

Panel 2.17: Private Commercial Sector Partnerships for Health Action in Crises

**Dr. Knut Ole Sundnes (Chair);¹ Dr. Milan Sannerkvist (Rapporteur);²
Dr. Philip Hedger (Panelist 1);³ Mr. Brent Woodworth (Panelist 2);⁴
Ms. Anne Hyre (Panelist 3);⁵ Mr. Terrence Cuddyre (Panelist 4);⁶
Prof. Ronald Waldman (Discussant)⁷**

1. President, World Association for Disaster and Emergency Medicine (WADEM)
2. Emergency and Humanitarian Health Coordinator for Southern Africa, World Health Organization/Regional Office for Africa (WHO/AFRO)
3. Executive Managing Director, International Affairs, Pfizer, Inc.
4. Worldwide Segment Manager, International Business Machines (IBM) Crisis Response Team, IBM Global Services
5. JHPIEGO, Johns Hopkins University, Baltimore, Maryland USA
6. Citigroup
7. Professor, Columbia University, New York, New York USA

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Abbreviations:

NGO = non-governmental organization
MOU = memorandum of understanding
UN = United Nations
WHO = World Health Organization

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Abstract

This is a summary of the presentations and discussion of Panel 2.17, Private Commercial Sector Partnerships for Health Action in Crises of the Conference, *Health Aspects of the Tsunami Disaster in Asia*, convened by the World Health Organization (WHO) in Phuket, Thailand, 04–06 May 2005. The topics discussed included issues related to private sector partnerships for health action in crises as pertain to the responses to the damage created by the Tsunami. It is presented in the following sections: (1) key questions; (2) issues and challenges; (3) lessons learned; (4) what was done well?; (5) what could have been done better?; and (6) conclusions and recommendations.

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Introduction

The Tsunami that struck Southeast Asia on 26 December 2004 caused massive damage and destruction. Governments of the affected countries immediately sprung into action and launched a massive relief effort supported by the United Nations (UN) and other development agencies, as well as local non-governmental organizations (NGOs).

Furthermore, the Tsunami responses demonstrated an unusual level and type of private sector engagement and partnership with public responders. In many aspects, this unusual event impelled the private and public commercial sectors to act in less traditional ways, and to some extent, created a mutual surprise at the power of combined resources and expertise.

The Tsunami relief and recovery effort has shown that each partner could bring special skills and resources to those in need. Together, a diverse group of partners can produce a “multiplier effect”. The responses to the Tsunami illuminated the power of partnerships and magnified the importance of partners supporting each other.

The purpose of this session included a multi-sectoral look at the strategic benefits of private sector engagement to key disaster recovery outcomes, and specifically, what the resources are, how they can be engaged in a preplanned, systematic and predictable manner, and how the public sector—especially the UN and its agencies—can access the resources in a timely and substantive manner.

The session was not intended to be a “show and tell”, but hopefully some thoughtful, provocative reflections would arise based on experiences of lessons learned since, following the Tsunami, the private commercial sector has worked with the public sector in a fairly immediate and mostly unplanned way.

Key Questions

1. What aspects of the Tsunami experiences benefited from private commercial sector resources, defined as the provision of cash, products, people, and minds, and how can those resources be used in a planned, systematic, and predictable manner?
2. Where would those resources have been used more effectively during the immediate/acute phase or the on-going recovery phase?
3. How can it be ensured that public-private partnering in disaster situations creates synergy and are not merely additive?

Specific issues and challenges addressed

1. What mechanisms can the public commercial sector integrate into a new set of proceedings that will serve to help to pull private sector resources through the entire continuum of acute response, recovery, and rehabilitation?
2. What are the hard and soft barriers to be addressed in order to make future engagements bigger, better, more effective, and more quickly available? What standing mechanisms—existent or new—can be utilized to effect this set of objectives?
3. How can continued momentum be assured in forging effective partnerships among governments, NGOs, charitable groups, and private enterprises in preparation for any crisis in the future?
4. Defining what key parameters of success should be, and make it clear to all parties, so that there is an equal focus on outcomes and results as on inputs.
5. The private commercial sector offers key skill sets across a range of critical needs in times of disaster, and offers an additional set of robust management skills, an additional dimension that can be harnessed. Again, how can these dimensions and tools be employed most effectively along the continuum of post-event work from the acute phase through eventual recovery?

Discussion

The responses to the damage created by the Tsunami resulted in an unusual level and type of private commercial sector involvement with public responders, forcing both the private and public sectors to act in less traditional ways. This demonstrated the potential power of combining resources and expertise. Many private sector responders performed unexpected work and provided unanticipated resources in kind, goods, facilities, and with personal skills.

What Did We Learn?

The Tsunami relief and recovery effort demonstrated that both private and public responders could bring special skills and resources to those in need. There are strategic benefits to disaster management outcomes of private sector-provided engagement.

The private commercial sector possesses a blend of skills and resources (e.g., money, materials/equipment, technical manpower, and intellect) that, coupled with the sophisticated business mechanisms of a global corporation, can be used well in cooperation with the public commercial sector for achieving greater impact. The private sector possesses expertise usually not available in the public sector and vice versa. These resources can be engaged in a planned, systematic, and predictable manner that facilitates their availability in a timely and sustained manner. Pre-existing connections and partnerships between the private and public sectors, the UN, and the NGOs prove to be of great value in rapid responses without investing time to “get to know each other”.

In the emerging paradigm shift, involving all stakeholders including the private commercial sector, coordination is being highlighted once more. In pre-arranged partnerships in which all stakeholders are identified and their roles are defined and assigned, the coordination takes place prior to, rather than during, the response.

What Was Done Well?

The responses to the Tsunami underlined how each partner is complementary to the other, and mutually enabled them to perform better. The question is whether there is the will, resolve, and energy to build on this experience leading into a sustainable new type of partnership.

In addition to the traditional responses from the private sector (i.e., funding, medicines and equipment, provision of manpower, and minds), non-traditional responses proved to be important private sector assets. These were made possible due to:

1. Pre-existing relations and work programs with some UN agencies, NGOs, and governments;
2. The vision and flexibility exhibited by senior UN officials—especially at the WHO and UNICEF—the private sector was able to deploy senior staff with expertise in supply chain management and logistics, water and sanitation, and medicine and public health (all deployed experts worked as part of UN teams); and
3. The mutual investment by the private sector/UN in building a certain level of trust and credibility was an essential prerequisite to being able to share human resources.

Mechanisms behind the more than expected success of the expert deployment initiative comprised:

1. Selection of those deployed in terms of pertinent skill sets, personal qualities, and commitment to help match expressed needs;
2. Forceful support and vision displayed by key officials within the UN (HQ) system;
3. Geneva and India (WHO Regional Office for Southeast Asia) conducted briefings before the work commenced;
4. Pragmatic approaches taken by UN officials on the ground and government officials; and
5. Quick identification of experts matched with needs.

What Could Have Been Done Better?

Collaboration challenges—What barriers must be overcome and what processes, motivators, and systems must be put in place to derive greater and more systematic benefit to disaster management approaches from the private sector pool of resources? The challenges for collaboration and the strategies that can be employed to meet them include: (1) difficulty in matching available resources; (2) lack of appropriate rules for engagement; and (3) difficulty establishing ground rules (Tables 1 and 2). Suspicions, ideology, and antagonisms are a reality, and should be addressed honestly and consistently.

1. *Difficulty matching needs with resources*—The private commercial sector offers sometimes are inappropriate and donor-driven instead of needs-driven. All responses should be based on needs assessments. The public sectors have had difficulty in forecasting future needs and rather limited experience working with the private sector. This has been true particularly in emergency relief operations, and during times of emergency in which resources are scarce. The public sector has had difficulty in evaluating in-kind offers and managing new collaborations. There is mutual distrust with regard to agenda and proficiency.

Challenge	Business	Government
Difficulty matching needs with resources	<ul style="list-style-type: none"> - Difficulty determining demand for potential in-kind contribution - Offers sometimes are inappropriate to the need - Frustration at being seen merely as a source of funds - Desire to contribute in areas of core competency 	<ul style="list-style-type: none"> - Difficulty forecasting future needs - Scarce resources in times of emergency to evaluate in-kind offers and manage new collaborations - Limited experience working with the private sector, particularly in emergency relief operations
Lack of appropriate rules for engagement	<ul style="list-style-type: none"> - Lack of understanding of government role in emergency relief leading to a lack of clarity on ways to engage with the government - Few codified internal processes of guidelines to determine appropriate response 	<ul style="list-style-type: none"> - Lack of guidelines to identify, structure, and manage partnerships in emergency situation - Consensus-driven approach sometimes can slow ability to react quickly to emerging needs
Difficulty establishing common ground	<ul style="list-style-type: none"> - Lack of clarity on potential strategic value of engagement in relief efforts - Frustration at perceived government mistrust of business motivations 	<ul style="list-style-type: none"> - Concern about level of on-going commitment of private sector - Lack of clarity on and general mistrust of motivations for private sector contributions - Concern about impact of private sector engagement on independence and neutrality of government, UN, and NGOs

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Table 1—Public and private sector partnerships: Collaboration challenges (UN = United Nations; NGO = non-governmental organization)

Key steps forward—The private sector must identify core competencies and resources and develop internal systems and processes for responses. Government and other stakeholders must map and estimate generic needs during crises and develop systems and frameworks in order to undertake dynamic assessment of emergency needs.

Output—A database that facilitates matching resources with needs and service packages for emergencies is needed. Thus, resources should allow businesses to quickly mobilize when faced with a disaster, as well as internal emergency action plans.

2. *Lack of appropriate rules for engagement*—The private commercial sector's need for a better understanding of the roles of government in emergency relief has led to a lack of clarity on ways in which to engage with governments and to limited available processes or guidelines to help to determine appropriate responses. The public sector requires guidelines to identify structures and manage partnerships in emergency situations. Furthermore, taking a consensus-driven approach can slow down the ability to react quickly to emerging needs.

Key steps forward—Recommended action is to develop guidelines for engagement with all of the appropriate stakeholders, develop a framework, create processes and management structures for collaboration through joint task forces, and create memoranda of understanding (MOUs) between the private and public sectors at national and international levels.

Output—Internal guidelines outlining the extent of and priorities for engagement, and the development of a collaborative body that provides oversight of engagement would be useful.

3. *Difficulty in establishing common ground*—The private commercial sector's lack of clarity on the strategic value of engagement in relief efforts and its frustration due to its perceived mistrust of government and other stakeholders as to their business motivations has impeded proper response efforts. There is a concern by the public sector about the impact of the private commercial sector's engagement upon the independence and neutrality of governments, the UN, and the NGOs. Further concern relates to the level of commitment of the private sector, in addition to lack of clarity on and the general mistrust of the motivations for the private commercial sector's contributions.

Key steps forward—Clear internal rationale and principles for engagement in relief efforts and communication should be developed for all relevant stakeholders. The public sector must engage in constructive dialogue on the motivations for collaboration and must establish clear mutual expectations.

Output—Standard operational procedures and memoranda of understanding between the public and private sectors should be developed.

Conclusions

Cooperative response and recovery challenges and capabilities for the private commercial sector are described in terms of: (1) needs assessments; (2) identifying gaps; (3) coordination; (4) capacity building; and (5) preparedness.

1. *Needs assessments*—medical supplies, material, equipment, communication, and human skills needed. Evaluations must be performed to identify excessive and inadequate response issues. The private sector can

Challenge	Key Steps to Take	Output
Difficulty matching needs with resources	<ul style="list-style-type: none"> - <i>Business</i>: Identify core competencies and resources; Develop internal systems and processes for response - <i>Government</i>: Map and estimate standard needs in crisis; Develop systems and framework to undertake dynamic assessment of emergency needs 	<ul style="list-style-type: none"> - Database to match resources with needs - Service packages for emergencies, allowing businesses to quickly mobilize in face of disasters - Internal emergency action plans
Lack of appropriate rules for engagement	<ul style="list-style-type: none"> - Business and Government: Develop internal guidelines for engagement and validate with appropriate stakeholders; Develop framework, create processes and management structures for collaboration through joint task forces; MOUs between business and UN Liaison Office 	<ul style="list-style-type: none"> - Internal guidelines outlining extent of and priorities for, engagement; - Collaborative body providing oversight of engagement
Difficulty in establishing common ground	<ul style="list-style-type: none"> - <i>Business</i>: Commit to providing a pre-determined set of resources when called upon; Develop clear internal rationale and principles for engagement in relief efforts and communication to relevant stakeholders - <i>Government</i>: Engage in constructive dialogue on motivations for collaboration and set clear mutual expectations 	<ul style="list-style-type: none"> - Standby agreements outlining terms of engagement; - Standards and rules for communication to public and other stakeholders of engagement between business and government

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Table 2—Public and private sector partnerships: Collaboration strategies (MOU = memorandum of understanding; UN = United Nations)

support governments and the UN system in conducting assessments of damage and functional difficulties, and in return, they will come to better understand the requirements to coordinate their assistance with others and to monitor progress of the interventions provided.

2. *Identifying gaps*—Global coverage by many of the partners in the private business sector, with in-country presence and relations with governments, can provide first-hand information on gaps between needs and available resources.
3. *Coordination*—Minimum standards and best practices should be identified in areas in which they have competency. Reconstruction issues including priorities, cost, resources, and labor must be examined. Information must be communicated and shared with partners on a regular basis. Potential redundancies and duplications of efforts should be identified and examined.
4. *Capacity building*—The impact of relief on social, political, and environmental issues must be understood, and the locally available skill base should be identified in order to keep as much of the work at the local level as is possible. The private commercial sector can provide corporate management skills, technology transfer, capacity building, health systems improvement, inventory of people and resources, medicine inventory supply techniques, etc., not only locally, but also to the UN and other stakeholders.
5. *Preparedness*—The private commercial sector can and should be involved with other stakeholders (governments, the UN, NGOs, etc.) in mitigation, risk

reduction, and preparedness efforts in order to strengthen vulnerable communities.

Recommendations

The following recommendations involve commitment, consolidation, enhancement, and deployment:

1. Involve all stakeholders in the paradigm shift and must be institutionalized;
2. Build on the success of the government, the UN, NGOs, and private sector joint-development programs, that evolved during the Tsunami relief effort;
3. Identify systems and processes that can serve as a planning basis for future joint systems;
4. Reach out to government and private sector representatives to initiate the partnership process. Develop and endorse MOUs at the international, national, and local levels with the UN, NGOs, governments, communities, etc.;
5. Establish an official Business and UN Liaison Office to build relationships between the private and public sectors. During times of crisis, it should serve as a coordination center between the public and private sectors;
6. The private sector is seeking to establish best practices in collaboration and in learning to work together through preparatory training events and simulations in order to test readiness;
7. Embrace an “open systems” philosophy to address international, national, state, and local government requirements for independence and flexibility;
8. Design contingency solutions that can be adapted easily to address cultural and operational needs. Such

solutions must include the private and public sectors as stakeholders with multiple, mutual interests and objectives in rapid responses, accelerated recovery, and financial and social welfare;

9. Establish an inventory (database) of all available resources; and
10. The application of private sector management skills, project planning, technology transfer, IT knowledge transfer, and other areas of capacity building, contribute to the improvement of overall systems, thus helping to build better capabilities to absorb future events. Acknowledgement and praise of participants in public-private partnerships is needed.

Summary

The private commercial sector has many skills and resources that can enhance disaster preparedness, responses, and management. There have been difficulties and misunderstandings between the public and private sectors in the past and efforts must be directed toward improving and formalizing these relationships.