

The screening of people hired within Non-Governmental Organisations (NGOs)

Written by

Marc Tinguely and Michael Platen

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Reputation risk and human risk management

Non-governmental organisations are, due to their funding and operational methods, almost entirely dependant on public and private subsidies. They must therefore ensure that they appropriately protect their own reputation, but also that of their donors and collaborators. In doing so, they will ensure that they can better serve and protect the populations that they wish to help.

The reputation of an organisation being particularly linked to that of its representatives, the related risks can be managed through a pragmatic, coherent and efficient human risk management policy. This will ensure the sustainability of the organisation in the long term, its performance in the short and medium term, as well as stabilise funding.

Several measures can be implemented to manage human risk: codes of conduct, devices to facilitate alerting, power distribution (double signatures for decisions), disciplinary measures in case of violations, training and awareness-raising, focused on the above measures, and obviously the assurance of hiring only the collaborators whose level of integrity will protect the interests of the organisation.

In practice, we find that organisations perform or commission background checks on the people that they hire for different reasons:

- **Security:** To protect against internal threats (abuse, theft, fraud, etc.).
- **Reputation:** In order to protect the reputation of the organisation and to avoid potential public scandals.
- **Culture and duty to set an example:** NGO members maintain high moral and ethical standards.
- **Reduced recruitment costs:** Effective background checks avoid costly casting errors.
- **Compliance – Financial base:** Scandals related to the actions of a few individuals can cause the withdrawal of certain funding, jeopardising the functioning of the organisation.

Concrete examples

Oxfam – Sex scandals

In 2018, a first scandal¹ revealed the actions of employees and managers of the organisation “including the use of prostitutes.”

Following these revelations, four employees, including the director for Haiti, are dismissed or forced to resign. According to Penny Lawrence, Oxfam's second-in-command at the time, the problematic behaviour of the director, as well as members of his team “had been raised before he moved to Haiti.” Moreover, it appears that Oxfam had neglected to warn other humanitarian actors about the actions of these employees, allowing them to obtain assignments with other NGOs.

After this first scandal, the British government cut Oxfam's public funding, which amounted to £31.7 million in 2016, forcing the organisation to restructure and cut around 1,500 jobs.

More recently, in 2021, the Times revealed that “11 members of Oxfam's staff in the Democratic Republic of the Congo, including directors [...] were allegedly guilty of sexual exploitation, harassment, fraud, and nepotism.”² Shortly before, a survey among 50 Congolese women had brought to light sexual abuse by humanitarian workers from various organisations, including Oxfam, MSF but also the WHO and Unicef among others.

Amnesty International – Embezzlement

In 2019, Amnesty International's national office in Zimbabwe was placed under seal following accusations of embezzlement against the local office. At the same time, the organisation is shaken by two suicides, in Geneva and Paris, and a damning report, denouncing a toxic working environment in which “a culture of secrecy and mistrust, discrimination, intimidation and abuse of power were tolerated.”

As a direct result of this mismanagement, Amnesty's direction found a £17 million hole in its finances and made the decision to part with around 70 collaborators, including senior executives.

¹Le Monde; 12 February 2018: https://www.lemonde.fr/europe/article/2018/02/12/haiti-l-ong-oxfam-accusee-d-avoir-engage-des-prostituees-apres-le-seisme-en-2010_5255385_3214.html

²RTBF; 3 April 2021: <https://www.rtb.be/article/des-travailleurs-humanitaires-accuses-dabus-sexuels-en-republique-democratique-du-congo-oxfam-a-nouveau-dans-la-tourmente-10733892>

The consequences

Human tragedies

If the origins of such scandals can often be linked to the human factor, the most dramatic consequences directly concern the men and women on the front line of this type of problem.

Thus, the populations benefiting from aid measures by NGOs are in a very serious situation when they find themselves confronted with actors who would not act in their best interest. Without going into the sordid details, they suffer directly from bad practices when donations do not or no longer benefit them, being either misused or worse, diverted.

Secondly, we obviously think of the collaborators who, exposed to these controversial practices, be it in terms of management or in the field, may feel pressured and uncomfortable with certain situations that do not align with the values that they defend. Some cases can lead to burnout, or even to a point of no return, as we have sadly witnessed in Geneva and Paris in the past.

It is these same collaborators who suffer the serious consequences when an organisation's funding is cut due to fraud or reputation issues; their jobs can be made insecure or even eliminated.

Financial losses

The realisation of a human risk (fraud, corruption, incompetence, or mismanagement) causes financial losses, including the decrease in donations due to a scandal. In addition, there may be compensation to be paid by the organisation held responsible for gross negligence.

To the best of our knowledge, there are no estimates of financial losses due to internal fraud in non-governmental organisations to this day. However, in 2018, the total amount of damage caused by fraud in Switzerland amounted to CHF 166 million. Regarding the embezzlement that occurred at Amnesty in 2019, a shortfall of around £17 million was established for the year 2020³, partly due to mismanagement and partly due to alleged embezzlement.

As we have seen at Oxfam, the decrease in funding of an NGO, either by a government decision or because of the damage to its public image, is a consequence that can be immediate and devastating for the longevity of the organisation and its activities.

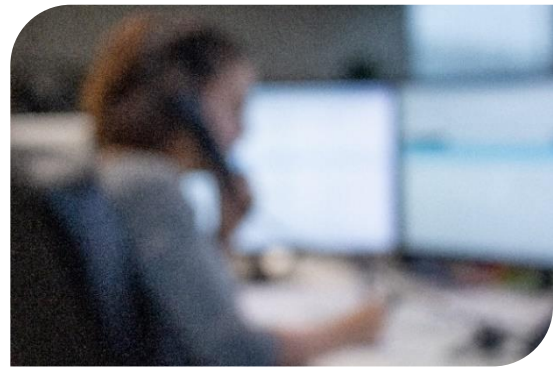
³Africanews; 3 June 2019: <https://fr.africanews.com/2019/06/03/zimbabwe-accuse-de-detournement-de-fonds-le-bureau-d-amnesty-ferme//>

Reputational Damage

While the human and financial consequences of poor human risk management are the most obvious and direct aspects, the image damage caused can be detrimental to the whole organisation in the long term. Indeed, even if this damage is less easily measured, its effects on the smooth running of an organisation are no less harmful.

Firstly, humanitarian organisations are, like all other employers, subject to fluctuations in the labour market and must constantly adapt and renew themselves in order to attract the best talents. Therefore, it is important to be aware of the influence of reputational damage on the employer brand. When choosing between several organisations, a candidate will more easily turn to those whose history and values reflect their own and those they wish to defend.

Finally, the damage caused by certain cases (e.g., Oxfam) can create a great deal of mistrust among the population towards NGOs whose aim is to help them and provide assistance. This phenomenon of mistrust or rejection makes the activities of actors in the field difficult, if not impossible, and has even led some organisations to abandon their interventions in the field⁴.



⁴Cairn.info; 28 July 2020: <https://www.cairn.info/revue-ecrire-le-social-la-revue-de-l-aifris-2020-1-page-32.htm>

Implement « Background checks »

To manage human risk more effectively, it is essential to assess the risks associated with each function within an organisation. The first step is therefore to determine the risks associated with each job profile and the importance of these risks. The table below can serve as an interesting basis for refining the approach to the risks associated with each function in the organisation.

æquivalent				EXAMPLE : Job related risk score card	
Industry:	Humanitarian				
Organisation name:	Not-for-profit organisation				
Jobtitle:	Field coordinator				
Department:	Santé				
Function attribute	Strategic Risk Level (0-3)	Function Risk Level (0-3)	Total Risk Level	Risk level	Score
Compliance with organisation's legal responsibilities	3	1	3	No Risk	0
Access to strategic infrastructure (IT, Buildings, ...)	3	1	3	Low Risk	1
Access to customer data	1	1	1	Medium Risk	2
Access to financial resources	2	2	4	High Risk	3
Access to employee data	2	3	6		
Interaction with vulnerable people	3	3	9		
Representative responsibilities	2	2	4		
Decision-making powers (> XXX CHF)	1	2	2		
Security-related function	1	0	0		
Leadership	2	1	2		
Other: ...	0	0	0		
Highest score	3	3	9		
				Risk Group	Highest Score Total Risk Level
				High Risk Role	7-9
				Medium Risk Role	4-6
				Low Risk Role	0-3
				Screening Programme	
					Executive
					Standard
					Basic

This framework of interpretation for risks linked to positions can be used as a pragmatic and objective basis for deciding which candidates should go through a background check process.

Finally, it should be noted that positions held by external contractors, who will assist and/or represent the organisation in the field or in practice, should not be an exception to this analysis.

What to check?

In the work of non-governmental organisations, there are certain elements that are essential to the checks, while others may be less important. It is crucial to weight the checks according to the position, not the person's profile, in order to keep the process transparent, objective and fair.

That being said, it is important to ensure that at least the following elements are checked in order to minimise risk-taking and avoid major setbacks during recruitment:

- Identity
- Address history
- Previous employers
- Criminal record
- Watch lists

Depending on the job profile and the risks associated with it, many other elements can be checked: the validity of diplomas, financial probity, a person's public presence on the internet and social networks, conflicts of interest or even possible controversial mentions in the digital or non-digital press.

To ensure professionalism, transparency and objectivity in the verifications, it is recommended to entrust them to an external and independent body that will verify and provide the relevant information to the employer in a structured manner.

For more information on this article, do not hesitate to contact Aequivalent SA.