

**Social responsibility and the United Nations: An  
exploration of the role of the United Nations  
Office for Project Services (UNOPS)**

**I Mukuvari**

 [orcid.org / 0000-0003-3052-9485](https://orcid.org/0000-0003-3052-9485)

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Promoter: Prof EG Bain

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Student number: 26814870

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## **ABSTRACT**

The implementation of social responsibility (SR) principles in corporations has given rise to considerable interest and developed into the field commonly known as corporate social responsibility (CSR). However, the application of these principles to not-for-profit international organisations has not been given much attention. This study explores SR in the United Nations (UN) system by using the United Nations Office for Project Services (UNOPS) as a case study. Hence, it applies SR to a not-for-profit (NPO) international development organisation. The study uses the social contract theory (SCT) to show that organisations receive benefits under the social contract and have an obligation to reciprocate by acting in society's interest through socially responsible behaviour. By applying the SCT, the study also shows that the UN has the role of creating/promulgating laws or stipulating requirements for society because it is the leader of the 'global society' of nations. Hence, the UN has established various instruments relating to the practice of SR.

The study also argues that the concept of the social licence to operate (SLO) is aligned to the application of social responsibility obligations derived from the SCT. Hence, the SLO concept should have wider application to different types of organisations, including NPO international organisations such as the UN. The UN fulfilled its role of establishing SR instruments by putting robust and wide-ranging international laws and agreements in place that influence social well-being. Similarly, SR-related organisational policies in the UNOPS were found to be solid and the organisational mission was found to be grounded in social good. Based on the SR instruments established by the UN, and the related organisational instruments instituted by UNOPS, it is argued that SR addresses four categories, namely i) peace, security and rule of law, ii) human rights and labour rights, iii) governance and ethics, and iv) sustainable development. The study also offers a definition of SR that takes these categories into account in addition to the justification of SR that is derived from the social contract.

In addition to a literature review, an empirical study was carried out using in-depth interviews, observations and a review of UNOPS reports. The interviews were based on a semi-structured interview questionnaire. The results from the empirical data showed that the implementation of SR in the day-to-day operations of UNOPS was good in areas such as contributing to peace and security, exerting positive political influence, upholding human rights, implementing good governance, practising transparency, fighting corruption, developing local capacity and contributing to sustainable development. It was also observed that operating in a 'business-like' manner with aggressive financial targets had led to higher productivity and growth but there was a need to balance the drive for financial results with the need to fulfil SR obligations.

There was, however, a need to improve the following: labour practices related to the 'equal pay for equal work' principle; better gender and diversity at middle to senior management levels; and ethical considerations in relation to keeping excessive amounts of money above the expected reserves. There was also a need to improve consistency in SR performance based on a more systematic approach rather than relying on the exceptional performance from a few individuals. The lack of consistency showed that there were weaknesses in transforming SR policies into day-to-day practices. Being more systematic and consistent is more likely if improved SR leadership exists in the line management structures. This study also notes that if UNOPS became involved in projects much earlier, it would be better able to exert more SR influence on project funders.

The study introduces the idea of development-oriented social responsibility (DSR) and uses empirical evidence from UNOPS to show how an organisation may use SR to contribute to local and international development in line with the UN's international development framework, namely the 2030 Agenda. Using the Sustainable Development Goals (SDGs) and targets under the 2030 Agenda, organisations may choose to undertake projects that contribute to selected development outcomes or may add sustainable development components to existing projects. The study also makes some recommendations for the practice of SR and for topics for future research.

**Keywords:** Corporate social responsibility, Development-oriented social responsibility, International development organisation, Not-for-profit, Social contract theory, Social licence to operate, Social responsibility, Sustainable development goals.

## LIST OF ABBREVIATIONS

AI	Administrative instructions
CEDAW	Convention on the Elimination of All Forms of Discrimination against Women
CER	Certified Emission Reduction
CERES	Coalition for Environmentally Responsible Economies
CIPS	Chartered Institute of Procurement and Supply
CoE	Centre of excellence
COG	Corporate Operations Group
CPC	Contracts and Property Committee
CPI	Corruption Perceptions Index
CSI	Cement Sustainability Initiative
CSO	Civil society organisation
CSR	Corporate social responsibility
DESA	Department of Economic and Social Affairs
DFPRW	Declaration on Fundamental Principles and Rights at Work
DoA	Delegation of authority
DPKO	Department of Peace Keeping Operations
DRRR	Disaster risk reduction and resilience
DSR	Development-oriented social responsibility
EAC	Engagement Acceptance Committee
EDP	Executive director principles
EFQM	European Foundation for Quality Management
EMS	Environmental management system
EODIs	Executive Office Directives and Instructions
ERP	Enterprise resource planning
ESC	Economic and Social Council
ESG	Environmental, social and governance
ESIA	Environmental and social impact assessment
ESMS	Environmental and social management system
FAO	Food and Agricultural Organisation
FIFA	Fédération Internationale de Football Association
FSC	Forest Stewardship Council
FTA	Fixed-term appointment
GHG	Greenhouse gas
GM	General Motors
GRC	Governance, risk and compliance

GRI	Global Reporting Initiative
HLF	High Level Forum
HQ	Headquarters
HQPC	Headquarters Contracts and Property Committee
HR	Human resources
HSSE	Health, Safety, Social and Environment
IAIG	Internal Audit and Investigations Group
IATI	International Aid Transparency Initiative
ICA	Individual Contractor Agreement
ICESCR	International Convention on Economic, Social and Cultural Rights
ICJ	International Court of Justice
IDO	International development organisations
IICA	International Individual Contractor Agreement
ILO	International Labour Organisation
IOs	International organisations
IPMG	Infrastructure and Project Management Group
ISO	International Standards Organisation
JIU	Joint Inspection Unit
KPIs	Key performance indicators
LCPC	Local Contracts and Property Committee
LICA	Local Individual Contractor Agreement
LTAs	Long-term agreements
MDGs	Millennium Development Goals
NFP IDO	Not-for-profit international development organisation
NGOs	Non-governmental organisation
NPO	Non-profit organisations
NWU	North-West University
OD	Organisational directives
ODIs	Operational directives and instructions
OECD	Organisation for Economic Co-operation and Development
OHCHR	Office of the United Nations High Commissioner for Human Rights
OHSAS	Occupational Health and Safety Assessment Series
PG	Procurement Group
PMO	Project management office
PP	Precautionary principle
PPP	Polluter pays principle
PRI	Principles of Responsible Investment

RBR	Results-based reporting
RHC	Rural health centres
RREP	Rural Renewable Energy Project
SAI	Social Accountability International
SCICS	Standards of Conduct for the International Civil Service
SCT	Social contract theory
SDGs	Sustainable Development Goals
SIDS	Small Island Developing States
SII	Social impact investment
SLED	Sustainable local economic development
SLO	Social licence to operate
SMEs	Small to medium enterprises
SOE	State-owned enterprises
SR	Social responsibility
ST	Stakeholder theory
TBT	Travel booking tool
TFA	Tropical Forest Alliance
UDHR	Universal Declaration of Human Rights
ULCDS	Ultra-Low Carbon Dioxide Steelmaking
UN	United Nations
UNBOA	United Nations Board of Auditors
UNCAC	United Nations Convention Against Corruption
UNCT	United Nations Country Team
UNCTD	United Nations Conference on Trade Development
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNEP-FI	United Nations Environment Programme Finance Initiative
UNFCCC	United Nations Framework Convention on Climate Change
UNGC	United Nations Global Compact
UNGM	United Nations Global Marketplace
UNGP	United Nations Guiding Principles
UNICEF	United Nations Children's Emergency Fund
UNMAS	United Nations Mine Action Service
UNODC	United Nations Office on Drugs and Crime
UNOPG	United Nations Project Office on Governance
UNOPS	United Nations Office for Projects Services
UNSC	United Nations Security Council

VRC	Vender Review Committee
WFP	World Food Programme
WHO	World Health Organisation
WSSCC	Water Supply and Sanitation Collaborative Council
WSSD	World Summit for Social Development

# TABLE OF CONTENTS

**ACKNOWLEDGEMENTS ..... I**  
**ABSTRACT ..... II**  
**LIST OF ABBREVIATIONS .....IV**  
**TABLE OF CONTENTS..... VIII**  
**LIST OF TABLES ..... XIV**  
**LIST OF FIGURES..... XV**

**CHAPTER ONE: BACKGROUND TO THE STUDY, PROBLEM STATEMENT AND RESEARCH METHODOLOGY ..... 1**

1.1 Introduction .....1  
1.2 Problem Statement.....5  
1.3 Specific Research Questions.....8  
1.4 Research Objectives .....8  
1.5 Central Theoretical Statement.....9  
1.6 Research Design And Methodology ..... 11  
    1.6.1 *Ontology* ..... 11  
    1.6.2 *Research strategy/approach*..... 11  
    1.6.3 *Research design*..... 12  
    1.6.4 *Data collection techniques* ..... 13  
        1.6.4.1 Literature survey ..... 13  
        1.6.4.2 In-depth interviews..... 13  
        1.6.4.3 Observations ..... 14  
    1.6.5 *Sampling* ..... 15  
    1.6.6 *Data analysis*..... 16  
    1.6.7 *Limitations of the study* ..... 17  
1.7 Significance of the study..... 17  
1.8 Ethical considerations ..... 18  
1.9 Chapter layout..... 19

**CHAPTER TWO: EXPLORING THE SOCIAL CONTRACT THEORY, SOCIAL LICENCE TO OPERATE AND SOCIAL RESPONSIBILITY ..... 20**

2.1 Introduction ..... 20  
2.2 The social contract theory (SCT) ..... 21  
    2.2.1 *Questions on social organisation* ..... 21  
    2.2.2 *Early forms of the social contract*..... 21

2.2.2.1	The contribution of Hobbes.....	22
2.2.2.2	The contribution of John Locke.....	23
2.2.2.3	The contribution of Rousseau.....	24
2.2.2.4	The contribution of Immanuel Kant.....	24
2.2.2.5	Rawls and Nozick.....	25
2.2.2.6	Other recent social contract applications.....	25
2.2.2.7	Interpretation of SCT led to justification of different political systems.....	25
2.2.2.8	Criticism of the SCT.....	26
2.2.3	<i>How the social contract theory applies to this study</i> .....	26
2.2.3.1	Application of the social contract to the UN.....	27
2.2.3.2	Application of the SCT to UNOPS.....	30
2.3	The social licence to operate (SLO) concept.....	32
2.3.1	<i>SLO as consent based on satisfying the social contract</i> .....	32
2.3.2	<i>Origins and applications of SLO</i> .....	33
2.3.3	<i>International development organisations and social licence to operate (SLO)</i> .....	34
2.3.4	<i>The UN and guidance on SLO</i> .....	34
2.3.5	<i>Pressure on the SLO of UN and UNOPS</i> .....	35
2.3.6	<i>Criticism of the use of SLO</i> .....	36
2.4	Social responsibility (SR).....	36
2.4.1	<i>Social responsibility in different types of organisations</i> .....	36
2.4.2	<i>Reasons why organisations want to be socially responsible</i> .....	38
2.4.3	<i>SR in non-profit organisations (NPOs)</i> .....	39
2.4.4	<i>Application of SR to international organisations such as the UN</i> .....	41
2.5	Stakeholder theory.....	42
2.6	Chapter summary.....	44
<b>CHAPTER THREE: SR INSTRUMENTS IN THE UN AND UNOPS.....</b>		<b>45</b>
3.1	Introduction.....	45
3.2	Social responsibility and social well-being as key principles in the UN and UNOPS ...	45
3.3	Political influence and support for peace and security.....	46
3.3.1	<i>Political influence</i> .....	47
3.3.2	<i>Peacebuilding and contributing to security</i> .....	48
3.4	Human rights instruments in the UN and UNOPS.....	49
3.4.1	<i>UN approach and instruments</i> .....	49
3.4.2	<i>Human rights in UNOPS</i> .....	51
3.5	The UN and labour.....	51
3.5.1	<i>Instruments supporting labour practices in UNOPS</i> .....	52

3.5.2	<i>Occupational health and safety instruments in the UN and UNOPS</i> .....	53
3.6	Governance .....	54
3.6.1	<i>Influence of governance on SR</i> .....	55
3.6.2	<i>The UN and governance of institutions</i> .....	55
3.6.3	<i>Governance in UNOPS</i> .....	56
3.7	Ethics .....	57
3.7.1	<i>The UN and ethics instruments</i> .....	57
3.7.2	<i>UNOPS instruments for ethics</i> .....	58
3.8	Anti-corruption instruments in the UN and UNOPS .....	59
3.9	Accountability and transparency .....	60
3.10	Development instruments.....	61
3.10.1	<i>The right to development</i> .....	61
3.10.2	<i>Copenhagen Declaration, Millennium Declaration, and the 2030 Agenda</i> .....	62
3.10.3	<i>Development in UNOPS instruments</i> .....	63
3.11	UN and UNOPS instruments for protecting the environment .....	64
3.11.1	<i>Protecting the environment is important for social well-being</i> .....	65
3.11.2	<i>The UN and the polluter pays principle</i> .....	65
3.11.3	<i>Saving the ozone layer</i> .....	67
3.11.4	<i>Climate change</i> .....	67
3.12	Social responsibility pyramid based on the UN and UNOPS instruments for SR .....	68
3.13	Definition of social responsibility based on the UN and UNOPS SR instruments .....	70
3.14	Summary of Chapter 3.....	71
 <b>CHAPTER FOUR: SR PERFORMANCE IN UNOPS OPERATIONS</b> .....		<b>72</b>
4.1	Introduction .....	72
4.2	Peace and security, and political influence.....	75
4.2.1	<i>Contributing to peace and security</i> .....	76
4.2.2	<i>Political influence</i> .....	77
4.2.3	<i>Positive influence across various SR aspects</i> .....	78
4.2.4	<i>Limitations to UNOPS influence</i> .....	79
4.3	Human rights practices .....	80
4.3.1	<i>Addressing human rights issues in projects</i> .....	81
4.3.2	<i>Human rights training and awareness</i> .....	82
4.4	Labour issues .....	82
4.4.1	<i>Diversity in recruiting personnel</i> .....	83
4.4.2	<i>Gender equality and women empowerment</i> .....	84

4.4.3	<i>Gender mainstreaming in projects</i>	86
4.4.4	<i>Disabled employees in UNOPS</i>	87
4.4.5	<i>Employment contracts</i>	88
4.4.6	<i>Different remuneration and benefits for the same work</i>	89
4.4.7	<i>Limited benefits for personnel holding IICA contracts</i>	89
4.4.8	<i>No increase in remuneration over time</i>	90
4.4.9	<i>IICA personnel have higher risk exposure</i>	91
4.4.10	<i>Short duration of some contracts</i>	91
4.4.11	<i>Proper use of the IICA contract modality</i>	92
4.4.12	<i>The UN and UNOPS as custodians of good labour practices</i>	93
4.4.13	<i>Training</i>	93
4.4.14	<i>Hiring locally</i>	94
4.4.15	<i>Occupational health &amp; safety</i>	95
4.4.16	<i>Child labour</i>	96
4.5	<i>Governance and ethics</i>	97
4.5.1	<i>Organisation-wide governance</i>	97
4.5.2	<i>Ensuring that UNOPS does the right type of projects</i>	99
4.5.3	<i>Using international standards to enhance operational systems</i>	100
4.5.4	<i>Anti-corruption and ethical behaviour</i>	101
4.5.4.1	<i>Procurement</i>	101
4.5.4.2	<i>Interface with corruption in UNOPS</i>	103
4.5.4.3	<i>Corrupt influences from government officials</i>	104
4.5.4.4	<i>Personnel misconduct and internal audit</i>	105
4.5.5	<i>UNOPS and transparency</i>	106
4.6	<i>Managing SR in the supply chain</i>	107
4.6.1	<i>SR requirements in supply chain</i>	107
4.6.2	<i>SR consideration in procurement criteria</i>	108
4.6.3	<i>Assessing suppliers</i>	109
4.6.4	<i>Supply chain practices and local capacity</i>	110
4.6.5	<i>Transferring SR challenges to contractors</i>	112
4.6.6	<i>SR in HR management and host agreements</i>	113
4.7	<i>UNOPS approach to delivering results</i>	113
4.7.1	<i>Results are financially driven</i>	114
4.7.2	<i>The effects of being 'business-like'</i>	116
4.7.3	<i>UNOPS keeping more funds than it should keep in its reserves</i>	117
4.7.4	<i>Individual effort rather than organisational culture</i>	119
4.7.5	<i>Leadership required to address SR issues in UNOPS</i>	121

4.7.6	<i>Importance of SR to UNOPS</i> .....	122
4.7.7	<i>Delivering work packages; focus on outputs rather than outcomes and impacts</i> ...	123
4.8	Translating SR policy into operational practices .....	125
4.8.1	<i>Inadequate measurement of SR performance</i> .....	126
4.8.2	<i>Organisational sustainability reporting</i> .....	127
4.8.2.1	UNOPS the “good news organisation” .....	127
4.8.3	<i>Quarterly assurance processes</i> .....	129
4.8.4	<i>Other monitoring efforts</i> .....	129
4.8.5	<i>Listening to views and complaints</i> .....	131
4.8.6	<i>Policy provisions not implemented uniformly across the organisation</i> .....	132
4.8.7	<i>Implementation and checking of SR requirements in the design of infrastructure</i> ..	133
4.9	Chapter summary including key arguments .....	134
<b>CHAPTER FIVE: DEVELOPMENT-ORIENTED SOCIAL RESPONSIBILITY (DSR)</b> .....		<b>136</b>
5.1	Introduction .....	136
5.2	SR that contributes to sustainable development .....	137
5.2.1	<i>Sustainable development</i> .....	138
5.3	Undertaking projects linked to SDGs.....	138
5.3.1	<i>UNOPS mostly supporting four SDGs</i> .....	140
5.3.2	<i>Contributing to several SDGs</i> .....	141
5.4	Community engagement .....	143
5.4.1	<i>Good community engagement in UNOPS</i> .....	144
5.4.2	<i>Instances where community engagement was not good or was inadequate</i> .....	146
5.4.3	<i>Resources for doing community engagement</i> .....	147
5.4.4	<i>Contributing to the local economy and developing local capacity</i> .....	147
5.4.5	<i>Challenges with community engagement</i> .....	149
5.5	Environmental performance .....	150
5.5.1	<i>UNOPS contribution to environmental protection through projects</i> .....	151
5.5.2	<i>The UNOPS Environmental Management System</i> .....	151
5.5.2.1	Climate change mitigation.....	154
5.5.2.2	Good environmental practices not implemented consistently .....	155
5.6	Leadership and collaboration.....	157
5.6.1	<i>Leadership</i> .....	157
5.6.2	<i>Coordination</i> .....	158
5.6.3	<i>Effort and resources required to do SR properly</i> .....	159
5.6.4	<i>Supporting in a way that others cannot support</i> .....	160
5.6.5	<i>Social impact investments (SII) initiative as a means of financing the SDGs</i> .....	160

5.6.6	<i>Limitations to UNOPS' contribution</i> .....	161
5.6.7	<i>Doing more work without compromising SR quality</i> .....	162
5.6.8	<i>Helping funders to understand sustainability</i> .....	163
5.7	Challenges with making projects sustainable .....	164
5.7.1	<i>Using the SDGs to assess the adequacy of school construction projects</i> .....	165
5.7.2	<i>Using the SDGs to address the long-term benefit of society</i> .....	167
5.8	Chapter Summary.....	168

## **CHAPTER SIX: CONCLUSION, RECOMMENDATIONS AND AREAS OF FUTURE**

<b>RESEARCH</b> .....	<b>169</b>	
6.1	Introduction .....	169
6.2	Summary of concluding points .....	169
6.2.1	<i>Concluding remarks on research objective 1</i> .....	169
6.2.2	<i>Concluding remarks on research objective 2</i> .....	170
6.2.3	<i>Concluding remarks on research objective 3</i> .....	171
6.2.3.1	Positive performance in SR .....	171
6.2.3.2	Aspects that UNOPS could improve .....	172
6.2.4	<i>Concluding remarks on research objective 4</i> .....	173
6.2.5	<i>Concluding remarks on research objective 5: Recommendations</i> .....	173
6.3	Summary of the contributions of the study .....	175
6.4	Limitations.....	176
6.5	Areas of future research .....	176
6.6	Conclusion .....	177
<b>BIBLIOGRAPHY</b> .....	<b>179</b>	
<b>ANNEXURE ONE: SEMI-STRUCTURED INTERVIEW QUESTIONNAIRE</b> .....	<b>203</b>	
<b>ANNEXURE TWO: OBSERVATION GRID</b> .....	<b>208</b>	
<b>ANNEXURE THREE: LANGUAGE EDITING</b> .....	<b>209</b>	

**LIST OF TABLES**

Table 1.1: Levels of interview participants ..... 16

Table 4.1: Countries of origin of the interviewees and the countries they have been  
exposed to while doing UNOPS work ..... 72

Table 4.2: Countries where observation visits were made ..... 75

Table 5.1: Examples of projects that UNOPS carried out to support the SDGs ..... 140

**LIST OF FIGURES**

Figure 1.1 Structure of the United Nations system..... 4

Figure 3.1: Categories of social responsibility based on UN and UNOPS SR instruments..... 69

Figure 5.1: UNOPS personnel inspecting the construction of a solar powered mini-grid  
electricity distribution system under the RRE project in the Port Loko district of  
Sierra Leone ..... 142

Figure 5.2: Waste segregation at a UNOPS construction site in Kosovo ..... 153

Figure 5.3: Reuse of tyres for exterior decoration at UNOPS Ghana office..... 154

# CHAPTER ONE: BACKGROUND TO THE STUDY, PROBLEM STATEMENT AND RESEARCH METHODOLOGY

## 1.1 Introduction

According to Knudsen (2014:1) and Rosen (2015), more than 8 000 people died after being infected by cholera that is alleged to have been brought into Haiti by the United Nations (UN) peacekeepers in 2010. Rosen states that scientists proved that cholera was brought by the peacekeepers as alleged; however, Knudsen notes that the UN has not been prosecuted because it has immunity against prosecution (Knudsen, 2014:1). Although not many people would associate the UN with any actions that would harm society, the question of whether the UN's intended or unintended impacts may harm society is of interest when considering the subject of social responsibility (SR).

The account that has been referred to above relating to the intervention of the UN in Haiti is not the whole story. When the Haiti earthquake occurred in 2010, over 220 000 people died while those who were injured numbered more than 300 000. Hundreds of thousands of buildings that included houses and community services facilities were either damaged or completely destroyed. Thus, Haiti needed support from the international community to rescue people, provide food and shelter, and maintain peace and security (Lusk & Andre, 2017:304; Stevens, 2017:13). The UN was fully committed and at the centre of providing this support to Haitian communities through the implementation and coordination of humanitarian and development efforts (Kai, 2010).

Similar to the example of the UN, private companies that provided much needed goods and services to society have had both negative and positive impacts resulting from their actions. For instance, although Nestle had long been providing essential baby food supplements, it was observed in 1977 that its baby milk formula was linked to an increase in infant mortality (Alexander, 2015:25). Blowfield and Murray (2014:5) also noted the negative and positive implications of the contributions of organisations such as Juventus Football Club, G4S Security Services and Lehman Brothers financial services and investment bank.

The purpose of these examples is to illustrate that organisations have not only negative effects, but also positive impacts on society. SR occurs when an organisation recognises these negative and positive social impacts, takes responsibility for them and also takes action to increase the positive impacts while decreasing the negative impacts (Jones, 2002:2). This means that an organisation avoids harming society while it contributes to social good in its operations. Hence it is expected that the actions of a socially responsible organisation should be ethical and within the expectations of local and international legal requirements, and should take care of the needs of

stakeholders (ISO, 2010:3). When it is defined this way, SR applies to all organisations regardless of whether they are for profit or non-profit (Seitanidi, 2005:69). However, in past decades most of the focus has been devoted to the SR of profit-making organisations. This focus on profit-making organisations has resulted in the development of a field called corporate social responsibility (CSR). The amount of interest, research and application of CSR has led to the development of codes of practices and recognised principles that profit-making companies are expected to apply (Dolan & Rajak, 2016:4). In contrast, non-profitmaking organisations have not received much attention in literature or in establishing codes of practice (Chile & Black, 2015; Hogan, 2009:52; Unerman *et al.*, 2006:350).

The focus on SR for profit-making entities seems to have started in the 1950's. For instance, in 1953 Howard R. Bowen described the social responsibility of 'businessmen' as the obligation of business to operate in line with principles and purposes of society. Bowen acknowledged that business could positively influence the principles and purposes of society but cautioned against disregarding societal values in preference for the values of business only (Bowen, 2013:6). Scholars have continued to develop the subject area of CSR over the past six to seven decades by emphasising that profit-making organisations have an obligation to do well economically whilst operating within the confines of the law. Further, they also emphasised that organisations have an obligation to actively seek the betterment of society through deliberate policies and actions, such as ethical practices and philanthropy (Blowfield & Murray, 2014:7; Carroll, 1999:290; Davis, 1973:312).

Within this decade, researchers began to consider a wider application of social responsibility that is not restricted to corporations but also covers other types of organisations. For instance, Baden and Harwood (2013:615) suggest that the current definitions of CSR are not adequate if we consider how much they are fit for purpose. A good definition should apply to different types of entities including organisations that are not corporations, such as public sector organisations and NGO's (Baden & Harwood, 2013:624). Similarly, the ISO 26 000 standard (ISO, 2010:5), which is an international guidance on SR, states that the use of SR instead of CSR is due to the realisation that social responsibilities are applicable to other types of organisations in addition to corporations. Thus, not surprisingly, researchers such as Aguinis (2011:857) have framed SR in a way that is no longer limited to profit-making entities but one that has wider application to different types of organisations. The following is the definition of SR by Aguinis and Glavas (2012:933):

“context-specific organisational actions and policies that take into account stakeholders' expectations and the triple bottom line of economic, social, and environmental performance.”

This shift towards a wider application of SR creates interest in the application of SR to the UN and to one of the entities falling under the auspices of the UN General Assembly called the United Nations Office for Project Services (UNOPS) which will be used as a case study in this research.

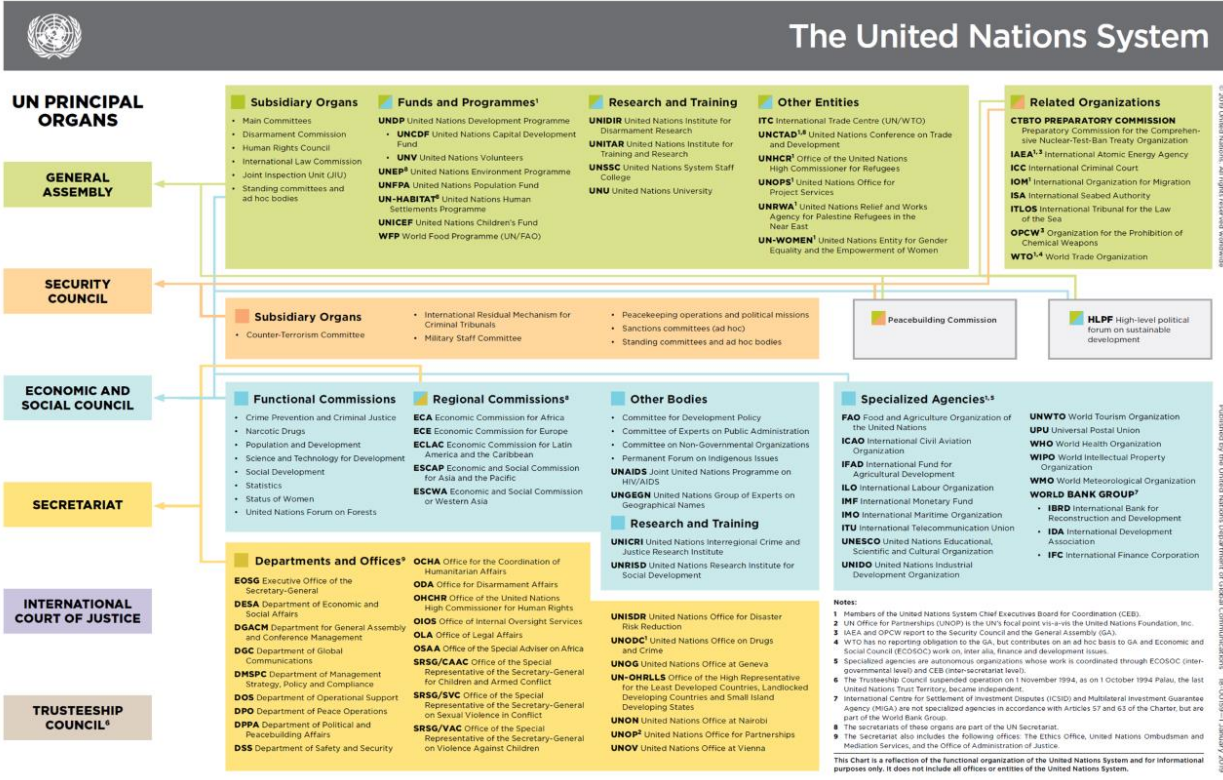
## **The UN and UNOPS**

This study explores SR in the UN and UNOPS, organisations that play a major role in restoring the normal function of society after the disruptive effects of conflicts or natural disasters. They take on key activities that would be undertaken by private corporations and government agencies in an optimally functioning state. Vives (2004:51) notes that multilateral organisations such as the UN, and regional development banks have an important influence on SR because they act globally, they are focused on development and they are considered to be neutral. This study seeks to develop a better understanding of the UN and UNOPS roles, including developing a theoretical basis that supports this role.

The global reach of international organisations such as the UN and UNOPS is an important factor when one considers how these organisations extend their influence to communities and governments. The communities from around the globe have become more connected because of globalisation which has meant that people are more linked through trade, movement of capital, and immigration. The increase in globalisation witnessed from the 1970's to the 1990's (Glyn, 2004:1) has been accompanied by the globalisation of SR issues. For instance, goods and waste may be produced in one location and sent to other locations. Thus, for example, the community that feels the effects of hazardous waste may not be the one benefitting from the products (UNEP, 2012:xviii). However, the broad reach of communications and international media has meant that the influence of SR issues is now being felt in different parts of the world (Charbaji, 2009:379). This means that local people are no longer the only relevant people to consider when addressing social needs. Hence a global approach is required to determining these needs of society.

The UN, formed in 1945, is at the centre of determining the needs of the global society. It not only seeks global consensus on the issues that need to be addressed but also establishes the international frameworks to deal with global challenges (United Nations, 1945; United Nations, 2011a:3). The six principal organs of the UN are the General Assembly, Economic and Social Council, Security Council, Secretariat, International Court of Justice and Trusteeship Council (United Nations, 2018a:18). Figure 1.1 shows the structure of the UN. In the chart, UNOPS is one of the entities under the General Assembly. In the context of this study the UN shall be used to refer to the actions of the UN organization through its principle organs with a specific focus on the operations of the UN General Assembly through its Subsidiary Bodies, Funds, Programmes,

Institutions and other entities of which UNOPS may be used as a case study. The terms Departments, Funds, Institutions and Programmes have specific specialized meanings that are associated with the operational characteristics of these entities in the UN system. For the purpose of this study, the various units shall simply be referred to as UN organisations or UN entities



Source: United Nations (2019)

Figure 1.1 Structure of the United Nations system

By signing the UN charter to become members, member states are contractually obligated to follow the pronouncements in the charter. UN member states are also given direction through international law in the form of conventions and resolutions. The UN facilitates international development by identifying global development needs and facilitating the planning and implementation of the actions required to meet the world’s challenges. Through the Millennium Development Goals (MDGs) from 2000 to 2015 and the Sustainable Development Goals (SDGs) from 2015 to 2030, key global issues are being addressed. These issues include poverty, education, gender mainstreaming, health, environment, collaboration, industrialisation, infrastructure, resilient cities, climate change and inclusive societies (United Nations, 2017b:131; United Nations, 2018a:52).

The contribution of UNOPS to these global development issues started in 1974 when it was formed. It initially operated as a part of the United Nations System Development Programme (UNDP) until

1995 when it became a separate UN entity. As part of its core values, UNOPS seeks to improve local capacity, to guarantee accountability, to leverage synergies from partnerships and to be a standard-bearer for international good practices (New Zealand Government, 2011:268). It implements different types of projects on behalf of other UN organisations, development banks, development agencies, donor countries, host governments and other partners. UNOPS operates in over 80 countries. In 2016, it implemented over 900 projects worth over US \$1.4 billion. The main focus areas for the work of UNOPS are the development of physical infrastructure, procurement, financial management services, human resources services and project management (UNOPS, 2017a:4, 12). Unlike most UN entities, UNOPS does not receive core funding from pledges made to the UN system to finance its operations. Instead, it competes for work on the market in line with its values and strategy for humanitarian and development work, and charges partners or donors a fee that is enough to cover its costs (Dijkzeul, 2000:6). The relevance of SR to the UN and UNOPS and the contextualisation and conceptualisation briefly provided by the above introduction form the basis for the research problem described in the problem statement below.

## **1.2 Problem statement**

Allegations of irresponsible behaviour by the UN highlight the fact that SR is relevant to the UN and UNOPS and should be addressed as part of its operations to curb such irresponsible behaviour. In addition to the example from Haiti given in the introduction, there are some SR related issues involving the UN or UNOPS recorded in literature. For example, there have been allegations linking the UN to corruption and mismanagement of funds. Such allegations were made in the oil-for-food scheme for Iraq between 1996 and 2003. Investigations demonstrated inadequacies in internal controls in the UN system. This led to improvements in line with recommendations made (Volcker, 2006:x-xii). In examples specific to UNOPS, there have been allegations of corruption against the Head of UNOPS in Afghanistan who was there before 2007. He is alleged to have abused donor funds by spending money donated for development initiatives to finance his luxurious lifestyle (Lynch, 2009). As a result, some reforms were made by UNOPS to address audit concerns raised (United States Government Accountability Office, 2009:3).

UNOPS also lost half a million US dollars to fraud from 2008 to 2014. Although this only represents 0.02 % of their expenditure in that period, it is still a large amount of public funds (United Nations Joint Inspection Unit, 2016:2). To mitigate such losses, UNOPS put a framework and resources in place to combat fraud (United Nations Joint Inspection Unit, 2016:25).

The reports of the United Nations Office of the Ombudsman gave an indication of challenges among UNOPS personnel in issues such as abuse of power, harassment and unfair treatment during performance evaluation and termination of employment. In 2013 there were 20 cases that were reported to the Office of the Ombudsman (United Nations Office of the Ombudsman, 2014:4). Although there were some indications of arrangements to mitigate some types of irresponsible behaviour, it was unclear from an analysis of information published by UNOPS whether the organisation was doing well in SR. Thus, this exploration of SR in UNOPS sheds more light on how the organisation meets the expectations, not only of external stakeholders but also of internal stakeholders.

Applying SR to non-commercial international organisations such as the UN is uncommon. It is assumed that because of their nature such organisations are socially responsible (Seitanidi, 2005:65). Given the examples of irresponsible actions that have been associated with the UN and UNOPS, it was necessary to explore the application of SR to non-commercial international organisations such as the UN. However, not much research into the SR of such organisations had been conducted (Chile & Black, 2015; Hogan, 2009:52). Some emerging research areas have preferred to focus on how not-for-profit organisations such as civil society organisations (CSOs) monitor the implementation of SR by corporations (Malets & Bohling, 2018:49). Others consider the potential for not-for-profit organisations to bring the social value components into partnerships with businesses (Weber *et al.*, 2017:929). However, the research gap on how SR applies to international not-for-profit organisations remains. When an organisation such as UNOPS manages hundreds of millions of dollars' worth of procurement, construction and fund management services, the question arises whether social responsibility principles that apply to profit-making private companies also apply to it. This study hopefully contributes to filling this research gap.

The focus on the UN system is of significance because the UN has a major impact on the SR landscape since it determines what is good for society throughout the whole world by setting the development agenda through agreements such as the MDGs and the SDGs (United Nations, 2015b). These agreements used by the UN do not only bind member states by moral commitments but also by international legal instruments that compel member states to enforce many interventions for the good of society. Since any international agreement that a country signs becomes enforceable to everyone in that country, it means that the influence of the UN extends to the private and public sectors (United Nations, 1966:3; United Nations, 2003:1; United Nations, 2011a:188-191). UNOPS is in a position to influence the well-being of society since it carries out projects that affect issues such as addressing poverty, inequalities, environmental degradation, human rights violations, and unfair trade practices (United Nations, 2011a:13-14).

The UN has also influenced SR by compelling organisations to contribute to its development agenda. It has had a significant impact on encouraging organisations to join possibly the most widely subscribed and most respected SR membership organisation in the form of the United Nations Global Compact (UNGC) (Benn & Bolton, 2011:18). A key intention of initiatives such as the UNGC is to oblige organisations to partner the UN in contributing to the UN goals (Annan, 1999). In a similar fashion, the UN has also encouraged investors to seriously consider investing in socially responsible ways by joining the Principles for Responsible Investment (PRI) initiative (United Nations Principles for Responsible Investment, 2015). Another key global SR initiative in which the UN has been involved is the Global Reporting Initiative (GRI). The GRI has encouraged increased participation in SR by different types of organisations because it compels members to report on their performance and on improvements that they intend to make (Global Reporting Initiative, 2013:5).

With all this influence that the UN has had in the practice of SR, what is conspicuously missing is research that explores SR using the theme of global social needs in relation to the 'global society' that has been formed through the United Nations. This study has contributed to SR knowledge by developing a description of how SR is linked to the international development agenda promoted by the United Nations. The study also explored SR by UNOPS, a UN organisation, in its own operations.

Whilst the UN influences corporations through various international interventions, it operates in member countries fulfilling those functions that government and the private sector may be unable to fulfil because of conflicts, natural disasters, corruption and underdevelopment. Through UNOPS the UN assists those in need by constructing infrastructure such as schools, police stations, hospitals, roads and community buildings. It also undertakes public procurement of items such as ambulances and medical equipment (UNOPS, 2013:24). For the UN to be able to carry out its operations, including peacekeeping operations, the host member state has to give consent and the relationship between the host member country and the UN has to be maintained (New Zealand Government, 2011:49). It could be argued that the UN serves at the pleasure of the host country, consisting of society and the country's leadership; therefore, it also has to operate in a socially responsible manner for it to be allowed to continue operating. This can be likened to private corporations needing to meet societies' requirements in order to obtain and keep the

licence to operate<sup>1</sup> (Blowfield & Murray, 2014:40). Thus, there is a case for exploring how much the UN and UNOPS are contributing to SR and putting SR into practice in their operations.

Therefore, the general research question is: ***What role does the UN play in securing social responsibility with special reference to UNOPS?*** The following specific research questions clarify the purpose and focus of the study.

### **1.3 Specific research questions**

The research objective referred to above translates into the following research questions:

- How can the social contract theory be used to explain social responsibility in the context of international development organisations such as the UN and UNOPS?
- What are the UN stipulations or requirements that support SR? What are the related UNOPS policies and strategies that cover SR?
- How does UNOPS perform in the implementation of SR principles in its operation? What gaps, if any, in SR performance are present?
- How can the SR of UNOPS contribute to sustainable development?
- What recommendations may be made on the future application of SR?

### **1.4 Research objectives**

The research objectives are the following:

- To conduct a literature survey of the social contract theory and use it to explain social responsibility in the context of international development organisations such as the UN and UNOPS;
- To describe the UN stipulations or requirements that support SR, and describe the related UNOPS policies and strategies that cover SR;
- To analyse how UNOPS performs in the implementation of SR principles in its operation, and to determine whether there are gaps in SR performance;
- To describe how the SR of UNOPS may contribute to sustainable development; and
- To make recommendations on the future application of SR.

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<sup>1</sup> Licence to operate means that society allows an organisation to function because society accepts the impacts of the organisation. The concept is derived from social contract theories introduced by theorists such as Hobbes and Locke (Blowfield & Murray, 2014:42).

## 1.5 Central theoretical statement

The theoretical starting point of this research is that the social responsibility of the UN and UNOPS are established through the social contract. Hobbes (1914a:9) describes the state of society before establishment of a social contract as one in which people are “solitary, poor, nasty, brutish and short”. Instead of working together to be more productive and to contribute to systems of a common good, people fight against each other. Locke (1824:218, 258) introduced a variation to the scenario painted by Hobbes of men living without the social contract. Instead of war and constant chaos, Locke argued that there is a moral code that keeps the peace. However, conflicts may result because of the absence of a governance system to resolve disputes. A social contract is then formed when people surrender their natural right to live independently of each other and to fight each other. Instead, as part of society, people subject themselves to a system of governance. Thus, although they portray some differences, both Hobbes and Locke describe an undesirable state of affairs lacking rule of law and security for people and property. Under the social contract theory, the authority that rules over society and the people being governed both have obligations that they should meet in order for peace, development and stability to prevail. The authority is obliged to protect lives, administer justice, protect property rights and work for the good of society (Locke, 1824:218, 258; Rousseau, 1914:49). The people have an obligation to act in an acceptable manner with respect to the laws and expectations of society in return for the benefits of being part of society. The same argument places obligations on organisations as they are also ‘members’ of society.

Although the UN does not bring countries into a government system with power and structures similar to national governments, it compels countries to come together to find common understanding of what is international law and to cooperate to implement it (United Nations, 2018a: 8). A key element of the UN’s role of international governance is the UN Charter which is a covenant of the nations of the world binding them to contribute to conflict resolution, peaceful co-existence and resolution of the global society’s development challenges (United Nations, 1945). The authority of the UN is seen through its establishment of international conventions and resolutions that are legally binding to member states. Therefore, there are grounds for exploring the UN’s contribution to SR in the light of its governing influence over the global society that is made up of its member states.

Rousseau (1914:33) also notes that the social contract establishing society inherits challenges caused by social or economic inequality. In today’s world, these issues may be equated to fundamental issues of international development such as poverty, inequality, unsustainable

consumption and unacceptable working conditions that the UN and UNOPS seek to address (United Nations, 2015b).

In order to address the research questions, the key argument is centred on the UN's role in SR and how UNOPS applies SR to further its cause. The point of departure is why the UN should be involved with SR. Modern-day corporates apply CSR to limit harm to society or to contribute to the needs of society. However, this obligation to be socially responsible should not be restricted to profit-making private companies only. It should be extended to organisations that are not corporations (Baden & Harwood, 2013:624). For this reason, it can be argued that SR also applies to the development work by the UN and UNOPS. Whilst the work of the UN and UNOPS is primarily in the fields of humanitarian affairs and development, it is possible for them to act in an irresponsible way that may lead to society's dissatisfaction.

The UN has contributed to the practice of SR through promoting global codes and practices that are subscribed to by many organisations. An example of the UN's direct involvement in SR is the UN Global Compact that was mentioned previously (United Nations Global Compact, 2015). The UN has also established conventions and policies that support the implementation of SR and contribute to international development through its subsidiary organisations such as UNOPS.

While considering the applicability of SR to the UN and UNOPS, it is important to keep in mind the fact that there are several different uses of the term 'social responsibility' and SR researchers fail to agree on one definition of the term (Dahlsrud, 2008:1; Haynes *et al.*, 2012:10). Perhaps the inclination of an organisation to one definition, or to another, influences how well the concept of SR is accepted and implemented within the organisation (Baden & Harwood, 2013:624). For the purposes of this study, interest leans towards how SR principles may apply to international development and the global society.

In addition to the application of the social contract theory, stakeholder theory could assist in understanding how SR is influenced by stakeholder engagement. It helps to define who the stakeholders are, what their interests are and how these interests can be met by the organisation (Aguinis & Glavas, 2012:953; Haynes *et al.*, 2012:19). Therefore, the SR of UNOPS was assessed in the context of the stakeholders involved with UNOPS. Having regard to the central theoretical statement above, the research design and methodology used in this study are described in the next section.

## **1.6 Research design and methodology**

This section describes the research design and methodology that were applied in order to meet the research objectives. The section also refers to the ontological perspective of the researcher, the research approach and the design. It also describes the sampling, data collection, and data analysis methods applied in this study.

### **1.6.1 Ontology**

This study is based on Constructivism. According to Constructivism, knowledge is developed through the participation of the researcher, thus truth is produced according to the researcher in a particular context (Guba & Lincoln, 1994:110). This means that knowledge or truth is not an absolute that is waiting to be discovered. Instead, it is a product of the researcher's active participation in gathering information, interpreting it and rearranging it in a way that gives meaning (Golding, 2011:468; Roller & Lavrakas, 2015:4).

Therefore, the researcher sought to use the setting of UNOPS to develop an appropriate understanding of the meaning of SR and to explain the applicability of SR to UNOPS. The researcher relied on his knowledge of the organisation, a review of the organisation's published documents and on the interaction with participants from the organisation to obtain findings applicable to the setting of the organisation. The research approach used for this study was a qualitative analysis approach.

### **1.6.2 Research strategy/approach**

A qualitative research approach was used to support the Constructivism worldview of this study. In a qualitative study, there is a bias towards understanding the meaning and describing the status of things. On the other hand, quantitative research focuses on measurable aspects and the distribution of such measures (Berg & Lune, 2012:3). This study started by considering the social contract theory in relation to how it could be applied to the UN and UNOPS. The second part then used empirical qualitative data to explore what is happening in UNOPS regarding SR.

The qualitative approach enabled the researcher to gain an in-depth understanding, not only of what the issues are but also of why they are what they are (Roller & Lavrakas, 2015:51). Its epistemological bias is interpretivist, whereby inductive exploration of a research problem is geared to produce conclusions based on how those involved in the research interpret the context of the study. The results of the research are subject to the context and the perspective of the

researcher; there is no obligation to generalise nor to make the research repeatable (Bryman, 2012:35, 380). This creation of knowledge through the participation of the researcher and thereby producing truth according to the researcher in a particular context is called Constructivism (Guba & Lincoln, 1994:10).

The research design that was used with the qualitative approach of this study is described below.

### **1.6.3 Research design**

A case study design within the context of a qualitative approach was used for this study. A case study makes one unit (or a few units) the focus of a detailed study. This has the advantage of allowing the researcher to interact with the subjects of the study more intensely and leads to higher validity of the results (Eisenhardt, 1989:532).

This case study focused on the operations of UNOPS. The intensity of going through 52 in-depth interviews with interviewees that had been exposed to UNOPS operations in 41 countries and comparing findings with different types of UN documents ensured a high level of validity. However, similar to what was observed by others who used a similar approach (Eisenhardt, 1989:546), the researcher was overwhelmed by the enormous amount of data generated by this number of interviews. Perhaps similar studies in future could focus on not more than 20 to 30 interviews, especially when judgemental sampling is being used and the researcher has a good idea of the scope of the potential contribution of the participants because of interactions with the participants over a number of years. For the researcher, using UNOPS resulted in easier access to empirical data and allowed the researcher to be close to the processes being studied since he had had access to UNOPS operations for several years. Hence, the researcher observed SR-related performance as it happened between August 2016 and February 2018, leading to an in-depth review of the case using various sources of information that resulted in increased credibility or internal validity.

In addition to credibility that resulted from the in-depth study of the case, triangulation was also used to increase validity. Triangulation refers to the use of at least two sources of data for a study and at least two methods of obtaining the data. In this study sources included interviewees, documents and organisational events. Data collection techniques were literature reviews, interviews and observations (Bryman, 2012:390, 392). These data collection techniques are described in the following section.

#### **1.6.4 Data collection techniques**

The three data collection techniques used in this study were i) a review of literature and documented information, ii) semi-structured in-depth interviews, and iii) observations.

##### **1.6.4.1 Literature survey**

A survey of literature from various sources was conducted. Conducting the literature review was important for determining the knowledge that existed in the area of study and the gaps that research could fill. Once the gap that the research was to address had been identified, reviewing literature assisted the researcher to develop a line of argument from the constructs that others had put forward. The literature was also useful for comparing the results of this study with the work of others (Hart, 2018:3, 17; Roller & Lavrakas, 2015:309). The sources used for the literature survey were books, academic journal articles, electronic databases and scholarly conference papers and reports.

Important empirical data was also collected from the analysis of documents or reports published by UNOPS, UN entities, and organisations that have an international interest in SR, such as the Global Reporting Initiative (GRI), the Organisation for Economic Co-operation and Development (OECD), and the International Aid Transparency Initiative (IATI). Key sources from UNOPS and UN documents included UNOPS executive board documents, annual results reports, sustainability reports, audit reports, and strategy and policy documents. The key source of empirical data and insights into the study was in-depth interviews.

##### **1.6.4.2 In-depth interviews**

Interviews are regarded as a crucial data collection technique for qualitative research because of their ability to allow the researcher to engage deeply with what people experienced beyond a simple understanding of actions and results, leading to deeper insight into motivations and attitudes (Klenke *et al.*, 2016:140). Semi-structured in-depth interviews were used as a key data collection instrument for this study. A total of 52 one-on-one interviews were carried out between December 2016 and May 2017. Each interview lasted between one hour and one and a half hours. At the start of these interviews participants were reminded of the purpose of the research and that their identity would not be divulged. They were also advised that their participation was voluntary, hence they were free to discontinue the interviews at any point if they changed their minds about participating. The interviews were recorded and then transcribed into MS Word documents before being analysed using NVIVO 11 Professional software.

The interviews were semi-structured. Annexure 1 shows the interview questionnaire that was used. Semi-structured interviews were preferred to structured or unstructured interviews because they allow the interviewer to go through planned areas of focus while permitting flexible exchanges. The interviewer had the latitude to change the order of questions or follow up as necessary while the interviewees were able to express themselves more freely than would have been the case if strictly structured interviews were used (Roller & Lavrakas, 2015:53). The potential for power relationships to affect the interview was considered to be a possible negative influence on the interviews since the interviewer and interviewee were working in the same organisation. It would be undesirable for the interviewee to feel as if the interviewer was talking down to him/her (or *vice versa*) because of work place, rank, or relations. Hence meeting rooms were used so that interviewer and interviewee would sit in a neutral environment rather than for one to sit on the opposite side of the other's table in an office (Roller & Lavrakas, 2015:57). This was an effort to create what Taylor *et al.* (2015:102) described as "a conversation among equals" where human experiences are shared, rather than an interrogation of an interviewee. The other reason for using official meeting rooms was that most of the participants sat in shared office spaces and it was considered that answering in the presence of their workmates could affect their answers. For example, some people would not want to be seen by their workmates to be criticising their unit or the organisation and would perhaps adjust their answers in line with such thoughts. Slack *et al.* (2015:541) followed a similar approach by exploring SR using interviews held in meeting rooms at the head office of the organisation. Also similar to this study, Slack *et al.* transcribed the interviews and used thematic analysis to determine emerging SR issues in the organisation.

The researcher was able to observe the development and implementation of some of the SR initiatives of the organisation since he spent some years in UNOPS. The next section describes how the observations were done.

#### **1.6.4.3 Observations**

Observations were made between August 2016 and December 2017. The observations were focused on witnessing elements of the organisation's SR initiatives first-hand through events and actions that occurred during the time of the research. This is important because sometimes there is a difference between what people say is happening compared to what is actually happening. Using observation has the advantage of being accurate as the reality is seen rather than being narrated from other people's recollections. Hence using observation avoids the errors that could occur because interviewees forget details, fail to convey meaning accurately or their responses

may be affected by the interview environment, including the attributes of the interviewer (Bryman, 2012:270).

However, unlike typical participant observation techniques used in behavioural sciences or ethnographic studies, the observations in this study did not focus on individuals and their behaviours. Instead, they sought to describe observable evidence of SR aspects from events and actions such as the establishment of projects that support sustainable development, the announcement of policies, initiatives for addressing community challenges, the management of waste, the use of tools for supplier assessment, and the launch of performance measurement tools. These observations were used as an additional technique to increase the validity of using interviews and documented information.

Observations can be structured or unstructured. In structured observations, an observation schedule or guide that defines what is observed, when it is observed and what is recorded is prepared (Bryman, 2012:272). This study leaned towards structured observations because an observation grid was prepared to help the researcher to focus on some of the aspects of UNOPS performance that were being explored in line with the semi-structured questionnaire (See Annexure 1 for the semi-structured questionnaire and Annexure 2 for a sample of the observation grids that were used). Hence the researcher obtained a first-hand impression of some of the aspects discussed in the in-depth interviews by observing some UNOPS work places. The next section describes how the sampling was carried out.

### **1.6.5 Sampling**

The 52 interviewees selected were from 31 nationalities and together they had experience of UNOPS operations in 41 countries across all the regions of the world where UNOPS has operations. An effort was made to ensure that the interviewees came from a good cross-section of the levels in the organisation. Table 1.1 shows the distribution of interviewees across levels in the organisation.

The choice of individuals to be interviewed was mostly done by judgemental sampling (Mouton, 2001:150) whereby the researcher selected interview subjects based on their potential to contribute to the study. Thus, for the purposes of this study, interview participants were selected for their potential understanding of SR in the context of UNOPS (Corbin & Strauss, 1990:8). After more than half of the interviewees had been identified, snowball sampling was applied. This means that the initial interview candidates suggested other potential interview candidates based on their knowledge of the organisation (Goodman, 1961:148).

**Table 1.1: Levels of interview participants**

LEVEL IN THE ORGANISATION	NUMBER OF INTERVIEW PARTICIPANTS
<b>Senior managers</b>	12
<b>Middle managers</b>	22
<b>Lower level employees</b>	18
<b>Total number of interviewees</b>	52

**Source: Prepared by the researcher, 2018**

The advantage of this approach was that it used the knowledge of many people to select interview candidates rather than relying on the knowledge of the researcher alone. When a point was reached when the researcher was no longer obtaining new information, it was assumed that data saturation had been achieved (Francis *et al.*, 2010:1229). The next section describes how the data obtained was analysed with the intention of answering the research questions.

**1.6.6 Data analysis**

Audio recordings of interviews with participants were transcribed into Word documents by a professional service provider. There was the possibility of using several qualitative analysis software products found on the market. NVIVO 11 Professional was selected for the data analysis (Bryman, 2012:593; Leedy & Ormrod, 2010:154). The basic strategy used for data analysis had some similarities to analytical induction in that initial categories developed from literature were used as the basis of analysing SR in UNOPS. However, the research did not necessarily follow the rigour of orthodox analytical induction by changing the initial framework with each non-conforming ‘case’ discovered (Bryman, 2012:566). Indexing or coding was done in NVIVO from the mass of transcribed interview data. This meant that data was re-organised, categorised and combined into key themes (Bryman, 2012:575; Leedy & Ormrod, 2010:153). During the analysis, memos or notes were written in NVIVO with thoughts on the interpretation of data and key issues. These thoughts and findings are discussed in Chapters 4 and 5 of this study. A description of the limitations of this study follows.

### **1.6.7 Limitations of the study**

The fact that the researcher was known to research participants could potentially have introduced bias. For instance, an appreciation of the context of UNOPS was an asset leading to the researcher understanding UNOPS-specific situations and jargon. However, the disadvantage was that in some instances interviewees assumed that since the researcher was a workmate, he knew what they were intending to explain and hence they may not have explained as well as they would have to an external person they did not know.

Potential participants at job levels below middle management in Central and South America preferred to participate in Spanish. However, having the option of using Spanish presented significant translation complications and costs. Thus, only English-speaking participants were considered.

Although a large UN organisation with operations in over 80 countries was used, applying a qualitative approach with a case study design meant that the very nature of the research methodology has the limitation of not allowing generalisation. Thus, in spite of how much the UN is respected and regardless of the strength of its social agenda, findings of this study should not be assumed to loosely apply to any not-for-profit international organisations.

### **1.7 Significance of the study**

This study makes a contribution by using the social contract as a theoretical basis for expressing obligations that any organisation, including profit and not-for-profit organisations, have to society. Using the example of UNOPS, a not-for-profit international development organisation, the study reinforces the emerging argument that issues of SR apply to all types of organisations. Hence, this study is contributing to closing the research gap that resulted because most previous studies of SR focused on corporations rather than the not-for-profit sector. Further, based on an analysis of challenges in UNOPS, the study makes recommendations about how good policies and high-level SR commitments may be translated into effective day-to-day actions that are measured and driven by line management. The study also makes a contribution by describing SR requirements in terms of UN and UNOPS requirements and giving a definition of SR based on these instruments.

The study also contributes to new knowledge by proposing the use of SR as a means for an organisation to support international development. It introduces the idea of development-oriented social responsibility (DSR). DSR focuses on how organisations may use the UN's development framework consisting of the SDGs to ensure that their operations contribute to the needs of the

global society. Hence, by looking at ways to support the SDGs that are relevant to their operations, organisations may meet their SR obligations in a way that brings long-term sustainable development to the whole global society.

In doing this study some ethical considerations were put in place.

## **1.8 Ethical considerations**

Ethical considerations are a vital part of research. The Research Ethical Committee of the North-West University (NWU) has the role of guiding the implementation of ethical considerations in research. Post-graduate students are expected to complete a Research Ethical Application Form before making contact with any stakeholders of their research projects. The guidelines communicate the scope of the research and the extent of ethical considerations regarding people and animals. The Research Ethical Committee of the NWU approved the commencement of this research project after the researcher had undertaken to abide by the regulations in the guidelines (NWU ethics approval certificate number 00391-16-A7).

In this study, the researcher disclosed his identity and explained the need for, and nature and value of the research to the participants. At this point ethical approval from the participants was obtained through written consent. At no point were the participants forced to participate or asked to reveal information with which they were not comfortable. The identities of participants were concealed throughout the study by means of anonymity. The researcher treated all information as confidential. Participants were also informed that they were free to withdraw from the research at any time.

Additionally, the following ethical considerations were continuously kept in mind while conducting this research:

- Voluntary participation (no participant was forced to take part in the research and participants were free to withdraw from the research at any moment).
- No harm to participants (the researcher ensured that no physical or psychological harm would be done to the participants as a result of the study).
- Anonymity and confidentiality (all information gathered during the study was handled confidentially and permission from the participants was obtained if sharing any information publicly that identifies the participants becomes desirable in the future).
- Not deceiving the subjects (participants were informed about the aim, the purpose and the procedures of the study and were not deceived in any way).

## **1.9 Chapter layout**

### **Chapter 1**

Introduced the background and context of the study so that readers might understand the importance of the study. The focus of the research was given prominence through a problem statement, research questions and research objectives. A preview of the guiding argument in the study was also given, followed by the methodology. The methodology section explained the research approach, research design, sampling, data collection and data analysis. The significance of the research was also highlighted.

### **Chapter 2**

Consisted of a literature review of the research topic. It explored theories and definitions of social contract and SR available in literature and their relevance to the context of international development organisations such as the UN and UNOPS.

### **Chapter 3**

Explored how the UN and UNOPS supported SR by describing the SR-related instruments, policies, standards and stipulations in the UN and UNOPS.

### **Chapter 4**

Used empirical data from interviews, UNOPS documents and observations to explore the performance of UNOPS in SR. Consideration was given not only to what UNOPS directly controlled but also to where UNOPS exerted influence or facilitated for others to participate in SR.

### **Chapter 5**

Linked SR in UNOPS to supporting international development through the sustainable development goals. It considered the international development agenda as a good way of understanding the needs of the international society for the purpose of seeing where organisations may contribute.

### **Chapter 6**

Summarised the findings of the research by taking into account findings in Chapters 2, 3, 4 and 5. It also gave recommendations on the future application of SR based on the findings of this study.

# **CHAPTER TWO: EXPLORING THE SOCIAL CONTRACT THEORY, SOCIAL LICENCE TO OPERATE AND SOCIAL RESPONSIBILITY**

## **2.1 Introduction**

There is a common understanding that large corporations have an obligation to society because of the profits they realise while operating in society's space and utilising society's resources. Hence, the corporations need to carry out certain actions or to operate in a certain way that meets these obligations to society. The field of corporate social responsibility (CSR) has given rise to many studies that define what these obligations of business to society are and what corporations should do to meet them. However, the question of whether social obligations apply to international development organisations (IDOs) that are actively seeking to develop society without seeking to make profits remains to be answered. This chapter addresses the first research objective on using a literature survey to explain the applicability of social responsibility (SR) to all organisations, including IDOs.

Using the social contract theory (SCT), this chapter explains why people and organisations have social obligations. Similar to any other contract, parties to the social contract give something in order to get something in return. An explanation is given on how any organisation, including corporations and non-commercial organisations with a social agenda, benefits from being part of society under the social contract and therefore has an obligation to reciprocate by practising SR. Further, the social licence to operate (SLO) concept is used to show that if an organisation does not act in a socially responsible manner, society may withdraw its consent for the organisation to keep operating.

This chapter lays the foundation for the next chapter by establishing the UN as the authority that convenes the global society of nations. Such an authority, according to the social contract, should set the rules or laws that guide acceptable behaviour in society. The chapter also lays the foundation for Chapter 4 by introducing the argument that UNOPS, like any other member of society, is obliged to act in a socially responsible manner because it enjoys the benefits and protections offered by society. Hence, there are grounds for asking questions about the SR performance of UNOPS – the main emphasis of this thesis. The following section describes the social contract theory by exploring its evolution from the days of the ancient Greek philosophers to its recent applications in modern time.

## **2.2 The social contract theory (SCT)**

The SCT is a theory on socio-political organisation that may be used for understanding the obligations of members of society. The aim is to develop a basis for the role of the UN in establishing SR requirements and the obligation of UNOPS to meet the requirements thereof. The next section devotes attention to examples of some key questions in socio-political organisation that the SCT has been used to answer.

### **2.2.1 Questions on social organisation**

Historically human beings have sought to have a socio-political arrangement or structure that could bind them together. The reason for wanting such a socio-political structure is possibly the realisation that being part of this social arrangement allows people to live a better life than when people exist independently of others (Chemhuru, 2017:505). Philosophers have sought to understand why this socio-political organisation under the state exists. For instance, Popkin and Stroll (1993:69) ask “What is the ultimate justification for the existence of any form of government?”. Similarly, Nozick (2013:3) asks the questions “If the state did not exist, would it be necessary to invent it? Would one be needed, and would it have to be invented?”. In order to answer these socio-political questions and others that pertain to the amount of power the head of state should have, the meaning of justice, the rights of people to property, and the obligations of people to society, philosophers have used the SCT. Thus, the SCT takes many forms as it is applied to the understanding of moral and political responsibilities by philosophers (Boucher & Kelly, 1994:1; Ellis, 2012:25).

This study also used the SCT to explain how organisations, including IDOs such as UNOPS, have social obligations. Hence, using SCT, an exploration of philosophical underpinnings of the establishment of society is undertaken to appreciate why these obligations exist. For the purposes of this study, UNOPS and the UN are viewed as entities within the global society and with social obligations like any other member of society. The SCT will be described in the next sections by highlighting key contributions made by thinkers over time. To start a review of these contributions, the earliest forms of the SCT found in ancient Greek philosophy are considered.

### **2.2.2 Early forms of the social contract**

As was highlighted in the previous section, the SCT had been used by philosophers to explain socio-political concepts. Ancient philosophers introduced the arguments that modern day philosophers have developed into theories that have helped to shape our understanding of how

society works or should work. Among these ancient philosophers are Socrates, Plato and Aristotle, who provided the foundation for the later work of Locke, Hegel and Kant (Leighton, 1909:523). Perhaps the most significant early forms of SCT may be attributed to Socrates (470-399 BC) and Plato (427-347 BC) who were ancient Greek philosophers. The underlying idea of SCT these early scholars established has similarities to the modern version of SCT that evolved more than 2 000 years later (Todorović, 2017:113).

Through works such as the *Republic* and *Crito*, Plato used the SCT to explain beliefs in justice and the basis of these beliefs. Distinguishing between the views of Plato and others such as Socrates is not straightforward since Plato's ideas were expressed in the form of dialogues between Socrates and others, although it is known that he also made his own contributions (Popkin & Stroll, 1993:3; Wein, 1986:67). From the writings of Plato, it is argued that when people are born into a society, they decide to stay and be part of that society or leave. If they leave, then they are not bound by any obligations to or from that society. However, if they stay, it means they have implicitly agreed to be part of the society, enjoying the benefits of being part of the society, and being bound by the laws of the society.

Plato explains this obligation to obey the law in *Crito* by recording the discussion that Socrates delivers about justice. Socrates argues that because of the implicit contract between members of society and society, anyone who is given punishment under the laws of society must accept it. This point is dramatically illustrated when Socrates refuses to accept an opportunity to escape from prison and opts to face the death penalty since he believed that everyone has an obligation to obey the law (Allen, 1972:557; Barker, 1977:13; Lewis, 1939:78). Hence, because of this illustration in *Crito*, Plato is recognised as being one of the earliest thinkers to explain justice using the SCT (Wein, 1986:67). In the *Republic* he also introduced the idea of reciprocal duties that rulers and the ruled owed each other in a society (Crowe, 2016).

After these ancient Greek philosophers of the 4<sup>th</sup> and 5<sup>th</sup> century BC, the next period with significant contributors to the SCT was between the 16<sup>th</sup> and 18<sup>th</sup> centuries. There were a number of contributors to the SCT in this period. Perhaps the most prominent of these were Thomas Hobbes, John Locke and Jean-Jacques Rousseau. Their contributions are described in the following sections.

### **2.2.2.1 The contribution of Hobbes**

Thomas Hobbes (1588-1679) established the SCT by developing the argument that there would be strife and chaos in a pre-society existence. In the *Leviathan* (1651), he argued that there would

be conflict between individuals and the only way to ensure collective survival is by coming together to form a society under the leadership of a powerful leader who enforces society's values (general dictates) and norms (specific dictates). Hobbes believed that the state should be a monarchy with an individual being the centre of power. He uses obligations of parties to a contract to explain the rule of law and the relationship between the state and the individuals. Thus, he argues that the agreement of people to come together and form a society benefits the people by protecting their lives in contrast to the state of lawlessness before the formation of a society where there was strife and chaos. In gaining these benefits of being part of society, the people lose some of their freedom to do as they please. Also, since people are in this agreement in order to gain protection from the state, it follows that people will be under the laws of society as long as their lives are protected by the state but they are released from the obligations of the social contract when the state can no longer protect their lives. Also, according to Hobbes, the ruler is above the law as any actions taken by the ruler are adjudged to be law (Hobbes, 1914a:9; Newey, 2008:50; Popkin & Stroll, 1993:76).

### **2.2.2.2 The contribution of John Locke**

John Locke (1632-1704) was another key contributor to the SCT. Arguments he proffered in works such as the *Second Treatise on Civil Government* shaped fundamental beliefs in democracy in countries such as France and the United States of America (USA). Hence, it is not surprising that some of his ideas are reflected in the constitution of the USA. Although both Hobbes and Locke developed the SCT further, their SCT arguments differ in some aspects. Locke did not believe that, before society was formed, the state would be characterised by the chaos that Hobbes described. Instead, he believed that conditions would generally be peaceful but there would be occasional instances of conflict (Popkin & Stroll, 1993:80). He also argued that people were born with rights to property, freedom and life (Heywood, 2013:31; Locke, 1824:218). In the natural state before society was formed, any person who was wronged had the right to punish the offender. However, since any one meted their own justice when wronged, it meant that punishment for similar offences was not the same.

The need to come together to form society originated from the desire to have institutions that formulate and implement laws fairly and consistently and to have all people treated equally under the law. In addition, instead of a ruler with absolute power, Locke argued for leadership that allows for opposition in a democratic setting as the leadership's power is based on the rule of law rather than use of force. Power is shared among the head of state, the judiciary and the parliamentary institutions (Popkin & Stroll, 1993:80).

### **2.2.2.3 The contribution of Rousseau**

Jean-Jacques Rousseau (1712-1778) also described the social contract as an agreement arising from people deciding to come together under a socio-political arrangement that reduces their personal freedom in exchange for the benefits of society. This coming together creates shared power to protect and preserve people and their belongings (Rousseau, 2011:8). However, Rousseau was more aligned to the view of Locke than that of Hobbes in describing the system of government that should result in society after society has been formed. He argued that the power to rule society should be in the hands of the people through elected representatives. Rousseau established a key principle of democracy by arguing that legitimacy and authority of the state come from the assembly of people rather than power bestowed through royal lineage or appointment by the church (Hill, 2017:9; Rousseau, 2011:8).

For the purposes of this study, the other key contributor to SCT from the enlightenment era worth mentioning by name is Immanuel Kant.

### **2.2.2.4 The contribution of Immanuel Kant**

Immanuel Kant (1724-1804) is also considered to be a significant contributor to the SCT (Ellis, 2012:26). One aspect that separated him from the other classical theorists was his view that the SCT should be used as a thought process for explaining socio-political organisation rather than a real agreement (Riley, 1973:450). Thus, although he is aligned to the idea of Hobbes that there was a natural state of conflict prior to the formation of society, he does not consider this status to be an actual observable state of affairs (Williams, 1994:133). Of interest to this study is the part of his contribution in which he alluded to the application of the SCT to the relation of states to each other in the context of the international community. He was of the view that the application of the social contract should not be limited to a single country but should be extended to how countries interact among each other (Williams, 1994:142). At the time when Kant wrote his contribution, the nations of the world were still 150 years away from the establishment of the UN based on the UN Charter. A global political system then might have seemed unrealistic. However, this study argues that with the formation of the UN and its influence on the military and socio-economic behaviour of nations, the SCT proposition by Kant is relevant and even more applicable now to international politics than when he first suggested it. Furthermore, it is the argument of this study that the SCT gives sound justification to the role played by the UN in promulgating international laws and obligations based on international treaties. The international laws and obligations that are relevant to this study are those that pertain to SR subjects such as human rights, labour, protection of the environment, fighting corruption and promoting fair trade.

The next section describes contributions from Rawls, Nozick and a few others who have used the SCT in recent times.

#### **2.2.2.5 Rawls and Nozick**

Boucher and Kelly (1994:1) considered John Rawl (1921-2002) as the person who raised recent renewed interest in the SCT because of his book called *A Theory of Justice* published in 1971. Rawl was not convinced that society should protect property rights as was being argued by Locke. Instead, Rawl leaned more to a democratic society that shares property so that no members of society were left in poverty. This type of political organisation has similarities to the social democracy being practised in the Nordic countries (Popkin & Stroll, 1993:104). In contrast, Nozick argued that the role of the state should be to do the minimum required to uphold the law through providing security, ensuring that property rights are respected and ensuring that parties to contracts adhere to the contracts. He did not see the role of the state as providing welfare or addressing inequalities in society (Nozick, 2013:xiii).

#### **2.2.2.6 Other recent social contract applications**

In recent times, the SCT has been applied to diverse fields. For instance, Lubchenco (1998:491) used it to explain how scientists should address the most important issues affecting society for them to gain access to public funding. In another study looking at ethical considerations, Kimmel *et al.* (2011:222) used the SCT to determine situations in which it is acceptable or not to deceive research participants. In a third example, DiUbaldo (2009:37) used SCT to discuss the applicability of the provisions of the 4<sup>th</sup> Amendment of the US Constitution to illegal immigrants. He considered whether the illegal immigrants are part of “the people” and should be afforded protection against search and seizures. The diverse application of the SCT in these examples illustrates the point made earlier that the theory does not exist in one form but has several interpretations as illustrated by the variations presented by the thinkers since the ancient Greek times to those of the present day. These dissimilar interpretations led to the justification of different political systems.

#### **2.2.2.7 Interpretation of SCT led to justification of different political systems**

The key contributors to SCT favoured different types of political systems. For instance, Hobbes saw the sovereign as an all-powerful king, queen or dictator whilst Locke leaned towards a democratic republic. Montesquieu, who made the distinction between a monarch, a republic and a dictatorship as types of governments that the authority under the SCT could assume, provided

clarification. One person such as a king or queen using recognised laws would head a monarch; elected leaders would lead a republic government; and a dictatorship would be one person wielding absolute power without relying on laws. This means that under these dissimilar circumstances there is a variation as to what members of society get for being part of society and their social responsibilities would also take on a different meaning (De Dijn, 2008; Montesquieu, 1989:21).

#### **2.2.2.8 Criticism of the SCT**

The classical approach to the SCT is biased towards the western world's notion of an individual's need for protection of property and the individual's rights. This is not necessarily a complete representation of the human experience. For example, in contemporary African society the need to come together and form a society would be more influenced by the need for communal existence with property owned communally rather than by individuals (Chemhuru, 2017:506). Another criticism of the SCT is that there is no evidence of the state of people before the formation of a society. For instance, there is no evidence of people without a social structure and in constant conflict as described by Hobbes (Popkin & Stroll, 1993:73).

The SCT has also been criticised because there is not enough evidence to demonstrate how members of society consented to forming a society (Conry, 1995:199; Hsieh, 2015:439). There is also a lack of historical evidence to show that states started with the coming together of people under some sort of agreement. Although it is possible that this could have happened, concrete examples do not seem to have been offered. Some of the examples cited by Locke, such as the example of two men who were castaways on the same island collaborating in order to survive, were not satisfactory (Donaldson, 2001:214; Waldron, 1994:57). However, in defence of the social contract theory, Donaldson (2001:214) argues that the critics of the theory may have been mistaken in their criticism by focusing too much on how we could use the theories to form a new state. Instead, they should have focused on using the theory as a method of analysing existing social arrangements.

Having used the contribution of various theorists to describe the SCT and its applications, this literature survey will now turn to how the theory applies to SR in the UN and UNOPS.

#### **2.2.3 How the social contract theory applies to this study**

After exploring the key contributions to the SCT, it can be seen that the social contract is a theoretical agreement used to assess the expectations and obligations of individuals and of

society. This theory for considering social relationships has a wide range of applications (Scheppelle & Waldron, 1991:195; Steiner, 1972:18). The basis for this relationship and obligations between people and the state is assumed to be an implicit agreement among people in “the state of nature” to form a society with a system of government that takes care of their well-being (Forsyth, 1994:37). These people who stay in a society and participate in the benefits of being in a society, such as the consistent application of justice and protection of property, should obey the laws and live in line with society’s expectations (Rousseau, 2011:8). Those who feel that they would not want to obey the law or meet societal expectations may leave. Staying in society means that one agrees to the implicit social contract and is bound by society’s collective expectations or obligations (Faillo *et al.*, 2015:226).

Although most applications of the social contract have been on the relationship and obligations between individuals and society, there have also been applications of the social contract to the relationship between society and organisations. This line of thinking has been used while considering private commercial organisations (Byerly, 2013:6; Donaldson & Dunfee, 1994:254). It can be argued that organisations are members of society since they exist as a result of the establishment of society and, similar to individuals, they also benefit from the protection of their property and interests by the state. They are therefore party to the social contract and have contractual obligations to society. As explained later in this chapter, the social responsibilities drawn from the social contract apply to both commercial and non-commercial organisations and terminologies such as CSR and SR have been used to refer to both types of organisations (Córdoba-Pachón *et al.*, 2014:206; ISO, 2010:3; Lin-Hi *et al.*, 2015:1947). Thus, the SCT is applied in this research as a useful tool for understanding the responsibilities of organisations, governments and other stakeholders to society.

Assuming the existence of a contract and assigning contractual obligations makes it easier to justify the existence of social organisation, values, norms, and expectations (Byerly, 2013:5; Donaldson & Dunfee, 1999:17). It may also help in understanding the relationship between society and the UN. The next section describes how the SCT applies to the UN.

### **2.2.3.1 Application of the social contract to the UN**

Some of the world’s challenges that are being addressed or kept under control by the UN are the possibility of world wars, nuclear proliferation, international epidemics, rampant pollution, poverty, trade imbalances, impacts of climate change and global economic downturns. The state of the world without the UN might be equated to the state of the world without the theoretical social contract that establishes society. Considering the amount of strife caused by the two world wars,

the state of the world before the UN may perhaps be equated to the description by Hobbes (1914b:9) of people in their natural state as being “solitary, poor, nasty, brutish and short”. In such a state, there would be no laws to protect property, no courts to resolve disputes and no authority to enforce the laws. Even if the application of the more moderate view of man’s natural state given by Locke and others that suggest occasional conflicts rather than absolute chaos (Popkin & Stroll, 1993:80) is considered, without the UN there would be no international law and no intervention by the UN security council.

This study argues that the formation of the UN may be likened to the formation of a state by individuals in their natural state. In the case of the UN, individual countries came together to form the UN which can be likened to the ‘global society’ or the ‘state of states’. A state has the responsibility to compel people to contribute to their country through the efficient use of the force of law and other governance arrangements (Stoker, 1998:17). People give up some of their private resources in order to enjoy public resources (Kim, 2016:2). For example, people pay taxes that facilitate the government to provide protection through the police and to provide public transport and utilities resulting in people benefiting through the overall protection of their properties and their interests (Boucher & Kelly, 1994:4).

In a similar manner, after joining the UN, individual countries gave up their right to act as they please such as by applying military aggression to other countries or discharging substances that damage the environment. Instead, all countries contribute to the decisions of the UN and accept its authority exercised through the application of international law. Thus, this study builds upon the argument by Kant about 200 years ago that the SCT could be applied to the association of states (Williams, 1994:142) and makes the case that the formation of the UN was a good demonstration of the formation of the ‘society of nations’ in typical SCT fashion.

The use of the social contract theory to assess the formation of the UN may have more grounds than the analysis of any other example of formation of society. This is because the UN is founded on actual formal consent based on all member states signing the UN Charter. This creates adequate grounds for the creation of obligation to the contract. Having this formal agreement addresses the criticism that, under the SCT, there had been no demonstration of how members of society consented to forming a society (Conry, 1995:199; Hsieh, 2015:439). The UN Charter also established the authority of the United Nations and the obligations of participating member states. The obligations of the states to the society of nations extend to individuals and organisations under the members states. The UN Charter creates an obligation on member states to act together in many issues, including actions to build or preserve peace, to cooperate in social

and economic development and to uphold human rights. These issues are directly linked to SR. The specific SR-related requirements that the UN has established will be described in Chapter 3.

The UN Charter gives the UN the power to create international laws, structures and processes that enable the member states' agreed actions to be implemented. For instance, the UN has structures such as the General Assembly, Security Council, tribunals, courts and various funds and programmes that oversee the implementation of the terms agreed upon in the UN Charter and its subordinate agreements (United Nations, 2017b:3). The setup of these structures is similar to how society is ruled by representatives of the people as described by Locke and Rousseau, among others. This is because decisions and stipulations made by the UN are a product of collective decision-making organs such as the UN Security Council and the UN General Assembly that are constituted by representatives of member states. In addition to the UN Charter, the UN member states also have specific agreements in place to carry out various aspects of this 'society of nations'. Examples of major agreements established by the UN include the Universal Declaration of Human Rights (1948); the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the UN Convention on the Law of the Seas (1982), and Conventions on Sustainable Development (1992). More recent agreements include the Millennium Development Goals (2000), Climate Change Agreement (2015), and the Sustainable Development Goals that were also agreed upon in 2015 (United Nations, 2017b:233).

Thus, in line with the SCT, UN member states were free to act as they pleased before the UN was formed but after having signed the UN Charter they had to give up some of their freedom in order to comply with international laws and agreements. For instance, before signing the conventions that prohibit child labour, states could let children work in mining, industry and agriculture. However, this is not acceptable under the UN, and the International Labour Organisation (ILO) has systems to monitor the potential and actual use of child labour in any country that has ratified the child labour conventions. Similarly, any country could carry out a military invasion of another country at will. However, under the UN such actions are not tolerated. A state that carries out military aggression against another state may suffer consequences such as sanctions from all UN member states, and/or military intervention from a selected grouping of member states authorised by the Security Council (United Nations, 2017b:58). Examples are sanctions imposed on Iraq after the invasion of Kuwait in 1990 and the sanctions imposed in recent years to deter North Korea from carrying out nuclear tests (Fasulo, 2015:66).

In terms of specifically addressing SR, this study argues that under the SCT the authority that governs society has the obligation to ensure that there is no harm to society and to encourage members of society to contribute to the good of society. This means that the authority should not

only ensure that people's well-being and property are protected but also that all members of society act in a socially responsible manner in order to contribute to the long-term good of society. Hence, to meet its obligation towards protecting people and society, the UN has a responsibility for ensuring that arrangements are in place for socially responsible behaviour or preventing behaviour that harms society. Barnett and Finnemore (2007:47) described the status of the UN as follows:

The UN operates in this 'society of states' as a guardian of the principles embodied in its Charter and agreed by all its member states. Its role is not to be a tool of great powers but to help govern an international order....It [the UN] thus helps develop the rules, standards, laws and institutions that make orderly social life possible at the international level.

Thus, the UN is instrumental in spreading social values and principles among the 'society of nations'. Member states recognise the value of the UN in setting international standards and in providing impartial governance interventions (Barnett & Finnemore, 2007:47). Buhmann (2016:700) described how the UN uses 'hard laws' and 'soft laws' to guide the behaviour of member states. The 'hard laws' are those laws that are legally binding and enforceable. The 'soft laws' are those agreements that are not legally binding. Although the 'soft laws' are not enforceable, they still guide member states into appropriate good international practice.

Chapter three will explain the rules and expectations that the UN and UNOPS have put in place in order to ensure that SR is implemented so that countries, organisations and individuals do not harm society. However, the next section first uses the SCT to explain how UNOPS has obligations towards society.

### **2.2.3.2 Application of the SCT to UNOPS**

As indicated above, organs of the UN such as the Security Council and General Assembly are vehicles through which the UN administers international law and agreements. However, the UN also has organisations that implement projects and programmes and/or manage funds. Examples of these organisations are the United Nations Development Programme (UNDP), United Nations Children's Emergency Fund (UNICEF), World Health Organisation (WHO) and UNOPS. These organisations operate more or less the same as other international development organisations (IDOs) or other non-profit organisations do by supporting communities and countries to achieve development outcomes.

When considering UNOPS, it can be seen that the organisation's operations cover developing infrastructure such as roads, hospitals, police stations and courthouses and providing

procurement services and general project management services to support communities and governments (UNOPS, 2015:1). Such provision of infrastructure and services is in line with how Donaldson (2001:215) describes business organisations although the difference would be that UNOPS has no intention of making a profit. Employing a similar argument to that used for a commercial entity such as General Motors (GM) where it is argued that the entity benefits from protection by society, one can argue that UNOPS also benefits from the protections of its personnel and assets through social arrangements in the areas where it works. A specific arrangement for this purpose is the application of privileges and immunities of the UN that protects the UN from national legislative requirements that might hinder its work (United Nations, 1946). By operating in society and accepting the privileges or benefits that society gives, UNOPS may be assumed to be consenting to be part of society under the social contract and should, as any other member of society, accept the stipulations and expectations of society (Faillo *et al.*, 2015:226). Such expectations may have connotations of both obligations that are formally and explicitly given in legal and socio-economic processes and arrangements, and those obligations that are not formally stated (Hsieh, 2015:434).

Having established that UNOPS and all organisations have obligations to society, it makes sense to consider what these obligations are in the case of UNOPS. For the purposes of this study, the obligations of UNOPS may be determined from the requirements that the UN puts in place for all members of society. Hence, the requirements that UNOPS should meet will be determined in Chapter 3 that explores the role of the UN in putting in place SR requirements for countries, organisations and individuals. There are two other reasons why UNOPS should consider SR requirements based on what the UN stipulated.

The first one is that UNOPS is not covered by the local legislation of countries where it operates because of the privileges and immunities of the UN (United Nations, 1946) that stipulate that UN organisations are not subject to the laws of the member states and may not be prosecuted in courts of the member states. Hence, under normal circumstances the local populations cannot take a UN organisation to court. An example of this was given in chapter one where the Haiti government has failed to prosecute the UN for allegedly bringing cholera to Haiti. The other reason is that UNOPS exists because UN member states came together to form the UN. Hence, UNOPS enjoys its existence and an enabling operating environment among member states because this society of nations under the UN allows UNOPS to operate. Representatives of the UN member states agreed in the General Assembly of the UN that UNOPS should come into existence in 1974 (New Zealand Government, 2011:268). This aspect that UNOPS operates because society allows it may be illustrated using the concept of the social licence to operate (SLO).

## **2.3 The social licence to operate (SLO) concept**

According to Blowfield and Murray (2014:47), the SLO concept is a key element for justifying the legitimacy of an organisation and thus an organisation cannot continue to operate if its way of operating is not in line with society's values. Using the SCT it can be deduced that organisations have an obligation to operate or behave in a manner that is in line with the values of society in order to continue enjoying the benefits of belonging to a society. Those people that continue irresponsible behaviour that harms society may lose their right to be part of a society. Perhaps for people this could be likened to their being separated from society by being imprisoned or being banished from a community. Organisations may face similar consequences: If they do not meet the expectations of society they may be forced to stop operating (Beal, 2014:29). For an organisation, being forced to stop operating is akin to being 'removed' from society. Thus being socially responsible is one of the requirements that organisations should meet for their being allowed to operate (Hsieh, 2015:254). The SLO has been used to describe this consent given by communities or the public to the operations of organisations (Moffat & Zhang, 2014:1). The basis of the SLO may be traced back to the social contract.

### **2.3.1 SLO as consent based on satisfying the social contract**

The application of the SLO concept was necessitated by the need to deal with the expectations of the communities and other stakeholders for organisations to behave in a certain way. The focus of the expectations was on how organisations were performing against social, economic and environmental standards and expectations. Stakeholders were taking an active interest in the distribution of the rewards and costs of the operation of organisations with particular focus on corporations in extractive industries. Considerations were no longer being restricted to financial costs and rewards but also the associated social costs and rewards that were occurring as a result of the existence and operation of organisations (Hall *et al.*, 2015:303). This idea of costs and rewards is aligned to the SCT principle of obligations accruing because of benefits received by members of society.

Examples from the extractive industry show that the expectations of society are not necessarily restricted to the community that is directly affected by the actions of an organisation. Instead, there is a realisation that the impacts of an organisation affect the wider society and hence there may be active interest from regional, national or even international stakeholders (Lacey & Lamont, 2014:836).

The next section gives a background description of the SLO concept and how it helped to ensure that organisations satisfy their obligations to the social contract.

### **2.3.2 Origins and applications of SLO**

The initial use of the SLO concept may be traced to the mining sector in the late 1990's. Newman (2014:1) states that the use of the term is attributed to a Canadian mining executive called Jim Cooney whose use of the term in 1997 generated considerable interest in the concept among mining companies. Many took this as recognition by a major mining concern that companies had a social obligation and needed social consent to operate in the form of a social licence. This licence went beyond the licence required by law. There had been an application of the concept across various sectors, including among governmental organisations, non-governmental organisations and researchers (Hall *et al.*, 2015:301). The use of the concept had also driven the management practices of some organisations to the extent that it is thought to be critical to the success of mining companies (Falck & Spangenberg, 2014:1993).

In the early days of the concept, SLO was about making corporations aware that they need to gain approval from society. Now it has been developed into a framework that may be used for managing the relationship with society, including social expectations (Black, 2013:6). The concept is still in its infancy and it has the potential to be developed into a field with more depth.

An important function of SLO is to broadly address what is expected of organisations by society. The SLO concept expands what is ordinarily regulated by law to include other aspects that make organisations more socially responsible. For instance, the SLO framework can be used to show both monetary and social costs of not upholding human rights (Buhmann, 2016:699). Appreciating these costs helps when regulators or other stakeholders are trying to make organisations more responsible by addressing social costs instead of passing the cost onto society.

Lacey and Lamont (2014:832) described SLO as an informal social contract between the organisation and society. The contract assumes society's consent for the way the organisation operates in terms of technology used, environmental protection applied, ethics and socio-economic considerations. Although most of the examples of the application of this term have been in the extractive industries, the concept of SLO has become part of SR thinking in general. The concept is applied by international guidance such as the UN Guiding Principles on Business and Human Rights (Buhmann, 2016:699). This opens it to wider applications as these UN guidelines are aligned with other UN instruments such as the UN's Universal Declaration of Human Rights. Hence, by applying the underlying principles, SLO may be applied to both private

and public organisations. For example, the use of public funds by non-commercial organisations means that they are subject to public scrutiny of how they are run and that they should meet public expectations if they are to keep their SLO (Rozuel, 2013:2197).

The next section further explores how SLO concept applies to international development organisations.

### **2.3.3 International development organisations and social licence to operate (SLO)**

The work of international development organisations (IDOs) is aimed at bringing positive benefits to society. However, the planned benefits are not usually the only outcomes. The projects or programmes may also produce other unintended positive or negative results. Given the potential of negative impacts, questions could be asked about whether such organisations are operating under the SLO from the community where they work (Jijelava & Vanclay, 2014:298). According to Jijelava and Vanclay (2014:298), SLO should be applied to an organisation regardless of whether it is commercial or non-commercial. This application of SLO should be about organisations having a real interest in effectively addressing issues that are important to society rather than taking an approach similar to ‘greenwashing’, in which some organisations purport to be environmentally-friendly in a misleading way when they are doing very little to protect the environment effectively.

Besides ensuring that they act within their SLO, IDOs also support governments in helping private companies to meet the obligations that come with SLO. In general, well established IDOs that have a good reputation and are active in supporting other organisations to meet SLO obligations tend to be trusted more by the public (Rozuel, 2013:2197).

In the next section, the discussion of SLO in international organisations focuses specifically on the involvement of the UN.

### **2.3.4 The UN and guidance on SLO**

The UN Guiding Principles (UNGP) and Framework on Business and Human Rights demonstrate the application of the SLO view of combining the self-regulation by organisations with binding and non-binding measures to achieve a performance that is acceptable to society. The principles and the framework have had a wide reach to organisations across the world. For instance, they influenced the OECD guidelines of 2011 and the EU requirements for CSR reporting (Buhmann, 2016:700). Part of the reason why the UNGP have been so influential is because they use the

SLO concept to justify why upholding human rights is an obligation that businesses owe to society. By using the guidance developed from the UNGP and UN Framework on Business and Human Rights, corporations are better able to maintain their licence to operate (Buhmann, 2016:712).

Although the UN established many instruments to support SLO, it is possible for it to compromise its SLO. The next section describes examples of occurrences that may have put pressure on the SLO of the UN and UNOPS.

### **2.3.5 Pressure on the SLO of UN and UNOPS**

An important reason why SLO is relevant to the UN is that failing to pay attention to the expectations of host countries may result in the rejection of UN interventions in spite of the formal agreements in the form of the UN Charter and the host country agreements allowing the UN to work in a specific country. The rejection of UN interventions could still happen because of unintended harm occurring even though the UN is appreciated for its roles in peace building, peacekeeping, socio-economic development and environmental protection. Examples of cases where people have been subjected to loss, injury or death because of the actions or omissions of the UN are the deaths caused by cholera in Haiti, the deaths in Srebrenica after the collapse of the Socialist Federal Republic of Yugoslavia and lead poisoning of people in UN camps in Kosovo (Boon, 2016:343). There have also been allegations of corruption and mismanagement levelled against the UN. Examples include corruption cases in the oil-for-food scheme in Iraq between 1996 and 2003 (Volcker, 2006:x), and alleged abuse of funds in UNOPS before 2007 (Lynch, 2009). These examples indicate that the discussions of social responsibility and SLO are relevant to the UN and UNOPS.

Part of the SLO for the UN includes the privileges and immunities of the UN (United Nations, 1946) that allow the organisation to operate in member states without legal challenge since these immunities mean that the national legislation of any country does not apply to the UN. In a development related to the SLO, some people or organisations are beginning to question whether the UN should continue to be covered by these privileges and immunities, indicating that the question of SLO is also relevant to the UN and its subsidiary organisations such as UNOPS (Boon, 2016:341; Rawski, 2002:103; Werzer, 2008:105).

The next section describes some criticisms of the SLO concept.

### **2.3.6 Criticism of the use of SLO**

Some researchers see possibilities of the concept of an SLO being abused by organisations. For instance, this could happen in situations where there are vulnerable groups in communities whose voices have not been heard. Thus, the concern is that organisations may claim to have the SLO because they have engaged the majority of the people and attended to their needs whilst vulnerable groups such as indigenous people, disabled people or religious minorities are being significantly disadvantaged by the operations of the organisation. This shows that it would be useful to have guiding requirements on what constitutes a SLO for better practical application of the concept to day-to-day operations of organisations (Newman, 2014:5). Another criticism has been from people who expect to use the SLO concept to hold organisations accountable in instances where they have been wronged or disadvantaged. It is likely that the SLO concept on its own is difficult to use as a legal instrument. However, the value of SLO is still significant as it may be used to analyse what is expected of the UN by society and perhaps this may get the UN thinking about the social costs of its actions (Buhmann, 2016:699).

The next section refers to SR in light of the need for organisations to meet the obligations of the social contract and the expectations of the SLO.

## **2.4 Social responsibility (SR)**

The previous sections established through the SCT that there are responsibilities assigned to the UN organisation as a result of the authority that originates from its formation through the UN Charter. It was also noted that UNOPS as an organisation benefiting from being part of society has some responsibilities to society. From the SLO concept, it was shown that the continued consent of society to the operations of any organisation, including the UN and UNOPS, could be compromised if responsibilities to society are not met. This section discusses what these social responsibilities are.

### **2.4.1 Social responsibility in different types of organisations**

Firstly, as the authority that governs over the society of UN member states, the UN has the duty of coming up with appropriate legislation and arrangements that protect member states from socially irresponsible actions that could be committed by one state against another state. Chapter 3 describes the instruments and processes that the UN has put in place and is using to ensure that there is socially responsible behaviour in the world. However, there are two sides to the way that the UN operates in relation to the SCT and SR. One side is the role that has just been

described, namely being the authority that defines what constitutes socially acceptable behaviour for all members of the UN's global society of states. The other side is the existence of UN entities such as UNOPS that have their own mandate, organisational structures and operations. These UN entities operate as any other IDOs and their social responsibilities should be considered in the same manner in which SR would be considered for other organisations in society. Therefore, it is worthwhile to gain an understanding of the meaning of SR in different types of organisations, including corporations and IDOs, in order to appreciate SR in UNOPS.

The use of the term 'social responsibility' rather than the more common 'corporate social responsibility' emphasises the fact that social responsibility should be practised by all organisations. It should not be restricted to corporations only but should be practised by all organisations such as public and private organisations, for-profit and non-profit organisations (NPOs) and by organisations of different sizes (Aguinis, 2011:857; ISO, 2010:4). Thus, the meaning of SR in this research does not exclude some other types of organisations. Instead, it refers to society's expectations of any organisation including large multinational companies, small to medium enterprises, government departments, non-governmental organisations and international development agencies (Baden & Harwood, 2013:624). As argued in this research, these expectations come from the obligations contained in the social contract and from the need to maintain the social licence to operate. Hence, whether an organisation is for making profit such as corporations or whether the organisation is a NPO, it needs to go beyond the requirements of the law in seeking ways to contribute to the interests of society (Sacchetti & Tortia, 2018:3). Although SR initiatives by NPOs have not been given much attention in literature compared to SR for business, having them in place gives increased benefit to society and may also benefit the NPOs by increasing their appeal to donors, partners, potential volunteers and members of the public (Waters & Ott, 2014:3).

While key issues covered to address SR in NPOs and profit-making organisations share similarities, differences occur because the two types of organisations have different foci and are subjected to different types of pressure. Since NPOs undertake initiatives that are for public interest without expecting to profit from them, they are subjected to less pressure from stakeholders and the public. On the other hand, the profit-making organisations are subject to more pressure from external parties who perhaps want to ensure that they do not profit at the expense of society (Seitanidi, 2005:62, 69). However, in general SR for any organisation uses socio-economic and environmental considerations to address the expectations of stakeholders. There is an expectation that an organisation will not only avoid actions that are bad for society but will also be proactive in doing good (Aguinis, 2011:857). In other words, the organisation should take responsibility for socio-economic changes that happen in society and in the

environment because of the organisation's operations. In seeking to address social expectations, organisations are required to appreciate that the social expectations change with time. This means that SR activities must also change to reflect these changes in expectations (ISO, 2010:6). Thus, organisations should have a dynamic approach that addresses core SR issues that are of interest to society while remaining sensitive to changes to society's priorities that develop over time. According to the International Standards Organisation (ISO) (ISO, 2010:20), SR core issues are organisational governance, human rights, labour rights, the environment, fair operating practices, consumer issues and community involvement, and development. These issues may be viewed as responsibilities to employees, responsibilities to the market (supply chain, customers and investors), responsibilities to the community affected and to the public in general, and the responsibility for ensuring that operations are ethical (Seitanidi, 2005:66).

Another dimension that expands the scope of SR for any organisation is the fact that, owing to globalisation, the social impacts of an organisation's operations may have wide consequence that go beyond the immediate community in which the organisation's premises are located. Global communities depend on each other much more. A reason for this includes finite resources that force people to have multinational collaboration among many organisations and people in addressing international issues collectively. In addition, there is greater awareness of SR and the roles that come with corporate citizenship. People are also more informed so they are expressing their expectations of how organisations should behave (Byerly, 2013:13).

Following this description of SR, the next section focuses on why organisations practise SR.

#### **2.4.2 Reasons why organisations want to be socially responsible**

As discussed in section 2.3 above, organisations generally are concerned with social responsibility because it helps them to maintain their social licence to operate. Ensuring that social and environmental issues are addressed may even lead to a positive impact on economic performance (Aguinis, 2011:862). However, other researchers dispute this. They do not see a direct financial benefit in carrying out SR and cite the example of socially responsible organisations that have posted poor financial results (Vogel, 2005:18). Setting financial costs aside, it is important to realise that the operations of organisations do not only have financial costs but they also have social costs that are incurred as long as the organisations are operating (Buhmann, 2016:699). So, when organisations do not address issues such as the disruption of the culture and way of life of communities or unfair treatment of a particular segment of society due to the organisation's operations, the loss in social well-being is borne by society. Hence, organisations should carry out SR initiatives to absorb the social cost of their operations.

If organisations fail to address social responsibility issues, they could be forced to bear the consequences. One way in which consumers could take punitive action against corporations is by boycotting the products and services of the irresponsible company (Lindenmeier *et al.*, 2012:1364). Irresponsible behaviour may lead to good partners withdrawing from partnering with an organisation. This will lead to a reduction in the quality of partners that the organisation works with, leading to a negative impact on overall performance (Sullivan *et al.*, 2007:55). The reason for this could be that SR leads to the creation of trust between the organisation and its key stakeholders (Lin-Hi *et al.*, 2015:1964; Pivato *et al.*, 2008:3). For NPOs in particular, SR may help in the competition for donor funding. Using SR, the NPOs may demonstrate that they are living up to the core reasons and intent that they were meant to address (Hogan, 2009:276). The next section will now focus on the applicability of SR to NPOs.

### **2.4.3 SR in non-profit organisations (NPOs)**

There is a limited discussion of SR regarding NPOs. One reason why the growth and popularity of CSR may have excluded NPOs may be because of the terminology. CSR implies an application to organisations that are legally registered as profit-making companies or corporations. Hence CSR principles are sometimes immediately dismissed as not being applicable even though the principles may be relevant to any organisation (Lin-Hi *et al.*, 2015:1946). In addition, there has not always been a clear distinction between the CSR as practised by profit-making companies and the SR practised by non-incorporated NPOs. Some researchers use the same term 'CSR' to refer to both social responsibility by corporations and social responsibility by NPOs. Lin-Hi *et al.* (2015:1947) wrote: "...it is valuable to address the issue of CSR in the NPO domain. In this contribution, we use the label 'CSR' as a generic term for the social responsibility of organisations." They go on to use the term CSR to refer to SR activities of NPOs. Similarly Córdoba-Pachón *et al.* (2014:206) use the term to apply to state-owned enterprises (SOEs) as opposed to the usual use regarding private sector corporations.

Another reason could also be that most people view NPOs as organisations that are there mainly for driving social interests. This may be deduced from the vision, mission statements and communications of the NPOs (Hogan, 2009:271; Moore, 2000:183). For this reason some NPOs believe that they do not need to do anything more in SR, although it is clear from the argument put forward in this chapter that SR is required for NPOs since they also have obligations to society (Chile & Black, 2015:1). This study argues that the NPO obligations to society arise because under the SCT, NPOs receive some benefits from being part of society so they are obliged to

reciprocate by operating in a socially responsible way. The existence of cases of irresponsible behaviour among NPOs may also be seen as a reason why they need SR programmes.

Some of these cases of irresponsible behaviour by NPOs have been recorded in literature. For example, executives from the world football association, Fédération Internationale de Football Association (FIFA), the international NPO that manages the world's football, were arrested in 2015 over corruption and misappropriation of FIFA funds. The FIFA president, Sepp Blatter, was banned from holding office in FIFA by the organisation's ethics committee. This brings into question why the expectations for ethical and socially responsible behaviour expected of corporations should not also be expected of NPOs such as FIFA (Boudreaux *et al.*, 2016:866). Fassin (2009:503) argues that the actions of NPOs should live up to the values they purport to uphold. He gives the examples of failure to maintain these values, such as the violent behaviours of organisations that say they are fighting for peace or for the environment. This is a failure to behave in line with the 'stakeholder responsibility' that comes with the position of advocacy and defence of social well-being that many NPOs take. Gibelman and Gelman (2004:355) also highlight misconduct of NPOs and issues around the misappropriation of public funds. This unfortunate pattern of behaviour justifies the need to test whether NPOs are acting entirely in the interest of society. In some instances, the negative impacts brought about by the action of NPOs may be unintended and may not always occur in the immediate operating environment of the NPO. However, if corporations are held accountable for their intended or unintended actions there is no good reason why the same expectations should not be applied to NPOs (Unerman *et al.*, 2006:369).

The importance of SR to NPOs may also be considered by comparing the impact of irresponsible behaviour between NPOs and corporations. Hogan (2009:277) argues that irresponsible behaviours negatively affect NPOs more than they do corporations. The reason is that the credibility that NPOs have is a key contributor to their success and is based on the expectation that they are acting in the interest of society, not for private interests. If an NPO earns a bad reputation because of behaviours that are not compatible with SR, the donors will not want to associate with the organisation. This may result in the organisation failing to get adequate funds to finance its operations. In contrast, corporations with challenges in SR issues do not necessarily perform badly in terms of financial viability. Some might be affected through actions such as product boycotts but many others might not suffer from such actions (Amaeshi *et al.*, 2014:12), for instance when the corporations have a monopoly over the provision of a particular product or service in developing countries.

Chile and Black (2015:51) also emphasised the importance of financial accountability as a key issue in SR for NPO organisations. This is because the NPO organisations are entrusted with spending donor funds. It is unlikely that they would keep on receiving donor funds if they were seen to be abusing the funds. Without the inflow of donor funds, the NPOs cannot survive.

Having shown that SR is also relevant to NPOs, the applicability of SR to organisations such as the UN is discussed in the next section.

#### **2.4.4 Application of SR to international organisations such as the UN**

Different types of organisations in developing countries may still practise SR because of their need for social acceptance and also because of their values. This is in spite of poorly developed structures and policies for encouraging SR. For instance, it may be unlikely that consumers will boycott services or products from organisations that do not practise SR when authorities do not ensure that adequate information is provided by organisations to enable consumers to assess whether the organisations have been responsible or not (Amaeshi *et al.*, 2014:12). It does not help matters if organisations are sole product or service providers and consumers do not have options.

International organisations (IOs) such as the development banks, and UN entities may play the role of encouraging adaptive mechanisms to enable the practice of SR and they may also coordinate SR efforts to contribute to social progress and development. They function as overseers of social responsibility by determining the codes and practices to be applied. They are well-suited for this role because they are viewed as neutral arbitrators who can influence governments, the private sector, NGO's and other stakeholders. Not only do they provide guidance on how SR should be conducted but they also enhance SR activities by supporting initiatives that include SR components such as human rights, fair labour practices and the protection of the environment (Vives, 2004:51). The SR codes they promote may or may not be legally binding. Some examples of legally binding codes are the ILO's conventions regulating labour and the OECD's convention on combating bribery of foreign officials (Muchlinski, 2003:128).

In order to address expectations of society effectively it is useful to assess the expectations in terms of interests of the various stakeholders. This may be done by applying the stakeholder theory.

## 2.5 Stakeholder theory

Based on the social contract argument in this chapter, UNOPS and other international organisations have been shown to have responsibilities towards society. However, since society consists of so many different stakeholders who at times have contrasting needs, it is important that social responsibilities be further described in terms of the needs of specific stakeholders. This allows organisations to meet social needs better since describing the stakeholders and their needs make it easier to determine the actions required to address the different segments of society. Thus, this study adopts the stakeholder theory and applies it to a broader range of organisations than the profit-making entities at which it was originally targeted.

The stakeholder theory describes how corporations are supposed to ensure that the needs of all their stakeholders are met. Freeman *et al.* (2010:5) describe the stakeholders as “groups and individuals who can affect or are affected by” an organisation. This definition implies that stakeholders have an influence on whether an organisation will succeed or fail. They are part of the greater society and they include shareholders, employees, members of the community and the public in general. Addressing the needs of stakeholders means that the profit-making entities should not be dedicated to only meeting the needs of shareholders but must meet the needs of all the other stakeholders as well (Freeman *et al.*, 2010:xv; Melé, 2008:62). In the adaptation of the stakeholder theory for this study, it is argued that the basis of the social responsibility obligations of organisations to stakeholders comes from the exchange of benefits between the organisation and society in line with the social contract. All types of organisations enjoy the freedom within regulatory frameworks to operate, to protect their property and people, as well as other benefits. Hence in return for these benefits, the organisations have an obligation to address the needs of the different segments of society. Applying this reasoning to UNOPS, it means that UNOPS should not only seek to satisfy the needs of the project funders but should address the needs of internal and external stakeholders as well when implementing projects. Internal stakeholders in UNOPS are the employees, site contractors and the UN General Assembly. The external stakeholders are funders, recipient governments, community beneficiaries, suppliers, and members of the public.

Since some of these stakeholders have an interest in how the organisation works, starting with whether it is allowed to operate, it follows that the stakeholder theory supports the development of SLO and the determination of the responsibilities of the parties involved in the SLO (Hall *et al.*, 2015:303). Hence UNOPS and other organisations need to address the expectations of stakeholders in order to maintain their SLO. Addressing the expectations of stakeholders means that the organisation assumes responsibility for the impact of its operations and ensures that

stakeholders are not harmed by the short-term and long-term impacts of the organisation in the present time and in the future (Melé, 2008:62). This means that all organisations should consider issues such as fair labour conditions, fair competition, avoiding corruption, proper supply chain management, environmental protection, and community engagement. Addressing these issues helps to minimise negative impacts of their operations on the different types of stakeholders. For-profit entities have the additional requirement of ensuring that they are economically viable (Freeman *et al.*, 2010:7). These operations that put stakeholder expectations at the heart of their value creation processes are likely to have strong SR performance (Blowfield & Murray, 2014:202; Freeman *et al.*, 2010:242).

When applying the stakeholder theory to UNOPS or any other organisation, a challenge that may arise is the determination of which stakeholder to prioritise over the others since there is a limit to the ability of UNOPS to please everyone. This limitation could be because of conflicting needs, limited resources, or other factors. To further complicate matters, the expectations of a particular type of UNOPS stakeholder may be quite different from one part of the world to another and these expectations of the stakeholders may vary over time (Blowfield & Murray, 2014:223; Carson, 1993:174; Melé, 2008:65). Given that the expectations of stakeholders differ from place to place and that the expectations may change over time it is important that the stakeholder needs are tracked and managed. It follows that the management of stakeholders is enhanced by a good communication strategy (Agudo-Valiente *et al.*, 2015:13). Thus, the communication strategy could be part of proactive measures put in place by UNOPS to maintain relationships with stakeholders and develop support for the organisation's SR initiatives (Alexander, 2015:25).

It is likely that this focus on identifying stakeholders and keeping them engaged allows an organisation to ensure that no one who is affected by the operations of the organisation is ignored. For example, if UNOPS identifies that a social group such as an indigenous minority community is a stakeholder at one of its project locations, the organisation should consider ways of allowing the group to participate in decision-making processes on the group's future. Thus, the stakeholder theory offers SR an opportunity to address the details about which specific group of people to pay attention to in society. The stakeholder approach has had wide application because it led to the establishment of standards or codes of practice that provide guidance for self-regulation. Examples of such standards or codes are SA8000, the Forestry Stewardship Council (FSC) and the Equator Principles (Blowfield & Murray, 2014:212).

This discussion on the stakeholder theory brings the discussion on the theory of SR that is relevant to this study to an end. The following section gives a summary of the chapter.

## 2.6 Chapter summary

This chapter introduced the social contract theory as a means of assessing the relationship and obligations between society and organisations (Conry, 1995:187). Classical social contract theorists describe a nature of existence with no state protection and compare it with society formed through the social contract that has a state authority and rule of law that protects people and their property. Receiving this protection creates the obligation to comply with society's rules and expectations (Hobbes, 1914b:9; Locke, 1764:98). This research argues that organisations also receive the benefits of society and are under an obligation to comply with society's rules and expectations. This is the basis of why organisations need to be socially responsible. Further, the consent that the organisation gets from society for it to operate may be viewed as an SLO that may be withdrawn if the organisation ceases to operate within the expectations of society (Blowfield & Murray, 2014:42). SR is about meeting obligations to society by operating in a manner aligned to society's values and expectations. Operating in such a manner is applicable to both commercial and non-commercial organisations (Aguinis, 2011:857; ISO, 2010:4). Applying the stakeholder theory to SR is aligned to SCT and helps in specifying the individuals or interest groups whose expectations the organisations need to address.

Another application of the SCT in this chapter was that the UN may be viewed as a global society of nations. This is a good fit for the SCT because there is an actual written contract that brings the nations together. The significance of this application is that it establishes the UN as the authority that should lead the addressing of SR in the society of nations.

Chapter 3 is going to explore the UN and UNOPS legislation and other requirements that are relevant to SR.

## **CHAPTER THREE: SR INSTRUMENTS IN THE UN AND UNOPS**

### **3.1 Introduction**

Chapter 2 argued that the UN has a responsibility for establishing the social requirements that citizens of the global society have to meet. This responsibility comes about because, under the social contract theory (SCT), the UN is the authority that 'rules' over the global society created by the coming together of states under the UN Charter of 1945 to form the 'society of nations'. Thus, as the states lose some of their ability to act as they please and are compelled to follow the requirements of the UN, the UN in turn reciprocates by keeping world peace and establishing and implementing requirements for upholding the well-being of society. Hence, the UN has the role of establishing laws and requirements related to SR. Although this case study focuses on UNOPS, UN SR instruments are also described because they apply to UNOPS.

The UNOPS Executive Director Principles (EDP) and the UNOPS Legislative Framework describe how UNOPS not only falls under the authority of the UN instruments but considers the UN principles to have higher priority or importance over UNOPS instruments (UNOPS, 2016a:2; UNOPS, 2017f:3). Hence, both UN and UNOPS instruments may be used as a standard against which UNOPS performance in SR may be measured.

This chapter gives a descriptive account of the instruments and requirements that the UN has put in place to either regulate or encourage socially responsible behaviour. The chapter identifies the various instruments to demonstrate the UN's role of establishing laws and requirements related to SR and to describe the SR requirements that UNOPS follows. An analysis of how UNOPS performs against SR aspects raised in these instruments shall be conducted in Chapter 4. Even before the specific analysis of UNOPS performance against SR instruments, it is evident from key documents such as the UN Charter and the UNOPS Strategic Plan (2014-2017) that SR and social well-being enjoy high levels of consideration in the UN and UNOPS as will be explained subsequently.

### **3.2 Social responsibility and social well-being as key principles in the UN and UNOPS**

The fundamental focus of the UN in acting in the interests of society and compelling all people of the world to do the same can be seen in the UN's founding document, the UN Charter of 1945. It states that the people of the UN shall abide by the principles of respecting human rights and dignity, equality, justice and the rule of law in order to maintain peace and security and to improve the quality of life of all members of society (United Nations, 1945:2).

The SR theme is emphasised in the UNOPS Strategic Plan 2014-2017 as part of the sustainability approach (United Nations, 2013c:1, 11). It is also a cross-cutting theme in the UNOPS legislative framework. Further, the executive office directive on environmental and social management specifically commits UNOPS to applying environmental and social responsibility to its operations. It reads as follows: “[UNOPS shall]...manage its activities and facilities in a manner that respects the principles of social and environmental responsibility, with the primary purpose of protecting people and the environment, and mitigating the negative impacts of its activities and facilities” (UNOPS, 2017g:3).

In this directive, these social and environmental principles are also linked to the UN system (group of organisations that make up the UN) requirements and international best practices. The intention of UNOPS is not only limited to complying with the principles but to exceeding them where possible (UNOPS, 2017g:3). Like most of the UNOPS instruments issued in 2017 and 2018, this directive is not a new policy commitment by UNOPS but it is rather a revision of policies formulated in previous years. When put together, the instruments cover many aspects of SR.

Based on the instruments in the UN and UNOPS, four broad categories have been identified into which the instruments and accompanying processes could be placed. They are the following:

- i. Peace, security and rule of law,
- ii. Human rights and labour,
- iii. Governance and ethics, and
- iv. Development and communities.

Descriptions of the instruments falling under these categories follow, starting with peace, security, and rule of law.

### **3.3 Political influence and support for peace and security**

Political influence may have important implications for SR because it has the potential to discourage or reinforce irresponsible behaviours by governments, organisations and individuals. On the other hand, positive influence may lead to positive changes in SR. Related to this, it is difficult to lead a normal life and to establish other SR aspects if there is no peace and security.

### 3.3.1 Political influence

Organisations have a social responsibility to desist from abusing their influential positions in society to negatively affect political processes such as elections, consultations on national policy or the struggle for basic human rights (ISO, 2010:49). UNOPS and all other UN organisations should not only avoid being a negative influence but should also respect the sovereignty of member states while actively seeking to encourage peace, security, human rights, democracy and socio-economic development in line with the intentions agreed upon in the UN Charter (United Nations, 1945:3).

Multinationals and other commercial enterprises would do well to raise the awareness of their personnel to ensure there is transparency relating to what the organisation supports or lobbies for. Awareness is required also to avoid using the organisation's resources and influence to support inappropriate political causes (ISO, 2010:49). However, this does not necessarily mean that organisations should shy away from any political activity. In fact, some researchers consider positive political activity to be part of social responsibility (Liedong *et al.*, 2015:408). Hond *et al.* (2014:790) argue that exerting political influence may be necessary in order to create the appropriate conditions in which an organisation can operate. As noted above, part of the purposes of the UN is to exert political influence towards peace, security and the development of the international community.

The UN has established international norms that all political systems should try to follow in order to gain international acceptance or approval. This process started with the UN Charter and extended to other international agreements and laws that stipulate acceptable behaviour by states and individuals in the states. For instance, nations want to be seen to be compliant with international agreements such as the Unilateral Declaration of Human Rights (1948) and the Treaty on the Non-Proliferation of Nuclear Weapons (1968). Using these norms as a yardstick, the UN exerts political influence through its approval or disapproval of the actions of states. This influence is significant because the UN is mostly regarded as a neutral referee, and states want to be seen to be doing the right thing in the eyes of the UN (Claude, 1966:367).

UNOPS exerts political influence by being part of the overall actions and programmes of the UN. As an implementing partner it carries out projects on the behalf of other UN organisations or on its own behalf to achieve the political aims of the UN. For instance, the UNOPS Strategic Plan (2014-2017) states that UNOPS contributes to peacebuilding efforts by working with other UN organisations in conflict and post-conflict locations (United Nations, 2013c:5). Since parties to conflicts consider UNOPS to have a positive political influence, they allow it to consult with the

parties and the communities, and to construct infrastructure and procure goods and services that are used to support peacebuilding processes.

### **3.3.2 Peacebuilding and contributing to security**

All members of society should do what they can to contribute to the state of peace and security since peace and security are precursors for a stable and prosperous society. According to the UN Charter, achieving peace by preventing or stopping wars was one of the main reasons why the UN was formed. Thus, the UN established the Security Council and the International Court of Justice (ICJ) as part of its efforts to enforce international law. For instance, the UN may compel member states to stop economic interactions and diplomatic relations with a country that disturbs the peaceful co-existence among neighbouring countries by invading the territory of another country. If such actions are not effective, the UN could also carry out military action to preserve peace (United Nations, 1945:2, 9, 17). There are several other instruments and arrangements for compelling countries to work towards peace. For instance, in the Convention on the Prevention and Punishment of the Crime of Genocide of 1948, member states agreed to prevent genocides, and to punish perpetrators if genocide occurred (United Nations, 1951:280). Also, the UN General Assembly resolution 60/80 of 2005 encourages all countries to sign the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-personnel Mines and on Their Destruction of 1997 and to ensure that their anti-landmines efforts are effective (United Nations, 2006:2). Thus, through such instruments the UN compels states, organisations and individuals to avoid activities that result in chaos, conflict and suffering.

Although it is the primary responsibility of governments to ensure that there is peaceful existence in a state of law and order, multinational organisations and international development organisations are in a position to influence peace and stability through the responsible application of political influence. International development organisations such as the UN often assist governments that are unable to cope owing to disruptions from conflict and natural disasters (Bennett, 2002:393).

In order for peace to materialise the UN, through UN organisations, takes part in disarmament of warring parties once the cessation of hostilities has been agreed upon. Disarmament takes away the means for continuing the conflict and gives peace a chance (Krause, 2007:287). The involvement of the UN in peacekeeping has been shown to increase the chances of lasting peace. The peacekeeping efforts by the UN are usually coupled with development initiatives. These development initiatives improve the lives of people and make it less attractive for them to go back to armed conflict (Doyle & Sambanis, 2007:344). This is where UNOPS is seen to be an important

role player when it constructs basic infrastructure such as schools, clinics and roads to allow life to normalise through the provision of services while creating jobs. UNOPS also constructs rule of law infrastructure such as police stations, courthouses and prisons to enable the government to administer the law. However, it may be necessary to remove landmines and other explosive remnants of war for the construction of infrastructure and other land uses to occur. UNOPS also has a unit that carries out the removal of these explosive remnants of war (UNOPS, 2017a:10).

When peace and security are in place, another key SR consideration that enables people to have a good standard of living is the upholding of human rights.

### **3.4 Human rights instruments in the UN and UNOPS**

This section describes the international instruments that give UN member states direction on issues of human rights, then it proceeds to focus on the human rights instruments that have been put in place by UNOPS to influence the upholding of human rights in UNOPS operations.

#### **3.4.1 UN approach and instruments**

By putting human rights at the centre of its approach, the UN has made the upholding of human rights an international movement to which nations, organisations and individuals are contributing (Buerghenthal, 2017:4). Human rights touch all aspects of life, from socio-economic issues to political and cultural issues. This substantial adoption of human rights by all, across all sectors, may be attributed to the UN's authority and the monitoring and support given by UN agencies (Ramcharan, 2007:439, 454; United Nations, 1948:2).

Human rights ensure that all people are treated equally and with dignity, leading to a society that is safe and just, where people live in harmony. Key to ensuring equality and human dignity is the principle of non-discrimination that is found in UN instruments known as the Universal Declaration of Human Rights (UDHR) (1948) and the International Convention on Economic, Social and Cultural Rights (ICESCR) (1966) (United Nations, 1948:1; United Nations, 1966:1). In these instruments, states, organisations and individuals are compelled not to entertain any form of discrimination since the UN recognises that all people have equal rights regardless of differences such as race, gender, religion and place of origin. The instruments point out that failure to respect human rights may lead to negative outcomes for society such as the inability by some people to enjoy the full benefits of society, conflict among people, and damage to the environment that provides a source of sustenance for others. Therefore, a good quality of life for society cannot be achieved without the realisation of human rights (United Nations, 1948:2; United Nations, 1966:2;

United Nations, 2018a:93). Thus, it may be argued that upholding human rights is important for SR since it is required to guarantee a good quality of life for society.

From the early days of its formation the UN has exerted significant influence on society's quality of life through the two human rights instruments mentioned above: UDHR and ICESCR. The combination of these first two instruments is known as the International Bill of Rights. After the establishment of the International Bill of Rights, more than 80 international instruments on human rights were adopted. These include legally binding conventions and protocols that may be used for litigation under international law, and guidelines, principles or declarations that are used as morally persuasive advice but are not necessarily enforceable under international law (United Nations, 2017b:197; United Nations, 2018a:94, 97). The creation of these human rights instruments is seen as one of the most significant accomplishments of the UN (United Nations, 2018a:93).

The following are examples of human rights instruments in addition to UDHR and ICESCR that have been mentioned above (United Nations, 2018a:93) :

- i. Convention on the Elimination of all Forms of Discrimination against Women (1979);
- ii. Convention on the Rights of the Child (1989);
- iii. International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families (1990); and
- iv. Convention on the Rights of Persons with Disabilities (2006).

These conventions have transformed international law on human rights because of the range of topics they cover. Despite being non-legally binding, the UDHR has also been very influential in significantly transforming the practice of human rights (Office of the United Nations High Commissioner for Human Rights, 2011:1). The successful adoption of human rights did not materialise only because the instruments were established but also because of the efforts of UN organisations that support states and organisations to implement the instruments. Through the Office of the United Nations High Commissioner for Human Rights (OHCHR) the UN advocates for and supports and monitors the implementation of human rights by states. It assists organisations and governments to protect the rights of all people, including vulnerable groups. It is important to note that human rights work in the UN system is not exclusive to OHCHR. It is so important to the core intent of the UN that every UN organisation shares some aspect of human rights initiatives (United Nations, 2017b:197; United Nations, 2018a:34). This is the reason why UNOPS also implements human rights aspects.

### **3.4.2 Human rights in UNOPS**

In the UNOPS Strategic Plan for the period 2014 to 2017, one of the four strategic goals under social justice and inclusion is the application of human rights principles to UNOPS operations (United Nations, 2013c:6). Although the human rights principles are embedded in most UNOPS standards and legislative instruments, they are directly mentioned in the Executive Office Directive on Environmental and Social Management issued in 2017. The directive states that UNOPS upholds human rights in its operations and ensures the well-being of all people that are involved in or affected by its operations. The organisation ensures the well-being of people by addressing the impacts of its operations in a way that reduces negative impacts and increases positive aspects. It also influences its personnel, suppliers, contractors and members of the public to address the impacts that they produce when they contribute to UNOPS initiatives (UNOPS, 2017g:3). Special attention is given to suppliers through the UNOPS Procurement Manual that specifically addresses the upholding of human rights and other SR requirements by suppliers. The Procurement Manual states that it is compulsory for all UNOPS suppliers to commit to the UN's Supplier Code of Conduct and to adhere to the principles of the United Nations Global Compact (UNGC) (UNOPS, 2017j:19). Special treatment is also given to addressing workers' rights, leading to specialised instruments and support for good labour practices in the UN and UNOPS.

### **3.5 The UN and labour**

Addressing labour practices is one of the core areas of social responsibility and should not be neglected by an organisation implementing SR (ISO, 2010:20). The practice of SR requires that an organisation extends its influence on labour practices to its suppliers, partners, contractors and subcontractors including home-based employees (ISO, 2010:35). As mentioned before (section 2.2.3.1), the UN regulates international labour practices through the ILO. The ILO has facilitated the establishment of 189 international conventions and 204 recommendations or guidelines on international labour issues. These instruments cover areas such as child labour, forced labour, immigrant and other vulnerable workers, conditions of work, occupational safety and health, freedom of association as well as collective bargaining. The following are some examples of these conventions:

- i. Right to Organise and Collective Bargaining Convention (1949),
- ii. Equal Remuneration Convention (1951),
- iii. Discrimination (Employment and Occupation) Convention (1958), and
- iv. Worst Forms of Child Labour Convention (1999).

The conventions of the ILO support both the development of legislation and the practical implementation of the labour requirements in the workplace (United Nations, 2017b:208). The countries that have signed up to these ILO conventions have been compelled to consider their national legislation and labour practices with the intention of ensuring that labour requirements are aligned to the international good practices that are expressed in ILO instruments (Oji *et al.*, 2016:65). In addition, there are non-legally binding but significantly influential instruments such as the ILO Declaration on Fundamental Principles and Rights at Work (DFPRW) of 1998. Its intention is for all countries to apply the labour principles and requirements so that economic development is accompanied by social and environmental development. The ILO has not only defined the requirements for good labour practices but also supports countries of the world by setting standards, facilitating collaboration and doing research that supports the continuous improvement of such practices (International Labour Office, 1998:5). The ILO requirements have been adopted by international SR codes. Examples of these codes include the Ten Principles of the UNGC (Christy, 2015:85) and the ISO 26 000 standard developed by the International Standards Organisation (ISO)(ISO, 2010:33). Thus, ILO instruments are playing an important role in bringing good labour practices to the forefront for governments, public and private sector organisations, and worker representatives to address key issues related to labour practices (Hodges, 2014:575).

In line with these ILO instruments, UNOPS has also established its own instruments to address the need for good labour practices.

### **3.5.1 Instruments supporting labour practices in UNOPS**

Several instruments state the UNOPS requirements for labour. In the environmental and social policy, it is stated that discrimination, child labour and forced labour are not acceptable in UNOPS (UNOPS, 2017g:4). In addition to these requirements, the UNOPS organisational directive governing labour issues commits UNOPS to providing a fair, safe and diverse work environment with equal opportunities for all people. The work environment should be free from abuse of authority, harassment and any form of discrimination (UNOPS, 2017g:3; UNOPS, 2017i:10). UNOPS specifically commits to ensuring that its workforce comes from all geographical regions of the world and to putting measures in place for achieving gender parity in all levels of the workplace (UNOPS, 2017c:3).

In its Personnel Management Framework Organisational Instruction of 2017, UNOPS indicates the need to pay fair and competitive remuneration. There are also provisions for ensuring that

reasonable working hours are implemented and that personnel have the opportunity to take leave. Also, the UNOPS instrument makes it possible for personnel to have flexible work arrangements in order to make a healthy connection between family life and work life (UNOPS, 2017i:7). Having competitive remuneration, good working hours and some family-life and work-life balance would not be enough if employees fell ill or died because of exposure to workplace hazards. Hence, a good work environment should have adequate provisions for occupational safety and health. There are a number of instruments in the UN and UNOPS that cover occupational health and safety.

### **3.5.2 Occupational health and safety instruments in the UN and UNOPS**

UN instruments promote good working conditions that include a safe environment that is free from workplace injuries and illnesses. In the ICESCR, a safe working environment is given as a basic human right (United Nations, 1966:3). The ILO sets the requirements for a work environment free from illness and injuries through conventions and recommendations. These requirements are considered as an “international labour code” that influences legislation and organisational practices in many countries (Alli, 2008:9).

As of May 2018, the ILO had published more than 30 instruments covering occupational safety and health. Some examples of these instruments are as follows:

- i. Occupational Safety and Health Convention (1981),
- ii. Occupational Health Services Recommendation (1985),
- iii. Prevention of Major Industrial Accidents Recommendation (1993), and
- iv. Safety and Health in Mines Convention, 1995

(International Labour Organisation, 2017)

In line with these instruments, UNOPS also established a policy on occupational safety and health and added supporting instruments to guide the implementation of the policy and to regulate the reporting of incidents. The policy applies to all UNOPS personnel, suppliers, contractors and any other people working in or visiting UNOPS-controlled premises. This policy commits UNOPS operations to putting measures in place for ensuring the safety and health of personnel at its workplaces and for members of the public that interact with UNOPS operations. These measures include identifying potential sources of harm, establishing controls that ensure the harm is averted, and influencing personnel, suppliers, contractors and partners to comply with the measures (UNOPS, 2017g:3). Since UNOPS specialises in developing infrastructure and in procuring public goods (UNOPS, 2015:3), it means that the goal of this policy is to ensure that

there are no work-related injuries and illnesses in the construction and use of the infrastructure or resulting from the use of goods or services purchased. In addition, this means that UNOPS has responsibilities towards the supply chain and should do what it can to ensure that its supply chain does not expose society to health and safety problems.

It is important for the broad high-level commitments of the policy on occupational safety and health to be turned into simplified practical requirements used on a day-to-day basis by personnel on the ground. UNOPS issued the Executive Office Instruction on the Implementation of Health and Safety in 2017. The instruction defines the health and safety requirements that apply to facilities and project sites to ensure that these practical day-to-day requirements are known and applied in workplaces. The requirements ensure that adequate processes and controls are in place for optimal safety and health. The instrument also identifies the UNOPS activities where some of the requirements are not applicable, for example, in cases where UNOPS provides grant management services or offers administrative support but is not involved in technical operations (UNOPS, 2017g:3). Although the goal of the policy on health and safety and the instruction on health and safety requirements is to prevent or minimise harm, sometimes unintended health and safety incidents may occur resulting in harm. In such instances, the UNOPS Executive Office Instruction on Incident Reporting of 2017 describes how the incidents are to be managed. The management of incidents covers the internal reporting, investigating and external communicating of the incidents (UNOPS, 2017k:3).

This description of occupational health and safety concludes the sections on individual rights that covered the overall rights of all people, referred to simply as human rights, followed by a subset of individual rights specific to labour relations, and lastly, occupational health and safety, which is a subset of labour relations. With this expanded review of instruments that are meant to secure individual rights, it is of interest also to consider what instruments have been put in place by the UN and UNOPS to exert SR influence in decision-making processes and other governance mechanisms.

### **3.6 Governance**

Organisations need appropriate governance structures for them to ensure that they consistently make the right decisions in line with SR principles and ethical considerations. Transparency of the organisation helps people to hold the organisation accountable and to test whether the governance structures are being effective. This section considers the UN guidance for governance in member states and then focuses on governance in UNOPS.

### **3.6.1 Influence of governance on SR**

Good governance is concerned with the views and needs of stakeholders, transparency, accountability, operating according to values and laws, and addressing current and future needs of society (Gupta, 2016:98). Furthermore, good governance contributes to the assurance that decisions made by the state or by an organisation will work to the good of society in addressing social, economic, environmental and ethical considerations (International Finance Corporation, 2015). An organisation with good governance is likely to make decisions that are good for society when its governance frameworks and structures for decision-making are in line with SR culture and values. Because good governance leads to established processes, the SR considered decisions would not be random. Instead, they will be repeatable processes embedded into day-to-day operations (ISO, 2010:21, 22). The importance of good governance has resulted in the UN establishing instruments to influence governance, not only for itself, but also for organisations in member states.

### **3.6.2 The UN and governance of institutions**

In its report entitled “Global economic governance and development”, the UN notes that it has a central role in global governance because global socio-economic governance is linked to development, which is a major focus area for the UN. As a result of this role, the UN’s Economic and Social Council (ESC) helps member states to discuss and reach agreement on the policy and implementation of socio-economic governance (United Nations, 2011b:2, 9). Under this theme of governance, the UN promotes the development of strong institutions and the implementation of the rule of law. In addition, it encourages practising transparency in the use of public funds so that the public may hold states and organisations accountable. Being accountable to the public or independent parties helps to combat corruption and the inappropriate use of resources. It also helps organisations to be viewed as being more responsible and sincere (Fernandez & Puyana, 2015:21; United Nations, 2013a:13).

The UN also extends its influence in governance through the UN Global Compact (UNGC). The UNGC has the highest number of organisational members among international initiatives promoting good governance (Voegtlin & Pless, 2014:181). About two-thirds of the members are corporations whilst the remaining third comprises various types of non-business organisations such as labour organisations, public sector organisations and foundations. Members of the UNGC commit themselves to uphold ten principles based on human rights, fair labour practices, protection of the environment and the prevention of corruption (United Nations Global Compact,

2015). These themes cover the core areas of SR (ISO, 2010: ix) thus by encouraging compliance with its 10 principles the UNGC assists its members to put in place SR requirements.

Although the emphasis on governance has been mainly directed towards commercial enterprises, non-commercial enterprises also need appropriate governance frameworks that are adapted to their context (Chelliah *et al.*, 2016:20) because good governance and control are necessary for continued trust regarding public funds (Doncaster & Hughes, 1996:45). Hence, UNOPS, as a non-commercial organisation and a member of the UN family, has also developed its governance framework based on the broad principles established by the UN.

### **3.6.3 Governance in UNOPS**

UNOPS published an instrument called “Organisational Principles and Governance Model” that defines how the issues of governance are handled in UNOPS. The instrument describes UNOPS organisational structures, including oversight duties and accountabilities. It shows that as part of external oversight, the UNOPS executive director is accountable to the UN General Assembly, together with the UN Secretary-General and the UN Board of Auditors (United Nations, 2017b:xviii; UNOPS, 2017h:3).

Internal governance is split over several levels. The executive director, supported by the senior management team, defines the organisation’s mission, values, strategic focus, high-level commitments and legislative framework. The legislative framework consists of Executive Office Directives and Instructions (EODIs) and Operational Directives and Instructions (ODIs). Under the legal framework, authority is delegated to some senior managers and the business units they lead to monitor the implementation of these legal instruments in UNOPS. The directives spell out UNOPS policy and high-level direction on different aspects of the function of UNOPS while the instructions give the specific operational requirements or processes that need to be complied with in order to fulfil the expectations of the organisational policy and UN requirements. The accountability for managing daily operations is assigned to regional directors who head the regional business units. The UNOPS organisational principles also include an internal audit function that ensures that UNOPS instruments are being complied with. The internal audit function reviews the operations of UNOPS units and reports directly to the executive director (UNOPS, 2017f:3; UNOPS, 2017h:3).

Assurance processes defined by the Accountability Framework and Oversight Policies of 2011 are carried out by two external entities and one internal entity in UNOPS. The external entities are the UN Board of Auditors (UNBOA) and the UN Joint Inspection Unit (UN JIU). The internal

entity is the Internal Audit and Investigations Group (IAIG). These processes are in addition to day-to-day management oversight processes and monitoring of business performance (UNOPS, 2011:7). Further to the oversight by these external and internal entities, the Strategy and Audit Advisory Committee and the Ethics Office offer advice for ensuring that UNOPS operates in an appropriate manner that is in line with its values (UNOPS, 2011:7, 8). UNOPS directed the ethics office to report to the executive director in order to ensure its independence when dealing with ethical issues brought before it across all levels below the executive director (UNOPS, 2017c:6).

### **3.7 Ethics**

The UN established instruments that make it clear that ethical behaviour is important in both the public and private sectors. Similarly, UNOPS has put instruments in place that directly address ethical issues that are relevant to its employees, such as receiving gifts that may compromise the judgement and behaviour of personnel when dealing with suppliers and other stakeholders.

#### **3.7.1 The UN and ethics instruments**

According to the Copenhagen Declaration of 1995, the UN promotes:

- (a) Enacting rules and regulations and creating a moral and ethical climate that prevent all forms of corruption and exploitation of individuals, families and groups;
- (b) Promoting fair competition and ethical responsibility in business activities, and enhancing cooperation and interaction among Governments, the private sector and civil society (United Nations, 1995:33).

This means that the UN promotes ethical practices in both public and private sectors on a global scale by using its political influence on member states. It promotes ethical practices by organisations and individual members of society in its various programmes. The UN also addresses ethical practices among its employees. According to the UN Charter, UN personnel are expected to have a high level of integrity (United Nations, 1945:18). The Standards of Conduct for the International Civil Service (SCICS) issued by the UN in 2013 also exhorts international civil servants to carry out their responsibilities with integrity with a focus on efficiency, while working without bias and discrimination. The conduct of the civil servants should reflect the principles and values of the UN as the civil servants are vehicles for bringing about world peace, human dignity and improvement of people's quality of life (United Nations, 2013b:3). Some of these values are portrayed in the prohibition of harassment and misuse of authority at the workplace. SCICS also compels international civil servants to be honest and to avoid a conflict of interest when conducting duties (United Nations, 2013b:3, 4). The UN also stipulated through the UN Secretary

General's Bulletin of 2007 that UN organisations should have an ethics function that advises personnel on issues of ethics and integrity (United Nations, 2007b:1).

In line with the ethics thrust of the UN system, UNOPS has also established its own ethics instruments and an ethics office to address ethical issues in UNOPS.

### **3.7.2 UNOPS instruments for ethics**

UNOPS has several instruments that address ethics. The instruments address a broad range of issues from how free gifts and benefits given to personnel may influence their judgement, to inappropriate influences such as harassment and discrimination, as well as issues of fraud and corruption.

The organisational instruction on prohibition of accepting gifts, favours and other benefits was issued in 2018. This was a revision of a similar instruction that had been issued in 2012. The instruction prohibits personnel from receiving gifts and other benefits from stakeholders. The purpose of the instruction is to avoid a situation where receiving gifts may create an obligation that could compromise the personnel's ability to act impartially within the principles of the UN and UNOPS (UNOPS, 2018a:3). UNOPS also addresses unethical behaviour concerning abuse of authority, workplace harassment and discrimination in its operational instruction titled The Personnel Management Framework that was issued in 2018.

The intention of the instruction is to ensure that employees do not subject each other to inappropriate behaviour using power that originates from job levels. There is also an expectation that no employees will behave in a way that strips others of their dignity. In addition, the instruction states that UNOPS does not accept any form of discrimination including discrimination based on gender, race, religion or place of origin (UNOPS, 2017i:10).

There is also another instrument the short title of which is Protection Against Retaliation for Reporting Misconduct, which supports the reporting of acts of misconduct. The instrument establishes the reporting process and makes it the duty of all personnel to report unethical practices. It encourages all people to cooperate with investigations and prohibits acts of retaliation against whistle-blowers from inside and outside of UNOPS (UNOPS, 2018c:1). Promotion of ethics in UNOPS is done through an ethics office established in line with the UN Secretary-General's Bulletin on Ethics issued in 2007 (UNOPS, 2017c:6). The other aspect of ethical behaviour covered in UNOPS instruments is the prevention of corruption and fraud.

### **3.8 Anti-corruption instruments in the UN and UNOPS**

Corruption interferes with socio-economic growth and the confidence that people have in governance institutions, systems and processes. Hence, it is responsible for slowing down social progress and well-being (Ugur, 2014:472; United Nations, 2012:4). The reduced confidence in governance arrangements coupled with less access to social services results in inequality.

Given these drawbacks caused by corruption, it is important to have regulations or rules that enable public and private organisations and individuals to be accountable and to act against corruption. UN member states agreed to take the necessary actions to encourage the application of the rule of law and to eliminate acts of corruption in the Copenhagen Declaration of 1995 and the UN General Assembly Resolution on Rule of Law that was made in 2012 (United Nations, 1995:5, 33; United Nations, 2012:4). In addition to stopping corruption, the rule of law helps in the establishment of social justice. It is applicable to all nations, organisations and individuals as a means of settling disputes and as a requisite for socio-economic development and social well-being (United Nations, 2012:2).

In UNOPS the instrument that deals with how the organisation approaches anti-corruption is the Policy on Corruption and Fraud issued in 2018. When it was issued, it was replacing the UNOPS Policy on Fraud of 2010. The latest policy established ways in which UNOPS may prevent corruption and fraud. In the event that prevention has failed, the policy also instructs the organisation on how corruption and fraud may be identified and managed. The actions in the policy are directed at UNOPS personnel and the people or organisations with which it has business engagements (UNOPS, 2018b:1). The UNOPS Financial Regulations and Rules give the executive director the responsibility of addressing corruption and fraud through policy instruments and oversight while the Internal Audit and Investigations Group (IAIG) is tasked with uncovering the cases and investigating them (UNOPS, 2017b:20, 21).

Within UNOPS internal systems, the rule of law is promoted in the governance framework as described under the section on governance. In terms of the contribution of UNOPS to the global rule of law, UNOPS has a mandate to develop rule of law infrastructures such as police stations, courthouses and prisons. It also works in partnership with the United Nations Mine Action Service (UNMAS) to clear anti-personnel mines and other explosive remnants of war (UNOPS, 2017a:3, 4).

While the rule of law is important as part of the UN's SR framework because it is used to fight corruption and other unethical behaviours, additional important aspects for fighting unethical behaviours are the requirements put in place to ensure accountability and transparency.

### **3.9 Accountability and transparency**

In defining accountability in a UN General Assembly report of 2010 on the Accountability System of the UN Secretariat, the UN highlights the importance of being answerable for performance against set targets. Emphasis was placed on following established rules and carrying out accurate measurement and reporting of results so that performance may be measured (United Nations, 2010:5). Being answerable to how one performs results in people ensuring that they act appropriately in line with the established values, rules and regulations. Hence, if an accountability framework is in place, it becomes easier to act against those that do not act appropriately.

Transparency works hand-in-hand with accountability in promoting ethical behaviour. A notable contribution of transparency is in the prevention or reduction of corruption. This is because corrupt systems thrive when people are denied access to information. Hence, transparency in the form of access to timely, reliable information reduces the impact of corrupt people withholding and manipulating the information so that they may gain dishonest advantage. When people in society are without information about how states or organisations are operating, they will find it very difficult to measure performance and hold the states and organisations accountable for irresponsible behaviours (Wardhaugh, 2011:44). Hence, socially responsible organisations increase their transparency and good governance by reporting on social responsibility issues. The reporting may be carried out in reports such as annual SR or sustainability reports (Dagiliene *et al.*, 2014:54). The media, pressure groups and providers of information on public electronic platforms make an important contribution to fighting against corruption and other unethical behaviours by making information available. Similarly, any organisation may also contribute to reducing corruption by being more transparent with information about its operations. Thus, in addition to the oversight provided through legislation, accountability and transparency initiatives are important in the fight against corruption (Eigen, 2002:199).

In the UN, there are a number of instruments that support the implementation of transparency requirements. Perhaps the most significant ones are those that proclaim the rights of people to access information. These rights are stated in the UDHR of 1948 and the International Covenant on Civil and Political Rights of 1966 (United Nations, 1948:8; United Nations, 1966:178). A reason why access to information is so prominent in the UN instruments on human rights is that the freedoms that the UN stands for are easily demonstrated when there is easy access to reliable

information (United Nations, 1947:95). These rights regarding information are connected to issues of transparency and governance that the UN Department of Economic and Social Affairs (DESA) promotes through forums of international stakeholders. The stakeholders include public and private sector representatives. The DESA collects, analyses and makes information available for decision making and helps the stakeholders to reach consensus on how to cooperate in transparency and governance initiatives. The DESA also assists countries to transform the international agreements on transparency and governance into national programmes (United Nations, 2007a:vii). For instance, countries may be assisted to implement the Seoul Declaration of 2005 that focuses on participatory and transparent governance. Among others, the declaration encourages transparent governance that engages stakeholders in socio-economic development aimed at addressing social inequities and other society challenges (United Nations, 2007a:98).

UNOPS has also set transparency in its governance instruments in line with the UN instruments described above. Transparency is listed as one of the core values of UNOPS in its strategic plan of 2014-2017. Transparency is also recognised by the UNOPS Financial Regulations and Rules as an important principle in procurement processes (UNOPS, 2017b:37). A reason for this recognition could be that transparent processes are a deterrent to fraud, corruption, conflict of interest and other problems that could compromise the integrity of the procurement processes. The transparent processes also promote accountability. When stakeholders are able to check that an organisation has done what it said it would do, their confidence in the organisation will increase. This applies to any type of organisation, including non-profit organisations such as UNOPS (Gazzola & Ratti, 2014:133). Confidence in the organisation will also increase when the stakeholders realise that the organisation goes beyond a narrow view of merely mitigating key negative impacts but considers how it can contribute by means of development instruments to the development of society.

### **3.10 Development instruments**

In this section, the international agreements that the UN put in place to compel countries of the world to contribute to development and social progress are highlighted, followed by a description of how the issues are dealt with in UNOPS.

#### **3.10.1 The right to development**

The UN views development as a basic right that should be upheld for all nations and all people. All people have a responsibility as individuals, organisations, communities or nations to contribute to development. According to the UN, development may be described in terms of aspects that contribute to a good, dignified standard of living by looking at economic, social, political, cultural

and environmental characteristics for current and future generations. These views of development are stated in the Declaration on the Right to Development (United Nations, 1986) and the aspect of considering future generations was added by the Brundtland Commission (Brundtland Commission, 1987:54). Key aspects of the declaration such as respect for human rights, non-discrimination and creation of equal opportunities are in line with other requirements of SR that have been discussed in the sections above.

Using SR programmes, commercial organisations have put time and resources into SR initiatives leading to development of the communities in locations where the organisations have operations (Afrane & Adjei-Poku, 2013:255). Non-commercial organisations may already have some functions that contribute to community development because of the nature of their activities. However, this should not stop them from making a more direct contribution to community development in areas that are not part of their core activities. It may be necessary for an analysis of the organisation's capabilities with respect to the needs of a particular community to be done as organisations usually carry out SR initiatives that are specific to their mission, capability and context of operations (Roig & Capriotti, 2008:51). In addition to the direction given by the Declaration on the Right to Development, organisations may also be guided by the Copenhagen Declaration on Social Development and the UN 2030 Agenda for Sustainable Development.

### **3.10.2 Copenhagen Declaration, Millennium Declaration, and the 2030 Agenda**

During the World Summit for Social Development (WSSD) held in Copenhagen in 1995, the UN member states established a declaration that addresses the challenges that affect the quality of life in society such as inequities, poverty, lack of jobs, poor access to health, poor education, the lack of the provision of basic services, and deterioration of the physical environment. Commonly referred to as the Copenhagen Declaration, the agreement also includes a plan of action that compels the UN member states and their people to address the issues identified so that the standard of living of people improves (United Nations, 1995:2, 4). This global agreement is important to SR because it defines the areas where society has challenges and goes on to define the actions that UN member states need to take to address these challenges. The UN member states should transform these actions into national legislation, policies and action plans that place obligations on individuals and organisations to contribute to social progress.

Building on the WSSD and other interventions before it, the UN continued to lead the international development agenda through the establishment of international agreements that allow countries of the world to focus on addressing global social challenges. Perhaps the most significant of these agreements are the Millennium Declaration of 2000, commonly referred to as the Millennium

Development Goals (MDGs), and the 2030 Agenda agreement of 2015, commonly referred to as the Sustainable Development Goals (SDGs). The MDGs were applicable between 2000 and 2015, and the SDGs are the latest version of the same international development framework for the period from 2016 to 2030 (United Nations, 2000:1; United Nations, 2015c:1). When viewed as instruments contributing to SR, these agreements are noteworthy in two important respects. The first is that they look at the whole world as one society and identify social issues that need to be addressed for social well-being to occur. For instance, from the description of the SDGs (United Nations, 2015c:14) it can be seen that they are addressing issues that include hunger, poverty, inequalities, inadequate health services, poor infrastructure and environmental degradation. Secondly, the agreements provide thematic areas, targets and a basis for the coordination of various players in addressing challenges that affect social development. Thus, even though organisations have specific local community issues to consider, they have clearer guidance on national and international issues that their SR initiatives could address.

At the local community level, the UN also plays a significant role by supporting the engagement of local communities through the Brisbane Declaration of 2005. The Declaration notes that the development of society requires the full engagement of local communities. The participation of communities leads to better governance and accountability (Queensland Government, 2005). A particular segment of communities that is vulnerable and needs protection through SR is indigenous peoples. The United Nations Declaration on the Rights of Indigenous Peoples of 2008 makes some key commitments that guide how countries and organisations should approach the relationship with indigenous people. The Declaration highlights the importance of preserving the culture, religion and identity of indigenous people. Thus, it is important to ensure that indigenous people are not forced off their land. When, through their participation and agreement, it is decided to move indigenous people, they must be given fair compensation or other viable options in exchange for their land (United Nations, 2008:4).

### **3.10.3 Development in UNOPS instruments**

Development in UNOPS instruments is reflected in many places, starting with the vision, mission and strategy of the organisation. In its purpose statement, UNOPS states it assists countries to achieve sustainable development and to improve people's lives. As part of these efforts, UNOPS indicates it addresses inequalities, ensures that all people are treated with dignity and supports community development (UNOPS, 2016b:6). This is in line with the central theme in the UNOPS mission statement and strategic plans of 2014-2017 and 2018-2021 that state that UNOPS contributes to the attainment of peace and sustainable development, leading to an improvement in the lives of people in society (United Nations, 2013c:1; United Nations, 2017f:1). In the strategic

plan of 2014-2017, UNOPS states it desires to ensure that human rights are upheld, that operations benefit local communities, that UNOPS gives access to services and opportunities to all members of communities equally, and that it protects the environment in its operations (United Nations, 2013c:6). In addition, according to the operational instruction on acceptance of engagements, UNOPS offices are required to carry out adequate due diligence to ensure that new engagements are in line with the UN and UNOPS values and adequately contribute to development (UNOPS, 2018a:3). Hence, UNOPS instruments compel engagements with partners and funders to address the development of society. The structure for reporting results in annual reports is also designed to show the key contributions to development by UNOPS. The structure of the reports allows UNOPS to highlight progress in activities such as procuring humanitarian supplies, reconstructing damaged infrastructure, supplying renewable energy to rural communities, and providing housing to the poor (United Nations, 2018b:1, 4).

Development projects come with the possibility of contributing to the development of local markets and local suppliers. Developing local markets is relevant to UNOPS because UNOPS uses a large quantity of raw materials in construction projects and also carries out public procurement in support of governments and other partners. Also, like any other organisation, UNOPS must put a process of due diligence in place in order to identify and manage potential SR challenges in the supply chain (United Nations Global Compact, 2014:7). In its Procurement Manual, UNOPS states that it may carry out capacity building to raise the capacity of local suppliers in cases where the challenge is found to be that of the limited capacity of suppliers (UNOPS, 2017j:58). Thus, conducting supplier assessments may boost the SR performance of the organisation. Furthermore, working together with the suppliers on ways they could address their challenges is likely to result in significant improvements for the supply chain (Sancha *et al.*, 2016:1934).

Chapter 5 continues this discussion by using the empirical data gathered to explore how SR may be used to support development. When development is done well, it is likely to contribute significantly to social well-being. However, success may be linked to ensuring that the physical environment where society lives is in a good state that continues to sustain people and their means of livelihood. Hence protecting the environment is an important consideration for SR.

### **3.11 UN and UNOPS instruments for protecting the environment**

The realisation that protecting the environment is important for social well-being has led the UN to administer the application of principles that make organisations meet the cost of mitigating any environmental damage that they cause. This section illustrates instruments for environmental

management by describing those for addressing pollution and damage to the ozone layer as well as climate change.

### **3.11.1 Protecting the environment is important for social well-being**

Caring for the environment is an essential requirement for social well-being and should be a key consideration for SR. It should be a key consideration because damage to the environment and depletion of natural resources may significantly reduce the quality of life of people if they are not controlled (ISO, 2010:41). Hence, the UN has instruments and processes to safeguard society by compelling all states and their people to protect the environment for the benefit of the current generation and future generations (United Nations, 1995:6).

Since UNOPS is involved in the construction of physical infrastructure and the procurement of goods and services, it is likely that the extraction of construction raw materials and the production of goods may lead to the release of pollutants. These pollutants may become a social nuisance that cause diseases and deny people the opportunity to enjoy their surroundings (Ma *et al.*, 2012:120; Warlina, 2015:403). Hence, the topic of environmental protection is relevant to UNOPS. There are several significant UN instruments that have shaped how organisations and governments pay attention to the environment. This study highlights how the UN promotes the polluter pays principle (PPP), the precautionary principle (PP), initiatives for ozone layer protection, and instruments for combating climate change.

### **3.11.2 The UN and the polluter pays principle**

The UN started using 'the polluter pays' principle (PPP) in its instruments in the UN Conference on the Human Environment in Stockholm in 1972 (United Nations, 1972:47). After this conference the principles were taken up in other UN agreements such as the Rio Declaration of 1992 (United Nations, 1992a:3). The PPP, as its name suggests, is about ensuring that an individual or organisation responsible for causing pollution pays for the actions required to mitigate the impact of the pollution. Thus, the concept attempts to ensure that organisations do not reap the economic benefits that result from polluting operations whilst they are transferring the environmental costs to society. Hence, socially responsible behaviour, according to PPP, is to ensure that organisations offset the full environmental cost of their operations (Khan, 2015:640). Where possible, it is even better to invest in prevention rather than waiting to offset environmental damage when it has occurred (ISO, 2010:41; Tekayak, 2016:62).

The UN also encourages the use of the precautionary principle (PP) when dealing with potential environmental issues (ISO, 2010:41; United Nations, 1992a). The precautionary principle stipulates that in those cases where there is still some doubt about the evidence linking an activity to environmental degradation, the individual or organisation responsible for the action should take precautions to protect the environment. The people who intend to carry out the action in question are the ones who are obliged to prove that no harm will happen if they would like to avoid carrying out precautionary actions (Kriebel *et al.*, 2001:871).

Using the PPP and the PP, the UN, through UN Environment, facilitates international agreements and provides guidance and support for the protection of the environment. It also supports efficient use of resources, issues of environmental governance, and the protection and management of ecosystems (United Nations Environment Programme, 2015:x).

UNOPS applies the PPP and PP principles in its environmental and social management policy by committing all its operations to eliminating environmental risk or minimising the risk if elimination is not possible. This is done through the process of assessing impacts and putting mitigation measures in place in relation to biodiversity, pollution, resource use efficiencies, management of waste, and environmentally friendly design of infrastructure (UNOPS, 2017g:3, 4).

The processes of assessing environmental risks and putting interventions in place to minimise impacts are directly linked to the precautionary principle as they allow UNOPS to address potential environmental problems. In addition, the UNOPS financial rules require that any costs incurred by any UNOPS projects are not transferred to another project but are covered by the project that generated the cost. Hence, UNOPS applies the PPP across its projects (UNOPS, 2017b:34). UNOPS also commits to apply the life-cycle approach to determining and dealing with its environmental impacts in its projects and operations. This means that, in situations where it has influence, UNOPS considers impacts related to its activities from production and transportation of raw materials to development and use of products until final disposal. Also, important to note is the fact that the UNOPS policy refers to both positive and negative impacts. While negative impacts need to be prevented or minimised, the positive impacts should be amplified (UNOPS, 2017g:3). UNOPS commits to influence its key stakeholders such as suppliers, contractors and development partners to address the environmental impacts (UNOPS, 2017g:4). Empirical data in Chapter 4 tests whether UNOPS is exerting such influence. Another example of international instruments for environmental management is the Vienna Convention for the Protection of the Ozone Layer.

### **3.11.3 Saving the ozone layer**

Through the Montreal Protocol, agreed to under the Vienna Convention for the Protection of the Ozone Layer (United Nations Environment Programme, 2000:1), the UN facilitated the process of requiring countries, organisations and individuals to take action against the production and use of ozone-depleting substances, mainly consisting of chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs). This measure eradicated more than 95 % of ozone-depleting substances, making it possibly the most successful environmental agreement in the world. This achievement has also contributed to climate change mitigation since some ozone-depleting substances also cause global warming (United Nations Environment Programme, 2007:20).

### **3.11.4 Climate change**

Climate change has become a big issue for society because of its threat to food production and good health. Food production is affected because global agriculture production responds negatively to changes in climatic patterns (Nelson *et al.*, 2014:3274). It is also anticipated that ill health will occur because of extremes of hot or cold weather resulting from climate change (Hajat *et al.*, 2014:641). Having noted the potential human suffering that could result from these challenges, the UN came up with some instruments to address climate change. The UN Framework Convention on Climate Change (UNFCCC) of 1992 and its subsequent protocols and agreements, namely, the Kyoto Protocol of 1997 and the Paris Agreement of 2015 have been key instruments in compelling countries, organisations and individuals to contribute to climate change mitigation. The intent of these instruments is to reduce the impact of man-made greenhouse gas emissions to a level that does not affect natural climate systems (United Nations, 1992b:3; United Nations, 2016c:2).

In line with these instruments, the UNOPS Strategic Plan of 2014-2017 outlines the role of UNOPS in facilitating climate change mitigation efforts for its funding partners and the beneficiaries of UNOPS initiatives (United Nations, 2013c:12). The Policy on Environmental and Social Management also states that UNOPS will do what it can to minimise greenhouse gas emissions and reduce the organisation's impact on climate (UNOPS, 2017g:4). The UNOPS policy for environmental and social management does not only address issues of pollution and climate change mitigation. It extends to a broad range of environmental issues such as conserving natural resources through efficient consumption and reducing the environmental footprint of waste through waste minimisation, reuse and recycling. The policy also states how UNOPS is committed to protecting biodiversity and applying environmentally friendly designs (UNOPS, 2017g:4). Environmental protection in procurement processes is also considered to be important in UNOPS.

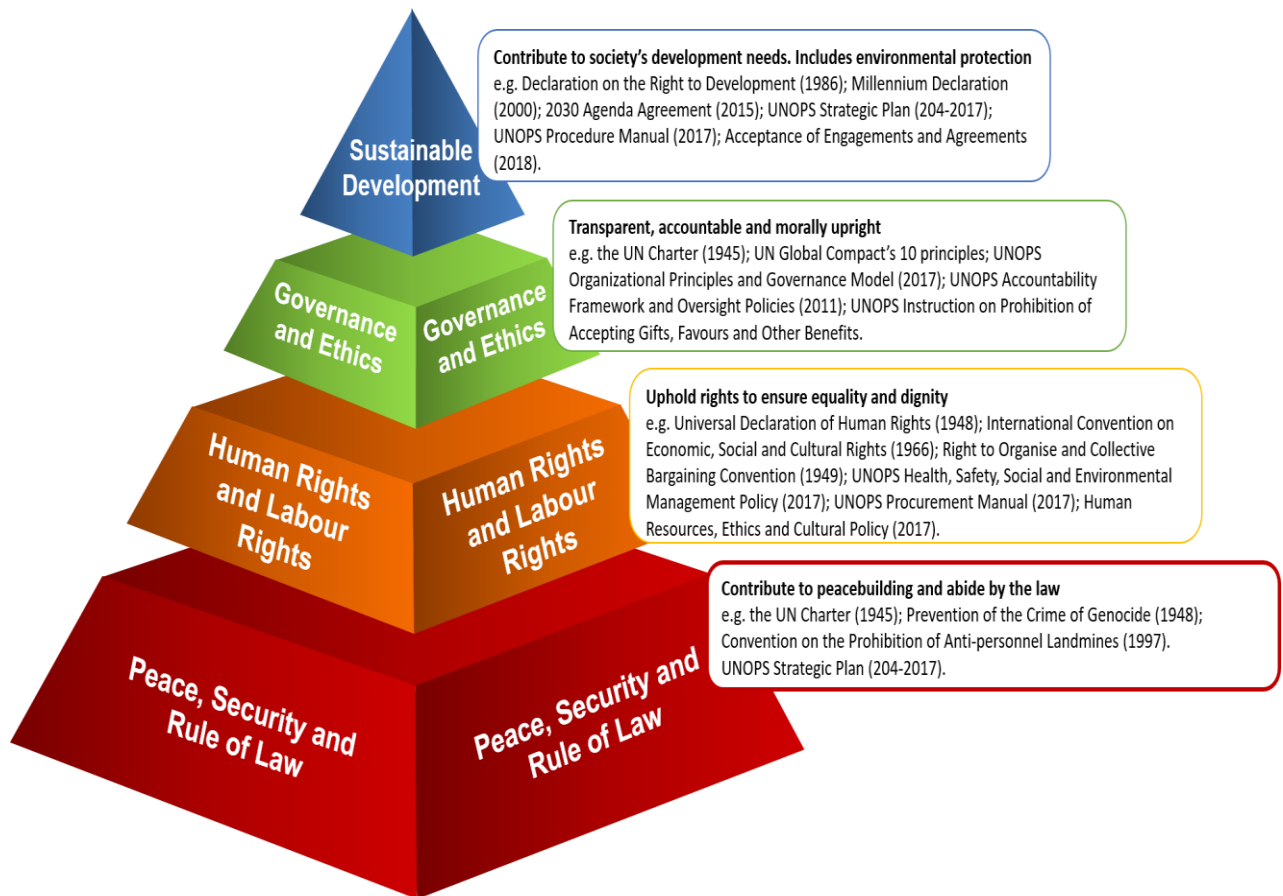
Hence, the UNOPS Procurement Manual stipulates that environmental impacts should be considered when making procurement decisions (UNOPS, 2017j:15). Also, in the Operational Instruction on Engagement Acceptance of 2018, UNOPS states that environmental risks are one of the risks that are considered when decisions have to be made about whether to carry out initiatives on behalf of funding partners (UNOPS, 2018a:5).

To conclude this chapter, it is worthwhile highlighting the focus areas of SR this study has examined. A useful way of highlighting the main categories of SR instruments based on the UN and UNOPS is by presenting them in the form of a pyramid in a similar way to how Carroll (1991:42) highlighted the categories of CSR.

### **3.12 Social responsibility pyramid based on the UN and UNOPS instruments for SR**

From the application of SCT in Chapter 2, it can be deduced that SR refers to the actions that organisations undertake to contribute to society's well-being in return for the benefits that they gain from society. Further, from the SLO concept we could add that these actions make society comfortable with allowing the organisation to keep operating or, alternatively, it could be said that the failure to carry out SR actions is likely to result in society not allowing the organisation to operate. Based on the UN and UNOPS instruments that were described in this chapter, it could be argued that these SR actions comprise four categories: i) peace, security and rule of law, ii) human rights and labour rights, iii) governance and ethics, and iv) sustainable development. Note that environmental protection is not given its own category. Instead, it is considered part of sustainable development. The categories are shown in Figure 3-1.

At the base of the pyramid are initiatives that secure peace, security and the rule of law. They are of vital importance because they develop or preserve law and order, and are an enabler for creating an environment where other forms of SR may take place, leading to social progress. Social progress would not be possible without peace and security (Beswick & Jackson, 2013:1; United Nations, 1995:2). Using the social contract theory argument from Chapter 2, it is noted that peace, security and the rule of law are key attractions to the people who came together to form society. Without them we are likely to return to the assumed state of chaos before the formation of society. Social contract theorist Hobbes (1914a:9) described the pre-society state as one that is characterised by conflict and chaos where people and organisations do as they please without considering the good of society. Without peace, security and the rule of law, organisations and individuals may not have a social environment for practising SR. Members of society have a responsibility to contribute to peace, security and the rule of law for society to continue to exist.



Source: Constructed by the researcher, 2018

**Figure 3.1: Categories of social responsibility based on UN and UNOPS SR instruments**

After establishing a peaceful environment based on the rule of law in the first layer of the pyramid, the second layer emphasizes the protection of individual rights that are referred to in UN instruments as human rights and labour rights. They are important because, according to the UN, social well-being and social progress cannot happen without ensuring that all human beings are treated with equality and with dignity (United Nations, 1995:2). From the application of the SCT given in this chapter, there is an expectation that the justice system affords equal rights and dignity, leading to a fair application of laws on all people (Popkin & Stroll, 1993:80). Hence, equal rights and dignity are important for the socio-political structure of society to enable all people to live better lives (Chemhuru, 2017:505). The rule of law that ensues after the formation of society ensures that all people enjoy their rights equally and fairly (Heywood, 2013:31; Locke, 1824:218). This enforcement of human rights addresses inequalities in accessing services and opportunities, unfair labour practices, and the absence of basic freedoms. Hence, upholding human rights is an obligation imposed on all members of the global society by the UN through its key instruments (United Nations, 1945:3; United Nations, 1948:1; United Nations, 1966:1).

The third category is governance and ethics. Under this category, organisations and individuals are expected to make transparent, inclusive decisions that support society's well-being, to have integrity and to behave in a morally upright manner (United Nations, 1995:33). In practice, this means that organisations need to have checks and balances that ensure that appropriate, socially responsible decisions are being made. Also, there must be controls to ensure that people behave ethically. Their behaviour must be free from corruption, fraud, power abuse, harassment of others, and acting in self-interest at the expense of the organisation or society. In line with the social licence to operate (SLO) concept (Blowfield & Murray, 2014:47), having good governance and operating ethically helps an organisation to justify its existence and to give society confidence to allow the organisation to continue operating.

The fourth and last category compels organisations and individuals to participate in the UN development agenda. The current 2030 agenda with its SDGs was developed by considering the significant challenges that confront society such as hunger, poverty, poor access to good health and education, inequalities, inadequate infrastructure and environmental degradation (United Nations, 2015c). It makes sense that social responsibility by individuals and organisations should be directed to address these most pressing needs of society through the UN development framework. Addressing society's development needs is likely to improve society's acceptance of an organisation. This further strengthens the organisation's SLO as the organisation goes beyond merely meeting the financial and social costs of its operation (Hall *et al.*, 2015:303) to creating significant social value. Hence, the fourth category helps an organisation to seek opportunities to do good and to enhance society through supporting development initiatives.

These categories form a picture of the meaning of SR from a UN and UNOPS perspective. Therefore, this is a good place to proffer a definition of SR based on the instruments given in this chapter.

### **3.13 Definition of social responsibility based on the UN and UNOPS SR instruments**

From the perspective of the social contract theory applied in Chapter 2, the UN and UNOPS instruments described in this chapter, and the overview of the SR categories, the following definition of SR is proposed:

Social responsibility is the obligation that individuals and organisations have to act in the interests of society because of the benefits that they have as members of society. The obligation requires individuals and organisations to contribute to peace and security arrangements, rule of law, human rights and expectations of good governance and ethical

behaviour. Individuals and organisations should also contribute to development and social progress.

The definition emphasises that obligation is created because members of society receive some benefits when they are part of society so they should reciprocate by being socially responsible. In addition to compelling individuals and organisations to contribute to development, the definition also lists the other categories of SR actions to which organisations should contribute. Below is a summary of the issues covered by this chapter.

### **3.14 Summary of Chapter 3**

This chapter explored the SR instruments in the UN and UNOPS. It showed that the UN has a strong focus on social well-being and progress and has established instruments that compel states, organisations and individuals to act in the interest of social progress. The UN SR instruments also apply to UNOPS since it is a UN subsidiary organisation. However, UNOPS also established its own SR instruments in line with the key UN instruments to make the requirements more aligned to its operations. It was shown that UN and UNOPS instruments support peacebuilding and peacekeeping, human rights, labour rights, good governance, ethical practices, environmental protection and development initiatives. Based on these instruments, four categories of SR were suggested together with a definition of SR. It is important to have instruments that define what should be done to ensure good SR performance. However, the instruments alone are not enough. The requirements spelt out in the instruments should be implemented in the day-to-day operations of UNOPS. The performance of UNOPS against these instruments in day-to-day operations is examined in the next chapter.

# CHAPTER FOUR: SR PERFORMANCE IN UNOPS OPERATIONS

## 4.1 Introduction

The previous chapters showed that the UN and UNOPS have social obligations that result from being members of society. To address these obligations, they established SR-related instruments covering many areas, including peace and security, human rights, ethics and development. Having these instruments in place is useful since the instruments state the commitment of the organisation to SR and they also give the specific requirements that operations in the organisation should meet. However, having a policy or instrument that commits the organisation to acting in a socially responsible manner does not necessary mean that the policy will be followed in the day-to-day operations of the organisation. This chapter uses empirical evidence gathered through in-depth interviews, observation and review of UNOPS documents to explore whether UNOPS follows the social responsibility principles that have been put in place by the UN and those that it has established on its own as described in Chapter 3. Table 4.1 shows the countries of origin of interviewees and the countries where interviewees spent at least one week on a UNOPS work assignment. Table 4.2 shows the countries that were visited by the researcher to observe some of the SR activities by UNOPS.

This chapter examines how UNOPS performs in terms of peace and security, human rights, labour conditions, governance and ethics, managing supply chain SR issues, achieving results, and applying SR policies to day-to-day processes. The contribution to peace and security and political influence are two good places to start exploring how UNOPS performs in implementing SR instruments since this contribution has been noted in Chapter 3 as a necessary requirement preceding other SR aspects.

**Table 4.1: Countries of origin of the interviewees and the countries they have been exposed to while doing UNOPS work**

#	COUNTRY	NUMBER OF INTERVIEWEES FROM THIS COUNTRY	NUMBER OF INTERVIEWEES WHO HAVE WORKED IN* THIS COUNTRY
1	Afghanistan	1	7
2	Argentina	1	0
3	Australia	3	0
4	Bangladesh	0	1

#	COUNTRY	NUMBER OF INTERVIEWEES FROM THIS COUNTRY	NUMBER OF INTERVIEWEES WHO HAVE WORKED IN* THIS COUNTRY
5	Cambodia	0	3
6	Canada	2	0
7	Central African Republic	0	1
8	China	0	1
9	Costa Rica	0	2
10	Côte d'Ivoire	2	3
11	Democratic Republic of Congo	0	4
12	Denmark	3	15
13	Djibouti	0	2
14	Dominican Republic	1	0
15	East Timor	0	2
16	Egypt	0	2
17	Ethiopia	1	7
18	Eritrea	1	0
19	France	2	0
20	Finland	1	0
21	Gambia	0	2
22	Ghana	2	5
23	Guinea	0	3
24	Guinea Conakry	0	2
25	Italian	1	0
26	Jordan	1	7
27	Kenya	6	12
28	Kosovo	1	2
29	Liberia	0	4

#	COUNTRY	NUMBER OF INTERVIEWEES FROM THIS COUNTRY	NUMBER OF INTERVIEWEES WHO HAVE WORKED IN* THIS COUNTRY
30	Malaysia	1	0
31	Mali	0	3
32	Mexico	1	0
33	Morocco	0	2
34	Myanmar	0	7
35	Nepal	0	2
36	Niger	1	2
37	Nigeria	1	0
38	Pakistan	0	3
39	Palestine	2	7
40	Philippines	1	2
41	Senegal	0	5
42	Sierra Leone	1	5
43	Somalia	0	4
44	South Africa	0	2
45	South Sudan	0	9
46	Spain	2	0
47	Sudan	0	3
48	Sri Lanka	3	6
49	Switzerland	0	3
50	Sweden	1	0
51	Thailand	0	5
52	Tunisia	0	2
53	Ukraine	0	0
54	United Kingdom	3	0

#	COUNTRY	NUMBER OF INTERVIEWEES FROM THIS COUNTRY	NUMBER OF INTERVIEWEES WHO HAVE WORKED IN* THIS COUNTRY
55	United States of America	1	6
56	Uzbekistan	1	2
57	Zimbabwe	2	0
	<b>Total number of countries from which interviewees came</b>	<b>30</b>	
	<b>Total number of countries in which interviewees worked*</b>		<b>41</b>

\* “work in” refers to having spent at least one week in the country on a UNOPS work assignment.

Source: Constructed by the researcher, 2017

**Table 4.2: Countries where observation visits were made**

#	COUNTRY	PERIOD
1	Denmark (UNOPS HQ)*	Aug 2016-Dec 2017
2	Ghana	Mar 2017
3	Myanmar	May 2017
4	Sierra Leone	June 2017
5	Kosovo	Dec 2017
6	Sri Lanka	Mar 2017

\*The researcher was based at this location during the study

Source: Constructed by the researcher, 2017

## 4.2 Peace and security, and political influence

Security is required for the development and well-being of society to occur and development is also required for security to be maintained (Beswick & Jackson, 2013:2). This means that when people have adequate access to services and sources of livelihood, they are unlikely to seek conflict. Therefore, organisations and individuals may contribute to the attainment of peace and security by being involved in the peace process or by contributing to development that will lead

to the availability of social services, jobs and other social needs. This section devotes attention to how UNOPS contributes to the establishment of peace and security through peacebuilding activities. These activities also contribute to maintaining peace once it is attained and to creating the appropriate environment for different forms of SR to be practised. Related to this contribution to peace and security is how UNOPS exerts political influence in line with SR. The aspect of how UNOPS contributes to development is dealt with in Chapter 5, which is dedicated to the contribution of UNOPS to sustainable development.

#### **4.2.1 Contributing to peace and security**

Through its peace and security unit, UNOPS has undertaken projects to remove mines and to manage weapons and explosive ordinances of war from areas that had previously seen armed conflict (UNOPS, 2017l:4). UNOPS has also been supporting various peacekeeping operations run by the UN Department of Peacekeeping Operations (DPKO). In 2016 it supported eight such operations in African countries. The support included procurement of materials and construction of structures such as camps for demobilised ex-combatants (United Nations, 2017c:7). Supporting the demobilisation of ex-combatants helps to ensure that the people who had been fighting do not go back to armed conflict (Krause, 2007:287). Most of the interviewees (e.g. Int 3<sup>2</sup>; Int 18) noted that such projects have normalised life again for some communities in countries such as Mali and Afghanistan by making it possible for large tracts of land to be used again safely. These interviewees also noted that UNOPS contributed through the provision of community infrastructure that was important for governments to provide security and social services thereby enabling long-term peace and security to be maintained. Such infrastructure included roads, bridges, police stations and courts. The roads and bridges allowed national government officials, local authorities, police and the army to be able to travel to areas that they previously could not control because of lack of access. There were many examples of UNOPS projects in countries such as Haiti, Afghanistan, South Sudan and the Democratic Republic of Congo where UNOPS was constructing infrastructure in efforts to stabilise some communities and bring long-term peace. For instance, as part of efforts towards the peace process in the Israeli-Palestinian conflict, UNOPS facilitated the importation of more than 700 000 tonnes of cement into Gaza to allow for the reconstruction of housing and community infrastructure in 2016 (United Nations, 2017c:7). It is clear from the UNOPS approach that sustaining peace and security requires more than merely supporting military operations. There is a need to support basic services for social life to normalise. This is the reason why UNOPS carries out projects to provide basic services such as water and sanitation facilities, and community health facilities (Int 31). In addition to reducing

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<sup>2</sup> Int 3 refers to interviewee number 3. All the interviewees were given code names from Int 1 to Int 52.

discontentment among people, this development work takes people away from military activities and gives them non-military jobs. Related to this finding, the literature indicates that multinational corporations may contribute to peace and security by carrying out their core business that produces goods and services and gives people skills and jobs. This makes it less attractive for people to support conflict by joining causes that disrupt the *status quo* (Bais & Huijser, 2017:12; Beswick & Jackson, 2013:2). Development initiatives have the same effect of improving the lives of people, also making it less attracting to give up the *status quo* in favour of armed conflict (Doyle & Sambanis, 2007:377). UNOPS contributes in a similar fashion in places where the involvement of multinational corporations is limited.

Hence, from the information gathered in this research it can be seen that UNOPS contributes in two ways. The first is by contributing to peacekeeping through the support it gives to UN peacekeeping missions in conflict areas. This support includes the removal of mines and other explosive ordinances, and providing operational support to peacekeeping missions. The second way is by supporting governments to carry out public procurement and by developing infrastructure that improves the socio-economic conditions of people and provides employment. These contributions to peace and security are complemented by positive political influence when political role players in society work towards long-term peace and security.

#### **4.2.2 Political influence**

The political influence of UNOPS was explored because of the potential that the organisation has for impacting on the well-being of society through its interventions. Many interviewees (e.g. Int 1; Int 7) noted that UNOPS, like the rest of the UN, was politically neutral and respected the sovereignty of UN member states. This is the reason why UNOPS has been able to work in many places in which other organisations that are not perceived to be neutral would struggle to set up operations. For instance, in places that have armed conflict, usually all parties to the conflict allow UNOPS to operate in support of humanitarian efforts or development. Like other UN organisations, UNOPS is considered to be “an honest broker” which brings initiatives that contribute to peace and that are acceptable to the parties in conflict (Ahtisaari, 2015:31).

Using the influence that comes from being viewed in this way, UNOPS has applied positive political influence and good conflict sensitivity in some projects. There were a number of examples from interviewees on this topic. Some of these examples covered the bringing together of communities that had previously been in conflict to contribute to the development of shared infrastructure such as roads, bridges and community health centres (Int 3; Int 19). For instance, an interviewee gave an example in which UNOPS facilitated the resolving of a dispute in which

two villages clashed over where a new road should pass through and the proportion of workers that would be taken from each village during road construction (Int 3). Factoring in these social impacts allowed UNOPS to avoid new conflict or exacerbating existing conflict. However, in spite of such examples, the inclusion of conflict sensitivity in project implementation was not checked for every project. Hence, it needs to be embraced more consistently throughout UNOPS initiatives (Int 3).

Consistence in the exerting of political influence by UNOPS may be achieved if ways of exercising this influence are considered when projects are being designed. UNOPS business developers are key to ensuring that this consideration is made since they prepare proposals for new projects. Interviewees (Int 1; Int 3; Int 19) indicated that, although some positive political influence already existed, there was potential for it to be increased and to be applied more consistently when providing services to communities. Hence, UNOPS should leverage its status of being part of the UN more since the UN is known for its size and resources, international presence, legitimacy, and recognition as a neutral intermediary (United Nations, 2017b:57). This influence is not restricted to political influence directed at military or other conflict. It covers other aspects of SR such as human rights and environmental protection.

In general, the narratives painted by most interviewees described UNOPS as an influential organisation that interacted with political actors and other stakeholders, pushing them towards a new social reality that reduces conflict and promotes social progress. This is in line with how Barnett and Finnemore (2007:48) describe the role that the UN assumes among national and international actors while it exerts its political influence. The approach is also in line with the concept of using political influence as a part of SR initiatives to create better conditions in society (Hond *et al.*, 2014:790; Liedong *et al.*, 2015:408). The positive influence of UNOPS cuts across several SR aspects.

#### **4.2.3 Positive influence across various SR aspects**

The positive influence of UNOPS was seen through good practices that became established because UNOPS insisted on them. For instance, when undertaking projects to establish the rule of law, UNOPS ensures that the proper design of facilities follows human rights requirements. Prisons constructed by UNOPS follow what are called the Nelson Mandela Rules for ensuring the rights of prisoners are respected (United Nations, 2016e; UNOPS, 2016d:10). These Nelson Mandela Rules are the standard minimum requirements for prisoner conditions agreed upon by the General Assembly of the UN (United Nations, 2016e). The prison system is compelled

towards better human rights for prisoners when the prisons are designed to allow for decent handling of prisoners because of the space and facilities made available.

In fact, the standards put in place to ensure good designs of infrastructure are not only restricted to matters of human rights but also to the quality of structures and materials to ensure the safety of the public during the use of the infrastructure. The cost of the establishment and maintenance of the infrastructure also has to be appropriate to allow society to derive maximum benefit from scarce development funds. This is in addition to ensuring that the social and environmental impacts of the infrastructure are not only acceptable but also beneficial to society. These requirements are described in UNOPS infrastructure design and procurement manuals. The manuals are public documents found on the UNOPS website so that members of the public can refer to them at any time and apply the SR principles contained therein. During project implementation UNOPS has a process in place for ensuring that infrastructure designs may be reviewed against these principles of good SR before they are approved for construction (UNOPS, 2017i:9).

Similarly, there are controls in place in the procurement process to ensure that the core values of UNOPS are respected through various stages of a procurement process (UNOPS, 2017j:18). By proposing to apply these principles when offering to undertake potential new projects for partners, UNOPS helps partners to provide better, more socially responsible development projects to their beneficiaries (Int 28). In places where SR knowledge and capacity is low, UNOPS also contributes to the development of the capacity of contractors and suppliers when it makes it mandatory for the suppliers to adhere to SR principles when supplying goods and services to UNOPS. From these examples it can be seen that the behaviour of UNOPS shows how an organisation may use its influence as a tool for SR in line with the principles of applying SR influence that are set out in the ISO 26 000 standard (ISO, 2010:4, 24, 64).

#### **4.2.4 Limitations to UNOPS influence**

The main challenge to exerting a greater political influence on new engagements is the fact that most of the time UNOPS is late in becoming involved in initiatives. It may, for example, be invited to make a proposal to address one component of a development initiative such as to construct infrastructure when all the other aspects of the initiatives had already been determined, including the target location and beneficiaries of the intervention. At such a stage, it is usually difficult to change the locations set or beneficiaries chosen when considerations for increased social impacts are possible. Applying greater influence would mean that UNOPS engages development partners much earlier while the overall development planning is being carried out (Int 20).

In some instances, decisions by funders and governments considered politics and economic benefits, and did not emphasise the SR contribution. For example, an interviewee described how a government made a decision to build a new industrial park. The government already had a pre-approved design for the industrial park and had made a decision to allocate land in a specific area that had communities that needed to be resettled. UNOPS was asked to manage the project. As part of the project UNOPS appointed a reputable company to do the environmental and social impact assessment (ESIA). However, although some compromises were made by the government, making changes to the design and location proved to be quite difficult and led to delays in the project development. It would have been much easier if the advice of the ESIA process had been taken whilst the initial concepts were still being considered (Int 9; Int 45). Thus, it did not seem as though the full benefits of ESIA best practices were being realised to encourage stakeholder participation, minimise negative impacts and increase positive impacts in line with best practices recommended in literature (Esteves *et al.*, 2012:4; Vivoda & Fulcher, 2017:4). From these observations it can be concluded that although UNOPS was exerting a positive influence in environments where few others could do as much, it had the potential to increase its influence on its partners. Another area in which UNOPS had potential to significantly influence its partners and stakeholders was in the area of human rights.

### **4.3 Human rights practices**

Concurrent to or after establishing peace and security it is important to ensure that human rights and good labour practices are put in place. Human rights and good labour practices are an important consideration for SR because one cannot promote the well-being of society while neglecting the basic rights of people in communities, including the rights of workers in the workplace (United Nations, 2018a:93). Hence, the research considered how UNOPS approached non-discrimination and the preservation of human dignity in its interactions with society, including how the organisation treats personnel. On exploring this topic with most interviewees (e.g. Int 2; Int 23), there was a clear understanding among them that respecting human rights was part of the way that UNOPS does business as a UN organisation. Thus, for most people in UNOPS it is not a matter of having some rule or code to instruct the personnel to respect human rights. Instead, it is a matter of being in that type of organisation that has a culture that is biased towards respecting human rights. The interviewees also considered that UNOPS is working towards the improvement of society in line with the human rights culture that is expected under the UNOPS strategic plans of 2014-2017 and 2018-2021 (United Nations, 2013c:4; United Nations, 2017f:4). A key way in which UNOPS is contributing to human rights is through projects that have a significant human rights component.

### **4.3.1 Addressing human rights issues in projects**

Human rights principles are considered in UNOPS projects as part of addressing the challenges faced by people who are subject to human rights abuses (Int 25). For example, people in prisons are subjected to human rights abuses in many places owing to the conditions in the prisons (Jewkes, 2017:846). When UNOPS designs and constructs prisons and police stations on behalf of partners, it considers how it may address the challenges of human rights (Int 12). It applies what it calls “a human rights-based approach in the development of prison infrastructure” based on the Nelson Mandela Rules on human rights for prisoners. The approach ensures that prisoners are not overcrowded, are handled in ways that preserve human dignity, and have reasonable facilities for hygiene, health care and other necessities (UNOPS, 2016d:10). An interviewee (Int 12) observed that these principles of upholding prisoner rights were also applied when UNOPS was constructing police stations and courthouses. Since 2016, UNOPS had been using a design review process to ensure that the social responsibility and sustainability aspects of infrastructure development, such as the human rights and general well-being of users, are considered in its infrastructure designs. The design review process requires that after the design engineer has completed a new design, it has to be reviewed by a different design engineer to check whether the set criteria have been applied. If it meets the set criteria, the design will be issued with a design review compliance certificate. Corrections have to be made if the design fails to meet the set criteria. Construction is not allowed to take place if the design has not been reviewed and issued with a compliance certificate (UNOPS, 2017j:41).

UNOPS development initiatives support human rights through access for all members of society to security, justice, and goods and services that allow them to live a dignified life. For instance, in 2015 UNOPS constructed community health infrastructure and transport infrastructure in communities that were facing challenges from disruptions due to armed conflicts, natural disasters and poverty. It also procured vehicles, medicines and other goods to support community welfare (UNOPS, 2016c:18, 24). The provision of these goods and services resulted in more people gaining access to medical and other social services in vulnerable or previously disadvantaged communities. Therefore, those people who would have had to wait a long time for their cases to be heard in court or to be given medical attention ended up receiving better, faster service because of the UNOPS interventions. Examples of such projects were community housing in Haiti, flooding mitigation projects in the Tamil area to the north of Sri Lanka, and police stations and prisons in Somalia and Palestine. As alluded to earlier, the designs of these structures are produced and checked against criteria that include human rights (Int 8; Int 26).

The approach of embedding human rights in development work builds on the work done by other development organisations, including the UN's Food and Agricultural Organisation (FAO) (Yeshanew, 2014:372). Although human rights seemed to be well embedded in the work of UNOPS, a gap was observed in the training and awareness of human rights among personnel. Although the research did not identify cases of UNOPS personnel abusing the rights of members of the public, proactive training and awareness could perhaps help to ensure that such abuses never happen.

#### **4.3.2 Human rights training and awareness**

Although key aspects of human rights are part of policies and procedures and are included in general training, there was no targeted human rights training for personnel during the time the research was conducted (UNOPS, 2017i:58). Perhaps the need for human rights training had not been realised because of the assumption that a UN entity is likely to respect human rights and that it has become part of its organisational culture, as indicated earlier at the start of section 4.3. However, emphasising such training could be particularly important for the work of UNOPS security personnel because the personnel have the potential to abuse the rights of the people with whom they interact. As noted by Suntinger (2018:279), training of the police and others in the security sector improves their performance in human rights and equips the personnel with practical techniques for dealing with human rights on a day-to-day basis. An interviewee (Int 1) noted that human rights training was not emphasised for security personnel in UNOPS. These security personnel carry out their duties at UNOPS premises and construction sites. The possibility of these personnel abusing the rights of people increases when they are recruited and used in environments where a culture of upholding human rights has not been developed. UNOPS reported in its Global Reporting Initiative (GRI) Index Report of 2015 that it did not monitor the training of human rights for security personnel (UNOPS, 2016e:54). Hence there is an opportunity for UNOPS to carry out preventative actions against possible human rights abuses by security personnel through training the personnel and monitoring their activities. Another aspect of human rights that is important to consider is the aspect of labour rights. The labour rights consist of issues such as remuneration, discrimination in the workplace, working hours and occupational health and safety.

#### **4.4 Labour issues**

This section starts with the question of whether there is discrimination in terms of gender, race or other characteristics when UNOPS offers employment opportunities. The conditions of service offered to different categories of UNOPS personnel are also considered in order to reflect on

whether UNOPS adheres to the principles of human rights. Further, relevant topics such as developing local skills and the occupational health and safety of personnel are also reviewed.

#### **4.4.1 Diversity in recruiting personnel**

Recruitment processes influence the extent of diversity in UNOPS. Ideally, one expects that UNOPS would have a very diverse workforce coming from all the parts of the world since it subscribes to principles of non-discrimination (UNOPS, 2017g:4; UNOPS, 2017i:10). In general, this was found to be the case. However, findings of this research also show that the processes are not perfect. Positive aspects and challenges identified are described below.

Most interviewees (e.g. Int 24; Int 15) expressed satisfaction with the level of diversity in the organisation. Vacancies are advertised openly on the Internet to allow people from all parts of the world to participate should they be interested. Recruitment processes have checks and balances to minimise the possibility of people manipulating the recruitment process to discriminate against certain candidates. In spite of many examples of teams with good diversity, there were concerns raised about diversity at senior levels in some offices (Int 4). For instance, not many Asians, Africans or women had been recruited for senior management positions starting from heads of sections through to senior director levels (Int 15). The UNOPS external auditors concurred with this finding as they also noted that in the senior management of the organisation there were few women and people from those nations where UNOPS carried out projects (United Nations, 2015d:10).

There have also been times when, in some units or offices, a majority of the senior international personnel were from one or two countries. It is highly unlikely that this was coincidence. It is more likely that some personnel hired people that were similar to them and excluded others from different backgrounds (Int 27). Thus, the culture of diversity was there but it was not as fully embedded as would be desirable. Some interviewees felt that more could be done to include people from different backgrounds. An interviewee said the following:

People seem to give more opportunities to people they know, it's hidden like I said. Sometimes recruitment seems to be highly competitive but then you find out that they take people who had been preselected. So, the instance of having a competitive process is just for formality's sake, just, let us follow the rules, but within their minds they already know who they want to be there, you know. So, I don't think everybody receives equal opportunity...because there are usually preselected candidates, and then they follow this recruitment process just to fulfil what the policy says you know (Int 33).

Even in those cases where a person from a completely different background was hired suspicion was expressed by some interviewees (Int 2; Int 4) that some hiring managers preferred to just "tick the boxes" that a person from another background was hired, without fully making an effort to give everyone the same opportunity. The lack of interest in diversity that some managers exhibited was then reflected in how some managers failed to give the same access to opportunities of promotion and personal development to all personnel under them. Kanth (2015) notes that, in spite of an organisation's good intentions and policies against discrimination, there are some organisational dynamics that may lead to the policies and regulations on diversity not being applied. In the case of UNOPS the interviewees noted that there were a few instances of the failure to apply the non-discrimination commitments in the Personnel Management Framework and the Health, Safety, Social and Environmental (HSSE) policy (UNOPS, 2017g:4; UNOPS, 2017i:10). These organisational dynamics may be well-intended, for example a hiring manager could argue that she should hire people she knows from her country to ensure that she gains certain attributes that would complement the team. However, this would not be a good justification for the UN system because the UN is based on the principle of equality, human dignity and diversity (United Nations, 1945:2) which means that its organisational dynamics need to include diversity based on all people of the world. Similar to the approach of Whysall (2018:215), perhaps UNOPS could address the challenge of lack of appreciation for diversity by seeking to understand the underlying biases that cause some hiring managers to discriminate against some people and prefer others.

However, the challenge that the organisation faced in stopping these practices was that the people who were involved in such practices were able to collude with key people who were part of recruitment processes in preparing reports and creating audit trails that showed that all the requirements had been met. This meant that, on paper, those recruitments that had been manipulated seemed as if they were in accordance with policy (Int 27). A specific challenge noted whilst considering the extent to which all people were given opportunities at the workplace was the limited opportunities for women.

#### **4.4.2 Gender equality and women empowerment**

The issue of gender mainstreaming, or considering the needs of both men and women, is an issue on which the UN has placed a great deal of emphasis. In UNOPS there were some sections of business units where it was clear that men and women have equal opportunities and there were more or less equal numbers of men and women at all levels who were enjoying the same conditions and recognition for their work (Int 4; Int 33). However, in general UNOPS has performed poorly in issues of gender mainstreaming. In 2016, UNOPS personnel consisted of a

total of 36.9 % women compared to 63.9 % men (United Nations, 2017c:15). Of the 17 most senior personnel who formed the senior management team known as the Corporate Operations Group (COG), only 24 % of the members were women (UNOPS, 2017i:53). Whilst such a bias towards hiring men is common in private sector companies, it should be expected that UNOPS would have a better gender balance as the UN is a champion of human rights and equality.

Interviewees (e.g. Int 2; Int 42) who had been with the organisation for more than 10 years acknowledged that there had been some improvement in gender mainstreaming in UNOPS over the past decade. However, they noted that biases against women were still common in the field operations compared to the head office. In one example, an interviewee said: "I heard it from some male colleagues...they said we decided that we will not recruit women because they will take maternity leave, and they have a lot of other problems and we end up having to do their work" (Int 49). This seemed to be a clear bias against women in a way that should not be allowed according to UN instruments such as the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) (United Nations, 1979) and the UNOPS policy on Human Resources, Ethics and Culture (UNOPS, 2017c:3, 4). Before leaving this subject, the researcher sought to determine whether there was some validity in the argument that hiring women would present disadvantages. Addressing such disadvantages would level the playing field so that hiring women could become comparable to hiring men. In this regard, Cavaghan (2017:13) suggests the following steps: identifying the barriers to gender equality, addressing resistance to initiatives for promoting equality, and making the necessary adjustments to policies and processes to ensure that gender equality prevails.

It was observed that practical arrangements were not always in place to ensure that the participation of women was possible. For example, one manager noted that the majority of the work in field operations was projects with limited budgets and time for execution. This meant that unless UNOPS sets aside funds to pay for the replacement of an employee on maternity leave, it would be difficult for an eight-month project to hire an employee who would be taking four months of maternity leave a month after she starts work (Int 4).

Since projects were funded by different funders and a project's funds were dedicated to the project's personnel costs and other project expenses, funds from other projects could not be transferred to finance a maternity leave replacement person for another project. This meant that projects without adequate funding for this 'extra cost' could not hire a maternity leave replacement employee. Hence, setting aside funds pooled at the organisational level to pay for a replacement while the regular employee is on maternity leave could be a way in which UNOPS could address this challenge. It is mentioned in later sections that UNOPS has financial reserves that are

significantly more than the reserves it should be keeping. Perhaps some of these funds could be used to fund this initiative. Even if the financial reserves were not available, UNOPS could ensure that it collects a small fee from all projects for addressing this issue since non-discrimination and human dignity for all are at the centre of UN and UNOPS values.

Another way in which UNOPS was addressing the challenge of women being disadvantaged because they had to take maternity leave was by awarding paternity leave to men (United Nations, 2017c:15). This helped men to have family-life and work-life harmonisation when they had a newly-born child while drawing men and women closer to equality because they all take parental leave.

A few of the interviewees (e.g. Int 4; Int 49) did not think that UNOPS had done enough to encourage women to join UNOPS. However, it should be noted that historical sex segregation in certain categories of jobs exists (Schultz, 2018:124) and may be a reason for the difficulty experienced in attracting women to high-risk hardship duty stations. It may be the case that some jobs are seen as being unfriendly to women or it may be that not enough information about the job and job conditions is shared during the vacancy announcement to enable prospective women candidates to seriously consider competing for the job. In these instances, it may be worthwhile to put more effort towards reaching those people that UNOPS does not usually engage. For example, vacancy announcements may be placed in platforms and professional networks for women (Int 43). However, it was observed that UNOPS was doing well in introducing gender mainstreaming into projects.

#### **4.4.3 Gender mainstreaming in projects**

The needs of men and women need to be addressed in order to avoid biases that could affect either of the sexes in receiving future benefits from development projects. To address this need UNOPS has a programme of gender mainstreaming. The programme focuses on ways in which UNOPS puts gender-mainstreaming considerations into the design and execution of projects, and the distribution of benefits emanating from its development initiatives. For instance, according to an interviewee (Int 35) and also highlighted in the UNOPS Procurement Manual (UNOPS, 2017j:159), some procurement requirements include opportunities to prioritise small suppliers owned by women in order to develop the capacity of women in business in communities where women are disadvantaged. In addition, the design of prisons has separation of men and women to ensure protection of prisoner rights. Also, the designs allow women who have their small children with them in detention to spend as much time as possible with their children (UNOPS, 2016d:22, 29).

Such aspects are not only being considered for projects being executed by UNOPS, but the guidance is publicly available on the UNOPS website for use by government personnel, suppliers, stakeholders and anyone else who is interested. UNOPS also made toolkits available for internal use by its personnel in applying gender mainstreaming during project implementation and for monitoring and evaluating with a focus on addressing gender mainstreaming issues (UNOPS, 2017I:63). A positive impact on gender inclusion was observed even though the toolkits were not being used in all the projects since their use was not mandatory. UNOPS reported that in 2016 at least 55 % of projects had carried out deliberate actions towards addressing gender and women empowerment issues. Of these projects, 23% specifically made project design accommodations to enable women to benefit fully from the projects (UNOPS, 2017I:64). Following the exploration of gender and women empowerment issues, attention was also given to the inclusion of disabled employees in UNOPS.

#### **4.4.4 Disabled employees in UNOPS**

UNOPS and the rest of the UN system emphasises that there should be no discrimination against disabled employees (United Nations, 2017d). Whilst visiting UNOPS offices in five different countries it was observed that there were no disabled people employed by UNOPS in those countries. While considering how likely it was for disabled people to come and work at those locations, it was noted that big offices such as the UNOPS Headquarters in Copenhagen had good facilities for disabled employees to access the workplace physically and to use audio-visual equipment effectively. On the other hand, although the facilities observed in Myanmar, Sri Lanka, Tunisia and Ghana did not provide a barrier for disabled personnel, there were also no deliberate adjustments to make them particularly welcoming for disabled employees. For example, emergency exits could accommodate disabled employees but they would not be able to access them without assistance. However, providing facilities for disabled employees was more complicated in field operations because operations used nonstandard facilities such as modified containers for offices and accommodation. The high-risk hardship locations such as Iraq, Syria, Afghanistan and South Sudan where UNOPS also have operations would perhaps not be the best places to emphasise conditions that allow disabled employees. However, UNOPS could actively encourage disabled employees to work for it in locations such as Denmark, Kenya, Panama and Thailand.

This need to address conditions necessary for disabled employees was identified in the UN system and UN organisations are encouraged to improve on it (United Nations, 2017d:1). In response, UNOPS has improved its policy provisions by specifically mentioning the need to

address conditions for disabled employees (UNOPS, 2017e:7; UNOPS, 2017i:10). UNOPS also introduced design considerations for people with disabilities in its infrastructure design manuals and introduced processes for checks to be done on new designs to ensure that they are appropriate for access and use by disabled people. For instance, buildings have to have a ramp for wheelchair access. The doors also have to be able to open up wide enough for the wheelchairs to fit through. Whilst considering how UNOPS deals with the issues of diversity, gender equality and opportunities for the disabled, it was noted that UNOPS uses several types of contracts for its personnel. Because of the different types of contracts, the personnel have different remuneration packages.

#### **4.4.5 Employment contracts**

Overall, UNOPS contracts had good conditions of work with competitive remuneration, vacation leave, sick leave, maternity and paternity leave, and family-life and work-life harmonisation programmes (Int 38). Most of the interviewees (e.g. Int 1; Int 3; Int 5; Int 47) particularly liked the family-life and work-life harmonisation concept that UNOPS has put in place that enables personnel to arrange with their supervisors to have flexible working hours outside of the core working hours so that they can attend to family responsibilities or other life commitments. Although there was appreciation of the generally good working environment in UNOPS and competitive remuneration in comparison with the market, the interviewees noted that there were some aspects of labour practices that could be improved. A key point they raised was the employment contracts that UNOPS offered (Int 15; Int 42).

Remuneration and benefits in UNOPS are linked to the employee's type of work contract. Two main types of employment contracts are in use. One is the Fixed-Term Appointment (FTA) that is used in most UN entities. Most people on this contract in UNOPS perform core functions such as advising field operations on the application of financial or human resources policies. Their work is not directly linked to a specific project or else they are in functions in which they have to act on behalf of the UN. The other type of contract is the Individual Contractor Agreement (ICA). This type of contract is used by UNOPS to allow for more flexible engagements as UNOPS is project based. UNOPS needs to be able to hire and release employees as projects come and go. Thus, the ICA contracts are supposed to be shorter-term engagements covering jobs that are not typical UN functions (United Nations, 2015d:25; UNOPS, 2017i:6). Two types of ICA contracts are in use, namely the Local Individual Contract Agreement (LICA) and the International ICA (IICA) (Int 42). The majority of UNOPS personnel are on ICA contracts. During 2016, 79 % of the 4 065 personnel employed by UNOPS were on ICA contracts compared to 21 % on FTA contracts (United Nations, 2017c:14).

Although UNOPS employment conditions are competitive compared to the market in the troubled countries in which UNOPS operate (Int 38), some aspects of the employment conditions were not well aligned with good labour practices according to the UN and UNOPS instruments. Interviewees raised the following key issues:

#### **4.4.6 Different remuneration and benefits for the same work**

People doing the same work are classified differently in terms of job grades and are therefore given different remuneration. A comparison of contracts at HQ showed that there were instances where some people were hired as LICAs or IICAs, while others were hired as FTAs while doing a similar job. This meant that that these sets of people received different compensation for the same jobs (Int 15; Int 42). This is contrary to key UN instruments (International Labour Office, 1998:1; United Nations, 1948:5; United Nations, 1966:3). A similar practice of giving different employment grades (LICA, IICA or FTA) for the same work was also observed in field offices. The reason for this was that some UNOPS offices undertook projects with budgets that were so low that the resources available were below the optimal level for ensuring decent labour conditions. An interviewee (Int 15) gave the example of an engineer who was hired at the level of nontechnical support personnel. Although the office managed to find local engineers who agreed to work under the low rates of remuneration, this created unfair conditions since engineers in similar conditions in other locations were considered to be technical specialists and earned significantly more money. In 2017 UNOPS started to address this challenge by ensuring all employment positions were graded correctly and uniformly by human resources advisors throughout the organisation (Int 15; Int 25). However, significant differences remained between FTA and IICA contracts.

#### **4.4.7 Limited benefits for personnel holding IICA contracts**

Compared to FTAs, the IICA contracts deprived employees of benefits such as school fees allowances, relocation allowances, pension, medical insurance, and severance pay at termination. UNOPS has some personnel performing similar roles but with different contract types. Most have ICA contracts while others have FTA contracts. In those cases where two employees do the same job and one is FTA while the other is IICA, the total remuneration and benefits for the FTA are more than those of the IICA (Int 1, Int 12). Other than having the flexibility of being able to release shorter-term contractors when there is a downturn in projects, a possible reason why UNOPS prefers using IICA contracts instead of FTA contracts could be the lower costs associated with giving fewer benefits to IICA contract holders. The UN Board of Auditors

(UNBOA) notes that UNOPS has had an increase in costs of at least \$9 million each year since introducing pensions for local IICA contractors. UNOPS did not extend the provision of pensions to IICA contractors (United Nations, 2015d:32).

Instead of offering IICA contract holders the same benefits as the FTA contract holders, UNOPS estimates a monetary value to cover these benefits and adds it to the basic remuneration of IICA personnel. However, the total monetary value given to IICA contract holders is less than the value of the benefits given to FTA holders. The UN Joint Inspection Unit (UN JIU), an independent unit appointed by the UN General assembly to check on how UN organisations operate, released a report with the following findings on this practice in UNOPS and in other UN entities:

Most [UN] organisations [including UNOPS] do not provide a pension scheme, despite being required to do so by local labour law. They claim that they include a lump-sum amount in the salary for that purpose, which does not make sense in terms of labour principles (United Nations Joint Inspection Unit, 2014:28).

Further, unlike the FTA contracts, the remuneration rates of the ICA contracts are not adjusted according to the increased experience of the IICA contract holder.

#### **4.4.8 No increase in remuneration over time**

The lack of increase in remuneration for workers on IICA contracts means that there is no recognition of increasing institutional knowledge and experience over many years in the IICA position. In contrast, FTA holders have periodic step moves in their remuneration grades (Int 12). UNOPS treats its relationship with personnel on IICA contracts in the same way as the relationship it has with suppliers on contracts for the supply of services rather than a typical employer-employee relationship. This is in spite of the fact that the way FTA personnel and IICA personnel work is similar. The wording of IICA contracts states that it is a contract between UNOPS and the individual for the provision of a service. This does not take into consideration the fact that UNOPS is using ordinary recruitment processes to hire personnel. In addition, there is what seems to be a normal employer-employee relationship with personnel on IICA contracts. In fact, one would not be able to tell whether a person was on FTA contract or IICA contract in day-to-day work situations. In spite of this, the IICA personnel have to remain on the initially agreed fee and there is no allowance for the promotion of the personnel (Int 42). The lack of a policy for promotion is also raised as an issue in the external audit carried out on UNOPS (United Nations, 2015d:35). Furthermore, the IICA contractors have a higher risk exposure while working for UNOPS.

#### **4.4.9 IICA personnel have higher risk exposure**

In general, UNOPS works in high risk environments. However, IICA personnel, who constitute the majority of UNOPS professional personnel, are at higher risk than FTA personnel. For example, even though personnel with both types of contracts work in similar difficult conditions, only the FTA personnel are being provided with medical insurance and medical evacuation services. The personnel with IICA contracts have to arrange their own medical insurance and medical evacuation services. In addition, it is common practice for organisations carrying out technical work such as the design and construction of infrastructure to provide professional indemnity insurance for their personnel. This insurance cover gives protection against possible claims or expenses related to clients who are dissatisfied with the technical advice given by a professional. In UNOPS the FTA personnel are covered by professional indemnity insurance provided by UNOPS but this cover is not extended to IICA contract holders (Int 12). This leaves IICA contract holders exposed to high risk environments and to professional risk claims. In addition to these physical and professional risks, there were indications from interviewees that IICA contract holders are at times subjected to shorter contracts than is necessary.

#### **4.4.10 Short duration of some contracts**

Most of the UNOPS personnel are given employment contracts with a duration of one year, implying that the contracts are renewed every year. However, in some field locations there were incidents where supervisors gave contracts as short as two or three months, leading to frequent contract renewal decision points for the supervisor. Although there could be genuine cases of uncertainty in the project leading to a frequent review of the ability to continue, there is the possibility that many of these situations are due to supervisors who abuse their power in order to unduly influence subordinates. Subordinates in such situations would be forced to go out of their way to please the supervisor to avoid contract termination every few months (Int 8; Int 17; Int 21; Int 47).

The conditions of personnel could be improved by reorganising in a way that allows the organisation to issue longer contracts. One consideration to enable longer contracts could be by sharing resources, such as engineers, across several projects (Int 17). In 2018, UNOPS addressed the challenges around contract renewal by removing the end date of the IICA contracts and issuing contracts without an end date so that the contracts no longer needed to be renewed every few months or every year. It is likely that this change will increase what has been referred to by some researchers as the “perceived job security” (Jahn, 2015:147) of the IICA contracts in spite of the other characteristics of the contract. This refers to the feeling of being more secure

even though contracts could still be terminated at the end of projects or when the organisation gets into difficulties such as financial constraints. The increased feeling of job security could lead to more job satisfaction and reduced turnover. Even though the IICA contract conditions are being improved, a question that arose was whether UNOPS should be using IICA contracts instead of FTA contracts for some jobs.

#### **4.4.11 Proper use of the IICA contract modality**

Although UNOPS implements the IICA contracts because of the many short-term project positions that end when the project is completed, the organisation seems to be using this modality for many positions that are not directly project based, such as core long-term positions at the head office. These IICA contracts are being used instead of the more expensive FTA contracts (Int 12). This can be likened to private companies employing contractors in perpetuity to avoid engaging permanent workers as the permanent workers would cost more.

An interviewee said the following:

I do feel that it [UNOPS] is abusing the use of the non-staff modality through the use of individual contractors, and to me it is a big problem, because basically it is violating of human rights in many senses, even though the contract is better than some in the UN system (Int 22).

These observations by interviewees were corroborated by the UN JIU, which noted that non-FTA contracts were being used excessively by some UN entities for situations where the entities should have issued FTA contracts (United Nations Joint Inspection Unit, 2014:27). A UNBOA audit also analysed vacancies being posted by UNOPS and noted that UNOPS was recruiting some of its senior positions such as Head of Programmes as IICA positions instead of FTA. This was considered to be improper and contrary to UNOPS policy (United Nations, 2015d:32). Like UNOPS, some UN organisations hire individual contractors to do exactly the same jobs as FTA staff; some of these individual contractors even sit side by side with the FTA contract holders but the two sets of employees are not given the same benefits and entitlements. This behaviour has led to a situation of 'unequal pay for the same work'. Unlike UNOPS, some of the UN organisations do not give these personnel (with non-FTA contracts) any leave, including sick leave (United Nations Joint Inspection Unit, 2014:37). In their analysis, the UNOPS external auditors noted that the turnover among IICA's was very high. In 2014, it was 55 %, meaning that more than half of the IICA employees leave the organisation each year. Hence, UNOPS was struggling to retain personnel hired under the IICA contract conditions (United Nations, 2015d:30). The argument that the IICA contract holders are temporary workers and hence do not deserve full benefits is discounted because there are many IICA personnel who have had these contracts for as long as

ten years, fulfilling roles that would ordinarily be ‘permanent employment’ positions in other UN organisations. Hence, the practices of UNOPS when it comes to IICA employees do not seem to be aligned with sound SR practices.

#### **4.4.12 The UN and UNOPS as custodians of good labour practices**

The UN is arguably the biggest champion of human rights in the world and it has the operational structures and authority to be effective in promoting transformative change in the upholding of human rights (Marks, 2016:1). Therefore, it is in the best interests of the UN and UNOPS to set an example in the way it upholds human rights, including the “equal pay for equal work” principle found in article 23 of the Unilateral Declaration of Human Rights (UDHR) (United Nations, 1948:75). However, from the example of challenges with the “equal pay for equal work” principle in the UN as explained above, it can be seen that the assumption that non-commercial organisations act in a socially responsible manner because their core business is directed towards social responsibility (Chile & Black, 2015:52; Seitanidi, 2005:65) is not always correct. Thus, the UN and other non-commercial organisations would do well by carrying out SR initiatives that address gaps in their SR performance.

Although it seemed that most interviewees preferred being in an organisation with fairer methods of compensating personnel who do the same jobs, it should be noted that having the IICA contracts probably means that UNOPS employs more people for longer and does more development work at less cost (Int 27). It was also observed that UNOPS employs a younger, more efficient workforce compared to other UN entities at the UN City in Copenhagen, Denmark. Also, the UN JIU noted that UNOPS gives better employment conditions to its IICA personnel compared with consultants in other UN entities. However, this could also be viewed as a testimony to the poor conditions offered by the other UN organisations rather than an approval of UNOPS work conditions for ICA contract holders (United Nations Joint Inspection Unit, 2014:53). After this discussion on how people with different types of contracts are being treated in UNOPS, the research also considers the availability of training, the hiring of local personnel, and the occupational health and safety of personnel.

#### **4.4.13 Training**

Ferraz and Gallardo-Vázquez (2016:661) note that training is useful for making an organisation more effective and productive, and for improving SR values among personnel. Employees interviewed noted that UNOPS provides training opportunities such as in project management, sustainable procurement and health and safety, as well as other programmes for upgrading their

skills. In 2016, UNOPS reported that it had given training opportunities to 1950 people which is approximately half of its personnel. On average UNOPS gives about 20 hours of training per employee (UNOPS, 2017I:52). Therefore, UNOPS is doing well in using training to contribute to its success. The positive impact of training is extended to local communities because a significant proportion of those trained are local people.

#### **4.4.14 Hiring locally**

It was observed during the course of this study that UNOPS is doing well by employing local people in its projects. There are international positions for which people from all over the world compete but most of the jobs in the field offices are reserved for local staff (Int 1). A challenge that exists is that most local people are only employed in junior positions. However, in 2016 UNOPS started to emphasise empowering local people by employing nationals into senior positions in the country where the projects were being carried out (UNOPS, 2017I:23). UNOPS contributes to local communities by creating employment through the development projects that it implements. The annual sustainability report stated that UNOPS created more than three million days of work in 2016 for members of the community where it had its projects (UNOPS, 2017I:9). This helped to strengthen local capacity for managing development initiatives and contributed to the local economy through jobs created and money spent locally.

It was also observed that local personnel in some UNOPS offices such as in Ghana and Jerusalem have high skills capacity and the heads of the country offices have done well to empower the local personnel. Because of this high skills capacity among the local personnel, the Jerusalem office was made a UNOPS Centre of Excellence (CoE) for Project Management and Infrastructure. However, this level of empowerment of local personnel is not exhibited in every UNOPS office. Instead of promoting locals, in some offices international personnel are performing low-skilled jobs that should be taken up by locals (Int 30). Furthermore, local personnel in most field locations do not enjoy as much flexibility in some aspects of working for UNOPS as their international counterparts. For example, the local personnel in field operations are being compelled to work longer hours without much flexibility pertaining to family-life and work-life harmonisation in most workstations (Int 18; Int 34).

In addition to considering the aspects of training and local capacity building, this research also explored how UNOPS ensures that its personnel work in an environment that is free from harm through its occupational health and safety programme.

#### **4.4.15 Occupational health & safety**

An occupational health and safety management system that meets the requirements of the Occupational Health and Safety Assessment Series (OHSAS) 18001 international standard, was put in place by UNOPS. The implementation of this system may be viewed as an indication of the UNOPS management's commitment to the health and safety of its personnel (Ling *et al.*, 2015:61). Its purpose is to prevent or minimise harm resulting from workplace hazards. According to the UNOPS GRI Index Report for 2016 (UNOPS, 2017I:7), the health and safety management system established by UNOPS addresses work-place harm affecting all people that interact with UNOPS operations, including personnel and members of the public. A few of the interviewees (e.g. Int 3; Int 48) noted that although health and safety performance could be improved further in UNOPS, it was significantly better than it had been in the previous decade. However, there are still some places in UNOPS where health and safety and other SR issues are not given the importance they deserve. To address this gap, training efforts are being carried out to increase awareness on health and safety management. In 2016, 379 people were trained on health and safety through face-to-face instruction and through the use of computer-based instruction (UNOPS, 2017I:50).

Although UNOPS generally has a good system in place for a healthy and safe working environment, there are some challenges. One of the challenges is caused by the high turnover in personnel. Since UNOPS is project based, there are some projects that close while others are starting up in different locations with the result that there is a continuous need for new personnel to be trained in health and safety.

The other challenge is that there is inconsistent occupational health and safety performance from one project to the next. In locations where supervisors believe that it is a key part of their responsibility to safeguard the health and safety of personnel and the public, they ensure that control systems are in place. In contrast, some supervisors and managers do not care enough to address health and safety standards, and there is inadequate organisation-wide enforcement to ensure that all locations implement the health and safety requirements (Int 16). This challenge is being addressed by including health and safety targets in business planning and performance measurement. Thus, line management are forced to pay more attention to health and safety if they want to do well in their jobs. In considering the work conditions in UNOPS to determine whether they were causing harm to employees or society at large, the aspect of child labour was also considered because of the potential harm it could have on the children affected.

#### 4.4.16 Child labour

Child labour poses a potential threat to UNOPS operations in some of the poorly regulated developing countries where UNOPS has operations. The lack of effective national regulation means that UNOPS has to take some deliberate actions to ensure that the contractors and suppliers with whom it works are not engaging in child labour. Some interviewees (Int 41; Int 48) gave some instances where due diligence and monitoring for child labour was done. For instance, one interviewee noted that records are kept for a project in Sri Lanka with details of each contractor employee so that no underage workers would be admitted. The interviewee said:

...we fill one form when someone joins our work, so you take his identity card, his bank account number, his home and telephone number, and his emergency contact details. With these details we can tell his age if he is below 18 and we will not take him to work (Int 41).

This indicated a well-documented process of ensuring that people employed by the project are not under age. However, in other environments such as in South Sudan, there are many people without identity cards and bank accounts because of the armed conflict situation in the country, so it is not possible to use these documents to verify everyone's age. In such cases UNOPS personnel use their judgement to assess whether child labour is being used (Int 48).

Some of the interviewees (e.g. Int 14; Int 50) also noted that it is much easier to monitor and control the main contractor or supplier compared to contractors and suppliers down the supply chain. An interviewee gave the example of how they effectively controlled issues of child labour with the main contractor at a prison construction project. However, one day they had to actively intervene to stop the subcontractor from using his underage son from operating construction equipment at a UNOPS site (Int 50).

Other interviewees could not say with certainty whether checks are being done to make sure that contractors are complying with the UNOPS Health, Safety, Social and Environmental (HSSE) Management policy (UNOPS, 2017g:4) by not engaging child labour. Hence, it seems that due diligence is being done in most UNOPS projects to ensure that there are no cases of child labour but that monitoring for child labour becomes more difficult down the supply chain.

So far, the exploration of UNOPS SR performance has considered how UNOPS contributes to peace and security, and to human rights. Consistence in peace building efforts, upholding of people's dignity and other SR initiatives require good governance and the practice of ethics to ensure that appropriate decisions and processes are followed.

## **4.5 Governance and ethics**

Governance and ethics issues in UNOPS were explored by considering whether UNOPS was doing the right type of projects and doing them in an appropriate manner. Other aspects considered included how the organisation dealt with the issues of corruption and unethical behaviour.

### **4.5.1 Organisation-wide governance**

Interviewees (e.g. Int 1; Int 3) considered the governance structures of UNOPS to be effective and fit-for-purpose. They noted the importance of external oversight from the UNOPS board of directors for keeping the operations of UNOPS in line with its mandate and UN values. The board consists of representatives of the UN member states that give oversight to UNOPS on behalf of the UN General Assembly. The interviewees also noted that the UN Board of Auditors (UNBOA), an audit group that audits UNOPS and other UN organisations, keeps UNOPS attentive to its core values and principles because of regular reviews that occur at least once a year. UNBOA reports directly to the UNOPS Board.

In terms of internal oversight, the interviewees (e.g. Int 1; Int 3) also recognised the role played by the Corporate Operations Group (CoG), the senior management team that assists the executive director of UNOPS to give oversight to the organisation, including addressing any issues that would have been raised by the UNBOA. In addition, there is a committee that reviews high-risk procurement processes, recruitments and other business activities above a certain monetary threshold. The committee, based at head office in Copenhagen, is called the Headquarters Contracts and Property Committee (HQPC). There are also other similar committees in regional offices called Local Contracts and Property Committees (LCPCs). The committees are continuously checking to ensure that transactions or business activities follow UNOPS values, rules and procedures and that they make economic and sustainability sense (Int 22).

Advice is given and oversight of ethics issues is exercised by the Ethics Office. This Office dealt with 621 issues in 2016. This was a 25 % increase from the 498 that were addressed in 2015 (UNOPS, 2017I:13). In these issues UNOPS employees, suppliers or other stakeholders, including some UN organisations, are advised on how they can ensure that they are within the UN ethics requirements. Advice to personnel includes issues of receiving gifts, conflict of interest due to non-UNOPS work and issues of misconduct (United Nations, 2016a:6; UNOPS, 2017I:13). Another related system is the UN Office of the Ombudsman that is responsible for hearing issues

raised against the UN as an organisation or against individual employees. The basis of determining what is right or wrong in the issues brought before these offices is the UN Code of Conduct. In addition to UN instruments such as the mentioned code of conduct and international agreements and laws, the UN has a presence in each country in the form of a UN Country Team (UNCT) that makes decisions on key issues that may affect the UN in the local context. Like any other UN organisation, UNOPS benefits from having its projects and other operations checked by the UNCT to ensure that they continue to be aligned to UN values (Int 38).

A key aspect of governance in UNOPS is that the organisation has a well-established system of Delegation of Authority (DoA) and segregation of duties to provide checks and verification of decisions. There are established processes for carrying out key tasks to ensure that there are no deviations from UN principles. UNOPS uses its Enterprise Resource Planning (ERP) system to implement the DoA system of checks and balances. The ERP employs the levels of delegation of authority in such a way that people with higher levels of authority check the work of others below their level and ensure that it is in line with policy (Int 1; Int17).

During the time of this research, UNOPS was in the process of upgrading its governance structure to introduce its new Governance, Risk and Compliance (GRC) framework. Under this new governance framework, aspects that are targeted to receive more attention include managing risk, compliance and performance against policies, effective internal controls, and values and ethics. The major shift in the way that UNOPS views governance is in the reorganisation of functions so that there is a separation of responsibility between units that are responsible for formulating policy, units responsible for implementing policy and units that check or monitor implementation against the requirements of the policy (United Nations, 2017e:20).

The structures and instruments described above cover the day-to-day operations of UNOPS. These include projects in the field although individual projects need additional governance processes of their own that are relevant to the specific funders, recipient governments and benefiting communities. Hence, UNOPS has a governance model that it applies to the specific needs of its projects. The model includes setting up a project board with representatives from the project funders, recipients and the project implementation service providers (Int 10). In addition to the process of monitoring project implementation through the project boards, UNOPS also has a system of engagement reviews that checks new project proposals to ensure that they are the right type of projects in line with its organisational values and business model.

#### **4.5.2 Ensuring that UNOPS does the right type of projects**

UNOPS has a multi-disciplinary engagement review process in place that determines whether a potential project is appropriate and in line with its core values. During the review, specialists from areas such as legal, finance, engineering, environmental and social management determine whether the proposed project has factored in UNOPS policies and requirements. Although field offices are encouraged to follow the advice given, the projects could still go ahead without including the aspects raised by the experts. However, most interviewees (e.g. Int 3; Int 25; Int 49) observed that the engagement review processes give decision-makers an opportunity to make informed decision about whether key aspects, including SR, should be included. In addition to this engagement review process, the proposals that are seen to be high risk because of aspects such as the potential to expose UNOPS financially or to compromise its values are escalated to a high-level forum called the Engagement Acceptance Committee (EAC). The EAC analyses the risks associated with the proposals and makes recommendations for the executive director to accept or reject the proposals. Hence there are checks and balances for ensuring that unsuitable projects are not accepted (UNOPS, 2017:10). There is also an additional line of defence whereby UN country teams consisting of representatives from the different UN organisations operating in a country ensure that the UN does not get involved in operations that could lead to negative political influence. They do so by sharing information on the security, political environment and coordination of UN activities within the country in line with their common approach to long-term conflict resolution and peace-building (Int 38).

In theory, this is a good way of ensuring that only projects that enhance the well-being of society are undertaken. However, as indicated also in other sections, most of the interviewees (e.g. Int 11; Int 19) who spoke about how projects are selected observed that UNOPS screening processes are not rejecting as many projects as they should because of a bias towards financially viable projects which allow UNOPS to meet its costs and keep operations running. Thus, some projects that are less favourable for SR reasons are being carried out by UNOPS offices that want to remain viable, thereby allowing them to keep project team members employed (Int11; Int 19).

Questions could be raised on why UNOPS has undertaken some projects such as the construction of stadiums, amusement parks and metro stations in middle-income countries where the private sector is active and fully capable of carrying out such projects. It seems as though UNOPS is pushing out the private sector contractors by offering to undertake the projects at not-for-profit rates when local private contractors could be strengthened by carrying out the projects at commercial market rates (Int 19). Hence, it could be said UNOPS is being involved in unfair

competition when it competes with the private sector since it has political and financial leverage that comes from being a non-profit UN organisation. As a UN organisation, it has exemptions from local labour law, tax law and other legislation that impose restrictions on commercial companies. In addition, interviewees (Int 19; Int 31) noted that in line with its purpose and mission, UNOPS is meant to come in when there is no private sector capability so that through its intervention normal private sector market forces may prevail. Therefore, it is unfair competition and socially irresponsible when UNOPS takes up projects leading to the private sector failing to participate effectively or even being pushed out of the market.

Although the negative effect on the market is likely, it is also likely that some of the countries, for example those in Latin America, may prefer to use UNOPS to increase transparency against significant challenges with corruption and other sources of inefficiencies that could affect national projects. In general, the issue of taking up of poor projects that were not well aligned with the UNOPS mission, happened more in previous years when UNOPS was having financial difficulties. UNOPS has grown, and is now in a stronger financial position than in the previous decade (Int 12). Therefore, there is an opportunity for UNOPS to improve the SR quality of its projects. The UNOPS external auditors also noted the need to improve when they stated that UNOPS lacks a system of grouping projects into portfolios that cover its mission and themes for supporting countries in meeting the sustainable development goals. According to the auditors, such a system would enable UNOPS to reject projects that are not in line with the UNOPS mandate while increasing projects that are financially viable and in line with organisational objectives (United Nations, 2017e:30). Therefore, there is still some room for UNOPS to improve the alignment of projects carried out with core values of the organisation. UNOPS uses international standards to ensure good practices for the projects and services that UNOPS decides to offer (Int 1; Int 23; Int 47).

#### **4.5.3 Using international standards to enhance operational systems**

UNOPS seeks excellence by adopting some internationally recognised standards or systems. For example, UNOPS became one of the first UN entities to produce a Global Reporting Initiative (GRI) Compliant Annual Report. UNOPS is also recognised as a gold level performer in sustainable procurement by the Chartered Institute of Procurement and Supply (CIPS) and the organisation has been participating in the European Foundation for Quality Management (EFQM) peer review network. Further, many interviewees (e.g. Int 1; Int 23; Int 47) observed that UNOPS management systems were certified in the following international standards: ISO 9001 for quality management systems, ISO 14001 for environmental management (ISO 14001), and OHSAS 18001 for health and safety (UNOPS, 2017l:9). While some researchers (Arasa, 2015:x;

Goedhuys & Sleuwaegen, 2013:87) suggest that adopting international standards improves some aspects of productivity, financial performance and the marketing position, this research contributes to the argument by suggesting that international standards are also important for enhancing SR aspects. It was observed that putting the standards in place established a consistent way of handling some SR aspects such as the health and safety of workers and the public, and environmental and social management at construction sites in different parts of the world. Hence, adopting the international management systems guides the decision-making processes around some SR aspects of the work done by UNOPS.

However, UNOPS needs to increase the extent to which some of the standards are being implemented since not all the country offices in UNOPS have the ISO 14001 and the OHSAS 18001 certifications. The governance arrangements that provide checks and balances for SR and ensure that UNOPS operations uphold UNOPS values go hand-in-hand with the need to fight corruption and unethical behaviour.

#### **4.5.4 Anti-corruption and ethical behaviour**

As discussed later in this section, UNOPS operates in many countries that have significant problems with corruption and unethical behaviour. Hence, its performance in anti-corruption and ethical behaviour may be a useful indicator of how socially responsible the organisation is since the way UNOPS operates may introduce a positive influence against corruption and unethical conduct or it may exacerbate the problems. A key area of operations where these matters need to be addressed is in procurement processes.

##### **4.5.4.1 Procurement**

Corruption during procurement of goods and services was explored since it is known that billions of dollars are lost during procurement processes (Graycar & Smith, 2011:65). Most interviewees (e.g. Int 33; Int 42; Int 47) concurred that UNOPS has robust procurement procedures and financial rules that force personnel to carry out fair, transparent and competitive procurement activities. In addition, as UNOPS is a UN organisation, personnel have to comply with UN stipulations on acceptable behaviour. Such behaviour shuns corruption whilst upholding integrity in line with UN values as reflected in the UN Staff Rules (United Nations, 2013b:3). Assessment of documentation showed that UNOPS has processes for ensuring that suppliers and their supply chain adhere to acceptable SR conduct. According to the UNOPS procurement manual, all UNOPS and UN suppliers have to be registered in the UN Global Marketplace (UNGM). The UNGM is an online market place managed by UNOPS but is used by the UN and its stakeholders.

Suppliers agree to uphold the UN supplier code of conduct during the process of registering on the online database. This supplier code of conduct includes requirements to meet the principles on human rights, labour, environment and anti-corruption behaviour (UNOPS, 2017j:156). Thus, all suppliers have to agree to uphold the UN supplier code of conduct requirements.

In addition, the suppliers also need to ensure that they comply with the UNOPS general conditions of contract that are included in every UNOPS contract for goods and services. UNOPS ensures that suppliers follow its stipulations by conducting background checks to determine whether the potential supplier has been involved in issues such as child labour or sexual exploitation (UNOPS, 2017j:19, 156).

Those suppliers that are found to have acted contrary to the requirements of the UN code of supplier conduct are placed on a list of banned vendors (Int 3). This blacklist is used for screening suppliers to weed out those who are corrupt or unethical. Therefore, all suppliers have to be registered on the UNGM to allow UNOPS to have information about the suppliers and to check them to ensure that they are not on the list of banned suppliers (Int 33; Int 42). Decisions to blacklist suppliers are made by a Vendor Review Committee (Int 47). It also makes the decisions on what actions could be taken to assist the suppliers to correct the challenges that led to their blacklisting in the first place (UNOPS, 2017l:29).

While systems are in place and seemed to be performing well, there are instances where some interviewees (e.g. Int 28; Int 47) felt that there may have been some sort of underhand influence in procurement activities but they did not have proof. An interviewee described this experience as follows:

I think in terms of procurement practices, the procurement practices ...are very good... [however, there are] some very ingenious mechanisms for people to be corrupt. I have seen a couple of really interesting ones where I thought, I can't prove it but I can see it, I can smell it but I can't prove it (Int 28).

In another project, international engineers stopped sharing estimates they had made of the value of civil works with the whole team after they realised the information was being leaked to potential bidders and bids received were suspiciously similar to their estimates of costs (Int 47). Having noted these possibilities of difficult-to-detect unethical practices, it was of interest to explore whether there was corruption in UNOPS dealings, especially in locations that were known for having a great deal of corruption.

#### 4.5.4.2 Interface with corruption in UNOPS

As highlighted in the previous section, the procurement processes could be a source of unethical behaviour by personnel and suppliers. Although suppliers agree to follow the UN Code of Conduct for suppliers and employees agree to follow the personnel code of conduct when they are engaged by UNOPS, the commitments do not guarantee that everyone will not engage in corrupt practices. Hence, it is necessary for UNOPS to carry out initiatives to reinforce the message that unethical practices are not tolerated. One such initiative is training and awareness on the control measures and requirements for fighting corruption. In 2016, UNOPS trained 506 people which is about 25 % of the personnel that UNOPS directly managed in that year (UNOPS, 2017:30).

Some interviewees (Int 31; Int 35) highlighted that UNOPS operates in locations that have high incidences of corruption. This high corruption status of some of these countries can be illustrated by using Transparency International's Corruption Perceptions Index (CPI). In the CPI table for 2016, the six countries with the highest levels of corruption were Libya, Sudan, Yemen, Syria, North Korea, South Sudan and Somalia (Transparency International, 2017:5). UNOPS has operations in all of these countries with the exception of North Korea. Hence, based on the CPI values, it is expected that the norm in these countries is that some people will attempt to engage in corrupt activities. Also, it is possible that the local UNOPS personnel in these locations have had more exposure to corruption than in other countries, and may have even considered it as a normal way of doing business before being involved with UNOPS. However, discussion with some interviewees (e.g. Int 28; Int 35) revealed that it is the host government officials that have an inclination to corrupt tendencies whilst UNOPS, in contrast, is viewed as an organisation that does not expect or tolerate corruption. One of the interviewees narrated the following conversation with a supplier:

Two days ago, I spoke to one of our colleagues in a country office, she was speaking to a supplier about pricing and the supplier said "Oh are you from a government agency or not, or a UN agency?... So, I don't need to put 5% on top of the price for the fee?", knowing definitely that we don't put the extra 5%. She said the reason is blatant, she said actually, that's just country wide, if anyone deals with government, they have to build in 5% for the procurement person (Int 28).

These examples from countries known to have high CPI index, support the idea of the "corrupt project context" proffered by Locatelli *et al.* (2017:252), which suggests that public sector projects in certain contexts are more susceptible to corruption issues. In the case of UNOPS, the projects in conflict, post-conflict and post-disaster locations with a high CPI index have a high corrupt project context. Additional examples were also given of instances when UNOPS teams resisted

pressure to give contracts to companies known to belong to senior government officials involved in the project (Int 48). Thus, in spite of pressure from the operational environment, UNOPS seems to be doing well in resisting corruption even though it appears to be common practice for some government officials who are working with UNOPS on the projects. From the comments of the interviewees it was shown that taking a firm stance against corruption is beneficial because after some time it becomes common knowledge that the organisation has zero tolerance for corruption. This reduces future attempts to have underhand dealings with personnel of the organisation. In addition, the reputation for zero tolerance to corruption is useful for future work with development partners. Unfortunately, the confrontation with senior government officials sometimes leads to challenges that affect the development work.

#### **4.5.4.3 Corrupt influences from government officials**

An interviewee (Int 48) highlighted several occurrences where UNOPS project personnel had challenges with government officials because they refused to allow the officials to benefit corruptly from the projects. In one case, a government minister is said to have started bad-mouthing UNOPS after UNOPS personnel refused to shortlist the minister's company as a potential supplier for UNOPS-administered construction projects in the minister's ministry. Although UNOPS seems to be strong in repelling corrupt influences, there are instances where challenges with poor controls in the environment in which UNOPS carries out its operations lead to some people succeeding in corruptly benefiting from projects carried out by UNOPS. For instance, one senior government official in an east African nation is said to have taken advantage of loose property rights and land tenure laws in his country by fencing off the area around a community borehole that UNOPS had constructed on behalf of a development partner. The borehole had been placed on what was understood to be state land but the government official declared that the area was his land so he took over the community borehole and made it his private property (Int 48). In light of such an occurrence, it would be considered good socially responsible behaviour for UNOPS to increase its due diligence efforts during project implementation and to exert pressure that helps to hold the local and national partners accountable to the people who are meant to benefit from the development projects.

UNOPS assists governments in the fight against corruption in two ways. The first one is that it offers advisory services or implementation services where it assists governments to run procurement processes. The procurement processes start with preparation of procurement requirements then proceed to development of bid documents, adjudication of bids received up to the determination and approval of contract terms for the successful candidate. UNOPS assists in these procurement tasks while working with government officials so that the officials acquire skills

and knowledge on how to carry out corruption-free procurement processes. Secondly, UNOPS helps governments and stakeholders to fight corruption by organising training workshops on best practices for fighting fraud and corruption. For example, in 2016 UNOPS carried out such a training workshop in Mexico which was attended by more than 400 people. The participants included government officials, suppliers, members of the judiciary and civil society groups (UNOPS, 2017I:30). The UNOPS initiatives do not only target corruption and unethical behaviour by partners as explained in this section but some programmes are carried out to address fraud and unethical practices by UNOPS personnel.

#### **4.5.4.4 Personnel misconduct and internal audit**

Some interviewees (Int 10; Int 12; Int 21) noted that there were a few instances where several personnel were suspected of colluding to beat the systems that the organisation had put in place to ensure that recruitment and procurement processes were fair and competitive. However, the challenge in such cases was that those who carried out unethical acts put together documents that seemed to meet the requirements of the policies and the processes so that it was difficult to detect unethical behaviour. The example given to illustrate such occurrences was that of recruitment processes where personnel involved in a recruitment process seemed to have colluded to unfairly award an opportunity to a particular person. Before job interviews had been conducted, some people knew which candidate was likely to be awarded the job. Inspection of the recruitment documents indicated a flawless competitive process although key people in the recruitment process seemed to have made up their minds on who was to get the job before assessing the candidates. However, such practices seem to be an exception rather than the rule (Int 12; Int 21). The Internal Audit and Investigations Group (IAIG) deal with the cases of misconduct that are identified. Each year the executive director sends a report to all personnel on the cases of corruption, fraud, and abuse of power from the previous year that would have been reported, investigated and concluded by IAIG (Int 1; Int 17). In 2016, IAIG received 104 reports related to these acts of misconduct. Of these reports, 45 did not require further investigation but the remaining 59 were fully investigated and appropriate disciplinary actions were carried out on the personnel and suppliers found guilty of contravening UNOPS requirements (United Nations, 2017a:13). Of these reports, 29 were incidents of corruption that resulted in 11 UNOPS personnel receiving disciplinary action. In addition, 13 suppliers were also sanctioned for corruption or fraud-related offences.

According to the annual report on the activities of the internal audit unit (United Nations, 2017a:3), the UN Joint Inspection Unit found the UNOPS internal audit unit to be better than internal audit systems in other UN entities in terms of efficiency and effectiveness. This documentary evidence

concurred with sentiments voiced by most interview participants when they appreciated the IAIG processes for addressing corruption, fraud and other unethical behaviour.

To illustrate that the system of control through IAIG was working well, an interviewee gave the example of some UNOPS personnel who made false health insurance claims. The issue was investigated and those found guilty were dismissed (Int 39). In spite of such clear examples of the effectiveness of IAIG, an improvement that could be made is to increase the confidence that people have for the system. A few of the interviewees (e.g. Int 12; Int 21) reflected on how some people had failed to report issues that needed to be addressed because they were not sure whether they would be protected from retaliation. This was regardless of the organisation's having a clear policy prohibiting acts of retaliation. In general, UNOPS seems to be living according to the letter and spirit of its policies that deal with corruption, fraud, abuse of authority and harassment. The strong performance in fighting corruption seems to also benefit from initiatives that encourage a culture of transparency.

#### **4.5.5 UNOPS and transparency**

UNOPS uses its transparency initiatives to fight corruption, distrust and other challenges that arise due to lack of adequate and accurate information. The focus of the UNOPS transparency initiative is not only on informing personnel about organisational processes but it also encourages development sector players to participate more in implementing transparency in their operations. UNOPS contributes to transparency in the development sector by volunteering to be a part of the International Aid Transparency Initiative (IATI) secretariat where it is responsible for providing financial management and operational support to the organisation.

IATI is a voluntary association of private and public organisations that include development agencies, donor governments and NGOs. It promotes transparency and development effectiveness by using a common format to present and publish data on how development aid is being used. The data can be accessed freely and easily on the IATI website. This allows for better coordination of development assistance since development partners and recipient governments can use the information to avoid duplicating efforts and to seek synergies across initiatives by different players. The availability of data also allows stakeholders to hold governments and the development partners accountable for the outcomes that are associated with development aid (International Aid Transparency Initiative, 2017:4).

UNOPS does not only support others to be transparent by giving operational support to IATI but it has also published its data according to the IATI standard since 2011 (International Aid

Transparency Initiative, 2017:25). UNOPS has even gone the extra mile of providing geocoded data. This means that if a person accessed the UNOPS website they will be able to find the information of UNOPS projects by location. The information includes the amounts of funds that UNOPS had spent and the suppliers that it uses to provide goods and services (Int 25). The involvement of UNOPS in transparency initiatives through IATI shows a strong desire to be socially responsible because UNOPS does not have to carry out these actions. The good intentions of UNOPS in transparency and other governance and ethical considerations need to be supported by appropriate behaviours in the supply chain because no matter how well UNOPS performs in its operations, it is unlikely to avoid being associated with irresponsible behaviour in its supply chain.

#### **4.6 Managing SR in the supply chain**

UNOPS is likely to be associated with negative publicity and pressure that may be generated for irresponsible behaviour by its suppliers. Thus, it is important for UNOPS to ensure that it works with suppliers that have good SR practices. This requires the suppliers to be screened for SR performance during procurement processes and monitored during the supplying of goods and services to UNOPS.

##### **4.6.1 SR requirements in supply chain**

The UNOPS supply chain consists of suppliers and contractors of different sizes, ranging from small local entities to large international entities. This means that the impact of the supply of goods and services to UNOPS does not only affect the local environment but could cause negative or positive impacts to other communities in other parts of the world. For example, some UNOPS projects involve the procurement of medical equipment, ambulances or police vehicles. Clearly, the procurement of such products for government departments in Guatemala, Haiti, Somalia or Nepal requires the use of international suppliers since they are not produced locally. However, in construction projects, most of the construction materials such as quarry stones, doors and roofing materials are supplied locally in many places. The construction services are also being provided by local contractors although international service providers assist with the complex or higher risk designs, construction and supervision. Hence, the supply chain has a significant contribution to the provision of infrastructure and procurement services by UNOPS (Int 2). Because of this contribution by suppliers, UNOPS has realised that it should influence the SR performance of suppliers.

#### 4.6.2 SR consideration in procurement criteria

Although it not easy, there is an increasing expectation or pressure from stakeholders for organisations to ensure that their supply chains exhibit responsible behaviour (Shafiq *et al.*, 2016:1787). The UN Principles on Business and Human Rights make it the responsibility of a commercial entity to ensure that its supply chain acts in a responsible way (Office of the United Nations High Commissioner for Human Rights, 2011:1). As part of the UN organisation that created the principles, UNOPS should also be expected to uphold the principles in its own operations (Int 33). In its efforts to influence the supply chain to improve SR performance, UNOPS developed guidance processes to be followed to ensure that SR considerations are part of procurement exercises. To start with, potential suppliers are required to do an assessment to confirm that they comply with the UN Code of Supplier Conduct before they are registered as potential suppliers (Int 22; Int 23). This is generic and applies to any supplier. However, the criteria for evaluation of bids in some procurement processes include the awarding of points for the supplier's ability to implement SR requirements such as gender mainstreaming for project personnel and beneficiaries, demonstrated competences in occupational health and safety, or the ability to contribute to climate change mitigation. There are examples of procurement exercises where the procurement criteria gave points to suppliers who demonstrated control or influence on their supply chain through the use of ecolabels<sup>3</sup> and other standards for assuring that the supply chain is socially and environmentally responsible (Int 18).

In addition, consideration is given to the impact of the procurement throughout the life cycle of the products supplied. For instance, during the procurement of vehicles on behalf of a partner government, part of the procurement decisions was influenced by the fuel efficiencies of the vehicles and the impact of the vehicle waste at the end of the use of the vehicle. This was because there was a realisation that vehicles that had poor fuel efficiencies and residual waste that was difficult to dispose of would cost more for the beneficiaries in the long run in terms of both financial and environmental costs (Int 1). Although there is guidance for all procurement practitioners to apply such criteria, these SR considerations are not yet part of all procurement exercises because their application is optional (Int 35). However, some assessments were carried out to ensure that suppliers were eligible to work with UNOPS and also to determine whether they continued to comply with SR requirements of UNOPS when they were supplying goods and services to UNOPS.

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<sup>3</sup> An ecolabel is a mark or symbol used to demonstrate that a product is environmentally friendly (International Standards Organisation (ISO), 2012: 15).

### 4.6.3 Assessing suppliers

As mentioned earlier in this chapter, all suppliers are registered in the UN Global Marketplace (UNGM) before they commence the provision of goods and services to UNOPS. The filtering out of ineligible suppliers is done manually by searching blacklists from the UNGM, UNOPS and the World Bank. In 2017, UNOPS was considering automating the process of checking against these blacklists by ensuring that the Enterprise Resource Planning (ERP) system of UNOPS would be connected to the latest blacklists and would automatically crosscheck each supplier that expresses an interest in a procurement (United Nations, 2017e:39). The system for blacklisting does not mean that all suppliers found to be ineligible are discarded forever. It is possible for a supplier to be given temporary suspension while the supplier rectifies the challenge it faces (Int 1). The Vendor Review Committee (VRC) determines, for example, whether to give a short-term suspension or a long-term blacklisting to suppliers that are not meeting UNOPS values or ethical requirements (United Nations, 2017a:15).

In addition to checking to ensure that undesirable suppliers are not included, UNOPS also performs assessments for a selected number of suppliers. For manufacturers, this assessment includes an inspection of the manufacturing plant to review evidence of compliance, for example, looking at how the manufacturers ensure the quality of products and manage the environmental impact of waste and whether there are any instances of abuse of human rights and unfair labour practices at the workplace. It is worth noting that the assessments are a good way of monitoring the suppliers but they are not being applied to all suppliers. Rather, they are targeted at a few large suppliers that are in Long-Term Agreements (LTAs) with UNOPS. However, the use of the LTAs does not apply to a large proportion of procurement done by UNOPS, which means that at least half of the suppliers are not being assessed (Int 1; Int 14).

It would be good for UNOPS to increase the percentage of suppliers that are assessed, particularly in developing countries because there is much less support for improvement of the supply chain than in supply chains of international suppliers based in developed countries. Hence the developmental impact of UNOPS would be much higher on the small to medium enterprises (SMEs) in places such as countries in Africa and Asia rather than focusing on the international suppliers that are involved in the large LTAs that UNOPS has signed. Although the large international companies could still have SR challenges, they already have SR pressure and strong legislative frameworks in their home countries keeping them in check and they usually have well developed SR programmes. However, there is less consumer and stakeholder pressure in the fragile states and the least developed states, leading to very few SR initiatives being undertaken if the client does not specifically request them (Int 4; Int 37).

For infrastructure operations, the contractors and subcontractors are subject to the UNOPS Environmental and Social Management System (ESMS) when they are operating at UNOPS sites. The system is initiated by screening projects to identify those to which the ESMS was applicable. ESMS planning and monitoring then follow. At the time of the research, UNOPS had not fully implemented the system across all projects, so most sites had only a part of the system in place. By the end of 2017, only about 15 % of UNOPS sites had fully implemented the system (Int 14).

Although monitoring the SR performance of contractors is focused on how the contractors perform at UNOPS construction sites, their performance outside of UNOPS controlled areas could have a significantly negative impact on SR. An interviewee gave the example of a UNOPS office that engaged a waste management contractor to transport waste to a designated waste disposal facility. The location was in a post-conflict country with poorly regulated waste management processes and the local authority lacked capacity to monitor the illegal dumping of waste. As a result, there was a great deal of dumping of waste in places that were not designated for waste disposal. This meant that there was nothing to stop the contractor from taking waste from UNOPS and dumping it nearby, instead of travelling a considerable distance to place the waste at the designated landfill site. The UNOPS project team involved in this situation identified this as a problem that could escalate, and set up a system in which they demanded tickets issued by the landfill staff after each delivery of waste. In addition, UNOPS personnel did spot-checks to ensure that the waste was handled appropriately and was disposed at the correct place. These additional checks are a good example of UNOPS fulfilling its SR obligation by monitoring the supply chain. It is also evident from this example that SR may not always cost a significant amount of money but it usually requires organisations to use extra time and effort (Int 30). Influencing the supply chain towards better SR practices produced better results when the suppliers and their sub-suppliers had good capacity and were familiar with SR practices.

#### **4.6.4 Supply chain practices and local capacity**

For infrastructure operations, the strong set of SR values and policy directions that UNOPS has are not shared by many of the contractors in the locations in which UNOPS has its operations. Most of the time, the contractors do not have the same levels of knowledge, controls and motivation to ensure fairness, non-discrimination and opportunity for the local community. As a result, UNOPS inherits a challenge with SR practices when it engages some local contractors. For example, an interviewee described how one of the contractors from Sierra Leone refused to pay his employees their monthly salaries and how the community started saying UNOPS does not pay its employees. This finding supports a phenomenon that Hartmann and Moeller

(2014:281) call “chain liability” whereby clients hold an organisation responsible for irresponsible actions in its supply chain. In the case of this contractor, UNOPS had to correct the situation by stepping in and applying pressure through penalty clauses in the contract to compel the contractor to pay up (Int 37). In general, more could be done to ensure that UNOPS standards on SR such as policies pertaining to good labour practices in terms of remuneration and working hours, freedom of association and gender equality are being adequately observed by UNOPS contractors. In 2016, UNOPS external auditors checked records for a selection of projects in Haiti and Panama but did not find adequate evidence to show an effective system of checking to ensure that contractors are adhering to the UNOPS stipulations on these aspects (United Nations, 2017e:36). Hence, UNOPS needs to exercise greater influence on its supply chain.

This influence should not only be targeted at behaviour of the supply chain in construction works but to the provision of goods and services in general. Also, since UNOPS aims at capacity building, it is not enough to merely terminate the relationship with an offending supplier. Instead, resources should be made available to enable the process of assisting the contractor to correct the SR challenges (Int 32). However, addressing the supply chain was not easy in the UNOPS context. A reason for this was the fact that traceability of goods and services was difficult in the challenging conditions of conflict, post-conflict and post-disaster countries where UNOPS had most of its operations. In addition, there were poor media and communications activities, and information on irresponsible behaviours by potential suppliers from these locations was not readily available.

Hence there is a need for capacity building together with monitoring the enforcement of UNOPS principles to cover the gaps that exist because of the culture of poor SR practices and poor availability of information. In terms of internal management arrangements, more attention should be given to the UNOPS supply chain on these SR aspects by making them part of the day-to-day measures of performance that determine the priorities of operational personnel (Int 6). This would complement some efforts already being made in some UNOPS operations where vulnerable people in the community are empowered through processes that emphasise supplier diversity. For instance, there is a programme where SMEs belonging to women, youth, war veterans or other disadvantaged groups are assisted by UNOPS to become more competitive so that they may effectively participate in the procurement processes (Int 35). Part of this assistance includes relaxing of some of the non-critical requirements that pose as barriers to entry for the targeted groups (Int 9). In addition, some UNOPS offices involved in construction of infrastructure hold pre-bid meetings to explain how the procurement process works and to describe the requirements that the successful bidder should put in place. This is a good practice because it helps the

disadvantaged suppliers to be more competitive. During construction, the UNOPS project teams also go out of their way to assist in developing the capacity of the contractors (Int 37; Int 51).

The overall performance of UNOPS in developing local capacity is good (Int 40). In 2016, UNOPS delivered more than 10 000 days of training to local personnel in its operations across the world. In addition to the training, UNOPS personnel provided 50 000 consulting days of technical assistance in 2016. The training and technical assistance helped to build local skills in government departments, local authorities and local contractors (UNOPS, 2017d:7, 11). Examples from Myanmar and Ghana showed that time spent with contractors explaining the SR requirements that should be put in place during the implementation of a development initiative led to good SR performance by the contractors. The contractors also improved in their control of their subcontractors and suppliers (Int 4; Int14). Ideally, UNOPS should be developing local capacity to the extent that the local people gain enough skills so that they no longer need UNOPS. This would mean that UNOPS may start with direct implementation of a project when capacities are low, then step back and let the local people implement while UNOPS offers support in the form of advisory services until eventually UNOPS leaves a fully capable local market to implement national development projects totally without assistance. In other words, UNOPS should “work itself out of the job” and move on to other needier countries (Int 40). Sometimes UNOPS chooses to transfer the risk of dealing with complex security situations and low capacity suppliers to third parties rather than applying the significant amount of effort required to address the challenges and develop capacity in very difficult locations.

#### **4.6.5 Transferring SR challenges to contractors**

In countries that have ongoing conflicts such as Afghanistan and Somalia, UNOPS does not use its own personnel at times because of high risk and high costs required to ensure that these personnel are working in conditions that meet the UN safety and security, labour and other requirements. Instead, it transfers the risk to third-party contractors. Since these contractors are not considered contractors in the same way as on-site contractors in other UNOPS sites, they are not required to comply with UN regulations (Int 42). However, this also means that they have more exposure. This raises questions on the duty of care of UNOPS towards these contractors. These contractors are part of the UNOPS supply chain. Although there is no public pressure on UNOPS to account for the actions of these contractors, UNOPS would be complicit in irresponsible practices if such contractors were to abuse human rights or to perform atrocities whilst pursuing UNOPS work. Given the obligations that were established to be binding on UNOPS or any other organisation because of the social contract (Chapter 2), the organisation should ensure that good SR standards are maintained by such contractors. There are also some development partners

that transfer their SR risk to UNOPS by asking UNOPS to operate in a specific way when providing human resources (HR) management and other administrative services.

#### **4.6.6 SR in HR management and host agreements**

One of the ways in which UNOPS supports clients is by recruiting and providing personnel management services on behalf of the clients. There are a number of reasons why sister UN agencies and development organisations prefer to have UNOPS hiring and paying some personnel on their behalf. One reason is the speed and efficiency with which UNOPS carries out recruitments. While other UN organisations take at least ten months to recruit new staff, UNOPS could recruit new personnel within three weeks. Another reason for choosing UNOPS may be the experience that UNOPS has had with managing short-term project-based personnel. Although UNOPS offered to engage personnel for the client using similar conditions to those that were being used for regular UNOPS personnel, some clients refused to take the complete package of UNOPS remuneration and benefits. For example, in one arrangement UNOPS agreed to manage a client's employees but the client specifically requested that UNOPS should not offer the personnel any sick leave, annual leave, personal protective equipment or insurance (Int 22). Another interviewee (Int 23) seemed to suggest that UNOPS did not have a choice when the partner insisted on not respecting good labour practices. For instance, the interviewee said:

...the level of control in these circumstances seems to be limited. We manage HR contracts on behalf of partners, when we do this it is our partners instructing us to give this fee, this benefit and so on, so I think in those cases we don't have a say, for example, on salaries and so on. I think we can make recommendations based on our own rules but when it's a partner managed personnel, then it's a partner who instructs UNOPS (Int 23).

However, UNOPS does have a choice because it can refuse to work with partners who insist on working conditions that violate UNOPS principles. Continuing to offer personnel unfair conditions on behalf of partners makes UNOPS complicit to the irresponsible acts of some of its partners. These discussions with interviewees seemed to point to the realisation that UNOPS does not always carry out its activities in the interest of social responsibility. Thus, it was of interest to explore how UNOPS delivered on its objectives in the context of its social responsibilities.

#### **4.7 UNOPS approach to delivering results**

This research established that NPOs with a strong social development agenda can be driven by financial goals. It was observed that UNOPS, unlike other UN organisations such as the United Nations Development Programme (UNDP), UN Environment, Department of Peacekeeping

Operations (DPKO) and the UN Secretariat, does not receive core funding from the UN General Assembly. This means that UNOPS has to raise its own operational funds in order to survive. Consequently, a key aspect of UNOPS results framework is the ability to recover enough money to cover expenses. This results in an aggressive financial drive characterised by a 'make money or get out of business' approach that is in many ways similar to the private sector approach towards making profits.

In spite of its mission statement and values, and the fact that UNOPS is part of the UN family, the findings of this research show that UNOPS is driven by financial survival perhaps even to the same extent as it is driven by the need to be socially responsible. This means that some SR aspects are not adequately attended to or are deliberately forgone in order to ensure financial expediency. Thus, it is worthwhile for UNOPS to make a deliberate shift away from the focus on undertaking projects that keep offices operating to doing only projects that are centred in the UNOPS mission and values. This would result in UNOPS refusing to do some projects unless some key SR components are added. Similarly, it stands to reason that other NPOs that need to raise funds aggressively or spend funds aggressively in order to survive may face the same predicament. Although they have a social development focus, their drive for financial survival could lessen the extent to which they apply SR considerations to their operations. The influence of financial performance on the implementation of SR in UNOPS was also explored in the context of what was considered to be good results in the organisation.

#### **4.7.1 Results are financially driven**

Most of the interviewees (e.g. Int 10; Int 11) noted that financial results are highly regarded in UNOPS. Offices are closed or downsized as soon as they fail to make enough money to cover their costs. This means that personnel have to be dismissed. Thus, ensuring that UNOPS operations achieve financial targets is important across all levels and tends to overshadow SR performance. As a result, the interviewees felt that the organisation is too biased towards financial results to the extent that it is missing the opportunity of doing more to further development objectives. This leads to doubt about the extent of commitment to the spirit and intent of the organisation's mission and policies. An interviewee went as far as saying "I think we are hypocritical with a lot of the policies" (Int 11).

Development projects that UNOPS could carry out were not the same in terms of what specific SR aspects the funder was prepared to fund. In some projects the funders agreed to all SR aspects that UNOPS proposed. These aspects could be gender mainstreaming initiatives, environmental management efforts, local capacity-building programmes, and supplier

sustainability support, among others. In other projects the funders would agree to fund specific outputs and refuse to fund some SR-related components. Because UNOPS was targeting a certain minimum amount of work for it to keep operating at a location, it ended up agreeing to do some of the projects without adequate funding for SR aspects. Thus, it was expected that some projects would not have adequate resources to put all the necessary SR aspects in place (Int 26). The extent to which UNOPS could persuade the funder to make additional resources available or reduce other outputs so that SR aspects could be included was limited because there was competition for the development funds that UNOPS received. In many instances the funders had the option to use other organisations than UNOPS. These other organisations did not necessarily give as much value for money as UNOPS offered. This is because UNOPS took advantage of the UN host country agreements, UN security establishment, privileges and immunities of the UN, and other arrangements that made it easier for the UN to operate compared to other organisations.

Thus, sometimes the result of negotiations with a funder that wanted to achieve a certain quantity of outputs from a limited budget was that UNOPS agreed to deliver the outputs using a lower than comfortable budget. This led to a project delivery without optimal application of SR requirements. For instance, there were project managers trying to pay project personnel as little remuneration as possible or there could be the possibility of the project not having components for addressing local capacity building and including vulnerable people in the society.

If the funders were not providing resources to carry out the project to the level that was in line with the UNOPS ambition of supporting “people in need” in the UNOPS mission statement, it seemed to make sense for UNOPS to simply not undertake such projects with the partner. However, the reality of how UNOPS operates, and perhaps other development organisations that have a similar business model to UNOPS, does not make it easy for the organisation not to worry about making enough money to survive. This is because UNOPS is an intermediary that acts between the funder and the recipient of the funds by assisting the funder to distribute the money among project components and assisting the recipient to use the money to produce project outputs. UNOPS fulfils this role on a non-profit basis. Thus, UNOPS receives money that only covers the expenses related to the projects it is carrying out (UNOPS, 2017:18). If the constant flow of new projects dries up, UNOPS would run out of funds to sustain itself and cease to exist. This is why UNOPS offices release people from employment whenever they fail to obtain enough projects. To avoid losing their jobs, most UNOPS field offices would take the projects with a limited budget and little room to put proper SR requirements in place. The bias towards financial targets led to UNOPS adopting a ‘business-like’ approach to organisational performance.

#### 4.7.2 The effects of being 'business-like'

Some positive aspects were observed from the focus by UNOPS on financial performance. One aspect is that the volume of development project services significantly increased because of improved financial performance. It grew from providing project services worth \$706 million in 2006 (UNOPS, 2007:6) to \$1.4 billion in 2016 (UNOPS, 2017a:12). The efficiency, flexibility and drive that led to the doubling of services in monetary terms seemed to be linked to the focus on financial delivery that was required because of the UNOPS self-financing model (UNOPS, 2017i:2). These aspects made UNOPS a typical example of an NPO that is "business-like" in line with the description of Dart (2004:307) who emphasises characteristics such as the financial targets and the use of language that is similar to for-profit organisations. For instance, financial performance for country offices in UNOPS was described in terms of management expenses, net revenue, and net profit. In addition, the criteria of evaluation of project proposals requiring the use of UNOPS seed money were described in terms such as rate of return on investment and engagement revenue addition. An interviewee attributed the business-like thinking to some people who joined UNOPS from the private sector. She said "We have people coming from the private sector who are focused on making money" (Int 11). In the UNOPS context, this money was in the form of fees earned upon implementing projects on behalf of partners. It was usual to see UNOPS managers push for efficiency and results because this was linked to making adequate funds required to keep afloat.

From the perspective of SR, being financially viable so that the organisation can cover its costs and increase the benefits that it provides to society should be one of the aspects expected from UNOPS but it should not come at the expense of being socially responsible. However, as King (2017:254) describes for "business-like NPOs", personnel in UNOPS seemed to be more preoccupied with ticking the boxes and achieving the financial targets than they were worried about missing opportunities for increasing the social value of their projects. Being lean, more efficient and working to international standards was seen as being helpful to meeting the financial targets. The UN's Joint Inspection Unit (JIU) concurs with the view that UNOPS conducts itself in a business-like manner when it describes UNOPS as "...a business-like entity that derives its principles from the Charter of the United Nations and its operational methodologies from the business world. Its specific features force it to continuously seek to improve its efficiency and acquire new business" (United Nations Joint Inspection Unit, 2018:iii).

Whilst this was good in itself, the challenge was, similar to what is described by King (2017:254), that the focus for UNOPS moved from satisfying the expectations of communities to pleasing the funders of projects that UNOPS assists to implement. Thus, getting the best value for

beneficiaries no longer seemed to be the priority. There was more interest in providing goods and services that would be paid for than in other add-ons that would contribute to the social agenda. This observation reinforced the observation by Maier *et al.* (2016:75) that becoming business-like could be accompanied by “mission drift” where NPO’s start to move away from their core missions. For instance, one interviewee described how UNOPS once built a police station in a bad location on which the funder insisted. Years later, the only useful function of the buildings was as a shelter for goats because the location was not fit for the community’s purpose although it was an excellent spot for the visibility of the funder (Int 6). Hence it is important that when an NPO such as UNOPS becomes more “professional and business-like” (King, 2017:242), it does not lose sight of the SR values that are at the centre of its mission and purpose because these values set it apart as an effective non-profit international development organisation.

This competition between being business-like and addressing social needs is not unique to UNOPS. Other NPOs have faced the same challenge (Sanders, 2015:205). However, what can be learnt from exploring the UNOPS situation is that the extremes of either abandoning the emphasis on a business-like approach or abandoning the emphasis on the social agenda are to be avoided. Being business-like is good in that it results in efficiency, effective financial management (King, 2017:242) and the drive for results, but it should not come at the expense of being socially responsible. After all, how well an NPO such as UNOPS performs should not be seen in terms of financial results only (Boateng *et al.*, 2016:69) but also in terms of other measures of performance that include how socially responsible the organisation is.

The financial drive described above translates into financial discipline to the extent that only costs that are part of the project agreement are incurred. Thus, personnel will not get comfortable at the expense of delivering project outputs. UNOPS will not continue employing project personnel when a project has been completed or if the funder withdraws the funding. In addition, since any costs incurred are directly charged to the project, no extras that have nothing to do with the project are charged to the project budget (Int 40). This means that there is no room for unnecessary expenditure since there will be no funding from other sources to finish the project work. However, it was observed that in spite of this concept of only directing funds to outputs agreed upon with the funder, UNOPS still ended up with excess funds beyond what would ordinarily be expected in a non-profit operation.

#### **4.7.3 UNOPS keeping more funds than it should keep in its reserves**

UNOPS is a UN organisation formed to assist communities that need humanitarian and development assistance. In its Executive Director Principles (EDP) UNOPS states the following:

As a self-financing organisation, we shall operate on the basis of full cost recovery. This financial imperative, however, shall always be balanced with, but never supersede, the fact that as a United Nations organisation, our mission is to help people build better lives and countries achieve sustainable development (UNOPS, 2016a:2).

Hence its operations are non-profit with an emphasis on improving people's standard of living. Although the intention is to ensure that all services are provided at cost and there is no net profit retained, it is necessary for UNOPS to keep a slight excess of funds for eventualities such as unexpected changes in expenses and cash flow demands (United Nations, 2017e:108). The UNOPS board of directors set these reserve funds to be a minimum of \$20.7 million dollars. However, UN auditors reported that as of 31 December 2016, UNOPS was retaining \$131.6 million dollars. This was \$110.9 million dollars more than what its board considered a minimum buffer for variable operating conditions (United Nations, 2017e:10). Although no maximum amount of reserves was mentioned, it was likely that keeping more than five times the amount of reserves required was excessive. Since UNOPS delivered projects worth \$1.4 billion in 2016 (UNOPS, 2017a:12), this meant that at the end of 2016 the organisation had kept reserves that amounted to a cumulative total of about 10% of what it delivers per year. Concern was also raised by the UN's Joint Inspection Unit (another external oversight body) that reported that the amount of reserves being kept by UNOPS had risen to \$158.6 million by the end of 2017 (United Nations Joint Inspection Unit, 2018:iv).

A possible reason for the accumulation of the excessive surplus in reserves could have been discrepancies in the UNOPS pricing policy. In 2015, external auditors expressed doubt as to whether UNOPS was properly and transparently declaring the actual costs it incurred in providing a service rather than applying hidden additional charges. For instance, instead of charging for personnel contract maintenance services based on the number of people managed on behalf of a partner, UNOPS based its charge on a percentage of the salary of the person whose contract was being managed. This was in spite of the fact that the unit cost to UNOPS was about the same for each individual and had nothing to do with the amount of salary (United Nations, 2015d:9, 17, 18). Hence, UNOPS would do well to ensure that it is not charging more than it ought to charge its partners since the partners have the understanding that they are being charged at cost by a non-profit organisation. In addition, UNOPS would do well to put the excess funds into doing more work to contribute to its mission. The excess funds were an opportunity to be more socially responsible by financing SR aspects that funders were unwilling to include in projects.

Seeing that financial performance is important for survival, and social development is at the centre of the purpose for which an organisation like UNOPS exists, there is a need to ensure that both are achieved. Hence this research recommends that UNOPS should find a good balance between

making the biggest impact for the benefit of society by including adequate SR components and the need to meet financial viability targets. An interviewee alluded to this balance by describing the approach that UNOPS should take as follows "...we [should] walk this very fine line between a private sector, sort of dollar driven approach, to an approach that considers all these other [social responsibility] elements." (Int 2). Although there were concerns that some important values may have been overlooked, it was observed that the drive for financial targets had a positive impact on growth and efficiencies in UNOPS operations. However, it was also noted that in spite of growth and improvement in efficiencies, good SR performance was not consistent in UNOPS. It relied more on the exceptional efforts of individuals rather than on organisational culture.

#### **4.7.4 Individual effort rather than organisational culture**

Most of the interviewees (e.g. Int 1; Int 30) noted that some distinct organisation-wide SR initiatives such as anti-corruption and transparency processes were embedded in the way UNOPS operated. However, there were other SR aspects such as addressing gender issues or environmental management that relied on the inclination of individual employees. The lack of public scrutiny or pressure was not helpful in compelling all UNOPS personnel to address SR aspects. Personal interest played a more significant role than organisational custom and practice (Int 1; Int 30). Such interest was displayed in offices such as those in Ghana, Kosovo and Palestine where UNOPS was doing well in SR. The offices with strong performance in SR only made up about a third of the total number of UNOPS operations. Something that was characteristic of these offices was the way that the heads of office viewed SR targets as being just as important as financial targets. These heads of office held their teams responsible for meeting SR requirements. Their efforts included achieving high levels of environmental management, social inclusion of beneficiaries, development of local capacity, and higher levels of gender mainstreaming compared to other UNOPS offices (Int 4). Since other UNOPS offices did not perform so well in spite of UNOPS SR policies applying to all operations, it was observed that the level of SR performance displayed in these offices was not a systematic or established way of doing business in UNOPS. Instead, it was the actions of a few individuals that resulted in the good SR performance (Int 36; Int 42). An important part of the contribution of these individuals was being selective about the type of project or process that they accepted to do on behalf of partners. What they accepted as good business was where the partners accepted the inclusion of the necessary SR components as part of the project with adequate allocation of resources to enable the implementation of the SR components (Int 28; Int 37). Unfortunately, most UNOPS offices had been accepting projects with budgets that were too low to do a good SR job. However, a balance was required because, as some interviewees pointed out, if UNOPS did not undertake

certain projects in developing countries, partners would still carry out the projects with agents that cared much less about SR than UNOPS (Int 45). Hence, the SR gains that UNOPS could have introduced, even though not adequate, would be lost.

In general, UNOPS needs better consistency in acquiring good personnel and good projects. One way of achieving this consistency could be by developing and retaining a core set of personnel to drive UNOPS project operations. The UNOPS office in Ghana is a good example of how this could be applied in the UNOPS context. Instead of having engineers and other technical personnel being dedicated to a single project, the time of the technical personnel is shared among several projects through a resource-pooling arrangement managed by the Project Management Office (PMO). Hence, technical resources do not leave when a specific project ends since they share a number of ongoing projects. UNOPS needs to find a way of doing similar arrangements across its operations to reduce personnel turnover in projects (Int 51). For senior roles and roles deemed to be critical for UNOPS survival, the organisation developed talent pools that it populated with people who had already been subjected to the recruitment process and were ready to take up positions when vacancies arose. This allowed UNOPS to prepare its personnel to be able to move from one duty station to another and to be ready to take up more senior roles. This meant that there was an opportunity to direct the SR message towards the current leadership and the leadership that would take over from it. It is important to ensure that the current leaders and those waiting to take up leadership functions have a significant role to play in SR performance and should be targeted with the SR message (Int 43).

A considerable part of how much SR is going to be carried out in UNOPS depends on the accountability framework and the rewarding system. If SR achievements are not going to be recognised when results are reviewed, it will be difficult for UNOPS personnel to put an effort into SR. An interviewee gave the example of a school's construction project that was completed and the head of the office followed up but his interest was mainly focused on whether the project had completed construction and met the target for funds to be spent. There was a lack of interest in whether the project met its potential to provide quality education, opportunities for disadvantaged groups in the community and contribution to the provision of jobs for local people (Int 20). Hence, the interviewee realised that the construction team was not going to get a pat on the back for the SR considerations they had put into the project and they were unlikely to put much effort in SR aspects when carrying out the next project. This example also highlights the need for senior personnel and others in positions of responsibility to demonstrate leadership in SR issues and to require their subordinates to meet SR requirements.

#### 4.7.5 Leadership required to address SR issues in UNOPS

Most of the interviewees noted that solid well-defined strategies and policies covering SR issues are in place. These strategies and policies give personnel the baseline against which they can measure to determine whether they are doing well in SR. SR seems to be everywhere in the rhetoric of the organisation from the mission statements, through to the various messages communicated to stakeholders, where the findings contained in the organisation's reports recommend helping people in need and helping nations achieve sustainable development. Since SR is talked about so much, it is assumed that SR is already in place. However, the reality is that there are gaps or opportunities to do more than what is currently being practised (Int 7; Int 20). This finding seems to concur with the assertion by Chile and Black (2015:52) that NPOs with a social agenda are usually assumed to have socially responsible operations. This research suggests, in various sections, that UNOPS should take a more focused SR approach to addressing its obligations to society since its SR actions have been shown to be inadequate in some aspects despite its mission that is deeply rooted in SR and its strong performance in some SR aspects.

Personnel interviewed could relate to the meaning and intent of organisational policies that were relevant to SR, but the specific actions that were required to translate the policies into day-to-day job activities were not so obvious. There was also a lack of confidence with the senior management commitment to converting the SR strategies and policies into meaningful actions on the ground (Int 7; Int 20). For example, the UNOPS strategic plan 2014-2017 stated that the organisation would invest at least half of its surplus funds into sustainability initiatives (United Nations, 2013c:11). However, most of the interviewees (e.g. Int 8; Int 11) did not believe that senior management was willing to spend money on SR and sustainability-related matters. Instead, it was common knowledge that proposals that would generate a good "return on investment" were more welcome than those that would make a significant social impact without significant financial returns. An interviewee had this to say about the UNOPS mechanism for requesting money from the organisation's surplus funds in order to fund new initiatives:

I don't think anybody believes that [an SR related proposal] would be supported, and that's why nobody that I know of even applies. I mean, most proposals I have seen going into that are all about business development: if we do this, we get more work, more money... (Int 8).

Many of the interviewees (e.g. Int 1; Int 8; Int 12) noted that at the country level the discussion of performance is heavily centred on financial aspects with managers mainly interested in how much is delivered against the targets agreed with the regional office. The dominance of financial indicators of performance is reinforced by the fact that these indicators are measured and

reported periodically. However, SR issues are not properly measured and are not part of the performance objectives that most supervisors and supervisees agree to meet during the year. As a result, many project and programme managers do not care much about social responsibility and sustainability since they are considered extra activities rather than key results. They are more interested in finishing the construction of infrastructure, procuring goods, releasing grant money and other such outputs than to see whether the social value of their work is maximised for the benefit of the society. Thus, there is a need to make sure that everyone understands what is required from an SR perspective.

In addition, there is a need to create and use indicators for holding people accountable for SR requirements that they do not meet under the performance measurement system that UNOPS is using (Int 1; Int 12). Leadership is a key requirement needed for UNOPS to be effective in implementing SR initiatives. There is need for the leaders of UNOPS, from the executive director down to the lower levels of the organisation, to impress upon those that are not committed to SR that SR is important for the fulfilment of UNOPS objectives that are derived from the UNOPS mission statement. This approach by UNOPS leaders should include ensuring that performance in SR is part of the key measures of performance in UNOPS (Int 2; Int 3; Int 27). It is likely that such an approach may result in a state where there is consistently good performance in SR in all locations where there are UNOPS operations. Hence, this research supports the arguments by other scholars (Allen *et al.*, 2017:585; Ewest, 2015:19) that social responsibility would improve if organisational leadership in SR issues improves. By making this assertion, recognition is given to the findings of Duckworth (2015:6) that there are certain “leadership behaviours” that UNOPS leaders need to exhibit in order to increase the social responsibility tendencies of the organisation. When SR contribution starts being measured and reported as part of a business unit’s performance, people will be forced to allocate resources, do the necessary planning and implement SR requirements (Int 8). Implementing a well-thought-out SR programme may lead to a positive shift in organisational behaviour, resulting in a new culture for all personnel rather than relying on the good performance of a few isolated individuals in UNOPS. The potential benefits of systematically applying SR programmes to UNOPS make it useful to explore why SR is important to UNOPS.

#### **4.7.6 Importance of SR to UNOPS**

The nature of the work done by the UN and UNOPS is of such a nature that focus is placed on quickly delivering urgently needed humanitarian or development initiatives. Hence, emphasis sometimes tends to lean towards speed and volume rather than quality of delivery although there is appreciation among the development partners that quality is also important. Because the SR

pressure exerted by the public on non-commercial organisations is not as much as on commercial organisations (Seitanidi, 2005:65), it may be useful to categorise SR in non-commercial organisations as a means of either reducing risk or increasing value addition. In the case of UNOPS risk could be described as the potential for harm to society and to the environment resulting from development initiatives administered by UNOPS. Examples of such harm could be perpetuating inequalities, conflict, unfair labour practices and contributing to environmental degradation. Value addition, on the other hand, could be achieved through strengthening of local institutions and markets, improving local skills and contributing to resilience and climate change mitigation. Risk mitigation and value addition as described here are both important and should be applied to any development initiative. Whereas Zhao *et al.* (2016:145) demonstrate that the practising of SR reduces the operational risk of listed companies, this study contributes by arguing that the reduction in risk also applies to the operations of UNOPS, an NPO. Thus, it is desirable for development or humanitarian work to be efficient and effective whilst also being socially responsible. In fact, the emphasis on sustainable development in the SDGs is the glue that binds development work and social responsibility. The link between UNOPS SR and the SDGs is developed further in Chapter 5.

Seeing that there are gaps in the implementation of SR by UNOPS and that there has been limited motivation to make SR a major aspect of performance measurement, a key question is how much SR risk management or value adding could be considered as the minimum acceptable for UNOPS or a similar NPO. Perhaps the performance expectation should not be that there will be no cases of non-ideal behaviour, but rather that there are safeguards in place to guard against social irresponsibility and that the safeguards are effective to prevent any acts or omissions that could compromise the UNOPS social licence to operate (SLO) as described in Chapter 2. Hence a strong sense of control towards SR issues is highly desirable regardless of whether an entity is commercial or non-commercial. For UNOPS, this control, as was shown by this research, was being compromised by the fact that UNOPS was undertaking some work packages rather than the whole programme and was focused on producing a few outputs rather than considering the overall outcomes and impacts.

#### **4.7.7 Delivering work packages; focus on outputs rather than outcomes and impacts**

Many interviewees (e.g. Int 2; Int 10) noted that most of the types of work that UNOPS has been doing make it rather difficult for UNOPS to take charge of its SR obligations. This is because, in line with its role as an implementing partner, UNOPS has been carrying out only a defined part of the development initiatives without control of the whole initiative. The part that UNOPS takes usually focuses on delivering outputs rather than outcomes and impacts. For example, a partner

may have a programme to improve access to a good quality of education for all children in a community. This programme may involve assisting the government to develop a curriculum, improve teacher training, increase the availability of books and teaching aids, and build schools.

As part of this programme, the partner may ask UNOPS to build the schools. Since UNOPS will only be engaged to do the construction of the schools, it is more difficult for UNOPS to ensure that, for example, the impact of the programme does not result in reinforcing inequalities, discrimination and other social challenges. Hence the influence of UNOPS will be restricted to the construction component. Even for this construction component UNOPS may find that beneficiaries would have been chosen, the location of the schools would have been decided and some land owners or vulnerable groups could have been displaced. Hence, by carrying out its limited work package within the programme, UNOPS may inherit some irresponsible behaviour that will have been established by the funder or other partners (Int 2; Int 10).

So, there are times when UNOPS comes in later in the development initiative, when the key elements of the initiative have already been designed and this creates problems. An example was given of a project in Liberia where there was a dispute over land ownership when UNOPS was about to start construction. If UNOPS had been involved earlier in the design of the development programme, it is likely that proper stakeholder consultation and participation would have averted the conflict. Hence, if UNOPS wants to better address the SR issues in its projects, it needs to be considered as a strategic partner who is involved from the high-level planning of development initiatives instead of acting like a contractor that merely takes small bits and pieces without worrying about the big picture (Int 28). In general, it is important for development partners to work together to address SR issues before breaking down development work into smaller components. This is not only important to international development organisations such as UNOPS but it affects all organisations involved in development work, including small local NGOs and similar organisations.

In contrast to the challenges mentioned above, there were also examples of situations where UNOPS went out of its way to address SR issues. One such example is a road project in Guinea in which UNOPS carried out the SR components so well that the local community requested UNOPS to come back with more development initiatives (Int 3; Int 28). Similarly, a considerable amount of community buy-in and appreciation was observed in a project in which UNOPS constructed rural health centres at more than 80 locations across Myanmar. Using insight from its success stories, UNOPS should consider establishing a high level of SR as a constant across all projects. UNOPS already works to high standards with some partners such as the regional development banks and the European Union (Int 8). Hence, the ability to work to high levels of

SR is not in doubt. What is required is for UNOPS to impose its minimum SR standards on all projects, including those projects undertaken for partners who are reluctant to apply basic SR considerations.

This could mean that UNOPS will only take on projects that allow it to apply at least its minimum SR requirements, no matter how late UNOPS comes into the development initiative (Int 8). Another aspect is that UNOPS has to consider investing in long-term project or programme development by being involved in the early stages of development before it starts receiving funds for project implementation. Since UNOPS is self-financing (UNOPS, 2017l:18), there has been reluctance on the part of UNOPS to do this in the past because of the fear of losing the money invested upfront. However, because UNOPS is now in a strong financial position with significant financial reserves (United Nations Joint Inspection Unit, 2018:iv), it has the resources to invest in better projects leading to better SR performance. A key aspect needed for the improved performance in SR to be realised is the ability to be able to transform policies into day-to-day operational practices.

#### **4.8 Translating SR policy into operational practices**

Discussions with most of the interviewees (e.g. Int 1, Int 6; Int 7) highlighted the importance of moving from only having robust SR policies and instructions without full implementation of the requirements of the policies to a point where SR is effectively practised throughout the organisation. UNOPS external auditors reiterated this by highlighting that the principles that had been well established at strategic level needed to be translated into operational plans and embedded throughout the life cycle of the projects. This means that the principles reflected in the policies should be applied from developing project proposals and formulating project agreements, through the day-to-day processes of the project, to the final processes that are carried out at the end of the project, including creating a sustainable post-project environment.

The interviewees noted that most of the processes for implementing SR are not compulsory and are not adequately checked. For instance, there are units at the UNOPS head office that check new proposals for the inclusion of SR and other items into project documents at the start of the project. However, the auditors in 2016 noted that only four out of 65 documents sampled had been checked by the head office units (United Nations, 2015d:8; United Nations, 2017e:10, 32). A key aspect standing in the way of the desired effective practising of SR is the absence of a process for effectively measuring the SR performance by business units or individuals (Int 6; Int 7).

#### 4.8.1 Inadequate measurement of SR performance

There has been improvement in SR performance of UNOPS over the past 10 years. Aspects such as labour conditions, as well as issues of personnel and public safety, gender and communities are now being considered during project implementation (Int 48). In spite of such improvements and the establishment of SR requirements in policies and strategy documents, an interviewee noted that SR did not seem to be given high priority in the organisation because it was not being measured adequately or used as means of assessing performance of individuals and organisational units. While there was a great deal of rhetoric that supported SR well, the resources and leadership drive did not match the message. There seemed to be the view in management that some poor performance in SR for UNOPS would not necessarily put UNOPS out of business, hence the risk from not investing more time, effort and money into implementing and measuring performance in SR was deemed to be an acceptable risk (Int 20). The perceived low risk that poor performance in SR would present to UNOPS was due to the “UN brand” that was generally thought to give confidence to stakeholders that the organisation was unlikely to harm society (Int 1). Hence stakeholders did not feel compelled to pressure UNOPS to demonstrate its SR performance. Without any external pressure, UNOPS lacked the motivation to ensure that all its SR policies were implemented fully in all operations (Int 8; Int 14).

There was evidence to suggest that UNOPS had not adequately implemented the systems that are necessary for ensuring that policies are converted into practice. The independent external auditors for UNOPS noted that UNOPS established units for developing policies, standards and processes. However, these units did not have a role of measuring and reporting performance against the policies. Hence there was not enough information for managing performance in day-to-day activities that was required to achieve the intent of the policies. For instance, the absence of reported data on project risks limited the organisation’s ability to understand what challenges the organisation was facing and did not inform the process of developing corrective measures (United Nations, 2017e:19). An interviewee concurred with this observation that there was not enough monitoring data to verify whether SR aspects were being addressed since most did not have specific performance data. When the interviewee was asked about UNOPS performance in community engagement, human rights for beneficiaries, and environmental protection, he said “I don’t have the set of data to be able to say, for example in 50% of the cases we do or we don’t ...” (Int 3). Hence, it was evident that the measurement of SR performance in day-to-day operations had not been a focus area of UNOPS. This was in spite of the organisation having introduced sustainability reporting as part of annual business performance reports.

## 4.8.2 Organisational sustainability reporting

Starting in 2016, UNOPS put in place sustainability reporting based on the Global Reporting Initiative (GRI) framework. This framework consists of economic, environmental and social aspects of an organisation's work. The GRI-themed reports published by UNOPS in 2016 and 2017 covered many of the SR performance areas considered in this research (UNOPS, 2016e; UNOPS, 2017I). Also, as part of its reporting, UNOPS carries out what it calls results-based reporting (RBR). In this exercise UNOPS units are asked some questions that help the reporting unit to come up with UNOPS performance in various areas, including SR performance (Int 1; Int 17). Further, UNOPS declares its performance in SR aspects to its executive board. The reports discussed in the board meeting and the minutes of the board meeting discussions are publicly available on the UNOPS website. The high level of transparency exhibited by UNOPS was a significant strength. However, it was also observed that UNOPS had a tendency towards 'sweetening' its information by not appropriately acknowledging shortcomings. Several interviewees (Int 17; Int 20; Int 21) referred to UNOPS as a "good news organisation".

### 4.8.2.1 UNOPS the "good news organisation"

In the past, UNOPS was an organisation that did not have much publicity, preferring to work behind the scenes and letting partners have all the limelight. However, this approach has been changing and UNOPS has been trying to get more publicity for its work. This change brought about the challenge of finding the appropriate message to position the organisation among its stakeholders. As a result, UNOPS portrayed its operations as being of high quality and efficient. However, on considering the approach that UNOPS had taken, several interviewees (Int 17; Int 20; Int 21) referred to UNOPS as a "good news organisation" that was keen on reporting things that are going well and avoiding reporting on problems.

An interviewee said the following:

If we are only about good news and we only talk about...best practices, cases studies, project of the year, all these wonderful things...They are great to celebrate and they are good examples of what things to do. A good example of what not to do, is as efficient, or even more. And I think that's valuable lessons that we are not capturing and we are not sharing (Int 17).

Another interviewee also said, "We need to have this ability to self-reflect in an honest way, not just a good news kind of reflection" (Int 20). Such a type of reflection needs to be commenced at the top, with the senior leaders in UNOPS. Examples were given of issues that should have attracted more reflection on the SR performance of the organisation. In one example a senior

manager committed an act of misconduct against a junior member of personnel. In another example there was a significant problem with a section of infrastructure constructed, leading to a significant threat to public safety. There was no acknowledgement of these occurrences in internal or external communications, and no one took responsibility for these challenges. Some UNOPS personnel verified the issues and sought solutions to address these challenges but they did not share any information about what had happened or any lessons learned from these experiences because they did not believe that senior managers wanted this information shared (Int 20). Although, an annual report on the cases of misconduct was issued, the information given was so vague that even people who were involved with the act of misconduct could not easily identify the incident or figure out what lessons the organisation had learned from the occurrence. In view of such examples of negative incidences, an interviewee described the UNOPS approach to occurrences that show poor SR performance as follows:

We [UNOPS] are more like, 'let's leave it there and let's not talk about it again, let's close that chapter, and pretend it didn't happen', and I think maybe we need to change that as an organisation, or as individuals, as groups, as communications so that we are not afraid of revisiting the past or what's happened (Int 21).

Hence, there is inadequate discussion and reporting of negative aspects of SR. The organisation simply does not discuss negative SR issues properly in order to create awareness among its personnel (Int 45). One possible reason why SR challenges are not being communicated could be because UNOPS is not so good at sharing information across its business units. Units seem to operate in silos most of the time, without much understanding of how the other units are functioning. There is also reluctance to point out things that have gone wrong among personnel because the senior managers are not drawing attention to it. Hence, the rest of the personnel do not want to risk being unpopular by talking about things that could make their team look bad. Such talk, since it seems to be negatively looked upon by senior management, could also complicate things for personnel during discussions about employment contract renewals or when the occasional restructuring occurs (Int 21). Thus, there seems to be an unspoken rule or expectation that bad news is not welcome to the extent that negative SR occurrences are not communicated (Int 17).

Even in the absence of public pressure, self-critical analysis is important to allow for the accountability and leadership that are required for dealing with instances of poor SR performance. As Guay and Verrecchia (2018) argue, it is likely that disclosing negative news in good time will help the organisation to address problems in its operations and increase efficiencies. Perhaps the reluctance to report negative news may be reduced if assurances are given that poor SR performance is an opportunity to learn and may not lead to dismissal from work except in

exceptional cases. Reasonable separation payoffs may also be considered should dismissal become unavoidable (Baginski *et al.*, 2015). In addition, a way that UNOPS can increase credibility of its stated performance in SR is by having third-party verification of its sustainability reports. According to the UNOPS GRI Index Report, the stated achievements in SR had not been externally verified (UNOPS, 2017l:17). A third party doing a review of the stated results would be able to question missing negative results and push the organisation to make more balanced proclamations of what it has achieved.

Thus, even though most of the interviewees believed that UNOPS is generally doing well in SR, they felt that UNOPS could do even better once it starts to undertake a more critical analysis of its performance and to apply the lessons learned. Perhaps such critical analysis could be more effective if it is done quarterly through the quarterly assurance process rather than waiting for the annual review and reporting at the end of the year.

#### **4.8.3 Quarterly assurance processes**

There is also an opportunity to measure SR performance through the quarterly assurance process. Quarterly assurance takes place when projects managers review their performance for the quarter by updating their information into an online assessment tool. The process allows for the assessment of risks and opportunities and progress against project implementation targets (UNOPS, 2017l:62). UNOPS external auditors reviewed the current use of this quarterly assurance process in Cambodia, Haiti, Nepal, Panama and Thailand. Similar to what some interviewees were saying about how monitoring of SR data is inadequate in UNOPS, they noted that the quarterly assurance process did not analyse SR issues in enough detail. The auditors noted that there was also no verification of data entered by project managers into the quarterly assurance database (United Nations, 2017e:32). Thus, UNOPS is missing the opportunity to use the RBR data collection and the quarterly reviews to ensure that SR performance is adequately measured and that SR gaps and opportunities are identified and addressed.

#### **4.8.4 Other monitoring efforts**

Some efforts were observed in the monitoring of suppliers and contractors although it was challenging to monitor the SR performance in the supply chain of suppliers in poorly developed markets such as in Sierra Leone or Afghanistan (Int 36). In spite of the challenges, the efforts of monitoring the supply chain have to be increased because failures in the supply chain are known to affect the performance of organisations. Therefore, it is important to understand where the challenges are and to apply organisational learning and other strategies to ensure that the supply

chains in all field offices are under control (Oelze *et al.*, 2016:241). The focus of the UNOPS head office has been on monitoring key suppliers such as those suppliers in long-term agreements with UNOPS. In line with this approach there are examples of UNOPS head office functions carrying out inspections of supplier facilities to ensure that they operate in line with UNOPS requirements. These requirements include SR and sustainability requirements (Int 40).

There were also other examples of the monitoring of contractors from field offices. For example, as part of efforts to ensure that contractors are handling waste properly rather than dumping it in inappropriate places, the personnel for UNOPS in Palestine devised a method to monitor the activity of the contractors. They realised that the official landfill site could issue receipts for the waste that it received so they asked for the contractor to submit these receipts to a UNOPS official to show that waste taken by the subcontractor to the municipal landfill site had been received (Int 38). In Sri Lanka (there was a similar case in Sierra Leone), it was realised that the contractor was not paying rent for the premises leased from members of the community. UNOPS management in Sri Lanka felt that they had an obligation to ensure that the contractor did the right thing. They intervened and compelled the contractor to redress the situation and followed up with the landlords for a period of time to ensure that the problem did not recur (Int 41). At the organisational level some efforts were made to embed social and environmental performance of projects through the sustainability marker. This was a tool used to assess, plan and monitor key aspects of SR and sustainability during project implementation. However, the use of this tool had not been fully implemented before it was discontinued in 2015. After the sustainability marker there has been progress in implementing an environmental and social management system that implements and monitors many of the SR aspects although some locations are not yet fully compliant with the system (Int 34; Int 38).

Given that this ability to implement and measure SR can be demonstrated in some locations, some of the people interviewed felt that UNOPS struggles to apply SR expectations strictly to senior personnel so that they may pass them on to their teams. Senior personnel were not being reprimanded for failing to deliver on SR requirements. Hence opportunities for sending a clear message that SR was important and should have been practised at all levels of the organisation was being missed, leading to the prevailing low interest in SR throughout the organisation (Int 7; Int 20).

The challenge of gaps in the implementation and measurement of SR may be addressed by monitoring the performance of business units and individuals through a formal process. For individuals, the process could involve setting up SR performance objectives in agreement with an employee's supervisor at the beginning of the year when objectives for each employee's work are

set and then reviewing performance against these objectives at the end of the year. Having performance measured against some SR targets is likely to force personnel to include SR in their day-to-day work. Perhaps the gap in SR implementation could also be reduced when UNOPS listens to views and complaints from stakeholders and addresses them.

#### **4.8.5 Listening to views and complaints**

UNOPS uses several ways to listen to the views and complaints from its employees. One way is through the fraud, harassment, and ethics issues hotlines that allow employees to anonymously report issues of fraud, harassment, abuse of authority and other unfairness and unethical challenges at the workplace. Another way is the UNOPS People Survey which asks employees about how they view the organisation and also their specific unit or team. The survey explores aspects such as the employees' views on communication, leadership, and aspects of UNOPS that are working well and those that are not working well. This helps UNOPS to determine what needs to be improved in order to keep employees engaged and satisfied by their work conditions. Similarly, UNOPS carries out Partner Surveys to find out what the key partners think of UNOPS so that adjustments may be made to keep the partners engaged and satisfied with UNOPS work. They do not only target current partners but they also include previous partners and potential future partners (Int 34).

Although UNOPS demonstrates commendable efforts towards listening to the needs of their employees and partners, it has been observed that efforts in listening to members of society that could have been affected by the operations of UNOPS are not thorough. Although there is a project board for each project where the progress of project monitoring was monitored, there is no formal programme for encouraging members of the community to bring forward any views or complaints. Although the internal investigation unit in UNOPS encourages reporting of fraud, corruption and other financial offences, there is no specific effort to encourage the reporting of issues such as physical and economic displacement, damage to critical ecosystems, infringing on cultural heritage, and conflict with the community related to sharing of community resources and space with project teams. A few projects have grievance mechanisms to address such issues but there is no overall mandatory grievance mechanism for all projects (Int 1; Int 3). This reduces the organisation's ability to follow up on the issues of dissatisfied stakeholders in projects and to address the issues. It also brings into doubt the extent to which UNOPS feels an obligation to meet the needs of the people affected by its operations. It would also be useful for UNOPS to create conditions whereby employees could easily communicate issues that hinder the uniform implementation of policies across the organisation.

#### **4.8.6 Policy provisions not implemented uniformly across the organisation**

Policies in UNOPS are not always followed uniformly. An interviewee gave the example of the policy on family-life and work-life balance that allows employees to arrange with their supervisors to have flexible work times to enable employees to attend to their family needs. While this policy was being applied by most units at the head office, an interviewee based at the head office noted that managers in her unit did not view those asking for such arrangements as working hard enough, regardless of the work output they produced (Int 11). It was observed during the visits to the field offices that although the work-life balance policy applied to all UNOPS, it was far easier for personnel at head office to make a family-life and work-life balance arrangement with their supervisor than those in the field offices. A reason given for this was the difficult conditions in field locations that affected the ability to telecommute. These conditions included military conflict and poor connectivity due to poor infrastructure (Int 6). However, the most compelling reasons seem to be the lack of monitoring to ensure that the policies are applied uniformly and the increased work pressure under challenging conditions at the field offices. The increased pressure leads to reduced consideration for the comfort of employees.

This general attitude towards enforcing the SR requirements that are in the policies of UNOPS was further reflected when an interviewee said the following:

When we are awarding contracts, we do not necessarily look at human rights issues you know. Although we are supposed to, it's a good thing in fact...maybe in your criteria you can also add something like, number of women employed, or [use of] local companies, but there is really no enforcement, and its optional (Int 35).

Another interviewee also added that:

So when somebody is in a position of power and they are not aligned with the policy of human rights or for non-discrimination or for respect to others, that has more weight because you know of course it's not about giving names but when you have been many years with UNOPS you come to know cases where you know that some people have not excelled in the area of non-discrimination or treating people well and they still remain within the organisation. So, one thing is to have the framework and to have the policy and to have the mechanisms and the other thing is how successful those mechanizations and those policies are in effect (Int 7).

Hence, it is evident from the interviews with personnel and from observations that there is room for improvement in the enforcement of the policies of UNOPS and the UN. Even though policies and rules are in place, people do not always want to follow them. So UNOPS needs to step up

assurance processes to ensure that what is in the policies is practised. Enforcement is one part of the equation but having the correct culture towards SR is also important. Thus, UNOPS needs a culture shift that will lead to all personnel believing in the intent of the SR requirements. This will minimise the chance of some people trying to by-pass the policies. UNOPS personnel need to be won over to a new way of doing things. This needs to be done across all levels, from senior management to lower levels (Int 2; Int 20). Seeing how important the influence of individuals is to the achievement of SR, it is important that UNOPS ensures that the right people are employed and retained by the organisation. Hence, the focus must not only be on winning over existing personnel, but also on ensuring that the organisation employs and retains the right people with the correct attributes and who are able to fulfil its SR obligations (Int 20). Training and awareness, particularly targeting senior personnel, are necessary to address poor attitudes and low levels of understanding (Int 28). Good individual attributes should work hand-in-hand with effective organisational systems and norms that dictate what each project manager or country team should do. This combination will lead to the correct organisational culture (Int 1).

A reason cited for why projects were failing to implement what was prescribed in the policy was that project proposals were done in a rush with a great deal of pressure to sign. This behaviour gathered momentum during the days when UNOPS was not doing so well financially, over a decade ago (Int 31). Recently, UNOPS has been performing well all around, but the organisation has not yet managed to snap out of crisis management in some aspects of its operations. With strong performance, significant reserves in its coffers, and a healthy pipeline of future projects, now would be the time to significantly improve the quality of new projects and to have a systematic way of dealing with bad projects already undertaken. Some efforts to improve projects seem to have started, but, judging from the comments of most of the people interviewed, the current efforts are not adequate. This said, an area where UNOPS has demonstrated an effective system of ensuring that SR requirements are included in critical work is in the control of designs in construction.

#### **4.8.7 Implementation and checking of SR requirements in the design of infrastructure**

Although it requires further improvement, the control of SR aspects in UNOPS has improved significantly over the past five years. For example, in the past the design of infrastructure in UNOPS was not controlled with each field office doing its own design. This led to inconsistent performance as different projects chose features to include and exclude as they pleased. Since 2015, a mandatory infrastructure design process has been established. This process ensures that SR aspects such as fire safety, access for the disabled and efficient use of natural resources are considered during design. An interviewee (Int 12) noted that since 2015, designs have to be

checked against SR aspects that include these examples before the projects are allowed to proceed (UNOPS, 2014:46). However, this is just one process. There could be significant impact if such changes were made for a range of SR aspects. Such broad changes would require strong SR leadership.

#### **4.9 Chapter summary including key arguments**

From an analysis of the SR activities of UNOPS it may be argued that peace and security are foundational requirements of SR and that organisations may contribute to these in two ways, namely either by direct support to peacekeeping operations or through contributing to peacebuilding development initiatives. Related to peace and security, this chapter also explored these activities of UNOPS to argue that exerting positive political influence is an important part of SR that may have significant benefits for communities. UNOPS has shown solid performance in governance processes, fighting corruption and transparency. In addition, UNOPS is doing well in monitoring suppliers and carrying out capacity building of local people. This applies to occupational health and safety practices to safeguard employees and members of the public. It also enhances its quality of work by applying international standards in managing elements of its work.

Based on how UNOPS has used a 'business-like' approach, the research results of this chapter revealed that taking a 'business-like approach' towards targets, efficiencies and value for money is good for improving the performance of an NPO such as UNOPS. However, achieving financial targets needs to be balanced with achieving core values rooted in addressing social needs of society. In the context of projects, the empirical evidence led to the researcher arguing for a project life-cycle approach to SR initiatives. This is based on the UNOPS approach to infrastructure development projects where design and construction were carried out with SR attributes meant to benefit the post-project users of the infrastructure. For instance, UNOPS managed to influence better treatment of prisoners by including the "Nelson Mandela Rules" principles (UNOPS, 2016d:10) in the design of the prisons and police stations. It also contributed to lower operational costs, resource conservation and lower carbon footprints by applying environmentally friendly designs to the infrastructure units that it constructed. Hence, SR in the management of projects should consider aspects throughout the project cycle, including post-project operations.

By referring to SR challenges that UNOPS experienced, the chapter demonstrated that SR is relevant for an international NPO with a strong social agenda. The challenges highlighted were the awarding of different remuneration for the same job, excessively putting personnel on

temporary contracts, employment conditions favouring men compared to women, and an ethics issue of keeping an excessive amount of money gained from operations when the organisation was supposed to be not for profit. There was also concern that there is inconsistency in UNOPS SR performance from one location to another. Some self-motivated personnel are doing well in SR but there is limited organisation-wide enforcement to ensure that all personnel carried out SR in their work. In addition, a culture of learning from incidents of poor SR performance needs to be cultivated and UNOPS needs to move away from a culture of reporting or sharing only the good news.

The operationalisation of SR, from policies to practice, was also considered. UNOPS SR performance demonstrated that good SR policies do not necessarily translate into good practices on the ground. Clear leadership from the head of the organisation through to the lower levels of management is required for all personnel to take SR seriously and ensure that day-to-day work is in line with SR policies. Another important aspect noted was the need for SR to be monitored effectively and followed continuously throughout the whole life of a project so that deviations from policy requirements may be addressed before they become major challenges. While good leadership and monitoring are likely to be internal factors that could help to increase SR practice, an external factor could be increased pressure from stakeholders and the public. A likely reason why some important SR issues did not take much prominence could have been the lack of stakeholder pressure on aspects that UNOPS could improve.

Having considered strengths and weaknesses in the UNOPS SR approach, the information in this chapter has made it clear that SR could be viewed as a means of mitigating social risk or as a means of creating additional value for beneficiaries in development work. Perhaps NPOs such as UNOPS would be more interested in creating additional social value through SR while corporations may be more interested in mitigating risk that affects their position in the market, leading to an impact on profits. Chapter 5 continues with the assessment of UNOPS performance in SR but looks specifically at how SR in UNOPS contributes to sustainable development.

## CHAPTER FIVE: DEVELOPMENT-ORIENTED SOCIAL RESPONSIBILITY (DSR)

### 5.1 Introduction

Chapter 4 explored the performance in SR by UNOPS by analysing empirical evidence obtained from interviews with personnel, UNOPS documents and some observations made. This chapter takes a step further by using empirical data to introduce and develop the idea of development-oriented social responsibility (DSR). From the application of the social contract theory, as explained in Chapter 2, organisations and individuals have an obligation to contribute to the local and global needs of society because of the benefit they enjoy from being part of society. Having accepted that this obligation exists and is binding to any organisation, this chapter considers how an organisation should act in a way that contributes to national and global society needs. The starting point in addressing these needs would be to define them in a way that makes it easier for organisations to identify the needs of society that they may address. This means that there is need for an authoritative and universal understanding of what the key needs of the society are. Realisation of these needs has prompted some researchers to propose complex systems of addressing the needs (De Haan *et al.*, 2014:121). This is because many appreciate that in the absence of a universal understanding of society's needs, there is a possibility that organisations may fail to make the best use of scarce resources by focusing on non-essential initiatives. Furthermore, there may be wasteful duplication of initiatives in one area while other areas of need are not addressed.

This chapter follows the stance that an effective and internationally coordinated way of identifying and contributing to the needs of society is by applying an SR approach as a vehicle for supporting the UN's international development framework. The current form of the UN's development framework is called the 2030 Agenda for Sustainable Development (United Nations, 2015c:1). It defines 17 goals and 169 targets that cover key issues that UN member states agreed should be addressed to ensure a good standard of living for the current and future generations. The goals and targets are commonly referred to as the Sustainable Development Goals (SDGs). This study determined that these SDGs are probably the most credible universal determination of the needs of the global society because of the size and depth of the UN's expertise in determining global needs. The content of what the SDGs should consist of came from input from experts from most UN member countries that were under expert working groups developed by the UN Secretary General after the Rio + 20 summit of 2012 (Hák *et al.*, 2016:566). In addition to the expert input into the SDGs, there is also international consensus because UN member states reached a formal agreement that the SDGs address pertinent issues that affect the standard of living of members of the global society. Thus, it can be argued that since organisations in each UN member state

are looking to meet their obligations to society by addressing society's needs and the SDGs represent society's needs, then organisations may carry out actions aligned to the SDGs in order to address their SR obligations. Hence, the organisations may choose the specific SDG focus areas to contribute to as a way of addressing SR in line with their capabilities and the pertinent issues in their local/regional/international contexts.

A key consideration that emerged from the discussions during interviews is how UNOPS carries out projects that contribute to the SDGs. It was also observed that the contribution to the SDGs is enhanced by good community engagement. Another important consideration in how UNOPS contributes to the SDGs is through initiatives to protect the environment. In addition, this chapter considers some important aspects that enable UNOPS to support sustainable development initiatives in ways that other organisations may not be able to replicate. The findings of Chapter 4 and those of this chapter provide a good picture, based on empirical evidence, of SR relevance and performance in UNOPS. They also show how UNOPS applies SR to sustainable development. These two chapters set the stage for concluding points on the study that are drawn in Chapter 6.

## **5.2 SR that contributes to sustainable development**

Whilst sustainable development is important for the improvement of the standard of living for society, governments and international development partners have not been able to achieve desirable levels of development for all people (Hopkins, 2007:1). Therefore, there is a need for all organisations to assist in the development efforts. Researchers have noted how corporations could be involved since they have resources that could make a significant contribution (Hopkins, 2007:3). This thesis contains the argument that an organisation such as UNOPS, because of its capabilities and influence, could make a significant contribution if it explored more ways of contributing to sustainable development beyond its current core activities. This study proposes the term **development-oriented social responsibility (DSR)** to refer to the use of SR with the aim of contributing to sustainable development as defined by the UN's sustainable development framework. The idea of DSR has some similarities to the approach of Jamali *et al.* (2015:ix) who considered how corporate social responsibility (CSR) may be used in developing countries. However, the difference is that this chapter considers the contribution of any organisation, not just corporations. It also considers development in terms of the global development framework established by the UN rather the individual endeavours of specific countries. Linking SR to the framework of the SDGs increases the value that communities obtain from UNOPS projects since the SDGs allow people to consider well-being from different perspectives (Int 1). It is important to

note that in referring to development issues, the UN system no longer only refers to development but also to 'sustainable' development.

### **5.2.1 Sustainable development**

As highlighted in Chapter 3, the UN through its Charter of 1945 was established to prevent or stop wars, to end poverty and other human challenges and to contribute to good quality of life and social progress of all the people on earth. The thrust of the UN covers the social, economic, cultural and political development of the global society (United Nations, 1945:2, 3). Thus, although economic development is important, it should be combined with social and other aspects of development (Szirmai, 2015:5). Under the UN, the international focus on development from 2015 to 2030 has been placed on a sustainable development path under what is known as the 2030 Agenda for Sustainable Development. Perhaps the most well-known and accepted definition of sustainable development is the one that was given by the Brundtland Commission in 1987, namely "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (Brundtland Commission, 1987:54). Based on these thoughts about sustainable development, this chapter explores how SR in UNOPS is contributing to sustainable development. One key way in which UNOPS contributes to sustainable development is through undertaking projects that are linked to the SDGs.

### **5.3 Undertaking projects linked to SDGs**

The decisions that an organisation makes about the type of projects it includes in its project portfolios (Sánchez, 2015:319) or the location at which it will conduct its activities may affect the extent to which the organisation contributes to sustainable development. In the past three years UNOPS management has chosen to carry out projects in UN member states to help the states to achieve the SDGs. In undertaking these projects UNOPS management was not looking to be identified with a particular SDG but instead it contributed by providing project management and other expertise to enable governments to achieve the goals (Int 12). It is important to realise that the goals were set for UN member states since they describe a certain level of development in countries. This means that their achievement would not be measured against an international development organisation (IDO) such as UNOPS but against certain characteristics of the standard of life in the UN member states. UNOPS and other UN entities only have a support role. Thus, UNOPS cannot own the achievement of the goals but can contribute substantively to the ability of countries to meet the goals (Int 5).

As the core business of UNOPS is providing project services, it is involved in different types of projects that contribute to sustainable development. Table 5.1 shows four examples of projects that UNOPS undertook to support some SDGs. One example concerns an agricultural project that helped to address hunger and poverty; the second example describes a transport infrastructure construction project; in the third example there is an initiative to support resilience in cities; and the fourth example is about support for peace and justice through the provision of police stations.

While carrying out these projects, it is likely that various stakeholders in communities have their own views about what contributions are needed from organisations to meet the community's needs. While these stakeholders may be clear about their community's needs, globalisation has led to a situation where it is necessary for an organisation to also address global society needs that the community may not be appreciating (Huber & Gilbert, 2015:232). For instance, organisations need to contribute to climate change mitigation, the fight against corruption and the promotion of rule of law. Local stakeholders might not prioritise these issues regardless of their importance to the global society. This means that when organisations consider meeting their social obligations under the social contract, they need to address both local and global society needs. Thus, it may be argued that the SDGs are useful for determining how an organisation may direct its SR efforts for both local and global impacts. This is because the SDGs may be viewed as a checklist that organisations may use to find the most relevant social issues in their location while also presenting other global issues that go beyond the local operations.

Using the SDGs as a reference allows all organisations to contribute to a set of measures that are globally recognised for their relevance in addressing global challenges. Countries of the world, through the UN, agree that the goals address the needs of the global society to the extent that their accomplishment will make the world a better place for all people (United Nations, 2015c:3). Hence, UNOPS and other organisations should always consider the overall objective that a country is trying to reach with each development project rather than focusing on the project or operations in isolation. This will allow the development sector players to achieve synergies or collaboration that stretches each initiative as much as possible towards the SDG-based national development objectives and avoids duplication of efforts. For UNOPS, the contribution of projects is spread across many SDGs; however, an analysis of UNOPS reports shows that this contribution mainly supports partners in four SDGs.

**Table 5.1: Examples of projects that UNOPS carried out to support the SDGs**

	TYPE OF PROJECT	SDGS COVERED	DESCRIPTION OF PROJECT
1	Project management: enhancing agricultural production	SDG 1: No poverty; and SDG 2: No hunger	In 2017, UNOPS assisted with the rehabilitation of 13 000 ha of agricultural land in 150 villages in Paraguay. This helped communities to fight poverty and hunger as the productivity of households increased (United Nations, 2018b:5).
2	Road construction	SDG 9: Industry, innovation and infrastructure	UNOPS provided technical assistance during the construction of a road across the Hindu Kush mountains in Afghanistan in 2017. The road is stimulating increased economic activity in the area (United Nations, 2018b:5).
3	Hosting services: cities resilience assessment	SDG 11: Sustainable cities and communities	Cities Alliance, an organisation that is hosted by UNOPS, has programmes that assist cities across the world to fight poverty and to become more sustainable. In 2015 it carried out assessments in four sub-Saharan African countries and used the results to help the countries to plan for more sustainable and resilient cities (United Nations, 2016b:5).
4	Rule of law infrastructure: police stations	SDG 16: Peace, Justice and Strong institutions	During 2016 and 2017 UNOPS constructed earthquake-resistant police stations in Nepal. The stations are important for maintaining law and order. Gender mainstreaming and the needs of people with disabilities were considered in the designs (United Nations, 2017c:4).

### 5.3.1 UNOPS mostly supporting four SDGs

Although the support to partners offered by UNOPS was spread across many SDGs, the annual report for 2017 stated that clients engaged UNOPS mostly for SDGs 3, 9, 11 and 16 as reflected in Table 5.3. These cover good health; industry, innovation and infrastructure; sustainable cities and communities; and peace, justice and strong institutions respectively (United Nations, 2018b:4). Hence UNOPS designed, constructed or rehabilitated health care facilities and also procured medical equipment for the health facilities (Int 3). Similarly, the UNOPS 2016 Sustainability Report states that UNOPS constructed or renovated 74 Hospitals and 278 health clinics and procured more than 101 million doses of medicine in 2016 (UNOPS, 2017d:11). This shows that UNOPS is deeply involved in work related to SDG 3. Literature shows that the contributions to health and education are important precursors of development. This is because the absence of ill-health and premature death increases the contribution of people to

development. On the other hand, education helps to develop human capital required for development (Szirmai, 2015:199, 238).

Under infrastructure, SDG 9, UNOPS states that in 2016 it constructed more than 3 000 kilometres of roads, 90 bridges, and two ports in addition to the health infrastructure that was mentioned above. SDG 11 covers sustainable cities and communities. An organisation hosted by UNOPS, called the Cities Alliance, assisted cities and urban communities to develop climate change resilience. Under SDG 16, UNOPS constructed eight prisons, 41 police stations and three courthouses in 2016 (United Nations, 2017c:3). Although, most of the requests for partnerships and support from partners were in the SDGs as highlighted, projects carried out by UNOPS usually covered more than one SDG.

### **5.3.2 Contributing to several SDGs**

While exploring the extent that projects covered the SDGs, it was observed that each UNOPS project could contribute towards several SDGs. For instance, an interviewee noted that at least four SDGs were covered in the rural renewable energy (RRE) project in Sierra Leone (Int 36). In this project, UNOPS constructed solar-powered micro-grids for supplying electricity to rural health centres (RHC) and the adjacent communities (United Nations, 2018b:5).

Figure 5.1 shows one of the installations carried out under the project. In the project, SDG 3 on good health was covered because the project enabled vaccines and other medicines to be stored under refrigeration and medical services to be available at night in the RHCs. The electricity was also used for lighting and operating computers and other equipment in some schools. This improved the quality of education under SDG 4. Furthermore, the project also addressed SDG 7 and SDG 8 since it was providing affordable renewable energy and a means of livelihood and decent jobs. The jobs were created when a local entrepreneur was engaged to run the mini-grid. Contributions to economic activity and decent jobs are part of SDG 8.

It is accepted in literature that organisations may contribute to SDGs by carrying out their core activities (Malan, 2016:100). This argument has been substantiated by how UNOPS projects cover the SDGs. After investigating the RRE project, it may also be argued that organisations may still contribute to society by looking for ways to add sustainable components onto their core project or activity even when the original activities are not targeted at sustainable development.



Photos taken by the researcher, 2017

**Figure 5.1: UNOPS personnel inspecting the construction of a solar powered mini-grid electricity distribution system under the RRE project in the Port Loko district of Sierra Leone**

The original idea for the RRE project was to provide electricity for the RHCs to improve the quality of health care given to rural communities. UNOPS and the development partners expanded the project to add electrification of schools, local businesses and a few residential units. They also provided a means of livelihood for the local companies that ran the mini-grid using public-private partnership arrangements. Therefore, from an SR point of view, an organisation may contribute significantly to society by looking for opportunities to add components to its core work that addresses local and international needs in line with the areas mentioned in the SDGs.

The contribution of a UNOPS project to several SDGs was also demonstrated by water resources management projects (Int 25) in Small Island Developing States (SIDS) that helped communities to fight poverty (SDG 1), hunger (SDG 2), improve the health and well-being of community members (SDG3) and helped to address issues of water and sanitation (SDG 6). The projects also had an additional component for providing training to women and children on aspects related to the projects. Hence there were elements of addressing issues of gender and other inequalities covered by SDG 5 and SDG 10 respectively (United Nations, 2017c:10).

Some researchers (Adelepo *et al.*, 2015:30; Idemudia, 2011:1; Raimi *et al.*, 2015:56) have pointed out that large corporations are starting to use SR as a vehicle for contributing to sustainable development by addressing issues such as poverty, provision of decent jobs, and supporting good governance. There are contrasting views from researchers on whether corporations should take such a role in development. Some researchers see corporations as a resourceful partner to communities, providing goods and services and infrastructure. On the other hand, other researchers do not believe that there has been adequate evidence to show that corporations are effective as development partners for communities (Huber & Gilbert, 2015:230).

It is evident from the empirical evidence reviewed that the approach to contributing to sustainable development was applicable to UNOPS and could perhaps be applied to other NPOs which operate in a similar way to UNOPS. Hence organisations should seek ways of doing more for communities even though they may already be working on initiatives that are directed at some aspect of sustainable development. Thus, this study argues that organisations should use opportunities to do more by considering the possible actions they could undertake under the SDGs. From the exploration of how UNOPS operates with respect to the SDGs, it was noted that the engagement of communities was important for the success of the DSR approach.

#### **5.4 Community engagement**

UNOPS focuses on using infrastructure development to improve life for communities. The UNOPS 2016 GRI Context Index Report stated that:

UNOPS helps partners design, construct, rehabilitate and maintain infrastructure — such as schools, hospitals, roads and bridges — in some of the most challenging environments around the world. Investing in basic, sustainable infrastructure is vital for improving the living standards of communities worldwide (UNOPS, 2017i:24).

Thus, UNOPS provides ways to deliver the infrastructure that gives socio-economic value to communities. For instance, most of the interviewees observed that the construction of hospitals and rural health centres and the procurement of medical equipment by UNOPS results in better quality medical services being provided closer to these communities. Similarly, the construction of roads and bridges make it easier to reach markets, for children to go to school and for law enforcement entities to keep the peace. In addition, UNOPS also provides small grants to communities on behalf of funders to allow members of the community to gain a means of livelihood while carrying out socioeconomic development projects. Thus, it is evident that the very nature of the work of UNOPS is focused on improving the community's well-being (Int 36). The UNOPS GRI Index Report indicated that UNOPS has been improving the capacity of local communities by imparting skills and knowledge required to develop and maintain infrastructure and to carry out other activities that UNOPS does. More than half of the UNOPS projects reported that they had carried out initiatives to improve local capacity in their area of operation during 2016 (UNOPS, 2017i:25).

Although the projects that UNOPS undertakes are already targeted at developing communities, UNOPS seeks opportunities to enhance the benefits of society by making some adjustments to the way they carry out the project. For instance, in some projects UNOPS decides to use labour-

intensive methods instead of highly mechanised operations in order to provide jobs and a source of livelihood for communities.

In 2016, it provided at least 3 million labour days for members of the community by using the labour-intensive methods of construction (UNOPS, 2017I:59). Other organisations could have similar considerations where they deliberately choose not to use mechanised methods to ensure that they employ more people. In terms of the sustainable development goals discussed in the previous sections, it means that UNOPS chooses methods that provide decent jobs and help to fight hunger and poverty. This shows that an organisation can address society's development needs by carefully choosing the methods that it uses to carry out its core work. Most of the interviewees (e.g. Int 2; Int 7; Int 20; Int 29) gave examples from different countries showing how UNOPS has been carrying out good community engagement.

#### **5.4.1 Good community engagement in UNOPS**

UNOPS seems to be doing well in community engagement although there are inconsistencies because sometimes community engagement is not carried out adequately. When most of the interviewees (e.g. Int 2; Int 7; Int 20; Int 29) were asked about how UNOPS was performing, they gave some examples of good community engagement from UNOPS projects in different parts of the world as illustrated in Box 5.1 below.

The examples show that community engagement is not only relevant but important for addressing the negative aspects of projects and improving positive aspects. However, UNOPS struggles with sharing the lessons learnt from the examples given. This has resulted in a lack of consistency in community engagement practices in the organisation (Int 12). Having a systematic way of sharing knowledge among projects is important for a project-based organisation such as UNOPS because when a project is finalised, personnel associated with the project usually leave the organisation, resulting in some knowledge being lost. The new personnel that start new projects in another location usually do not benefit from all the lessons learned by the teams that have left. Hence it is important for UNOPS to ensure that lessons learned from previous community engagement efforts are shared.

**Box 5.1: Examples of good community engagement cited by some interviewees (Int 2; Int 7; Int 20; Int 29; Int 30; Int 39)**

**i. Myanmar:**

A health project had the main purpose of carrying out immunisation of children. Further to this work of immunising children, the project also carried out training and awareness on health matters in the community (Int 29).

**ii. Pakistan 1:**

It was observed that some people kept breaking newly installed street lights in a road project. Upon investigation it was discovered that it was the women who were breaking the lights because the new street lights were exposing the place across the road that they used as a bathing place. In response, the UNOPS project improved community engagement with segments of society at key stages of the project. This project added the provision of sanitary facilities for the women to its scope. UNOPS could improve in knowledge sharing so that all projects apply such lessons learned (Int 7).

**iii. Pakistan 2:**

In another example of positive community engagement by UNOPS, the project team involved the community in planning and carrying out activities for providing shelter after flooding in Pakistan. Because of the ownership that came with being asked to participate, the community was heavily involved in assisting UNOPS to ensure that those who needed the most help received it. Thus, the process of giving shelter to flood victims achieved a greater impact than would have been possible if UNOPS had only involved its own personnel (Int 2).

**iv. Palestine:**

The neighbouring villagers at the construction site of a detention facility were initially against the location of the facility close to their village. However, UNOPS did a good job of involving the community in the project. Positive contributions to the community by the UNOPS project team included ensuring that local people were employed in the project and making soil material from the project available to villagers to use for agricultural purposes (Int 30).

**v. Sri Lanka:**

Similar to the example of Palestine, the community were initially opposed to construction of sewage works near their homes but after community engagement efforts, the community members were satisfied with the benefits of the project and also contributed to the design of the project to minimise the negative impacts on their community (Int 39).

**vi. Tunisia:**

UNOPS used community engagement to compel school children to have significantly more ownership of the school construction by involving school children in determining the colours of the walls in their school and the design of the spaces. The assumption was that years afterwards, the children were more likely to come back to support the school because of a stronger sense of ownership (Int 20).

#### 5.4.2 Instances where community engagement was not good or was inadequate

The absence of adequate community engagement may lead to unsuccessful projects. Hopkins (2007:44) cites the example of how the Coca-Cola company funded the construction of a hospital in Somalia. Unfortunately, the hospital ended up being a shelter for refugees because there were no skilled personnel, medical equipment or security arrangements for the hospital to operate sustainably. Some interviewees (Int 2; Int 6; Int 37) highlighted some UNOPS examples of previous projects where there had been inadequate consultations and participation of interested and affected people leading to projects outputs that were not properly appreciated by the community. For instance, there was a school that failed to attract the targeted learners in South Sudan (Int 37) and a police station that never got to be used for that purpose (Int 2; Int 6). An interviewee also discussed a project to upgrade health facilities in Sierra Leone that lacked buy-in from the local beneficiaries (Int 37). The beneficiaries should have been allowed to participate more in defining the details of the project in their locality. However, there was more key participation and decision-making at central government level than in the districts. When the project was carried out, the local beneficiaries felt that they wanted different outputs compared to what central government had decided and were disappointed that they had not been more involved in the decision-making (Int 37).

It is important to mention that the contexts in which these projects were carried out were very difficult and the ability to carry out normal consultations should not be taken for granted. There was a civil war being waged in South Sudan and an Ebola crisis in Sierra Leone at the time of these projects. This meant that priorities kept changing as the crisis situations changed. For instance, a key component of the hospitals' upgrade during the days of Ebola response was to construct isolation units to separate infected people from other patients. However, when the Ebola crisis was declared over before the construction had been completed, the local communities preferred to see a more general upgrade of all facilities and services rather than only constructing units for the isolation of patients with highly infectious diseases (Int 37).

Regardless of these more complicated situations, most of the interviewees concurred that the development of communities is best carried out when members of the community are consulted and allowed to participate in decisions that affect their welfare. Kemp *et al.* (2015:55) also note the importance of community engagement when private companies such as mines carry out community engagement and community development projects. The intention of such companies would be to create a good relationship with the community and to give something to the community in exchange for the losses resulting from project activities (Kemp *et al.*, 2015:55). The losses could include being displaced from land, losing means of livelihood or failure to access

land or water because of pollution. Similar harm could happen from infrastructure construction projects by UNOPS so it can be argued that UNOPS also needs initiatives such as community engagement to mitigate any harm experienced during developmental projects. Adequate resources need to be made available if the harm is to be mitigated effectively.

#### **5.4.3 Resources for doing community engagement**

Although UNOPS does not make community engagement mandatory for projects, it prepares toolkits and guidance to assist personnel to implement community engagement (Int 19). The toolkits have details of how a project should carry out effective community engagement from project initiation up to the end of the project. However, since the use of the toolkits is not mandatory there is no system to check whether the community engagement is being carried out adequately across all projects (UNOPS, 2017i:59). Thus, there is a difference in performance between those projects that choose to fully implement community engagement and those that decide not to do so (Int 1). UNOPS would do well to ensure that community engagement is considered by every project, including a mechanism to ensure that extracting and sharing lessons learned become part of the custom and practice of the organisation. The community engagement and development programme should be aimed at building the long-term capacity of the community.

#### **5.4.4 Contributing to the local economy and developing local capacity**

According to the UNOPS Sustainability Report (UNOPS, 2017d:11), \$400 million of the \$900 million spent on goods and services by UNOPS in 2016 was spent in the country where the project was located. The extent of local procurement possibly depends on the availability of the required goods on the local market. Considering that UNOPS works in least developed countries with poorly developed markets, it is good to see that over 40% of procurement activities supported the local economy (UNOPS, 2017d:11), bringing jobs that are a means of livelihood and supporting the development of local markets. Spending locally also has the added environmental benefit of lowering the carbon footprint of these activities as local supply reduces the transportation of goods to the projects. Thus, the way UNOPS has operated may be taken as a demonstration of how to apply SR considerations in the procurement of goods and services. This approach produces decent jobs in the local economy that contribute to the fight against hunger and poverty. These contributions are in line with SDGs 1, 2 and 8. Reduction in the carbon footprint from the transportation of goods contributes to SDG 13 on climate change.

In addition to supporting the local economy, most of the interviewees (e.g. Int 3; Int 17; Int 40) considered the building of local capacity in terms of skills and knowledge as a significant contribution that UNOPS makes to the communities. This is particularly so because of the challenges faced by communities in the places where UNOPS operates. Some of these challenges include lack of skilled personnel, poor infrastructure and services, and instability from conflict. Hence, the long-term sustainability of the development initiatives in such communities needs to be accompanied by actions to raise the ability of the local community to carry out development projects on its own (UNOPS, 2017:24). Some interviewees (e.g. Int 3; Int 17; Int 40) specifically said that when it comes to developing the local capacity, they believed that UNOPS should transfer skills and knowledge to the extent that it works itself out of the job. This means that they were working hard to develop local capacity to the level where the UNOPS service was not needed anymore. This was surprising because it was also observed that most UNOPS offices were undertaking almost any project offered by funders because they needed to continue receiving some revenue to keep people in jobs. Some interviewees (Int 4; Int 37) confirmed this by highlighting that there had been suspicion among the locals that in some instances UNOPS personnel just wanted to carry out a project so that they could keep “earning their good salaries” rather than genuinely seeking to do projects that gave the most benefits to the targeted beneficiaries. These contrasting views showed that personnel do not share the same level of appreciation for social responsibility. This lack of common understanding for SR is not peculiar to UNOPS. Kemp *et al.* (2015:60) describe a similar situation where personnel in an organisation were not sure about how and why their organisation contributes to community development even though the community development was a significant initiative that key people in the organisation believed was important for maintaining the relationship with society and the licence to operate.

The development-oriented social responsibility (DSR) approach being proposed in this chapter addresses this challenge because it links the SR initiatives to the UN’s SDGs which are universally accepted goals for social well-being. They are widely used as a reference point for what is good for society. For instance, Schwerhoff and Sy (2017:393) talk of “...using the Sustainable Development Goals as a benchmark for inclusive and sustainable growth...” when discussing the energy needs of the African population. When SR initiatives are carried out by directing efforts to chosen targets under the SDGs, the choice of targets to focus on is influenced by the organisation’s area of competence and the local context since the organisation has to address both local and international SR issues. With this approach there is common understanding in any organisation about what the organisation contributes to and why.

It is also worthwhile to note that capacity building is not always easy and efficient. If not managed well, it can reduce the quality of work and lead to failure to deliver outputs at the expected time. In an example given to illustrate this, a UNOPS project manager described how his project had sought to develop local capacity and contribute to the local economy by insisting that the contractor hires a large proportion of local personnel. The locally hired construction workers would disappear for some days after being paid each month, leading to the work slowing down. In contrast, those workers who came from places far from the project area stayed on the job and only left when they had been given leave to go home and be with their families. Hence the workers that were not local were more reliable than local workers and it required more effort to get work completed with the local workers (Int 48).

In another example of contributing to the local economy and developing local capacity the construction on over 30 sites was given to 10 small local contractors. The alternative could have been to give the contract to one or two big international contractors. Unfortunately, using the local contractors resulted in delays and challenges as local contractors struggled because of financial mismanagement, poor supervision, and lack of skills, among other reasons (Int 37; Int 51). However, in spite of these challenges it could be argued that a key need of the communities in such locations is the development of society through building local capacity. Therefore, UNOPS and other organisations should meet their obligation to society by doing what they can to improve local capacity. Contributing to communities does not always run smoothly so organisations should consider ways of addressing the challenges.

#### **5.4.5 Challenges with community engagement**

There are some challenges to carrying out community engagement for UNOPS development initiatives. One of these challenges arises from the fact that often UNOPS comes too late in the project design to be able to adequately influence how the project is to be carried out. This means that what UNOPS can do is determined by what the funder will already have stipulated before engaging UNOPS. Thus, UNOPS finds it difficult to engage the community intensively and allow it to participate in the project when the funder of the project has not allowed for extra time and budget for the community engagement. Sometimes the funder would carry out the community engagement. However, if UNOPS finds the community engagement efforts to be inadequate it could still undertake additional engagement activities, but such engagement activities would result in a great deal of pressure on the targets for completing the project within the agreed cost and time. This underscores the need for UNOPS to get 'higher in the food chain' of project development so that it may influence the carrying out of SR aspects such as environmental and social impact assessments and community engagement. Therefore, UNOPS would do well to be

part of the national and local development discussions or at least to be informed about the decision-making processes for new development initiatives so that it can try to apply positive influence (Int 12). Although Aarseth *et al.* (2017:1072) note that there is not much literature on how to integrate sustainability into projects, they also concur that it is best to add sustainability early in the project design.

In instances where the funder refuses to include funds for minimal SR requirements such as contributing to local capacity, it becomes very difficult for development partners such as UNOPS who manage the project on behalf of funders to carry out the project in a socially responsible way. In such cases UNOPS should seriously consider not undertaking the project. Emphasis should be on ensuring that the project is designed properly and adequately funded to address SR issues during and after project implementation. For all the projects that it ends up doing, UNOPS should not fail to maintain appropriate and continuous community/stakeholder engagement through the life span of the project (Int 10; Int 36).

Another challenge to community engagement is due to the local context in some places that makes it difficult to access some of the stakeholder groups that need to be engaged. Factors such as local culture, access to information and power relationships in patriarchal communities make it difficult for women to fully participate in some projects. Hence, a lesson learned from UNOPS community engagement processes is that stakeholder consultations should make extra effort to include all sectors of the communities although reaching out to key interested parties may go against some social norms and require more effort (Int 10). In spite of difficulties faced in some projects, it seemed that interviewees were convinced that UNOPS is doing well to support community development although there are opportunities to do more, particularly when it comes to exerting more influence on partners. Having considered how UNOPS could contribute to social aspects related to sustainable development, it is also important to ensure that the environment is protected because future generations will not have a good space to live in and produce for their needs if the environment is not protected.

## **5.5 Environmental performance**

The DSR approach would not be complete without discussing contributions to environmental protection. This is because human activities in the past few decades have been posing a threat to the quality of life or even to the survival of certain societies. The activities have resulted in environmental degradation, pollution and climate change. Hence there is common appreciation that development does not exclude environmental protection (Ahmed & Mlay, 1998:1). The environment is important because it provides habitats and ecosystem services that are essential

for humans and other creatures. Ecosystem services are the benefits that people derive from the environment such as food production, natural treatment of waste, clean air and water, and surroundings that are suitable for recreation (Costanza *et al.*, 2017:3, 4). It is in the best interests of society to ensure that the environment is protected so that people may continue to enjoy these ecosystem benefits. UNOPS has a role in contributing to environmental protection through its projects.

### **5.5.1 UNOPS contribution to environmental protection through projects**

Some of the interviewees (Int 22; Int 36; Int 50) described the role that UNOPS plays in protecting the environment by highlighting projects for the construction of waste management facilities, protection of biodiversity, and rural renewable energy supply. For instance, in Sri Lanka UNOPS developed waste management facilities to serve a community of 400 000 people. In a second project cited, UNOPS carried out the construction of police stations and prisons in Somalia without cutting down trees or destroying existing vegetation. For another prison construction project in Palestine, UNOPS introduced vegetation and shrubs to improve the site of the prison (Int 50). In the third example, the designing of irrigation infrastructure in Peru was carefully carried out to ensure that the biodiversity of the project location was not affected. There were also other projects to protect biodiversity in Congo and Guinea; and in large marine ecosystems across the world (UNOPS, 2016c:77; UNOPS, 2017l:36). Two of the interviewees (Int 3; Int 36) also gave examples of the involvement of UNOPS in renewable energy such as the project to supply rural communities with renewable energy through micro-grids based on solar power or mini-hydroelectricity in Sierra Leone. The interviewees also noted that UNOPS is not merely including environmental aspects to projects at random but it had an Environmental Management System (EMS) that enables the organisation to carry out environmental planning, implementing and monitoring across its project and non-project operations.

### **5.5.2 The UNOPS Environmental Management System**

Most of the interviewees (e.g. Int 1; Int 6; Int 23) noted that UNOPS did well by establishing the EMS consisting of standards, procedures, processes, guidance materials and training and awareness initiatives. These attributes enabled UNOPS to demonstrate to third-party certifiers that it was compliant with the ISO 14001: 2015 standard. The organisation determined that the largest environmental impact from UNOPS operations was from infrastructure activities where UNOPS modifies existing structures or clears pristine land to construct roads, buildings and other structures. Although these processes were well established for infrastructure projects, some projects had not fully implemented the EMS. Some of these projects took place in difficult

operating conditions such as in armed conflict areas that made it difficult to address some aspects of the EMS (Int 3). However, an indication that the EMS for UNOPS was generally working well was the fact that there were no fines or penalties that UNOPS had to pay to address contravening environmental legislation (UNOPS, 2017:43).

The interviewees noted that UNOPS takes a significant step in ensuring that key environmental and social issues of a project are addressed when it puts new projects through environmental and social screening under the EMS. The screening process pays attention to the potential impacts that the project could have and helps the organisation to make decisions on how much environmental and social planning and control are required for the project to be carried out without harming people or the environment (Int 1). As a consequence of the screening, UNOPS has been ensuring that environmental and social impact assessments (ESIAs) are carried out where a project has the potential to cause significant impacts (Int 3). The ESIAs result in environmental and social management interventions being put in place. As an example of such interventions the UNOPS GRI content index report of 2016 stated that 16 % of UNOPS projects in 2016 identified and managed significant biodiversity issues (UNOPS, 2017:36). Furthermore, the implementation of the EMS resulted in waste management at sites, efforts to avoid wasteful consumption of resources and efforts to protect sensitive ecosystems and habitats. In addition, UNOPS developed infrastructure design planning manuals used by design engineers to ensure that design considerations were made in line with UNOPS requirements. These requirements include ensuring that infrastructure is energy efficient, uses environmentally friendly materials and is resilient to natural elements that could lead to natural disasters (Int 45).

In the UNOPS approach to environmental management it is important to ensure that the environment is not harmed by the organisation's operations, but it is also important to have mechanisms for protecting people from harm that comes from the environment or natural hazards such as earthquakes, flooding and hurricanes. Some interviewees (Int 7; Int 31) noted that the approach of embedding defences against the natural hazards is part of what UNOPS calls disaster risk reduction and resilience (DRRR). DRRR aspects form part of the mandatory considerations that are being included in infrastructure designs. The design review process that came into full force in 2016 ensures that designs done by UNOPS are checked against environmental and DRRR considerations (Int 7; Int 31).

UNOPS personnel recognise the importance of good waste management in reducing the negative impact of UNOPS operations on the environment. Hence, they manage waste by segregating, recycling, reusing or disposing of it in designated landfill sites (Int 32; Int 33). According to its annual Sustainability Report, UNOPS recycled 33 % of the total waste produced in 2016 (UNOPS,

2017l:41). Evidence of environmentally friendly handling of waste was observed in some sites visited. Figure 5.1 shows a picture taken at a UNOPS construction site in Kosovo showing the different streams of waste that have been segregated. The wood and the metal were given to members of the community to be reused while the plastic and paper were sent for recycling. In Figure 5-2, old tyres were being reused as part of the exterior decoration at the UNOPS Ghana office. The thoughtful handling of solid waste in the manner shown in these examples helps UNOPS to prevent or reduce harm to the environment since uncontrolled release will most likely cause pollution and public health nuisances.

Some of the environmentally friendly practices are not only targeted at lowering the negative environmental footprint but also at becoming cost effective. For example, some UNOPS offices introduced electronic signatures for documents to be signed in soft copy and thus reduce the amount of paper use. This significantly reduced the amount of paper being used to the extent that some offices were reported to be buying less than 50 % of the paper they used to buy (Int 18). However, these improvements do not yet cover most of the offices. Even at the UNOPS HQ in Copenhagen there were many people printing a large quantity of paper for signatures instead of using electronic signatures as in the case of some field offices (Int 25). Other than waste management, another area of significant environmental impact for UNOPS is contributions to climate change because the organisation has activities that lead to greenhouse gas emissions.



Photo taken by the researcher, 2017

Figure 5.2: Waste segregation at a UNOPS construction site in Kosovo



Photo taken by the researcher, 2017

**Figure 5.3: Reuse of tyres for exterior decoration at UNOPS Ghana office**

#### **5.5.2.1 Climate change mitigation**

As part of climate change mitigation UNOPS has been monitoring its direct and indirect sources of greenhouse gas (GHG) emissions. In 2016, the organisation emitted a total of 14 892 tonnes of carbon dioxide equivalent. This was an 11% reduction from the 16 753 tonnes emitted in 2015. The main contributors to these emission figures were air travel, use of the vehicle fleet, on-site fuel combustion and electricity use (UNOPS, 2017a:7). Hence, efforts to reduce emissions of greenhouse gases seemed to have been working. The data that was collected and analysed included emissions from air and road transport, combustion of fuels for electricity and heating, and use of refrigerants. However, the data collection was not extended to project sites but was restricted to facilities such as offices and warehouses (Int 1; Int 47). Thus, there is a gap that needs to be covered as the data does not represent the complete GHG emissions footprint of UNOPS.

Since 2010 UNOPS has been using the emissions data that it collects from its operations to calculate the total amount of emissions so that the organisation could buy the equivalent amount of Certified Emission Reduction (CER) credits it needed to offset the emissions from its administrative operations. These purchases of CER credits have made UNOPS' administrative operations climate neutral (Int 47). In the past few years UNOPS has not only been offsetting emissions by buying CERs (UNOPS, 2016c:31), but it also introduced some practical measures to reduce GHG emissions. One such measure has been the development and use of a travel booking tool (TBT) that allows personnel to choose flights with the least carbon footprint for their

business travel. Other measures taken through the EMS include replacing diesel generated electricity with solar electricity in some offices (Int 47). Also, there has been an emphasis on measuring resource use related to GHG emissions although there has not been enough emphasis on using the monitoring data to set targets and gain meaningful improvements. Commenting on this, an interviewee said:

I think being the UN we should be leading by example and the least we can do is to measure what we are actually generating in terms of waste and emissions and water consumption. But the most important work is not in measuring, but it's actually making sure we improve (Int 47).

Thus, one area of improvement in environmental management is for UNOPS to convert monitoring efforts to solid improvements in environmental performance. Some interviewees (e.g. Int 15; Int 23) noted that the use of video and teleconferencing was an effective tool that UNOPS uses to reduce the need for people to travel across the world for meetings, workshops, interviews and training events. However, in spite of the use of such methods, UNOPS personnel still travel a great deal between duty stations leading to a large carbon footprint. Thus, there is still an opportunity to operate in a more environmentally friendly way by using increasingly video and teleconferencing. Personnel should be encouraged to use routes and modes of travel that present the lowest carbon footprint in the instances where travel is unavoidable. They need to be encouraged because not many people choose flights on the basis of the carbon footprint in spite of this being a possibility in the UNOPS travel tool. Besides, the travel tool is mainly being used by personnel at the UNOPS head office in Copenhagen and many people in the field offices are left out.

Another good practice by personnel at the head office is that most employees cycle to work, showing a good appreciation of sound environmental and health practices (Int 7). However, it is worthwhile noting that the culture and infrastructure in Denmark allows for cycling, and even encourages it. Availability of suitable facilities and security issues in the field offices do not make it easy or practical for a similar approach to be taken in some of the locations where UNOPS works. For instance, there would be security challenges in Afghanistan and South Sudan, and congestion and lack of cycling lanes in Myanmar, Sri Lanka and Guatemala. Most of the interviewees observed that there are some commendable environmental practices but the practices are not applied consistently throughout the organisation.

#### **5.5.2.2 Good environmental practices not implemented consistently**

The general view presented by most of the interviewees and reflected in UNOPS annual reports showed that UNOPS has a good appreciation of environmental matters and is generally

performing well in implementing an internationally recognised EMS. Further, it is contributing to key issues relevant to its operations such as waste management and climate change mitigation. However, interviewees also noted that UNOPS performance is not uniform in all its field operations. Some offices are operating below the UNOPS EMS requirements (Int 3; Int 25). For instance, an interviewee said the following about applying energy efficiency and disposing of hazardous waste in an environmentally friendly way at the field location where he was working:

I think we need to campaign more on efficient usage of energy and vehicles because sometimes there is so much freedom in how we run our energy systems, our generators, and our vehicles. We do not seem to have any policy or if we have any policy existing, then we are not following it so well...When we service our vehicles and our generators, how we dispose the waste such as old engine oils is also an issue (Int 6).

Reasons for introducing an ISO 14001 certified EMS in 2013 included the need to address these inconsistencies from one location to another. The EMS introduced standards and guidelines for dealing with various aspects of environmental management, including efficient use of resources and managing different types of waste. However, there are varying levels of compliance to the EMS. In some places the requirements of the environmental management systems are not being followed adequately as highlighted by the interviewee. On the other hand, the offices certified to ISO 14001 showed an improvement in the application of the EMS. When certification to ISO 14001 was started in 2013, only two countries were put on the certification. However, as of December 2017 the number had risen to nine countries (United Nations, 2018b:13). Hence, UNOPS is gradually upgrading environmental performance by raising country office standards to meet ISO 14001 certification. However, most of the interviewees (e.g. Int10; Int 12; Int 51) felt that the pace of this upgrade should be increased. The interviewees also noted that most of the time good performance in environmental management and in other SR-related issues was due to UNOPS working with a particular funder that insisted on high standards of environmental and social protection. In other circumstances, the reason was because of exceptional performance by some individuals who were self-motivated enough to do more toward environmental performance than the average worker. Thus, it is important for UNOPS to strengthen the implementation of the environmental standards across all UNOPS operations to ensure consistent and acceptable performance regardless of funders or the personalities of people working at a particular UNOPS site (Int 16). Organisations that are worried about protecting their reputation when it comes to environmental management matters may do more than merely complying with minimum legal requirements of the place where they operate. They would want to comprehensively address environmental risk to such an extent that their social licence to operate (see Chapter 2 for more explanation on social licence to operate) would not be compromised (Kagan *et al.*, 2017:28). In the DSR approach, this study proposes that organisations not only look at addressing risk by

mitigating the immediate impacts of their actions but also look at opportunities to contribute to the sustainable development of society through the UN's development framework.

Unlike commercial entities, UNOPS and other UN organisations are usually not influenced by the threat of prosecution under the laws of their country of operation. This could be a reason for the lack of consistency in implementing good environmental practices in UNOPS (Int 28). The laws of the host country are not a deterrent because the international Convention on the Privileges and Immunities of the UN (United Nations, 1946) exempts UN organisations and their personnel from the local laws. For environmental performance in UNOPS this means that the UNOPS personnel have moral rather than legal pressure to ensure that environmental requirements are put in place. Moral pressure for protecting the environment in poor communities in developing countries is perhaps less persuasive than legal pressure that brings the possibility of serving a jail term or suffering personal loss while paying for damages to the environment. Thus, UNOPS needs to actively engage and motivate its line management to ensure that they implement environmental requirements. This means that certain leadership qualities are required if sustainable development is to be achieved through implementing environmental management and other SR initiatives.

## **5.6 Leadership and collaboration**

SR leadership within UNOPS and the collaboration between UNOPS and other development partners are important for improving the contribution to sustainable development. Most of the interviewees mentioned the need for SR leadership to be demonstrated through all levels of UNOPS employees. They also described the synergies that could be achieved if UNOPS cooperated with other development partners.

### **5.6.1 Leadership**

Leadership is critical for the organisation to practise SR and for the SR initiatives to make meaningful changes to people's lives. UNOPS could provide additional value to communities if there were more SR leadership qualities in the UNOPS line management structures (Int 2) since leadership across all levels of an organisation is required to support sustainable development (Kurasha, 2016:2). The expectation is that UNOPS leaders across the organisation should motivate others from one level to the next level (highest to lowest) until all the levels and all personnel have been reached (Int 2). In motivating personnel to contribute to DSR, the leadership sets the tone of how the organisation positions itself for supporting communities. Contributing to the development objectives described by the SDGs may require organisations to think of their

operations as a contributor to the bigger social development picture where organisations do not only seek to be involved in a narrowly defined area. Instead, the organisation should look broadly into society's development needs and try to contribute as much as possible by considering the overall developmental needs. This 'big picture' approach should be developed for heads of offices and their project managers and business developers in UNOPS. They need to move away from thinking of UNOPS as a 'contractor' for partners responsible for carrying out only a small component of a bigger programme so that they consider wider social needs in line with UNOPS mission and goals (Int 12). It requires effort to convince some partners and governments to fund more than the steel and concrete structures as some are keener to cut ribbons in well-publicised official opening ceremonies than they are interested in additional social value. Taking the example of education projects, it can be seen that the SDGs compel nations not only to provide education but also to ensure that it is sustainable, good quality education. Hence it is necessary not only to think about constructing as many schools as possible but also to ensure that the schools are designed to address challenges that reduce the quality of education to different categories of learners (Int 20; Int 22). There is also the need to coordinate with other development sector players to make the best out of funds made available to beneficiaries.

### **5.6.2 Coordination**

The coordination of international development players remains difficult and is not advancing as expected (Cameron & Low, 2012:167). Such co-operation and coordination are necessary for enhancing the overall contribution to development by UNOPS and other players since it was observed that there is a multiplicity of players in the areas that UNOPS covers with its projects. Coordination of these players so that development funds are directed to the areas where they are needed most may enable more ground to be covered in addressing development issues. However, the practical reality is that there is not enough coordination and often resources are concentrated in one area while other areas are left unattended (Int 36).

As part of working towards efficient and effective socially responsible development, UNOPS and other development partners should be part of development cooperation initiatives. Development cooperation helps development partners to work towards national and international development priorities. It includes a focus on making sure that the government of the country in which development efforts are being carried out owns the development process (United Nations, 2016d:3). This will limit the instances where an excess of initiatives is wasted on one problem or one location while other issues or locations are abandoned. In a project where UNOPS was installing solar electricity equipment on behalf of a donor at rural health centres in Sierra Leone, the funds provided by the donor were not enough to cover all rural health centres. However, there

were a few rural health centres that already had solar electricity from other donors. In a few of these centres the existing older installations were removed and the UNOPS project fitted new installations to the exclusion of the centres which needed them. Although the Ministry of Health had considerable influence in the decision, it would possibly have been a better use of development resources if centres without electricity were prioritised ahead of upgrading already functional systems (Int 36).

McKeon and Masyrafah (2008:24) show that even when there is overall good coordination, gaps and duplication may occur and there may be a mismatch between the needs of society and the thrust of the aid efforts. Literature notes that aid coordination has generally continued to be challenging in spite of many attempts to improve (Bourguignon & Platteau, 2015:95). Some of the reasons for this lack of coordination could be the time and effort needed to coordinate activities. There is also the fact that funders and their development partners may have different perspectives of what is needed or they may simply not want to cooperate too much because they would not want restrictions that come with a shared framework (Martens *et al.*, 2004:40). In spite of the potential challenges, the issues of coordination and cooperation among development players at some locations where UNOPS operated need improvement (Int 36; Int 45). UNOPS can contribute to the improvement by seeking more synergies with the activities of other development sector players during the project development periods. If greater impact is to be achieved, it is worthwhile for UNOPS management to ensure that more effort and resources are directed at making SR work.

### **5.6.3 Effort and resources required to do SR properly**

Effort and resources are required to carry out SR properly (Int 16). For instance, checking to find out whether the suppliers are socially responsible means that more time is needed for procurement processes. It can also mean that in some instances there may be additional skills required to do checks. For instance, checks may be required to ensure that the waste that a supplier disposes of is not harmful to the environment or that activities by the supplier are not harmful to local culture and heritage. These extra resources and time are usually not included when stakeholders design an initiative unless there is a deliberate focus on SR. In general, under-resourcing of project-development teams contributed significantly to poor performance since the teams did not do enough to determine what is needed for SR and to ensure that enough funds are allocated to address SR during project implementation (Int 16; Int 28). With the right effort and resources UNOPS has the potential to support society in ways that governments and many other organisations are unable to do.

#### **5.6.4 Supporting in a way that others cannot support**

A significant amount of the work that UNOPS does occurs in locations where the private sector does not want to operate and the government does not have the capacity to provide basic goods and services required by the community (Int 13). In such places, UNOPS supports the government to establish community services such as healthcare provision, police service facilities, schools, roads and civil works capability. The provision of these community services includes the development of the capacity of the government and of the local private service providers that take over when UNOPS leaves. This is a significant contribution because many organisations find it difficult to operate in the conditions of these locations. This includes many funders who are ready to give money for the community services to be established but do not have capacity to carry out the work on their own (Int 13). Seeing that there are some people with funds who are interested in contributing to community development projects, UNOPS has developed an initiative called the Social Impact Investments (SII) initiative to facilitate for private investors to make investments focused on producing a social impact in needy communities. If this initiative of acting as a facilitator for attracting private investors to come and contribute to development work is successful, it will be a significant way in which UNOPS assists in channelling much needed funds to sustainable development projects.

#### **5.6.5 Social impact investments (SII) initiative as a means of financing the SDGs**

Organisations may contribute to the SDGs by making social investments (Malan, 2016:100). Although under normal circumstances, UNOPS does not make profits that may be invested in social investments, in the Social Impact Investments (SII) initiative UNOPS facilitates for investors to make a social and/or environmental impact with their investments (United Nations, 2018b:11). Social impact investors focus on producing social and environmental benefits through their investments instead of just maximising profits (Donald *et al.*, 2014:540). UNOPS is building a portfolio with investments targeted at developing countries in the areas of renewable energy, affordable housing and water and sanitation. This initiative could make a considerable contribution to the SDGs because funding for the SDGs from government sources is limited and it is not enough to meet the trillions of dollars required to fund the SDGs (Int 13; Int 21). Michelucci (2017:2683) suggests that players are needed to develop the approach of carrying out development using social impact investments. Thus, by adopting the approach of socially responsible investments, organisations may contribute either as responsible investors, as facilitators to help investors to channel funds to needy communities, or as implementers of responsible investment projects. However, indications from the interviews were that UNOPS, as a project management and financial services provider, could do much in the way of facilitating

private investors' participation in development projects. Although UNOPS can come up with its own projects under the SII initiatives, it is important to realise that the rest of UNOPS operations depend on the needs and expectations of funding partners.

#### **5.6.6 Limitations to UNOPS' contribution**

UNOPS operations are 'demand driven'. This means that UNOPS focuses on doing the work that partners will pay for since it meets its cost by charging partners for the expenses that it incurs (United Nations, 2017f:10). Therefore, UNOPS will lean towards doing what the partner specifies under sustainability initiatives. If resources allow, UNOPS carries out additional SR initiatives in tandem or after the requirements of funders have been met (Int 3). In order to have more flexibility and more opportunities to ensure that the most sustainable and socially responsible projects are carried out, some UNOPS offices are starting to propose their own complete projects to donors (Int 38). This also helps to ensure that UNOPS does work that adds more value to development instead of just taking the place that could be taken by the local contractor. In addition, UNOPS also tries to influence the funders to do more by leveraging its influence as a UN organisation. Chapter 4 discussed an example of how UNOPS is influencing the design of rule of law infrastructure by applying the measures that encourage the application of human rights to the handling of prisoners in police stations, courthouses and prisons. A review of the UNOPS design manuals shows that this approach has also been extended to other SR aspects in infrastructure projects (UNOPS, 2014; UNOPS, 2016d).

It is also worthwhile to note that being effective at contributing to the SDGs does not mean that UNOPS will be an expert technical contributor to each aspect of SDGs. UNOPS is also effective when it acts in partnership with the expert organisations so that they may be more effective. Such partnering to increase the contribution to the SDG is encouraged by the UN (Malan, 2016:100). UNOPS assists specialised UN entities and other organisations that are key elements to the achievement of the SDGs by providing back office administrative support, carrying out recruitment and managing employment contracts for short-term engagements (Int 2; Int 24; Int 31).

UNOPS also provides fund management services when it acts as a financial intermediary between the funder and recipient organisations. These services are in addition to UNOPS' core business of carrying out infrastructure development, procurement and general project management. The infrastructure allows access to services, while procurement services make more products and services available in difficult environments in which other private and public sector players find it hard to operate (Int 24; Int 29). Collaborating with others should be encouraged to ensure holistic projects covering most SR and sustainable development aspects

since one individual organisation may not be able to offer a full set of benefits to meet the needs of society. For UNOPS this could mean collaborating with other UN entities such as UNDP, UNICEF and WFP. Other commercial and non-commercial entities could also consider partnerships that enhance their SR contribution (Int 3; Int 8). The significant operational presence of UNOPS in many countries that need substantial improvement in socio-economic development makes it a useful implementation partner for funders (Int 12).

It should also be noted that UNOPS, as in the case of other UN organisations, has a specific mandate given to it by the UN General Assembly. Hence, its support for the SDGs is within the context of its mandate (Int 44). UNOPS has established itself as a high-quality performer in its mandated area by adopting internationally recognised certifications such as the International Standards Organisation (ISO), European Foundation for Quality Management (EFQM), Chartered Institute of Purchasing and Supply (CIPS) Golden Award, among others (Int 10). Although it was observed that the international standards motivated personnel to work to international best practices, the certifications may also be more about enhancing the UNOPS brand among funders and stakeholders than adding value to beneficiaries (Int 6). However, international certifications or not, UNOPS should ensure that it does not compromise SR when it considers projects.

#### **5.6.7 Doing more work without compromising SR quality**

It was noted in Chapter 4 that UNOPS has a 'business-like' approach to operational efficiencies. The financial discipline and drive for results are good for sustainability because they increase the quality and volume of work that UNOPS does for any given amount of funds (Int 27). However, the benefit of more development work done more efficiently may only be realised when care is taken to ensure that the work maximises social responsibility and contributes to sustainable development (Int 20). Getting more work done with limited resources becomes even more important when donors are reducing the amount of funds they are making available for development initiatives. This may lead to more projects with poor SR components creating the possibility that UNOPS may not offer to undertake the project.

If UNOPS determines not to commence with a project, the funder could work with a much poorer implementation partner who contributes very little to the community. However, if UNOPS does the job, it could still put in some good components. There are extremes that UNOPS would not want to go to but perhaps UNOPS should not be quick to turn down projects to which funders did not give adequate SR considerations (Int 3). Since it was noted in Chapter 4 that UNOPS has excess funds in its reserves, perhaps some of these funds could be used to enhance the SR and sustainability value of projects, including those that lack proper SR considerations (Int 8; Int 27).

Alternatively, it may be more effective to convince funders to support the inclusion of adequate SR aspects instead of fixing bad projects that have no provisions for SR.

### **5.6.8 Helping funders to understand sustainability**

UNOPS business proposals usually give an indication of how the proposal contributes to the SDGs and the international development agenda (Int 31). This is a good practice which should be enhanced by measurable targets for the projects (Int 14). Having the aspects of SR and SDGs that are expected in any UNOPS engagement set as deliverables with specific targets in the agreement between UNOPS and the funder would force UNOPS managers to measure performance against the targets. Achieving meaningful SR and sustainability results without agreement or interest from the funders is difficult (Int 30; Int 37). Another challenge has been that project teams seemed not to appreciate the potential for SR and sustainability. They focused on a small component where only their core contribution was considered important (Int 39). Beyond projects, more explicit SR and sustainability performance measures are likely to help the organisation to improve its performance (Int 5).

While UNOPS should do its best to include aspects of SR and sustainability, it is also important to acknowledge that integrating SR and sustainability into projects is a relatively new phenomenon (Aarseth *et al.*, 2017:1072) and that it will take time to get all funders on board. There are examples of instances when funders refused to enhance projects in terms of SR and sustainability (Int 37; Int 45). In some of the examples, governments wanted quantity rather than quality, or less sustainable locations because of political reasons. For instance, an interviewee noted that he was involved in a project to construct schools, where politicians strongly preferred getting more political mileage from 10 poorly equipped schools in poorly accessible locations instead of six schools with good resources that would have conducive conditions for delivering good quality education (Int 37). Several other such instances where development initiatives were diverted from communities that seemed to need them the most were observed (Int 45).

In another example where funders refused to include recommended SR aspects, the funder was unwilling to consider additional money for key aspects that would have made the project more sustainable. The project proposal included rural health facilities and boreholes and water pumps to supply the health facilities with water. The funder refused to include funds for maintenance kits and training as was suggested by UNOPS. It is doubtful that the health facilities will have consistent water supplies without the capacity to carry out adequate maintenance of the water supply equipment (Int 51). Another interviewee noted that some funders submit projects that are based on some misguided assumptions. For example, there are times when funders want to build

school buildings and health care facilities when what is needed is skills development and equipment (Int 8).

Hence, UNOPS may use its operational presence and experience in the project areas to help funders to understand the challenges and possibilities that affect the ability to deliver in a socially responsible and sustainable way. The understanding that funders require includes an appreciation of what are realistic times for the completion of the project. This is because rushing to meet unrealistic project delivery timelines may compromise important SR aspects such as community engagement and environmental protection (Int 51). As part of efforts to improve engagement with funders, UNOPS should consider improving the training of business developers so that they are more skilled to achieve better project agreements through negotiating for realistic, achievable project deliverables including sustainability aspects (Int 51).

Aarseth *et al.* (2017:1078) make several suggestions about how organisations may include sustainability in projects. For example, they suggest that the project needs to define the sustainability deliverables very early in the initial stages of project design. Further, they also emphasise engaging the stakeholders that are relevant to sustainability and assigning roles and responsibilities related to sustainability. In addition to these suggestions, this study argues that a good way to initiate sustainability initiatives that contribute to local and international sustainability is by using the SDGs. By considering the SDGs in developing countries, organisations are better able to align their efforts with national development plans since the plans are influenced by SDGs. However, the organisations need to be careful about the motivation of some of the people that work for them. It is unfortunate that the custom and practice has been that addressing SR and sustainable development competes with the need to spend money quickly because the performance of projects is measured by the rate at which they spend. Meeting the targets for spending funds is linked to the ability to keep jobs (Int 8; Int 10; Int 37). Although keeping jobs is a significant motivation in how personnel do their jobs, there is a clear interest in being socially responsible and assisting people in need in line with the UNOPS mission (Int 19). Thus, the need for financial survival at times makes it difficult to focus on the organisation's mission and social responsibilities. UNOPS should address this and other challenges to the effective contribution by UNOPS to socially responsible behaviours leading to sustainable development.

## **5.7 Challenges with making projects sustainable**

It is evident from the interviews and UNOPS documents assessed that UNOPS supports the SDGs by implementing projects for partners or by providing partners with services that allow the partners to deliver. Having shown that the projects support elements of sustainable development,

it is of interest to know how UNOPS contributes to the SDGs beyond its core mandate of infrastructure, procurement, project management, and administrative and financial services provision. It was shown in section 5.2.2 that in some projects such as the RREP in Sierra Leone, UNOPS and its partners contributed to SR aspects linked to sustainable development by adding components for improving schools and providing jobs in a project that was targeted at addressing provision of health services (Int 36). However, there are also some examples of projects where opportunities to address the needs of society properly were missed. An example was given of a project in South Sudan where adequate provisions were not made for the needs of the community to influence the planning and the execution of the project. In the project UNOPS implemented the construction of a police station. However, other partners were responsible for aspects such as access roads to the police station and the training of police officers and public awareness for building trust in the police. The other partners, including the government, did not complete their components of the project. As a result, the provision of police services to the community did not succeed. The buildings were left abandoned years later. Their only use was as a shelter for goats (Int 2; Int 6). Hence, the overall successes of the initiatives are not always wholly dependent on UNOPS.

#### **5.7.1 Using the SDGs to assess the adequacy of school construction projects**

UNOPS reports indicate that UNOPS is doing a good job of constructing schools. In 2016 it built or renovated 50 schools (UNOPS, 2017d:10). Particularly commendable is the fact that the schools were built in developing and least developing countries. In spite of these efforts, not all aspects of the school construction projects were perfect. An example was given of four of the schools where there was low attendance by children from the target communities when considering the number of school-going age learners that were available. Although the reasons for the low attendance were unclear it seemed that there was a need to do more than just to provide school buildings. Assessment of other needs was also necessary (Int 37).

As an organisation that wants to be socially responsible by effectively addressing the needs of the community, UNOPS could use the thrust of the SDGs to ensure that projects address key developmental needs. In the example of the school construction project, SDG 4 not only talks about the society's need for education but also states that the education must be of good quality. This means that providing education may not only be restricted to providing four walls for learners but ensuring that the environment is conducive to learning and has adequate fit-for-purpose resources. The SDGs are also not stand-alone goals. For instance, according to SDG 6, the school environment should have adequate and appropriate water and sanitation, whereas SDG 7 could be applied by designing the school to consider greener sources of energy and to include

energy efficiency considerations. On the other hand, SDG 5 on gender equality means that the design of school facilities should take into consideration what is acceptable for both boys and girls to attend school comfortably and ensure that there are no gender biases that disadvantage some learners.

Thus, from considering these related SDGs, a good school project should have a design that considers acceptable conditions with respect to good quality of education, gender sensitivity, addressing climate change, and appropriate sanitation conditions. For instance, gender sensitivity could mean having separate toilets for boys and girls with adequate facilities to maintain comfort and good sanitary levels. In addition, access to the school should not be taken for granted because roads and bridges are needed to make it easy to access the schools in various weather conditions. An interviewee highlighted how UNOPS personnel realised that accessing a school that they were building in Pakistan was going to be difficult. To correct this challenge UNOPS built a road to the school. The road was not part of the original plan by the donor (Int 3). The instances where there were such omissions in the original development projects proposed by funders show that a framework of reference such as the SDGs is needed for people to consider what they need to do to deliver development projects with greater social value.

In an example relating to environmental considerations, an interviewee observed a UNOPS school construction project where one switch for lights covering several classrooms was installed. This meant that if lights were needed in only one classroom there was no way of leaving the other classrooms' lights turned off (Int1). Energy efficiency was therefore not considered. Contrary to such an example of poor consideration for the environment, there were also some examples in other UNOPS projects of good designs that included energy-efficient aspects such as those that included natural light and ventilation so that less energy would be used on artificial light or heating and cooling the buildings (Int 1). Thus, from the examples of the school construction projects we can see that having a wider view of possible contributions that a project could have for the development of a community could lead those implementing the projects to better develop more socially responsible projects. The school construction projects could achieve more than merely providing shelter by looking at the range of development needs that could be attached. A good value project to establish a school should consider, among other aspects, that there is provision of clean water to drink, adequate toilets, good access to the school (access road) and that the school has electricity. If such factors are in place, then the school may attract good quality teachers and other equipment such as computers may support the learning process.

Perhaps additional value in relation to development needs could be to ensure that girls or other disadvantaged groups could attend school. Jewitt and Ryley (2014:137) show how absence of

proper sanitary facilities at schools in Kenya was related to poorer attendance by adolescent girls in Kenya during menstruation periods. Nauges and Strand (2017:65) also showed that improving the way water was being fetched improved school attendance by girls. Some interviewees concurred with these observations from literature. For instance, an interviewee (Int 12) highlighted that providing lighting and community water points could reduce the burden placed on the girl child to support domestic chores (Int 12). Hence, looking at the bigger picture through addressing several SDGs is likely to lead to significantly more social value from a simple project such as constructing or renovating a school. This points to the fact that there is long-term benefit in using the SDGs to determine SR initiatives that could be added to projects.

### **5.7.2 Using the SDGs to address the long-term benefit of society**

Some thoughts and actions have to be considered regarding the long-term benefit to society. This consideration of long-term benefit is at the heart of the concept of sustainability. Consistent consideration of social needs should be exercised more constantly in UNOPS, leading to a focus on what is delivered, how it is delivered and how it will add value to beneficiaries (Int 11). It is useful to have a reference point to use for checking what components could be added to an organisation's projects or operations to meet its obligations to society. The SDGs may be used as this reference point as they have been designed to consider the key elements that improve and sustain the standard of living for communities.

The examples given show that by considering their impact on society in terms of the SDGs, organisations can better understand how they may improve their operations to increase value to communities. Using the SDGs, initiatives or operations may be checked for opportunities to meet society needs. This is because the SDGs are generally aligned to national development plans in developing countries and are therefore closely related to national priorities. Hence it will be useful for UNOPS or any other organisation to have a uniform, standardised approach that uses SR to consider development contribution to society based on the SDGs. Therefore, this research suggests that the SDGs should be used by organisations to plan their SR initiatives to contribute effectively to development. Applying the direction given by the SDGs can be done with any project. It should not be targeted only at projects that directly contribute to one of the 17 SDGs. As one interviewee stated, there is recognition that in some instances efforts to convince partners will be difficult (Int 8) because of many reasons such as immediate political gain and lack of good understanding of the long-term benefits of this approach. This is a reason why it is necessary to have DSR as a basis for making consistently good decisions based on the common good of society (Int 37).

## 5.8 Chapter Summary

This chapter introduced the idea of development-oriented social responsibility (DSR) and explored the idea by showing how SR may be used to support sustainable development in projects undertaken by UNOPS. One way in which an organisation may apply DSR is by choosing to carry out projects or activities that cover the focal areas of the sustainable development goals. Using the SDGs makes it easier for UNOPS and funding organisations to be guided by a common understanding of the needs of society and may make it easier for these organisations to coordinate their activities in addressing developmental needs. Coordination leads to less duplication of efforts and avoids inefficiencies. Although UNOPS has projects that address a number of SDGs, most of its support is in four objectives that address health; industry, innovation and infrastructure; sustainable cities and communities; and peace, justice and strong institutions. It was also observed that an individual project usually contributes to more than one SDG.

During the study it was seen that maintaining good community engagement and environmental management is important for DSR to work. Most interviewees gave many examples illustrating good community consultation and participation leading to project outcomes and impacts that were appreciated by communities. However, there were challenges that arose because UNOPS often became involved in the projects after funders had made key decisions that affected SR in the projects. Another challenge was the low capacity of the communities in terms of skills and knowledge of managing the development projects. It was noted that developing local capacity is a necessity that UNOPS and funding organisations should address when they operate in needy communities.

An important part of DSR is environmental management since protecting the environment is important for future generations to have a good place to live while producing to meet their needs. UNOPS has a formal environmental management system that is certified against the ISO 14001 international standard. It uses the management system to systematically reduce its negative environmental impacts while amplifying positive impacts. Most of the interviewees noted that implementation of SR in the development context requires leadership across the levels of the organisation. It also requires collaborating with partners to maximise the benefits to society. However, not all the partners appreciate the possible contribution that they could make to sustainable development, therefore UNOPS should persuade them to include DSR aspects when new projects are being developed. UNOPS has also been working with private investors who are interested in making social impact investments. Chapter 6 will now give the concluding points of the study and make some recommendations.

# CHAPTER SIX: CONCLUSION, RECOMMENDATIONS AND AREAS OF FUTURE RESEARCH

## 6.1 Introduction

This study sought to explore the applicability of social responsibility (SR) to the United Nations (UN) with particular reference to a case study on one of the entities falling under the auspices of the UN General Assembly called the United Nations Office for Project Services (UNOPS). The study specifically sought to describe the social contract theory (SCT) and SR in the context of the UN and UNOPS, and to highlight SR instruments and requirements that have been established by the UN and UNOPS. These topics were covered in Chapters 2 and 3 respectively. In Chapter 4, the study used these requirements as a yardstick for considering how UNOPS performed in SR. Chapter 5 contains the results from an exploration of how SR could be used to help UNOPS to contribute to development. Chapters 4 and 5 therefore presented the empirical findings of the study based on a qualitative research methodology. This concluding chapter (Chapter 6) presents the overall conclusion of the study, some recommendations based on the study, and suggestions for areas of further research.

## 6.2 Summary of concluding points

The following concluding points give the overall outcome of the research with respect to the research questions posed in Chapter 1 at the beginning of the study.

### 6.2.1 Concluding remarks on research objective 1

**Research objective 1** required the researcher to conduct a literature survey of the social contract theory and to use it to explain social responsibility in the context of international development organisations such as the UN and UNOPS.

The study used SCT to assess the relationship and obligations between society and organisations (Conry, 1995:187) whereby people receive protection and security in exchange for complying with society's rules and expectations (Hobbes, 1914b:9; Locke, 1764:98). Since organisations also receive the benefits from society such as protection of people and assets and an environment that allows them to operate, they are under an obligation to comply with society's rules and expectations. The ability to operate may also be viewed as a social licence to operate (SLO) which society may withdraw if the organisation is not meeting social obligations to society (Blowfield & Murray, 2014:42). Although literature refers frequently to the obligations of corporations (Carroll, 1999:290; Davis, 1973:312), it is almost silent on obligations of non-profit

organisations (NPOs) (Chile & Black, 2015; Hogan, 2009:52). The argument used by this study shows that all types of organisations have social responsibility obligations. The SCT argument in this study was particularly compelling because it is based on an actual contract unlike in other applications of the SCT where theorists have based understanding of society on an imaginary contract. The global society under the UN is made up of the 193 countries of the world who have signed the UN Charter (United Nations, 1945). Thus, by applying the SCT to the 'global society' of nations, the study managed to show that organisations, as members of society within UN member states, have social responsibilities that they need to carry out to meet their obligations to society. The study also showed that the UN as 'the authority' that convenes society has the role of establishing international laws and agreements that compel countries and their citizens to act in a socially responsible way.

In addition to these applications of the SCT and the SLO, the study also argued that the stakeholder theory is aligned to the SCT and is useful for understanding to whom SR initiatives should be directed since society is made up of diverse stakeholders. Thus, the study managed to create a solid theoretical basis of the SR of organisations, including UNOPS, and the role of the UN with respect to establishing SR expectations for society (see Chapter 2).

## **6.2.2 Concluding remarks on research objective 2**

**Research objective 2** required the study to describe the UN stipulations or requirements that support SR, and to describe the related UNOPS policies and strategies that cover SR.

The study showed that the UN has a robust set of SR instruments that cover supporting peacebuilding and peacekeeping, human rights, labour rights, good governance, ethical practices, environmental protection and development initiatives. These instruments apply to UNOPS. However, UNOPS also has its own instruments in the form of organisational policies and standards that are aligned to the overall UN instruments but are customised to the UNOPS organisational context. Based on these instruments, four categories of SR were suggested together with a definition of SR. The four categories are: i) peace, security and rule of law, ii) human rights and labour rights, iii) governance and ethics, and iv) sustainable development. Based on the justification for SR given in Chapter 2 and the description of SR instruments in the UN and UNOPS, the following definition of SR was offered:

*Social responsibility is the obligation that individuals and organisations have to act in the interest of society because of the benefits that they have as members of society. The obligation requires individuals and organisations to contribute to peace and security arrangements, rule of law,*

*human rights and expectations of good governance and ethical behaviour. Individuals and organisations are also expected to contribute to development and social progress (see Chapter 3).*

### **6.2.3 Concluding remarks on research objective 3**

**Research objective 3** required the researcher to analyse how UNOPS performs in the implementation of SR principles in its operation, and to determine whether there are gaps in SR performance.

Based on the SR aspects reviewed, the study concluded that UNOPS has achieved good performance in most SR aspects but it needs to improve in others. The following points highlight the aspects in which UNOPS did well and those that it struggled to address.

#### **6.2.3.1 Positive performance in SR**

The study concludes that UNOPS is doing well in SR management. It makes an important contribution to peace and security by removing landmines and developing infrastructure that supports peace building. These contributions enable a safe and stable environment for social progress to occur in communities. The positive influence of UNOPS has contributed to reducing conflict and encouraging cooperation during development initiatives. UNOPS is also effectively contributing to human rights through the design and implementation of its projects. For instance, its application of the Nelson Mandela Rules to the design and construction of prisons and police stations helps to ensure good practices in handling prisoners (UNOPS, 2016d:10). UNOPS is doing well in applying good governance processes, transparency, fighting corruption, and exerting positive political influence in its operations. The study also concluded that UNOPS applies good environmental practices and is doing well by performing to international standards that have led the organisation to be certified to standards such as ISO 9001 (Quality Management), ISO 14001 (Environmental Management) and OHSAS 18001 (Occupational Health and Safety).

UNOPS also supports capacity building of local people, is involved in community development initiatives, and applies some due diligence to reduce the risk of irresponsible behaviour in the supply chain.

Being 'business-like', even though UNOPS is an NPO, and using strict financial targets (Dart, 2004:307) has led to efficiencies and growth. This could be the reason why the total monetary

value of project services that UNOPS offered doubled between 2006 and 2016. This means that UNOPS could significantly improve the lives of more people in 2016 than it did in 2006.

### **6.2.3.2 Aspects that UNOPS could improve**

Challenges noted included the inadequate measurement of SR and the poor dissemination of information on SR performance. UNOPS also struggles with applying good labour practices particularly when it comes to the 'equal pay for equal work' principle (United Nations, 1948:75) since there are people in the organisation doing the same work but receiving different remuneration. There are also some challenges with ensuring that there is adequate representation of gender and diversity at middle to senior management levels. In addition, the excessive amount of money that UNOPS is keeping for itself after charging partners for services seems to suggest that there may be challenges with ethical considerations since UNOPS is supposed to be a non-profit organisation (United Nations Joint Inspection Unit, 2018:iv).

From this analysis, it may be concluded that rigor in policies and other instruments is not always matched by SR performance. In addition, the study concluded that SR implementation needs to be more systematic since a significant proportion of good practices observed could be attributed to a few individuals that were self-motivated rather than the presence of organisational systems and processes for managing SR. Thus, the study noted the need to have better monitoring of how SR policies are implemented and to be more diligent in the reporting and analysis of undesirable SR performance in UNOPS. A shift is needed from having a culture of only sharing good news to a new culture of acknowledging challenges and learning from them. The study also argued that an improvement in SR leadership across all levels of line management is required if UNOPS is to do better/improve in the issues highlighted.

Poor performance in some projects could be attributed to the limited influence that UNOPS had since it was only doing a work package of an overall programme the SR decisions of which had been made before UNOPS joined the initiative. Hence, UNOPS needs to be involved in earlier stages of project development. Another aspect of the organisation's work that was interesting was its approach to operational efficiencies. Although this study commends UNOPS for improvements that resulted from being 'business-like', the need for financial survival at times compromises the drive for SR in UNOPS in a way that bears similarities to what King (2017:254) describes. Empirical evidence from the study showed that SR aspects have sometimes been forgone in favour of meeting financial targets and saving their jobs (Int 4; Int 37). Thus, it may be concluded that being business-like and using financial targets are useful for operational efficiency and productivity but care needs to be taken to ensure that they do not compromise SR.

Under objective 3, the study demonstrated that SR is relevant even to an international NPO with a strong social agenda such as UNOPS.

#### **6.2.4 Concluding remarks on research objective 4**

**Research objective 4** was to describe how UNOPS's SR may contribute to sustainable development. In addressing the objective, the study found that SR should not only be pre-occupied with mitigating the negative effects of an organisation's operations. Instead, it should be a progressive tool used by organisations to contribute to the development of the local and global society. For this to work, a world-wide framework of development that is accepted by all people is needed to ensure that organisations have the same perspectives of what society needs for improving standards of living for all people. This study found that this universally accepted framework is the UN's 2030 Agenda that was agreed upon by all 193 member states of the UN in 2015 (United Nations, 2015a). The framework is broken down into 17 Sustainable Development Goals (SDGs) and 169 targets (United Nations, 2015c:1). By showing how UNOPS contributed to sustainable development or could contribute to it through doing projects that address the SDGs, the study demonstrated that SR may be used as a tool for supporting international development. It also suggested that environmental protection and community engagement needed to be carried out well for effective contributions to sustainable development to occur. This use of SR as a tool for supporting development is described in the study as development-oriented social responsibility (DSR).

#### **6.2.5 Concluding remarks on research objective 5: Recommendations**

**Research objective 5** required the researcher to make recommendations on the future application of SR. The following key recommendations were identified from this study:

**Recommendation 1:** Similar to the use of the theory in Chapter 2 of this study, it is recommended that theorists use the SCT as a means of strengthening the justification of why organisations should practise SR. The strength of the SCT is that it applies to all types of organisations since the organisations are all part of society.

**Recommendation 2:** It is also recommended that a wider application of the SLO concept should be used as a theoretical basis for illustrating the potential consequences of not meeting social obligations by organisations, including NPOs. The study showed that by starting with the SCT, it may be shown that the SLO concept may be applied to UNOPS, an NPO. Hence, it is

recommended that the concept be applied to a wider range of organisations beyond the mining sector where the concept was started.

**Recommendation 3:** It is recommended that all organisations, including NPOs, should have a programme for addressing SR issues in a systematic manner. The programme should include monitoring SR performance and ensuring that the commitments in their SR policies and other instruments are adhered to on a day-to-day basis. SR should be practised even if, as in the case of UNOPS (Int 4; Int 37), the organisations do not receive much public attention or pressure. Perhaps civil society groups and other stakeholders should give NPOs such as UNOPS more attention to ensure that they do their best for society.

**Recommendation 4:** It is recommended that UNOPS investigates its conditions of work to correct the instances where people doing the same job have different remuneration and benefits. It is also recommended, similar to advice offered by UN auditors (United Nations, 2017e:10) and the UN inspection unit (United Nations Joint Inspection Unit, 2018:iv), that UNOPS does not keep excessive amounts of reserve funds compared to the amount recommended by its board of directors.

**Recommendation 5:** The study demonstrated that there is a strong justification of why the UN is the main authority that gives direction on international social responsibility based on the SCT and the formal agreements that the UN has brokered among the nations of the world. Therefore, it is recommended that the UN instruments be used by nations as international common standards for SR.

**Recommendation 6:** The study showed that sustainable development is a key factor to how countries of the world address the needs of the global society to ensure that the standard of living of people improves. The application of development-oriented SR to UNOPS was illustrated in Chapter 5. It is recommended that this approach be used by organisations since it contributes to commonly define international needs that are reflected in the UN's 2030 Agenda. Since the UN's 2030 Agenda defines the SDGs and their targets, the use of the UN's development framework standardises the focus areas that organisations could take and the specific targets to which they could contribute for them to meet society's needs.

**Recommendation 7:** The study recommends that UNOPS should find a good balance between making the biggest impact for the benefit of society by including adequate SR components and the need to meet financial viability targets. A key action for achieving this balance could be ensuring that SR performance is measured and reported to the same extent as financial

performance during periodic performance reviews. This would force line managers and their teams to pay more attention to the type of projects they agree to undertake and also to carefully consider how they implement the projects.

**Recommendation 8:** The study recommends that UNOPS should put more emphasis on ensuring that funders add SR components to projects. In addition, UNOPS should maintain a fund for improving SR aspects on projects that are critical for helping people in need but lack adequate SR provisions to meet UNOPS requirements.

**Recommendation 9:** It is recommended that more organisations that are non-commercial should follow the transparency approach of UNOPS by publishing information on their projects, including how they spend money and how they are performing on SR. For its part, UNOPS should consider going the extra mile by having its SR information externally verified to give a balanced account of its performance.

**Recommendation 10:** It is recommended that UNOPS puts more emphasis on ensuring that its commitment to non-discrimination is better reflected by gender parity and more diversity at middle to senior management levels. This could be one of the SR aspects that are also measured and reported in performance reviews mentioned in recommendation 7.

**Recommendation 11:** It is recommended that UNOPS develops a culture of not only entertaining good news but also reporting SR challenges to allow the organisation to learn from them.

### **6.3 Summary of the contributions of the study**

The study contributes to new knowledge by applying the SCT to the global society under the UN. It uses the SCT to justify the role of the UN in establishing SR instruments and to explain why organisations have an obligation to operate in line with the SR expectations of society.

The study also introduces new knowledge by highlighting how the UN influences international practices through international laws, agreements and guidelines that pertain to SR.

By demonstrating that SR is relevant to UNOPS through the successful SR initiatives and the existence of SR challenges, the study contributes to the understanding of SR by demonstrating that SR is relevant even to UNOPS, an international development NPO whose mission is focused on serving the community. The study also makes the point that rigor in SR policies and standards

does not always translate into good day-to-day performance, thus there is a need to ensure that SR leadership is deliberately fostered and monitored in line management.

The study also contributed to new knowledge by introducing development-oriented social responsibility (DSR) which refers to the use of SR as a means of contributing to sustainable development in line with the requirements of the UN's Development Agenda.

#### **6.4 Limitations**

The application of SCT and the related SR obligations assume that the organisation acquires explicit benefits in being able to operate in a particular location, which is why it owes society the duty of social responsibility. However, it was noted that in certain locations such as South Sudan and Afghanistan the existing conflict situations and the absence of some social services from government meant that one could not quite claim that members of society are getting the benefit of protection of life and property in line with SCT. Further, in the situations of such conflict or in countries where there are major disruptions because of natural disasters, it may be the case that society will be desperate for basic humanitarian aid and will not be immediately concerned that some SR aspects such as human rights and protection of the environment are not considered. Thus, it may be useful to further investigate the applicability of SR in places with national crises such as armed conflict or natural disasters.

Another limitation is that the research findings are based on a case study design, which means that there is a constraint on how they may be generalised for other organisations because case study findings are specific to the case under investigation (Mouton, 2001:150).

#### **6.5 Areas of future research**

Development-oriented social responsibility was illustrated by using projects being undertaken by UNOPS, an organisation with a mission that is focused on supporting broad international development. As indicated under the limitations section, the research findings are based on a case study design, which limits how they may be generalised for other organisations. Further research could use a different design so that generalisations can be made about the applicability of DSR for different types of organisations such as government entities, NGOs, international development organisations, and for-profit entities.

While this study assumed, based on the SCT, that global society social responsibility expectations are binding for any organisation in any location, it acknowledged that organisations must also

address the local community's social responsibility requirements. While the global responsibility issues are clearly stated in the UN's development framework, the local context issues need to be determined for every location. Further study could be directed towards gaining a better understanding of what communities consider to be the important SR issues that non-profit organisations should address. In addition, it would be beneficial to learn whether the community and other stakeholders believe that UN and UNOPS are being socially responsible when evaluated against these issues.

## **6.6 Conclusion**

By applying the SCT, this study makes the argument that SR is applicable to any organisation (Chapter 2). Literature has many references to the application of SR to corporations but very few references to the applicability of the concept to NPOs. By using the example of UNOPS, an international development NPO, the study demonstrated that even international organisations with a mission that is firmly focused on the social agenda also needs to have SR considerations. By basing its arguments on the SCT, the study also showed that the UN has the responsibility of establishing international laws and agreements that support the practice of SR by countries of the world (Chapter 2). Two approaches were used to demonstrate the performance of the UN and UNOPS in SR. The first was to outline the instruments that the UN and UNOPS have put in place to guide the practice of SR (Chapter 3). The second approach focused on using empirical evidence to determine how much UNOPS adheres to the SR instruments (Chapter 4). The study demonstrated that the UN and UNOPS have a solid framework of instruments that address SR requirements well.

The performance of UNOPS against these standards is good in most areas; however, there are some significant issues where UNOPS could improve. Good performance was noted in contributing to peace and security, political influence, human rights, governance, transparency, sustainable development, fighting corruption, and developing local capacity. There was also good efficiency and growth in UNOPS because of being 'business-like'.

SR aspects that should be improved are poor application of the 'equal pay for equal work' principle (United Nations, 1948:75) and ensuring the adequate representation of gender and diversity at middle to senior management levels. Under ethical considerations, the issue of keeping an excessive amount of money above the expected reserves for UNOPS as a non-profit entity needs to be addressed (United Nations Joint Inspection Unit, 2018:iv). More consistent implementation and measurement of SR are required so that there is reliance on systems and processes rather than the good performance of a few people. Such systems should include strengthening SR

leadership by line management. In addition, UNOPS needs to be involved in earlier stages of project development to participate in key decisions that affect the SR of projects. The study also concluded that although being 'business-like' positively affected productivity, SR considerations should not be sacrificed for better financial performance.

Based on empirical evidence of how the SR initiatives by UNOPS contribute to sustainable development, the study introduced the idea of development-oriented social responsibility (DSR) and recommended that organisations should use the DSR approach to contribute to local and international development needs (Chapter 5). DSR uses the UN's development framework to check for areas where the organisation may apply its SR programmes. This was illustrated by analysing the current and potential contribution of UNOPS to the 17 Sustainable Development Goals (SDGs).

The study recommends the application of the social contract theory and the concept of social licence to operate to justify the practice of SR. It also recommends the use of the UN instruments as international common standards for SR by nations and that SR be used for supporting international development. Recommendations are also made for UNOPS to address the SR challenges raised in labour practices, including achieving gender parity, finding a balance between use of financial targets and SR, and influencing funders to increase SR aspects to new projects. This chapter highlighted the concluding points, limitations, recommendations and suggestions for further study. Overall, the study has found that SR is applicable to an international NPO such as UNOPS and should be used for contributing to sustainable development.

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# ANNEXURE ONE: SEMI-STRUCTURED INTERVIEW QUESTIONNAIRE



## Semi-structured interview questionnaire

**Research topic:** Social responsibility (SR) and the United Nations: An exploration of the role of the United Nations Office for Project Services (UNOPS)

**NWU PhD Student:** Itai Mukuvari, Student number 26814870

### Section I

**Introduction:** The interviewees are advised of the following before the interview starts:

- The results of the interview are anonymous. The name of the interview participants shall not be captured or recorded anywhere in the reports and data collected.
- Participation in the interview is completely voluntary. The participants are free to stop the interview and discontinue their participation at any time if they no longer feel comfortable with the interview.
- The interviewees are not forced to participate or asked to reveal information with which they are not comfortable. Thus, interviewees are free to withdraw from the research at any time.
- Interviewees will not be subjected to anything that will cause them physical or psychological harm. Interviewees will also not be deceived in any way about any issues related to the study.
- The results of the overall research will be made available to participants when the research has been concluded. It is anticipated that the work will also be published in a publicly available academic journal.

### Section II

**Biographical information of the participant:**

- a. Gender of participant:
- b. Nationalities of participant:
- c. Education field (s):
- d. Highest level of qualification:
- e. UN languages spoken:
- f. Years of UNOPS experience:
- g. Level of work (Junior, middle management, senior management):
- h. Other UN experience (Non-UNOPS):
- i. Which agencies:
- j. Which duty stations have you worked at in UNOPS:
- k. Which other duty stations have you been exposed to through mission travel and/or through some knowledge of their operations:

## Section III

### Performance of UNOPS against key SR criteria

	TOPIC	QUESTIONS
1	Human rights	Human rights may be described as consisting of equality, freedom, dignity, non-discrimination, and access to justice and opportunities.
		Describe how UNOPS ensures human rights in its operations?  <i>(Probe: Consider non-discrimination and dignity within UNOPS and in supply chain)</i>
2	Good labour practices and decent work	Good labour practices and decent work are associated with ensuring that there is no child labour, forced labour or discrimination at the work place. Employees should also have freedom of association and the right to collectively bargain.
		How does UNOPS perform in such labour practices?  <i>(Probe: Consider forced labour, child labour, discrimination, work place opportunities, and safety. Possible solutions)</i>
3	Protection of the environment	Damage to the environment and depletion of natural resources may lower the quality of life of society in the current and future generations. For example, substances generated as a result of an organisation's operations may cause nuisances and disease, while operations may disrupt ecosystems, threaten biodiversity and takeaway scarce natural resources from communities.
		How does UNOPS address protecting ecosystems, preventing pollution, conserving natural resources and avoiding environmental degradation from its operations?  <i>(Probe: Consider ways of addressing pollution, excessive consumption, solutions for climate change, etc.)</i>
4	Governance	In the context of this research governance may be viewed as decision making systems, checks and balances that are used to ensure that UNOPS operations and projects are socially responsible or are not socially irresponsible.
		Describe the use and effectiveness of governance structures that affect the social responsibility of UNOPS.  <i>(Probe: arrangements for transparency and accountability, participation of stakeholders)</i>

	TOPIC	QUESTIONS
5	Anti-corruption, ethics and fair competition	Corruption and unfair competition affect development by limiting opportunities and creating inequality. On the other hand, transparent and fair practices may stimulate development as more people participate and it becomes easier to hold the organisation accountable for its actions.
		How does UNOPS perform in ethical behaviour, fair competition and anti-corruption and what systems are in place to address these issues?
6	Political influence, peace and security	The Influential position of UNOPS in the locations it operates may lead to positive or negative impact on political processes, peace, security and social development. Therefore development initiatives should support overall political stability.
		How do UNOPS operations and political influence contribute to peace and security? <i>(Probe: Consider operations supporting peace, security and development and ways in which UNOPS avoids socially irresponsible causes)</i>
7	Communities	The development of the community has a lot to do the local economy; interests of special groups such as indigenous people; and the threats and opportunities available to members of the community. The way organisations engage with communities may influence development of the local community.
		Describe how UNOPS supports communities. <i>(Probe: consider</i> <ul style="list-style-type: none"> <li>• <i>Development of local skills, local jobs, local industry. Also protecting indigenous people and cultures, equal access to opportunities and resources</i></li> <li>• <i>fair compensation when relocated, grievance mechanism,</i></li> <li>• <i>Possible solutions for gaps you identified?)</i></li> </ul>
8	The supply chain	The issues of human rights, labour practices, environmental protection, communities and ethical practices that we have described may affect suppliers and contractors. Although the suppliers and contractors are not fully controlled by UNOPS, UNOPS does have influence.
		How does UNOPS assess the supply chain to avoid complicity in irresponsible practices and to encourage improvements in responsible behaviour? <i>(Probe: Consider: tracing and accounting for SR behaviour in inputs and outputs of the organisation; and supporting reform of offenders and improvement of potential suppliers)</i>



## Section IV

### How UNOPS may contribute to SDGs?

	TOPIC	QUESTIONS
1	SDG 3, Health and well-being	SDG 3 is about fighting health and well-being challenges such as HIV/AIDS, malaria, and maternal deaths through the provision of health care including medical facilities and medicines.
		As part of its social responsibility, how can UNOPS contribute to SDG 3 on health and well-being?
2	SDG 4, Quality Education	SDG 4 is about providing education of good quality to meet the needs of all ages. There is also need to address gender disparities and the access of vulnerable groups.
		In the context of SR, what could be the contribution of UNOPS to SDG 4 on quality education?
3	SDG 6, Clean water and sanitation	SDG 6 addresses the provision of drinking water, and sanitation and hygiene. It also includes the sustainable management of the water resources.
		As part of its social responsibility, how can UNOPS contribute to SDG 6 on clean water and sanitation?
4	SDG 7, Affordable and clean energy	Energy is important for the achievement of sustainable development. SDG 7 is about adopting cleaner forms of energy through access to appropriate technologies and improving the overall access to energy.
		How can UNOPS also contribute to SDG 7 on affordable and clean energy?
5	SDG 9, Industry, innovation and infrastructure	SDG 9 is about industry, infrastructure and innovation. Infrastructure is important for enabling society work. Infrastructure development also stimulates economic growth and productivity.
		What could be the contribution of UNOPS to SDG 9 on industry, innovation and infrastructure?
6	SDG 11, Sustainable cities and communities	SDG 11 is about making cities and communities sustainable and resilient. This includes provision of safe and affordable housing and transport systems; and the proper planning and management of human settlements.
		As part of its social responsibility, how can UNOPS contribute to SDG 11 on sustainable cities and communities?

	TOPIC	QUESTIONS
7	SDG 13, Climate change	SDG 13 is on taking action to mitigate climate change through developing resilience to hazards arising from climate change and natural disasters; and the use of Climate Change Funds to assist developing countries in coping with climate change.
		In the context of social responsibility, how can UNOPS contribute to SDG 13 on climate change?
8	SDG 16, Peace, justice and strong institutions	SDG 16 is on “Promoting peaceful and inclusive societies for sustainable development, providing access to justice for all and building effective, accountable and inclusive institutions at all levels”. As part of its social responsibility, how can UNOPS contribute to SDG 16 on peace, justice and strong institutions?
9	General	What can UNOPS do to further the achievement of the SDGs in addition to the specific requirements of clients?
10	General	In general, what exceptional socially responsible behaviours by the organisation and by individuals in UNOPS can you describe? What could be done to increase such behaviours?
11	General	What irresponsible behaviours that you have not mentioned before are you aware of? How can they be addressed?
12	General	Is there any other way that you see UNOPS contributing to social responsibility?

## ANNEXURE TWO: OBSERVATION GRID

<b>OBSERVATION GRID</b>		 <p>NORTH-WEST UNIVERSITY YUNIBESITHI YA BOKONE BOPHIRIMA NOORDWES-UNIVERSITEIT</p>	
			
<b>Country of observation:</b>		Sierra Leone (Port Loko district)	<b>Date:</b> 02.06.2017
<b>Description of project or operation</b>		Rural Renewable Energy Project- micro grids of solar or mini-hydroelectricity are being installed for powering rural clinics. The project is funded by DFID and carried out by UNOPS.	
<b>Observed SR aspects:</b>		<b>Evidence of inclusion of/lack of SR in project/operation design</b>	<b>Evidence of addition of or lack of SR components during implementation</b>
<b>Aspect 1</b> (Linked to semi-structured interview questions* 2, 3)	<b>Good SR:</b> Project was designed to use renewable energy (solar panels) instead of energy forms that negatively affect climate change such as diesel generators.	<b>Good SR:</b> Capacity building of local contractors was done. The contractors were trained in health & safety, environmental and quality management by UNOPS. Hazards were barricaded and workers had personal protective equipment (PPE).	
<b>Aspect 2</b> (Linked to semi-structured interview question 7)	<b>Poor SR:</b> The clinic already had another solar power installation from another donor. The new installations could have been put at another location (without power) since the project will not cover all rural clinics.	<b>Good SR:</b> The community leader came to the construction site and attested to good community consultation and participation facilitated by UNOPS in the project. Several meetings had been held with all sectors of the community.	
<b>Aspect 3</b> (Linked to semi-structured interview question 1)		<b>Poor SR:</b> There were no women employed among the UNOPS and contractor personnel. Less than 30 % of the personnel were women in the whole project.	
<b>Opportunities for improving SR observed</b> (Linked to semi-structured interview questions 17 to 20)		The design capacity of the solar system was significantly more than what the clinic needed. Excess electricity could be provided to adjacent schools, shops and selected residential areas. Electricity will make the use of computers and other electrical equipment possible and will attract better teaching staff. Project personnel advised that local entrepreneurs will be sought to run the grid. This will create jobs for local people.	
<b>Aspects of SDGs observed</b> (Linked to semi-structured interview questions 9 to 15)		Medicines can be kept under refrigeration and services may be provided at night contributing to SDG 3 (good health), and solar energy limits electricity payment for the clinic thus contributing to SDG 7 (affordable energy).	
<b>Possible SDGs that could be covered</b> (Linked to semi-structured interview questions 9 to 15)		SDG 4 (Quality education) if electricity is provided to schools, SDG 8 (Decent work) if additional local people are employed to run and maintain the micro grid.	

\* The semi-structured interview questions referred to are in the questionnaire in Annexure 1.

## ANNEXURE THREE: LANGUAGE EDITING

### Editing and Translation Services

8 Weymouth Place

Beethoven Avenue

Walmer Heights

Port Elizabeth

6070

Mobile: 083 415 4570

E-mail: [renvandm@gmail.com](mailto:renvandm@gmail.com)

Renée van der Merwe

B A Hons (Applied Linguistics)

SATI Accredited (1998)


11 January 2019

Dear Prof. Bain

This serves to confirm that the thesis by Itai Mukuvari has been submitted to me for language editing.

While I have suggested various changes, I cannot guarantee that these have been implemented nor can I take responsibility for any other subsequent changes or additions that may have been made.

Yours faithfully



Renée van der Merwe