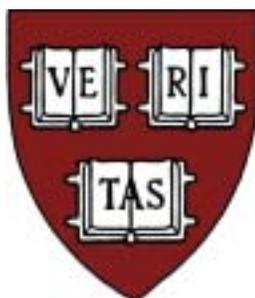# HIV/AIDS and Business in Africa and Asia:

A Guide to Partnerships

**Presentation for World Economic Forum
Annual Meeting**

**January 2004
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Acknowledgements

Harvard University, along with Co-Sponsors UNAIDS and the World Economic Forum, held four workshops between February and November, 2003. These workshops were designed to examine the role of business in addressing HIV/AIDS throughout the world. The workshops were held at Harvard University and at World Economic Forum regional summits in Durban, South Africa, and Beijing, China. During the course of these sessions, participants discussed the main trends and dynamics of the epidemic, identified global challenges and dilemmas, and focused on specific issues in South Africa and China.

Participants ranged from multinational corporations with a major presence in Africa and Asia to regional firms and business associations active in HIV/AIDS issues. Key government officials were also invited as well as representatives from non-governmental organizations, activist groups, and international donors.

These Guidelines were chiefly developed Diana Barrett of the Initiative on Social Enterprise over the course of the four workshops with substantial guidance and feedback from participants through informal conversations and structured interviews. Later this winter, we will post an expanded version of the guidelines on our workshop website (www.ksg.harvard.edu/cbg/hiv-aids/) including expanded case studies, additional toolkits, and an annotated bibliography of materials relevant to the micro and macroeconomic impacts of HIV/AIDS. The guidelines will also be available on the Global Health Initiative web site (www.weforum.org/globalhealth).

Professor Barrett would like to thank a number of individuals who were involved with the development of these Guidelines: John Ruggie, Director of the Center for Business and Government; Michael MacIntyre, Associate Director for Strategy and Program Development at the Center; Research Assistants, Nell Perlmutter and Sheila McCarthy, who were closely involved in this final draft; and Kathrine Meyers, Jordana Rubel, and Ellen Stiefvater were very helpful from the onset. She is also thankful to Kate Taylor and Peter DeYoung of the World Economic Forum Global Health Initiative for their valuable insights and feedback.

The Center for Business and Government helps to develop solutions to some of society's most challenging problems at the interface of business and government. It is a catalyst, convener, and innovator at the critical intersection where private enterprise meets governance. In the United States and around the world, we promote economic growth while helping public officials promulgate fair, thoughtful and efficient policies. Bringing together thought leaders from both the public and private sectors, and drawing on the unparalleled intellectual resources of the Kennedy School and Harvard University, we examine the issues, create a dialogue, and seek answers.

The Social Enterprise Initiative at Harvard Business School generates and shares knowledge that helps individuals and organizations create social value in the nonprofit, private, and public sectors. Social Enterprise plays a critical role in supporting the School's mission to educate leaders who make a difference in the world by integrating social enterprise-related research, teaching, and activities into the daily life of HBS.
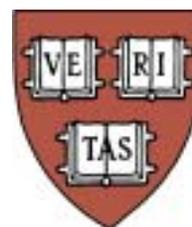
Social Enterprise's strategic objectives range from building the world's best faculty dedicated to social enterprise research and teaching to providing learning experiences that not only increase the effectiveness of social sector executives, but also tap into the potential for social value creation among our entire community of students and alumni.

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The World Economic Forum's Global Health Initiative, GHI, (www.weforum.org/globalhealth) aims to increase the quantity and quality of business engagement in fighting HIV/AIDS, tuberculosis (TB) and malaria. To achieve this goal, the GHI partners with the Forum's 1,000 member companies, the World Health Organization, the Joint United Nations Programme on HIV/AIDS (UNAIDS), the Global Partnership to Stop TB, Roll Back Malaria and the Global Fund to Fight AIDS, TB and Malaria.

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Global Perspective

Between 34 and 46 million people worldwide are now living with AIDS, with approximately 4.2 to 5.8 million new infections in 2003. While Sub-Saharan Africa is home to roughly two-thirds of these infections, the epidemic is growing quickly in other parts of the world, including three of the world's largest countries: Russia, China and India.[1]   Public health experts, economists and demographers agree that this a problem of massive proportions, likely to have a disastrous impact on human lives, as well as on fragile economies. According to UNAIDS, the virus will have killed 3 million people in 2003. For all of these reasons, businesses should have a natural interest in HIV/AIDS since the disease will have wide ranging effects on their workforces, and more broadly, on their customers and the long-term demand for their goods and services, particularly in the face of globalization efforts. Clearly, businesses operating in places like South Africa with an adult prevalence rate of 20.1% – the highest in the world-cannot ignore HIV/AIDS.

Business Perspective

Yet, businesses often find it difficult to know how best to respond to a problem of such global proportions. There are a number of questions that need to be considered including:

- Should the company act?

- What possible roles might it play?

- How might the company most effectively approach the problem?

- Should it act alone or in partnership?

- How does a company begin to analyze the risks, resources and management skills needed to manage such partnerships over time?

In fact, there are a number of issues that inhibit businesses from getting involved with HIV/AIDS. Many are concerned about legal issues. For example, at one company in South Africa a manager paid for treatment of an employee and the family later sued when the employee died. Moreover, large corporations often have subsidiaries in many different geographic areas with different local conditions and needs making it difficult to assess how to decentralize initiatives while at the same time retaining sufficient control. Given the latency from infection to symptoms, it is often difficult for a company to see the impact of HIV/AIDS until it is too late. Finally, there are also tremendous uncertainties around the duration and magnitude of financial implications of HIV/AIDS treatment initiatives. Companies want to see a well-defined controllable issue with proven answers, strategies and an exit strategy. Unfortunately, these are still evolving for HIV/AIDS.

Unique Challenges of HIV/AIDS

There are a number of factors that make HIV/AIDS particularly challenging for businesses to address:

- STIGMA – This issue exists at both the company and individual level. At the company level, a company may hesitate to have its name or brands associated with HIV/AIDS. At an employee or individual level, the fear of stigma often prevents individuals from seeking care or getting tested.

- URGENCY OF THE PROBLEM – HIV/AIDS requires immediate action. Companies do not have the luxury of waiting. Thus partnering with another organization is an attractive way to jumpstart a program or initiative.   However, it also requires that the partnership process move more quickly. This can be challenging given that successful partnerships require trust and understanding which develop over time.

- CULTURAL CONTEXT – HIV/AIDS is a disease that requires careful attention to behavior and local beliefs and customs. The nature of the epidemic and local attitudes towards potential prevention and treatment responses require that companies, especially multinationals, tailor their responses to match needs and ensure local uptake.

- NEED FOR COMPREHENSIVE APPROACH AND DIVERSE RESOURCES – Given the complexity of the disease and the widespread impact that it has on companies, communities and local economies, diverse resources and skills are needed. This often requires a multifaceted approach ranging from awareness and prevention to care and treatment to public advocacy.

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1. Eberstadt, N. (2002): "The Future of AIDS," *Foreign Affairs*, November/December

Despite these challenges, our research suggests that there is a crucial need for business involvement and that partnerships offer an advantageous way to leverage existing resources in the fight against HIV/AIDS.

Business Can Contribute

Businesses possess expertise and skills that, if applied to the HIV/AIDS pandemic, could assist in developing innovative approaches and deploying resources in ways that could greatly assist the fight against HIV/AIDS. McKinsey and Company in the article "How Businesses can Combat Global Disease?" highlighted some of the resources that businesses possess including intellectual property, marketing expertise, public relations skills, distribution channels, expertise in pharmaceutical development, and project management skills.[2]   Businesses also have experience in product launches, supply chain management and manufacturing. They also have the ability to access and understand important subsets of the population, their employees, major business partners, and customers. In short, many are well positioned to make important contributions in the fight against HIV/AIDS.

HIV/AIDS Partnerships

Despite these significant skills, businesses frequently find it difficult to act independently and instead find it beneficial to collaborate with other organizations in their HIV/AIDS efforts. By collaborating with other organizations businesses can deal with the challenges that HIV/AIDS presents more effectively and efficiently. Nongovernmental organizations (NGOs) often have resources that are key in the fight against AIDS. They have complementary networks, and are trusted by individuals and communities in ways that businesses are not. They have a tradition within the community of aggressively dealing with crisis and they frequently have the leadership in place that can marshal the necessary resources. Government, too, brings crucial resources in the form of infrastructure, policy, regulations, human capacity and the political will to

Figure 1. Potential Value Generated

act. To take advantage of these resources many businesses have chosen to partner with other businesses, NGOs, or governments to increase their ability to address HIV/AIDS.

Overall, partnering provides an opportunity for businesses to leverage the diverse resources of another organization and generate value above and beyond what the individual organizations could generate on their own.

Yet the same characteristics that make HIV/AIDS a natural issue on which to partner, add complexity and special challenges to the partnering process. Thus, we believe it is crucial that companies think carefully about the approach to HIV/AIDS prior to entering into a partnership and be attentive to the unique aspects of HIV/AIDS in managing partnerships over time.

A Framework for Effective Partnerships to Address HIV/AIDS

The purpose of these guidelines is to present a framework to assist businesses as they decide how to confront HIV/AIDS. We will pay particular attention to the initiation and management of cross-sector partnerships since we believe that for many businesses partnerships offer the best approach to combating HIV/AIDS. Our hope is that this framework will be useful to managers in the private sector responsible for initiating, planning for, and implementing HIV/AIDS initiatives, particularly those considering partnerships. Our goal is not simply to describe existing partnerships, but to delineate a process by which partnerships can be initiated and managed over time. We will draw on the experiences of a variety of businesses that have engaged in partnerships to address HIV/AIDS to illustrate the guidelines as well as reference specific tools that we believe can be useful to businesses as they construct their own approaches to the HIV/AIDS crisis. Finally, throughout the guidelines we will pay particular attention to an illustrative partnership between Compagnie Ivoirienne d'Electricite (CIE) and the Ministry of Health (MOH) in the government of Cote d'Ivoire.
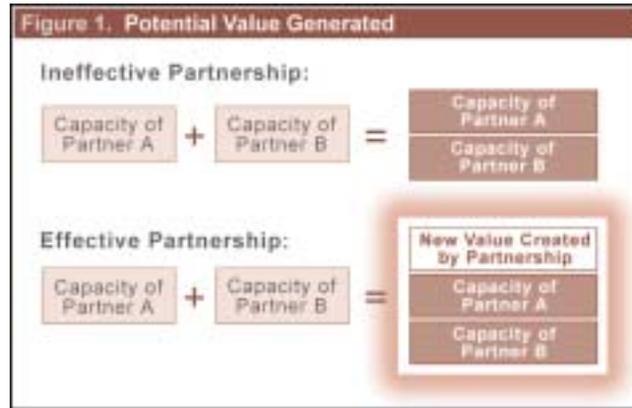
2. Gupta, R. and Taliento, L. "How Businesses can combat global disease." *The McKinsey Quarterly*, 2003 Number 4.

Case Example Background and Context

This case example will follow as a thread throughout the guidelines illustrating the steps of the framework.

The UNAIDS/MOH Drug Access Initiative (DAI)
In August of 1998, in partnership with the government of Cote d'Ivoire, UNAIDS launched the "UNAIDS/Ministry of Health (MOH) Drug Access Initiative (DAI). This initiative, also piloted in Uganda, Chile, and Vietnam, was designed in response to the inequitable access to systems for the acquisition and provision of safe and affordable treatment in resource-limited settings. As part of this initiative, UNAIDS negotiated reduced costs for most AIDS-related therapies through discussion with pharmaceutical companies.

Despite these reductions, the cost of the medications remained too high for most of the population. In response, the initiative evolved to include subsidies (ranging from 50%-95%) for individuals who met certain socio-economic conditions. The subsidies were supported by a "Solidarity Fund", established by the Ivorian Government with $US 1 million, with the vision that these funds would be replenished with donations from donors, corporations, and special taxes.[3]

Compagnie Ivoirienne d'Electricite (CIE)
In 1990, the government of the Cote d'Ivoire privatized the management of the state's electric utility, Compagnie Ivoirienne d'Electricite (CIE). As the country's sole provider of electricity, CIE operates out of central offices in Abidjan and 12 regional offices in Cote d'Ivoire. The company employs 3,500 skilled employees with between one and five years of training. CIE provides health coverage and care for employees and their relatives through private health clinics and infirmaries staffed by CIE-employed clinical staff.

As the AIDS epidemic has become a more widely recognized issue in the country, the company has responded. In 1992, in consultation with the Ministry of Health, CIE developed an in-house committee on HIV/AIDS. Leadership from the top levels of the company demonstrated their commitment with membership in the committee including the CEO as honorary chairman. Additionally, the committee was comprised of a medico-socio team (including doctors, nurses, and social workers), union representatives, and was chaired by the Central Human Resources Manager. The committee has overseen the development of workplace policies and programs including awareness and prevention. CIE has become well known as a leader for industry on this topic with progressive strategies that include the distribution of condoms in employee paychecks. In addition to efforts aimed at employees, CIE has also targeted the broader community. These efforts were established and took hold before any ARVs or HIV medications were made available in the Cote d'Ivoire. Despite CIE's impressive efforts, HIV was the leading cause of death for employees between 1995-1999.[4]

3. Djomand, G, et al (2000) "HIV/AIDS Drug Access Initiative Preliminary Report, Projet Retro-CI" May 2000.
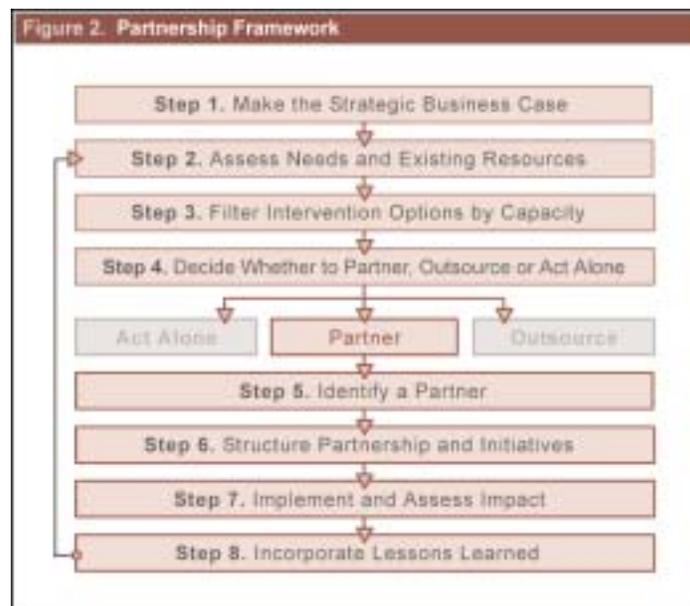4. Eholie, S, et al. "Antiretroviral Treatment can be cost saving for industry and lifesaving for workers: A case study from Cote d'Ivoire's private sector." In press.

Overview of the Framework

HIV/AIDS is a difficult issue to address whether a company decides to act alone or in partnership with other organizations. Developing a strategy requires careful analysis and attention to a range of issues. Our framework shows the various steps that we believe are important when devising a successful and sustainable approach to address HIV/AIDS.

Each of these steps is essential to the long-term success of HIV/AIDS partnerships. Before describing each of the individual steps in the framework, it is important to address three key issues:

- The framework is not necessarily sequential. Frequently businesses may find themselves entering the process at various points. It is important that the relevance of each step be addressed and understood. Companies may find value in revisiting previous steps during a regular review process, after significant changes in the local context and environment, or as a troubleshooting guide after experiencing poor results.

- The framework is for companies who have decided to act and can serve as a guide as they navigate the often tricky terrain of using partnerships in their response to HIV/AIDS.

- While this framework has been developed from a business perspective, it should also be useful to governmental and nongovernmental organizations that working with businesses.

Figure 2. Partnership Framework

Step 1. Make the Strategic Business Case

Step 2. Assess Needs and Existing Resources

Step 3. Filter Intervention Options by Capacity

Step 4. Decide Whether to Partner, Outsource or Act Alone

Act Alone | Partner | Outsource

Step 5. Identify a Partner

Step 6. Structure Partnership and Initiatives

Step 7. Implement and Assess Impact

Step 8. Incorporate Lessons Learned

Step 1. Make the Strategic Business Case

While a company, or senior leaders within it, may have decided to take action to address HIV/AIDS, it is important that the strategic business case be defined explicitly and that buy-in is obtained from senior leaders within the company. To accomplish this, three things need to be addressed: (1) definition of the problem in relation to the company's core business, (2) underlying motivations, and (3) need for resources.

Defining the Problem

HIV/AIDS is a disease that affects many different segments of the population. For example, a business can think in terms of its employees, the families of employees, the communities in which it operates or employees live, key business partners, customers, or more broadly it can consider a regional, national or global community. There are a number of tools available to assist businesses in understanding each segment. For example, BMW found it useful to conduct a study of its employees' Knowledge, Attitudes and Practices (KAP) to better understand its workforce.

Understanding the size of these segments and how HIV/AIDS is affecting them is critical to determining the scope of the problem and how it relates to a company's core business. One way to better understand this relationship is to assess the degree to which HIV/AIDS has, or will have, an impact on a business and its broader operating environment.

Assessing the Business-Specific Impact

The complexity of assessing the impact on a company's business stems from a need to go beyond the quantitative approach of calculating the costs associated with increased health expenses, death and disability, lower productivity, absenteeism and employee turnover to account for the costs of the psychosocial impact of the epidemic such as lower employee morale. Moreover, a company's brands and reputation may also be affected if the consumers believe that it has not dealt appropriately with HIV/AIDS.

Clearly, the costs will vary depending on the maturity of the epidemic in a business's operating environment. Despite these complexities, a number of tools have been developed to assist businesses in assessing the impact of HIV/AIDS. Whiteside and Barnett describe an "institutional audit,"[5] while the Futures Group has created the AIDS Impact Model for Business (AIM-B).[6] Each of these provides a framework for thinking about and classifying the various costs to a business. Even companies that invest significant energy and resources in understanding their specific business impact find the costs difficult to measure and estimate, as experienced by AngloGold in South Africa.[7] Similarly, the revenue impacts of both positive and negative public responses to action and inaction are difficult to predict or measure.

Assessing the Impact on the Business Environment

Beyond the costs of HIV/AIDS associated with a business' workforce, businesses must also be concerned with the impact of HIV/AIDS related to their operating environments. HIV/AIDS causes tremendous problems in emerging markets by affecting core infrastructure and the demand for goods and services that are critical to a business's ability to maintain operations. A number of macroeconomic models have been developed to illustrate the ways in which HIV/AIDS affects or is projected to affect the local, national, and global environment. Whiteside and Barnett discuss the impact of HIV/AIDS on national economic growth and present economic models for projecting long-term macroeconomic impact. Country-specific models have been developed by the World Bank, the Futures Group and others, which detail the devastating impact that HIV/AIDS is projected to have.[8] It is important that business consider how these projections will affect its ability to operate in the long term. While a company may be fortunate enough to have a workforce with a relatively low HIV/AIDS prevalence rate, it should not ignore the possibility that its business operations will be affected in the long term due to the effect of the disease on local, regional and national markets. This is especially true for companies with leading country-level market shares, such as AIA in Thailand, as their success is most directly related to that of the country.[9]

While it is obvious that HIV/AIDS is a tremendous problem for many societies, it is important that a company understand why the disease represents a corporate issue as well as a humanitarian one and

5. Barnett, T. and Whiteside, A. (2002) *AIDS in the Twenty-First Century: Disease and Globalization.*
6. The Futures Group, "AIDS Impact Model for Business (AIM-B)" www.futuresgroup.com/aim/indez.cfm
7. GHI AngloGold South Africa Case Study
8. More information on these models can be found in the World Economic Forum Global Health Initiative Report: *Business and HIV/AIDS. Who Me?* by Bloom et al, 2004.

why it should own the problem. Specifically, a company needs to understand how the HIV/AIDS pandemic affects its core business. Importantly, a company need not undertake all of the analysis on its own, it can often build on or reference work that has been done by government agencies, NGOs and other businesses.[10]

Defining Underlying Motivations

By defining the underlying motivations to act, a company creates a foundation on which to build its HIV/AIDS program. It ensures that senior management understands why it believes it should act. If this is left implicit rather than explicit, the challenges and obstacles that are sure to be experienced are more likely to derail the process. A company's motivations can be classified as either utilitarian or altruistic. Utilitarian motivations include such things as a desire to reduce the direct and indirect costs to the company by increasing productivity, decreasing overall health costs or building public sector capacity. There are real business reasons to move forward. Altruistic motivations center around the notion that "It is the right thing to do." This can be thought of as a sense of moral obligation that is not necessarily connected to business concerns. Typically, when a mix of altruistic and utilitarian reasons motivates a company, the initiative's chance of long-term sustainability is increased.[11]

Figure 3. Underlying Motivations

UTILITARIAN

Blended Motivation

Minimum Sustainability

ALTRUISTIC
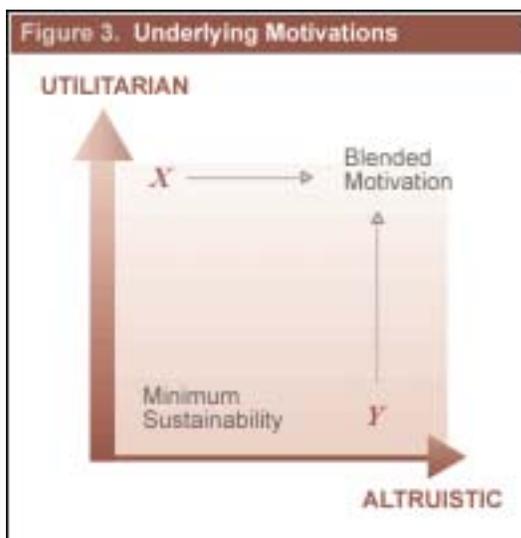
Souce: Social Enterprise Network, 2003

Case Example

The Ministry of Health recognized the importance of this blended motivation. When speaking with the leadership at CIE, the staff recognized that CIE was concerned not only about its financial bottom line but also the well-being of its employees. Indeed, the management philosophy at CIE is deeply rooted in the cultural characteristics and values of African people. The CEO, Marcel Zadi Kessy, explains that the traditions of solidarity and interpersonal trust, among others, are the foundations of effective management in his company.[12]

Need for Internal Commitment

Part of making the strategic case for taking action on HIV/AIDS includes obtaining a commitment for resources from senior management. HIV/AIDS is an extremely complex and multifaceted problem. Deciding on the specific actions to take to combat the disease requires careful analysis, which requires time, money and people. If the business case has been made, senior leaders within the company should be ready to commit real resources, including top management attention, to analyze the problem and plan for action.

Making the strategic business case establishes the reasons for taking action and will be useful in analyzing opportunities for action. It can also serve to reinforce the company's resolve to act, as it confronts the inevitable challenges of acting on this complex, and at times controversial, issue.

Key Questions for Step 1

- Does the corporation understand how HIV/AIDS specifically affects it now and in the future?

- Is there a clear understanding of the populations affected by HIV/AIDS, including size, characteristics, prevalence rates, etc.?

- Is there a clear understanding of what is motivating the company to act?

- Has top management committed to analyzing the problem and to support possible courses of action?
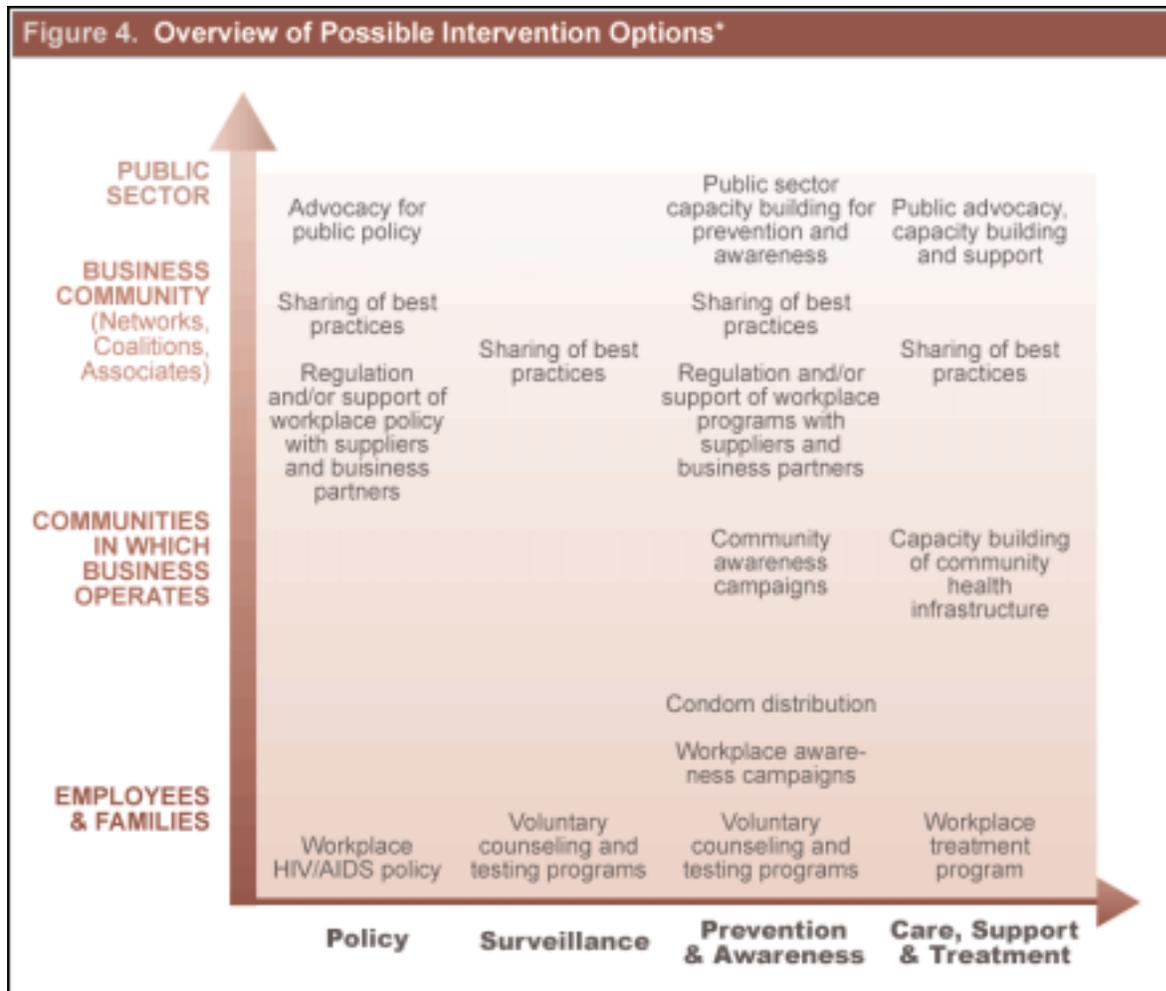
9. GHI AIG-AIA Thailand Case Study
10. See GHI case study library (www.weforum.org/globalhealth/cases) and GBC (www.businessfightsaids.org).
11. Social Enterprise Knowledge Network, 2003.
12. Zadi Kassy, M. (1998) *Culture Africaine et Gestion de L'Entreprise Moderne*.

Step 2. Assess Needs and Existing Resources

Once a company has decided that contributing in some way to the fight against HIV/AIDS is in its strategic interest, it must determine what needs exist and where resources are currently being deployed. To do so, a company can perform an assessment of the external environment, which seeks to define: (1) the range of intervention options for the various population segments, (2) what programs and services are in place, and (3) where additional resources are needed. This assessment is particularly important given the importance of a full continuum of services in the fight against HIV/AIDS.

Figure 4. Overview of Possible Intervention Options*

	Policy	Surveillance	Prevention & Awareness	Care, Support & Treatment
PUBLIC SECTOR	Advocacy for public policy		Public sector capacity building for prevention and awareness	Public advocacy, capacity building and support
BUSINESS COMMUNITY (Networks, Coalitions, Associates)	Sharing of best practices; Regulation and/or support of workplace policy with suppliers and business partners	Sharing of best practices	Sharing of best practices; Regulation and/or support of workplace programs with suppliers and business partners	Sharing of best practices
COMMUNITIES IN WHICH BUSINESS OPERATES			Community awareness campaigns	Capacity building of community health infrastructure
EMPLOYEES & FAMILIES	Workplace HIV/AIDS policy	Voluntary counseling and testing programs	Condom distribution; Workplace awareness campaigns; Voluntary counseling and testing programs	Workplace treatment program

* This is not intended to represent a comprehensive list of possible interventions, only a selection of examples.

Intervention Options and Target Populations

When considering the range of intervention options available to it, a company must consider the type of program as well as the target populations and their corresponding needs. One can think about the following broad categories related to HIV/AIDS: policy; prevention and awareness; voluntary counseling and testing; and care, support and treatment.[13] Within each of these categories there is a range of programs that can be implemented. Some examples are shown in Figure 4. For example, the International Finance Corporation in its *Good Practice Note*, "HIV/AIDS in the Workplace," has described specific programs targeted to a business' workforce such as HIV/AIDS workplace policy, condom distribution, voluntary testing and counseling among others.[14] Some example target populations include employees, spouses, families, high-risk groups in the community, customers, and key business partners. Prevention and awareness as well as care and treatment might be appropriate for employees and their families, while public advocacy programs may make sense if the focus is on a broader regional, national or global community. At this stage in the process it is important to understand the range of options available. Narrowing down those options and selecting a focus comes later.

Existing Resources

A key part of assessing the external environment is to understand the existing resources at work in the community. As we have mentioned, HIV/AIDS is an issue that touches many aspects of society and has prompted action by governments, NGOs and businesses. Thus, there are likely programs and services that are focused on some aspects of the HIV/AIDS problem. By understanding what programs and services are in place and which organizations are sponsoring them, businesses can begin to the understand how the needs of a given population are currently being met and how other organizations have approached the problem. Businesses can utilize a number of resources to obtain this information including their own employees and staff, labor unions, government health ministries, local and global business coalitions, and NGOs. This exercise also provides an important opportunity to begin to establish relationships with other organizations and key stakeholders around HIV/AIDS. IBM South Africa found formally conducting this review of external players and resources an essential step in building their program design.[15]

Need for Additional Resources

Clearly, given the magnitude of HIV/AIDS, the need for additional resources is acute across the spectrum of intervention options. Nevertheless, it is important to understand where the needs exist for specific populations and how, if at all, these needs are being addressed by other organizations. This will allow a company to analyze where the need for resources is most acute. For example, there may be prevention and awareness programs in place in a particular community that are not effectively reaching a company's employees. Likewise, the availability of antiretrovirals (ARVs) may be so limited as to have little impact on a company's workforce. There may be instances where a local government or NGO has a developed an effective program, such as AMREF in Tanzania,[16] but additional resources are needed to expand the program to other geographies or segments of the population.

Key Questions for Step 2

- Have the possible interventions for each population been outlined?

- Is there an understanding of the landscape – what other organizations are doing with respect to HIV/AIDS?

- Is there a gap analysis – an understanding of where additional resources are most needed?

13. See GBC/IBLF, *Employees & HIV/AIDS – Principles for Action*, November 2001
14. IFC, "HIV/AIDS in the Workplace" *Good Practice Note*, No. 2, December 2002
15. GHI IBM South Africa Case Example.
16. GHI Geita Gold Mine Case Example.

# Step 3. Filter Intervention Options by Capacity

With an understanding of the possible HIV/AIDS interventions, the resources at work, and where the need for resources is most acute, a company can begin to consider possible opportunities for action. In developing this list of opportunities a company can draw on the strategic importance of various intervention options for each target population based on perceived gaps in service. Determining this list also requires an understanding of the resources required and the company's current internal capacity to deliver those resources.

Capacity Required

When considering where to focus its HIV/AIDS effort, a business needs to understand the capacity required to address different aspects of the problem. Each option requires a different mix of financial, managerial, and technical resources. For example, focusing on workplace prevention and awareness requires one set of skills and assets, while focusing on treatment requires another. If a business decides to focus its efforts on the broader community, the resources required are often greater. Quite simply, as the scope and scale of an HIV/AIDS initiative expands, so too do the resources required to effectively manage and implement that initiative.

Internal Capacity

In addition to understanding what capacity is required to effectively address the problem defined, a company needs to understand its own internal capacity. It can begin this process by mapping its assets or taking an inventory of what resources it can bring to the problem. The International Business Leaders Forum (IBLF) recommends assessing this on three dimensions as shown in Figure 5.[17] The three dimensions include a company's contacts such as workforce, business partners and access to government, its material assets such as premises, products and services, and financial strength, and its skill base including management capabilities, monitoring and evaluation skills, and IT. Through this mapping process a company lists the possible human, financial, material and political capital that it would be willing to commit. It needs to determine what unique skills and resources it can offer. This includes taking stock of available leadership and management capacity to act alone or to partner as well as stakeholder buy-in including shareholders, board members, leadership, families, community, and employees. Involving key stakeholders will also assist in building a broader understanding of the initiative and the company's goals.

Figure 5. Mapping Assets
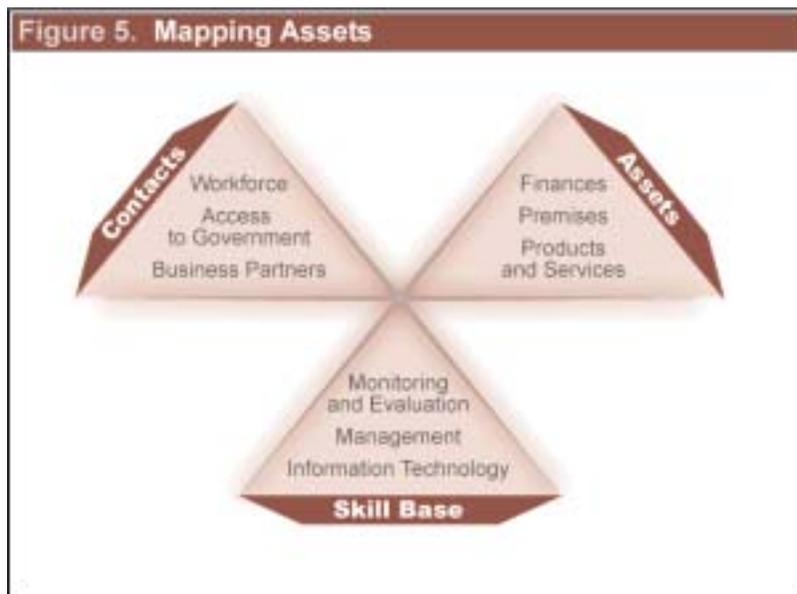
Source: International Business Leaders Forum

Key Questions for Step 3

- Do you understand the capacity required for the various options outlined?

- Has your internal capacity to deliver those resources been assessed?

- Can you make the business case for the option(s) you intend to pursue?

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17. Daly, K., IBLF/UNAIDS/GBC, "The Business Response to HIV/AIDS: Impact and Lessons Learned" (www.iblf.org)

Step 4. Decide Whether to Partner, Outsource or Act Alone

While partnerships offer great opportunities to leverage the resources and expertise of other organizations, thus allowing a company to accomplish more than it would have been able to accomplish on its own, they require careful consideration. A business needs to evaluate whether the benefits of a partnership outweigh the additional management and leadership resources that will be required to initiate and manage partnerships over time. And, the skills of managing and developing partnerships focused on one area, such as HIV/AIDS, tend to carry over to other corporate needs as well; these are invaluable skills for a corporation to develop and expand. Nevertheless, there are some instances when it makes good sense for a company to outsource or to build in-house capacity rather than engage in a partnership to accomplish its goals. Importantly, a company may also find that it would like to pursue several opportunities but pursue them differently, thus developing a portfolio of activities which includes different partnership strategies as well as outsourcing or acting alone.

Why Partner?

Many companies decide given the complexity of HIV/AIDS that partnering is the best alternative as it allows them to leverage the expertise and experience of other organizations. There are at least five areas of need that motivate companies to partner in their efforts to fight HIV/AIDS. These include:

- Increasing Scope and Scale
- Mobilizing Resources
- Improving Quality
- Building Credibility with Stakeholders
- Building External Capacity

Each of these areas is important and can be a valid reason for partnering. Partnering to increase scope and scale might allow a company to increase uptake of existing services within the workforce, expand existing services to a larger audience and more generally expand the number and kind of activities within an HIV/AIDS program. For example, ESKOM identified stigma as a barrier to uptake of Voluntary, Counseling and Testing Services (VTC) and decided to partner with The Population

Council and local NGOs in an attempt to address these issues.

Figure 6. Partner Options
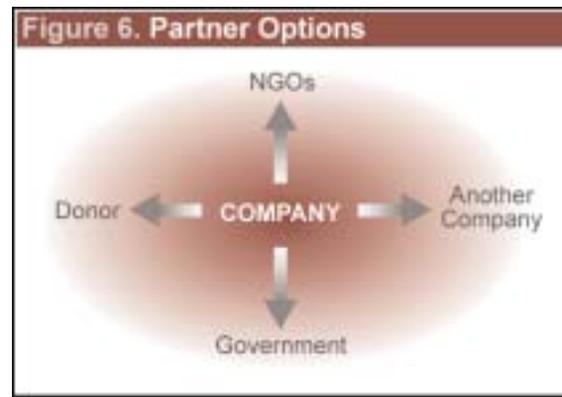
Partnering to mobilize resources encourages different organizations to contribute unique skills and assets to the fight against HIV/AIDS. For example, the Kaiser Family Foundation mobilized Viacom and BBC to utilize their communication assets and skills to launch a global awareness campaign.

Another reason to partner is to improve the quality of the services provided to employees and/or to improve outcome measures. For example, to increase the uptake of service, BHP Billiton knew they needed stakeholder buy-in to get good uptake on their prevalence survey, so they partnered with labor unions, who then chose a third party to implement the prevalence survey. Because labor was involved and because a 3rd party implemented the survey, the uptake was high. In fact, it exceeded expectations because contractors, on site for the day, also participated in the testing.

Similarly, partnering can assist companies in establishing greater legitimacy by increasing capacity or improving relations with external actors. Heineken felt that partnering with an NGO, like PharmAccess, was critical to bolster the capacity of its treatment program.[18] Aurum Health Research partnered with UNAIDS and London School of Tropical Medicine as a means of bolstering the credibility in both their programs and research data.

Finally, a company may be motivated to partner to

18. Barrett, D., Ballou, D., "Heineken NV: Workplace HIV/AIDS Programs in Africa (A)," Harvard Business School Publishing Case No. 9-303-063. March 2003.

increase the public sector's capacity to respond to HIV/AIDS. ChevronTexaco has a history of partnering with the government of the Cabinda Province in Angola to improve health services for the whole province. They have found that it is a more sustainable long-term investment to develop this capacity, first for TB and most recently for HIV/AIDS in the community.[19]

Identifying a Partner

After analyzing its own capacity and deciding to partner, a company must then decide with which organization(s) to partner. Part of this process requires looking again at the existing capacity within the community and local economy to identify potential partners. There is a range of options including national or local governments, NGOs, donors, or another private sector entity. See Table 1 for an overview of the sectors with which companies are partnering in Africa.

A company should be able to utilize the analysis that it has undertaken and relationships it developed in the previous steps to identify organizations that have the skills and expertise they are seeking. It may also be able to utilize existing relationships to identify organizations.

Strategic Assets

Once a potential partner has been identified, its capacity to partner needs to be assessed. This assessment should be quite similar to the company's internal assessment, looking at the potential partner's skill base, material assets, and contacts. A key factor in evaluating an organization's capacity to partner is ensuring that there is a strategic fit. One of the ways to do this is for the company to consider its asset map and then determine whether a potential partner's assets complement its own (see Figure 7).

Organizational Culture and Values

Another important aspect of this assessment is the organizational cultures and values of the two organizations. While the two cultures will never be identical, they need to be able to work together. Previous work in partnerships suggests that certain issues can be thought of as bellwether indicators of a successful collaboration. The issue of *time horizon* for example, is often not addressed and seems to be critical. A corporation often has a significantly shorter time horizon during which they might initiate a program, and expect to see results. In contrast, NGOs tend to be comfortable with a greater level of uncertainty and a longer time horizon. The difference between these two needs to be understood and managed.

In a similar vein, cultural differences abound as well. The same skill set that allows a company to manage complex projects can also lead to tension between a corporation and an NGO when each finds its "style" of working is in fact quite different. Finally, language systems are often different. Commonly accepted concepts such as ROI in the business world often have a more broad application in the NGO world that may view ROI as more inclusive, tracking social as well as economic returns. Moreover, each must understand and feel comfortable with its potential partner's values -the commonly held beliefs that guide the behavior of an organization

Ultimately, the two organizations must be con-

Table 1. The Sectors with which Some Companies Have Partnered in Africa*

NGO	Government	Another Company
Chevron Texaco	Chevron Texaco	Shell Nigeria
Old Mutual SA	Gold Fields	Coca Cola
Shel	Shell Nigeria	Abbott Laboratories
Barrick Gold	Coca Cola	Nedcor
BP	BMW	
Gelta Cold	BHP Billiton	
Coca Cola	Transnet	
BMW	Volkswagen	
Volkswagen	CIE	
Daimler Chrysler		
Trasnet		
Ashanti Goldfields		

This is not intended to be a comprehensive list of the partnership activities by companies in Africa

19. ChevronTexaco TB case study and HIV press release: www.weforum.org/pdf/Initiatives/GHI_CABGOC_HIV_Press_Release_V02.pdf

vinced that the potential benefits of the partnership outweigh the risks, that their resources are complementary, and that they will be able to work together. The senior leaders within both organizations as well as the key stakeholders must believe that the partnership makes sense.
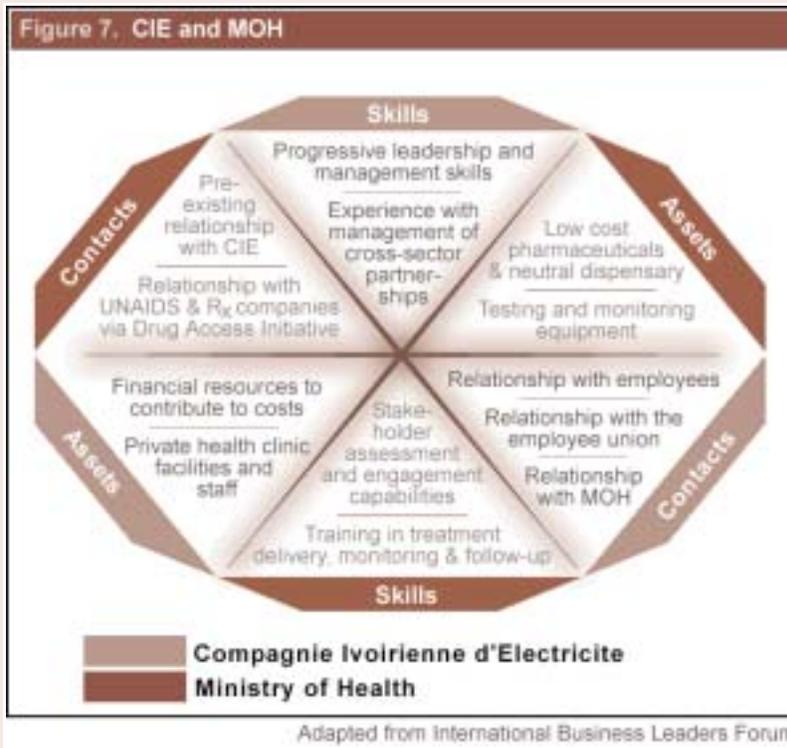
Alternatives to Partnering

Some companies decide that it makes sense given the activities they are pursuing that outsourcing is the best option. For example, Geita Gold Mine in Tanzania has outsourced its HIV/AIDS program to the African Medical Research Foundation (AMREF) to provide services both to the workplace and the community that developed around the mine.[20] Conversely, Anglogold decided to build internal capacity. It saw HIV/AIDS as a long-term problem for its workforce and business operations and, as a result, built Aurum Health, a wholly-owned subsidiary that is available to provide services to all Anglo companies.

While outsourcing and building in-house capacity are useful alternatives in certain instances, we remain convinced that partnerships offer an opportunity for businesses to have a real impact on HIV/AIDS.

Case Example

Consider the foundations of the partnership for comprehensive care between the MOH and CIE. There were several circumstances that contributed to the mutual attraction to partner between these two parties. First, CIE had a previous relationship with the MOH in addressing on the issue of HIV/AIDS. It was through consultation and guidance from the MOH that CIE first established their workplace policies and programs. Through a shared history of working together on this issue, the critical element of trust developed both organizationally and inter-personally. Second, there were shared values centering on a sincere interest in the welfare of the individual. CIE is known for its progressive management and leadership, is rooted in the African cultural principle of solidarity. Finally, there were a strategic fit between the assets of one partner and the corresponding needs of the other. Through the contacts of the MOH, CIE would gain access to low cost, high quality pharmaceuticals for their employees, training in our to prescribe these drugs and monitor patients for their medical staff, and data collection equipment and personnel for monitoring the impact of this new initiative. MOH, on the other hand, gained access to a hard-to-reach population of patients (those attending private clinics). Figure 6 shows the complementary assets and values that MOH and CIE brought to this partnership.

Figure 7. CIE and MOH

Skills
Progressive leadership and management skills
Experience with management of cross-sector partnerships

Contacts
Pre-existing relationship with CIE
Relationship with UNAIDS & Rx companies via Drug Access Initiative

Assets
Low cost pharmaceuticals & neutral dispensary
Testing and monitoring equipment

Assets
Financial resources to contribute to costs
Private health clinic facilities and staff

Stakeholder assessment and engagement capabilities

Contacts
Relationship with employees
Relationship with the employee union
Relationship with MOH

Skills
Training in treatment delivery, monitoring & follow-up

Compagnie Ivoirienne d'Electricite
Ministry of Health

Adapted from International Business Leaders Forum

20. GHI Geita Gold Case Study.

Alternatives to Partnering

Some companies decide that it makes sense given the activities they are pursuing that outsourcing is the best option. For example, Geita Gold Mine in Tanzania has outsourced its HIV/AIDS program to the African Medical Research Foundation (AMREF) to provide services both to the workplace and the community that developed around the mine.[20] Conversely, as part of their overall HIV/AIDS strategy, Anglogold decided to build internal capacity. It saw HIV/AIDS as a long-term problem for its workforce and business operations and, as a result, built Aurum Health, a wholly-owned subsidiary that is available to provide services to all Anglo companies.

While outsourcing and building in-house capacity are useful alternatives in certain instances, we remain convinced that partnerships offer an opportunity for businesses to have a real impact on HIV/AIDS.

Key Questions for Step 4

- Which organizations have the geographic presence, skills and expertise to partner?

- Are there existing relationships on which your company can build?

- Which organizations have assets that are most complementary to those of your company?

- Are the cultures and values of the organizations compatible?

- Are the parties in agreement that partnership makes sense?

20. GHI Geita Gold Case Study.

Step 5. Structure Partnership and Initiatives

With Step 4 complete, the critical work of structuring the partnership and the initiatives needs to be tackled. HIV/AIDS partnerships, while offering tremendous advantages, have many challenges that can make them difficult. Careful attention to the structure and management of the partnership can help in overcoming these challenges.

Based on Rackam, Friedman and Ruff's work on partnerships, three common elements repeatedly and consistently have emerged with regard to partnerships: impact, intimacy and vision.[21] Impact describes the partnership's capacity to deliver tangible results. Intimacy refers to the level of closeness required to form an effective partnership. Vision describes the compelling picture of what the partnership can achieve, and how it is going to get there. The literature on partnering is full of examples of these elements in action. In short, the authors argue that all three elements, impact, intimacy and vision, need to be in place in order for the partnership to succeed. They emphasize that the balance among these three factors is key. For example, the partners should not emphasize impact to such a degree that they drive out intimacy, since building trust between partners is an important factor in the partnership's long-term success. As the partners begin to structure the partnership, they need to ensure that the process includes a discussion of each of these elements. That is, what is the vision for the partnership, what impact is it aiming to have, and what level of partnership intimacy is required to be successful?

There are four key areas which, if clearly defined, should assist organizations in answering those three questions. They are:

- Goals and objectives

- Organizational structure and responsibilities

- Programs and activities

- Performance measures, both tangible and intangible, for partnership and programs

By jointly defining these areas, the partners will provide the foundation for the relationship and continue to build understanding and trust between the parties. In many ways, this step will determine whether or not the partnership will be successful.

Goals and Objectives

By defining the goals and objectives of the partnership, the organizations are setting the vision and defining the value that they hope to generate. These goals and objectives should be discussed openly so that each organization is clear about why the partnership is being established and what is driving each organization to participate. All parties involved need to understand at the outset what the focus of the partnerships efforts will be. Specifically, it needs to decide on which population it will focus its efforts and what the scope of its activities will be. For example, will the partnership focus on the company's employees, the local community or a broader national or global audience? Similarly, a partnership must decide what kinds of activities it will undertake. Will the partnership focus its efforts on raising awareness, care and treatment, or take on a role in the policy arena or several of these areas? In short, the players involved need to define the scope and scale of the partnership's activities. While this definition is crucial, the partners should also remember that partnerships are ongoing and dynamic relationships

Case Example

The goals of the partnership between MOH and CIE included the following:

- To provide comprehensive training for CIE staff health providers in the provision of treatment and care

- To provide safe and affordable access to pharmaceuticals through the government's central pharmacy

- To assess the impact of a comprehensive HIV/AIDS program on patients' health through monitoring and follow up

- To assess the subsequent impact of a comprehensive HIV/AIDS program on financial outcomes for the CIE

- To document financial benefits to a private company resulting from comprehensive care

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21. Rackham, N., Friedman, L., and Ruff, R. (1996) *Getting Partnership Right*

and it is always important to manage expectations both internally and externally. The players involved should constantly revisit the partnerships goals and objectives as circumstances change and relationships grow.

Organizational Structure and Responsibilities

To be successful the partner must decide how the partnership will be structured and what responsibilities each organization will assume. The structure of the partnership is dependent upon a number of key factors including the expected scope and scale of activities and the number of organizations involved. These issues help define the type of management structure that is needed to achieve the appropriate level of intimacy and trust for the partnership to grow and generate value over time.

Trust can be lacking between labor and management, between the government and the private sector, NGOs and government, and the private sec-

tor is inherently pessimistic about involvement in partnerships across sectors. The organizations involved in partnerships need to remember that the hard work required to build the necessary trust to address the problem of HIV/AIDS together is justified. We have found that trust is not generally built on the aggregate, but based on individual association and open communication. Time is required for this trust grow and be tested. Thus, as organizations begin to think about how to structure their individual partnership they should pay particular attention to that the development of leaders at appropriate levels within the organizations, that open communication is facilitated and that relationships are strengthened across organizations.

The complexity of the partnership and its activities will also impact the organizational structure. For example a partnership between two organizations that is focused around a relatively small population with a narrow program scope may be able to rely

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Challenges of HIV/AIDS Partnerships

- HIV/AIDS is an urgent, emotional and controversial issue

- Competitive dynamics can hinder information sharing

- Organizational cultures are different

- Incentive and motivational structures may need to be altered

- Metrics for evaluation are not well defined

- Exit strategies are unclear (especially for treatment)

Case Example

Trust issues and cultural considerations drove a number of strategic decisions regarding the structure and management of partnership activities between MOH and CIE:

- In order to ensure that employees understood and believed that accessing treatment would remain confidential, MOH provided a full training on the systems for ensuring confidentiality to trade union representatives who in turn explained these provisions to their peers.

- To account for the high potential for distrust of a government with a history of corruption, the exchange of money for pharmaceuticals was carefully structured. Health care staff would deal directly with the Central Pharmacy when procuring drugs for their patients. Payment would only be accepted by check, exchange of cash was never permitted.

- To cover the cost of treatment, CIE decided on both company and employee contributions. They modeled the "HIV/AIDS solidarity fund" on the existing system for employee contributions to cover non-standardized health case costs. This proven system successfully builds on cultural sensibilities and attitudes that place high value the well being of the group. This was an important strategic decision given that all employees were to contribute, not just those who are HIV+.

on interpersonal relationships and informal communication methods rather than a separate organizational structure, which may be needed for a complex partnership with multiple organizations and a broad scope of activities. That is not to say that the issues are any less important, only that they can be managed differently depending upon the complexity of the partnership and the scope and scale of the partnership's HIV/AIDS activities.

A key factor in a successful partnership is that the individuals understand what their responsibilities are. The organizations need to specifically define the programs that they will implement and assign clear responsibilities for the various activities and resources that will be needed to carry them out. Some NGO partners rarely embark on a partnership without a memo outlining respective roles and shared visions, while others operate in a more informal ad hoc manner. Importantly, front line managers need to have access to key leaders at different levels within the company to obtain resources and support when needed. Thus, while it is important to establish mechanisms for the

Key Success Factors for HIV/AIDS Partnerships

- Trust

- Leadership and support at all levels

- Open communication

- A culture of learning

- Clear understanding of responsibilities

- Clear measures of accountability

- Managing risk

partners to communicate, it is also important that appropriate communication lines be established within each of the partner organizations. This will assist in building support for the HIV/AIDS initiatives at all levels within the company not just at the senior leadership level or at the programmatic level.

Performance Measures

A key element of success for any partnership and its programs is the establishment of metrics by which to track performance. It is quite likely that a company will have a set of performance measures for its larger HIV/AIDS program. However, it is also important that performance measures be developed for the partnership and its programs. These measures will be driven by the strategic goals and objectives of the partnership and its programs. Various categories should be addressed including programmatic results, financial outcomes and partner satisfaction.

Key Questions for Step 5

- Have the goals and objectives of the partnership been clearly defined?

- Has the partnership been structured in such a way as to promote open communication, trust and engagement of leaders at appropriate levels in the partnership organization?

- Have the risks been identified and managed?

- Have performance measures been identified for both the program and the partnership overall?

Step 6. Implement and Assess Impact

At this stage, the partners implement the activities and initiatives that have been planned. Each must contribute the money, time, people and other resources to make the plans a reality. Moreover, while much of the strategic work has been completed, senior leaders must remain engaged and continue to demonstrate their commitment to the partnership.

Assessing the impact of HIV/AIDS partnerships and the programs that these partnerships undertake is critical to their long-term success. In addition to looking at the results of the specific programs and activities that the partnership has carried out, time should be spent assessing the performance of the partnership. Moreover, when assessing the programs and the partnership, the organizations should also consider unanticipated results that may not have been identified at the outset.

Case Example

A number of assessment measures were implemented to evaluate everything from the impact of treatment protocols for patients to the proficiency of health providers in diagnosis and patient monitoring. Beyond assessing the partnership activities themselves, the Ministry of Health, together with the human resources department at CIE, tracked the variation of medico-social costs before and after ART. Baseline data from the year prior to the implementation of a comprehensive HIV/AIDS program was set against declining costs over the first two years of implementation. The data clearly demonstrate a dramatic decrease in overall company costs along with a corresponding decrease in morbidity, absenteeism and deaths during the first three years in which ARV therapy has been available at CIE.[22]

Key Questions for Step 6

- Has the partnership been implemented as planned?

- Have the programs and activities achieved their goals?

- Has leadership involvement been maintained?

- Have problems been identified and solutions recommended?

22. Eholie, S., et al. "Antiretroviral treatment can be cost saving for industry and lifesaving for workers: A case study from Cote d'Ivoire's private sector." In press.

Step 7. Incorporate Lessons Learned

Partnerships offer important opportunities for learning both within the partnership and within the individual partner organizations. As partnerships and their programs are implemented it is quite likely that there will be issues that will need to be resolved and change to be made to improve operations and repair any misalignment. Importantly, partnerships are "living" systems that evolve and grow overtime. As circumstances change and relationships are strengthened, the partnership may be able to be broadened and expanded to focus on a more complex set of activities.

Similarly, an individual partner can apply the lessons learned to other HIV/AIDS partnerships and partnerships that focus on different issues. Moreover, partnerships offer a window on how other organizations operate. Organizations should think about how the lessons can be applied to their own operations. Finally, a business can use the experience to re-examine its overall response to HIV/AIDS.

Case Example

The MOH has built on the lessons learned from this partnership in creating similar partnerships. The data from the study assessing the financial impact of comprehensive treatment for CIE has been used as a tool for engaging 20 private companies to date. The future potential for applying the knowledge gained by MOH include an expansion of this model to populations outside of private enterprise to include teacher unions and networks within the informal sector.

Key Questions for Step 7

- Have the key lessons been identified?

- Has the partnership been re-examined in light of these lessons?

- Have the individual organizations considered how the lessons from the partnership can be applied to other partnerships and their business operations?

- Has the overall response to the HIV/AIDS issue been reassessed?

Conclusion

A number of academics and practitioners have examined cross-sector partnerships; one might ask why these ideas cannot simply be adapted to HIV/AIDS. Our examination of cross-sector partnerships, focused on HIV/AIDS as well as other issues, indicated that HIV/AIDS is intrinsically quite different and requires special attention. In essence, it has had, and continues to have, devastating effects on all economic aspects of emerging markets and presents new challenges to corporations who traditionally might have ignored or paid scant attention to a disease. It is perhaps due to the entrenched nature of this disease, with deep roots in the communities, that no one community, whether it be the government, the NGOs or corporations, can manage the intricacies of a solution without leaning heavily on one another in the form of partnerships.

Traditionally it has not been the norm for corporations to take on entrenched social problems - and business could never replace a strong and effective government response to HIV/AIDS. Assumptions have been made about boundaries, such as those that typically prevented a company from becoming involved in family and health issues, and these assumptions have generally served companies well. In the face of HIV/AIDS, where the boundaries between "inside" the company and "outside" the company are blurred and particularly complex, and the time horizon long and unclear, it is even more difficult for corporations to take on this issue. However, HIV/AIDS demands that businesses become involved and work with other organizations to combat the disease. Each party brings something critical to the equation and this need for effective collaboration necessitates new ways of defining responsibility, becoming accountable and measuring success within a partnership that are often novel for the corporation. The challenges are equally significant for the NGOs and governments, which in some cases have viewed corporations with a fair amount of cynicism and now have to develop ways of working together over what might be an extended period of time.

- Cross-sector partnerships are a valuable tool in the fight against HIV/AIDS. However, they require careful management. Our research suggests that the steps outlined can be useful to managers who are charged with developing an effective business response to HIV/AIDS.

Each step is important and needs to be considered and in many cases, previous steps may need to be revisited in order to make sure that the process moves forward and that metrics and modalities are reexamined as the epidemic changes. Certainly, ignoring a step may endanger the long-term collaborative effort.

- Taking on this pandemic requires significant internal and external work. Often, corporations, particularly those that are large and decentralized, do not fully understand the existence and location of key resources internal to the company and external, within the larger community. The process of cataloging this capacity is key; in essence this can be thought of as a large-scale project management issue, a task that is quite consistent with corporate capabilities.

- Initiating these partnerships requires the development of both "hard" and "soft" skills. Among the "hard" are the clarification of strategic goals, using metrics to measure success, insuring that appropriate business skills are brought to bear on the problem. "Soft" skills are equally important and are often ignored. These include the development of trust between and among key collaborators, understanding the cultures and subcultures among employees, their families and the broader community as well as the importance of working behind the scenes, both internally and externally in order to get things done.

- Skills learned in the context of HIV/AIDS have significant utility in other corporate arenas. Managing complex partnerships is a skill that takes a great deal of time to develop. As boundaries continue to blur and become more permeable between and among social sectors, the ability to understand, initiate and manage these relationships can be used in other corporate initiatives as well.

- It is important that partnerships take on a life of their own, with their own funding, objectives, and certainly, staff. Many will develop a separate identity from the parent companies and NGOs. The work of the partnership, and the staff who run it, need to be rewarded internally. This will only occur if the work of the partnership is viewed as strategically important.

In summary, business can and must play a critical role by providing leadership in the global fight against HIV/AIDS. Perhaps UN General Secretary, Kofi Annan might have the last word: "Increasingly, business leaders recognize that their responsibility and their interest lie not only in how their actions affect their shareholders, but in their impact on the societies in which they operate, and on the planet as a whole. At least we now see the beginnings of a global response." And it will be the business community, working closely with the other sectors, who will help lead this response.