

## Adoption of formal HIV and AIDS workplace policies: An analysis of industry/sector variations

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### Abstract

Addressing HIV and AIDS is the responsibility of many stakeholders including private sector companies. However, increasing evidence reveals that the majority of companies around the world are yet to acknowledge and respond to HIV and AIDS as a workplace issue. One factor that has been identified in the literature as playing a role in determining whether a company responds to HIV and AIDS, or not, is the industry/sector in which a company operates. This study therefore sought to empirically examine whether in the context of Malawi there were significant variations in the adoption of formal HIV and AIDS workplace policies based on the industry/sector in which a company was operating, as well as analyse the dynamics underlying such variations. Using survey data collected from 152 randomly selected private sector companies in Malawi, the results of this study revealed significant variations in the adoption of HIV and AIDS workplace policies among companies operating in various sectors. Companies in the service sector were leading the adoption compared to companies in other sectors such as the trading sector. Furthermore, the evidence from this study showed that differences in staff participation in the activities of HIV and AIDS institutions may explain the industry/sector variations. These results provide an important avenue to scale up company responses to HIV and AIDS by intensifying staff participation in the activities of HIV and AIDS institutions. Such institutions appear to play a vital role of providing up to date HIV- and AIDS-related information upon which companies are able to develop a business case for responding to the epidemic.

**Keywords:** adoption, HIV and AIDS workplace policy, industry/sector variations, HIV and AIDS institutions.

### Résumé

Lutter contre le VIH et le SIDA relève de la responsabilité de nombreux acteurs, y compris des entreprises du secteur privé. Néanmoins, de plus en plus de résultats d'études révèlent que la majorité des entreprises dans le monde n'a pas encore estimé que la lutte contre le VIH et le SIDA devait aussi avoir lieu sur le lieu de travail. Un des facteurs qui a été identifié dans la littérature comme jouant un rôle pour déterminer si une société s'occupe ou non du problème du VIH et du SIDA, est le type de secteur d'activité dans lequel l'entreprise opère. Cette étude a donc cherché à examiner empiriquement s'il y avait dans le contexte du Malawi des variations importantes dans l'adoption de politiques formelles sur le VIH et le SIDA sur le lieu de travail qui seraient fonction de l'industrie ou du secteur dans lequel une société évolue. Cette étude s'est aussi penchée sur l'analyse des dynamiques qui sous-tendent ces variations. Elle a utilisé des données recueillies auprès de 152 entreprises malawites du secteur privé choisies au hasard. Les résultats de cette étude ont révélé qu'il y avait des différences significatives selon le secteur d'activité des entreprises dans la mise en place de politiques de lutte contre le VIH et le SIDA. Les entreprises du secteur des services étaient à l'avant-garde, à l'inverse d'autres secteurs comme celui du commerce. En outre, les conclusions de cette étude ont montré que les différences dans la participation du personnel dans les activités des institutions luttant contre le VIH et le SIDA pouvaient expliquer ces variations dans les secteurs d'activité. Ces résultats mettent en avant une solution indispensable pour passer à la vitesse supérieure en matière de politique de lutte contre le VIH et le SIDA sur le lieu de travail. Il s'agit d'augmenter la participation du personnel dans les activités des institutions luttant contre le VIH et le SIDA. Jusqu'ici, ces institutions semblent jouer un rôle vital pour fournir des informations sur le VIH et le SIDA aux entreprises afin que celles-ci soient en mesure de développer une politique pour répondre à l'épidémie.

**Mots clés:** adoption, politique sur le VIH et le SIDA sur le lieu de travail, variations de secteurs d'activité, institutions de lutte contre le VIH et le SIDA.

### Background

The human immunodeficiency virus (HIV) which causes AIDS (acquired immune deficiency syndrome) is a global epidemic. However, sub-Saharan Africa remains most heavily affected, accounting for 67% of all people living with HIV and for 72% of AIDS deaths in 2007 (UNAIDS, 2008). Malawi is one of the

countries in the sub-Saharan Africa region that is grappling with HIV. Since the first case was diagnosed in 1985, the epidemiological data continue to show a rapidly escalating epidemic (Government of Malawi, 2003). Latest statistics indicate that the adult prevalence rate has gone down, signifying a degree of progress in combating

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HIV and AIDS (Government of Malawi/UNDP, 2005). However, the actual number of people infected continues to grow because of population growth and, more recently, because of the life-prolonging effects of antiretroviral therapy (UNAIDS/WHO, 2006). Out of a population of nearly 14 million, almost 1 million people in Malawi were living with HIV at the end of 2007 (UNAIDS, 2008). The epidemic has many implications for the workplace because of its disproportionate effect on the most productive segment of the labour force (Kamoche, Debra, Horwitz & Muuka, 2004). Hence, the workplace is considered as an ideal setting for addressing HIV (Global Compact, ILO & UNAIDS, 2003).

There is no shortage of information on what types of actions companies can take and suggestions of best practices, but according to Rosen, MacLeod, Vincent, Thea and Simon (2004), much less information is available on what companies are actually doing and why. Particularly in sub-Saharan Africa, few academic studies have concentrated on assessing business responses to the epidemic (Kamoche *et al.*, 2004). For example in Malawi, with a few exceptions, it has been difficult to identify systematic empirical studies that have been conducted in relation to what private sector companies are doing in response to HIV and AIDS and why. This study sought to fill this gap in the literature. The study focused on company responses as they relate to the adoption of formal HIV and AIDS workplace policies. HIV and AIDS workplace policy is a guideline on how a company intends to address HIV and AIDS in the workplace. It specifically defines the company's position and practices for preventing the transmission of HIV and for handling cases of HIV infection or AIDS among employees (Smartwork, 2004). The existence of a written HIV and AIDS policy in a company, therefore, demonstrates that top management has acknowledged HIV and AIDS as a workplace issue and provided direction to both managers and employees on how they are expected to act when dealing with HIV and AIDS matters.

According to Smartwork (2006), written HIV and AIDS workplace policies have the following advantages over unwritten policies: they provide a philosophy and framework for addressing HIV and AIDS consistently, across work sites and work areas; they specify procedures for addressing HIV and AIDS that avoid confusion and uncertainty; they make it easier to outline the duties of employees and management, follow laws related to HIV and AIDS, and ensure action consistent with policy; they establish employee responsibilities not only with regard to safety and health issues, but also for avoiding stigma and discrimination against HIV-infected workers; they inform employees of their rights and protections; and they affirm employees' right to preserve confidentiality. Therefore, while possible gaps between policy and practice need to be borne in mind (Dickinson, 2003), some researchers believe that those companies with HIV and AIDS workplace policies have greater confidence in their ability to manage the impact of the epidemic (Bloom, Bloom, Steven & Weston, 2006; Ellis & Terwin, 2003).

Based on literature review, a number of factors might play a role in determining company responses to HIV and AIDS. Some of the factors include: top management support (George, 2002), pressure to demonstrate corporate social responsibility (Bendell, 2003; Bloom, Bloom, Steven & Weston, 2004), perceived impact of

HIV and AIDS (Ellis & Terwin, 2003), industry/sector (Rosen *et al.*, 2004), availability of information (Rosen *et al.*, 2004), presence of individual champions (Backer & Rogers, 1998; Rogers, 2003), practices of parent corporations (Rosen *et al.*, 2004), size of the company (Rogers, 2003). Rosen *et al.* (2004) observed that although there is already available a long list of possible factors, many previous studies on HIV and AIDS have not formally analysed the effects of these factors. As such, there is merit in investigating these factors more rigorously. This study focused on industry/sector as one of the factors that has been mentioned in the literature.

Sector or industry characteristics influence decisions taken to address specific issues facing companies by providing the context within which meanings are construed, effectiveness is defined and behaviours are evaluated (Jackson & Schuler, 1995). Institutional theorists argue that companies in the same industry tend toward similarity over time because they conform to many common influences and are interpenetrated by relationships that diffuse common knowledge and understanding (Oliver, 1997). Thus, social pressures common to all companies in the same sector cause them to exhibit similar structures and activities (DiMaggio & Powell, 1983). In the context of HIV and AIDS, companies operating in different sectors might be faced with different levels of exposure to the epidemic (Bendell, 2003). This might therefore suggest that even the adoption of formal HIV and AIDS workplace policies could be influenced by the nature of the industry/sector in which a company is operating. Accordingly, Goss and Adam-Smith (1995) stress that the significance of and familiarity with the HIV and AIDS epidemic is likely to vary depending on the nature of the industry in which a company is operating. Certain industries/sectors are particularly vulnerable to HIV infection (Kieran, 2000) as a result of their operations, and in some cases, the nature of work, which places employees in high-risk situations (Global Business Council, 2006). For example, employees in the transport sector could be at a greater risk of becoming infected with HIV because of their frequent long-distance travelling. This might determine how companies operating in different sectors respond to HIV and AIDS. For instance, survey results on the Economic Impact of HIV and AIDS on Business in South Africa indicate that because of the high risk of workforce impacts of HIV and AIDS in the manufacturing sector, most of the companies in this sector had a workplace awareness programme compared with non-manufacturing companies (Ellis & Terwin, 2003). To explain their findings, Ellis and Terwin (2003) found that the majority of the manufacturing companies had experienced lower labour productivity or increased absenteeism due to HIV and AIDS because they were relatively large in size. This corroborates the views expressed by Fennel (1984) and Kimberly and Evanisko (1981) that size and adoption behaviour may be positively related. Increasing size creates a critical mass for problems which stimulates the adoption of policies or programmes to handle such problems. It could therefore be argued that, by virtue of their size, large companies might experience greater negative impacts of HIV and AIDS, which creates a perceived need for such companies to take action.

It is perhaps worth mentioning that company size is but one of the many factors that might increase the perceived vulnerability

of companies to HIV and AIDS impacts. Other factors include: the company having relatively well-paid workers in areas of high unemployment and/or poverty, the company running long-distance transportation, and frequent travel of the company's middle- and upper-level employees (Rau, 2002). This implies that companies operating in different sectors might be vulnerable to HIV and AIDS impacts from different fronts other than by virtue of their size, which could then prompt such companies to take action on HIV and AIDS.

Furthermore, there is also the role of professional associations or institutions. Although these associations or institutions have generally received less attention in the literature, according to Swan and Newell (1995), they are potentially useful for providing companies with the knowledge and expertise needed for developing new ideas. These two researchers emphasise that before adoption can occur, knowledge about new policies or practices needs to be diffused so that companies can decide what is relevant to their needs. This suggests that a new policy or practice cannot be adopted by a company unless knowledge about it is first made available to members of that company. In the context of HIV and AIDS, companies need new types of information from the outside in order to understand and respond to the epidemic (Rosen *et al.*, 2004). For example, through staff participation in the activities of HIV and AIDS institutions, companies in different sectors might be able to acquire relevant information to comprehend the significance of HIV and AIDS as a workplace issue and consequently grasp the need to take action.

The objectives of this paper were twofold: (*i*) to examine whether in the context of Malawi there were significant variations in the adoption of formal HIV and AIDS workplace policies based on the industry/sector in which a company was operating, and (*ii*) to analyse the dynamics underlying such variations.

## Research methodology

### Sampling

This study involved a stratified random sample of 162 companies drawn from the Malawi Confederation of Chambers of Commerce and Industry (MCCI) directory. MCCI was chosen because it is an organised body which is regarded as the voice of the private sector in Malawi. Furthermore, MCCI's membership list incorporates a wide range of companies in terms of size, ownership, as well as sector. For the purposes of this study, the following five

principal sectors were identified: manufacturing, construction, trading, services (financial, utilities, education and training, tourism), and transport, communication and distribution. As at 28 February 2008 the MCCI directory contained 271 companies (MCCI, 2008). The sample size was therefore calculated using the following formula:

$$n = \frac{N}{1 + N(e)^2}$$

Where: n is the sample size, N is the population size, and e is the desired level of precision (University of Florida, 2006).

$$n = \frac{271}{1 + 271(0.05)^2} = 162 \text{ companies.}$$

The study questionnaire was successfully administered to 160 companies. A total of 152 companies responded, representing a response rate of 94%. In each company the questionnaire was given to the head of the human resource function. For those companies with no human resource professionals, the person responsible for human resource issues was chosen as the respondent. The choice of human resource professionals as respondents is similar to the study on HIV and AIDS in the workplace done in Nigeria by Rosen *et al.* (2004). Table 1 presents a summary of the study sample.

Due to the smaller sample size of the construction sector, this sector was combined with the manufacturing sector for purposes of data analysis.

### Instrument

The study questionnaire covered a wide range of issues pertaining to the adoption or non-adoption of formal HIV and AIDS workplace policies. The following five issues drawn from the study questionnaire were considered relevant in the context of this paper.

Firstly was the issue of sector. Sector, in this study, was identified by asking respondents to indicate the name of the principal sector in which their company was operating.

**Table 1. Companies sampled based on principal sector**

Principal sector	Number of companies in the population	Proportion of the population (%)	Number of companies sampled	Number of companies not reached	Number of responses	No responses
Manufacturing	73	27	44	1	37	6
Construction	9	3	5	0	5	0
Trading	73	27	44	0	42	2
Services	79	29	47	0	47	0
Transport, communication and distribution	37	14	22	1	21	0
Total	271	100	162	2	152	8

Secondly was the issue of company size. The most common measure of company size found in the literature as observed by Kimberly (1976) is the total number of full-time employees. This was the measure employed in this study and was obtained by asking respondents to indicate the number of full-time employees in their respective companies. In Malawi, the following is the classification of company size based on the number of employees: 1 - 4 is classified as micro, 5 - 20 is classified as small, 21 - 100 is medium sized, and 100+ is classified as large (Manyunya, 1996).

Thirdly was the issue of perceived impact of HIV and AIDS on the operations of a company. Following Ellis and Terwin (2003), in this study, perceived HIV and AIDS impact was determined by asking respondents to indicate whether HIV and AIDS had led to the loss of experience and vital skills, had increased employee absenteeism, led to higher recruitment and training costs, increased the number of employee deaths, lowered employee productivity, or led to higher employee benefits costs (e.g. medical aid, life and disability insurance, funeral benefits). The respondents' perceptions on HIV and AIDS impact were measured on a 5-point Likert scale, ranging from strongly agree to strongly disagree.

The fourth issue was staff participation in the activities of HIV and AIDS institutions. This was determined by asking respondents whose companies have staff with human resource management expertise and/or health and safety expertise to indicate on a dichotomous scale of yes or no as to whether such staff participated in the activities of HIV and AIDS institutions such as the Malawi Business Coalition against HIV and AIDS (MBCA) and AIDS Workplace Programmes in Southern Africa (AWiSA). This study focused on the participation in the activities of these HIV and AIDS institutions by staff with human resource management expertise and/or health and safety expertise. Various studies have demonstrated that the presence of experts in an organisation is likely to increase the adoption of policies that are compatible with the experts' needs and interests (Bigoness & Perreault, 1981). According to Goss and Adam-Smith (1995), it is obvious that HIV infection will at some stage effect a change in an individual's health – hence it should be a matter for occupational health specialists to formulate company responses to the epidemic. In addition, the HIV and AIDS epidemic is imposing and will continue to impose, in the foreseeable future, a significant burden on the way employees are managed (Baruch & Clancy, 2000). Therefore, where occupational health specialists are not employed, or where a broader framing of HIV and AIDS issues is adopted, crucial aspects of HIV and AIDS response strategy are likely to be dealt with by staff with human resource management expertise (Bendell, 2003; Goss & Adam-Smith, 1995).

The fifth relevant issue was on the state of the company's HIV and AIDS workplace policy. To determine the extent of adoption of formal HIV and AIDS workplace policies by the sampled private sector companies, respondents were asked to indicate whether or not their company had adopted a formal HIV and AIDS workplace policy. Following Lambright (1980) and Pierce and Delbecq (1977), the term 'adoption' as used here meant the intermediate stage at which a decision for the adoption of HIV and AIDS workplace policy was made by the appropriate company decision

maker(s). The earlier stages of idea or proposal generation, and the later stage of institutionalisation and actual implementation of the HIV and AIDS workplace policy, were not considered in this study. Consequently, formal HIV and AIDS workplace policy was considered adopted when a decision for its adoption was made by either top management or the board of directors, as evidenced by the existence of a written HIV and AIDS workplace policy manual or document in a company.

The questionnaire for this study was pilot tested to human resource managers in 13 private sector companies in Malawi to establish content validity of the instrument. The companies that participated in the pilot study were selected across all sectors of the economy using purposive sampling technique. The comments and suggestions received during the pilot study were used to identify and modify unclear questions and also to add other important questions that initially were not included.

As part of social research ethics, the study questionnaire had a cover letter which concisely introduced the respondents to the study, explained the reasons why the study was being conducted, and also assured respondents of confidentiality. Once a respondent expressed consent to participate in the study, the questionnaire was hand delivered and a date to collect the completed questionnaire was agreed upon. With this mode of questionnaire administration the researcher had the opportunity to personally explain the study to the respondents, articulate issues of confidentiality, and only handed in the questionnaire after getting the respondents' consent to participate. The respondents too, had the opportunity to seek clarification on the study, and what was required. When collecting the completed questionnaires, some of the study respondents also provided further explanation of their responses to the researcher, which increased the reliability of the data.

Furthermore, to have a better understanding of the patterns of adoption, qualitative data were also collected through semi-structured interviews with at least one top official from each of the following bodies/associations in Malawi that have an interest in HIV and AIDS in the workplace: National AIDS Commission (Malawi), MBCA, AWiSA, and Malawi Congress of Trade Unions (MCTU). These few targeted interviews provided qualitative insights to explain and interpret the findings of a primarily quantitative study.

## Data analysis

SPSS (Statistical Package for the Social Sciences) was used to analyse study data. To explore relationships between variables, Chi-square test for independence was done to test the statistical significance of any observed relationships. All statistical testing was conducted at the significance level of 0.05.

## Research results

### Extent of adoption of formal HIV and AIDS workplace policies

The results of this study revealed that 38% of the sampled private sector companies had adopted formal HIV and AIDS workplace policies, while 62% of the companies had not yet adopted such policies. In addition, the results showed that 14% of the companies that had adopted formal HIV and AIDS workplace policies, their

policies were adopted in the year 2002 or before 2002, compared with 19% of the companies whose policies were adopted between 2003 and 2004, and 67% of the companies whose policies were adopted between 2005 and 2008.

### **Sector variations in the adoption of formal HIV/AIDS workplace policies**

In Table 2 the results of cross-tabulating the state of HIV and AIDS workplace policy and company sector showed that 55% of the companies in the services sector had adopted formal HIV and AIDS workplace policies, compared with 43% of the companies in the transport, communication and distribution sector; 31% of the companies in the manufacturing and construction sector; and 21% of the companies in the trading sector. The Chi-square value for state of HIV and AIDS workplace policy by company sector was significant [ $\chi^2$  (df=3, N=152) = 12.021,  $p<0.05$ ]. These results seem to suggest that there were significant variations in the adoption of formal HIV and AIDS workplace policies across sectors. Companies in the services sector were actively taking action to address HIV and AIDS through the adoption of formal HIV and AIDS workplace policies compared with companies in other sectors such as the trading sector.

### **Analysis of sector variations**

#### **Perceived HIV and AIDS impact on the operations of the company**

In Table 3 the results of cross-tabulating perceived HIV and AIDS impact and company sector revealed that 76% of the companies in the trading sector held the perception that HIV and AIDS had a low or moderate impact on their operations, compared with 62%

of the companies in the services sector, 57% of the companies in the transport, communication and distribution sector, and 52% of the companies in the manufacturing and construction sector. However, the Chi-square value for perceived HIV and AIDS impact on the operations of the company by company sector was not significant [ $\chi^2$  (df=3, N=152) = 5.464,  $p>0.05$ ]. These results appear to suggest that there were no statistically significant variations on how companies in various sectors perceived the impact of HIV and AIDS on their operations.

#### **Company size**

In Table 4 a cross-tabulation of company size and company sector revealed that 67% of the companies in the manufacturing and construction sector were large, compared with 57% of the companies in the transport, communication and distribution sector, 47% of the companies in the services sector, and 33% of the companies in the trading sector. The Chi-square value for company size by company sector was significant [ $\chi^2$  (df=3, N=152) = 9.953,  $p<0.05$ ]. Thus, the majority of the companies in the manufacturing and construction sector in this study were relatively large whilst the majority of the companies in the trading sector were relatively small or medium sized.

#### **Staff participation in the activities of HIV and AIDS institutions**

In Table 5 a cross-tabulation of company sector and staff participation in the activities of HIV and AIDS institutions revealed that staff in 97% of the companies in the services sector, and 72% of the companies in the transport, communication and distribution sector participated in the activities of HIV and AIDS

**Table 2. Policy state by company sector cross-tabulation**

<b>Policy state</b>	<b>Company sector</b>			
	<b>Services</b>	<b>Transport, communication and distribution</b>	<b>Manufacturing and construction</b>	<b>Trading</b>
Formal policy	55%	43%	31%	21%
No policy	45%	57%	69%	79%
N	47	21	42	42

**Table 3. Perceived HIV and AIDS impact by company sector cross-tabulation**

<b>Perceived HIV and AIDS impact</b>	<b>Company sector</b>			
	<b>Trading</b>	<b>Services</b>	<b>Transport, communication and distribution</b>	<b>Manufacturing and construction</b>
Low or moderate	76%	62%	57%	52%
Severe	24%	38%	43%	48%
N	42	47	21	42

**Table 4. Company size by company sector cross-tabulation**

<b>Company size</b>	<b>Company sector</b>			
	<b>Manufacturing and construction</b>	<b>Transport, communication and distribution</b>	<b>Services</b>	<b>Trading</b>
Large	67%	57%	47%	33%
Small/medium	33%	43%	53%	67%
N	42	21	47	42

**Table 5. Staff participation by company sector cross-tabulation**

Staff participation in HIV and AIDS institutions' activities	Company sector			
	Services	Transport, communication and distribution	Manufacturing and construction	Trading
Yes	97%	72%	60%	58%
No	3%	28%	40%	42%
N	31	18	37	24

institutions, compared with staff in 60% of the companies in the manufacturing and construction sector, and 58% of the companies in the trading sector. The Chi-square value for staff participation in the activities of HIV and AIDS institutions by company sector was significant [ $\chi^2$  (df=3, N=110) = 14.489,  $p<0.05$ ]. These results seem to suggest that the majority of staff participating in the activities of HIV and AIDS were from companies operating in the service sector.

In addition, the results of cross-tabulating state of HIV and AIDS workplace and staff participation in the activities of HIV and AIDS institutions revealed that 67% of the companies whose human resource management and/or health and safety staff participated in the activities of HIV and AIDS institutions had adopted formal HIV and AIDS workplace policies, compared with only 6% of the companies whose human resource management and/or health and safety staff did not participate in the activities of HIV and AIDS institutions that had adopted formal HIV and AIDS workplace policies. The Chi-square value for state of HIV and AIDS workplace policy by staff participation in the activities of HIV and AIDS institutions was significant [ $\chi^2$  (df=1, N=110) = 30.363,  $p<0.05$ ]. These results seem to suggest that there were significant variations in the adoption of formal HIV and AIDS workplace policies based on staff participation in the activities of HIV and AIDS institutions.

## Discussion of results

The results of this study showed that slightly over one-third of the sampled private sector companies had adopted formal policies to address HIV and AIDS in their workplaces. Further, the results revealed that there were significant variations in the adoption of these policies among companies operating in various sectors. Companies in the services sector (financial, utilities, education and training, tourism) were leading the adoption of formal HIV and AIDS workplace policies compared with companies in other sectors such as the trading sector. These results correspond with the findings of the World Economic Forum 2004-05 survey (Bloom, Bloom, Steven & Weston, 2005) and also the results of a survey on the Economic Impact of HIV and AIDS on Business in South Africa (Ellis & Terwin, 2003) which showed that company responses to HIV and AIDS do vary across sectors.

Some studies, such as Ellis and Terwin (2003), demonstrated that size of the companies operating in a particular sector significantly determines the companies' responses to HIV and AIDS. Large companies lead the effort because of a greater perceived impact of HIV and AIDS on their operations by virtue of having a large number of employees who could be at risk of HIV infection (Ellis & Terwin, 2003). Similarly, this study revealed significant variations in company sizes based on sector. The majority of the companies

in the manufacturing and construction sector were relatively large, while the majority of the companies in the trading sector were relatively small or medium sized. However, based on the results of this study, if size was the reason why there were significant variations in the adoption of formal HIV and AIDS workplace policies among companies operating in different sectors, then companies in the manufacturing and construction sector would have been the ones leading the response to HIV and AIDS. But, as has been presented in Table 2 above, companies operating in the services sector were leading the response to HIV and AIDS. Therefore, in contrast to the findings of Ellis and Terwin (2003), in this study the variations in the adoption of formal HIV and AIDS workplace policies among companies operating in various sectors might not be explained by the differences in the sizes of the companies operating in various sectors. Additionally, the results of this study revealed that there were no significant variations in how companies in various sectors perceived the impact of HIV and AIDS on their operations. This appears to further suggest that the variations in the patterns of adoption of formal HIV and AIDS workplace policies among companies operating in various sectors might not be explained by the perceived negative impact of HIV and AIDS on companies operating in a particular sector. These findings are consistent with those of the World Economic Forum 2004-05 and 2005-06 surveys, where it was found that perceptions of HIV and AIDS impact on the company do not vary across different industrial sectors (Bloom *et al.*, 2005; Bloom *et al.*, 2006). Therefore, in this study it appears that both company size and perceived HIV and AIDS impact on the operations of the company might not explain the variations in the adoption of formal HIV and AIDS workplace policies among companies in various sectors.

On the basis of the available data, the results of this study seem to suggest that the variations in the adoption of formal HIV and AIDS workplace policies among companies in different sectors might be explained by the significant differences in staff participation in the activities of HIV and AIDS institutions. Companies whose staff participated in the activities of HIV and AIDS institutions were more likely to adopt formal HIV and AIDS workplace policies compared with companies whose staff did not participate in the activities of HIV and AIDS institutions. The majority of the companies operating in the services and transport, communication and distribution sectors had staff that participated in the activities of HIV and AIDS institutions compared with companies operating in the manufacturing and construction, and trading sectors.

According to Swan and Newell (1995:872) an essential feature of adoption decisions, particularly when dealing with complex problems, is communication through networks outside the

boundaries of the organisation so that organisation members may learn about relevant new developments. Similarly, Teo, Wei and Benbasat (2003) stress that participation in business associations that sanction the adoption of a particular innovation render the adoption of such an innovation more proximate and salient. Hence the potential for an association to disseminate knowledge can be examined by looking at the profile of its members to discover what kinds of people have access to the body of knowledge that the association provides (Swan and Newell, 1995:857). In this study, the knowledge disseminated by HIV and AIDS institutions such as MBCA and AWiSA was more likely to reach directly those companies operating in the services sector since most participants were from this sector. Established in 2003, MBCA has been mandated by the Malawi Government to coordinate the private sector response to HIV and AIDS in Malawi. Its aim is to ensure that companies and businesses are mainstreaming HIV and AIDS issues in their core business. Membership is open to small, medium, and large companies. AWiSA is a regional institution with operations in Malawi, Mozambique, Zambia, Namibia, and South Africa. The aims of AWiSA are: to create awareness for the problem of HIV and AIDS in workplaces in southern Africa, to develop strategies to overcome the identified problems and to implement workplace programmes with full monitoring support. AWiSA targets small to medium-sized companies. Therefore these HIV and AIDS institutions appear to play a vital role by providing relevant information and expertise needed to help member businesses accurately assess the risks they face, the costs and potential benefits of acting on HIV and AIDS. This probably explains why the results presented above showed that companies operating in the services sector were leading the adoption of formal policies to address HIV and AIDS.

Perhaps an important aspect to note is that the results of this study revealed that for those companies that had adopted formal HIV and AIDS workplace policies, a few of them had adopted the policies before 2002 or in 2002. But, in the majority of the companies their formal HIV and AIDS workplace policies were adopted between 2005 and 2008. Incidentally, although MBCA was established in 2003, this coalition started its full fledged activities in 2005. It should be noted that once a company has decided to join MBCA, MBCA encourages and assists such a company to come up with HIV and AIDS workplace programmes and to also develop a formal workplace policy on HIV and AIDS. Hence it seems more private sector companies in Malawi are recognising the need to respond to HIV and AIDS by formulating formal workplace policies, possibly because of the activities of HIV and AIDS institutions.

A matter of concern is that participation in the activities of HIV and AIDS institutions is voluntary. This means that only those companies interested in HIV and AIDS workplace issues and would like to benefit from the activities of HIV and AIDS institutions take part, while those companies that do not perceive HIV and AIDS as a priority business issue may not comprehend the value of their active involvement in the activities of HIV and AIDS institutions. Hence lack of staff participation in the activities of HIV and AIDS institutions might, in certain cases, be due to the fact that the company does not in the first place consider HIV and AIDS as a priority business issue. One possible reason why

companies might not rank HIV and AIDS as a priority business issue could be the numerous problems faced by companies operating in developing countries like Africa. According to Rosen *et al.* (2006), companies in Africa face myriad challenges to stay in business, ranging from power failures to high and unpredictable taxes to political instability. In such an environment where there are competing demands for the company's resources, HIV and AIDS might be kept off the list of priority concerns of managers (Rosen *et al.*, 2004). In addition, faced with more immediate survival concerns, the long-term threat posed by HIV and AIDS might easily be underestimated because of the hidden nature of HIV (Government of Malawi/UNDP, 2002).

## Conclusions and implications

It can be concluded that progressively, over a span of 3 years (i.e. between 2005 and 2008), an increasing number of private sector companies in Malawi adopted formal policies to address HIV and AIDS in their workplace. This implies that the adoption of formal HIV and AIDS workplace policies in Malawi is a trend just gaining momentum among the private sector companies surveyed. Furthermore, the results of this study revealed significant variations in the adoption of formal HIV and AIDS workplace policies across sectors. Companies in the services sector were leading the adoption of these workplace policies compared with companies in other sectors such as the trading sector. However, unlike the findings of other studies (such as Ellis & Terwin, 2003) that explain sector variations based on differences in terms of perceived impact of HIV and AIDS experienced by companies operating in various sectors, this study found that there were no significant differences across companies operating in different sectors in terms of their perceptions of HIV and AIDS impact on their operations. Rather, this study revealed that differences in staff participation in the activities of HIV and AIDS institutions may help explain the variations in the patterns of adoption of formal HIV and AIDS workplace policies among companies operating in various sectors. These results have therefore enhanced our understanding of the dynamics underlying the variations in the adoption of formal HIV and AIDS workplace policies across companies operating in various sectors. Although there is a lack of literature on empirical studies that relate company responses to HIV and AIDS and staff participation in the activities of HIV and AIDS institutions, this study demonstrated the importance of staff participation in the activities of institutions that sanction the adoption of formal HIV and AIDS workplace policies. This finding provides an important avenue of how to scale up business responses to HIV and AIDS by intensifying staff participation in the activities of HIV and AIDS institutions. Therefore these HIV and AIDS institutions have to put in place mechanisms or strategies aimed at convincing companies to acknowledge HIV and AIDS as a reality that affects productivity and profitability. As observed by Rau (2002), despite clear and compelling humanitarian and ethical arguments for companies to take proactive action to address HIV and AIDS in the workplace, there is a strong financial case for investing in HIV and AIDS workplace policies. Companies need to clearly comprehend the costs and potential benefits of investing in HIV and AIDS workplace policies. Such information could then serve as a basis for well-targeted HIV and AIDS responses by private sector companies.

It should be emphasised that this study focused on the policy adoption phase only. However, having a policy is one thing, but implementing that policy might really be another challenge facing those companies that have already adopted formal HIV and AIDS workplace policies. Hence the incorporation of a measure into a policy does not automatically translate into action, implying that some companies might fail to implement policy commitments (Bloom *et al.*, 2006). This is because at times company responses to HIV and AIDS remain marginal to their core strategic priorities such that only limited resources are allocated to HIV and AIDS activities (Dickinson and Stevens, 2005). Policy commitments are of value only if they are accompanied by tangible actions to implement the commitments.

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