### Scholars Journal of Economics, Business and Management

Susan NA *et al.*; Sch J Econ Bus Manag, 2016; 3(11):622-627 © SAS Publishers (Scholars Academic and Scientific Publishers) (An International Publisher for Academic and Scientific Resources)

## Alcohol Consumption and Its Effect on Small Business Enterprises in Uasin Gishu County, Kenya

Ndong Akumu Susan<sup>1\*</sup>, Ooko Auma Pamela<sup>2</sup> <sup>1</sup>Kisii University, P. O. Box 6434-30100, Eldoret, Kenya

<sup>2</sup>University of Nairobi, P. O. Box 0434-30100, Endoret, Kenya

\*Corresponding Author Ndong Akumu Susan Email: <u>zyie\_nd@yahoo.com</u>

**Abstract:** Alcoholism is a state in which its indulgence becomes harmful to an individual's physical and mental health, affects interpersonal relationships and distorts a person's social and economic functioning of the mind. The researchers adopted a survey design and carried out a study in Kenya Service Area, Uasin Gishu County, Kenya. The paper argues that despite the various studies on alcoholism, the same still negatively affects business ventures. The authors thus posit that there must be factors that contribute to this sad state of affairs and the only way to mitigate them is by seeking to understand them first. By focusing on a target population of 40 respondents, the authors collected data using questionnaires, interview schedule and observation checklists. The data was then qualitatively and quantitively analysed. The paper observes that the major causes of alcoholism are easy and cheap availability of alcohol, cultural acceptance of alcoholism as a norm, peer pressure and addiction. In addition, the authors demonstrate that alcoholism has adverse effects on business enterprises as the habit leads to decreased output, increased wastage and costs, customer dissatisfaction and social strife among family members. The paper recommends attending seminars, self-discipline, counselling, and participating in communal activities as ways through which the vagaries of alcoholism on business enterprises can be mitigated. This paper contributes to the understanding of the stakeholders on the effects of alcohol consumption on the family and family businesses. Consequently, it is expected that policy makers and business owners will use this information to generate policies and guidelines with an aim to mitigate these effects.

Keywords: Alcohol Consumption, Alcoholism, Business Ventures, Small Business Enterprises, Family Relations, Customer Satisfaction

#### INTRODUCTION

Alcoholism can be defined as a state in which its indulgence becomes harmful to an individual's physical and mental health, affects interpersonal relationships and distorts a person's social and economic functioning [1]. Alcohol is an intermediate acting sedative with some special characteristics, one is its calories, which are generally 'empty' – lacking vitamins, minerals or protein food value. Indeed, it is the great volume that users must consume that makes alcohol so toxic and does such damage to the liver, pancreas, heart and brain [2]. Larger doses produce a more predictable sedative response slowing respiration.

Excessive consumption of alcohol and its attendant consequences can be traced back to the Bible (Genesis 9:21-23). The Bible tells us of how Noah drank excessively until he laid naked in front of his children; the result of which was the cursing of the children. Around 1600 AD, King James 1 of England was annoyed by tobacco and alcohol and wrote that the sweetness of man's breadth is wilfully compared by stinking smoke, a branch of drunkenness which is the root of all sin [3]. In a similar vein, Islam as a religion frowns upon the use of alcohol. As observed by Kaguthi [4], recent times have witnessed an increment in alcohol abuse with devastating results.

In its pure state, alcohol is a colourless liquid with a sharp taste and characteristic smell. Alcohol is derived from fermentation of sugar by yeast genus *sacharmomyces*. Alcohol is one of the most powerful of all the psychoactive drugs and one of the most devastating [3]. It is a major contributing factor to crime, violence, accidents, divorce, medical and psychiatric care, bankruptcy and loss of productivity [3]. Chemically, alcohol belongs not only to the depressant drug category, but to the specific family of depressants that include chloral hydrate [2].

A survey conducted in Western Kenya shows that 22% of those who drink alcohol are students [4]. Young people are resorting to alcohol drinking either alone or in combination with other drugs such as *cannabis sativa* (marijuana). In Kenya, almost 3 out of every 10 primary school children have taken alcohol. Studies have attributed this trend to the new type of packaging which has made it easier for students to access alcohol as they can easily afford the small quantities on low prices. It is also observed that the

Available Online: https://saspublishers.com/journal/sjebm/home

e-ISSN 2348-5302 p-ISSN 2348-8875 figure (22.7%) rises to 68 percent for university student [4]. This is an indication that the exposure of youth in the urban areas in terms of their lifestyles predisposes them to drugs compared to those in rural areas (ibid).

While the consumption of branded beer in general has dropped by more than 30 per cent over the last 10 years because a large portion of the market has switched to illicit brews, excessive drinking habits are common in men than in women [4]; This is attributed to cultural dispensations in which women who drink are looked upon as people with a disordered personality and men who drink as just being 'normal'. According to Kaguthi (2004), children of more learned parents are at a greater risk of abusing alcohol mainly because affluent parents are more likely to expose their children to alcohol, both at home and on family outings. It is therefore not surprising when studies show that 50.7% of Kenyans aged between 16 and 26 have experimented with alcoholic products with 8.3 % being regular users and another 6.3% being addicts [4]. In Britain, according to Weitz [2], about half the population over the age of sixteen drink and more than one in ten drink at least once a day. Of these people, it is likely that between 200,000 and 400,000 will be either alcoholics or have a serious drinking problem (ibid). In Kenya, the media is awash with sad stories on how some people have even lost their sight as well as lives after consuming illicit 'killer' brews. A case in point is the one in Murang'a County where sixteen (16) people lost their lives after taking locally made liquor! In Uasin Gishu County, more than fifty (50) people died in 2015 after consuming illicit brews. Commenting on the toll the consumption of alcohol was having on the county, Uasin Gishu Deputy Governor Daniel Chemno observed that many families have broken up in several parts of the county due to uncontrolled brewing and consumption of illicit liquor adding that the most affected were youths. He lamented the worrying trend that was seeing majority of people in the county over indulging in alcohol consumption to the detriment of social and economic development in the county.

A family business is a business run by the family for its income in order to sustain itself. Both internal and external customers have complained severally over delays and inefficiency encountered during business transaction with the business owners in Kenya service area and this has mainly been attributed to alcoholism [1]. This has created a gap. The concern of this paper is thus to examine the extent of alcohol consumption and the effects of alcohol in Kenya service area on family businesses.

It is important to understand that all employers have the right to expect good attendance and attention from their employees. It is also important to note that the family businesses also expect good attendance for any good results to be achieved. In a family business, the three major "systems" are family, management and ownership. Alcohol addiction will affect each of these spheres of influence." According to Weitz [2], it is the great volume users must consume that makes alcohol so toxic and does such damage to the liver, pancreas, heart and brain. This of course, cannot allow a person to have a healthy working environment. Efficiency is affected, employee discipline deteriorates due to the effects of alcohol. Individuals should therefore be committed to the alleviation of this problem which if neglected is likely to become a "monster" that will eat up many families and family businesses in Kenya.

#### THE PROBLEM

In Kenya, alcohol consumption poses a lot of problems to families and their businesses. Many young people start consuming this drug in their formative years and carry this behaviour into adulthood despite the effects associated with it [4]. Regardless of the negative effects associated with alcohol consumption it is culturally accepted. Alcoholism exposes many businesses to poor performance, mismanagement. This is due to lack of seriousness and laxity where their jobs are concerned due to probable hangovers. With its attendant consequences, alcoholism poses a great risk to small business enterprises. In addition, these effects extend to the family level and are causes of strife in social relations. This paper thus seeks to examine the effects of alcohol consumption and its effect on small business enterprises in Uasin Gishu County, Kenya.

# SOCIAL AND ECONOMIC EFFECTS OF ALCOHOL CONSUMPTION

The effects of alcohol vary. Alcoholism is a state in which a person may suffer from physical, mental, social and economic problems. There are no controls in the illicit sector and many of the brews are extremely dangerous causing serious health problems and even death [4]. The social consequences include loss of jobs, especially when a person does not report to work on time or abscond duties. This can cause interdiction from work [5]. Although malnutrition is common among heavy drinkers, who often get as much as half their calories from alcohol, small amounts will improve appetite. It is the chronic effect of alcohol often aggravated by malnutrition that poses the most serious problems for high risk users [2]. Mothner [3] posits that prolonged drinking plus vitamin B deficiencies lead to several severe neurological and mental disorders and brain tissues may be destroyed. In addition, while some of the neurological effects of alcohol such as double vision are reversible, others like gaps in short term memory are not (ibid).

Available Online: <u>https://saspublishers.com/journal/sjebm/home</u>

The liver takes a beating from prolonged alcohol use. Even though the organ is tough and keeps bouncing back, liver damage is almost inevitable for the problem drinker [2]. Periodic inflammation of the liver destroys cells which are replaced by scar tissue and limits the organs ability to function to produce enzymes and remove body waste. The consumer may die if blood is unable to pass through the organ and internal bleeding results. Victims may also die of anaemia or of inability of their blood to clot. The pancreas also takes punishment and a chronic pancreatitis may result from heavy alcohol use, depriving the body of digestive enzymes and of insulin [3]. Some alcohol is absorbed from the stomach but the small intestine is responsible for most absorption. On an empty stomach the overall absorption depends primarily on the rate of concentration of alcohol [6]. Alcohol depresses the central nervous systems and this may explain its use as an anaesthetic until the late nineteenth century when nitrous oxide ether and chloroform became more widely used (ibid).

Drinking during pregnancy raises the risk of birth defects. As many as two new born in every thousand may suffer from what doctors call Foetal Alcoholic Syndrome (FAS), the name given to the characteristics collection of symptoms found in babies who are retarded and exhibit slow abnormalities of the heart, lungs and sexual organs coupled with defects of the joints or facial disfigurement [1]. The most serious defects are found in children of mothers who drink most heavily. The most recent evidence on foetal alcohol syndrome suggest that it is during the first three months that the foetus is most susceptible to damage [7]. Thus, the best advice that can be offered is that a woman who is thinking of becoming pregnant should strictly reduce her drinking to be safe.

On the other hand, wives of alcoholics have higher incidences of personality disturbance; children have a higher incident of personality, psychiatric school and legal problems and effects of child abuse [8]. The families also have higher rates of marital problems, violence and a shift of role of responsibilities (ibid). Families of those people consuming alcohol have children who experience parental deprivation, high rate of fighting, separation, divorce, friction, hostility, children not going to school and unhappy marriages. In view of the catastrophic effects of alcohol consumption in the family, only one third of the marriages are happy [1].

Alcohol induced blackouts are periods of time during alcoholics use in which the drinking individual appears to function normally later when the individual cannot recall any events that occurred during that period. The drinker might drive home or dance all night, interacting in the usual way with others. One of the actions of alcohol on the brain is to decrease the output of the antidiuretic hormone responsible for retaining fluid in the body. This effect can lower blood pressure in some individuals. Even single dose of alcohol can produce measurable effects on a variety of hormone systems.

Chronic use of alcohol can develop a variety of hormone related disorders including testicular and impotence in men and impaired reproduction functions in women [6]. Liver cirrhosis is the disease related to high and prolonged levels of alcohol consumption. There is no doubt that heavy alcohol use is associated with increased mortality resulting from heart disease. Much of this is due to damage to the heart muscle but there is also an increased risk of the more typical heart attack resulting from coronary artery disease. Heavy drinkers are also more likely to suffer from high blood pressure and strokes. An interesting twist to this story is that several studies have found a lower incidence of heart attacks in moderate drinkers than in abstainers, and for several years there has been discussion about "protective effect" of moderate alcohol this consumption and the possible mechanism for it.

Alcohol consumption is one of the most widespread obstacles to productivity, profitability and competitiveness. It causes late deliveries and dissatisfied customers more so when employees miss work due to hangovers or are not able to perform at their optimum [9]. Various scholars [1, 3, 10] have noted that alcoholism: affects both quantity and quality of production or service provision; affects efficiency of work done; adversely affects discipline of the worker; increases wastage and high costs; and leads to delays.

From the foregoing, it suffices to argue that alcohol consumption is a World-wide problem. It is the cause of many physical and economic problems. It is therefore worrying when so much research has gone into this phenomenon yet this drug seems to have been socially and culturally accepted. Alcohol abuse has always been seen somewhat differently from other forms of drug abuse. Because so many users can control their drinking, the inability of others to do so has often been ascribed to a genetic predisposition towards compulsive use. Although alcohol is a high-risk substance most drinkers can sustain relatively low risk use. There are rituals involved in controlling use of alcohol and they are picked up almost casually by young people, who have many role models to demonstrate the advantages and pitfalls of various kinds of drinking behaviour [7]. However, there seems to be a dearth on studies that seek to comprehend the effect of alcoholism on the performance of family business. This paper seeks to fill this gap.

Available Online: https://saspublishers.com/journal/sjebm/home

#### MATERIALS AND METHODS

Due to the contextual nature of the problem being studied, the study adopted a survey design. The purpose of using the survey was to enable the researcher answer the research questions to generate useful findings. The survey design also allowed for collection of both quantitative and qualitative data at the same time. Qualitative data provided detailed information about the phenomenon being studied enabling the researcher to establish patterns, trends, and relationships. Qualitative data on the other hand allowed the researcher to meaningfully describe the distribution of variables using standard statistical procedures (ibid) such as means, frequency distributions and measures of variability. The study targeted dairy farmers (6), retailers (12), poultry farmers (15), posho mills operators (6), butchery owners (4), local brewers (10), Sukuma wiki vendors (20), small 'Jua Kali' hotels (4), and cobblers (30) totalling to 80. The sample size for the study was 40 which was done by use of simple random sampling. The final sample included 10 men, 20 women and 10 children. Simple random technique was adopted as it had the least bias and offers the most generality.

Structured questionnaires were used to collect data in this study. The questionnaires entailed questions which were accompanied by list of all possible alternatives from which respondents selected the answers that best described the situation. The researchers also used interview schedules and an observation checklist to collect data pertinent to the study. To ensure the validity of the tools, the researchers submitted the questionnaires to research experts. This involved assessing the relevancy of the questionnaire to the research objectives. Reliability of research instrument was ensured by carrying a pilot study and cross checking the questionnaire and the questions were modified after the study. Variables under study included cause of alcohol consumption, effects of alcohol consumption on family businesses and possible remedies towards curbing the spiralling effect of alcoholism on small business enterprises. The collected data were analysed quantitatively and qualitatively using the Statistical Package for Social Sciences (SPSS®).

#### **RESULTS AND DISCUSSION**

#### The Business Owners who Take Alcohol

The respondents were asked about their status in alcohol consumption and from the results captured in Table 1 below, those taking alcohol were higher than those not taking alcohol.

Table 1: The Business Owners who Take Alcohol

	Frequency	% of Responses
Yes	19	63.3
No	11	36.7
Total	30	100

From the table above 63.3% of the respondents take alcohol, 36.7 % do not take alcohol. Most of the respondents take alcohol and therefore it affected their businesses and families as well.

#### **Reason(s) for Alcohol Consumption**

The researchers also sought to find out the reasons why the respondents take alcohol. The study findings indicated that 30% of the respondents have been taking alcohol from childhood, 26.7% take because the alcohol is cheap and available, 23.3% take alcohol because of peer influence and 20% take alcohol because of addiction. Figure 1 presents the findings.

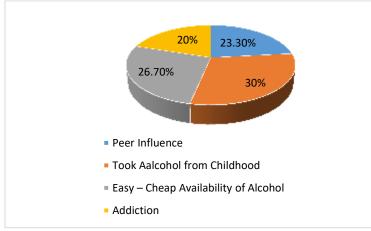


Fig-1: Reason(s) for Alcohol Consumption

From the above figure, it is clear that most respondents have been taking alcohol from childhood. Most of them could have picked the habit from parents.

This could also explain why the habit is no longer seen as a threat but as part and parcel of everyday life. This lacklustre approach to the consumption of alcohol has had adverse effects on small family businesses.

## Reporting to Work while Drunk and the Effect on Output

The researchers asked the respondents to indicate whether they reported to work while drunk and

the effect this had on their work output. The findings show that 60% of the respondents report to work while intoxicated while 40% do not. In addition, the results show that 57.5% of the respondents perform very poorly when drunk, 30% do not do the work when drunk and 12.5% do their work well when drunk. Table 2 below illustrates these results.

Statement	Frequency	% of Responses
I report to work while drunk	18	60
I do not report to work while drunk	12	40
Total	30	100
When drunk, I perform my duties well	5	12.5%
When drunk, I perform my duties very poorly	23	57.5%
When drunk, I don't perform my duties	12	30%

This indicates that most respondents report to work while drunk. Consequently, the business enterprises suffer the vagaries associated with alcoholism and report poor performance.

#### Efficacy of Management of the Business

The researchers sought to know how the businesses of the respondents were managed. From the results, it was evident that most (53%) of the business were not well managed because of alcohol consumption

(Figure 2). It also emerged that most of these businesses are not open throughout their scheduled working hours. This is because the operators have to keep closing shop so as to nurse their hangovers, go for a drink or visit hospitals to have their alcohol-induced ailments attended to. For those who were open, it was found out that their performance depreciated with alcohol consumption and they were unable to retain old customers or attract new ones.

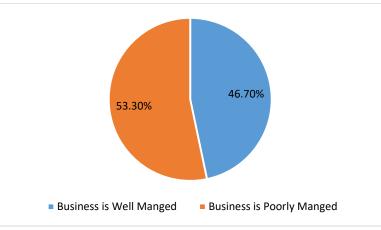


Fig-2: Efficacy of Management of the Business

#### CONCLUSION AND RECOMMENDATIONS

This paper has demonstrated that alcohol consumption affects both quality and quantity of production or service provision; it affects the efficiency of the consumer forcing him (the business owner) to maintain surplus labour to maintain production. In this research the findings indicate that alcohol consumption is not good and acceptable issue in the business sector since it leads to: slow services, poor quality and quantity to production or service provision hence resulting to increased customer complaints and reduced profits. The causes of alcohol consumption include peer influence, taking alcohol from childhood, easy and cheap availability of alcohol and addiction to alcohol. As discussed, the effects of alcohol consumption are devastating to the small business enterprises. The businesses suffer in many ways since it leads to slow services, high costs, delay in provision of service and forces the business owners to maintain surplus labour to maintain service provision. As such, the paper recommends that business owners be trained on the following ways of curbing the problem of alcohol consumption: attending seminars, self-discipline, counselling, and participating in communal activities.

Available Online: <u>https://saspublishers.com/journal/sjebm/home</u>

#### REFERENCES

- Leung P. Effects of Alcohol on Business Management, 1993. Retrieved from www.niaaa.nih.gov
- 2. Weitz A. Health, 1970. Retrieved from www.niaaa.nih.gov
- 3. Mothner I. Health and Medicine, 1970. London: Baker Publications.
- 4. Odwesso N, Kaguthi J. Effects of Alcohol. Daily Nation. Nairobi: Nation Media Group, 2004.
- 5. Flippo E. Personnel Management (6<sup>th</sup> ed). New York: McGrraw Hill. 1984.
- Ray O, Ksir C. Drugs, Society and Human Behaviour (8<sup>th</sup> ed). London: Mc Graw-Hill Internal Companies, 1999.
- 7. Melow N. Alcoholism. London: Faber and Faber Limited, 1994.
- 8. Carmargo C. Alcoholism, 1997. Retrieved from www.niaaa.nih.gov
- Armstrong A. Handbook of Human Resource Management Practice (7<sup>th</sup> ed). London: Kogan Page, 2000.
- 10. Ahuja K. Industrial Psychology and Organisational Behaviour. New Delhi: Khana Publishers, 1994.