



The State of HR In The Humanitarian Sector

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Foreword

Much has been written on the state of human resources (HR) in the twenty first century: most has been constructive, some less so. Whatever the academics, commentators and gurus say, most would agree that managing people effectively is absolutely central to the organisational mission, and secondly, that the success of an organisation depends on the ability of leaders to unleash the potential of their people and enable them to perform at their highest levels.

This paper considers the state of HR and HR management in the humanitarian sector, and explores the key challenges facing the HR function and those who manage people. People In Aid is literally about the 'people' working in aid, and so we will refer frequently to people management, rather than 'human resources management'.

Overall, there is plenty to celebrate in terms of progress in people management, however unsurprisingly, there remains huge challenges to overcome. The challenges ahead are one of the reasons People In Aid continues to grow – there is a need to build on the progress to date to meet the challenges of the future. That is why, as Ben writes in his opening paragraphs, we are publishing this paper: to ignite thinking, catalyse discussion and prompt action.

Clearly we live in unprecedented times: demographical changes, climate change, continued economic uncertainty, increasingly strong competition for scarce talent, civic unrest and the emergence of a new global order... all are radically – and constantly - changing familiar operating environments. With all these issues in mind, surely now is the time for HR to set aside its ongoing identity crises and focus on the heart of the business – the people.

I hope that this paper will stimulate conversations around your board tables, among your trustees, executive teams and leadership, within your HR departments, and indeed anyone who has the future of people as their responsibility.

We will revisit the key themes in the 2012 paper, when once again we review and reflect on the state of HR in the humanitarian sector. Our intention is to establish a baseline to which we can refer as we bring about transformation in our organisations and the way they work, to transform the lives of disaster affected people and communities around the world.

Jonathan Potter
Executive Director, People In Aid

1 Introduction

We are living in unprecedented times.

Generations throughout the ages have witnessed unprecedented change, but the first decade of the twenty-first century has seen huge issues coincide, presenting humankind with previously unforeseen and unexperienced challenges.

Challenges today are playing out against a backdrop of: significant demographical change (both old and young populations, gender imbalances); climate change; economic crisis and uncertainty; political turmoil; civic unrest and the emergence of a new global order; and of course, technological transformation (affordable, accessible mobile technology, social media and the internet)... These, and a host of other issues, provide the context for a working environment that is arguably more complex and more demanding than at any time in history. Such changes present deep challenges for those who lead and manage people, not least how to manage and deliver on the needs and expectations of all the very different stakeholders.

Much has been written about human resources and human resources management in these times, and what the future holds. Equally, much has been written about the state of the humanitarian system and what the future holds for that too. People In Aid, (as the leading global network of non-profits working in the humanitarian and international development sector), finds itself at the nexus of these two domains. Through a wide range of international connections and partnerships, we are uniquely placed to offer some insights and reflections on the state of human resources within the humanitarian sector.

This paper has been created out of a desire to link a number of brief think-pieces that have been penned by People In Aid writers over recent years and bring them together in a single format. It has taken time to come to fruition, but now we have the makings of what will be an annual 'publication', to which ultimately many experts will be able to contribute. Its working name, 'the state of the HR nation' refer to its purpose: to provide an overview of the state of people management within the humanitarian sector, and the HR challenges faced by those working to overcome poverty and alleviate suffering. Our hope is that the paper ignites thinking, catalyses discussion and prompts action. As you read through the pages you will no doubt come across familiar themes, thoughts and ideas that may provoke you. Some you may disagree with, or may spark a train of thought and cause you to go back to your colleagues and peers to discuss the implications and identify a course of action in response. In time, we hope to publish your responses and incorporate them within the paper – it will be all the stronger when leading thinkers share their own analyses and reflections and open them up for scrutiny by peers.

This paper is not a detailed scientific report following months of in-depth research, nor is it intended to be a comprehensive synthesis or summary of the excellent work on 'futures issues' by many peer organisations - that information is freely available on the internet, and sources and further reading are cited where appropriate. What it is meant to be however, is an accessible, thought-provoking, 'think paper' that gives a sense of where people management is at in the humanitarian sector. A reflection on where the challenges await and where we could be heading.

The paper considers the performance and effectiveness of people management in the humanitarian sector, and to that end some metrics or indicators will be offered to help HR leaders evaluate their performance accurately, benchmark performance with peers, and measure ROI (or in other words HR's contribution to humanitarian effectiveness). This is a developing area and I anticipate that this focus will increase in future years.

The paper is deliberately narrow in scope at this stage – focusing on non-profits (INGOs specifically as they make up the bulk of People In Aid’s membership and thus our primary constituency), and specifically, INGOs working in the humanitarian sector. We will take a view whether that scope can be enlarged in the future, but for the time being, the state of HR in international and community development, the UN system and the Red Cross/Red Crescent movement is for another paper and another day.

Methodologically, I have reviewed various sources and papers, and worked with authors and researchers to reference some of what is available in terms of HR evaluations, the Humanitarian Response Review, and ALNAP’s own state of the humanitarian system report.

We will keep coming back to the notion of ‘through the lens of people’: People In Aid’s work, (advocacy, programmes and support), centres on people. The Guiding Principle of the People In Aid Code of Good Practice 2003 affirms that people are central to the achievement of organizational mission. For us to understand the state of human resources within the sector we need to clarify our scope. So let us begin with a look at the humanitarian sector from a people perspective.

2 The humanitarian sector – a people perspective

How many people work in the humanitarian sector?
How much money is the humanitarian sector worth?
How many INGOs are there?

The people

People In Aid's own efforts to come up with some accurate statistics regarding people working in the humanitarian sector have not been very successful to date. The difficulty is the way in which organisations track the number of staff or volunteers they engage, (often a number of unconnected databases or information systems) and differing criteria for tracking financial information relating to people. This is compounded by crossover of staff between development and humanitarian or emergency response. Therefore, accurate figures remain elusive, and while we are nearing consensus on a figure for headcount, the sector has yet to reach agreement on the 'cost' (or 'investment' or 'asset value') of its staff and volunteers as a proportion of income / expenditure. We propose that agencies begin to track this figure, based on

- salaries,
- national insurance, pensions, allowances,
- training and other development costs,
- recruitment and selection costs,
- staff care and security.

In early 2011 we attempted to quantify our own membership in terms of headcount and budget – and from those that responded (by no means all) we learned that they employ close to 200,000 staff and have a combined income of close to USD 24 billion. In future years, we hope this figure will become more accurate and that we will be able to segment between humanitarian / development.

Many others have tried to quantify the number of people working in the humanitarian sector, with ALNAP (the Active Learning Network for Accountability and Performance) publishing what appear to be the most robust estimates in 2010. Their research (based on 2009 data) led them to estimate (conservatively) that the '*staffing resources allocated specifically to crisis response and rehabilitation activities is 210, 800*'. This was based on overseas project expenditures of multi-mandated organisations that was allocated to humanitarian action¹. Prior to that the most robust estimate of the population of relief and development workers in the field was 595,000 (Stoddard et al 2009²), based on 2008 data. At the same time, Stoddard et al (2009) also estimated that the humanitarian fieldworker population has increased by approximately 6% per year over the past 10 years.

¹ ALNAP, 2010, *The state of the humanitarian system*, <http://www.alnap.org/stateofsystem.aspx>

² Stoddard et al, 2009. *Providing aid in insecure environments*. Figure includes international and national employees of UN humanitarian agencies (IASC members), INGOs and the ICRC / IFRC national Red Cross, Red Crescent societies. Cited by ALNAP, 2009, *The state of the humanitarian system*

ALNAP, State of the Humanitarian System, 2010

“INGOs programmed approximately USD 5.7 billion of the international humanitarian system’s expenditure and accounted for the majority of humanitarian staff in the field. Roughly 250 organisations and multi-national federations (each of these in turn containing multiple national affiliates) comprise the global INGO community. The group of six largest INGO federations/organisations (CARE, Catholic Relief Services (CRS), Médecins Sans Frontières (MSF), Oxfam, Save the Children and World Vision International) in 2008 had an estimated combined overseas operating expenditure in excess of USD 4 billion, of which USD 1.7 billion was allocated to humanitarian programming.

In all, field staff working for INGO programmes in 2008 totalled nearly 208,000, of whom approximately 113,000 were engaged in humanitarian efforts. Nearly 95% of global INGO field staffers were nationals of the host country”

It is clear that for a more complete figure we need to include humanitarian staff working within the International Red Cross/Red Crescent movement, the 9 key UN agencies (IASC members) plus IOM, and donor agencies themselves. (ALNAP, 2010: 20-22).

As with estimating the number of staff working in the humanitarian sector, reviewing humanitarian aid expenditure is also a difficult task, with estimates varying widely. However, most would concur that it has grown faster than overall official development assistance over the last 10 years, and significantly since 2005, and in 2008 totalled approximately USD 7 billion (ALNAP, 2010). Anecdotally, it would appear that the number of Civil Society Organisations and Community based organisations as well as non-profits continues to rise dramatically, with, for example, it being reported that more than 900 NGOs were operating in Haiti in the months that followed the devastating earthquake in January 2010.

Another important differentiator to apply is the proportion of staff which are international (or typically ex-patriate) and the proportion that are locally hired (often referred to as national staff). Anecdotal evidence and data from the Emergency Capacity Building project (www.ecbproject.org) research into emergency capacity suggests that on average the ex pat/international versus local hire split is 4% / 96%³, corroborating the findings of Stoddard et al (2009), cited in ALNAP’s State of the Humanitarian System.

But overall it’s notoriously difficult to quantify numbers, whether INGOs, NGOs or community based organisations. For example in the weeks after the Haiti earthquake in January 2010 more than 900 NGOs were involved in the ‘operational’ response⁴. This in a country where the estimated number of NGOs is in excess of 3,000⁵.

The humanitarian sector

Plenty of erudite academics and commentators have written on the state of the humanitarian sector, humanitarian action, humanitarian space and the ‘actors’ involved. True, the operating environment is complex and nuanced. It has been shaped by major ‘crises’ over the last few decades, from the Biafra refugee crisis of the 1960s, through the killing fields of Cambodia in the 1970, famine in Ethiopia in the 1980s, the Rwandan genocide and the Balkan wars of the 1990s, as well as the Indian Ocean Tsunami (2005) and Haiti earthquake (2010). Each of these disasters has prompted a great deal of soul-searching, and in many cases reform and action have followed. Indeed, People In Aid’s own genesis was in the aftermath of the Rwandan genocide in 1994, which gave rise to a plethora of quality and accountability initiatives.

³ <http://www.ecbproject.org/Pool/emergency-capacity-report-ver-july-14-final.pdf> (July 2004:2)

⁴ <http://business.un.org/en/assets/7276f131-bfe0-42ce-ab8b-53f0e2df9d8a.pdf> (4.5.13 p. 87) UN Revised Humanitarian Appeal 18 February 2010

⁵ <http://www.usip.org/events/haiti-republic-ngos> and <http://blog.guidestarinternational.org/2010/02/09/haiti-a-republic-of-ngos—but-how-do-all-these-local-ngos-help/>

But other more recent factors continue to influence the humanitarian sector:

- Recent 'domestic disasters' such as Hurricane Katrina in the USA (2005), the Queensland floods in Australia, the Christchurch earthquake in New Zealand, and the Tsunami in Japan (2011) have put climate change back on the global agenda and prompted self-examination among donor nations, as well as much debate on early-warning systems, disaster preparedness and response.
- The blending of foreign policy agendas with humanitarian response has seen an increasing involvement for the military (Afghanistan, Libya).
- Corporate entities have entered the fray, often on the back of their technically superior infrastructure (e.g. DHL and TNT for food logistics; CISCO for ICT solutions).
- The humanitarian sector has grown in size and status. Philanthropists such as Warren Buffet and the Bill and Melinda Gates, together with political and commercial interests have brought about a new league of super-INGOs, and this, along with attractive remuneration packages, has made many humanitarian jobs much more attractive to job candidates than in the past. The 'third' sector is now not only a legitimate career choice, but increasingly highly desirable alongside more traditional private or public sector roles.

Each of these factors challenge the traditional INGO and put a "question mark" over its continued existence in an unaltered state. For some INGOs, the response required is clear: "adapt, or become extinct" (or at least insignificant and ineffective). It is interesting therefore to observe the renaissance of some of the leading INGOs into quasi-consolidated global entities: Save the Children (now a \$1.4billion INGO), Oxfam, ActionAid, CARE, and World Vision, to name but a handful are now major global players in the fight against poverty and suffering. It is clear that many INGOs have already embraced change simply in order to survive.

3 Lessons from field evaluations

Overview of the key issues, from People In Aid's 2011 review of humanitarian programme evaluations

Summary

There does not appear to be a systematic approach to the evaluation of HR management (HRM) issues in evaluations. Current evaluation guidelines recommend Human Resources and Management be covered as a theme in the evaluation; most evaluations follow a similar format with HRM issues often embedded and referenced in different places the documents. As these guidelines are limited, references to HRM are often ad hoc and unsystematic.

The identification of HRM issues may depend on the interest and experience the evaluator, or be included when there is a noticeable impact on programme activities. In such cases, it is more likely that references will be made when there are problems with HRM, rather than when things are running smoothly and practices are contributing to the success of the intervention. Another reason for the lack of prominence given to HRM issues could be a feeling that 'every' programme has HRM issues and there is little that can be done to change things, as that's how the system works.

In our review, the issues which were identified as negative or having a negative impact on operations outnumbered the positive by a ratio of about three to one. However, the precise impact of HRM issues on programmes is difficult to judge as there are relatively few examples of statements which give an indication of the extent to which HRM affected operations, and of the ones that exist, there is a tendency for them to be extreme cases when ineffective HRM practices had a notably negative impact.

General findings

The ALNAP 2010 State of Humanitarian System is a synthesis of evaluations of humanitarian action and illustrates the results of surveys and discussions with key humanitarian actors. The report notes that: 'The critical importance of human resources as a central determining factor in effective humanitarian action is increasingly being recognised' (2010:35). The report identifies a number of key improvements, mostly in the skills and training of expatriate staff but also notes the system still relies too heavily on expatriates and that efforts in capacity building are more successful for expatriates than national staff.

One of the most interesting evaluations was the Oxfam evaluation of their DRC Humanitarian Programme between 2004 – 2008. Throughout the document there is limited mention of HRM. However, towards the conclusion the evaluator refers to the poor state of the programme at the time of the last evaluation. In the interim period there has been a significant investment in the program by Oxfam and this has been one of the, if not the, major factor in the consequent success of the program. In his own words 'The successes of the last few years underline again the importance of competent, committed staff at every level'. Unfortunately, despite this conclusion, there is little mention of how HRM systems have been strengthened and supported to enable this improvement.

HRM Systems

Positive statements referred to knowledge and practice of organisational HRM systems and of international standards having a positive impact on programmes. Most notable was the DEC evaluation of World Vision report which specifically used the People in Aid Code of Good Practice as an indication and measure of adherence to international standards.

Negative statements in this category referred to a lack of knowledge of organisational HRM practices by those in managerial positions causing confusion, most commonly with national staff

being left uncertain of pay and conditions. Also, noted was how HRM processes slow recruitment of key staff in emergencies, and how inflexible practices can hinder operations.

Leadership

Leadership was frequently cited as a key area of concern. This was particularly the case for a number of UN and cluster appraisals which strongly advocated for experienced and effective coordinators to enable improved functioning of the cluster system and highlighted the importance of leadership and culture.

This issue has strong overlap with both the Surge Capacity and Turnover themes as there are frequent references to the difficulties in identifying strong leaders, particularly those who are willing to stay for a prolonged period of time.

Resources

ALNAP's review suggests there have been improvements in resources invested into HRM resulting in better surge capacity, more staff allocated to programs and increased staff capacity through training. However, the report also notes that more investment in HR is needed.

The most commonly cited difficulties include: recruiting and retaining staff to work in difficult environments, underestimating or under-resourcing allocation of staff to programmes, negative impacts on existing programs when staff are 'poached' from other programs to assist with emergencies and the competition for staff during emergencies, which is a problem for many agencies but perhaps most difficult for local NGOs.

Roles and Responsibilities

The problems identified typically relate to unclear task allocation and the confusion this creates in operations.

Security

While crucial, a couple of evaluations suggested that security measures for staff were taken to such an extreme that they significantly hindered operations and made it almost impossible to work effectively.

Staff Capacity

Issues related to the use of capacity and problems with capacity, as well as references to training and capacity building. Some agencies have been able to make good use of existing staff for surge capacity and there have been significant investments made in training and development of national staff. However, there are also a number of negative observations such as the difficulties in recruiting and retaining skilled staff and examples of where INGOs bring in staff from other regions or countries which can cause significant loss of trust from the local community.

Expat / local staff issues

Evaluations tend to focus on the negative aspects of expat capacity, but some specifically refer to the added benefits to programs, for example transfer of skills and benefits of communication with international stakeholders.

Language skills are noted in a number of different reports as being a serious hindrance to effective communication with national staff members, local communities and coordination activities. Besides language the most frequently cited problem is identifying skilled staff and managers.

Staff Support

Issues of staff support still tend to receive very little attention in evaluations, though this is slowly changing. ALNAP's State of the Humanitarian System report itself acknowledges that staff support is often overlooked in evaluations and probably requires more attention (ibid, 2010:37).

Positive examples of staff support are still regrettably rare, with it being more common to see reference to high levels of stress, or living conditions which seriously impacted on the ability of staff to perform their duties.

Surge Capacity

While improvements have been made generally, finding key technical and competent managers who are able to remain in the field for extended periods is problematic. It is commonly reported that an insufficient number of 'surge' staff can cause delays in program delivery or impact on quality. Organisations are getting better at hiring local capacity, but there is still room for improvement. Recruiting staff from existing in-country programmes can be problematic as it leaves parts of the operation under-staffed, but equally problematic can be hiring in staff who are not properly prepared or briefed on organisational policies and practices.

Terms and Conditions

Most issues with terms and conditions relate to national staff and are negative. The most common problem is reliance on short-term contract arrangements which do not offer job security and can decrease staff morale or make it difficult to recruit quality staff. Pay, terms and conditions are a critical issue and could be discussed at cluster meetings to reduce competition and the negative impact on staff and programmes.

Staff Turnover

Problems related to staff turnover continue to be cited as one of the biggest problems in humanitarian action. In almost every case turnover is seen as having a negative impact on programmes. In some cases high turnover is almost implied as being inherent in aid work. Staff turnover can cause many problems: for example loss of information and organisational memory; delays in programme implementation; lack of contextual understanding; difficulties with relationship building and coordination, and the costs of continually replacing staff.

People In Aid is pleased to have been able (with ALNAP) to suggest an additional section in the revised version of a handbook on evaluation. The guidance suggests that 3 specific HRM questions should be posed by evaluators:

- 1) To what extent was/is the staffing structure and capacity appropriate and adequate for the effective implementation of operations?
- 2) To what extent was/is management capacity and leadership appropriate and adequate for effective implementation of operations?
- 3) To what degree have human resource (systems / practices / policies) supported or hindered operations?

4. What the future holds

What are the key challenges facing INGOs and the humanitarian sector?
What are the implications of those challenges for 'people management'?

Looking ahead amid an ocean of uncertainty, there are a number of very specific challenges that lay before INGOs. Each has major implications for people management. At a macro level these challenges can be categorised as political, economic, social, technological and organisational. Organisations such as the Humanitarian Futures Programme consider the issues in detail, but based on observations, reflections and conversations People In Aid has had with its members over the last 12-18 months, some of the most pressing future concerns include:

Funding climate

Grants are being cut: the global economic crisis and the sovereign debt woes of many individual nations continues and - at the time of publication - shows little sign of resolving quickly. With many OECD governments implementing austerity measures, and private donors feeling the effects of recession and slow (or negative growth) there is a great deal of uncertainty in terms of funding for many INGOs. Indeed many have lost substantial grants from institutional donors such as UK AID and US AID.

Funding allocations are changing: While the level of funding has been maintained by some nations, allocation has altered. Reviewing foreign development assistance budgets, there is evidence to suggest that there is an increasing tendency to tie aid to a country's foreign commercial or political interest and/or to give bilaterally to governments, the public sector in-country or locally registered NGOs. This is often at the expense of INGOs headquartered in the donor's host nation.

Funding models are also changing: philanthropists (such as Bill and Melinda Gates and Warren Buffet) have played a crucial part in establishing new and creative funding models that impact at a scale and in ways that previously only governments were capable of achieving, for example the GAVI Alliance and its work on immunisation and vaccines. The Gates Foundation is also playing a key role in transforming the humanitarian and development sector by promoting approaches that rely heavily on sound knowledge-management processes, promote partnerships and entail real collaboration. The more entrepreneurial approach encouraged by such trusts and foundations is in turn influencing traditional institutional donors, resulting in new funding sources such as the humanitarian innovation fund .

Humanitarian space, and an increasingly insecure operating environment

Insecurity - the safety of aid personnel - is a major and mounting concern for INGOs: the profound debate about [the notion of] humanitarian space and the extent to which it is 'shrinking' (as a result of military and private sector involvement in 'humanitarian missions') continues. On the one hand, some non-profits and humanitarians loudly advocate the need to protect 'humanitarian space', while others pragmatically negotiate with civil and military authorities to ensure humanitarian agencies can work alongside others delivering humanitarian assistance.

And all the others...

Other specific challenges include

- The implications of the UN reforms and their outworking through the cluster system and INGO (and public/private) partnerships,
- Changes in host nation immigration policy, limiting the number of non-nationals that can receive work permits,
- Demographic bulges and contractions, and the resultant implications for 'talent'
- The professionalisation of the aid industry,
- Energy prices, and the increasing cost of air travel,

- Regulation, by host-country governments and the donor community,
- Technological advances in the so called 'developing world', including affordable and accessible internet access.

The implications for people management...

Each of the challenges above, and there are plenty more, has significant implications for people management and the HR function.

From competencies to 'behaviours'

One of the side effects of the global economic crisis is the renewed interest in how goals or targets are achieved. It's no longer sufficient to simply deliver the outcome with no regard to process, and as a result industries such as banking have revised their competency frameworks to include a much greater focus on behaviours. INGOs are doing likewise, and this shift is happening in parallel with the reinvigorated debate about quality and accountability.

People In Aid's work with two major consortia over the last 6 years, the Emergency Capacity Building Project and the Consortium of British Humanitarian Agencies support this, suggesting there is a move beyond the obsession with technical competence to include behaviours, especially those relating to management and leadership. Clearly *how* we achieve our mission does matter a great deal, as the 'do no harm' principle suggests.

Managing diversity

A number of demographical phenomena are converging on us as the second decade of the twenty-first century gets underway:

- The world's population is growing, and 'urbanising';
- New nations are being born;
- Baby boomers (that can afford to) are retiring;
- Youth unemployment in Europe is more than 20%⁶ (and in excess of 50% in some middle eastern countries);
- Growing economies such as China and India are discovering the true cost of formal and informal population control measures (one child policy; female infanticide), and the impact on the labour force, and the fabric of society.

As generation Y and Z proactively choose the humanitarian sector as a legitimate career choice, and baby boomers begin to leave the way open for generation X to pick up the reigns, so the profile of our organisations will begin to shift. But issues relating to:

- Gender and diversity;
- Female representation at the top of the organisation;
- Immigration and ethnicity, and;
- Missing generations in some of the countries of operation

will remain ever pressing.

Demographic bulges and contractions? What is the shelf life of a humanitarian? Why are some of the most inexperienced staff sent to some of the toughest assignments or locations? How can we enlarge the recruitment pool? These and many more questions are not new. INGOs are recognising that they need to invest in management and leadership development and that skills

⁶ <http://www.ft.com/cms/s/0/8c907618-39ca-11e0-8dba-00144feabdc0.html#axzz1VtDRrNBL>

FT.com Europe grapples with youth unemployment Published: February 16 2011 15:06 | Last updated: February 16 2011 19:26

shortages need to be tackled from within the sector. In recent years there have been a number of graduate recruitment / apprenticeship type schemes to attract new talent, and these look set to continue. Their positive impact is only just beginning to be felt, and People In Aid is gathering success stories and learning to share more widely.

Mobility

There is an irony in the fact that as the world becomes more connected, host governments are seemingly making it harder to gain access to work, and in some cases placing severe restrictions on work permits (Kenya, Sri Lanka, North and South Sudan, Chad, Indonesia, Libya).

The difficulties are not limited to countries of operation either. Slow and expensive immigration processes, visa restrictions and limited quotas for work permits in countries such as the USA, the United Kingdom and Switzerland all pose very real challenges for global organisations seeking to move their people quickly between different locations.

Against this backdrop, and as a result of the changes taking place in the world around us, the HR function is changing. Responding. Adapting. Anticipating. The next chapter will consider the changing face of the HR function.

5 The changing face of the HR function

What is the role of the HR function?
How is it changing?
What are the key challenges facing the HR function?
How does it need to adapt?

These are difficult times for the HR function as it finds itself, like many support functions, under extreme pressure to do less with more. Dilemmas abound, and in an effort to prepare and equip the function for the challenges of tomorrow many professional bodies are attempting to map the future of the profession. But what has really changed? In many respects, good-practice HR has always been about ensuring the right people are in the right place at the right time, doing the right thing at the right price...

HR's identity crisis?

The HR function is well known for its perpetual identity crisis, especially by those within it. "Are we welfare, or personnel, or human resources, or human capital, or people management?" "What does the department do?" "Does HR have a seat at the top table?" "Isn't every manager a people manager?"

Changing priorities

Bound up inextricably with the identity crisis is the sense that good HR is common sense, and that anyone can do it. And moreover, every manager is a people manager, right? So where does that leave the HR function in terms of what to do?

In recent years there has been a resurgence of interest in the mental health and wellbeing of workers, and a plethora of standards and guidelines have sprung up. This is true for all sectors, but it's significant that for humanitarians, it is now considered normal to be coached, mentored, briefed, debriefed, counselled, offered psychological first aid... Work by organisations such as People In Aid, RedR, the Antares Foundation, the Mandala Foundation, InterHealth, the Headington Institute and KonTerra have all played their part in mainstreaming staff care / wellbeing programmes, and securing funding. This focus is to be welcomed, and prioritising the mental health and wellbeing of staff is unequivocally a primary role of a high-performing HR function.

Metrics, effectiveness and measuring performance

The 'humanitarian' HR function faces a number of significant challenges these days, not least the obsession with measuring. Metrics, on value for money, impact, return on investment. There are literally hundreds of HR metrics to choose from, so how does an organisation choose the most important ones to concentrate on. At the other end of the scale there are boards that insist on 1 or 2 HR KPIs (key performance indicators) – how does an organisation narrow its focus and choose just one or two?

How can an INGO navigate its way through this changing landscape and implement mechanisms to convincingly report on Return on Investment (ROI). Should we be concentrating instead on Return on Expectation?

When budgets are under severe pressure and the HR function is being pushed to cost less than 1% to 1.5% of annual income, how can organisations maintain a 3-3.5% of payroll investment in learning and development when peers have cut that back totally or at least to between 1% and

1.5%. And how do organisations address critical issues relating to staff care and wellbeing, which could cost less than 1% to 2% of an operational budget. It is interesting to note that those responsible for security have been successful in articulating the vital need for adequate security

training and have had budgets maintained. The current focus on 'efficiency and effectiveness' is a great opportunity for the HR function to persuasively articulate the case for 'investment' in people.

The influence of private sector 'DNA' and emphasis on line management

Plenty of the recent changes in the way people are managed can be attributed to the influence of the private (for profit) sector. Often at the encouragement of institutional donors seeking value for money and reforming their own civil service or public sector, there is a desire to see INGO leaders adopting private sector thinking and practice. While the concept of private sector DNA is perhaps a little nebulous it includes business process re-engineering (to achieve efficiencies), focussing on metrics and rigorous performance measurement, calculating ROI, engaging with technology, decentralising and moving away from command and control structures.

High performing INGOs typically have a range of partnerships with private sector firms which facilitate among other things a rich exchange of good practice and learning. They might also be working with a high profile business school / MBA programme to ensure the transfer of learning is sustained and leading to performance improvements.

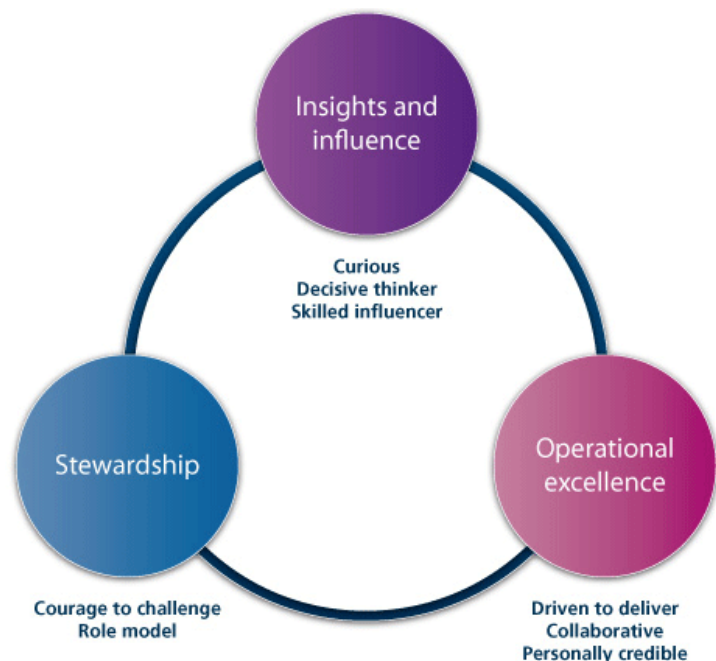
Focus on behaviours

As mentioned in chapter 3, many industries, for example banking (and professions, including HR) are moving beyond the traditional focus on technical competence to 'behaviours'. In other words, how we achieve our ends or our goals, matters. The UK based Chartered Institute of Personnel and Development has invested considerable resource in mapping the future of the HR profession and their 'roadmap'⁷ is worth reviewing, detailing as it does 10 professional areas:

- 1) Strategy insights and solutions
- 2) Leading and managing the human resources function
- 3) Organisation design
- 4) Organisation development
- 5) Resourcing and talent planning
- 6) Learning and talent development
- 7) Performance and reward
- 8) Employee engagement
- 9) Employee relations
- 10) Service delivery and information

And the core behaviours required:

- 1) Curious
- 2) Decisive thinker
- 3) Skilled influencer
- 4) Courage to challenge
- 5) Role model
- 6) Driven to deliver
- 7) Collaborative
- 8) Personally credible



So out of this we see clarity emerging in terms of the behaviours required and responsibilities of high performing HR professionals. Among the numerous challenges ahead are how HR adapts globally and how these changes play out within the relatively conservative (in HR terms) humanitarian context.

⁷ <http://www.cipd.co.uk/cipd-hr-profession/hr-profession-map/>

6 Leading and managing people in emergencies

Without a doubt, effectively leading and managing people in an emergency or in a humanitarian context is critical. As the guiding principle of the People In Aid Code states, *'people are central to the achievement of our [the organisational] mission'*⁸, and nowhere is this more true than in a humanitarian response situation.

In the first part of 2011, People In Aid reviewed 56 evaluations of humanitarian programmes with the aim of identifying the recurrent HR and people management themes, and understanding their impact on programme operations. Of these evaluations, 36 had explicit reference to HR/people management themes, and the box below highlights a brief summary of our findings, both in general and by the following key issues:

- HRM systems
- Leadership
- Resources
- Roles and responsibilities
- Security
- Staff capacity
- Expat/local staff issues
- Staff support
- Surge capacity
- Terms and conditions
- Staff turnover

⁸ <http://www.peopleinaid.org/code/online.aspx>

7 Holding the tension

Every organisation has to deal with what could be termed 'operational dilemmas', or ambiguities. These contradictions create tension, both positive and negative, and HR is certainly not the only function that has to hold these tensions.

Tensions the HR function holds could typically be on the following themes:

- The extent to which the organisation adopts a centralist or decentralised approach on HR themes such as recruitment or policy (centralised/decentralised)?
- The need for a global strategy that's implemented locally and contextually (global/hyper-local)?
- The need to capacity build staff consistently and economically (who leads: HR or the line)?
- Maintaining NGO values such as voluntarism while professionalising the workforce and adopting the DNA of business (Professionalism/voluntarism and for-profit/non-profit);
- An inter-cultural workforce working in increasingly mono-cultural settings;
- The need to deliver short-term results and simultaneously long-term sustainable change

Although it would in some ways be simpler, we do not live in a 'binary' world: and opposing tensions have to be held and adjusted. This discipline has been termed 'polarity management'⁹ (see box below) and the signs are that it is increasingly becoming a feature of the workplace and management / leadership.

Successfully managing polarities requires new behaviours, and is particularly suited to those who are comfortable with ambiguity, complexity and uncertainty.

⁹ *Polarity Management* – download from <http://www.peopleinaid.org/publications/harnessingpolarities.aspx> Jane Edge

The practical wisdom of harnessing polarities

The leadership and people management challenges facing aid organisations are complex and multi-layered. Engaging staff in a dialogue about seemingly opposing demands can generate powerful creativity and synergy.

So what is “polarity thinking and mapping” and how can it help make sense of challenges such as ensuring organisational values thrive while continuing to build professionalism and effectiveness? By definition, a “problem” is something to be solved – it’s an “either/or” outcome. What if the challenge is actually a paradox which requires the constant managing of the two issues over time? Then it’s about taking a “both/and” approach.

It's about “the ability to hold two opposed ideas in the mind at the same time, and still retain the ability to function.” F. Scott Fitzgerald

The appeal of Johnson’s work is its practicality and immediate application. Discussing paradox conceptually is all well and good but it is in the process of mapping polarities - a simple way to capture both sides of opposing issues – that teams can engage with what managing polarity really means and when done well, what it can produce in terms of enhanced effectiveness. Polarity mapping gave the group a way of naming what were often strongly held values and fears about particular directions or changes. It created a new level of appreciation for different perspectives and an understanding that people are more often trying to hold on to something good rather than digging their heels in just to be difficult!

Polarities are usually found at the heart of any form of major (or minor) organisational change and there are commonly two competing sides. Examples include securing short-term results and investing in long-term development at the same time, making major changes and providing the continuity people need to implement them, and paying attention to setting the right strategy and ensuring you have smart tactics.

For the humanitarian sector, a very relevant point is that effective polarity management increases in value as the environment or issue becomes more complex. Polarity management and mapping can help:

- Simplify the complexity without being simplistic – seeing the forest and the trees
- Capitalise on diversity without alienating diverse groups
- Provide predictability and stability amidst accelerating change
- Convert resistance to change o a resource for sustainable, ongoing agility
- Reduce destructive conflict and
- Generate creative approaches to address chronic issues

Polarity mapping is a way of making that tacit wisdom explicit. It enables leaders and organisations to be both strategic and tactical about tapping the power of seemingly opposing ideas.

8 [Re] Emerging priorities

With challenges coming from all directions, what priorities are [re] emerging?

What is People In Aid doing?

Since 2009 People In Aid has been increasing the intensity of its work on leadership, coaching, and understanding risk. We've adopted the familiar 'employee lifecycle' approach which is beginning to break down some of the silo'd thinking and practice that HR was perhaps guilty of in the past. Specifically to renew the focus on the employee's experience and how organisations can unlock the potential of their people by taking a more holistic view of their actual and potential contribution to achieving the organisational mission.

The employee lifecycle

Planning (and preparedness)
Recruitment (and selection)
Deployment (Orientation and setting objectives)
Management (Managing performance)
Development (Personal / professional)
Transition (Debriefing and exit / transition)

People In Aid continues to build on its seminal research into surge capacity¹⁰ and encourages organisations to integrate their values and philosophy with their practical operational response.

Staff turnover remains a critical issue, and again building on another seminal paper published by the ODI '*Understanding and addressing staff turnover in humanitarian agencies*'¹¹ (available free from People In Aid's website), People In Aid is working to help organisations accurately measure turnover (or attrition) and take appropriate steps to address their problems.

Metrics also remain an important theme, and measuring HR and organisational performance in emergencies will continue to be a priority for us. Looking ahead, People In Aid is developing a toolkit enabling INGOs to measure HR effectiveness and contribution, and this will enable organisations to benchmark in a range of areas including diversity, recruitment and staff turnover, learning and development, absence and employee engagement.

People In Aid is witnessing a slow yet subtle organisational shift towards more entrepreneurial cultures. This is partly driven by the social enterprise agenda but also a result of a more pragmatic approach to managing risk, and responding to the threat of NGO competition in the form of private sector service providers, the public sector and the military.

In the short term, People In Aid's three priorities will be:

- 1) Leadership and talent
- 2) Organisational capacity and learning
- 3) Organisational health and performance

Our approach will be to continue to work collaboratively where possible, and to leverage the latest technology to increase the accessibility and scale of our services.

¹⁰ <http://www.peopleinaid.org/publications/SurgeCapacity.aspx>

¹¹ <http://www.peopleinaid.org/publications/staffturnover.aspx>

Our Members' priorities for 2015

People In Aid engages with its members, online communities and more broadly within the humanitarian sector on an ongoing basis, and consultations over the course of 2010 suggested the following themes should be considered priorities over the next 3-5 years.

- HR basics (recruitment, retention, engagement)
- Leadership
- Talent management and employee engagement
- Resilience / managing effectively under pressure (and virtual teams)
- Working with federated structures (centralisation / decentralisation)
- Strengthening local capacity
- Learning / knowledge management
- Implementing new competency / behavioural frameworks
- Role of technology
- Reward / compensation
- Collaboration and partnership
- Safety and security
- Inter-cultural understanding
- Professionalisation

9 The path ahead?

At the time of writing, the path ahead is 'uncertain'. Threats of a double dip recession remain, and economic stability seems a remote prospect for many. Moreover, political turmoil continues unabated in many countries. Within this climate, People In Aid's vision of a world in which organisations work effectively to eradicate poverty and alleviate suffering is more relevant than ever, and our values and corporate behaviour bear witness to a unique approach which is slowly transforming the way in which INGOs work.

Keeping crisis-affected communities and individuals at the centre of what we do, our focus on improving the quality of people management is having and will continue to have a positive impact on civil society and the aid delivered by INGOs.

Working with the wider development community and other standard-bearing organisations striving to improve the quality, transparency and accountability of aid, we will achieve our vision.

And as we improve our ability to report on our progress, we will be tracking our performance over time. Our longitudinal indicators will be published by the end of the year. And added to as we improve our own effectiveness.

The path ahead is long. Working with those who evaluate and those who research the future, we'll discover new challenges and priorities that will mesh with current ones. Issues such as

- preparing for a post-carbon world
- living with the effect of climate change
- Connecting through technology
- Responding to population growth and contraction
- Unleashing human potential, especially in the younger generations

will begin to take their place on the agenda and demand our response.

We are committed to this path and trust that you will join us in rising to the challenge.

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