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What Makes Nigerian Manufacturing Firms Take Action on HIV/AIDS?

Across sub-Saharan Africa, national governments, international agencies, and bilateral donors are looking to the private sector for leadership, resources, and action in the fight against HIV/AIDS. A few companies have responded energetically, joining AIDS business councils, implementing “best practice” prevention and treatment programs, and sponsoring local AIDS-oriented NGOs. Many other companies have done little or nothing in response to the epidemic. Understanding what spurs the first set of firms to take action while the second set does nothing would improve the ability of government agencies, business councils, and public health professionals to target interventions, adopt effective policies, and plan for the future.

In March and April of 2001, the Regional Program for Enterprise Development (RPED) of the World Bank’s Africa Region carried out a survey of 232 manufacturing firms in Nigeria. The firms represented most major manufacturing industries and ranged in size from 5 employees to more than 5,000. The survey included several questions about the firms’ experience with HIV/AIDS and the measures they have taken to reduce its impact. The results, which are detailed in

the report, “The Implications of HIV/AIDS for Nigerian Manufacturing Firms,” underscore the importance of giving business managers both a reason and the means to take action.

Firms’ experience with HIV/AIDS

The latest survey of HIV infection among women attending public antenatal clinics in Nigeria, which took place in 1999, showed a median national adult HIV prevalence of 5.4 percent. This rate is modest in comparison to the double-digit levels of southern and eastern Africa, but given Nigeria’s large population it still represents some 2.7 million HIV-positive citizens. The national median rate masked tremendous geographic variation among the sites surveyed, from a low of 0.5 percent to a high of 21 percent. Because of this geographic variation, Nigerian firms located in different parts of the country are drawing their workforces from very different risk pools and could be expected to have quite different experiences with AIDS and attitudes toward it.

The survey asked two questions about the firms’ own experience with HIV/AIDS in the workforce. The questions, and the percentage of firms responding “yes” to each one, are shown in Table 1.



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The small number of affirmative responses to these questions might reflect the relatively low prevalence of HIV in some parts of Nigeria. On the other hand, managers' knowledge of an HIV-positive employee or an AIDS death might also depend on how well-informed the manager is about AIDS and the health of the workforce. AIDS is rarely reported as the cause of death in sub-Saharan Africa, and the stigma and potential sanctions associated with AIDS in Nigeria means that employees will go to great lengths to hide evidence of HIV infection from their employers. The survey results therefore almost certainly understate the proportions of firms that have lost employees to AIDS and have HIV-positive employees in their workforces.

Firms' responses to the epidemic

The survey also asked three questions about whether the firm has received information about HIV/AIDS and what it has done about the epidemic. Table 2 shows the questions and responses.

Fewer than half of the firms received information about HIV/AIDS last year, and only about a third took any action to prevent it. Even fewer reported having discussed the epidemic as a potential business concern.

These survey results raised an important question for efforts to

Table 1

	<i>Proportion responding "Yes"</i>
• To your knowledge, is anyone in your company currently HIV-positive?	7.7%
• To your knowledge, has anyone in your workforce died or left your company in the past two years due to HIV/AIDS?	13.6%

strengthen the business response to AIDS in Africa: what leads some firms to take action on HIV, while others do not?

Explaining firms' responses

The study used regression methods to analyze which characteristics of the firms affected the probability that they had taken action on HIV/AIDS last year. The factors that were considered included ba-

Table 2

	<i>Proportion responding "Yes"</i>
Did you receive any information from outside the company about HIV/AIDS last year?	45%
If "yes," the source was:	Proportion of those responding "yes"
• Government	49%
• Religious organization	11%
• Health or medical organization	63%
• Other NGO	29%
• Other	7%
Did your firm undertake any activities in the last accounting year to prevent HIV/AIDS among employees?	32%
If yes, what did you do?	Proportion of those responding "yes"
• Handed out informational materials	62%
• Put up posters	64%
• Arranged for speakers or performances about AIDS prevention	70%
• Distributed condoms on company premises	35%
• Trained employees to serve as peer educators or counselors	21%
• Provided additional resources for STD treatment	6%
• Implemented HIV prevention projects in the community	4%
• Other	10%
Have the managers of your company discussed HIV/AIDS as a potential business concern?	24%

sic features like location within Nigeria, industrial sector, and size; less obvious characteristics such as ownership structure and international linkages; and experience with or information about HIV/AIDS.

Five variables showed up most often as statistically significant predictors of company action on HIV/AIDS:

- someone currently working for the firm is known to be HIV-positive;
- in the last two years, someone who worked for the firm died or left the company due to HIV/AIDS;
- the firm received information from about HIV/AIDS last year;
- the firm is part of a family of firms or an industrial group; and
- the firm has an on-site medical clinic.

The first two variables illustrate the importance of first-hand experience with HIV/AIDS. Firms start to pay attention once they begin losing employees to AIDS or believe that they are about to. Companies with knowledge of HIV-positive individuals currently in their workforces or who have lost an employee to AIDS are more likely to take action. This finding, that first-hand experience with HIV/AIDS is an important determinant of behavior change, is consistent with findings in

Table 3

Action	Someone currently in the company who is HIV-positive		Someone in the company died or left the company in the past two years due to HIV/AIDS	
	No	Yes	No	Yes
Firm handed out informational materials, put up posters, or arrange for speakers or performances about HIV/AIDS	26.5%*	60.0%*	24.3%*	68.9%*
Firm distributed condoms on company premises or trained employees to serve as peer educators or counselors	10.5%*	40.0%*	9.1%*	37.9%*
Managers have discussed HIV/AIDS as a potential business concern	22.2%	40.0%	20.5%*	37.9%*

Note: * indicates a statistically significant difference ($p \leq 0.05$).

both developed and developing countries. Results are shown in Table 3.

The other three variables suggest that simply having a source of information about the disease leads some companies to take action. Receiving information from an outside source, being part of a family of firms or industrial group, and having a clinic on the premises were all good predictors of company action, as shown in Table 4.

The factors in the tables above were all better predictors of firm action than the antenatal HIV prevalence in the state in which the firm is located. Although a greater proportion of firms in regions of medium and high antenatal HIV prevalence regions had taken action on HIV/AIDS than had those in low prevalence regions, none of the differences was statistically sig-

nificant at a 5 percent level. The risk of HIV in the population at large, as reflected by antenatal survey results, did not appear to be a significant determinant of companies' actions. This could indicate that businesses are ignoring official statistics about HIV/AIDS or that they simply do not know about population prevalence rates in their states.

Implications for businesses, governments, and the public health community

The results of the survey can be regarded as good news and bad news. To start with the bad news: as of early 2001, most Nigerian business managers did not regard HIV/AIDS as a serious concern and had neither taken any action on it nor discussed it as a management issue. Those that had taken action

did so responsively, after employees started getting sick and especially after they started dying. While discouraging, this finding is not surprising when taken in the context of the climate for business in Nigeria overall. Nigerian firms face extraordinarily high costs for basic inputs, such as electricity and water, and for a range of transactions with government agencies and private institutions. It is likely that these other problems are keeping HIV/AIDS off the "top 10" list of concerns of Nigerian managers—and may continue to do so for some time to come. When combined with the fact that most Nigerian managers report that they have never seen a case of AIDS, it is not difficult to understand their lack of concern. Expectations that business will take a leading role in fighting the epidemic in Nigeria may

Table 4

Action	Company received information on HIV/AIDS from any outside source last year		Firm is part of a family of firms or an industrial group		Company has an on-site health clinic	
	No	Yes	No	Yes	No	Yes
Firm handed out informational materials, put up posters, or arrange for speakers or performances about HIV/AIDS	11.4%*	54.9%*	18.3%*	37.5%*	20.1%*	51.3%*
Firm distributed condoms on company premises or trained employees to serve as peer educators or counselors	2.4%*	26.5%*	8.0%	15.9%	7.8%*	25.0%*
Managers have discussed HIV/AIDS as a potential business concern	15.4%*	33.3%*	23.0%	22.9%	19.4%	31.6%

Note: * indicates a statistically significant difference ($p \leq 0.05$).

thus be unrealistic, or at least premature.

The good news is that it might be possible to influence firm behavior through practical and low-cost interventions. The measure of HIV risk that the companies appeared to be using is their own experience with the disease—whether an employee has been lost to AIDS or is known to be HIV-positive now. Firms that have had experience with HIV/AIDS were much more likely to have implemented some type of HIV intervention than those that have not had such experience. This finding suggests that voluntary, anonymous HIV seroprevalence surveys of workforces, a practice that is becoming common in South Africa, might prompt managers to take action if the surveys reveal that there are many HIV-positive employees in the workforce now. The finding also support efforts to promote voluntary counseling and testing as an intervention to reduce risky behavior and thus help prevent the spread of the disease.

Companies' access to information about HIV/AIDS can also be improved. The survey found that greater information contributes to positive actions of all types. Information can come from various sources: an on-site medical clinic; a corporate family or group of

which the company is a part; or an outside providers of information, such as an NGO or the government. A program that provides relevant and practical information about the epidemic to managers has the potential to improve business response rates. Pressure from head offices of multinational corporations on their national or sub-national subsidiaries also appears to influence decisions. Ensuring that basic information about HIV/AIDS makes its way into boardrooms and executive offices is probably not enough to induce behavior change, but it is almost certainly a necessary component of any successful business intervention program.

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This article was written by Sydney Rosen, Assistant Professor, Center for International Health, Boston University School of Public Health. It is based on the report, "The Implications of HIV/AIDS for Nigerian Manufacturing Firms," by Sydney Rosen, Jeffrey R. Vincent, William MacLeod, Donald M. Thea, and Jonathon L. Simon of the same Center. For full copies of the report, please e-mail Mmbuyi@worldbank.org. For more information on this article, please contact Sydney Rosen: sbrosen@bu.edu.