

Helping the Humanitarian and Private Sectors Understand Each Other

A Guide to the Private Sector



The desire for effective partnerships for humanitarian and development work continues to increase across the globe with it becoming a mandate through agendas such as the UN Sustainable Development Goals (SDG) and the World Humanitarian Summit (WHS).



SDG 17: “Strengthen the means of implementation and revitalize the global partnership for sustainable development”

The SDG’s require partnerships between governments, the private sector and civil society for effective sustainable development. These inclusive partnerships built upon principles and values, a shared vision, and shared goals that place people and the planet at the centre, are needed at the global, regional, national and local level.

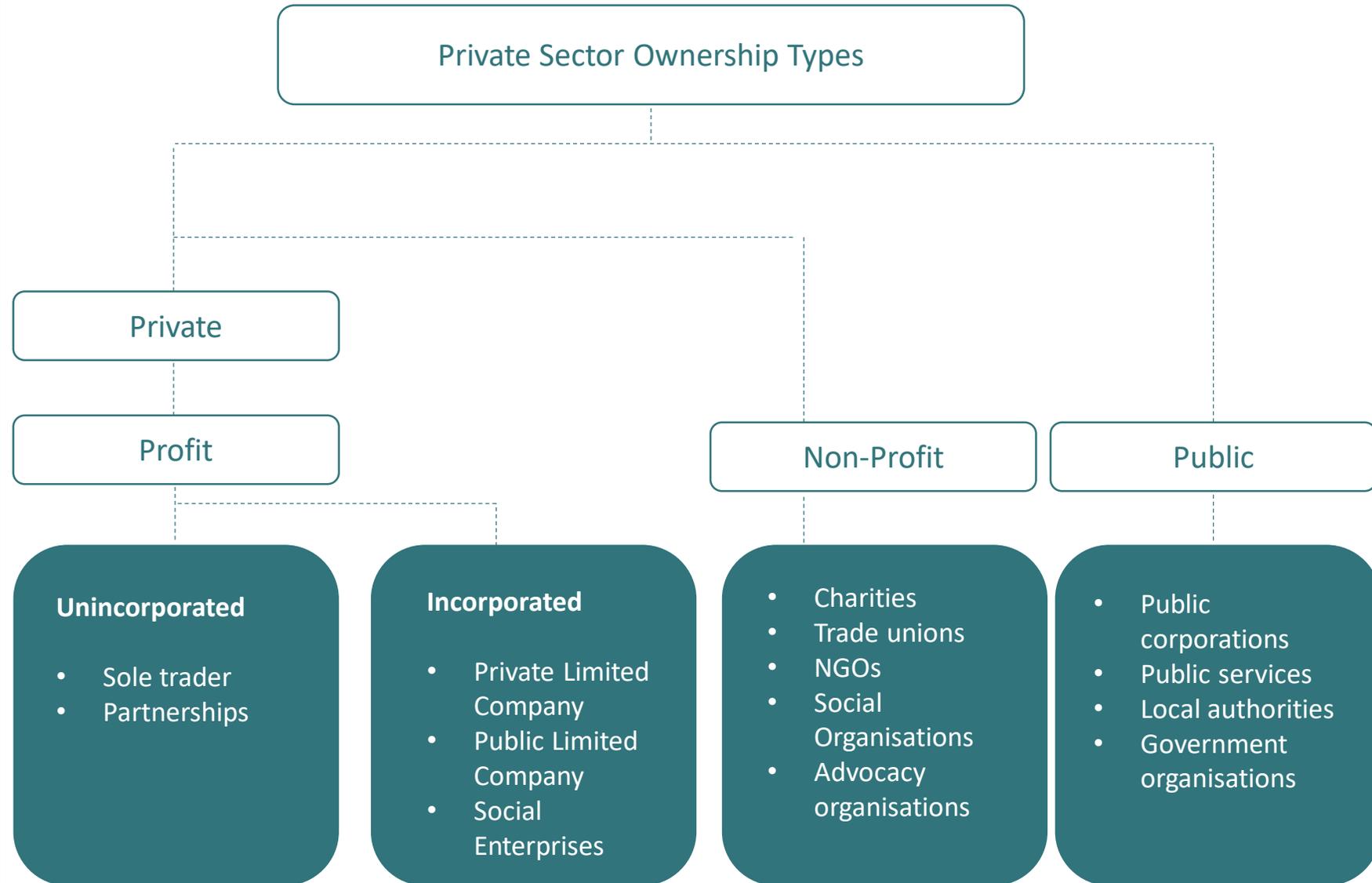


WHS goal 8: “The private sector as a meaningful partner”

At the World Humanitarian Summit, the UN aid agencies and other donor organisations agreed that working in partnership with the private sector would enhance humanitarian and development activities. This led to one of the 10 key takeaways from the summit encouraging members to view the *private sector as a meaningful partner*.

Private Sector Ownership

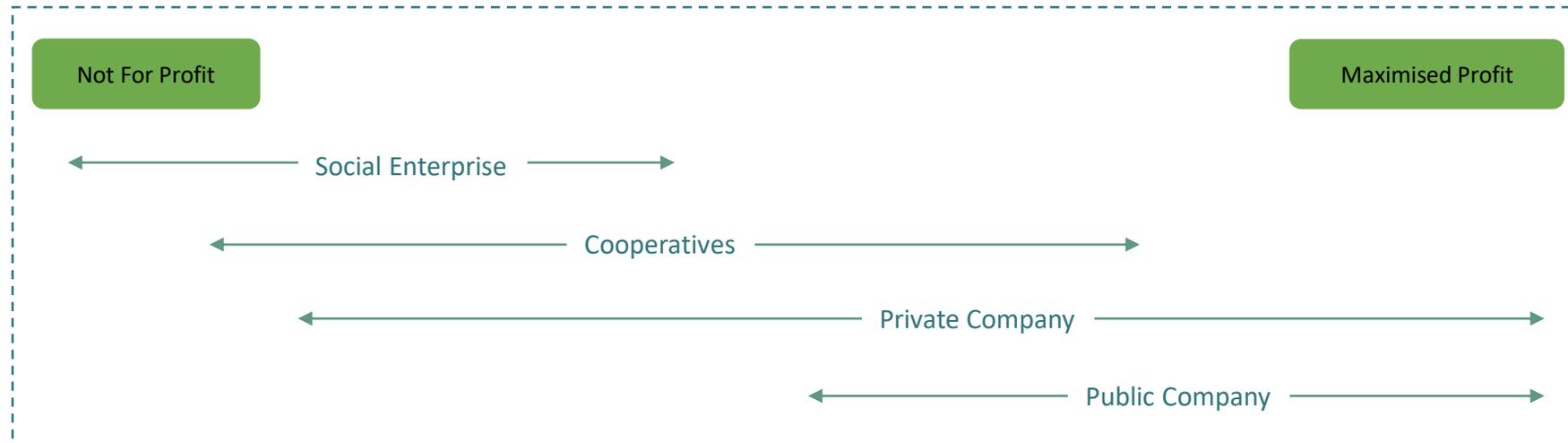
- The private sector however includes both public and private companies, both of which earn revenue but differ on how the ownership is made up.
- Private sector companies generally mean companies, or organisations that are funded by earnings generated by the provision of goods and/or services, which are traded on a market. The companies can also include Social Enterprises and Co-operatives, which generally have a smaller profit focus (see diagram).
- Public companies are listed on the stock exchange and generally have a more profit driven focus
- Private Companies are owned by individuals in the company and therefore allows a longer term and less profit driven focus



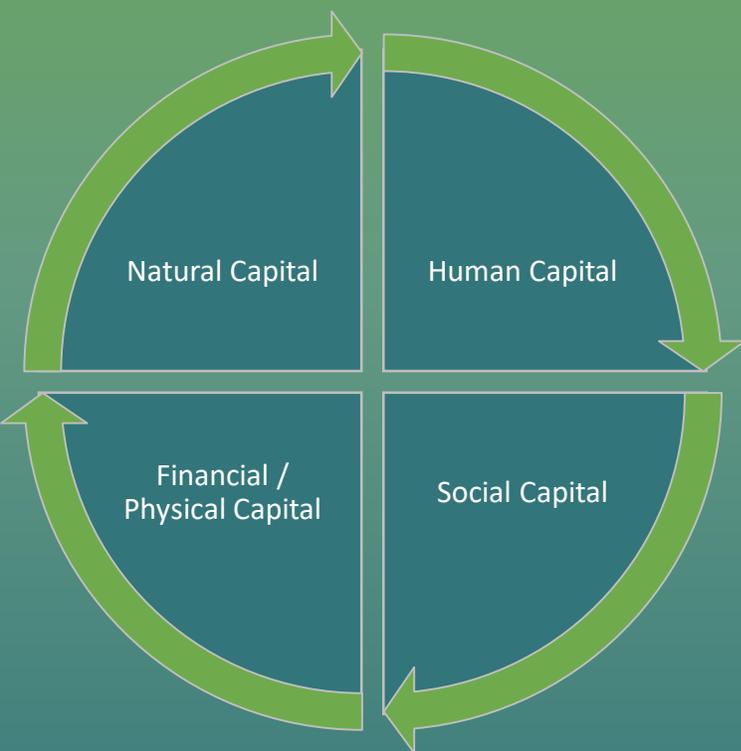
The Profit Continuum

Companies within the private sector tend to sit on a spectrum of profitability rather than either just for or not for profit. However, this is not fixed and can significantly vary from company to company. This is also true for individuals or teams within companies having different focuses across the spectrum. Having higher profitable areas within a company can allow other areas to focus on humanitarian or development work.

The profit continuum could generally be described in the figure below, with social enterprises typically sitting closer to the not for profit end and public companies towards the maximise profit end.



Private Social Responsibility and Communication



Social responsibility and a commitment to intergenerational wellbeing are now beginning to take hold within the private sector, particularly in the last three years. Businesses are now putting much more of their efforts into making a positive difference, with environmental, social and cultural targets in addition to financial targets.

For the private sector, unless they are financially sustainable, they will not survive. However, as well as financial sustainability, companies are continuously becoming more and more driven by lowering their impact looking at all capitals (financial, social, cultural, and environmental) in a holistic view.

Through the demand for increasing private social responsibility/philanthropy, many privates are being required by their shareholders or members to carry out integrated reporting to understand what their footprint on the planet is, how they can lower adverse effects and make a real positive difference. More and more companies have a strong humanitarian focus as research continues to show that people want their work to make a difference rather than just simply make money¹.

Communication Methods:

Private Sector: Utilises business email and skype for business with the expectation of a response within 24 – 48 hours

Humanitarian Sector: Typically utilises WhatsApp and personal skype which do not link with skype for business

¹ CID, 2019, Annual Survey of the International NGO Sector 2018