What does CSR mean for Humanitarian Organizations?

Thesis for the Certificate of Advanced Studies in Corporate Social Responsibility

Silvana Lisca
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Abstract

The idea of this paper was born from several factual observations, among which:
- for-profit and not-for-profit entities seem to be evolving towards and embracing some elements of each other’s reference model; so for instance, commercial companies are more and more aware of their social impact, and not-for-profit organizations are more and more concerned with their economic efficiency and are also increasingly working with the private sector to increase their reach and resources;
- an increasing number of not-for-profit organizations have a multinational dimension comparable to the one commercial MNEs have, which means they often have a similar structure, face similar challenges, and have similar impact;
- some not-for-profit organizations operate in highly competitive markets, and are the largest economic actors in certain geographical contexts;
- yet, most not-for-profits still hang on to the assumption that they are exempted from CSR-related considerations because they already ‘do good’ by providing goods and services that are ethical per se.

This paper’s starting point is that the last assumption is highly questionable. Within the much-diversified world of not-for-profit organizations, this paper chooses to concentrate on medium to large Humanitarian Organizations, its aim being to investigate whether the concept of CSR such as we intend it is applicable to them, and to which extent.

In order to do so, the paper will start by clarifying what we intend by CSR. Then, it will try to translate the CSR concept into the world of Humanitarian Organizations; in doing so, it will highlight the challenges and limits of the process. Subsequently, it will analyze what kind of CSR humanitarian organizations already do, if any. Finally, it will give an overview of how a humanitarian organization could go about to set its CSR strategy.

About the author

Silvana Lisca is an HR and humanitarian aid professional with a 10-year international experience. Holder of a MA in International Relations and a MBA, she has worked as HR specialist in a large multinational corporation before serving as field operational manager for the leading humanitarian organization, posted in Colombia, Georgia, Indonesia, Lebanon, Rwanda, and Sudan. During this time she gained significant experience in social audit techniques and started to develop a strong interest in CSR. She is currently HR Program Manager in a large humanitarian organization, where she contributes to the definition and implementation of ‘responsible employment’ concepts.

Acknowledgments

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Introduction

Corporate Social Responsibility in its many variants (sustainable development, social responsibility, corporate citizenship, …) and Humanitarian Aid are, each in their own domain, two hot topics of our days. An increasingly high number of for-profit companies claim to be 'socially responsible', whatever it might mean to them. Some of them do it as a part of their public relations campaign, their CSR-related actions being little more than make-up. Others do it out of real belief, and their CSR-based considerations are to some extent embedded into their core strategy. Those that do embrace CSR are often accused of doing so in order to improve their image and gain a larger market-share eventually. Whether this is true, it remains debatable. However, it is my opinion that people – and organizations – are to be judged by their actions, and not by their intentions; which is why such a debate will find no place in this paper.

As for Humanitarian Aid, "a vast industry has grown up around (it), with cavalcades of organizations – an estimated 37,000 – following the flow of money and competing for the biggest share of a $120-billion annual prize". As a general rule, and because of its very nature, humanitarian aid concentrates in the least developed countries and/or in war-torn regions. Strong of several million-worth donations, humanitarian organizations settle in areas where economic life is reduced to its very basic, and often become the larger employers and service providers to local populations. In doing so, they compete with each other to provide the best possible aid, in the shortest possible time, to the most needy ones. If in the past this behavior was mostly dictated by their 'concern for the victims', now it appears also increasingly linked to the logic 'better results = more visibility = higher donations'. Victims – under their new names of "beneficiaries" and "partners" – are still central to humanitarian action, but now share their place with many different stakeholder groups. With annual budgets reaching the billion $, operations and offices in tens of countries, and several thousand staff at any given time, some humanitarian organizations have within their presence area the same economic and social impact as a MNE might have. This being the case, the link between CSR and Humanitarian Aid – if any – deserves to be investigated.

1. CSR and humanitarian organizations: what are we speaking about?

In order to debate whether CSR is applicable to humanitarian organizations, and to which extent, we need to agree on what we mean by them.

1.1. What is CSR?

Many different definitions exist of CSR. They are as diversified as the activities that claim to be part of it. This paper chooses to adopt Michael Hopkins' definition, according to which "Corporate Social Responsibility is concerned with treating the key stakeholders of a company or institution ethically or in a responsible manner. 'Ethically or responsible' means treating key stakeholders in a manner deemed acceptable according to international norms. Social includes economic and environmental responsibility. Stakeholders exist both within a firm and outside. The wider aim of social responsibility is to create higher and higher standards of living, while preserving the profitability of the corporation, for peoples both within and outside the corporation."

What strikes at first sight in our definition of CSR is that it only defines the process, and not the product (not what a company or institution does, but how it does it). Such a distinction is central to this paper, as it implies that being a responsible company (or institution) does not depend on the product or service provided. Hence, a humanitarian organization should not be considered as ethical just because it does good. What defines a humanitarian organization - as any other organization - as 'ethical' or 'responsible' is the way it gets to do good. That is to say, for example, one thing is providing much needed health care in a war-torn country by exploiting the local manpower and polluting the environment; another thing is providing much needed health care in a war-torn country by providing acceptable working conditions to local manpower and properly disposing of clinical waste.

1.2. What is a humanitarian organization?

According to the most common definition, a humanitarian organization is an organization concerned with or seeking to promote human welfare. Many types of humanitarian

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3 Hopkins 2003, Updated by the author, January 2010
4 The adjective 'humanitarian' can also denote "an event or situation which causes widespread human suffering, especially one which requires the large-scale provision of aid". As for the usage, "in the Oxford English Corpus the second most collocation of humanitarian is crisis". Oxford Dictionaries. [Online]
organizations exist, some of them being linked to governments, others being private voluntary organizations (better known as Non Governmental Organizations – NGOs, or INGOs in their international version).\(^5\) The aid they provide is generally split into humanitarian aid (i.e. emergency relief aid, which can be triggered by situations of armed violence, internal troubles, or natural disaster) and development aid (i.e. aimed at pursuing longer term goals such as poverty reduction).

Because of their very nature, humanitarian organizations – especially those providing humanitarian aid - operate under the three basic principles of neutrality\(^6\), impartiality\(^7\), and independence\(^8\). Whether these basic principles are always abided by in practice is debatable at length, and is not the subject of this paper. However, and just as a reality check, a few considerations should be kept in mind:

- abidance may vary greatly depending on the different organizations, as well as the broad context and historical moment they operate in;
- independence is often the most difficult principle to abide by, given the influence that donors have on the operational choices of many organizations;
- whatever the slogan they use, organizations linked to governments seldom behave according to these principles, their operations being dictated largely by political considerations.

Given the many differences among humanitarian organizations, and for clarity purpose, what is meant by 'humanitarian organization' in this paper is a medium to large INGO (or similar, therefore including the ICRC), providing humanitarian aid within a wide range of contexts including conflict-affected ones, and abiding by the three basic principles of neutrality, impartiality, and independence.

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\(^5\) The International Committee of the Red Cross (ICRC) has a unique mandate given by the International Community to uphold the Geneva Conventions. Therefore, it does not belong to any of the two above-mentioned categories.

\(^6\) It refers to the choice of not taking sides in hostilities, and - by extension - not engaging in controversies of a political, racial, religious or ideological nature.

\(^7\) It means that humanitarian aid endeavors only to relieve human suffering, giving priority to the most urgent cases of distress and without discrimination as to nationality, race, religious beliefs, class or political opinions of the recipients.

\(^8\) It refers to the idea that humanitarian aid has to be provided solely on the basis of humanitarian needs, without other types of considerations (e.g. political ones) coming in the way.
Also, given my professional background and field experience, this paper will be written having mostly ICRC and MSF (Doctors Without Borders) in mind. Nevertheless, the concepts expressed in the paper only reflect my personal experience and opinions, and in no way are to be considered as official positions of the above-mentioned organizations.
2. How does CSR translate into the humanitarian world?

Our definition of CSR was written having for-profit companies in mind. In order to decide whether the concept of CSR is applicable to humanitarian organizations, it is necessary to transpose it into the humanitarian sector first.

Hereunder comes our definition again; underlined, the words or concepts that deserve further consideration:

"Corporate Social Responsibility is concerned with treating the key stakeholders of a company or institution ethically or in a responsible manner. ‘Ethically or responsible’ means treating key stakeholders in a manner deemed acceptable according to international norms. Social includes economic and environmental responsibility. Stakeholders exist both within a firm and outside. The wider aim of social responsibility is to create higher and higher standards of living, while preserving the profitability of the corporation, for peoples both within and outside the corporation."

‘Corporate’ is a lonely word in the humanitarian world. It is seldom heard, and when that happens it is associated to profit-seeking groups or activities. However, Hopkins clarifies that by it he means "any group of people that work together in a company or organization, whether for profit or non-profit". This being the case, the world should live within our definition of CSR in its translated-into-humanitarian-jargon version.

‘Stakeholders’ do exist in the humanitarian world, although they are normally thought of and referred to under their individual names (e.g. donors, interlocutors, beneficiaries, …) rather than under a collective one. Until very recently, humanitarian organizations saw these individual groups as having some kind of role within their operational context, but not necessarily a long-lasting interest or concern in their broad activities. This approach is slowly changing and stakeholder groups are gaining a bigger legitimacy. Hence the stakeholder word should keep its place in our definition.

‘Company or institution’ could be reduced to ‘institution’ alone, or ‘organization or institution’.

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As to 'economic' responsibility, one can argue that humanitarian organizations do not have any. In fact, and unlike corporate business, humanitarian organizations do not aim at generating profit, but solely at alleviating human suffering. And yet, the idea of their own economic responsibility is now acknowledged by most humanitarian organizations, which interpret it as the obligation to spend their money in the best possible way. Economic responsibility can also be intended as 'responsibility to perform or implement', i.e. delivering products and services as much as possible in line (quality and quantity-wise) with what was initially planned (and budgeted). The relation between what is actually accomplished and what was originally planned is commonly referred to as 'implementation rate', and to humanitarian organizations it is as important as market shares and economic results can be to any business.

'Firm' should be replaced by 'organization'.

'Create higher and higher standards of living': this is where confusion might sneak in. Humanitarian organizations' main aim being exactly that of alleviating human suffering and promoting human welfare, it is easy to see how many can be induced into confusing the product with the process, and - by doing so - into claiming that humanitarian organizations are responsible _per se_. This sentence could handily be replaced by 'have a positive impact'.

'Profitability' as such does not exist within the humanitarian world. What does exist – as it was pointed out earlier on - is 'efficiency', i.e. how many people treated, how many lives saved, how many tons of aid distributed, how many prisoners visited, etc, with the available resources. One could argue that what I call efficiency may turn into profitability, as donors will be more eager to finance an efficient organization than an inefficient one. This is true. Still, donation is not profit, and the link between efficiency and donations is quite loose; hence they should not be confused.

'Corporation': again, could be conveniently replaced by 'organization'.

According to these considerations, this is what our definition of CSR translates into:
'Corporate Social Responsibility is concerned with treating the key stakeholders of an institution ethically or in a responsible manner. 'Ethically or responsible' means treating key stakeholders in a manner deemed acceptable according to international norms. Social includes performance and environmental responsibility. Stakeholders exist both within an organization and outside. The wider aim of social responsibility is to have a positive impact, while preserving the efficiency of the organization, for peoples both within and outside the organization.'

These few lexical changes make our definition of CSR readily understandable to and hopefully immediately applicable by humanitarian organizations. More importantly, they make explicit the triple bottom line that humanitarian organizations, as any other business, must aim at: in order to be 'responsible', a humanitarian organization needs to perform its usual activities at its best, while having a positive social impact and preserving the environment.
3. CSR current practice within humanitarian organizations

So much for theory. What about reality? Do humanitarian organizations give any sign of rethinking their role within society at large? Is any concrete step being taken towards improving performance, while having a positive social impact, and preserving the environment? The answer is yes, in general, but it is a little more complicated than a straight yes.

Empirical observation shows that steps are being taken within each of the ESG\(^{10}\) areas of CSR. Environment-oriented initiatives were the first ones to appear, and are still largely the focus of CSR-related consideration. Such initiatives are more widespread and tend to be more sophisticated than social or governance-focused ones, and are the only ones that humanitarian organisations are beginning to communicate and report on. It comes as no surprise that CSR reference persons in humanitarian organizations – when they do exist - go under the name of Sustainable Development Coordinator (commonly referred to as 'the green guy'), and have a technical background - most often being former water and sanitation engineers. However, the three dimensions of ESG being progressively integrated, multifunctional working groups (whether formal or informal) are being shaped around these reference persons. In organizational terms, such working groups look like internal 'communities of interest and practice' rather than structured 'business units'. The means at their disposal range from very limited to inexistent. Their role within the overall organization is unclear at best, misunderstood at worst.

The table below shows some examples of activities and programs that two of the major humanitarian organizations are currently implementing. Far from being exhaustive, the list is based on a collection of practical cases, some of them implemented at Head Quarters level, some ‘in the field’. Only a few of them are transversally implemented at HQ and within the different mission countries. This is most often the case of social-related programs and activities targeting staff (expatriate and national).

\(^{10}\) Environment, Social, Governance.
<table>
<thead>
<tr>
<th>Environment</th>
<th>Doctors Without Borders (MSF)(^{11})</th>
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<tbody>
<tr>
<td>• Recycling</td>
<td>• ‘Green Motion’</td>
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<tr>
<td>• Improved management of hazardous waste</td>
<td>• Recycling</td>
</tr>
<tr>
<td>• Procedures for maximizing equipment energetic efficiency</td>
<td>• Improved management of hazardous waste</td>
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<tr>
<td>• Analysis and management of carbon footprint related to operational transports</td>
<td>• Analysis and management of carbon footprint</td>
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<tr>
<td>• Policy for responsible purchases</td>
<td>• Study of environmental impact (HQ and Field) and impact reduction (transport)</td>
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<tr>
<td>• Partial monitoring of the supply chain</td>
<td>• Car-sharing</td>
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<td>• Mobility program for employees at HQ (public transport and car-sharing)</td>
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<tr>
<td>• Promoting the use of biogas systems in prisons</td>
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<td>• Study of the life cycle of distributed items</td>
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<tr>
<td>• ‘Responsible employer’</td>
<td>• ‘Responsible employer’</td>
</tr>
<tr>
<td>• Partial monitoring of the supply chain</td>
<td>• Policies and guidelines for medical mistakes management</td>
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<td>• Equal professional chances</td>
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<tr>
<td>• Training programs</td>
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<td>• ‘Avenir’ fund and service (support to professional transition)</td>
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<td>• Kindergartens for employees’ children</td>
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<td>• Ethic principles</td>
<td>• Code of conduct for expatriate staff</td>
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<td>• Code of conduct</td>
<td>• Abuse reporting and management policy</td>
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<td>• Ombudsman and COMAP (Staff association)</td>
<td>• Complaints management framework</td>
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<td>• Frauds management framework</td>
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<tr>
<td>• External auditing of financial reporting (according to IFRS – International Financial reporting Standards)</td>
<td></td>
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<tr>
<td>• Rules governing the relations with private sector and ‘Corporate Support Group’</td>
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\(^{11}\) MSF being a movement made of related but mutually independent associations, practices might refer to one (or more) of them and not necessarily to the others.
3.1. Environmental issues

Humanitarian organizations have been taking into account environmental concerns since a while. However, and to their credit, it must be admitted that the fact of working mostly in developing countries and/or in emergency situations does pose some limits to how environment-friendly one can be. That is, recycling is good, and good management of hazardous waste is even better. But what if you are working in a country where no recycling site or procedure exists? What if conflict-imposed restrictions keep you from properly disposing of hazardous waste? On the same lines, when working in hostile environments the choice for greener transportation means has to be carefully weighted against safety, security, and reliability criteria. This is not to say that humanitarian organizations should be exempted from environmental concerns, but rather to point out additional constraints that they might face. On the other hand, other procedures such as a policy for responsible purchases, or guidelines on improving equipment energetic efficiency, are easier to design and apply, as well as to disseminate and enforce in the field.

3.2. Social issues

There is no generalized understanding within the humanitarian world about what being a responsible employer means. What is true though is that humanitarian organizations tend to set labor terms and conditions that go well beyond local legal requirements\(^\text{12}\). MSF for instance provides irreproachable health care coverage, all the more impressive when compared to most local standards. ICRC at times of massive lay-off has provided all-inclusive social packages (severance payments, financing of training courses aiming at professional requalification of staff, financial contributions to the set-up of private economic initiatives, and even ad hoc support in drafting CVs and motivation letters)\(^\text{13}\). A recurrent dilemma that humanitarian organizations face in the field is how to find the right balance between being a responsible employer and setting much too high standards that ‘break’ the local market, causing inflation and brain drain. Indeed, in many occasions good intentions were outweighed by perverse results.

\(^{12}\) This is true in their countries of operations, where humanitarian organisations generally offer better salaries and working conditions, and better social and health packages than legally required and locally available. However, this is only exceptionally the case at HQ level, where the humanitarian sector is among the lowest payers and keeps other benefits at legal minimum standards.

\(^{13}\) It was the case of Western Georgia in 2007, when a major downsizing of activities triggered the dismissal of 80% of local staff.
Internal or external training provided to local employees constitutes an important aspect of how humanitarian organizations intend their being a responsible employer. Indeed, most of it is not available locally, or when it is it is often too expensive or ill-valued, and therefore not taken advantage of. By providing training humanitarian organizations aim of course at having better qualified staff, but also at investing in their future employability by other employers. As such, it is part of their own exit strategy. ICRC’s Avenir capital and service respond to much the same concern, though is limited to expatriates. In fact, and despite the professionalization of humanitarian careers over the last decade or so, professional transitions back to the ‘normal labor market’ that expatriates have left at home remain difficult. And this, for several reasons, such as the fact that humanitarian professionals have lost contact with the labor market reality during their years in the field, that they might have developed transversal skills that potential employers find hard to weight, or that they might need to update and fine-tune their skills – after all, progress were made in the meantime in all professional fields that is hard to keep up with while working in far away and troubled contexts.

3.3. Governance issues

Ethic principles are at the very heart of humanitarian organizations’ existence and work. In some cases they are made very much explicit; in others they are just mentioned or referred to. Whatever the case, they guide or should guide the work of the organization as such, as well as the behaviour of its staff\textsuperscript{14}. When it comes to staff, they normally – not always - translate into Codes of conduct that apply to expatriates and in fewer cases to locals. Codes set lines of conduct that staff should abide by in their relations with colleagues, beneficiaries, and other stakeholders. If codes of conduct do exist, their enforcement remains very weak. Even if we wanted to stick to classical issues (such as sexual harassment among colleagues, or resort to prostitution) we would be forced to admit that in spite of the high declarations and tight guidelines set by the codes of conduct, no clear policy or standard procedure exists to handle, let alone sanction, misbehaviours. With the results that for one case that is tackled and managed, many more are dismissed as untreatable or even worse go unreported because of lack of confidence in the system.

\textsuperscript{14}Humanitarian organizations face a number of ethical dilemmas in their day-to-day action as reality is not as clear cut as we would like to think. Recent history is filled with examples, one the most well-know being the case of refugee camps in the Congo in the mid-1990s. Broadly speaking, humanitarian assistance is often questioned because of its alleged role in the continuing of political and military crisis. The issue is real and would deserve a much greater attention than this paper could possibly give it. That’s why it will steer clear from this particular aspect of humanitarian organizations’ ethics.
Ethical principles can also play a big role in fund raising. ICRC for instance has a strict set of rules to guide their decision as to whether or not to accept funding and contributions from the private sector\(^\text{15}\). In this regard, a few lines is merited about the ICRC Corporate Support Group. Its existence is remarkable \textit{per se} if one keeps in mind that ICRC has traditionally only dealt with Governments and other institutional counterparts. ICRC recent decision to engage with private business comes as an acknowledgment of the growing role that private business itself has come to play within conflict-prone countries. In ICRC’s own words: “The ICRC and a group of selected Swiss companies have set up a Corporate Support Group with the aim to establish an innovative and long-term partnership. The members of the Corporate Support Group have committed themselves to supporting the ICRC’s humanitarian work in the years ahead”\(^\text{16}\). However, if one looks deeper into the concept, the relation between ICRC and the Corporate Support Group is better defined by the concept of ‘quest for ethical fund-raising’ than by that of ‘partnership’, the main interactions between the two ‘partners’ being exchange of information on subjects of mutual interest and, again, fundraising from what ICRC considers to be ethical sources. Real partnerships\(^\text{17}\) between the ICRC and the private sector, although broadly outlined in recent months and years, are yet to come.

\section*{3.4. Final thoughts}
As I said earlier on, this section does not have the slightest ambition of being exhaustive. Many more programs or activities are certainly being implemented by one humanitarian organization or another, either at HQ or in some mission country, than I could mention here. Even for the activities and programs that I do mention, information was not easy to gather. This is not surprising, since most of these activities do not seem to respond to any coherent strategy. As such, they are implemented randomly, according to the prevailing situation in a given context, individual sensitivities on the ground, or else external pressure. In addition, relevant information is either unavailable or extremely fragmented, spread as it is among many operational units or individual actors. It goes without saying, no dedicated report exists on these activities, with the notable exception of one very

\begin{itemize}
\item By ‘partnership’ I intend a relation in which partners devote own financial and/or in-kind resources to a common project, with the aim to reach a common goal. \(^\text{17}\)
\end{itemize}
recently issued by ICRC (in April 2011) but only meant for distribution to major donors, and only covering environmental issues.
4. A CSR strategy for humanitarian organizations

So far we have discussed about the feasibility of CSR by Humanitarian Organizations and have seen that the concept is easily transposable from the for-profit world to the non-profit one. We have also seen that humanitarian organisations are already engaging in some aspects of CSR although they might not be completely aware of it. Most of their CSR-related activities are carried out randomly in space and time, and without a clear vision of their own reason and goal. What remains to be discussed is whether humanitarian organizations should engage in ‘strategic’ CSR and how this could be done.

4.1. Why humanitarian organizations should engage in strategic CSR

First and foremost, humanitarian organizations should engage in strategic CSR because it is coherent with their own mission. A humanitarian organization being one that strives to promote human welfare, and CSR’s aim being to have a positive impact for peoples within and outside the organization, the two should go hand in hand. With this respect, CSR can be a powerful multiplier of humanitarian programs and activities. A humanitarian organization that engages in CSR is one that walks the talk all the way. As a humanitarian aid worker, but also as a member of the general public, I would not expect anything less.

Other than that, they should engage in CSR for much the same reasons as corporate business do, namely: accountability, risk mitigation, image and credibility, HR attraction and retention. In short, because of enlightened self-interest.

‘Accountability’\(^{18}\) has become a key word within the humanitarian world as well as within other domains. The reason for it is that it goes beyond plain responsibility\(^{19}\) by implying a proactive role vis-à-vis the stakeholders one is accountable to. By being ‘accountable’ (instead of barely ‘responsible’) an organization shows commitment and understanding of its role and position within broader society.

\(^{18}\) Wikipedia defines accountability as a willingness to acknowledge and assume responsibility. Wikipedia. [Online] Available from: http://en.wikipedia.org/wiki/Accountability. [Accessed: 28 April 2011]. According to others, ‘accountability is generally defined as the means by which individuals or organizations report to a recognized authority, or authorities, and are held responsible for their actions’ (Edwards and Hulme, 1995).

\(^{19}\) According to Oxford dictionaries, “a thing which one is required to do as part of a job, role, or legal obligation”; Oxford Dictionaries. [Online]. Available from: http://oxforddictionaries.com/view/entry/m_en_gb0704510#m_en_gb0704510 [Accessed: 28 April 2011]
Risk mitigation has always been at the very heart of humanitarian action. This is especially true for humanitarian organizations working within conflict-affected areas, where armed and potentially dangerous groups have a widespread presence and their links with local populations are a reality. Transparency with regards to one’s activities was and still is the first risk management tool in high-risk contexts. Transparency about one’s activities then evolved into a more proactive attitude towards local populations and communities aiming at reaching out to beneficiaries, for sure, but also at gaining the level of acceptance and legitimacy that is necessary to accomplish humanitarian operations while ensuring own staff security. Well-planned and implemented CSR activities targeting key stakeholders might prove an additional way to bridge the gap between humanitarian organizations and hosting communities, in order to improve risk management and overall security.

CSR can help mitigate internal risks too. For instance, in recent years the humanitarian world was shaken by a series of odious scandals generally known under the name of Food-for-sex. The blast within the public opinion as well as within the humanitarian community was huge. For many humanitarian organizations it was a powerful wake-up call as to the need for internal risk management activities and tools. Ethical codes and codes of conduct of all types blossomed, aimed at reaffirming the principles of humanitarian action, setting limits to aid workers’ behaviour, and punishments in case of misconduct. Internal risks mitigation includes mitigation vis-à-vis one’s donors. The Food-for-sex scandals are again a good example, as donors were among the first ones to react and claim that something be done. Donors’ demands for a more accountable and responsible behaviour of humanitarian organisations have multiplied since. The days of amateur humanitarianism are over. Good-willing persons that pack their bag and leave on their own to remote places they have only seen on TV because they ‘feel sorry for those poor people’ still exist. The recent proliferation of MONGOs (“My Own NGO”) actually indicates that there are more and more of such persons. Still, this is not humanitarianism; these are tourists of the humanitarian world, especially feared by professional humanitarian organisations because of the damage they can do in the field.

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20 In order to conciliate ‘transparency’ and the need for ‘confidentiality’ on sensitive data ICRC has created the formula "ICRC says what it does, not what it sees", which is still one of its founding working principles.
21 Similar such scandals broke out in 2001, 2002, and again in 2005 in several African countries. Allegations of ongoing sexual exploitations in the Ethiopian Somali region are still reported as we write.
but also to the image of the whole humanitarian sector\textsuperscript{23}. At the opposite end of the spectrum there are organizations with a long experience\textsuperscript{24}, a clear mission or mandate\textsuperscript{25}, and an impressively qualified workforce. The reason for this is that in the humanitarian world, as in any other highly competitive environment, professionalism is important. And so is image. Professionalism is linked to results. Both results and image trigger (or not) donations. Donations (or lack thereof) mean survival (or death) of a humanitarian organization. Good operational results are a pre-requisite for good image, but do not necessarily make for the whole of it. They need to be communicated, and well understood. And then, stakeholders including donors are getting more and more sensitive to the way these operational results are made. That’s one of the areas where CSR has a role to play for humanitarian organizations.

With the recent proliferation of humanitarian organizations, competition for motivated and qualified manpower got rough. This phenomenon applies to both expatriates and locally hired staff. If humanitarian motivation remains of paramount importance, it is no longer enough. What humanitarian organizations now look for are multilingual and flexible individuals (in order to be able to perform country rotations on short notice) that are stress-resistant (in order to be able to cope with often hard living conditions and with the so-called ‘incompressible risk’\textsuperscript{26}), have a complex set of transversal and technical skills (in order to be able to perform well in different positions and at different levels of responsibility as per operational needs), and are willing to work for salaries that range from lower to much lower than their equivalent in the private sector. As long as there were few humanitarian organizations the task was relatively easy, as the choice came down to working for the profit vs working for the humanitarian sector. Things are much more complicated now that potential candidates (real professionals with real career

\textsuperscript{23} For an unflattering and yet quite realistic portrait of the phenomenon, see Polman, L. (2010), \textit{The crisis caravan – What’s wrong with humanitarian aid?}, New York: Metropolitan Books, Henry Holt and Company LLC

\textsuperscript{24} 150 years for the ICRC, 40 for the MSF movement, for instance.


\textsuperscript{26} Within the humanitarian jargon this refers to the remaining level of risk once all possible preventive (active and passive) security measures have been taken.
expectations, it should be stressed) can pick and choose which employer within the humanitarian sector they might want to work for. Experience shows that the same dynamics apply within the humanitarian sector as within the private one: those candidates that can choose prefer to work for an organization that not only does good, but 'does good well'.

4.2. How humanitarian organizations could do more to engage in strategic CSR

Underlying this whole paper is the idea that - apart from diverging in their final goal - large humanitarian organisations are not so different from corporate business. As private businesses do, they strive to perform at best, compete with each other for resources, and are (or should be) accountable to a number of stakeholders. This being the thesis that I sustain, I believe that when it comes to engaging in strategic CSR humanitarian organisations could do so using the same models that are applicable to corporate business. Therefore, hereunder I try to decline the 15 Point Programme for Strategic CSR\(^\text{27}\) in order to see how a CSR strategy can be shaped for humanitarian organisations.

1. **Identify business goals**\(^\text{28}\) and decide upon the purpose of social responsibility programme.

This is the very first step towards a strategic CSR. If humanitarian organisations are presently engaging in random CSR activities it is because they have failed to ask themselves some very basic questions, or else because they have contented themselves with superficial answers. What are our main goals as an organisation? What are our main areas of intervention? What are our target groups? What is our strongest product or service? What is our area of excellence? What is our competitive advantage? How do we differentiate ourselves from our competitors? These questions are of paramount importance for any type of business, since for a CSR strategy to be most effective it should be clearly linked to its core business\(^\text{29}\). In the case of humanitarian organisations they become particularly tricky, as they need to help make a clear difference between those (philanthropic) activities that constitute the organisations' core service or product, and


\(^{28}\) I believe that our 15 point Programme for Strategic CSR, although conceived for private business, is applicable to humanitarian organizations. For such a reason, I will maintain its original wording.

\(^{29}\) According to many, the link (or lack thereof) between core business and CSR activities is what best differentiates a business doing plain philanthropy from a business doing strategic CSR.
those that are not core. In the for-profit world the distinction is much easier to make, as a company's core products or services sell for a price, whereas products or services that are provided within the company's CRS strategy tend to be complimentary. So if Coca Cola supports a vaccination campaign not many people would wonder into which category it falls. But what if the same vaccination campaign is supported (or even carried out) by a not-for-profit organisation? Is it part of their core activities or of their CSR strategy? The answer to this kind of questions must be clear first and foremost to the organisation itself, before than to the outside world.

Once business goals are defined, it becomes much easier for the organisation to decide upon the purpose of its social responsibility programme: what are the issues that the organisation comes across while pursuing its business goals? Which of these issues has the organisation the means (in terms of know-how and/or resources) to successfully address? One can expect that the tighter the link between business goals and CSR activities, the more successful the overall CSR strategy. In fact, should an organisation set CSR programs on line with its core activities, such CSR programs would benefit from the organisation's full capacity; in return, coherence between CSR programs and core activities ensures better understanding and acceptance of such programs both by internal and external stakeholders. For all these reasons, we would expect that humanitarian organisations might include into their CSR strategy programs related to hygiene education rather than, let's say, saving the whales.

2. Define value statement and mission of company, and refine internally with management and employees. How does the long-term vision match up with business goals?

Coherence between vision, mission, and business goals has always proven of paramount importance to the development and success of all type of business and organisations. If an organisation is to embed CSR into its strategy, as we are advocating, it becomes even more important that the three are aligned, and that CSR programs are on line with them. On the other hand, contradictions between CSR programs and current practices should be absolutely avoided, as they would hamper results and ultimately undermine the credibility of the organisation.

3. What are competitors doing on CSR? (benchmarking)

Bench marking is good, and humanitarian organisations do it regularly when it comes to core activities, just as any for-profit business would do. Should humanitarian organisations
want CSR to be embedded into their overall strategy they should extend the practice of benchmark to this area. There are multiple advantages in doing so: crosschecking own ideas, getting inspiration, pinpointing best practices, and avoiding duplications.

4. Decide on overall budget
Here is where real trouble begins. Humanitarian organisations – as well as other businesses, for that matter – tend to think that CSR has or should have zero cost. As a matter of fact, they normally have only one dedicated human resource, most often part-time, with no budget at all. There are several reasons to this wrong assumption: a still weak CSR culture, a limited understanding of the added value of CSR programs and their positive impact on overall results, the misleading idea that humanitarian organisations do not need to do any 'extra good' compared to what they already do because of their own mandate or mission.

More important still, is the idea that humanitarian organisations do not have the moral right to spend their donors' money for activities that do not benefit beneficiaries themselves. The argument is not new; in fact, it follows the line of those who believe that private business has no right to do CSR with shareholders' money – as implementation of CSR programs require depriving shareholders of a part of their shares to reinvest it into activities whose business case remains to be proved. In my opinion the argument does not hold. Humanitarian organisations already put considerable amounts of money into activities that do not benefit their beneficiaries directly and whose utility is debatable. One example for all, all the active and passive security measures that are taken in mission countries in order to minimise risks and ensure the smooth running of operations. The 'business case' for security measures remains to be proved as well: whenever a security incident occurs, lessons can be drawn on how to minimise similar risks in the future; whenever an incident is avoided narrowly, one can evaluate the role that existing security measures played in keeping the incident from occurring; but when all goes well, no one can tell for sure whether it is thanks to the security measures in place or because nothing 'was meant' to happen in the first place. And yet, no reasonable person would dare to question humanitarian organisations’ right to spend part of their donors’ money in security

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30 Intended as a direct and positive link between CSR programs and operational results.
31 Active security measures include the definition and implementation of rules and procedures aiming at inducing or preventing certain behaviors; among the passive security measures we can mention the installation and maintenance of security systems, equipped shelters, emergency communication systems, etc.
measures, as even a single security incident can potentially jeopardize the whole operation. It all comes down to plain risk analysis and mitigation.

CSR being a risk mitigation tool as well, the same considerations apply. A CSR budget, far from being wasted donors' money, represents an investment in the 'enlightened self-interest' of the organisation as a whole, and therefore of its operations in the field. If invested in a coherent CSR strategy such budget should allow developing programs that benefit stakeholder groups while matching the organisation's overall objectives and strengthening its image, which ultimately translates into a return of benefit for the organisation itself, and for the money donors have invested into it in the first place.

5. Identify key stakeholders

It all may seem relatively easy in theory, but practice is more complicated. For instance: where should a humanitarian organisation start from, in order to develop a coherent CSR strategy? Discussion is ongoing within humanitarian organisations, and positions vary greatly.

According to some, the organisation should assess what it does (or might do, depending on in-house skills) best, and build its CSR strategy around it: so, if an organisation is particularly good in reducing its carbon footprint, or can count on in-house relevant know-how, it should orient its CSR policy towards carbon footprint and other green issues. According to others, the organisation should assess in which area it can have the most important impact (Environment? Social? Governance-related issues?), and concentrate on that area. So for instance, an organisation that carries out aid distributions involving long-distance cargo movements could worry about its environmental impact first. On the same line, an organisation that happens to be a large employer in the reference area could choose to focus on social-related programs.

Without denying that both these approaches have a certain ratio, our model suggests a third one, based on a stakeholders' classification and aiming at pinpointing key stakeholders (per organisation, per operational phase, per issue, per mission country, or else)\(^{32}\). Once the key stakeholders identified, CSR activities and programs can be designed that tackle the issues that our key stakeholders are particularly sensitive to.

\(^{32}\) A stakeholder is "any person or organisation which affects or is affected by an organisation" (Freeman 1984).
For example, should a humanitarian organisation working in a conflict-affected country want to rank its stakeholders based on their Power (be it defined as the means they have to make themselves heard, or the influence they have over the local context, or their mass-mobilisation capacity – each organisation should choose and define which criteria are relevant for stakeholder mapping, depending on the context) and their potential Impact on Operations, this is what a stakeholder mapping could look like:

It goes without saying that this is only one among many different possibilities. As a matter of fact, a humanitarian organisation's stakeholder mapping will look substantially different based on whether it refers to the organisation as a whole, or to one specific mission country, or to a specific historical moment, and depending on which criteria stakeholders are weighed against. All this being said, at the end of the exercise key stakeholders will appear in the upper right part of the chart. In order for a CSR strategy to be most effective, it should be conceived in such a way as to respond to key-stakeholders needs and demands.
Of course different models for ranking stakeholders exist. A more sophisticated one weighs them based on their Power, Legitimacy, and Urgency, as shown below.\(^\text{33}\)

One can expect that the more a CSR strategy be built around the needs of the organisation's Definitive Stakeholder, the more successful it will be. Dominant, dangerous and dependant stakeholders' demands should also be managed, whereas dormant, demanding and discretionary stakeholders represent less critical factors.

Should we want to rank humanitarian organisations' stakeholders according to this model, we would probably find Donors, Beneficiaries and Local Communities among the Definitive ones; Armed Groups would possibly be among the Definitive or the Dangerous ones, based on their degree of Legitimacy; Host Governments would probably fall into the Dominant Stakeholder category, Staff into the Dependant one, and so on. Again, this stakeholder mapping is likely to differ per mission country, historical context, issue considered, etc. Up to the organisation to choose its own criteria and map its stakeholders accordingly.

\(^{33}\) Model of Stakeholder salience; Mitchell, Agle, Wood (1997)
6. Research: What are the latest business standards? Check out SA8000, AA1000, GRI, ILO conventions, WTO discussions, Caux principles, UN Global Compact and so on. What are the key issues for the business and why?

Several sets of standards exist that humanitarian organizations can refer to. A particularly interesting one is the ISO 26000, the newborn within the ISO family (it dates from end of 2010) and the first to focus on Social Responsibility (and not on 'Corporate' Social Responsibility). What makes it so special is that it took ten years to be created, that 450 participating experts and 210 observers from 99 ISO member countries and 42 liaison organizations participated in the process, and that it claims to be applicable to all types of organisations - whether belonging to the private, public, or non-profit sector, and regardless of their size and location. ISO 26000 is a voluntary guidance standard (i.e. compliance with it is not certifiable), and it focuses on seven core subjects, namely: organisational governance, human rights, labour practices, environment, fair operating practices, consumer issues, and community involvement and development. Each of these core subjects contains a subset of more specific standards. Although non-certifiable, ISO 26000 provides organisations with a comprehensive benchmark to establish their own policies and weight their practices.

7. Identify CSR strategy for each stakeholder

This point follows logically from point 5 above. As we mentioned, the whole interest of identifying an organisation’s key stakeholders lies in understanding who they are, why they are important to the success of the organisation's activities, and what their needs and expectations are, so that they can be prioritised, and their needs strategically addressed through relevant CSR programs.

A point for consideration is that, humanitarian organisations are devoting relatively big efforts to addressing environmental issues, as we have seen in chapter 3. I would not dream of denying that environment is indeed a stakeholder, and that environment-focused initiatives are important. Still, I wonder how many humanitarian organisations would find the environment among their key stakeholders, should they proceed to a stakeholder mapping such as the one that we propose.

One can argue that although environment might not be a key stakeholder per se, it can become one if other key stakeholders advocate strongly for it. True. And yet, based on

my experience and the many interviews that I had while researching for his paper, this does not seem to be the case. If it is true for instance that donors - which unquestionably are key stakeholders – are sensitive to environmental issues, their claims with this respect seem to remain relatively mild, or generic. By all this I am not suggesting that humanitarian organisations drop their environment-friendly campaign; what I am advocating for is just that they do a reality check in order to confirm whether their CSR programs fit their key stakeholders' needs and demands, as this fit is ultimately what makes CSR profitable for both stakeholders and the organisation itself.

8. Revise budget accordingly
As any other strategic program, CSR requires close financial monitoring and follow-up.

9. Carry out stakeholder dialogue
This is key for the organisation to understand its stakeholders and their needs. In its turn such understanding is key for the organisation to design and implement CSR programs that are relevant to stakeholders, instead of plain nice-to-have activities. According to AA 1000, the quality of stakeholder dialogue is to be judged based on four principles, namely: inclusiveness, procedures, responsiveness, and outcomes. An organisation's engagement in stakeholder dialogue should not be mistaken by a commitment on the organisation's side to fulfil its stakeholders' every request. This expectation would not be very realistic for many reasons, starting with limitation of resources. Nevertheless, ongoing stakeholder dialogue remains a guiding light in the implementation of any CSR strategy.

10. Identify the key indicators to measure progress and impact as a socially responsible enterprise.
Since what can not be measured can not be improved, identification of key indicators is a prerequisite for progressing on the path of social responsibility. Indicators can be internal (refer to CSR impact within the organisation) or external (refer to the impact of CSR programs on the outside world). External indicators may be harder to evaluate, as the situation that they portray can be the result of several (and possibly contradictory) factors, making it hard for the organisation to only measure its own programs' specific impact.
11. Identify the costs and benefits of the proposals.
This can be another very tricky step. In fact, costs tend to be very much ‘real’ and expressed in monetary values, whereas benefits might remain abstract.

12. Implement the activity or programme ensuring that it relates well to other proposals in the pipeline.
CSR activities should not be seen or implemented as standalone. As a matter of fact, they seem to be most effective when they show consistency or complementarities with one another, contributing to the organisation’s defining identity.

13. Research and develop a series of advertisements, use social media to show what is being done in the area of CSR and market the programme accordingly. Ensure that all can be backed up with internal consistent practices since this is a dangerous pitfall if that is not the case.
This is an area in which humanitarian organisations have been particularly weak so far. For reasons that are not always easy to grasp, they seem to shy away from their own CSR efforts and accomplishments. I have dug the issue at every interview that I carried out while researching for this paper. The most recurrent comments indicate that (a) humanitarian organisations do not feel the need to communicate their CSR as they still believe that they should be judged based on their core activities and operational results only, and (b) that they are afraid of submitting themselves to external scrutiny, by fear that downfalls be spotted among the achievements.
What humanitarian organisations seem to miss, on the other hand, are the opportunities that a strategically conceived, properly implemented, and well-communicated CSR strategy represents. ICRC has taken a first step with its April 2011 report. However, the scope of the report is still too limited (as it only covers environment-related activities), as too limited is its public (major donors only). My guess is that humanitarian organisations will soon be drawn to provide a more comprehensive overview of their CSR programs, and that it would prove more effective to anticipate this trend rather than to forcibly comply with it once it is set by some fellow organisation.

14. Evaluate the social responsibility proposals against cost/benefits
As any other potential activity, CSR-related ones should be evaluated against their costs and benefits before a go/no-go decision is taken. Costs can be financial or ‘in kind’;
benefits can differ for stakeholders and for the organisation, and both should be taken into account. However, and as a general rule, whenever considering social responsibility proposals humanitarian organisations seem to be focusing more on costs than on benefits. One area where they are still very weak is that of partnership developing, especially when it comes to partnering with the private sector. As a matter of fact, what humanitarian organisations call partnership is most of the times fundraising. Very few examples of partnership come to mind, if by partnership we intend the provision of resources or know-how by two or more parties in order to achieve a common goal. Again, there are multiple reasons to that, the main one coming down to protection of their own image and the credibility that goes with it, and – at least in ICRC’s case – to proper use of the emblem.

If on the one hand this is understandable, on the other hand humanitarian organisations, private companies, and their stakeholders alike are missing out on precious occasions. Experience shows that in cases where no-profits and private business share both a high level of converging interests and a high level of conflicting interests a mutually profitable form of ‘critical cooperation’ is still possible by (a) balancing power asymmetries, (b) acknowledging critical rights, (c) negotiating both converging and conflicting interests, and (d) managing relations with key stakeholders. This model, if properly implemented, would suit humanitarian organisations' needs very well, allow for a more realistic evaluation of costs and benefits of potential CSR activities, limit the risks of engaging with the private sector, and ultimately open the door to a wider range of possible initiatives.

15. Develop longer-term exit strategy

This is an important step. Paradoxical as it might seem, the less successful the CSR program, the more important this step – and vice versa. In fact, one can reasonably expect that successful CSR programs would not need to phase out, but will become self-sustainable instead.

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35 Wikipedia defines partnership as “an arrangement where parties agree to cooperate to advance their mutual interests…[or] may partner together to increase the likelihood of each achieving their mission and to amplify their reach”. Wikipedia. [Online]. Available from: http://en.wikipedia.org/wiki/Partnership [Accessed: 31 May 2011]

36 An 'emblem' is more than just a 'logo', as it "is a pattern that is used to represent an idea". Wikipedia. [Online]. Available from: http://en.wikipedia.org/wiki/Emblem; [Accessed: 31 May 2011]. In the specific case of the Red Cross, its use is regulated by both international treaties and national laws.

Conclusion

The reasons that pushed me to write about CSR and humanitarian organizations are mentioned at the very beginning of this paper. In particular, what I meant to test – and challenge if need be – is the still quite widespread idea that humanitarian organizations are ethical *per se* because of their own nature and activities. In order to do so, I started by defining what I meant by CSR and humanitarian organisation, before showing how our concept of CSR is readily applicable to and by humanitarian organizations themselves. Then I tried to provide an overview of what two of the main humanitarian organizations – ICRC and MSF – are doing in the field of CSR. Although very approximate and limited to two organisations such overview is rather encouraging, as it shows that the mood is changing and that humanitarian organizations are gaining awareness of their social responsibilities, and trying to act on them. However, such action looks unfocused, fragmented and, badly marketed internally and externally, which ultimately brings me to question the efficacy of the current approach and to suggest the switch towards a model of strategic CSR instead. This model, which was conceived for corporate business, is in my opinion perfectly suitable for humanitarian organisations as well. It implies first of all that humanitarian organisations acknowledge that ‘what’ they do is as important as ‘how’ they do it; that they align the overall objectives of their CSR actions with their mission and vision; that they prioritize their CSR programs based on a stakeholder analysis; that they allocate the necessary means (both financial and HR) to implementation; that they measure the impact of CSR programs and optimize their portfolio based on costs-and-benefits analysis; and finally that they communicate about and report on them.
References


