The role of the Private Sector in Humanitarian Action: Progress and Prognosis

The Humanitarian Leadership Academy and HSBC

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There is a long-established history of private sector actors supporting humanitarian response and recovery efforts – either deliberately or through circumstance.

This paper, co-authored by HSBC and the Humanitarian Leadership Academy, seeks to articulate the case for collaboration between the private and humanitarian sectors, to provide examples of best practice, and to sign-post to additional resources for further information and inspiration.
Introduction

The private sector has long acted as supplier, donor and operational partner in humanitarian action. Some businesses plan ahead – developing strategies and partnerships specifically designed to deliver positive impact; and others find themselves having to rapidly adapt to crisis situations which jeopardise both the communities in which they are rooted, and their business operations.

The paths by which private sector organisations arrive at a policy and implementation plan to address the consequences of a humanitarian crisis are diverse, but these efforts have been increasingly framed and guided by the 17 Sustainable Development Goals (SDGs) of the 2030 Agenda for Sustainable Development, adopted by all UN member states in 2015. The SDGs posit a significant role for private sector actors, and many are rising to the challenge - in a range of ways and driven by a wide variety of motivations.

HSBC, as one of the world’s leading financial institutions, alongside the Humanitarian Leadership Academy (the Academy), a global learning initiative for the humanitarian sector, have recently partnered to better understand the most efficient and effective ways that business can contribute positively to humanitarian action. In this jointly authored paper, we aim to:

1. Articulate the business case for private sector engagement in humanitarian action.
2. Provide ‘best case’ examples of partnering between the humanitarian and private sectors.
3. Signpost useful resources for further information and inspiration.

Progress through Partnerships

Humanitarian crises are becoming more frequent and more complex, lasting longer and affecting more people. The global humanitarian appeal for 2018 was a record $24.88 billion, targeting 135.7 million people in need of assistance. $13.87 billion was the actual figure received through appeals, leaving a $11.01 billion funding gap and representing 56% coverage of the human needs identified.

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2 https://www.unocha.org/sites/unocha/files/GHO2018.PDF
In the face of this widespread human suffering, the World Humanitarian Summit and other global initiatives have intensified the search for new types or scales of financing and efficiencies to make finite humanitarian resources go further, ultimately enabling better results for crisis-affected people. However, international assistance supplied solely by the humanitarian ‘industry’ is not sufficient to address the full spectrum of people’s needs and vulnerabilities in crisis contexts.

Partly due to the scale of the need, and partly because in parallel with this need, the corporate responsibility agenda has evolved to better deploy the efficiencies and resources of the private sector; broad consensus now exists on the imperative to collaborate across humanitarian and private sectors for greater impact. Arguably, however, there remains a degree of vagueness on how to effectively achieve mutual goals.

The private sector can utilise its varied competencies and skills to assist the strengthening of humanitarian capacity through both short-term and long-term solutions. Globally, the private sector has and will continue to provide new practices and perspectives that contribute to improvements in the effectiveness of assistance. The private sector within a country or region affected by crisis plays an even more critical role, by mobilising important local knowledge and networks that can improve or facilitate humanitarian response efforts and help rebuild the post-disaster economy and therefore community.

In the context of humanitarian action, it is of vital importance for our sectors to listen to and learn from each other. Responsible engagement in crisis settings must be built on the foundations of respect and inclusion of the affected communities; and adherence to global humanitarian standards. Partnerships hold transformative power for social impact, and as vehicles for continuous improvement.

The global partnership between logistics company TNT and the World Food Programme (WFP) for a long time represented the pinnacle of perceived best practice. Save the Children UK’s corporate partnership with pharmaceutical company GlaxoSmithKline (GSK) has topped ‘most admired’ lists, the British Red Cross established the innovative ‘Disaster Relief Alliance’; and the International Committee of the Red Cross (ICRC) launched their Humanitarian Impact Bond in the hope of heralding a new dawn for humanitarian financing.

3 such as the Core Humanitarian Standard: https://corehumanitarianstandard.org/the-standard
6 https://www.redcross.org.uk/dra
HSBC’s experience

HSBC has a long history of working alongside non-profit organisations, the UN and government agencies to provide humanitarian aid to disaster zones across the world. The support that has been extended ranges from financial aid to food, medicine and the provision of care packages in the immediate aftermath of such occurrences. HSBC has made corporate donations, enabled ATM giving in many markets, and staff have played active roles in rebuilding communities. HSBC also assists via in-kind support, including the sharing of technology platforms and assets. Globally, HSBC collaborates with the Disasters Emergency Committee (DEC) to ensure donations are made and utilised in a timely and effective manner.

Building upon HSBC’s established strategy for disaster responsiveness, in 2018 the Humanitarian Leadership Academy partnered with the bank in the Middle East to deliver a bespoke online learning programme for HSBC staff – the Humanitarian Essentials Programme. The programme aimed to provide staff with an introduction to key humanitarian learning that would prepare them to act responsibly as volunteers in an emergency situation.

The themes covered in the programme course included humanitarian standards, communication, and security. The online delivery of the course was supplemented by interactions with tutors and group work.

Course components

1. **Humanitarian 101**, which provides a differentiation between humanitarian and development work, and describes the characteristics of a volunteer.
2. **Humanitarian principles and standards**, which outlines the international standards and codes that govern the work of humanitarian workers and volunteers.
3. **Communicating in times of crisis**, which explores how volunteers should effectively communicate to affected people.
4. **Safety and security**, which outlines steps volunteers can take to mitigate risks to themselves and ensure their safety and well-being.
5. **A final scenario assignment** set in a refugee camp, that tested participants on what they had learned throughout the programme.
This was the first time a programme had been created by the Humanitarian Leadership Academy specifically for ‘non-humanitarian' actors and allowed our organisations to advance our thinking in two key areas:

1. Identification of the critical issues volunteers face on the ground in the immediate aftermath of a crisis that prohibit them from contributing effectively and responsibly.

2. Devise ways to impart learning in an easy to understand format, on a complicated and emotive topic.

To date, 158 HSBC staff members from across the Middle East and at varying levels of seniority have undertaken the programme. The post-programme survey revealed that 100% of participants were ‘very motivated' or 'motivated', and 98% of participants were ‘very likely' or ‘likely', to now volunteer within the humanitarian sector or other causes within their communities. 98% of the participants indicated that they would recommend the course to their colleagues, friends or families.

Learning by doing

It is often the act of ‘trying something out’ that the limits of possibility are discovered, tested and surpassed. Partnerships between organisations with differing but complementary recourses, and a mutual goal or vision, can allow great strides to be made; and to advance thinking on a particular problem or theme. But what works, and what doesn’t?

It is possible for practical support to take place where appropriate – but this is always best delivered within the context of a pre-established organisational partnership, rather than offered ad hoc in the heat of an emergency. ‘Gift in kind’, for example, has long been popular on the part of the donor, and unpopular on the part of the recipient agency. An excellent argument on why this is the case can be found in the article ‘Why giving cash, not clothing, is usually best after disasters'.

‘Design thinking' and ‘agile' project management methods are often utilised within private sector operations, but less so within the humanitarian and development sectors – perhaps held back by a misapprehension that iterative working will be perceived as frequent failure, a state which NGOs protective of their donor base are reluctant to expose themselves to. By creating innovation or problem-solving ‘cells’ or project teams with relevant and willing business
partners, the risk is reduced and learning, perhaps even humanitarian solutions, are accelerated.

A great example of this approach occurred during the 2014 Ebola Crisis Response in West Africa, when Google partnered with Médecins Sans Frontières to develop a rugged tablet\(^9\) able to withstand the environment in the red zones of treatment centres, enabling medical teams to share information more effectively and therefore patients to receive more efficient care.

More effective than short-term or problem-specific collaborations, are the longer-term partnerships developed in readiness to respond to crisis; which evolve as partner organisations work more together and learn more from each other, increasing trust levels and expanding impact ambitions. Research studies have proven the efficacy of investing in preparedness over response\(^10\), and forging innovative strategic partnerships between the private and humanitarian sectors are a crucial aspect of this investment.

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**Prognosis**

The critical observation we make on the theme of private sector engagement with humanitarian action is that by working in partnership, innovative solutions are made possible, efficiencies are revealed, and new forms of financing born.

However, time and opportunity can be wasted in waiting for the right moment, worrying about not being able to speak the language of the other organisation, or in knowing where to start with the process of finding suitable partners. We propose that a starting point for both sectors is to internally explore and answer the following questions with absolute clarity, before reaching out to prospective partners:

1. What is our organisation’s core purpose?
2. What are our values?
3. What is the problem we are trying to solve, and why?

The Sustainable Development Goals provide a framework to guide both corporate responsibility and development programmes. When the activities of these programmes converge through the lens of humanitarian action, especially in the context of cost-saving preparedness planning, the impact is measurable and

\(^9\) [https://www.socialtech.org.uk/projects/google-ebola-proof-tablet/](https://www.socialtech.org.uk/projects/google-ebola-proof-tablet/)

\(^10\) [https://disasterphilanthropy.org/blog/preparedness/invested-mitigation-saves-future-disaster-costs/](https://disasterphilanthropy.org/blog/preparedness/invested-mitigation-saves-future-disaster-costs/)
significant. The example set by the mobile industry in committing wholesale to concerted and collaborative action is realising clear impact - the industry has continued to increase its contribution against all 17 SDGs since the telecoms sector became the first in the world to commit to delivery of the SDGs in 2016\textsuperscript{11}. It is this collective industry-wide commitment which has driven a wide range of individual company actions, coordinated in some cases by their industry body the GSMA, empowering them to make strategic investments and decisions in support of the Global Goals.

Resources and inspiration to help spark innovative practices and projects are now freely available and we have included some of these in the ‘Resources’ box at the end of this paper. As an additional checklist for innovative and positive action, we propose the following key actions to advance progress in humanitarian/private sector partnerships:

- Build a solution-focused project team, avoiding internal silos and being open-minded to new ways of working. The ‘Agile’ approach provides a useful starting point, as does the ‘scrum’\textsuperscript{12} project management method and other innovative approaches such as ‘design thinking’.
- Be social and communicate about the process as well as the outcome – commit to the advancement of the entire humanitarian sector, not just the organisation with whom you partner.
- Create and stick to a partnership charter as well as the contract – to build mutual trust and equitable status.
- Don’t underestimate the power of an inspired individual – we are all innovators with the ability to initiate or to drive positive change in the humanitarian sector.
- Don’t let internal ‘naysayers’ hold you back – neither sector yet has the answer to everything, but the pace of positive impact is faster and more effective when we work together.

In terms of a prognosis for the future of private sector partnerships in humanitarian action, it is our assertion that responsibility exists within both sectors to keep trying, and to make progress in this space.

Whether motivated by the burning platform of an active crisis, by well-considered organisational values, or by stakeholder pressure; the outcomes and imperative for cooperative action are more important than the drivers.

\textsuperscript{12} https://www.scrum.org
Resources

Humanitarian Leadership Academy:
https://www.humanitarianleadershipacademy.org/

Use the Kaya platform to access 350+ free humanitarian and development courses available in over ten languages: www.kayaconnect.org


Corporate Partnerships Barometer: https://www.candeadvisory.com/barometer

The link between localised aid and the private sector: https://www.odi.org/projects/2696-localising-aid-budget-support-southern-actors

Humanitarian Futures Toolkit: http://www.humanitarianfutures.org/toolkit/

UN Global Compact: https://www.unglobalcompact.org/what-is-gc

SDG Partnerships Platform: https://sustainabledevelopment.un.org/partnerships/

Responsible volunteering, IFRC: https://www.ifrc.org/docs/IDRL/Volunteers/Volunteering%20in%20emergency_EN-LR.pdf

Business in the Community’s ‘Disaster Relief and Resilience’ Resources: https://www.bitc.org.uk/resources-training/toolkits/addressing-international-disaster-relief-and-resilience-guidance

Resources from the Partnering Initiative: https://thepartneringinitiative.org/publications/

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Humanitarian Leadership Academy
A global learning initiative

The Humanitarian Leadership Academy is a global learning initiative set up to facilitate partnerships and collaborative opportunities to enable people to prepare for and respond to crises in their own countries.

The Academy is working with local, national, regional and global organisations, communities and individuals to develop learning resources and tools. Kaya is one of these learning tools. By supporting people at the grassroots level, the Academy will enable them to be better prepared for a disaster, respond quicker and to have increased resilience after a crisis.

By working in collaboration, the Academy is building a network of expertise that will be shared and utilised immediately when a disaster strikes. Kaya will enable people to continuously share their experiences for the benefit of the humanitarian sector.

Training the next generation of humanitarians

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