OUTSOURCING UNITED NATIONS PEACEKEEPING ROLES AND SUPPORT FUNCTIONS

K.A. Charles[1] and **C.E. Cloete**[2]

[1,2]Department of Construction Economics
University of Pretoria, South Africa
chris.cloete@up.ac.za

ABSTRACT

The paper examines the use of private security organisations in a peacekeeping role as a cost-effective and efficient alternative to United Nations (UN) peacekeepers, and develops an outsourcing scorecard for the UN. Forty national and international organisations were surveyed through questionnaires, a review of relevant literature, and records.

The UN rapid deployment task force should continue to be used until proper policy guidelines are established for the use of private security organisations for peacekeeping roles. Additionally, outsourcing of support functions would lead to major cost savings in UN peacekeeping operations. The scorecard developed in the research identifies services that can be outsourced successfully.

OPSOMMING

'n Ondersoek oor die gebruik van private sekuriteits-organisasies vir vredebewaring as 'n alternatief vir die Verenigde Nasies (VN) word geloods. 'n Telkaart vir buiteverkryging word ontwikkel. Die ondersoek is gedoen by veertig nasionale en internasionale instansies via vraelyste, relevante literatuur en rekords.

Die ondersoek se aanduiding is dat die taakmag vir snelle ontplooiing van die VN steeds gebruik moet word tyd en wyl beleid en riglyne vir buiteverkryging van vredebewaring vasgelê is. Die navorsing toon dat buiteverkryging lewensvatbaar is met betekenisvolle kostebesparings vir die VN.

---

[1]The author was enrolled for a PhD (Real Estate) degree in the Department of Construction Economics, University of Pretoria.

1. INTRODUCTION

Founded solely to save succeeding generations from the scourge of war, the United Nations (UN) has repeatedly failed to live up to its Charter – one of the many reasons for its poor reputation. Though it has made considerable strides in areas such as humanitarian assistance, primary health care, and development programmes, and has made strenuous efforts to make peacekeeping operations cost-effective and efficient, it has become incapable of dealing with rising conflict around the globe. Coupled with the inability of member states to pay their dues, it has become incapable of carrying out most of its functions. 'Efficiency' in this context means the ability to project sufficient force to deal with conflicts.

Outsourcing has become necessary in a bid to maximise limited resources due to the unavailability or inadequacy of funds for peacekeeping operations. Presently, outsourcing by UN peacekeeping operations is in the infancy stage. Its major outsourcing experience is in the form of providing troops for peacekeeping operations, since the organisation does not have a standing military army or police force. Apart from outsourcing peacekeeping, it is also vital to outsource the support functions of the operations. This would ensure more effective, efficient, and expeditiously managed peacekeeping operations.

1.1 Outsourcing decision-making in the UN

Decision-making by the UN is as cumbersome as in most large governmental bodies. The reason is the composition and large size of the General Assembly (GA) and the Security Council (SC), and the organisational complexity of the UN. The SC mandates all peacekeeping operations in the world, while the GA makes most of the decisions at the UN, including approving and providing peacekeeping operations budgets. The Department of Peacekeeping Operations (DPKO) administers peacekeeping operations, but with the large number of nations and the complexities involved, it is little wonder that decision-making is slow. Additionally, all decisions are made amidst inadequate funding.

Generally, economic reasons, efficiency, and effectiveness are vital criteria for outsourcing, since they save the organisation money and lead to a better focus on core functions. In the UN, however, other criteria such as political considerations and capacity building may have to be considered. Therefore, in UN peacekeeping operations, the decision to outsource may not be completely dependent on economic factors.

1.2 Statement of the problem

This paper examines cost-effective and efficient peacekeeping models, and develops suitable outsourcing strategies for UN peacekeeping operations and other similar organisations.

1.3 Limitations

The outsourcing strategy and recommendations are limited to the outsourcing needs of the UN and similar organisations.

1.4 The importance of the research

Given that it costs around US$3.2 billion (2005-2006) to run UN peacekeeping operations annually, the paper examines the use of private security organisations in peacekeeping as a cost-effective and efficient alternative to UN peacekeepers. It consequently applies appropriate outsourcing decision-making criteria, which form the basis of a scorecard for identifying services that can be outsourced successfully. This study is the first large-scale survey of an outsourcing opportunity applicable to the UN, and should be useful to similar international organisations.

2. LITERATURE REVIEW

Any reform of peacekeeping operations should start at the UN headquarters, and with problem areas such as recruitment. The highly political nature of its recruitment and appointment procedures, particularly at the senior level, where inadequately trained and inexperienced personnel (by international standards) are left in charge of such important functions as human resource management, for example, would be the starting point of any reform initiative. Therefore, any reform of the UN should start at the very top, with the UN Secretariat headed by the UN Secretary-General (Abdul Aziz, 2007).

2.1 Outsourcing peacekeeping operations

Although it may signal that the world's intractable conflicts are coming to an end, the increase in peacekeeping in recent times has placed a great additional strain on UN resources and personnel as well as member states' ability to contribute funds, troops, or peacekeepers, support personnel and equipment (United Nations, 2000). Since effective peacekeeping comes at a high price (Table 1), additional resources are needed to ensure that peacekeeping and peace building efforts are effective. Therefore, to reduce rising costs, a reduction strategy should be put in place to enable operations to become more efficient and to allow for a clearer focus on core functions. An ideal business approach to this problem would be to outsource non-core functions, which would allow the UN to reduce the cost of operations and create funds for vital but non-funded activities. This strategy, however, requires that top management possess a variety of negotiation and relationship management skills, as well as strategic planning expertise – which are lacking in the UN. Therefore, as highlighted earlier, the recruitment of the right personnel is essential, and the objective must be to ensure that outsourcing adds value to the organisation (Tracey et al., 1998; Bendor-Samuel, 2001). However, Swindon (1998) and Osborne & Gaebler (1993) cautioned against the overzealous adoption of private-sector practices in the public sector, since solutions that work in the private sector may not necessarily work for public sector organisations.

Peacekeeping operation	Budget
MINURSO (Western Sahara)	$47,948,400
MINUSTAH (Haiti)	494,887,000
MONUC (Democratic Republic of the Congo)	403,408,500
ONUB (Burundi)	307,693,100
UNAMSIL/UNIOSIL (Sierra Leone)	113,216,400
UNOCI (Côte d'Ivoire)	386,892,500
UNDOF (Israel-Syria Disengagement)	43,706,100
UNFICYP (Cyprus)	46,512,600
UNIFIL (Lebanon)	99,228,300
UNOMIG (Georgia)	36,380,000
UNMEE (Ethiopia and Eritrea)	185,993,300
UNMIK (Kosovo)	252,551,800
UNMIL (Liberia)	760,567,400
UNMISET/UNOTIL (Timor-Leste)	1,757,800
Total	**$3,180,743,200**

Table 1: Individual mission budgets for 2005-2006 (Source: UN Finance Division)

To make an effective outsourcing decision, one of the first steps is to identify an organisation's needs and understand why outsourcing may or may not be appropriate. Cloete (2002), Bragg (2006), and Alexander (1996) considered the description of services that are to be provided by a service provider as the most important aspect of any outsourcing agreement. Additionally, Longworth (2005), Cloete (2002), Bragg (2006), and Hamer (1988) were of the view that an outsourcing decision is driven by the benefits and risks of outsourcing; therefore proper care must be taken to reach the correct decision.

At the UN, most decisions for peacekeeping operations are handed down from the headquarters. However, an outsourcing decision should have local input, since decisions made at a local level would tend to encourage outsourcing to local service providers, while decisions made at headquarters level would recommend contracting large service providers with international status, which invariably determines the choice of service providers. Therefore, to ensure that peacekeeping operations are fully efficient and cost-effective, all support functions should be outsourced save for the political aspects. It should be cost-effective and lead to improved services.

2.2 Outsourcing support functions of UN peacekeeping operations

Outsourcing most of the non-core activities would create value, lead to a better business focus on the organisation's core function, and free much needed resources that are tied up in providing remuneration for its staff. The objectives of outsourcing will be achieved when they lead to significant cost reductions, while still remaining efficient and effective in providing the support services required to accomplish the organisation's mandate.

2.3 Outsourcing military functions of peacekeeping operations

The 1990s witnessed an increased use of private military and security organisations in a number of peacekeeping contexts. Organisations such as Military Professional Resources Inc (MPRI), DynCorp, Kellogg Brown and Root (KBR), and Blackwater have been hired by governments and private corporations to provide a range of security and military services (Lilly, 2000). Others have spoken of having a permanent corps of UN peacekeepers, consisting of several brigades or battalions from donor nations such as the US, the UK, Japan, Russia, and China. This would be a standing army and civilian police force, and would not be cost-effective. The alternative would be to request nations to provide soldiers at short notice as part of a rapid deployment team to respond to trouble areas around the world. Such forces from contributing nations may be cost-effective but not efficient, since they would be bound by international law while they act under the auspices of the UN. To become truly efficient and cost-effective, a peacekeeping force would have to be a private security and/or military organisation. Private security and military organisations may be used in future by multilateral peacekeeping organisations to perform all the functions of a regular army. This would be the ideal situation, since it would not only be cost-effective, but efficient as well. In theory, private armies appear to be the most effective option, especially when they have established oversight and are governed by international law.

Lilly (2000) added that that activities of private security and military organisations have revealed many shortcomings of the UN and other multilateral organisations when responding to a growing number of global crises and that they could be used to take up the slack where these bodies are unable or unwilling to intervene. However, serious concerns were raised about private organisations being involved in peacekeeping operations of a military nature, as their activities are seen by some to resemble those of mercenaries. The UN in particular does not see them as a feasible option.

Since the end of the Cold War many Western governments, with the United States at the forefront, have been increasingly reluctant to commit their national troops to multilateral peacekeeping missions unless key interests are at stake, because of the political storm that would erupt back home if there were casualties. This trend became evident after the ill-fated intervention in Somalia in 1993, and was displayed again quite vividly in Kosovo, when

most allied countries were unwilling to provide ground troops as part of the NATO campaign. The risks are therefore greatly reduced when private contractors perform dangerous assignments (Robberson, 2000).

The argument is whether it is financially wise to maintain an extra 20,000 soldiers on standby for years, collecting peacetime pay cheques and being housed and fed, while waiting for a nation to be overthrown or go to war with another. According to the International Peace Operations Association (IPOA) Vice President, Mr Brooks, "Private organisations (armies) provide surge capacity for just such scenarios", and "they are faster, cheaper and better". On the other hand, Flynn (2006) argued that private armies are not usually faster. For example, on March 31, 2004, four private contractors working for Blackwater Security were killed in Fallujah, Iraq. Of the thirty-four men initially assigned to Blackwater's ESS project, nine were dead by June 2004. On whether the use of private armies is cheaper, he believed that this was true only in theory.

In the Blackwater deaths at Fallujah, the men were paid by Blackwater, which in turn was paid by Regency, a hotel group and middle company providing catering services to troops and personnel in Iraq. Regency then passed on the cost to ESS, another catering company that Blackwater was protecting. ESS then moved its cost to KBR, and finally KBR gave its bill to the US government, which pays KBR all the expenses under a cost-plus contract, including what it has already paid to ESS, Regency, and Blackwater, as well as a guaranteed profit. It is apparent that there is no incentive to save money in any of the contracts, and private organisations or armies are therefore not cost-effective. In addition, the profit motive of contractors may not always be congruent with the interests of governments (Klareskov & Helgason, 2005).

The US government appears to be increasingly convinced of cost-benefits in using private contractors to conduct aspects of its military operations abroad, as in Iraq and Afghanistan. Virginia-based MPRI have been used to carry out a large part of the US's military training overseas, such as the Africa Crisis Response Initiative (ACRI). Presently DynCorp is training young conscripts for the new Liberian Army (Blunt, 2006). This recent development has shown that recruitment, screening, and hiring of individuals for public military roles are left in private hands, which raises accountability, oversight, and performance issues. This practice has been fraught with controversy because no country has yet developed clear policies regarding the regulation of such organisations (Klareskov & Helgason, 2005).

Another factor necessitating the use of private armies is that the UN and other multilateral organisations simply have not had the capacity or the necessary funds to cope with providing for peacekeepers on a continuing basis in many of the conflict zones around the world. For example, the number of UN peacekeepers dwindled substantially in the latter part of the 1990s; the figure for UN troops grew from 10,000 in 1989 to 70,000 in 1995, but fell to 19,000 by 1998 (Malan et al., 1999). While on occasions the Security Council does act, it sometimes does so in confusing ways. In 2000, for example, the Security Council mandated a peacekeeping force of 5,500 to monitor a ceasefire in the Congo. The force was one-eighth the size of that deployed a few months earlier for Kosovo, even though the Congo is 60 times larger (Mallaby, 2007). Lilly (2000) added that in view of these capacity problems, private security and military organisations provide another potential pool from which personnel for peacekeeping operations may be found.

Another problem is that, as a political body, the UN requires consensus in reaching decisions such as in Iraq, and therefore is unable to act rapidly and to deploy peacekeepers when crises arise, even when there is sufficient warning of looming crises – such as in Dafur, the use of the ECOWAS Force in Liberia and Sierra Leone, and the Australian Force in East Timor, pending Security Council deliberations on a fully-fledged UN peacekeeping operation.

Therefore, the key to a successful peacekeeping operation is to turn over support functions to third party experts. Also, although the idea of using private security organisations for

peacekeeping operations sounds incongruous because of oversight and accountability and performance related problems, when modalities are properly and clearly defined, this action may be the key to a truly effective, cost efficient peacekeeping operation.

3. DATA COLLECTION AND METHODOLOGY

To accomplish the objectives of this research, both quantitative and qualitative research methods were applied in the collection of data. It was necessary to examine the outsourcing practices of private sector manufacturing firms and service providers, as well as the operational history of past and present peacekeeping operations.

A total of 84 service providers, private-sector manufacturing firms, and international organisations were approached, and fifteen service providers, fifteen private-sector manufacturing firms, and ten international organisations responded (Table 2). There was an agreement that the names of the manufacturers and service providers should not be disclosed in the study, although they could be used for comparison. The sample size for the manufacturing firms and service providers covers the target groups and all the main areas of service provision – that is, small, medium, and large – and therefore form a representative sample of the groups. The ten United Nations peacekeeping operations cover the major geographic areas (Middle East, Africa, and Europe). The survey was carried out through personal interviews, telephone interviews, and questionnaires. Three separate questionnaires were developed and used for the surveys for the groups: 34, 62, and 39 questions for the UN, manufacturing firms, and service providers respectively. The annual financial reports and statements of account of the affairs of firms were the main source of the financial and management data used for the group for the period 1 July 2005 to 30 June 2006. Purposive sampling, a non-probability sampling method, was used to ensure equal representation.

Emphasis was placed on outsourcing goals and objectives since they form the basis of the paper, which addresses outsourcing decisions and implementation. In addition, services presently being outsourced by the groups, and their outsourcing policies and procedures, were used to confirm the outsourcing history of UN peacekeeping operations, service providers, and manufacturing firms.

Type	No approached	No responses	% responses	Type
Service providers	40	15	37.5%	Logistics, transport, warehousing (2) Facilities Management (6) Transportation, clearing, forwarding freight/terminal operations (3) Global logistics, express mail (1) Supplier, automobile, building control systems (1) Construction & management consultancy (1) Civil/structural engineering consultancy (1)
Manufac-turing firms	30	15	50%	Vehicles & Trucks (4) Rubber & tyre (2) Lifts & escalators (1) Chemical & Cosmetics (3) Glass (2) Beverage (1) Aggregate & ready-mix (1) Packaging
UN peace-keeping operation	14	10	75%	Africa (5) Middle East (2) Europe (3)
TOTAL	84	40	48%	

Table 2: Breakdown of respondents (Source: Data collected)

Other factors, including type of outsourced activities, barriers, and risks, together with the use of outside experts, were used to confirm whether a relationship exists among the groups, and whether there is a reliance on institutional history to guide benchmarks between UN peacekeeping operations, private sector manufacturers, and service providers. Outsourcing services to local vendors as a peace-building measure was also included to highlight the extent that outsourcing may empower the local populace. The firms in the study adopted either a service contract or a multi-activity contract. A multi-activity contract is very similar to a service contract, in that it operates on the basis of Service Level Agreements and Key Performance Indicators. The UN mainly used service contracts.

4. PRESENTATION AND INTERPRETATION OF DATA

The research discussed peacekeeping models for the UN, and from an analysis of outsourcing trends, associations, and relationships, it identified services that could successfully be outsourced and made recommendations on outsourced functions.

Due to the large quantity of data, and to ensure proper analysis, only variables from 74 responses to 9 questions were considered in determining outsourcing trends and relationships between UN peacekeeping operations, manufacturing firms, and service providers. The rest of the responses were used to provide background information about the groups. Therefore 'Yes' and 'No' responses were identified as being the most appropriate to ensure the easy identification of associations between the groups, and were then sorted by 'Yes' frequencies to show the most frequently occurring variables. Being more precise, and to ensure uniformity, Fisher's Exact Tests were run on each of the 74 variables to test for associations between the consolidated questions' responses and the group.

In question 1, for example, "What services do you presently outsource?", the UN peacekeeping operations indicated that specialised activities, facilities maintenance, catering, and IT are services that are currently outsourced by all of the UN peacekeeping operations. In the manufacturing sector, IT and select manufacturing activities are services that are currently outsourced by 33.3% of the manufacturing firms, while customer service, medical services, and freight consolidation/distribution are services that none of them currently outsource. Facilities management, fleet operations, maintenance, and freight distribution are services that are currently outsourced by 26.7% of the service providers, while parts packaging, communication, and product assembly are services that none of them currently outsource. It is clear from the table that the 'popularity' of services in terms of outsourcing is different in the three groups. On the use of outside expertise in the decision to outsource, all the UN peacekeeping operations 'never' involve outside experts; 53.33% of the manufacturing companies 'never' involve outside experts, and likewise, only 28.57% of the manufacturing firms. In assessing the factors influencing provider selection, there is statistical evidence (<0.05) of an association between outsourcing information technology and the group.

It was also observed that, though there were similarities in outsourced services across the group, peacekeeping operations outsource more services than manufacturing and service providers. However, this was marginal and limited in comparison to the rest of the groups, and applies only to specialised maintenance (aircraft). On the one hand, manufacturing firms wholly outsource transportation, and would not need fleet maintenance. Peacekeeping operations could learn from the manufacturing firms and lease instead of buying vehicles, thereby achieving cost savings. Outsourcing of services to local providers as a peace-building measure was also indentified as being vital, and highlights the extent to which peacekeeping operations support nation building. Generally, low participation in outsourcing by manufacturing firms in South Africa was noted, which could be attributed to little understanding of the practice.

Furthermore, in identifying services that can be outsourced successfully (Table 3), it was observed that it would be practically impossible completely to outsource certain services

such as fleet maintenance to a local service provider, though it may be cheaper because of the remote locations of most field peacekeeping operations where there is a lack of basic infrastructure. Therefore, lack of outsourcing expertise is a major barrier to outsourcing by peacekeeping operations. Other barriers identified are project size, scope, and control. Barriers that empower the local economy should be encouraged, such as the payment of taxes to local authorities and the use of local vendors that provide much-needed jobs. Supply and distribution as well as purchase should be outsourced locally.

The ability of a peacekeeping operation to select an appropriate service provider is critical to outsourcing returns, since savings in outsourcing engagements are used to fund other projects that would otherwise be cancelled due to lack of funds. To minimise disputes and ensure problem free contracts, expectations should be well defined and standards established on what is expected and what happens if expectations are not met. An oversight mechanism should also be provided for the resolution of contract disputes.

Lastly, the result of the survey also demonstrated that UN peacekeeping operations can use specialised service providers to deliver services with comparable or better quality, and often at lower costs, than in-house service providers.

4.1 Outsourcing support functions of UN peacekeeping operations

In most UN peacekeeping operations, the core political function or mandate is managed by a Special Representative of the Secretary-General (SRSG). Other political posts under the SRSG are his two deputies (DSRSG) and the office of the force commander (FC). However, the division of administration, headed by the Director of Administration (DAO), is the only entirely non-political office, and it manages all non-core functions that sustain and support peacekeeping operations. The administrative services section and the integrated support services section fall directly under the DAO.
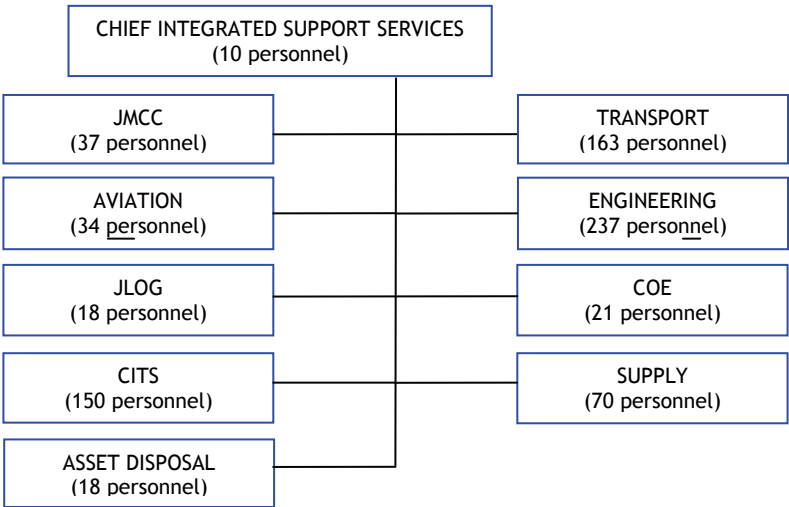

**Chart 2: Typical UN peacekeeping operation integrated
Support services section before outsourcing**
Source: United Nations Mission in Liberia

In order to achieve outsourcing objectives, all offices associated with the support functions that have been identified in the research as having the potential for successful outsourcing should be outsourced (Table 3). A skeletal team comprising mainly of political offices would be maintained to carry out the core functions of the organisation, while a facilities management office would be created to monitor service providers and provide administrative support to the political teams.

Prior to outsourcing, 242 administrative personnel [office of the chief (5), finance (30), security (40), general Services (87), medical (40), budget (10), and HR (30)] were required to manage the administrative function of a typical UN peacekeeping operation. However, with the outsourcing of services, only eight administrative personnel in HR, medical, and finance/budget would be needed to provide administrative support and payroll services to the political office and the service providers. These eight personnel would also act as administrative quality assurance evaluators to service providers.

Services	
• Human resources	• Transport and fleet management
• Engineering services and engineering maintenance	• Engineering and related services, including project development and construction
• Communication and communication maintenance	• Medical services
• Transportation and fleet maintenance	• Geographic information systems
• IT development / IT maintenance / call centre	• Heavy and specialised maintenance activities
• Information reporting (including archiving and reproduction)	• Security services
• Assets and property management	• Specialised investigations
• Warehousing	• Specialised services
• Facilities / camp management	• Fire safety
• Catering services	• Humanitarian & relief operation

Table 3: Services that can be outsourced (Source: Data collected)

The UN has vast assets, from thousands of vehicles to aircraft managed by the integrated support section, with a staff strength of 758 (Chart 2). However, when all support and logistics functions are outsourced, the number of support personnel in the section should be reduced from the original 758 people to just 14 (Chart 3). Thereafter, logistical support to peacekeepers should be undertaken by troop contributing nations and/or the service providers, while all operational functions would be handled by the office of the Force Commander. The most important cost-saving aspect of outsourcing peacekeeping would be the closure of the logistical base at Brindisi, Italy. The expected cost saving would be around $1.29 billion – i.e. $4.47 billion less $3.18 billion, as per the approved budget for peacekeeping operations for the period from 1 July 2004 to 30 June 2005 (which includes the logistics base at Brindisi) (Table 2). When equipment maintenance and the rental of facilities are also removed, the cost reduction would be considerable.

It is important to note that outsourcing would also re-engineer staff in the political offices from 200 to 30, because most functions would be outsourced to NGOs, UN agencies, and the local authorities as outlined earlier. Therefore, 30 personnel would run the political office: six persons per office from each of the four remaining political offices under the Deputy SRSG; and an additional six from the office of the SRSG. The reduced administrative and support services sections would act as QA evaluator for the facilities management office.

Therefore, a grand total of 58 staff members –22 QAs and 36 political officers – would be required to run a peacekeeping operation when all non-core functions were outsourced. When this is compared to an average of 1,200 who are usually required to run a peacekeeping operation at full strength, there would be a major saving in reduced overhead and administrative costs.
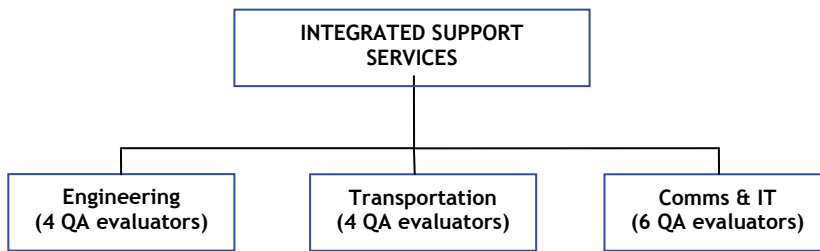
```
                    ┌─────────────────────────┐
                    │  INTEGRATED SUPPORT     │
                    │       SERVICES          │
                    └─────────────────────────┘
                                │
        ┌───────────────────────┼───────────────────────┐
┌──────────────────┐  ┌──────────────────┐  ┌──────────────────┐
│   Engineering    │  │  Transportation  │  │   Comms & IT     │
│ (4 QA evaluators)│  │ (4 QA evaluators)│  │ (6 QA evaluators)│
└──────────────────┘  └──────────────────┘  └──────────────────┘
```

Chart 4: Proposed UN peacekeeping operation integrated support services section after outsourcing (Source: Data collected)

Outsourcing the activities and functions of the integrated support section and the administrative services section would lead to a 98% reduction in staff strength, or 1,142 personnel including local nationals. This represents a saving in fixed costs – i.e. salaries, allowance, medical pension subsidies, and gratuities. The reduction of staff strength on peacekeeping operations would mean that the size of the DPKO would be reduced, since there would be fewer logistics services to provide. In all, considerable savings in staff remuneration would be recouped.

4.1 Decision-making scorecard

In developing a scorecard for the UN, each scorecard theme was expanded to encompass additional requirements for non-profit-making and peace-building organisations. The scorecard questions are intended to assist decision makers in determining whether a potential for relationship-building exists. If this potential does not exist, the service under consideration should probably not be outsourced. However, if a potential for relationship-building does exist, the remainder of the scorecard guides the decision maker in identifying specific issues that might prove to be barriers to the success of outsourcing a service. The scorecards are divided into six sections, dealing with background information, goals and objectives, risks, provider selection, evaluation, and peace-building criteria of the organisation. However, there are two scorecard options. The first scorecard consists of six options, and is suitable for the UN and similar organisations with peace-building as one of their goals and objectives, while the second option is divided into five sections without the peace-building option, and is ideal for other non-profit-making organisations. Each criterion must be assigned equal weight for ease of measurement. In scoring, the maximum count of a positive answer is 50 or 60 (peace-building only). Positive answers should either be greater than 25 or 30 (peace-building only). Negative answers are less than 25 or 30 (peace-building only). Two of the sections (goals and objectives, and peace-building) are presented below.

4.1.2 Goals and objectives

- Outsourcing would result in a reduction in overall costs?
- The goals for the service can be clearly defined?
- The goals for the service are long-term?
- The achievement of the goals can be objectively measured?
- There are objective measures currently in place for the service?
- Failure to achieve intended goals and objectives would have a negative impact on the organisation?
- Capacity building, enhancement of the local economy, and empowerment of the local populace is an outsourcing objective? (*if true, please complete the optional section*)
- Outsourcing the service would resolve labour-related issues?
- Outsourcing would <u>not</u> have a negative effect on the international character and diverse nature of the organisation?
- Outsourcing the service would contribute positively to the local labour market?

4.1.3 Peace-building measures (optional)

- Since the aim of peace-building is to enhance the local economy and not profit-making, prevailing standards on an international scale should not always be applied. Needless to say, it is important that the output quality does not impact negatively on the organisation's performance and reputation?
- Capacity building at local level would encourage transfer of knowledge and skills?
- Outsourcing of the service would enhance the local economy?
- The use of an international service provider would result in a transfer of knowledge?
- International service providers would be required to recruit most staff locally?
- Sourcing of materials locally may empower local businesses?
- The required expertise is available locally?
- Required equipment is available locally?
- Materials that would meet work requirements are available locally?
- The organisation possesses an updated database of local providers?

5. SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary

The study surveyed examples of outsourcing best practices in private sector companies, and identified services that could be outsourced in UN peacekeeping operations. Additionally, using criteria identified in the research, the study developed an outsourcing decision-making scorecard for UN peacekeeping operations. The study also discussed the use of private security organisations or third party providers for traditional UN peacekeeping role as an alternative to UN peacekeepers, and reviewed problems associated with outsourcing the role.

5.2 Conclusion

The analysis of data established that the challenges facing UN peacekeeping operations with respect to outsourcing are similar to private sector challenges. One of the important observations from the study is the role that prior experience and institutional settings of organisations play in the outsourcing of decision-making. Political constraints are also a strong impediment to their ability to outsource. Though cost is usually an important factor for manufacturing firms and service providers, since they are profit-making firms, its importance was reduced when quality was made the most important influencing factor for the manufacturing firms, service providers, and UN peacekeeping operations. A dependency trend was also observed within the group, which suggested that relationship-building was a critical aspect in the decision-making process, regardless of whether a trusting relationship could be attained. There was also a strong correlation among the group that compatibility was an important factor for provider selections. Therefore, successful outsourcing engagement must be treated as a relationship.

The effectiveness of the UN as peacekeeper was examined. Though private military organisations were considered to be more cost-effective, there were also moral questions of control, accountability, and oversight. On the choice between UN peacekeepers or non-state third party security providers for the peacekeeping role, the study concluded that the better option is a rapid deployment task force, efficient and cost-effective; however, the drawback is that it would still be under the political leadership of the UN, leading to slow decision-making. In conclusion, the survey indicated that successful outsourcing could provide the UN with a host of benefits, most of which are the outcome of improved efficiency and savings in costs.

5.3 Recommendations

5.3.1 Re-engineering recommendations

- Activities and functions that have the potential for successful outsourcing should be outsourced, and the affected offices abolished; and
- Large savings in staff remunerations would be re-couped when offices and functions at UN headquarters and logistics bases that provide logistical support to peacekeeping operations were re-engineered.

5.3.2 Third party service provider recommendations

- The cost of providing the services needs to be negotiated as low as possible, as a form of managerial efficiency and cost-effectiveness;
- Requirements should be clearly communicated to service providers in the Request for Proposal;
- Subject area experts should be brought in to advise the core team as needed;
- Service providers should be required to absorb some of the organisation's personnel and be protected from outsourcing organisations luring their best employees away by hiring them;
- Objective measures should be mutually established with opportunities for modification, and should be tracked on a consistent and regular basis;
- Providers should have the right to vary their costs when unforeseen events lead to cost increases;
- A plan for transition from one provider to another, or from a provider back to the outsourcing organisation at the end of the contract, should be in place; and
- Once a service is outsourced, contract evaluation activities should start immediately.

5.3.3 Peacekeeping and peace-building recommendations

- The mandate of peacekeeping operations must expressly state that force should be used when necessary;
- Despite the moral question of control, private security and military organisations may be used in future for peacekeeping roles. This would be the ideal situation, as it would not only be cost-effective, but efficient as well.
- Another alternative is an efficient and cost-effective rapid deployment task force, but with the draw-back of being under the political leadership of the UN, leading to slow decision-making; and
- Criteria such as political considerations and economic empowerment should be considered when engaging in outsourcing arrangements. Therefore, outsourcing decisions should have local input.

6. REFERENCES

[1]   **Abdul Aziz**, T. 2007. Ban has lost a great opportunity. *New Sunday Times,* 25 February 2007.

[2]   **Alexander, K.** 1996. *Facilities management: Theory and practice*. London & New York: Taylor & Francis Group.

[3]   **Bendor-Samuel, P.** 2001. How to evaluate which business function to outsource. *BPO Outsourcing Journal*, September.

[4]   **Blunt, E.** 2006. Liberia recruits a new army. *BBC News*. Monrovia, Thursday, 26 January 2006, 01:37 GMT. http://news.bbc.co.uk/1/hi/world/africa/ 46476776.stm (Access: 20/04/2006).

[5]   **Bragg, S.** 2006. *Outsourcing: Selecting the correct business unit, negotiating the contract and maintaining control of the process*. 2nd edition. New Jersey: John Wiley & Sons, Inc.

[6]   **Cloete, C.E.** 2002. *Introduction to facilities management*. Sandton, South African Property Education Trust.

[7]   **Flynn, S.** 2006. The day the war turned. *Gentlemen's Quarterly*, Correspondent's Article. February 2006. http://www.gq.com (Access: 29/01/2007).

[8]   **Hamer, J.** 1988. *Facilities management systems*. New York: Van Notstrand Reinhold.

[9]   **Klareskov, V & Helgason, K.** 2005. When the halo wears off: A recent United Nations report, unlocking the human potential for public sector performance, shares some lessons from two decades of global diffusion of new public management thinking and practice. *The Public Manager*, Dec 2005.

[10]   **Lilly, D.** 2000. The privatization of peacekeeping: Prospects and realities in disarmament forum. *Institute for Disarmament Research*, No.3.

[11]   **Longworth, S.** 2005. Outsourcing: A decision of trust. *Executive Technology Club*. Master of Information Technology Program. http://technologyexecutivesclub. com/Articles/outsourcingA/outsourcingADecisionofTrust.htm (Access: 04/03/2006).

[12]   **Malan, M., Cilliers, J., Lock, P., Cornwell, R., Pech, K., Doughlas, I., Vines, A., Cleary, S. & Sandoz,** Y. 1999. *Profit and plunder: The privatisation of security in war-torn African societies*. Institute for Security Studies, South Africa.

[13]   **Mallaby, S.** 2007. Why new UN Chief Is bound to fail. *Newsweek International*, March 5, 2007 issue.

[14]   **Osborne D. & Gaebler T.** 1993. *Reinventing government: How the entrepreneurial spirit is transforming the public sector*. New York: Penguin Books.

[15]   **Robberson, T.** 2000. Contractors playing increasing role in US drug war. *The Dallas Morning News*, 27 February 2000. http://www.hartford-hwp.com/archives/27a/ 059.html (Access: 04/12/2005).

[16]   **Swindon, G.** 1998. Outsourcing decision-making. *Civic.com*. March 16, 1998.

[17]   **Tracey, G., Coy, A., Armstrong, D. & Kazhila, M.** 1998. The outsourcing process. Paper presented at *4th Facilities Management Conference*, BIFSA Conference Centre. Midrand, 29-31 July 1998.

[18]   **United Nations,** 2000. *Comprehensive review of the whole question of peace operations in all their aspects*. Report of the Secretary-General on the Implementation of the Report on the Panel on United Nations Peace Operations, Documents, A/55/305; A/55/502; S/200/809. Agenda item 86 of The General Assembly, Fifty-Fifth Session, 20th October 2000. New York: United Nations.