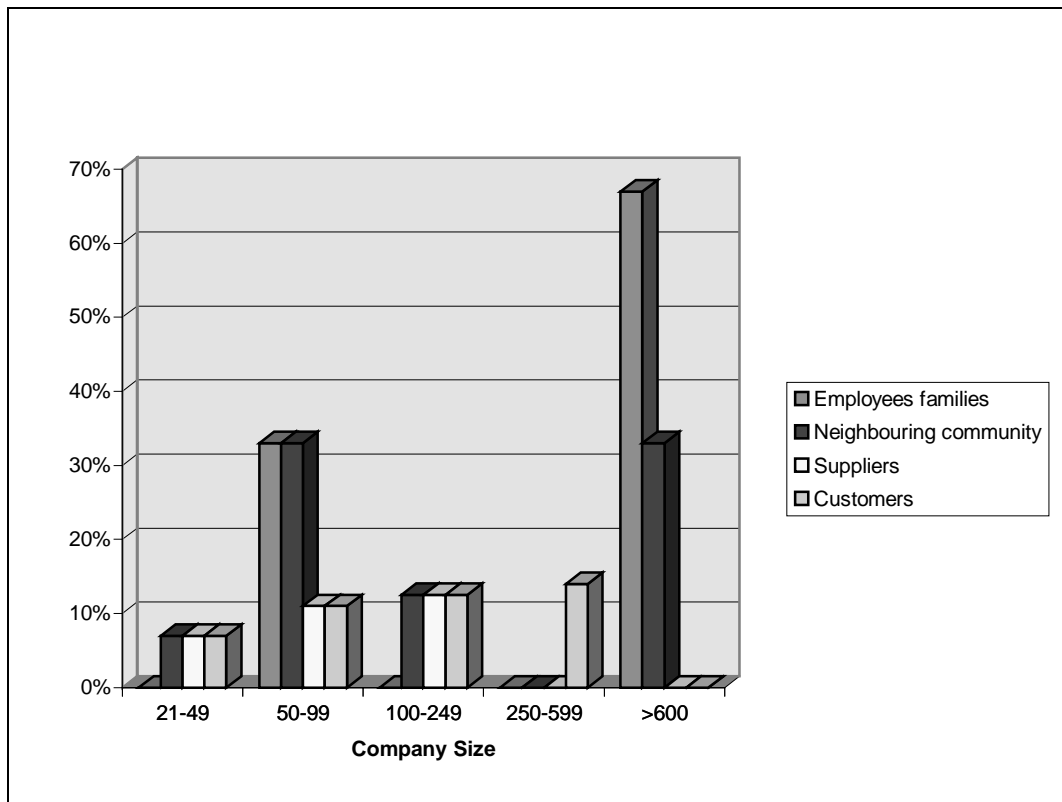


Table 20: Companies involved in Corporate philanthropy and volunteerism

Activities done towards HIV/AIDS control	COMPANIES					Total (n=45)
	21-49 (n=16)	50-99 (n=9)	100-249 (n=9)	250-599 (n=8)	600+ (n=3)	
Fund-raising	2	2	1	1	0	6
cash grants and donations	6	2	3	6	1	18
Employee volunteerism	1	2	5	2	1	11
In-kind services	3	3	3	2	0	11
Provide facilities and services to community	4	2	2	1	1	10
Sponsorship	5	2	5	3	1	16
Matched giving	0	1	2	0	0	3
Loan executives with leadership skill to public HIV/AIDS initiatives	3	0	1	0	0	4
Donate small proportion of revenue from particular sales to HIV/AIDS cause	1	1	1	0	0	3
Social marketing	1	3	3	3	2	12

Table 21. Advocacy and leadership role in the fight against HIV/AIDS

	COMPANIES					Total (n=45)
	21-49 (n=16)	50-99 (n=9)	100-249 (n=9)	250-599 (n=8)	600+ (n=3)	
Taken High profile stance against HIV/AIDS	3	3	3	3	3	15
Consider to do so in future	6	2	5	2	2	17

Fig: 18: Percentage of companies by size that have taken or intend to take a high profile in the fight against HIV/AIDS.

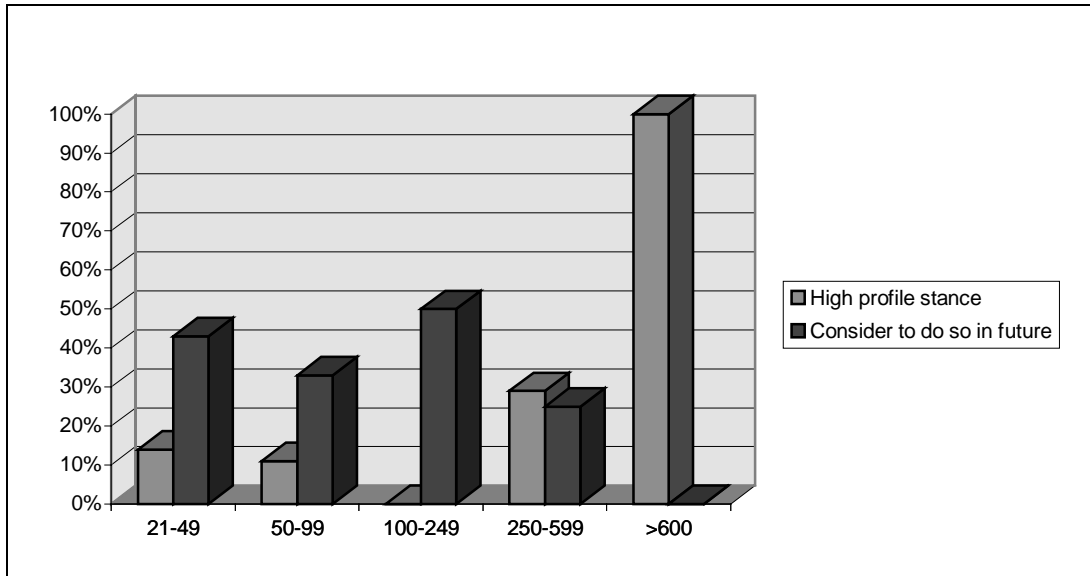
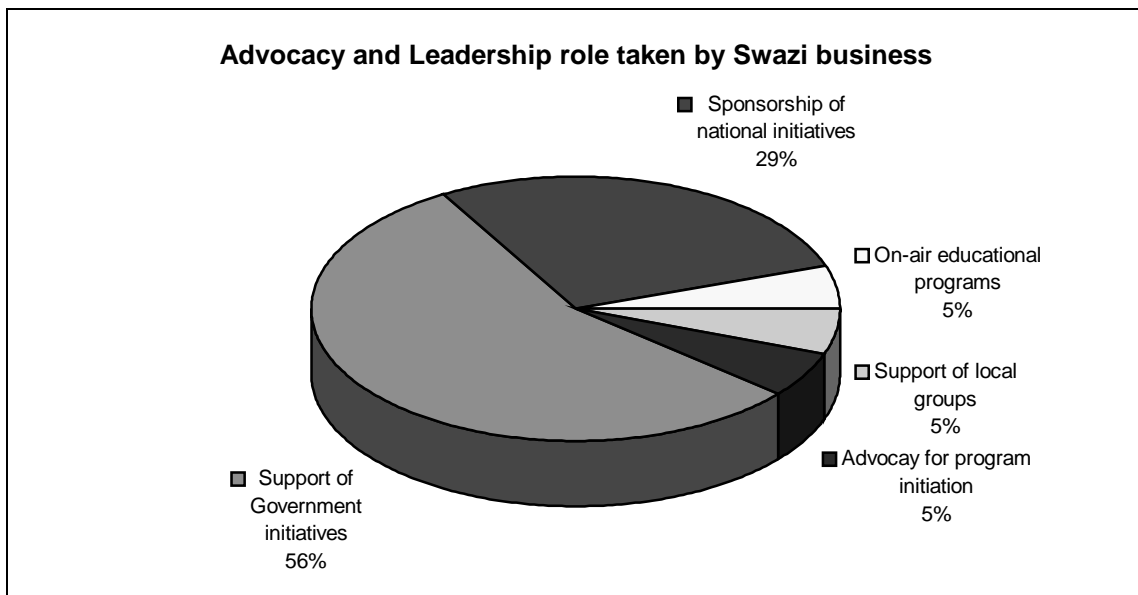


Fig: 19:



4.7 Information needs and barriers in setting up prevention programs

This chapter presents the areas that business feels are lacking for effective implementation of HIV/AIDS prevention programme. These include lack of information, know how and barriers at the workplace.

Table 22. Information needs for setting up of prevention programmes

Information needs	COMPANIES					Total (n=45)
	21-49 (n=16)	50-99 (n=9)	100-249 (n=9)	250-599 (n=8)	600+ (n=3)	
Information/update on HIV/AIDS	10	7	7	6	2	32
How to set up a prevention programme	11	8	9	6	2	36
How to draft HIV/AIDS policy	10	6	6	6	2	30
How to change employee attitudes	10	7	5	7	2	31

Fig. 20

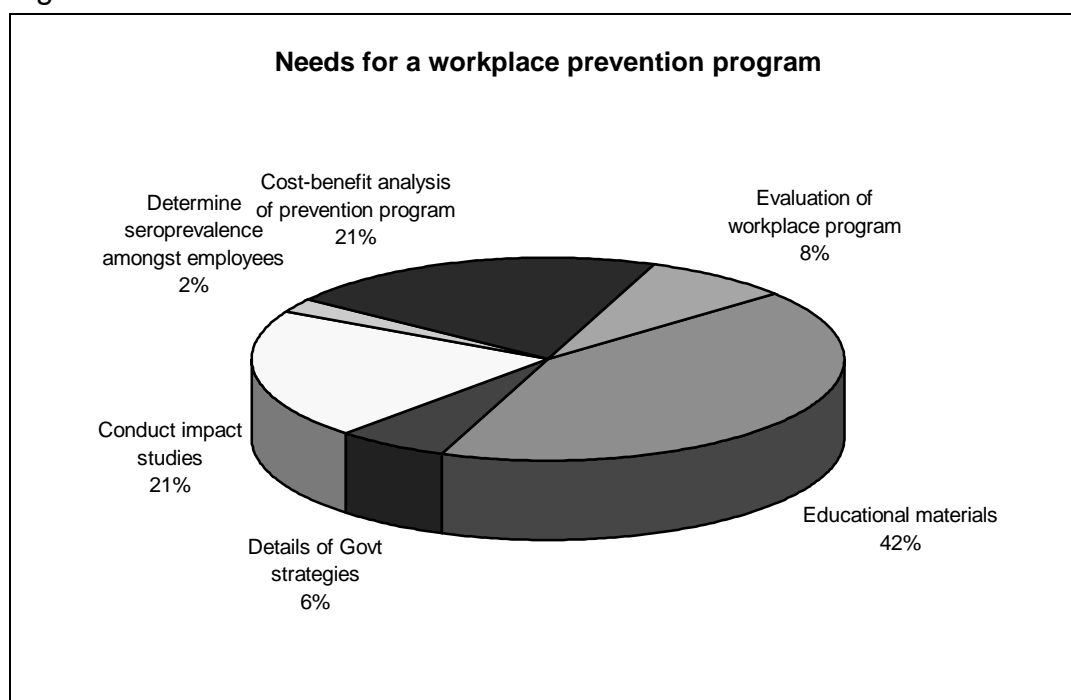
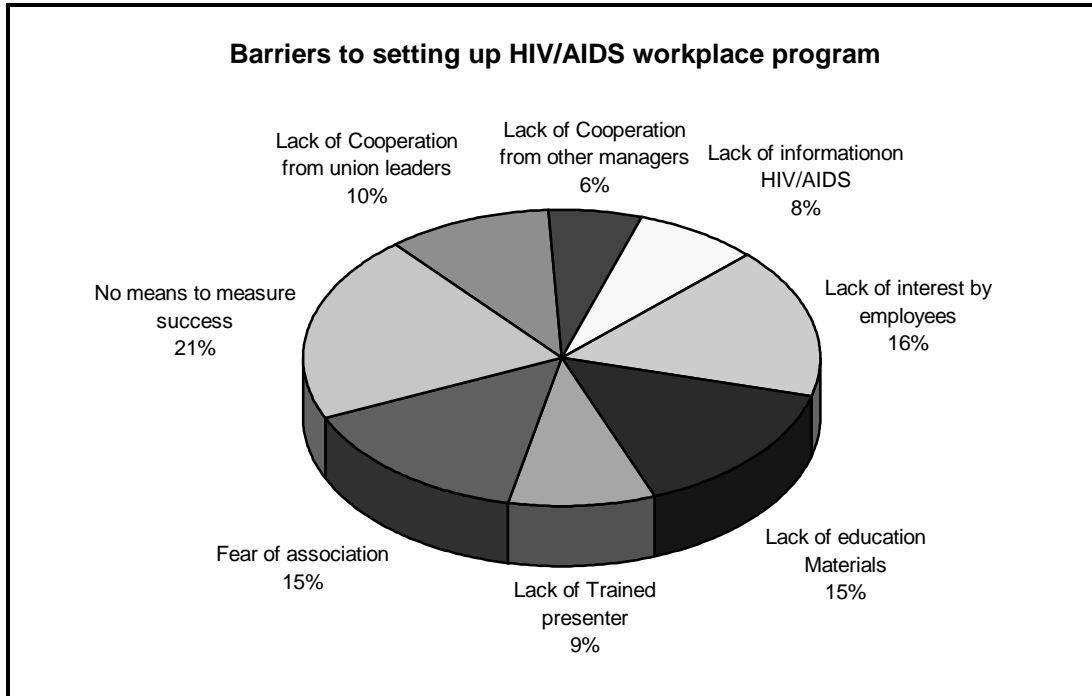


Fig. 21



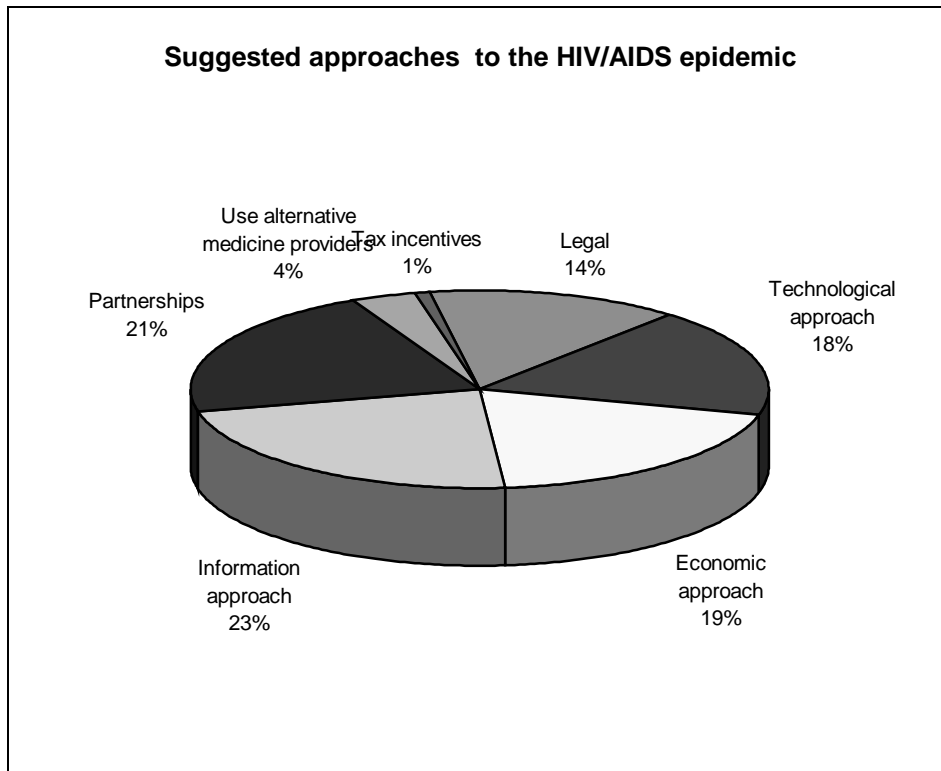
4.8 Suggested Approaches to controlling the epidemic

The business executives were asked to suggest approaches that could be adopted to deal with epidemic decisively and methods that would facilitate the implementation of workplace HIV/AIDS prevention programmes to stop or reduce the spread of the virus, mitigate the impact on business and look after those employees and their families that are already infected. The alternatives included the:

- information approach - awareness and educational programmes
- technological approach - scientific research, provision of condoms and medicines for opportunistic infection and anti-retrovirals and more efficient testing systems
- economic approach - economic assistance to business to implement workplace programmes and assistance in-kind from educational and medical institutions to design, implement and evaluate workplace programmes.
- Partnerships and inter-sectoral collaboration
- Any other approaches

The information and partnership approaches were echoed by over 20% of businesses.

Fig. 22



4.9. Willingness to implement workplace prevention programmes

The businesses were asked about their willingness to implement workplace prevention programmes and to commit available resources to this cause.

The results indicate that most businesses are willing to do so but lack the knowledge to go about doing it.

Table. 23. Companies willing to implement workplace prevention programmes

Areas in which companies are willing to commit resources	COMPANIES					Total (n=45)
	21-49 (n=16)	50-99 (n=9)	100-249 (n=9)	250-599 (n=8)	600+ (n=3)	
Pay for education materials	9	6	7	7	2	31
Provide transport	5	6	7	5	2	25
Offer paid leave time for employees to be trained on how to run prevention programmes	9	6	7	7	2	31
Provide space for training	9	5	8	5	2	29
Allow employees to be trained during working hours	14	8	8	7	2	39

4.10 This section presents the impact assessment done on ten selected companies

Table 24. Expenditure on salaries, group Life insurance and capital disability in Emalangeni per employee per year

Company	Number of employees	Annual pay	Group Life	Capital disability
1	320	17,000	0	0
2	97	100,000	580	0
3	22	80,000	520	520
4	179	51,000	1270	0
5	347	15,000	510	0
6	446	34,000	120	0
7	252	117,000	0	2440
8	263	51,000	280	280
9	778	59,000	1290	190
10	3053	25,000	50	50

Table 25. Estimated Financial Impact without intervention in Emalangeni '000s in the first year

Company	Group Life	PHI	Capital disability	Medical aid	Recruitment & Training	Productivity	Total
1	0	0	0	126	14	42	182
2	1135	0	0	90	10	30	1265
3	40	0	24	16	20	6	89
4	6475	0	0	127	14	43	6659
5	9566	0	0	243	27	82	9918
6	8623	125	0	700	78	235	9762
7	0	247	58372	1376	154	462	60611
8	9222	101	5609	5640	63	189	15748
9	144560	0	69389	645	72	217	214883
10	197649	0	0	5348	599	1797	205393

Table 26. Estimated financial impact per employee per year in Emalangeni

Company	Group Life	PHI	Capital disability	Medical aid	Recruitment & Training	Productivity	Total
1	0	0	0	394	44	131	569
2	11701	0	0	929	103	309	13041
3	1818	0	1091	727	91	273	4000
4	36173	0	0	709	78	240	37201
5	27570	0	0	700	80	240	28600
6	19334	280	0	1570	175	527	21886
7	0	990	231634	5460	600	1800	240485
8	35060	384	21326	2145	240	719	59 874
9	185800	0	89190	830	93	280	276200
10	64803	0	0	1752	196	590	67280

Table 27: Impact per employee as a percentage of gross annual pay per employee

COMPANY	TOTAL IMPACT	GROSS ANNUAL PAY	PERCENTAGE
1	569	17000	3%
2	13041	100000	13%
3	4000	80000	5%
4	37201	51000	74%
5	28600	15000	190%
6	21886	34000	64%
7	240485	117000	200%
8	59874	51000	117%
9	276200	59000	467%
10	67280	25000	270%

Fig 23. Logarithmic scale of the financial Impact with and without intervention

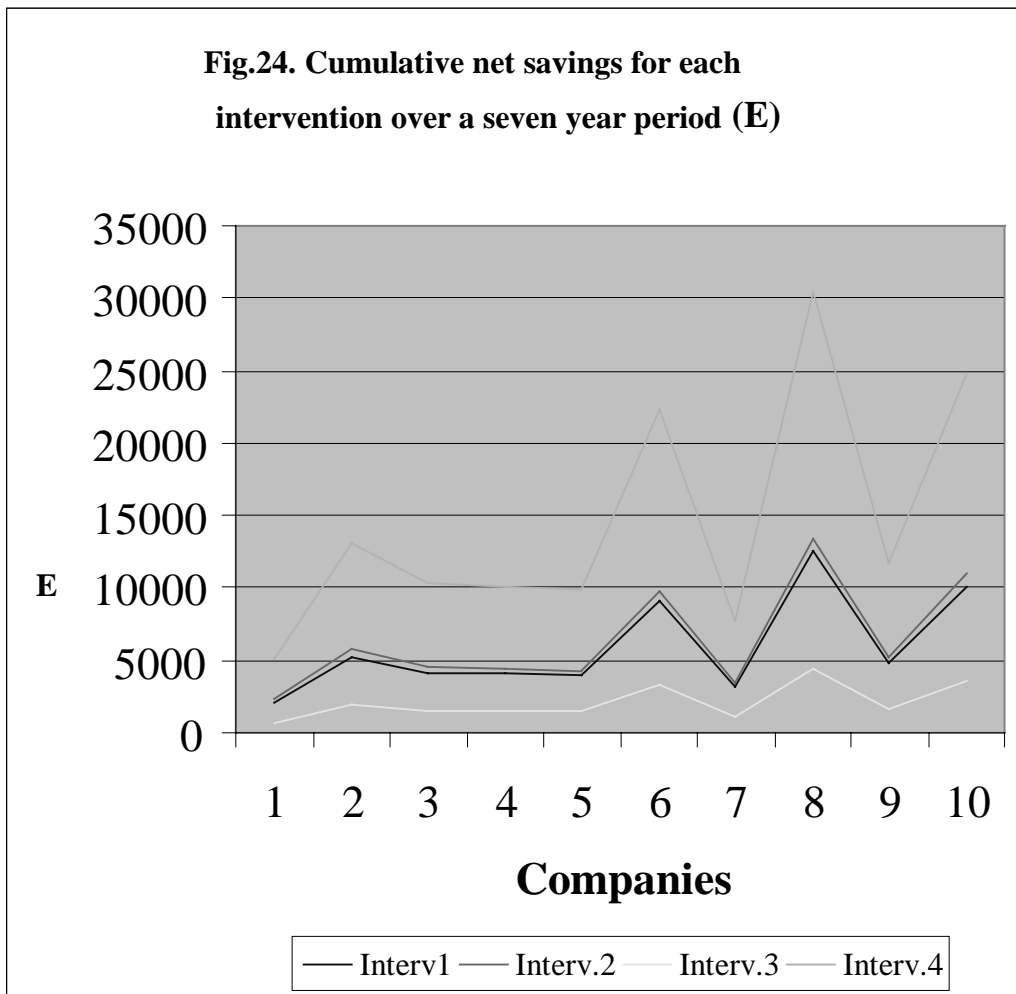
KEY: Interv.1 - Management of absenteeism through healthcare intervention

to reduce on health -related absenteeism

: Interv. 2 - Health education and management of STDs with main aim of encouraging utilisation of STD management programs. This reduces on new infections.

: Interv. 3 - Medical benefit management through development of disease management programmes.

:Interv.4 - A comprehensive approach that integrates all the above three.



5. DISCUSSION

5.1 PREVALENCE OF HIV IN THE PRIVATE SECTOR

In this study, 73% of businesses surveyed reported having had an employee living with HIV/AIDS, with the larger enterprises having a higher percentage. The group most affected is the medium to large enterprises (250-599) with over 87% of companies in this group having had a case of a worker living with HIV/AIDS. This may be due to better organisation of their medical reporting and communication channels.

This study also found that 64% of companies surveyed have felt the impact of HIV/AIDS on their businesses. The medium-large enterprise group (250-599) was most affected (87%). (**table 6, figure 7**)

Robert et al (1997); in their study of various companies in Kenya, Botswana, Zimbabwe, South Africa and Senegal; 58% of companies reported feeling the impact of HIV/AIDS on their workplaces. In the CDC survey, 17% of the large work sites (more than 50 employees) had had an employee with HIV/AIDS, while 7% small work sites (less than 50 employees) had had an employee with HIV/AIDS.

The difference between the medium to large enterprise group and the large enterprise group in being affected by HIV/AIDS could be due to ability of the large enterprises to initiate coping mechanisms. The large enterprises have the financial and human resources required to initiate coping mechanisms.

5.2 COSTS THAT EXCESS MORBIDITY AND MORTALITY DUE TO HIV/AIDS HAS IMPACTED ON SWAZI BUSINESS

This study found that prolonged morbidity and mortality of the workforce due to AIDS has made companies to increase their expenditure on medical care and funerals. Illness and death also means loss of skilled staff and experienced labour. This results in psychological effects on the workforce and increases costs of production through recruitment and training of new staff. The overall effect on a company is reduced productivity, disruption of business operations and reduced profitability. This section presents the impact of excess morbidity and mortality on surveyed Swazi businesses.

After a person is infected with HIV, progression from HIV infection to AIDS normally takes years. As the immunity drops people start developing HIV related illnesses and later develop AIDS. It is within this protracted morbidity that medical care or treatment is sought. This period is associated with increased absence from work as the employee seeks medical treatment or nurses a sick member of the family.

58% of the companies reported reduced productivity, 46% reported increase in costs and 44% reported disruption of business operations (**table 7, figure 8**). Causes of reduced productivity were increased absenteeism, funeral attendances, and high labour turn over through death. Increase in costs of production was due to increase in funeral costs,

recruitment costs, training costs, healthcare costs and death benefits. The medium to large enterprise group(250-599) had the highest percentage of companies with increase in production costs and disruption of business operations; and reduced productivity.

5.2.1 Absenteeism

HIV/AIDS was found to have contributed to increased absenteeism at workplaces in the surveyed Swazi businesses. 56% of businesses surveyed reported an increase in absenteeism (**table 8 ,figure 9**). Absence from work is due to time spent in seeking treatment by sick employees, sick leave and provision of care to sick family members. All these result in the employee's inability to work and company lost labour time.

Another aspect of absenteeism is due to mortality. Workers leave work to attend funerals of fellow workers and family members. 44% of businesses surveyed reported an increase in workers taking time off from work to attend funerals of colleagues and/or family members and relatives.(**table 8, figure 9**)

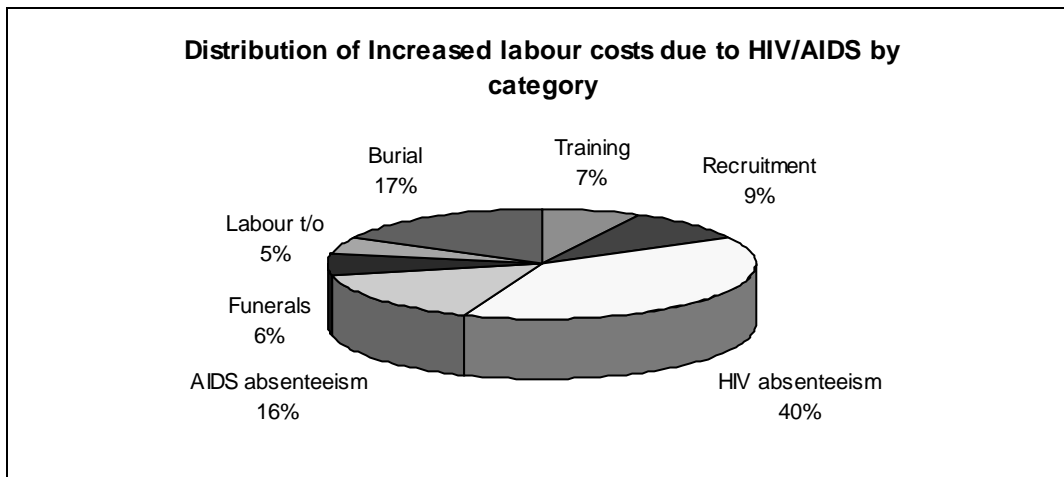
Absenteeism is a cost in a sense that an absent employee is paid for the job he did not perform. It also results in extra work for other employees who have to stand in for the sick colleague. Some of these workers may be required to work overtime to compensate for time lost by their absent colleagues. Companies will therefore pay more in terms of overtime. This aspect also leads to workers getting overworked and exhausted.

Labour productivity is an important determinant of output and profitability. Illness compromises productivity because a sick person is unable to work. Even where she can still work, performance is lowered by physical, physiological and psychological factors. Therefore the higher the morbidity and mortality from AIDS, the higher the absenteeism and lost productivity.

A study by Roberts et al (1997) on 16 businesses in Kenya found HIV and AIDS related absenteeism is the most significant cost on companies(**figure 25**).

The impact assessment on companies shows that absenteeism both to HIV and AIDS are going to be huge.

Figure: 25



Source: Robert et al 1997

5.2.2 High labour turnover

The study found that 33% surveyed companies have experienced increased loss of skills. This was more felt by the large companies.

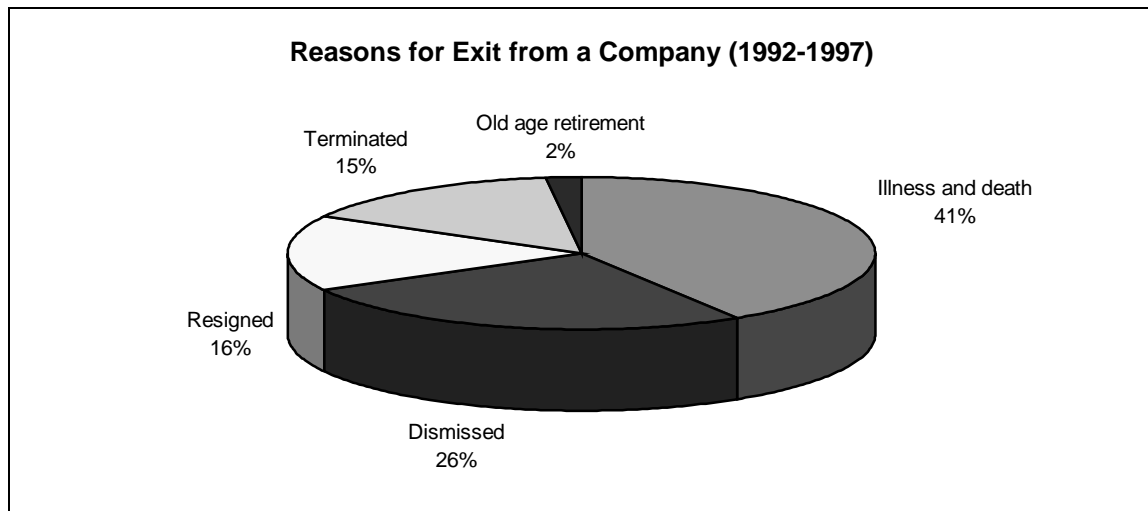
Illness and death of an employee leads to loss of skills with deleterious consequences on quality and quantity of the final product. Loss of skills and experience is not easily replaceable. The increase in labour turnover also has an effect on quality and quantity of the final product since the new employee needs time to acquire the necessary skills to perform his job to full capacity.

There is a cost to the employer that is incurred. This includes the costs of recruitment of the new employee. The position remains vacant until a new employee is hired and there is cost of overtime wages to compensate for vacant positions. The company incurs costs of in-service training to bring the new employee up to the level of the old one and a salary is paid to the employee during training.

This study found that 31% of the companies surveyed have experienced an increase in recruitment costs and training costs. This was more felt by the large enterprises (**table 9, figure 10**). Rugalema et al(1999) found out that illness and death (primarily due to AIDS) was the most important reason for employee exits from agro-estates in Kenya. Studies in Botswana and Kenya by Roberts et al.(1997), show similar results (**figure 26**)

The final result is overall reduction in experience, skill, institutional memory and performance of the workforce. Work unit productivity is disrupted due to increased staff turnover and the company incurs increased costs in recruitment and training. Because it is the unskilled staff that are disproportionately affected, initially costs might remain low but as more and more skilled workers fall sick the number are likely to rise.

Figure: 26



Source: Robert et al 1997

5.2.3 Employee benefits

The direct cost of AIDS will be felt through escalating medical scheme and employee benefit costs. Cost of an average set of benefits is expected to double for many schemes by 2005 and triple by 2010, This could add around 15% to the remuneration budget of a manufacturing company by 2005, or alternatively result in members' benefits being halved(Moore 1999). This section presents the effect of increased employee benefit and medical scheme benefits on Swazi business.

a) Medical benefits

Most people who develop AIDS are prime-age adults, and without AIDS this 15-50 age group accounts for only 10-20% of all deaths in a developing country, but these deaths typically generate a disproportionate share of total healthcare demand. (Over et. Al, 1992; Sauerman et. Al, 1996). Several studies suggest that adults with AIDS use more health care prior to death than those who die from other causes, therefore the percentage increase in demand for care is likely to exceed the percentage increase in their mortality due to AIDS

This study found that 64% of the surveyed businesses provide medical benefits of some kind to their employees. 49% of these companies have experienced an increase in their healthcare costs (tables 9 & 11, figures 11 & 13)

The medical benefits provided include,

- free treatment onsite (80%)
- pay for treatment at a private clinic (76%).
- pay for health insurance for their employees(80%).

As HIV/AIDS cases increase amongst employees and dependants companies that provide onsite clinics or pay for treatment of their employees will experience an increase in medical costs.

For those companies that pay for health insurance for their employees, there are two scenarios. The first, is the defined contribution arrangement, where increases in risk benefit costs result in a decrease in benefits and the second is the defined benefit arrangement where the employer is fully responsible for increases in risk benefit costs. The first scenario means that the employees as they start falling sick more often will have their benefits reduced, this increases the burden on the employee and eventually on the public health sector where healthcare is more affordable.

The second scenario means that as employees start falling sick more often and use more of their health insurance benefits premiums will rise and this extra cost will be incurred by the employer.

Rugalema et al (1999) found that on one of the Kenya agro-estates internal medical costs had risen by seven fold over a period of nine years.

From the impact assessment, it is clear that a combination large outlay in medical benefits couple with a large force is most likely to yield a large financial impact. For example company 9 (see table 24).

The impact on medical cost patterns will be far more complex than that expected for group life and disability benefits. This is because the number of claims is more difficult to define, particularly if some people do not themselves know that they have HIV. The cost of medicines, doctors' consultations, pathology tests will increase as individuals with HIV

receive treatment for opportunistic infections. However an issue to consider is that the latest drug therapy, although currently quite expensive, may come down in price substantially over the next few years. If appropriate treatment is given to infected people timeously, they should be able to remain productive for quite a long time.

Therefore the most effective way of managing the numerous financial impacts of HIV/AIDS is to ensure the development of appropriate disease management programs. Employees with poorly managed HIV will experience significantly greater reductions in productivity, higher absenteeism and higher medical claims than those managed properly. A proper medical benefit will also significantly increase life expectancy, postpone or prevent group life claims. And thus reducing premiums. Therefore employees should be encouraged to seek medical care as early as possible. Also early detection limits further infections.

b) Employee benefits

Most Swazi businesses surveyed provide some form of benefits to their employees. The benefits include(**table 12**):

- retirement schemes (53%)
- funeral and burial expenses (69%)
- disability payments (55%)
- death in service benefits (56%)
- Group health insurance(36%). Most important aspect is that this insurance does not exclude HIV/AIDS related deaths(**table 12, figure 14**)
- One company gives ongoing family support after the death of the employee. This is done by providing employment to the family members.

The larger enterprises provide more benefits.

Group Life.

HIV/AIDS occurs primarily among people in their prime working years, ages when there is otherwise little mortality. Therefore as AIDS-related deaths increase, group life assurance mortality rates increase and in-turn the premiums.

In this study increase in expenditure due to increase in premiums under the group life insurance presents the greatest percentage increase per employee per year. Companies that pay large amounts of group life per employee per year are more likely to have a huge

impact. Company 9 have the highest financial impact due to AIDS(**Table 24**). The company provides over 1000 Emalangenzi per employee per year.(**see table 23**)..

Permanent Health insurance.

The progression of AIDS related illness will result in a greater number of disabled employees making claims on permanent health insurance. This impact is mitigated to some degree, however, by the fact that a typical claim on permanent health is shorter for people living with HIV/AIDS, as they will often die after a short period of disability.

PHI is not widely provided and only three companies do provide it.

Capital disability.

Capital disability benefits are more vulnerable to increased claims as a result of AIDS - related disabilities, as all claims are paid in full regardless of length of disability.

Companies that provide capital disability are therefore vulnerable to the financial impact of HIV/AIDS. This accounts for the large impact that company 9 is likely to experience.(**see table 25**). However, the duration of payment of disability pensions to people with HIV/AIDS will decrease as the expected survival period decreases. The request for benefits arising as a result of the death of retired members will increase by a relatively low proportion, since most employees who have HIV may die before attaining normal retirement age.

Robert et al (1997) survey on Kenya enterprises found that most of the companies(82%) provided extensive medical benefits to their employees, also provided other benefits like funeral expenses and death benefits. A notable portion of these firms (41%) also had made considerable investment in highly skilled employees who had received extensive training.

The impact of AIDS on any specific employee benefit arrangement will therefore depend on:

- the structure of the risk benefits. The defined benefit arrangement where the employer is fully responsible for increases in risk benefit costs will exert a lot of burden on the employer as the risk benefit costs continue to increase.
- the age and gender profile of the members. Middle aged members of retirement funds who spend their youth subsidizing risk benefits of the older members are going

to have to spend their future years subsidising the risk benefit costs of those younger members, where incidence of HIV/AIDS is significantly higher.

- the income level of members
- the industry in which members operate
- the extent and effectiveness of a company's AIDS intervention measures.

5.2.4 Funeral costs

The prolonged morbidity due to HIV/AIDS is invariably followed by death. Funeral arrangements have to be made. The next paragraphs focus on costs involved in the funeral process.

The funeral process is associated with various ceremonies during the mourning period.

This study found out that when an employee passes away, most companies bear a financial responsibility in relation to organisation of the funeral. 38% of the companies surveyed reported an increase in their funeral costs (**table 9, figure 11**).

The funeral costs include:

- coffin expenses
- transport expenses
- embalming expenses
- allowances to official mourners
- some companies pay cash money to the bereaved family as company's official condolence

Rugalema et al (1999) in their study of agro-estates in Kenya report a finding in one agro-estate whose funeral expenses had increased ten-fold over a five year period.

5.2.5 Psychological effects

This study found that 38% of companies surveyed reported incidences where workers lost morale or their concentration disrupted by their colleagues' sickness or death. This was through sympathy for the sick colleague(76%), feeling of lost value in life following their colleague's death(11%) and of rejection of sick employees(13%) (**table 10, figure 12**).

The reduced concentration, reduced morale coupled with the extra hours that these workers may be forced to work to cover load for their sick colleagues brings enormous stress. Some workers will utilise any free time to get away from company premises. They

go away to relax and recover from the pressure of work; and they may do so by going to shebeens(bars); hence exposure to casual sex and possible infection by HIV. The other factor is fatigue, this exposes workers to increased work related accidents.

Psychological stress is an invisible cost to companies and can lead to substantial reduction in productivity. It merits further research.

5.2.6 Human resource planning⁵ in the advent of HIV/AIDS

Human resource planning involves four stages:

- Analysis of existing staffing resources
- Estimation of likely changes by the target date
- Demand forecast of staff requirements
- Personnel management action programme

The process is aimed at reconciling differences between supply and demand.

There are five important issues under human resource planning - succession planning, recruitment problems, expected skills shortages, changing skills requirement, and retention difficulties. (Mullins 1999, pp 733-40). HIV/AIDS morbidity and mortality compromise the efficient use of human resource planning.

When illnesses are frequent, it is even difficult to make a roster for weekly shifts. It is not easy to know, for example how long an AIDS patient whose illness is in remission will take before symptoms recur. In the long term it is not easy to predict whether someone sick today will still be part of the workforce in the next few years or so.

Secondly, anticipating the skill drain is not a straight forward issue with HIV/AIDS since it is difficult to know exactly what proportion of their workforce they are likely to lose to AIDS. (AIDS epidemic update 2000).

This study found that the surveyed companies did not have in-depth human resources planning to manage the impact of HIV/AIDS on recruitment, training and productivity. 67% did not have any human resource strategies to mitigate the impact of HIV/AIDS on human resources, and 22% felt that health education was enough to mitigate the impact. **(table 13)**

⁵ Human resources planning is defined as “a strategy for acquisition, utilisation, improvement and retention of enterprises’ human resources.(Mullins, 1999, pp 733-40).

5.3. KNOWLEDGE, ATTITUDES AND PRACTICES AMONG CORPORATE MANAGEMENT IN SWAZILAND.

The knowledge, attitudes and practices of corporate management about HIV/AIDS at workplace serve as motivating factors in the initiation and implementation of effective and successful HIV/AIDS workplace prevention programmes. The dominant motives for corporate action usually are welfare of the employees living with HIV/AIDS, the protection and safety of all other employees, followed by legal implications(The Conference board 1997). However, it has been suggested that in areas where HIV prevalence is high - like Swaziland at 34.2%, the principal motive is to protect core business operations(Daly 2000 p 21).

5.3.1 Likely impact of HIV/AIDS on business

In general, knowledge about HIV/AIDS at workplace amongst corporate management in the surveyed companies is wide spread. Management in 89% of surveyed companies thought that HIV/AIDS is a problem to their businesses and will continue to be. Only 11% thought HIV/AIDS would not affect their businesses. The reason given was that, “they were too small a company to be affected by HIV/AIDS”

Various reasons were given for thinking that HIV/AIDS is a problem to their businesses. However the general feeling was that the increased illness and death due to HIV/AIDS would lead to:

- reduced productivity(36%)
- a reduction in labour force pool (30%)
- impact on markets (27%)
- national economic decline(1%).
- little awareness within the population about HIV/AIDS meaning that the epidemic was still growing and the worse effects on business were yet to come(1%).
- 5% thought business would survive without any effects

(table 14, figure 15)

5.3.2 The likely effect of loss of suppliers and customers on business profits and operations.

Businesses may be susceptible to inadequate responses to HIV/AIDS among key suppliers. Particularly important are likely to be water and electricity, telecommunications and basic government service suppliers, where breakdowns in the continuity of supply could have downstream effects on many companies.

Secondly, in the developing world the SMEs make up the majority of business operations and source of employment (Daly 2000), but most significantly form part of the supply chains and operations of the LEs. Therefore the profitability of LEs has become increasingly dependent on the good performance of the SMEs.

HIV/AIDS will also affect the growth of many markets for goods and services. Affected households will divert expenditure to HIV/AIDS-related needs such as healthcare and funeral expenses. Non-essential goods with high elasticities of demand are likely to be more susceptible to household expenditure shifts than staple products. Many middle income households will become poor, and market growth for goods and services targeted at upwardly mobile households may be negatively affected.

The risk of default credit payments will also increase in response to the epidemic. Long-term loans, such as mortgages, will be particularly affected as pre-loan testing for HIV can not offset the risk -- borrowers could become infected after approval of the loan.

This study found that

- ❑ 29% of companies surveyed thought that loss of customers through HIV/AIDS related deaths would lower their business profits.
- ❑ 18% thought that loss of customers would lead to disruption in business operations.
- ❑ 11% thought that loss of suppliers through HIV/AIDS related deaths would affect their business profits and disrupt business operations.

These views were more expressed by the larger enterprises.(table 14)

5.3.3 HIV/AIDS as a disability

A disability is defined as a physical or mental impairment that substantially limits one or more of an individual's major life activities.

The Supreme Court of the United States of America held in Bragdon v. Abbott that asymptomatic HIV is a disability under the Americans with Disabilities Act(ADA), (CDC 1992). Under the ADA, an employer must provide reasonable accommodation⁶ to qualified individuals with disabilities who are employees or applicants for employment.

⁶ Reasonable accommodations are changes or adjustments to the job or work environments that permit individuals with disabilities to perform the essential functions of a job(CDC 1992).

This study found that : 51% thought HIV/AIDS can be classified as a disability. The reason given - HIV/AIDS ultimately makes the employee unable to follow his normal duties. Those who felt HIV/AIDS is not a disability, thought that HIV/AIDS was just like any other disease.

Employers are going to be confronted with a new phenomenon from improved AIDS treatments; employees returning to work -- either to their former employer or a new employer from long-term disability status. There is therefore need to underscore the challenge medical advances pose to both ongoing accommodations of disabled employees and acceptance of those employees by the workforce. A conducive legal and social environment should be provided. This can be done by implementing GIPA⁷

This study found that whereas 58% of companies surveyed had a policy on reasonable accommodation in case of an employee with disabilities, only 24% apply reasonable accommodation in cases of employees with HIV/AIDS who are unable to perform their normal duties(**table 15**).

Only 8% of companies surveyed have had any work related challenges or legal battles on the basis of HIV/AIDS at work place. This reinforces the fact that HIV/AIDS is still a new disease at the workplace, but as knowledge about the disease increases amongst workers and trade unions employers are going to face more legal and/or challenges on HIV/AIDS work related issues.

5.4 RESPONSE TO HIV/AIDS EPIDEMIC BY SWAZI BUSINESSES

This section presents the findings of this study on the responses that Swazi businesses have implemented to mitigate the impact of HIV/AIDS on their business. The response includes policy formulation on HIV/AIDS at workplace, health education and training on HIV/AIDS, corporate philanthropy and volunteerism, advocacy and leadership role in the fight against HIV/AIDS. From the impact assessment on the ten companies it is evident that HIV/AIDS workplace programs work, but most importantly that a comprehensive workplace program integrating several interventions yields best results (**see Figures 23 and 24**)

⁷ GIPA - Greater Involvement of People with AIDS. GIPA implementation, aims to protect and promote rights of individuals living with HIV/AIDS by fully involving people living with HIV/AIDS in the formulation and implementation of policies.(Roey 1999).

5.4.1 Policy formulation on HIV/AIDS at workplace

a) Policy on chronic illnesses or specific policy on HIV/AIDS

A workplace policy is central to developing and implementing an effective workplace programme. It provides the framework for action. It defines the organisation's position and practices in relation to employees with HIV/AIDS and to preventing the spread of HIV/AIDS. The policy must be developed through consultation with all levels of workers.

This study found that policy formulation has not been widely practised by Swazi businesses. Only 22% of companies surveyed have a policy on chronic illnesses which includes HIV/AIDS and 18 % have a specific policy on HIV/AIDS. **(table 16, figure 16)** The larger enterprises had a higher percentage of companies with a policy on chronic illnesses including HIV/AIDS. The smaller enterprises had a higher percentage of policies specific for HIV/AIDS/STDS. The larger enterprises normally have an occupational health policy which includes chronic diseases, most found it easier to incorporate HIV/AIDS.

In the CDC survey (1997), 43% work sites with more than 50 employees had a policy regarding an employee with a disability or life threatening illness including HIV/AIDS. Few work sites had HIV/AIDS specific policies.

b) Policy on testing for HIV

Whereas only 8% had specific policies on HIV testing of employees and applicants, all businesses do not test employees for HIV and only 2% test applicants for HIV. The companies that test applicants for HIV are in the food industry - the reason given for testing applicants was legal and customer concerns.

Robert et al (1997) in a study of Kenyan enterprises found that 76.5% of the firms (13 out of 17) did not require HIV tests for applicants or employees (testing policies of four companies unknown). At least three of the 13 businesses without mandatory testing offered HIV testing to employees on a completely confidential and voluntary basis as part of their health benefits

5.4.2 Health education and training on HIV/AIDS

Health education and training on HIV/AIDS is a way of protecting core business operations by encouraging behavioural change to prevent the spread of HIV/AIDS/STDs and ensure acceptance of the already sick employees

Health education and training should be offered to employees, employee families, the surrounding community, labour leaders and managers

It is important to train the managers, supervisors and labour leaders first before beginning to educate the rest of the employees.

The managers, supervisors and labour leaders must understand the facts about HIV/AIDS and the company's policy to be able to do the following :

- answer employee questions
- know where to refer employees for assistance or additional information
- be able to reinforce the company's position on HIV/AIDS
- support and encourage the employees' participation in training sessions
- be prepared to supervise and manage their work groups

This study found that:

- 49% of companies surveyed offer health education specifically about HIV/AIDS to their employees
- 31% provide health education on general occupational diseases - HIV/AIDS included.
- 47% train their managers on HIV/AIDS and 36% train labour leaders on HIV/AIDS

From this study, it is evident that health education on HIV/AIDS is widely practised by Swaziland businesses surveyed. These programmes are well established in most companies. The larger enterprises have a higher percentage of companies with education programmes than the SMEs. (**table 17**)

In the CDC survey, 42% trained their managers on HIV/AIDS. However most work sites did not offer HIV/AIDS education (only 16% offered), for those that provided the education, three quarters said these programmes were mandatory for at least some managers, supervisors and employees.

5.4.3 Awareness programmes

Employees need basic information to settle their concerns about HIV/AIDS. Awareness programmes provide information that is relevant, accessible, in an understandable language. There are formal and informal methods of raising awareness. These should be

combined to effectively deliver the message. A combination of several methods of raising awareness has multiplier effect on reducing HIV prevalence.(Van Vliet 1997).

This study found out that there are various methods being used for raising awareness amongst employees about HIV/AIDS/STDs, and these include:

- | | |
|---|--|
| <input type="checkbox"/> distribution of posters (42%) | <input type="checkbox"/> video presentations (22%) |
| <input type="checkbox"/> Formal presentations (36%) | <input type="checkbox"/> small group discussions (29%) |
| <input type="checkbox"/> participatory discussions (33%) | <input type="checkbox"/> Role play (13%) |
| <input type="checkbox"/> examine values/attitudes (33%) | |
| <input type="checkbox"/> Brown bag lunches talks ⁸ (1%) | |

The larger enterprises have a wider approach as compared to the SMEs.

(table 18)

5.4.4 Health education and Training of employees' families and the surrounding community in HIV/AIDS prevention activities

AIDS is such a serious and far reaching problem that it will define how societies develop in future. The workforce and their families are part of the community. Therefore business can not afford to distance itself from the community.

Business needs to establish local community HIV/AIDS education and prevention activities focusing on high risk groups and the youth. The education and training sector is uniquely placed to influence the course of the epidemic by preventing new infections among large numbers of young people. Furthermore, the youth are the source of future skilled people in the economy.

For businesses to remain responsive and competitive and to maintain their reputations, they need to safeguard their direct business partners against the impact of HIV/AIDS. These partners include suppliers and service networks and the community.

This study found that:

- 11% give health education to employees' families
- 13% include the surrounding communities in their health education programmes
- 6% provide health education to their suppliers

⁸ Brown bag lunches are sessions held over lunch time to discuss HIV/AIDS related issues. Participants are either offered lunch or carry their own lunch in their bags.

- 8% provide health education to their customers(**table 19, figure 17**)

In the CDC survey, family education was the least implemented component (1.3%)

5.4.5 Corporate Philanthropy and Volunteerism

Corporate philanthropy can have a major impact on the AIDS epidemic. When major companies get involved, AIDS gets recognised as an issue with serious consequences for the nation. It opens doors for broader business support and strengthens the infrastructure of AIDS service organisations. It also enhances the image of business in the eyes of their employees and communities.

AIDS is a business issue, a social and an economic issue as well as a health issue, and affects the bottom line. HIV/AIDS activities therefore need funding and business can play significant role in fighting the epidemic by supporting programmes on education, treatment, care and services, research and public policy. This can be done through corporate philanthropy and volunteerism.

Thirdly, the ability to protect employees is limited if education and outreach efforts are not extended to the local communities. HIV/AIDS spread is influenced by behaviours and socio-economic pressures which are present within the communities in which workers live.

This study found that apart from offering cash donations (40%) and sponsorship of anti HIV/AIDS drives (36%), corporate philanthropy and volunteerism are not commonly implemented by Swazi business in the fight against HIV/AIDS(**table 20**).

The rest of the components are:

- social marketing as means of condom distribution (27%)
- employees volunteerism to give health education in communities(24%)
- provide in-kind services support to HIV/AIDS programmes(24%).
- Fund-raising(13%),
- community services(22%),
- matched giving(6%),
- donating a proportion (6%)
- loan of executives (8%)

5.4.6 Advocacy and leadership role in HIV/AIDS prevention

Advocacy and Leadership are a crucial factor in development and success of partnerships between businesses. Glaxo Wellcome has spearheaded and supported the activities of Global Business Council on HIV/AIDS, committing financial and human resources to

assist in establishing the advocacy position of the council with businesses and within international forums (Daly 2000)

This study found that Swazi businesses have not taken an appropriate stance as far as leadership and advocacy on HIV/AIDS issues are concerned. Where attempts have been made, the efforts have not been appropriate.

- 33% of companies surveyed reported taking a high profile stance to fight HIV/AIDS.
- 38% were willing to take such a stance in future. These were mostly the larger enterprises.(**table 21, figures 18 & 19**)

For those who have taken the leadership role and advocacy; the initiatives taken include:

- support for government initiatives (56%)
- sponsorship of national initiatives (29%)
- on-air educational programmes (5%)
- support for local anti HIV/AIDS groups (5%)
- Advocacy for program initiation (5%)

5.5 DIFFICULTIES FACED IN IMPLEMENTATION OF WORKPLACE PREVENTION PROGRAMMES

This study looked at problems that businesses face in the process of setting up HIV/AIDS workplace prevention programmes. This area covered information needs, requirements and barriers to setting up programmes.

5.5.1 Information needs

Most businesses felt they need more information on the following:

- information updates on HIV/AIDS disease, prevalence, and current management trends (71%).
- information on how to deal with labour relations' issues arising out of HIV/AIDS at workplace and how to deal with employee attitudes towards the disease (69%).
- HIV/AIDS workplace policy formulation techniques(67%)
- how to set up a workplace HIV/AIDS prevention programme(80%).

This study shows that there is wide spread lack of information on how to go about initiating workplace prevention programmes(**table 22**).

5.5.2 Requirements for setting up a comprehensive workplace programme

This study examined the specific requirements for setting up a comprehensive workplace HIV/AIDS prevention programme that businesses feel they are lacking.

Most of the businesses surveyed felt they were lacking the following expertise or materials:

- Educational materials on HIV/AIDS at workplace, its impact and prevention programmes(42%)
- How to do socio-economic impact studies(21%).
- How to do a cost-benefit analysis of a prevention programme(21%)
- How to determine sero-prevalence amongst employees(2%),
- Details of Government strategies on HIV/AIDS at workplace(6%),
- and how to run and evaluate a workplace programme(8%).

(Figure 20)

5.5.3 Barriers to Implementation of HIV/AIDS workplace programme

The surveyed companies reported experiencing difficulties in setting up workplace programmes.

These problems included lack of:

- support from Workers' Union leaders (10%)
- support from other managers (6%)
- information(8%)
- interest from employees(16%)
- educational materials (15%)
- access to trained presenter/educator (9%)
- means to measure success (21%)
- And Fear of being associated with AIDS by wider community (15%)

(Figure 21)

The implications of these results are that there are genuine problems that need to be addressed to effectively have businesses engage in HIV/AIDS prevention.

5.6 Suggested Approach to the HIV/AIDS epidemic

The business executives were asked to suggest approaches that could be adopted to deal with the epidemic decisively and methods that would facilitate the implementation of workplace HIV/AIDS prevention programmes to stop or reduce the spread of the virus,

mitigate the impact on business and look after those employees and their families that are already infected.

These suggestions can be implemented by business as part of a comprehensive and co-ordinated response to the epidemic.

The **informational approach** was suggested by 23% of the businesses. This can be readily implemented by the private sector. As a secondary audience, through business programmes, the employees would receive direct persuasive information about risks of AIDS related behaviour, and practices and advantages of abstaining or engaging in safe sex.

Since prevention and management of HIV/AIDS is an enormous task, **partnerships and inter-sectoral collaboration** are important in implementation of effective programmes. This was suggested by 21% of the businesses surveyed.

The **economic approach (suggested by 19%)** has a direct application to the private sector. Economic assistance can be given to business to implement workplace programmes. This could be supplemented by assistance in-kind from educational and medical institutions to design, implement and evaluate workplace programmes.

The **technological approach (suggested by 18%)** includes scientific research on HIV/AIDS, provision of cheaper condoms, provision of anti-retrovirals and more efficient testing systems. These are good intervention strategies that business needs to implement especially when preventing the loss of core skills.

The **legal approach (suggested by 14%)** involves forcing business to get involved in social change, is not considered to be a viable option as this would be time consuming because of the legal process. Secondly it could easily lead to negative reaction on part of business.

Every community has its well established ways of maintaining health, preventing disease and treating the sick. **Alternative healing systems** are rooted in cultural differences and are linked to the dominant value system of a particular culture. HIV/AIDS being a chronic disease with serious consequences on society, a range of therapeutic options available in the various societies are increasingly being used to remedy HIV related problems.

Use of alternative medicine providers is an option that was suggested by 4% of companies surveyed. This needs to be explored further.

National governments can encourage business to engage in comprehensive HIV prevention programmes by giving **tax incentives** to those companies that actively engage in these programmes. This was suggested by 2 % of the companies surveyed (**figure 22**)

5.7. VULNERABILITY OF SWAZI BUSINESSES TO THE IMPACT OF HIV/AIDS

Vulnerability means the features of an economic entity that makes it more or less likely that excess morbidity and mortality associated with HIV/AIDS will have a deleterious impact on that unit (Whiteside, 2000, p 103).

Vulnerability of businesses to HIV/AIDS will vary, depending on factors such as type of business and production process. Labour-intensive firms may appear to be at higher risk of lost production, but the actual impact will depend on the ease with which employees can be substituted. For a high skill, labour intensive industry it will be very costly to train replacement staff, whereas low-skill industries such as commercial cleaning will be easily able to find replacement employees even at the height of the epidemic. Some capital intensive industries can be more vulnerable to HIV/AIDS than labour intensive ones, especially those in which employees specialise in operating particular machinery.

Other factors influencing the overall costs of the epidemic include the risk profile of employees, risk modification attempts by the company, benefits offered and the degree to which processes have been planned to take HIV infection into account and the impact on the business environment, including the demand for goods and services.

This study found four significant factors that make Swazi businesses vulnerable to the impact of HIV/AIDS:

- Most of the businesses surveyed have not implemented comprehensive workplace prevention strategies. Few business have a workplace HIV/AIDS policy to guide their response to the epidemic, their response is therefore likely to be haphazard.

- Human resource planning strategies to manage the impact on recruitment, training and productivity have not been implemented.

- Swazi businesses provide a wide range of employee benefits. These include retirement schemes, death in-service benefits, burial fees, medical care, group health insurance, disability payments and on-going family support. These costs will continue to rise as more workers fall sick and die from HIV/AIDS.

- From the Swaziland HIV epidemic curve (**Figure 2**), HIV prevalence is still on the increase in Swaziland and employers will continue to experience an increase in number of workers falling ill and dying from HIV/AIDS.

5.8. CORPORATE BUSINESS AND THEIR READINESS TO ENGAGE IN WORKPLACE ACTIVITIES

The most encouraging finding of this study is that most of the businesses surveyed were willing to engage in HIV/AIDS prevention at workplace(87%) (**table 23**)

They were willing to:

- allow employees receive education on site during working hours(87%)
- give employees paid leave time to be trained on HIV/AIDS(69%)
- provide space for training(64%)
- provide transport (56%)
- provide money for education materials, condoms and training(69%).

6. SUMMARY

6.1 Costs that excess morbidity and mortality due to HIV/AIDS has impacted on Swazi business

It is clear from the foregoing discussions that prolonged morbidity and mortality due to HIV/AIDS is having significant negative impact on bottom-line profits of companies.

The effects on companies are summarised as:

- Increased absenteeism not only because of ill health experienced by employees, but also because workers take time off to care for their families and for funerals.

- Increased funeral expenses

- Costs of healthcare, medical aid and hospitalisation are increasing

- death related loss of labour

- The morale of the workforce is sagging and there is increased psychological stress
- Increased fatigue due to increased work load - may lead to increased accidents at work and also lead to increased exposure of workers to HIV as they relax in the bars after work
- loss of skills and experience
- Employees who die or retire on medical grounds have to be replaced, their replacements need training.
- Employers are increasing the size of their workforce to provide for deaths during apprenticeship and because of absenteeism.
- Compromised manpower planning.
- Companies in the medium to large enterprise group (250-599) are the most affected. Reason being that they provide more employee benefits, and may not have implemented coping mechanisms. The Large Enterprise group(600+) is fairly well protected despite the large outlay in benefits - this could be a sign of effective coping mechanisms.

The combined effects have led to:

- increased costs of production.
- a decline in quantity and quality of processed products
- disruption of business operations
- a decline in company profitability

6.2 Knowledge, Attitudes and Practices of Corporate Management about HIV/AIDS at workplace

Knowledge about HIV/AIDS at workplace is wide spread. However there are still uncertainties on what the effect of HIV/AIDS on other stakeholders like business partners, consumers, and supplies will have on individual businesses. There is limited appreciation of the fact that the HIV/AIDS effects in wider community will have deleterious effects on markets, which in-turn will affect profitability of business. Second, Swazi businesses are obviously worried about the impact HIV/AIDS has on productivity and business operations. The implication here is that the principal motive

behind implementing HIV/AIDS workplace programmes is to protect core business operations.

6.3 Response to HIV/AIDS epidemic.

- There are few businesses that have well-defined policies to guide their HIV/AIDS prevention and control programmes.

- Whereas health education programmes and awareness programmes are widely implemented Swazi businesses have not extended these activities to the community and employees' families, customers and suppliers.

- Corporate philanthropy and volunteerism as a means of creating social change are not widely implemented.

- Swazi businesses have not taken leadership and advocacy roles in the fight against HIV/AIDS.

- The larger enterprises are relatively ahead of the smaller enterprises in implementation of HIV workplace programmes. This could be due to bigger enterprises having the financial and human resources to initiate programmes.

6.4 Barriers and information needs

Whereas most businesses are willing to implement workplace HIV/AIDS prevention programmes, they face certain barriers and lack information in certain areas.

These include:

- lack of information on implementation, monitoring and evaluation of these programmes

- No readily available sources of information on current issues on HIV/AIDS - management and prevention.

- Do not know how to formulate workplace HIV/AIDS policies.

- Approach to motivating employees to participate in prevention programmes.

- Fear of association with HIV/AIDS

6.5 Approach to control of the epidemic

The most outstanding approaches suggested by business are:

- Informational approach - health education and awareness programmes on HIV/AIDS passed on to the employees, their families and the community.
- Formation of partnerships with NGOs and the public sector.
- Scientific approach -through provision of cheaper condoms, anti-retrovirals and use of scientific research.

7. CONCLUSIONS

- A prevalence of HIV/AIDS is found in most businesses in Swaziland. The larger enterprises group has a higher percentage of companies with an employee living with HIV/AIDS than smaller enterprises.
- Most businesses have felt the economic impact of excess morbidity and mortality due to HIV/AIDS.
- The excess morbidity and mortality due to AIDS have significantly reduced productivity, increased production costs and caused disruptions in business operations.
- The main causes of reduced productivity are increased absenteeism due to HIV/AIDS illnesses and workers taking time off to look after their sick relatives and funeral attendance. The employees who die or retire on medical grounds have to be replaced; their replacements may be less skilled and experienced and therefore may require training. This not only reduces productivity because during this process of recruitment and training there is reduced quality and quantity of the product, but also increases production costs.
- The main causes of increased production costs are increased in-death benefits, medical costs, training costs and funeral costs. There has also been an increase in recruitment costs; costs due to reasonable accommodation, catering for employee families and orphans; and extended succession plans.

- ❑ There is increased loss of skills and compromised human resource planning due to excess morbidity and mortality due to HIV/AIDS.
- ❑ Swazi businesses provide a wide range of employee benefits. These include retirement schemes, death in-service benefits, burial fees, medical care, group health insurance, disability payments and on-going family support.
- ❑ Because of the large outlay in employee benefits, Swazi businesses are vulnerable to the financial impact of excess morbidity and mortality due to HIV/AIDS.
- ❑ Swazi businesses' response to HIV/AIDS is poor and inadequate as few businesses have well-defined policies to guide their HIV/AIDS prevention and control programmes. This is an element that increases their vulnerability to the economic impact of excess morbidity and mortality due to HIV/AIDS.
- ❑ The larger enterprises are relatively ahead of the smaller enterprises in implementation of HIV workplace programmes
- ❑ Health education and awareness programmes are widely implemented but this is limited to employees and management only.
- ❑ Swazi businesses do not widely implement corporate philanthropy and volunteerism as a means of creating social change.
- ❑ Swazi businesses have not taken leadership and advocacy roles in the fight against HIV/AIDS.
- ❑ Swazi businesses face certain barriers and lack information that is necessary for setting up workplace prevention programmes.
- ❑ Swazi businesses are more concerned with protecting their business operations and profitability, as opposed to welfare of employees living with HIV/AIDS and protection and safety of other employees, the community at large, and the world wide epidemic.
- ❑ The impact assessment on the ten companies and the benefit of intervention shown thereof are good evidence that workplace programmes against HIV/AIDS do work. Secondly, the best yield comes from a comprehensive workplace program that integrates several interventions.

8. SUGGESTIONS AND RECOMMENDATIONS

The present study has revealed that:

- The HIV epidemic is a significant threat to the private sector, and this will subsequently affect the whole Swazi economy.
- Businesses are willing to implement HIV/AIDS prevention programmes but they lack the knowledge of how to go about doing it.
- Partnerships, health education and awareness programmes; and provision of cheaper condoms and HIV/AIDS care including anti-retrovirals are approaches that can be implemented by the private sector in control of the impact of the epidemic on business.
- Small and medium enterprises lag behind the large enterprises in implementation of HIV/AIDS workplace prevention programmes.

It is against this background that the following recommendations are made:

8.1 National Workshop by business

It is recommended that business convene a national workshop to discuss ways of mitigating the impact of the HIV/AIDS epidemic on the private sector. This can be done under the auspices of the Federation of Swaziland Employers(FSE).

The main focus of the workshop should be to determine the adverse impact that excess morbidity and mortality due to HIV/AIDS has on the private sector. The workshop should serve as a forum to disseminate the findings of the investigation and other related studies.

The workshop should form a Business Task force on AIDS made up of representatives of various stakeholders drawn from the public, private sector and civil society.

The main objective of this task force will be to create and sustain a structure through which the HIV epidemic could be effectively addressed as a business and workplace issue.

The task force would:

- Serve as a forum through which businesses discuss and share experiences on the effects of the epidemic and strategies for prevention and mitigation
- Serve as a resource centre where technical support and updates can be sought by business. It should also provide access to national and international sources of information and education on HIV epidemic.
- Identify local examples of best practices that can be adopted by other businesses.

8.2 Protect Core business operations

For business to remain productive and profitable, it is recommended that measures to mitigate the impact of HIV/AIDS on business should be implemented.

To effectively reduce the cost that excess morbidity and mortality due to HIV/AIDS impacts on business, effective workplace prevention programmes should be implemented. The programmes should be integrated into everyday activities of the organisation, be transparent, ensure a thorough consultative process and management should show a clear commitment to the initiatives. The elements of the programme should consist of:

8.2.1 Policy formulation to provide a framework for action.

Policy formulation procedure should involve seven basic steps:

- Election of an HIV/AIDS committee.
- Perform a needs analysis to determine priority areas for action. This information also acts as a baseline for evaluation and monitoring of the programme.
- Draft the policy, discuss and revise where necessary and only adopt the policy after exhausting the consultative process. This ensures participation by employees, labour unions and management. The relevant labour legislation should be considered when developing the policy.
- Develop a programme based on the policy
- Implement and make the policy available to all employees

- ❑ Monitor and evaluate the programme using the baseline information from the needs analysis. Subsequent indicator information can then be compared with the baseline information to assess the impact of the epidemic and the prevention programme. Some of the indicators that can be used are condom distribution, STD prevalence, STD clinic attendance, absenteeism, deaths in service, anonymous attitude survey and acceptance of employees with HIV by their peers.

- ❑ Review the policy regularly - annually is advisable.

8.2.2 Set up a Human resources strategy

To ensure that employees living with HIV remain productive for a longer period a human resources strategy involving the following should be implemented:

- ❑ Performance management procedures to deal with increased absenteeism, reasonable accommodation, frequent ill-health, early retirement, and employee counselling.

- ❑ Measures to avoid discrimination against employees living with HIV.

- ❑ Determine work place policy on HIV testing

- ❑ Nature of employee benefits should be negotiated between employees, employers and insurers. This will ensure that HIV/AIDS is not excluded from cover and members of medical schemes with HIV/AIDS are not required to pay higher contributions because of the disease. Secondly, there is need for customisation of employee benefit arrangements to meet specific needs of the employees.

8.2.3 Set up prevention programmes.

The prevention programmes should be comprehensive to cover the following:

- Education programmes aimed at providing employees, employees' family members and the community with skills that can help them adopt behaviours that will protect them from HIV/AIDS.
- Awareness programmes to provide information that is relevant, accessible in terms of language and literacy levels of employees. Community members should be included in awareness programmes.
- Train workers especially those who give first aid on basic principles of infection control and universal precautions to avoid accidental transmission of HIV/AIDS in the workplace.
- Condom distribution programmes. Respective businesses can decide between free condom distribution or social marketing of the condoms.
- Management of STDs by making early diagnosis and ensuring effective and complete treatment. This is best achieved through syndromic⁹ treatment of STDs, counselling of people with STDs and partner notification.
- Assess socio-economic conditions and any other factors in the workplace that increase risk of HIV transmission and initiate risk reduction programmes

The success of a prevention programme lies in the integration of these individual aspects into one consolidated prevention programme.

⁹ syndromic treatment of STDs is treatment given for a range of infections including those that may be latent or those difficult to diagnose. It is commonly used where laboratory diagnosis is not possible or in cases of mixed infections.

8.2.4 Care for people with HIV/AIDS

To contain healthcare costs it is recommended that effective primary health care services are provided to manage HIV and the related problems; and home based care for the terminally ill. Secondly, to reduce loss of highly skilled workers employers need to provide anti-retroviral therapy to their key personnel that are infected. This should be coordinated by a Care Task Team that will develop a care strategy. The strategy should describe who will have access to the care, the Core Care package, and who covers which costs. The components of a care package are illustrated in **table 29**.

HIV/AIDS care should cover those :

- uninfected but at risk;
- asymptomatic HIV-positive individuals,
- with early disease;
- with late HIV disease or AIDS
- who are terminally ill.

The objectives are to reduce suffering and improve quality of life of HIV/AIDS patients while at the same time controlling the costs involved(**table 28**).

Table 28: Objectives of HIV/AIDS care

Patient:	Reduce suffering and improve quality of life; provide appropriate treatment of acute inter-current infections
Families:	Render practical support; lend bereavement support
Care givers:	Improve quality of care; provide support
Communities:	Improve capacity to cope; reduce stigma
Health services:	Reduce pressure on services; save costs

Source: AIDS Analysis Africa Vol.10(5) 2000 p 13

Table 29: Components of a care package

<i>Components</i>	<i>Elements</i>
Support groups and networks of people living with HIV:	Access to HIV testing ; counselling
Home based care - patient needs:	Effective pain relief; management of symptoms; support
Home based care - carer needs:	Training in basic skills; support
Home based care - family needs:	Assistance with material needs; support with routine household tasks; spiritual and emotional support; advice about wills and inheritance; preparation for death and the funeral; support for children orphaned by HIV/AIDS
Health services:	Restructured TB control programmes; restructured general medical services; improved access to essential drugs; improved resources for primary health care
Clinical guidelines on:	Common early infections; opportunistic infections; anti-retroviral therapy; palliative and terminal care
Disease management protocols	Comprehensive patient assessment, treatment guideline/protocols, critical pathways patient education, support and counselling, health status monitoring, outcomes measurement - health status, quality of life , economic.
Referrals:	Between different levels on the health care system; between the health care system and NGOs; between traditional healers and both the above

Adopted from: AIDS Analysis Africa Vol.10(5) 2000 p 14 and Southern African Journal of HIV Medicine May 2001p.20

8.3 Formation of Partnerships between Large enterprises(LEs) and Small and Medium Enterprises(SMEs).

SMEs are lagging behind the LEs in prevention programme implementation. LEs' capacity to operate effectively depends on the effective network of supplier and service enterprises, the majority of which are SMEs. It is recommended that LEs form partnerships with SMEs. This could be direct partnerships with individual SMEs or collective co-operation between LEs to assist the SME sector.

The options include:

- LEs extending their education and prevention and health care programmes to their direct business partners.
- Advocacy and advising on appropriate action and information on HIV/AIDS workplace policies.
- LEs can provide leadership, training, materials, advice and finance to SMEs

8.4. Community involvement

AIDS is such a serious and far reaching problem that it will define how societies develop over the first half of the new century in Africa. Since the workforce and their families are part of the community, business cannot afford to distance itself from the community.

It is recommended that business institutes:

- Local community HIV/AIDS education and prevention activities focusing on high risk groups and the youth.
- Awareness raising to prevent discrimination of people living with HIV/AIDS
- Social investment
- Collaboration with HIV/AIDS education and care organisations and projects- through volunteerism, grants, and donations, sponsorship, point of sale activity, matched giving, in-kind giving, and loaning company executives to the fight of HIV/AIDS.

Finally, all individual recommendations are intended to be integrated into a holistic response to combat the devastating effects of HIV/AIDS on the private sector in Swaziland, in order to ensure the wellness of the workforce, as well as to safeguard viable economic interests in the private sector.

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ACRONYMS AND ABBREVIATIONS

AIDS	- Acquired Immune Deficiency Syndrome
ANC	- Antenatal Care
BRTA	- Business Response To AIDS
CDC	- Center for Disease Prevention and Control
CEO	- Chief Executive Officer
ESKOM	- Electricity Supply Commission of South Africa
FSE	- Federation of Swaziland Employers
GDP	- Gross Domestic Product
GIPA	- Greater Involvement of People with HIV/AIDS
HIV	- Human Immune Deficiency Virus
ILO	- International Labor Organization
KAP	- Knowledge, Attitudes and Practices
KShs	- Kenya shillings
LE	- Large Enterprise
NGO	- Non- Governmental Organizations
PHI	- Permanent Health Insurance
SME	- Small and Medium Enterprises
SNAP	- Swaziland National AIDS Programme
SPSS	- Statistical Package for Social Sciences
STDs	- Sexually Transmitted Diseases
STIs	- Sexually Transmitted Infections
TB	- Tuberculosis
t/o	- Turn over
UNAIDS	- Joint United Nations Program on HIV/AIDS
UNDP	- United Nations Development Program
WHO	- World Health Organization