

GLOBAL HEALTH INITIATIVE PRIVATE SECTOR INTERVENTION CASE EXAMPLE

A leading electronics company with operations in South Africa developed and sustained a comprehensive prevention and treatment programme to address the threat of a potential 13% workplace HIV-prevalence rate in 2009

Case categories

Company: [Siemens](#) Industry: [Electronics](#) Location: [South Africa](#) Programme: [HIV/AIDS](#)

Key questions

- How can Siemens increase its rate of employee registration in its HIV/AIDS treatment programme?
- How can Siemens ensure a similar quality programme is delivered to its employees operating in other countries in Southern Africa?
- If Siemens were to expand its prevention and awareness programme, what would be the most cost-effective incremental addition?

Overview

Company	<p>Siemens is a leading electrical and electronics company with a long history of operating in Africa.</p> <ul style="list-style-type: none"> Siemens AG is one of the largest electrical and electronics companies in the world. The majority of its business is concentrated on capital goods and infrastructure systems. The company employs approximately 417,000 people, operates more than 500 production facilities, and has customers in over 190 countries. The company operates six main business units: Information and Communications, Automation and Control, Power, Transportation, and Medical and Lighting. In 2003, the company generated US\$ 87 billion in revenues in the 2003 fiscal year. Siemens Limited in Southern Africa directly employed approximately 3,200 people in 2003 and indirectly employed approximately 318 contractors and temporary staff. With a commitment to the region dating back to 1860, Siemens maintains operations in a number of countries in Southern Africa including Botswana, Mozambique, Namibia, South Africa, Tanzania, Zambia, and Zimbabwe. While Siemens is active throughout the region, 2,900 of its employees are based in South Africa. In the 2002 fiscal year, ending September 2002, the company activities in Southern Africa generated approximately EUR 630 million in revenues.
Business Case	<p>Siemens is concerned with the impact of HIV/AIDS on its employees and the company. In light of this concern, the company will maintain a visible, action oriented and employee-focused HIV/AIDS awareness and prevention program as well as ensure that HIV-positive employees and dependants access life-saving care, support and treatment.</p> <ul style="list-style-type: none"> Siemens is aware that HIV/AIDS is a disease that affects millions of people in South Africa. In October 2001, Siemens became concerned that the disease could negatively impact its bottom line and embarked on a programme to better understand these risks and reduce the rate of future infection. While the work is not yet complete, Siemens estimates that it currently has a workplace prevalence of 3.2% and that without an intervention that this prevalence could peak in 2009 at 13%. Siemens' HIV/AIDS budget from 2002 to 2004 was US\$ 125,000, which corresponds to approximately US\$13 per employee per year.
Programme Description	<p>Siemens South Africa's workplace programme has a clear workplace HIV/AIDS policy, peer educators focused on prevention, and facilitates employee access to care, support, and treatment.</p> <ul style="list-style-type: none"> Siemens' HIV/AIDS policy was developed by the Human Resources Department in consultation with the union and employee representatives and external legal counsel. The policy was first approved in July 2002 and due to the nature of the AIDS epidemic, legislation, and employee benefit schemes, the policy will be reviewed during the annual HIV/AIDS strategy review. Siemens' workplace education programme uses peer educators to raise employee awareness and increase employee knowledge of how to prevent transmission of HIV/AIDS. Siemens encourages its employees to access voluntary counselling and testing (VCT) services through external private doctors. All Siemens employees are required to join one of the company's Medical Aid Schemes. Since 1999 all have these schemes have offered access to the Aid for AIDS programme, which includes access to medically appropriate anti-retroviral drugs.
Programme Evaluation	<p>Siemens re-evaluates its HIV/AIDS workplace programme and policy on an annual basis. This review process is driven by the HIV/AIDS Committee which includes representatives from management, labour, 'works council,' human resources and Safety, Health, Environment & Quality (SHEQ). The company also plans to evaluate the impact of these activities by conducting prevalence surveys and/or KAP studies every two years.</p> <p>In the future Siemens plans to increase its understanding of the business risks from HIV/AIDS, conduct a VCT campaign, and include operations in SADC countries.</p> <ul style="list-style-type: none"> Siemens is in the process of updating its future prevalence estimates based on its November 2003 sero-prevalence survey. The company is also working with external experts to incorporate these prevalence estimates into an economic impact model. In 2004, Siemens will introduce a VCT campaign using pre and post test counselling coupled with rapid tests. Siemens is also considering the expansion of its efforts to include SADC countries.

Business Case

Vision

Siemens is concerned with the impact of HIV/AIDS on its employees and the company. In light of this concern, the company will maintain a visible, action oriented and employee-focused HIV/AIDS awareness and prevention program as well as ensure that HIV-positive employees and dependants access life-saving care, support, and treatment.

Case for Action

Siemens is aware that HIV/AIDS is a disease that affects millions of people in South Africa. In October 2001, Siemens became concerned that the disease could negatively impact its bottom line and embarked on a programme to better understand these risks. While the work is not yet complete, Siemens estimates that it has a workplace prevalence of 3.1% and that without an intervention that this prevalence could peak in 2009 at 13%.

- In November 2001, Siemens conducted an anonymous saliva-based prevalence survey. This survey estimated 2001 a workplace prevalence of 3.1%, which corresponds to approximately 90 Siemens employees living with HIV/AIDS in South Africa. This results were based on a 82% response rate from a random sample of 1,504 employees from 1,834 working at three Siemens locations in South Africa.
- At the same time Siemens also conducted a Knowledge Attitudes and Practices (KAP) survey. The KAP survey was based on information gathered from a combination of multiple choice questionnaire and focus group interviews. The sample of 122 employees included employees from each division and from various pay grades including management. The assessment evaluated perceptions around several themes: (1) perceptions and attitudes towards HIV/AIDS and sexually transmitted infections (STIs); (2) personal STI history; and (3) knowledge of Siemens' policy and available services for HIV-positive staff.
- Siemens then worked with HIV/AIDS Management Solutions (HMS) to conduct an impact assessment which incorporated the results of the prevalence survey and the KAP study into a simulation model. HMS uses the model of the Actuarial Society of South Africa, which is the successor to the Doyle model, to estimate that without an intervention, that the company's employee prevalence could peak at approximately 13% in 2009 or 2010.
- In November 2003, Siemens conducted a second saliva sero-prevalence survey. The results are still being analyzed and will be used to update the impact model. HMS is also currently working with Siemens to use these results to build an impact assessment of future financial risk. This study will estimate future HIV/AIDS-related expenses in the following main categories: recruitment and retraining, productivity losses from decreased performance due to ill health and losses associated with sick and compassionate leave, and direct costs from medical costs and death benefits.

Financing

Siemens' HIV/AIDS budget from 2002 to 2004 was US\$ 125,000, which corresponds to approximately US\$13 per employee per year.

- Siemens' main HIV/AIDS budget was US\$ 50,000 in 2002, US\$ 25,000 in 2003 and US\$ 50,000 in 2004. This corresponds to approximately US\$ 13 per employee per year. On average, this budget includes costs associated with impact studies 60%, prevention programmes 30%, and communication 10%. The Human Resources Department manages this budget.
- This main budget does not include some other programme elements which are budgeted directly or indirectly from difference sources. Two of these expenses are: (1) The Aid for AIDS medical benefit costs approximately US\$ 2,500 per enrolled patient per year; (2) The independent 24-hour Personal Health Adviser Service, which includes HIV/AIDS-related services, costs US\$ 0.20 per employee per month.

Programme Description

Policy

Siemens' Southern Africa's HIV/AIDS policy was developed by the Human Resources Department in consultation with the union and employee representatives and external legal counsel. The policy was first approved in July 2002 and due to the nature of the AIDS epidemic, legislation, and employee benefit schemes, the policy will be reviewed during the annual HIV/AIDS strategy review.

- **Non-discrimination:** (1) the company will not discriminate against or preclude any person or employee from applying for employment or a position due to their HIV status; (2) an employee's status shall not constitute a reason for termination nor will it be taken into account when considering the employee for promotion or training as long as the employee is capable of performing his/her job requirements; (3) these conditions will remain unless directed otherwise by a ruling from South Africa's Labour Court.
- **Confidentially and disclosure:** (1) employees are not required to disclose their HIV status; (2) employees are encouraged to disclose their status so that the company can take proper steps to assist the employee; (3) if an employee discloses his or her status, this information will remain confidential.
- **Benefits:** (1) employees with HIV/AIDS are entitled to all standard employee benefits and will retain access to medical aid benefits; (2) the medical benefits include access to a managed care support and treatment programme for people living with HIV/AIDS with medically appropriate access to anti-retroviral drugs.
- **Ill-health retirement:** (1) employees living with HIV/AIDS will continue to work until medically unfit to do so; (2) ill-health retirement for HIV/AIDS will be treated in the same manner as ill-health retirements for other medical reasons; (3) it is management's responsibility that an employee is not discharged without due consideration but also to ensure that productivity and morale are not disrupted; (4) employees who elect for ill-health retirement receive a lump sum payment as well as a disability pension as defined by their benefits package.

Prevention and Awareness

Siemens' workplace education programme uses peer educators to raise employee awareness and increase employee knowledge of how to prevent transmission of HIV/AIDS.

- **Peer educators.** In 2002 Siemens trained 18 volunteer HIV/AIDS educational facilitators as peer educators, and in 2003 Siemens trained an additional 11 volunteers. The four-day training session was done by HIV Management Solutions. These peer educators provide other employees with resources to deal with issues relating to HIV/AIDS and when appropriate suggest that they seek help from a registered counsellor. The peer educators also distribute a resources list for employees who would like to contact clinics and other local HIV/AIDS institutions.

Group training. The educators also co-facilitate 45 minute workshops within the various business units on an on-going basis. The workshops format includes group activities and discussions and demonstrations modelling lower risk and non-discriminatory behaviours. The content of the workshops includes: discussion of Siemens' workplace HIV/AIDS policy, the difference between HIV and AIDS, how HIV is contracted, preventative behaviour, stages of HIV/AIDS, and how to live with HIV/AIDS. The company has also added HIV/AIDS content to induction training and open forums. Siemens estimates that 673 or 23% of its employees have attended one of these group training events since 2002.

- **Confidential nurse line.** Employees are suggested to contact registered counsellors through the free confidential 24-hour nurse line provided by Access Health. This is a resource for employees to ask questions about HIV/AIDS and how to prevent it in a risk-free private setting.
- **Condom distribution.** In 2002 Siemens installed condom dispensers for free male condoms in strategic places throughout the organization. The dispensers now cover approximately all of Siemens' eight locations in South Africa. The company estimates that it distributed 26,500 condoms from 44 dispensers in 2003, which corresponds to approximately 0.8 condoms per employee per month..

Private sector intervention case example

Company: Siemens

Industry: Electronics

Location: South Africa Programme: HIV/AIDS

Programme Description (...continued)

Voluntary Counselling and Testing

Siemens encourages its employees to be access voluntary counselling and testing (VCT) services through external private doctors.

- The employee may reimburse the cost of the visit and the test through the standard medical scheme.
- As the VCT service is driven by employee interest and conducted by external doctors, the company is not able to track VCT uptake.

Care, Support and Treatment

All Siemens employees are required to join one of the company's Medical Aid Schemes. Since 1999 all have these schemes have offered access to the Aid for AIDS programme, which includes access to medically appropriate anti-retroviral drugs.

- HIV-positive employees are encouraged to registered with Aid for AIDS (AfA), the external disease management programme. The benefit includes ARVs, regular examination and tests, vaccinations, counselling, ongoing monitoring and personal support and hospitalization for the employee and his/her immediate family.
- AfA provides Siemens with quarterly reports with aggregate results including the number of registered patients and the number pursuing each category of treatment.
- Based on this reporting and the prevalence survey, the company estimates that 10% of its estimated 90 HIV-positive employees in South Africa have registered for the AfA programme. The company believes that this number is lower because of three reasons: (1) ARV treatment is not medically appropriate for all stages of the disease; (2) employees perceive that there is a risk of being identified as HIV-positive; (3) employees are not aware of their HIV-status.
- The treatment programme is currently only available for employees working in South Africa, but Siemens plans to explore expanding it to cover other locations in Southern Africa during 2004.

Case-specific HIV/AIDS Resources

Documents

[Siemens Southern Africa HIV/AIDS Policy \(July 2002\)](#)

[Siemens South Africa HIV/AIDS Resource List \(2004\)](#)

[Siemens South Africa Peer Educator Training Agenda and Contents \(2003\)](#)

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The World Economic Forum Global Health Initiative Private Sector Case example was written by Peter DeYoung and developed in collaboration with the featured company, however, GHI member companies and partners, the World Economic Forum and the contributing company do not necessarily subscribe to every view expressed herein. The case is based on a self-reporting model. Although the GHI makes reasonable efforts to ensure the accuracy of the statements, this report should not be viewed as an external audit of the programme described.

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