

# Impact of HIV/AIDS on Hotel Staff Productivity in Kenya: A Survey of Selected Hotels in North Coast

Erick Kithinji Mbaeh\*<sup>1</sup> Frida Kwayera Wafula<sup>1</sup> Catherine Muthoni Munyi<sup>1</sup> Joseph Muiruri Njoroge<sup>2</sup>
1. Department of Hospitality & Tourism Management, Faculty of Education and social sciences, Kenya Methodist University Kenya

2 Faculty of Tourism and Hospitality Management, Kisii University, Kenya \*Corresponding author: erick.mbaeh@kemu.ac.ke or mbaeherick@yahoo.com

#### **Abstract**

The gist of this paper was to find out how HIV/AIDS pandemic influence the productivity of employees in Kenya's North Coast. Although major strides have been made by the government to prevent the scourge, it is evident that many employees in the hotel industry still contract and die from the disease. To this end, the study aimed at establishing the impacts of HIV/AIDS on staff productivity and what people should do/are doing to alleviate the suffering of staff productivity in selected hotels at Kenya's North Coast. Specifically, the study sought to investigate how absenteeism influences staff productivity, how loss of skills affect staff productivity, how employees' increased turnover affect productivity and whether employee stigmatization affect productivity. The study reviewed two theories: the economic theory and the theory of planned behavior. Simple random sampling technique was adopted in selecting six hotels and stratified sampling to choose 43 respondents. Questionnaires were used to collect the data. The major findings of the study show that a number of the hotels 9 (30%) had lost staff due to the scourge, and 23 (77%) of the respondents concurred that HIV/AIDS illness caused absenteeism in hotels working hours, and 6 (20%) of staff turnover was due to the illness. Apart from undertaking frequent HIV/AIDS campaigns to sensitize the employees on the dangers of HIV/AIDS, and implementing counseling programs, it was recommended that the management should come up with improved strategies of motivating the staff in order to raise their esteem and eventually increase productivity.

Keywords: Impact, HIV & AIDS; Hotels; Staff Productivity; Pandemic; Motivation; Absenteeism

#### 1. Introduction

A business cannot make it without employees. As a human philosopher, Armstrong (2001) stated that employees are regarded as the most valued asset that individually and collectively contributes to the achievement of the organizations' goals and objectives. Generally, employees' productivity is the overall target in the achievement of organizational goals and achievement, thus their working condition should be critically looked upon. Employees generally need to improve their productivity as an individual or as a team, which only comes once they know what is expected of them and being focused towards effective productivity (Bjorkim, 2006).

The most important thing in an industrial sector is employee's productivity. One of the major concerns of companies and industries has focused on improving worker productivity, which is one of the job performance measures (Borman, 2004). Greuras (1996) defined productivity as a measure of output from a production process per unit of input. For example, labor productivity is typically measured as a ratio of output per labor-hour. Fiorina (2000) suggests that employee productivity is particularly an important issue to managers and supervisors as the primary purpose of their job is to get the most out of the people they are responsible for.

Tourism is one of the world's largest industries and HIV/AIDS pandemic is a persuasive element in our day to day life. It is an industry characterized by high job mobility that in itself creates increased vulnerability to HIV/AIDS infection. Tourism is also of great importance to the economy of Kenya especially in terms of foreign currency earnings. Studies have shown that there is an increased prevalence of HIV/AIDS among the youth compared to the adults. It has also been argued that young people are engaging in pre-marital sex at an early age than before when virginity was valued. The impact is most severe among the youthful in the prime working ages of 16-55 (Armstrong, 2001). It has been declared a national disaster in Kenya, and measures to eradicate it must be sought. The society needs to be educated about it and taught measures to prevent it. If affected in one way or the other, they should be taught how to live with it given prevention measures to control it.

Tourism is significantly affected by HIV/AIDS due to the mobility of the workforce, the nature of the industry, the presence of 'sex tourism' and resultant government's blind eye due to overreliance on the tourism revenue. HIV/AIDS has resulted in the loss of professionals in the country. This has greatly affected the service delivery in the tourism industry. The loss of professionals and qualified personnel in the industry will result to additional operational costs (Bjorkim, 2006). The pandemic has also caused a decline in the provision of quality service due to employment of untrained and inexperienced staff to replace the professionals. Management often lose grip on the best practices of leading them to be most productive. When this happens employees become disgruntled workers more often and the quality of the work delivered suffers. At the same time, a manager can be a positive influence and lead employees in a successful manner. It is just how he approaches his job that will make the



# difference (Borman, 2004).

Kenyan tourism and hotel industries play a crucial role in ensuring Kenya's economic progress. Due to the high services offered, tourism have been able to maintain its reputation in spite of effects brought in by HIV and AIDs, hence the management of this sectors need to find the impact of HIV and AIDs on staff productivity in the workplace and get their solutions (Fiorina, 2000).

To understand the critical importance of people in the organization, it is important to recognize that the human element and the organization are synonymous. Employees are the most valuable asset in any organization. Successful and highly performing sectors can be achieved by engaging them in improving their productivity. All employees are not equal in their working and they have different modes of working. Some have highest capability regardless of the incentive but other may have occasional jump-start, low productivity, absenteeism among others due to illnesses like HIV and AIDs. Nevertheless, most of the hotels industries may not be treating the employees appropriately thus leading to poor productivity in the industry.

At Kenya's North Coast where hotel industry and tourism are key economic activities, HIV/AIDS pandemic among staff has affected the employee output. Hence the study attempts to find out the impact of HIV and AIDS on staff productivity in hotel industry at the North Coast. The study aimed at investigating whether absenteeism influences staff productivity; find out how loss of skills/death of skilled affect staff productivity; establishing how employee increased turnover affect productivity and finding out whether employee stigmatization affect productivity.

## 2. Literature review

#### 2.1 Economic Theory

The macroeconomic effects of HIV/AIDS are substantial and policies for dealing with them may be controversial. For instance, should the expensive antiretroviral drugs be targeted to economically productive groups of people or all the citizens? The authors review the evidence and consider how the economic theory can contribute to the response of the pandemic. Nevertheless we need to understand these broader economic effects to effective policy responses. It is used to predict what happens to economies faced with rapidly increasing mortality and morbidity. This theory predicts that HIV/AIDS reduces labor supply and productivity (R Elias, University of Botswana, personal communication, 2000), reduces exports and increases imports. Prevention and treatment programs and economic measures such as targeted training in skills needed in key industries will limit the economic effects of HIV/AIDS (Kambou *et al.*, 1992).

## 2.2 Economic effects

In South Africa around 60% of the mining workforce is aged between 30 and 45 years: in 15years this is predicted to fall to 10% to HIV/AIDS (R Elias, University of Botswana, personal communication, 2000). This means that HIV/AIDS results in reduced labour supply and loss of skills in key sectors of the labor market.

The long period of illness associated with AIDS reduces labor productivity. One review reported that the annual costs associated with sickness and reduced productivity as a result of HIV/AIDS is alarmingly high. These costs reduce competitiveness and profits (Loewenson and Whiteside 1997). Government income also decrease, as tax revenues fall and government are pressured to increase their spending to deal with the rising prevalence of AIDS, thereby creating the potential for a fiscal crises.

Lower domestic productivity reduces exports, while imports of expensive healthcare goods may increase. The decline in export earnings will be severe if strategic sectors of the economy are affected. In 1992 Kambou *et al.*, (1992) assessed the impact of HIV/AIDS on Cameroon's changes in skill composition of the labor force. They concluded that reduced availability of skilled labor would reduce growth.

According to Price and Mueller (1986, p. 17), absenteeism has been defined as "non-attendance when an employee is scheduled to work". Therefore, non-attendances due to annual and other approved leave are not generally viewed as absenteeism (Mueller *et al.*, 1987). Voluntary and involuntary absences are usually differentiated, so that when employees do not intentionally create the conditions which produce the absence (e.g. illness) then these are typically considered as involuntary absenteeism.

According to Wooden (1995), he listed organizational commitment as one of the most important factors that impact on absence. He commented that higher levels of organizational commitment positively related to attendance, which suggested that increased organizational commitment could lead to substantially reduced levels of absenteeism and possibly reduced labour turnover. Significant negative relationships have previously been found to exist between organizational commitment and absenteeism in some studies (Blau, 1986; Farrell and Petersen, 1984; Mayer and Schoorman, 1992; but not in others (Meyer J.P. and Herscovitch L. (2001); Jamal, 2001). In fact, James, B., Jaime L. Bradley J. W (2006), found that an individual's past absenteeism was a better predictor of subsequent absenteeism than the individual's level of organizational commitment.

Blau (1986) carried out a study that examined organizational commitment and job involvement as predictors of absenteeism and tardiness behaviors. Individuals with higher levels of organizational commitment and job involvement exhibited less absenteeism and unexcused tardiness than those with lower levels of commitment



and job involvement. Mathieu and Kohler (1990) followed up on the work of Blau (1986) and designed a study to test the interactive relationship between job involvement and organizational commitment as related to absenteeism. Significant negative correlations were found between organizational commitment and absence for personal reasons. Organizational commitment did not correlate with absence due to illness, family obligations or transport problems.

Armstrong (1999) highlighted a skilled and trained employee as having a systematic modification of behavior through learning as a result of education and instruction.

With trained staff, industry yields the benefits of greater efficiency with less wastage, potential for increased standardization and wider career opportunities. Mathieu and Kohler (1990) suggested that the main purpose of having trained and skilled staff is to supplement trainee's academic qualification or to train them to undertake work in higher grade.

The tourism industry is a labor intensive industry that is affected by the HIV/AIDS pandemic. There is a relationship between service delivery and HIV/AIDS in the tourism sector mainly because of the type of product the sector offers. The product is inseparable and intangible. The service providers compliment the product, and they are part of the product therefore resulting in consistent service provision. The use of unskilled staff and new staff will result in inconsistent service delivery. Skilled personnel have been lost and are hard to find and replace. However, people are still afraid to disclose their status due to the stigmatization, yet the personnel that are HIV/AIDS positive are not reliable since they are viewed to be weak and unfit to be in the industry due to poor service delivery.

With their underperformance and unwillingness to disclose their HIV/AIDS status, it leads to burdening the healthy workforce in the industry. The morale and productivity of the remaining workers may also suffer as coworkers fall ill and die. Equally important in the increase of costs may be the growing demand for training and recruitment to replace the ailing personnel of the hotels (Blau1986). To sum up, the HIV/AIDS pandemic is likely to result in increased costs and declining staff productivity in hotels, which ultimately will lead to declining profits (Loewenson and Whiteside, 1997).

## 3. Research methodology

The study adopted descriptive research design. Descriptive research is concerned with describing the characteristics of particular individuals or groups by extracting information from the respondent (Kotler, P. Bowen, J and Makens, J. 2004). The target population involved a total of 15 star rated hotels in North Coast. The respondents included the management staff and the employees working in those hotels (Beach, S.D. 1985). The researchers considered at least 2 management staff and at least 5 employees in each of the selected hotels in North Coast. Sampling is a process of selecting a number of individuals or objects from a population such that the selected group contains elements representative of the characteristics found in whole group (population). Since the researcher targeted some of the hotels in North Coast, the researchers used simple random sampling to select 6 hotels and stratified sampling to choose 43 respondents. Questionnaires comprising both structured and unstructured questions were used to collect the data. Descriptive data analysis technique was used. Data was edited, coded, classified and summarized into categories. Narrative interpretation and description was done to present both quantitative and qualitative results. Collected data was analyzed using descriptive statistics which involves the use of frequencies and percentages. Frequency tables, bar graphs and pie charts were used to present data.

#### 4. Results

This study considered 31 potential respondents, 30 of whom responded (10 male and 20 female), representing 97% response rate while one respondent did not respond (Figure 1).

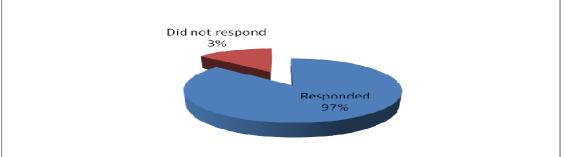


Figure 1: Response Rate

Source: Authors



Among these respondents, 27% were of ages between 20- 29 years; 50% were of ages between 30-39 years; 20% were of ages between 40-49 years and 3% were over 50 years (Figure 2).

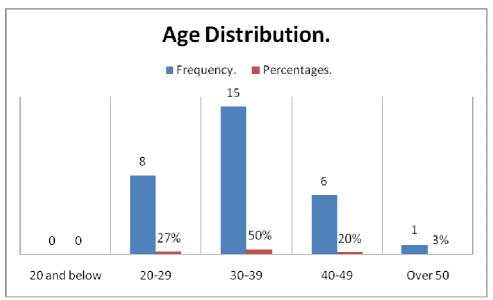


Figure 2: Age of respondents

Source: Authors

The aim of the study was to establish what people should do or have started doing to alleviate the suffering of staff productivity in selected hotels in north coast, hence the study will therefore find out the impact of HIV and AIDS on staff productivity in hotel industry.

## 4.1 Absenteeism and Prevention of staff absenteeism by Management

Most of the respondents (77%, n=23) agreed that HIV illness caused absenteeism while few (23%, n=7) had not experienced absenteeism.

It was found that most of the employees (44%, n=13) embarked on counselling programs, while others chose to have social support programs (33%, n=10) while a few (23%, n=7) promoted employee cohesion (Table 1).

Table 1: Counseling, social support and employee cohesion.

	Frequency	0%
Counseling	13	44
Social Support	10	33
Employee cohesion	7	7

Source: Authors

## 4.2 Increased Staff Turn Over and Hotels remedial measures

The study investigated whether in the hotel there have been cases of staff turnover brought about by HIV illness. Most of the respondents indicated there was a decrease in staff turnover caused by illness 24 (80%) while 6 (20%) stated that few of staff turnover had been experienced due to the illness.

Most hotels 19 (63%) replaced employees to prevent loss while others 11 (37%) did new recruitments.

#### 4.3 Loss of staff

The study found that few of the hotels had lost staff 9 (30%) while majority 21 (70%) had not yet lost the staff even though they were affected by the illness as reported by the respondents. This loss of staff due to HIV and AIDs was found to affect the productivity of the hotels and the profit margin

The management was trying to curb the scourge through provision of condom kits, creating awareness of ARVs, provision of balance diet and educating staff on HIV and AIDs. However, more needs to be done.

It was noted that the unskilled staff and casual staff were most affected employees. This was attributed to low income of the staff.

## 5. Discussion

It was found that few of the hotel had lost staff (30%, n=9) while majority (70%, n=21) had not, even though



they were affected by the illness as reported by the respondents. This was found to affect the productivity of the hotels and their profit margin. Most respondents agreed that HIV illness caused absenteeism. The most probable causes of absenteeism were; increased cases of sickness, stress related sickness, stigmatization and deteriorating working relationship. Most of the respondents embarked on counselling programs, while others chose to have social support programs (33%, n=10) while few (23%, n=7) promote employee cohesion. To counter the impact of staff turnover, the management employed casual labourers and part time workers in addition to working in shifts. Hotels replaced employees while others did new recruitment.

Loss of professional and qualified personnel in the hotel sector will lead to a significant increase in operational costs (Bjorkim, 2006). This research reveals a significant impact of HIV and AIDS related complications to hotel professional reduction. It concurs with earlier studies on how HIV/AIDS affects the hotel sector in coastal Kenya. The study revealed that employee absenteeism due to HIV/AIDS related illness and mortality was on the increase between the year 2000 to 2004 and had resulted to a loss of about 1560 labour hours and 3446 labour hours respectively Nzioka (2011). The study concluded that the hotel sector had been impacted negatively in terms of employee absenteeism, loss of skills and knowledge, increase in operational costs as well as reduced performance levels (Nzioka, 2011). In another study on the impact of HIV/AIDS in human resources in the tourism sector in Harare, Zimbabwe's capital found that HIV/AIDS impact on the sector had led to reduced skilled hotel workers which led to deterioration of hospitality service in the sector (Zengeni and Zengeni, 2012). It is therefore imperative for hotel managers to consider implementing strategies that reduce the loss.

## 6. Conclusion and recommendations

Employees are the most valuable assets in any organization. Successful and highly performing sectors can be achieved by engaging them in improving their productivity. All employees are not equal in their work and they have different modes of working like some have highest capability regardless of the incentive but others may have occasional jump-start, low productivity, absenteeism among others due to illness like HIV and AIDs. This study has noted that HIV/AIDs pandemic has by and large affected the productivity of hotels in North Coast. It is therefore recommended that the management should come up with more improved strategies of staff motivation in order to improve their self esteem that would result in productivity. Undertaking frequent HIV/AIDS campaigns to sensitize the employees on the dangers of HIV/AIDS and counseling programs should be introduced to contribute to self-confidence among those who are already infected.

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