



ASSESSMENT OF MSF INTERNATIONAL REMUNERATION SYSTEM (IRP2)

September 2017

FINAL REPORT

This publication was produced at the request of MSF International. It was prepared independently by Annie Désilets and Shana O'Brien.

DISCLAIMER

The authors' views expressed in this publication do not necessarily reflect the views of **Médecins sans Frontières** or the **Stockholm Evaluation Unit**.

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ACRONYMS

C&B	Compensation and Benefits
EOMS	End of Mission Survey
ExCom	Executive Committee
FTE	Full-time Equivalent
GG	Guaranteed Grid
HR	Human Resources
HQ	Headquarters
IDRH	International HR Directors Platform
IGA	International General Assembly
INGO	International Non-Governmental Organisation
IO	MSF International (International Office)
IRFFG	International Reference Field Function Grid
IRP	International Remuneration Project
LTA	Long-Term Assignment
MENA	Middle East and North Africa
MSF	Médecins Sans Frontières
NCR	Non-Contracting Section Resident
NGO	Non-Governmental Organisation
OC	Operational Centre
OCA	Operational Centre Amsterdam
OCB	Operational Centre Brussels
OCBA	Operational Centre Barcelona and Athens
OCGe	Operational Centre Geneva
OCP	Operational Centre Paris
PS	Partner Section
SC	Steering Committee
SEU	Stockholm Evaluation Unit

EXECUTIVE SUMMARY

In July 2014, MSF introduced and implemented a new compensation and benefits system for international field staff. This new system, known as the International Remuneration Project 2 (IRP2) aimed to recruit, retain, and motivate staff, with a focus on coordinators, medical specialists, and people with a humanitarian motivation.

The goal of this evaluation is to better understand to what extent the system is relevant, appropriate, effective, and connected, and to make recommendations for adjustments to the system if and when appropriate.

Findings	Recommendations
Relevance	
<p>The profiles mentioned in the objectives largely align with the current needs of the organisation (competent coordinators, medical specialists, and people with a humanitarian motivation), though this is not complete and the required profiles are changing.</p> <p>The overall objectives of MSF’s compensation and benefits system (to attract, motivate, and retain international staff) are disconnected from the system in its current state as it is not relevant to attract and motivate staff through compensation and benefits.</p>	<p>Alter the objectives of the compensation and benefits system, such as “MSF’s Total Rewards Package aims to attract and retain a diverse workforce with humanitarian values and the necessary skills to best serve operations and beneficiaries; to retain and reward current staff; and to recognise the value staff bring to the organisation”.</p>
Effectiveness & Appropriateness	
<p>There are currently no indicators which can prove or disprove the effectiveness of the system.</p> <p>Compensation and benefits are not a significant factor in attracting individuals to join MSF nor motivating staff while on mission. However, C&B may discourage staff from joining and demotivate staff while on mission.</p> <p>IRP2 is not appropriate in contributing to retaining staff. The salary appears to contribute to staff attrition. However, the benefits are generally perceived as adequate.</p> <p>Different staff groups (profiles and demographics) have different expectations and needs regarding the compensation and benefits system, and the system impacts staff differently.</p> <p>The system is not flexible and adaptable enough to meet MSF’s HR needs.</p>	<p>Set clear system objectives, define key concepts, link key indicators of success, establish targets, and develop a data collection plan.</p> <p>Conduct a thorough analysis and discussion (including at the associative level) of what salary means to the organisation in order to align policies, practices, and processes.</p> <p>Consider ways to further simplify the system to make it easier to communicate, understand, and implement.</p> <p>Establish mechanisms for the system to proactively adapt to changing needs, specifically operational needs regarding required profiles and the individual needs of staff.</p>
Connectedness	
<p>The IRP2 system and its underlying principles suffer from a poor perception mostly due to using domicile as a policy to determine salaries, which is viewed as unfair, inequitable, and even discriminatory. Additionally, the IRP2 system is not well understood.</p>	<p>Focus on three areas to help improve the climate of justice and equity within the organisation; these are: decoding organisational values; balancing employer and employee perspectives; and measuring effectiveness.</p>
Beyond IRP2	
<p>International staff compensation and benefits does not function in isolation; they are part of a wider system.</p>	<p>Have an open discussion regarding compensation and benefits within MSF from a global perspective, considering the possibility of significantly changing the structure of the system.</p>

Although there are many positive aspects to the C&B system, the evaluation reveals interesting findings in terms of how the C&B system performs regarding attracting, motivating, and retaining human resources. The current system falls short of meeting the needs of the organisation and proves inappropriate in some respects. The evaluation also finds that the system suffers from a poor perception and a lack of understanding. However, now is an opportune time to make substantive changes to the system in order to ensure it meets the needs of MSF as it changes and evolves.

In addition to the main findings and recommendations, which are summarized above, below are additional aspects of the C&B system, which are helping or hindering it from reaching its objectives.

Helping

- + The C&B rests within a Total Rewards Package framework which provides an employee value proposition that complements the compensation and benefits.
- + The recognition of increased responsibility for managers through salary scales may encourage some staff to stay with MSF.
- + There have been efforts to simplify the system and address concerns, such as providing pension schemes to all NCR staff and introducing the Global Grid.
- + Harmonisation has been achieved in some aspects of the C&B system.
- + The segmentation of contracts (vocationer, LTA, intermissioners) is a step towards better career stability for some staff.
- + MSF International recently hired a communications specialist.
- + MSF has made a commitment to review the reward principles with wide participation from staff and the associative.

Hindering

- The objectives of the IRP2 system are stated differently in different documents.
- Communication has focused on C&B while not emphasizing the intangible rewards of the Total Rewards Package.
- The somewhat narrow objectives of the IRP2 that specify medical specialists and coordinators may not serve the organisation well.
- Benchmarking exercises based on market data may not be appropriate in countries with lower-income economies.
- The lack of health insurance for non-accompanying dependents is an issue for some staff.
- Vocationer and LTA contracts have been underutilised.
- The loyalty bonus and salary bands/levels do not appear to encourage retention.
- Inter-sectional decision-making makes the system slow to change.
- The complexity of the system makes it difficult to communicate, explain, and administer.
- The practical applications of the rewards principles (most notably regarding equity) are contentious.

The findings of the evaluation are the result of extensive data collection, including a survey of international staff (5,122 respondents), an in-depth questionnaire (35 respondents), interviews (75 key informants), data mining (through MSF Luxembourg), and document review. Key documents reviewed included the MSF International report “MSF – External market data for the IRP2 Evaluation” (prepared specifically to complement this report), End of Mission Survey reports, “Improving retention of medical profiles and staffing of medical coordination positions,” and many others (as seen in Annex 5.2). A main limitation of the evaluation is that some key data is missing, primarily information regarding performance indicators and gaps in profiles.

1 INTRODUCTION

1.1 PROJECT BACKGROUND

In 2014, MSF launched a new system for compensation and benefits (C&B) for international staff, known as IRP2. At the time of implementation, MSF already planned to evaluate and review the system at various intervals. This evaluation coincides with a motion approved at the International General Assembly (IGA) in 2016. The overall objectives of this evaluation are to:

- Measure the impact of IRP2 on its original objectives (which were to contribute to attracting, motivating, and retaining in MSF competent coordinators, medical specialists, and people with a humanitarian motivation),
- Assess its capacity to respond to MSF's current needs and highlight limitations and opportunities for the future, and
- Recommend adjustments to IRP2 where appropriate.

The specific objectives are to:

1. Assess the relevance of IRP2's objectives to MSF's current needs.
2. Determine the appropriateness of IRP2 for meeting its original objectives and MSF's current HR needs.
3. Measure the effectiveness of IRP2 in achieving its original objectives and MSF's current HR needs.
4. Clarify international staff's understanding and perceptions of IRP2.

The results of this evaluation should help guide MSF in the evolution of the compensation and benefits system for international staff.

1.2 EVALUATION SCOPE

After discussion during the inception phase, the Steering Committee (SC) decided to focus the evaluation predominantly on the effects of the C&B system on the present and future. The scope was reduced from the initial inclination to evaluate the system from its inception, design, and implementation to the present.

In addition, a brief review of the communication of the IRP2 system, independent of this evaluation, was conducted to develop a comprehensive communication strategy. Because of this study, the Excom and IDRH opted to reduce the attention on communication for this evaluation and focus on the principle objectives of assessing the relevance, appropriateness, effectiveness, and connectedness of the system now and for the future.

1.3 METHODOLOGY

The data collection methods were designed to gather insight from a variety of stakeholders, including international staff, non-HR specialists (e.g. operational, medical, logistics), HR staff, management teams, C&B specialists, decision-makers, and representatives from the associations.

To limit bias, the evaluators reviewed the list of interviewees and designed the lists of participants in the survey and questionnaire to reflect a representative range of stakeholders. A balance was ensured between staff from different OCs, partner sections, geographic locations, functional areas, time with MSF, types of missions, ages, genders, etc.

This evaluation used a combination of qualitative and quantitative data collection techniques, with an emphasis on qualitative research methods to better gain an in-depth understanding of sensitive and complex perceptions and behaviours.

The evaluators have conducted and coded 67 interviews with 75 key stakeholders. A survey was sent to 11,268 international staff; a total of 5,985 responses were received, of which 5,122 were useable.¹ An open-ended

¹ Responses were deemed usable if respondents reported being on at least one mission and completed at least their country of residency, role, and area of expertise.

questionnaire was sent to 99 international staff members; 53 responses were received, 35 were useable. See Annex 5.3 for details on the demographics of survey respondents in comparison to MSF staff population.

Epicentre assisted with the cleaning and analysis of the IRP2 evaluation survey, while MSF Luxembourg provided valuable HR indicators. MSF International conducted a benchmark study regarding external market data.

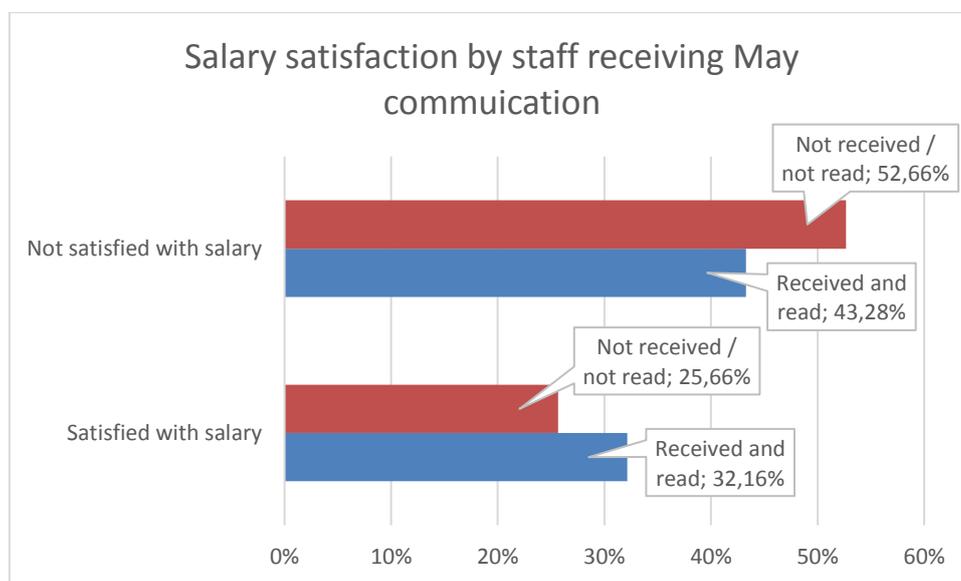
A document review was conducted which included strategic plans, HR strategies, previous years surveys, historical IRP2 documents, and external C&B research. A list of key documents and all referenced materials can be found in Annex 5.2.

1.4 LIMITATIONS

During the evaluation period, MSF made some changes to the C&B system. Although this proves the flexibility of the system and the willingness of the organisation to fulfil its mandate as described in the principles underlying the C&B system, it also created some challenges for this evaluation as some of the findings from the survey, questionnaire, and interviews may no longer be completely representative of the current system due to these changes.

For example, a communication was released in May to all individuals on international staff contract as of May 1, 2017 detailing the reformulation of the salary structure to a “Global” Grid, which included an average salary increase of 8% for staff previously on the Guaranteed Grid and 5% for all others (some exceptions apply) – this is a substantial increase. The communication piece coincided with the launch of the survey to international staff, resulting in some respondents having different information and perhaps responding based on different systems. In this case, the evaluators mitigated the bias by asking an additional question in the survey as to whether the participant had received and/ or read any communication about salary changes in May. Despite this mitigation effort the data will not be completely reliable or timely.

To show the difficulty in assessing the relevance or usefulness of the data, below is an interesting graph derived from the mitigation question revealing the potential impact of the change in salary of May 2017.



Graph 1: Salary satisfaction by staff receiving May 2017 communication

The change in salary may not be fully responsible for this divergence. Another plausible reason could be that the people who received the May communication were on field assignment, whereas the IRP2 evaluation survey was sent to all present and past MSF international staff who undertook at least one mission since July 2013. It may well be the staff on mission who answered the survey are more satisfied with their salary, regardless of the increase. It is therefore difficult to isolate why there is a difference.

A further limitation of the evaluation is the lack of some statistical data, which is required to assess the effectiveness and relevance of IRP2 and trends to forecast HR’s future needs. Data such as gap analysis by mission and position, retention figures, the number of “active” staff in each pool, and so on, were impossible to obtain, or unreliable at an international level.

There are some identifiable causes for the lack of data. First, the difficulty in aggregating data collected independently by OCs and partner sections. Second, the lack of knowledge as to which data should be collected for which purpose. For

example, in the case of the IRP2 system, no quantifiable key performance indicators (KPIs)² were established at the onset to collect appropriate and relevant data that would enable a measurement of success. Third, there is a lack of definitions of key terms used in the objectives of IRP2, making it difficult to obtain data. For example, there is no guidance on what retention means for MSF as a movement. Fourth, IRP2 was implemented only three years ago, which means its impact may not yet show up in certain indicators.

Responses from the IRP2 evaluation survey provided valuable information to complement missing data. It is worth noting that survey responses are prone to a bias, as respondents are self-selected and typically more interested in the topic than those who do not respond. Additionally, as the survey was framed as a “salary and benefits” survey, respondents may have focused more on salary and benefits than they usually would, for example, when answering what MSF’s greatest needs are or what factors are important to them. Also note the IRP2 survey respondents are quite well-aligned with the 2016 MSF FTE group (see Annex 5.3).

Finally, there was difficulty in obtaining complete external data. One example is that it was difficult to draw conclusions regarding INGO best practices. While a complementary report provided by MSF International³ provided useful findings, practices vary widely and not all contacted INGOs were willing or able to disclose all information. Additionally, MSF chooses to operate differently than many INGOs and therefore it is not always relevant to make comparisons, though MSF would benefit from better understanding best practices. Another external data point that was difficult to assess was the cost of a “standard” of living for countries where social safety nets are not provided by their respective governments (i.e.: the cost of primary and secondary schooling and health comparable to a country like Canada, Germany, or Sweden where these services are provided through the state). Again, the MSF International report provided interesting data points regarding the costs of education and health care, but was limited as it only focused on a few countries and did not assess standard of living.

Additionally, regardless of the data that is provided, it is difficult to link causation to the C&B system due to the multitude of other factors which could affect attraction, retention, and motivation of staff.

1.5 DEFINITIONS

There are several terms used in this report which require clarification.

IRP2 / IRFFG

- IRP2 is the remuneration system for international staff. IRP stands for the International Remuneration Project. Remuneration refers to pay (compensation) and benefits for MSF international staff working in the field. IRP2 was implemented in July 2014. The “2” is because MSF implemented the first IRP in 2006.
- The IRFFG is the International Reference Field Function Grid for MSF. It is a classification frame of all current and future standard job profiles in the field. It is not a part of IRP2, but is used alongside IRP2 as a guide for salary levels.

IDRH / ExCom / MSF International

- The IDRH (International Directors Platform for Human Resources) is made up of the HR Directors of the five OCs plus two rotating members.
- The ExCom (Executive Committee) is made up of the General Directors of the five OCs plus two rotating members.
- The IO (MSF International / International Office) provides coordination, information, and support to the MSF movement, and implements international projects and initiatives as requested by the International Board. The IO are the coordinators of the IRP2 system.

HR Terminology

- A total rewards package refers to a package given to employees which includes both tangible rewards (compensation and benefits), as well as intangible rewards (such as work culture and climate, leadership and direction, career/growth opportunities, work/life balance, job enablement, and recognition).

² KPIs can be defined as a measurable value that demonstrates how effectively an organisation is achieving key objectives.

³ Mariana Oliveira, “MSF – External market data for the IRP2 Evaluation.” 18 August 2017. This IO report was commissioned by the IRP2 evaluation Steering Committee to complement the evaluation.

- Retention refers to the ability of an organisation to keep its employees, whereas attrition refers to the loss of employees.
- Salary benchmark data allows MSF to compare their salary against similar positions in other organisations. The data can provide a median salary which is the mid-value of salaries for similar positions. It can also provide information for percentiles. For example, P50 (50th percentile) of the market is the median salary, whereas the P25 means that at that level, 25% of companies pay less for a similar position.
- MSF has 7 salary levels for international staff, determined by the position held by the individual. Each of the seven salary levels contains salary bands. Each band has three spot rates (Entry, Mid and Upper point). Individuals are positioned at these various spot rates based on their level of competence, using the proxy of previous years of experience in the job.
- Contract segmentation refers to different types of contracts/packages available to international field staff, primarily intermissioner, LTA, vocationer, and emergency team packages.

NCRs / Guaranteed Grid / Global Grid / Income Level / Region

To ensure clarity for the evaluation and recommendations, the evaluators define below the terms used to describe various groups. See Annex 5.4 for a complete list of which countries fall into each category.

- NCR (Non-contracting Country Residents) staff refers to international field staff whose country of domicile does not have an MSF contracting entity, and who are contracted by the OC of their assigned mission. Not all NCR staff come from countries with lower-income economies (e.g. Finland, Portugal, Hong Kong). Their salary is partially determined by their country of domicile. A few benefits to which they are entitled may be different according to their place of contract (OC locations). For example, not all NCR staff had pension schemes until May 2017. The largest numbers of NCR staff reside respectively in DRC, Kenya, Brazil, Ivory Coast, Philippines, Niger, Cameroon, Pakistan, India, Burkina Faso, Ethiopia, Uganda, and Colombia.
- The Guaranteed Grid refers to the base salary grid for countries without their own salary grid. MSF determines which countries use the Guaranteed Grid through benchmarking information provided by external providers (Mercer for domicile component and Birches for the global component). For staff resident of those countries whose benchmarking falls below a minimum level set by MSF, or for whom no benchmarking data is available, MSF applies the Guaranteed Grid. Not all countries under the Guaranteed Grid are low-income economies. The Guaranteed Grid is used only to determine the salary level, it does not affect most benefits (except for loyalty and Home Child Allowance, which are defined in percentage of the salary). The Guaranteed Grid was replaced by the Global Grid in May 2017. This evaluation focuses on the Guaranteed Grid because the Global Grid was introduced after the start of the evaluation. Examples of countries on the Guaranteed Grid include Greece, Portugal, India, DRC, Kenya, Brazil, Jordan, and Lebanon.
- The income level of a country is not technically considered by MSF either to determine if it is a NCR country or whether the Guaranteed Grid should apply. However, the evaluators used this stratification to analyse the survey results as it sheds light on some interesting information. The evaluators used the World Bank definitions of income-level groups.⁴
- The region of a country refers to the geographical region. It is not directly linked to any of the above terms and although MSF sometimes uses this term, there is no standard. The evaluators used this stratification to analyse the survey results as it provides some interesting information.

To demonstrate the importance of differentiating between these terms, we can take Greece as an example. Greece has an affiliated MSF contracting section in the country (MSF Greece provides international staff with an employment contract), and therefore international staff domiciled in Greece would not be NCR staff. Greece used to have its own salary grid, but in 2016 moved onto the Guaranteed Grid as the GG was increased and consequently their salary benchmarking fell below the threshold. Greece is a high-income economy in the World Bank classification, and is part of the EU region.

FTEs / Staff

⁴ See <https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups> [Retrieved 2 September 2017]

- An FTE (Full-Time Equivalent) is an HR term used to describe a unit of staff equivalent to one staff member working full-time for the organisation for one year.
- A staff member refers to one employee of MSF, regardless of the length of their contract.

To illustrate the difference between these terms, let's consider John Doe. In 2016, John completed one mission with MSF. He worked full-time and completed a 3-month assignment. John is a staff member of MSF. He would be considered .25 FTE as he only worked ¼ of the year.

Generations

As there are no standard definitions for generations, the evaluators defined them as such:

- Generation Y (or millennials) refers to people born in/after 1983.
- Generation X refers to people born 1968-1982.
- Baby Boomers refers to people born 1948-1967.
- Other refers to people born before 1948.

2 FINDINGS

2.1 RELEVANCE OF OBJECTIVES

Main Finding: The profiles mentioned in the objectives largely align with the current needs of the organisation (competent coordinators, medical specialists, and people with a humanitarian motivation), though this is not complete and the required profiles are changing. The overall objectives of MSF's compensation and benefits system (to attract, motivate, and retain international staff) are disconnected from the system in its current state as it is not relevant to attract and motivate staff through compensation and benefits.

The objectives of the IRP2 system used for this evaluation, and in this report, are “to contribute to attracting, motivating, and retaining in MSF competent coordinators, medical specialists, and people with a humanitarian motivation.” In various communications, MSF has used different versions of the objectives of IRP2. For example, in the document “June 2016 Q&A IGA,” the objective stated is, “Attract, retain and develop people who are motivated, skilled, mobile and committed to humanitarian action and MSF values.” Whereas the IRP2 expat website (OOPS) refers to the objectives as, “to attract and motivate the right kinds of staff, and retain critical competencies, organisational knowledge and a culture of volunteerism.”⁵ This lack of consistency in messaging is problematic because it can be confusing for stakeholders (leaders, administrators, and employees), and it sends a discordant message. A recommendation described later is to review this objective, however, a consistent message is critical to ensuring legitimacy of the system.

2.1.1 Attract, Motivate, and Retain

The first part of the objectives of IRP2 is to “attract, motivate, and retain international staff.”

Because there is no data available from individuals who did not join MSF, it is very difficult to say whether compensation and benefits attract or deter candidates from joining MSF. However, the IRP2 evaluation survey reveals the top three reasons encouraging individuals to join MSF are: doing humanitarian work, MSF values and principles, and the job content (tasks); whereas the top discouraging factor was salary and benefits. In keeping with the findings of the IRP2 evaluation survey, the top three motivators while on mission were: doing humanitarian work, MSF values and principles, and operational relevance of project. The top three de-motivators were: salary and benefits, family considerations, and job security.

This reflects Fredrick Herzberg's motivation-hygiene theory,⁶ which argues that the factors which motivate individuals (i.e.: recognition, responsibility) – the motivation factors, are different than those factors that demotivate (i.e.: pay, working conditions) – the hygiene factors. Herzberg's research concluded compensation and benefits are hygiene factors; while they are rarely the primary motivator, if perceived as insufficient, they can be a demotivator for staff.

A generous compensation and benefits package can attract individuals to join an organisation, but MSF has chosen as part of their compensation philosophy the principle of volunteerism underlined by the policy of modest pay.⁷ This includes the indemnity period of one year where the compensation is below MSF's first level salary. Once the indemnity period is completed, MSF salaries for international staff are deliberately lower than similar jobs in many home markets⁸ and INGO comparators.⁹ The benefits offered by MSF seem to be proportional to other organisations.¹⁰

⁵ IRP II Expats, May 2017, Update for international staff, <http://oops.msf.org/irp2-Expat-site/#./english/latest-updates/may-2017/index.html>

⁶ Herzberg, et.al., “The Motivation to Work” 2011

⁷ Note that MSF does not have a global definition of modest pay and that not every staff member receives a salary at the same market / INGO comparator percentile (for example at P25 of these two markets). Some countries, especially those in the Guaranteed Grid, such as Bangladesh, receive a salary at the P90 of their market.

⁸ As the Guaranteed Grid is static, the salary in some countries may be higher than the 50th percentile of that market. More on this in the Appropriateness and Effectiveness section.

⁹ Mariana Oliveira, “MSF – External market data for the IRP2 Evaluation.” 18 August 2017.

¹⁰ Ibid

For these reasons, it is not relevant for MSF’s compensation and benefit system to have as objectives to attract and motivate staff. One solution may be for MSF to shift from a Compensation and Benefits System discourse to one of Total Rewards Package.

The Total Rewards Package already exists in the MSF rewards strategy (see below).¹¹ However, when communicating internally, MSF appears to focus on compensation and benefits. For example, the May 2017 communication to staff, although about a change in salary (the title was “Update on your compensation and benefits”), was an opportunity to emphasise and remind staff of the very positive “intangibles” offered by MSF. Likewise, the IRP2 expat website (OOPS) has a page describing its value proposition, which could be displayed more prominently and include the below graph. By consistently presenting a comprehensive employee value proposition, it could help MSF to achieve the intended effect of IRP2’s original objective.

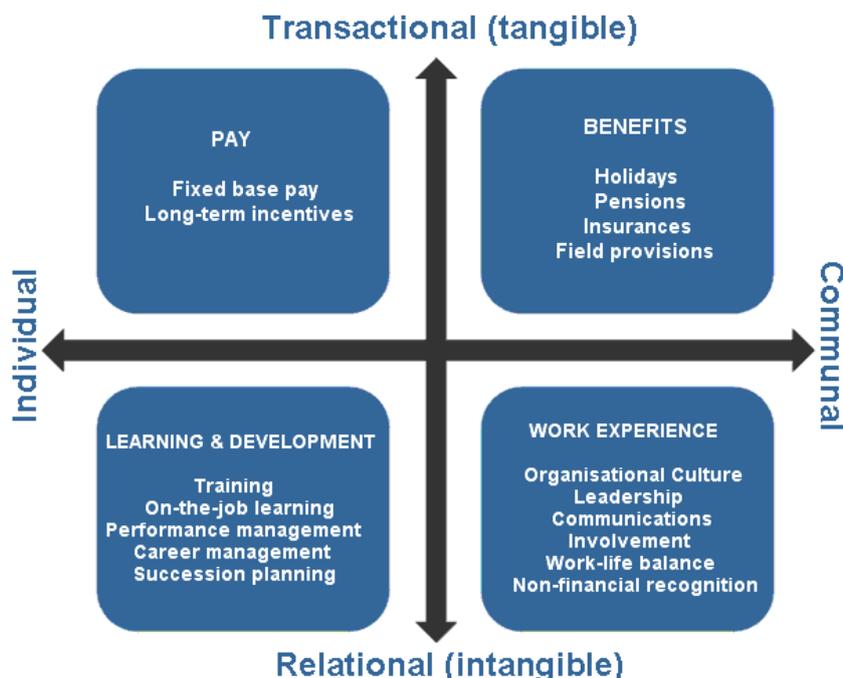


Figure 1: MSF Total Reward Strategy

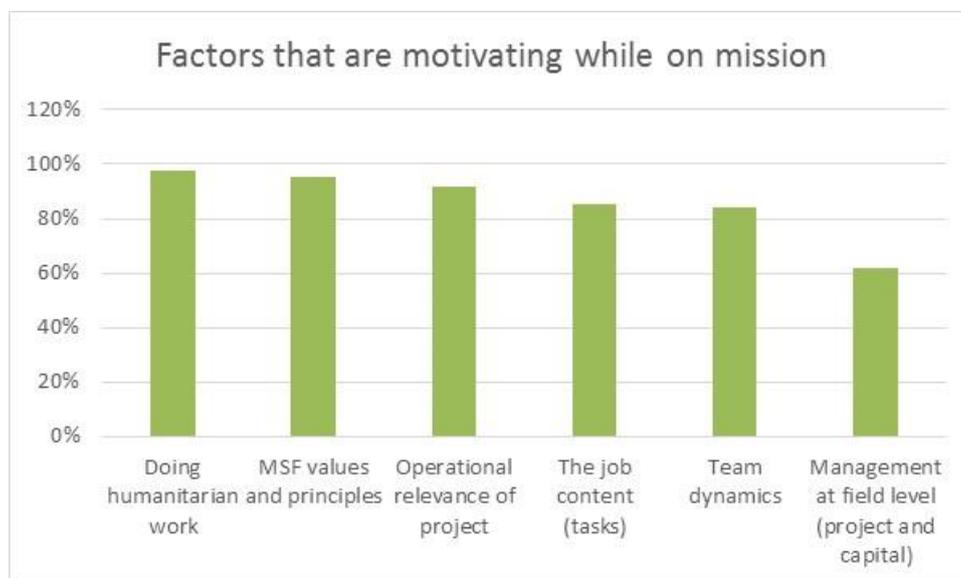
According to Jensen et.al., Total Rewards includes both tangible (pay and benefits) as well as those elements that are intangible. Intangible rewards, while more difficult to see and touch, are real enough to affect the level of employee engagement and satisfaction. In addition, these intangibles have a real impact on attracting and retaining new talent.¹²

Some common examples of intangible rewards include the work culture and values (the tone set by the organisation), work climate (the work environment created by individual managers), leadership and direction (confidence in top management), career opportunities, job enablement (employees are given the means to do the job), and recognition (ability to make a difference and be recognised for it).

MSF as an organisation is very strong in work culture and values – MSF’s reputation is arguably its greatest strength, followed closely by its ability to “get the job done” due to its financial independence, creating high job enablement. Employees have already expressed how much they value these intangibles. From the IRP2 evaluation survey, the graph below represents the top six factors of what respondents found important for motivating them while on mission.

¹¹ “MSF Reward Strategy.” IRP II HR site. See: <http://oops.msf.org/irp2-HR-site/#./english/about-irp-ii/total-reward-strategy-definition-components/index.html> [Retrieved 17 August 2017]

¹² Jensen, Doug, Tom McMullen, and Mel Stark. *The Manager's Guide to Rewards*. New York: AMACON, 2007.



Graph 2: Factors that are motivating while on mission

Moreover, MSF is currently developing some very interesting initiatives to enhance the “leadership and direction” as well as “work climate” components of Total Rewards. For example, OCA has recently developed a guideline for leaders and managers called, “Leadership & People Management Framework” intended for all OCA staff who manage or lead individuals or have the potential to do so.

Recommendation 1: Alter the objectives of the compensation and benefits system.

MSF should capitalise on the existing intangible rewards by shifting the discussion with potential and current employees from compensation and benefits to providing them with an employee value proposition that includes a dynamic and relevant Total Rewards Package.

In order to achieve this, MSF should review the original / current objective of IRP2 from:

To contribute to attracting, motivating, and retaining in MSF competent coordinators, medical specialists, and people with a humanitarian motivation.

To, for example:

MSF’s Total Rewards Package aims to attract and retain a diverse workforce with humanitarian values and the necessary skills to best serve operations and beneficiaries; to retain and reward current staff; and to recognise the value staff bring to the organisation.

In essence, MSF needs to change the focus of the C&B system. In addition to shifting the discourse about rewards in MSF (by ensuring a consistent message) and changing the objectives of the C&B system, MSF should rename the system since the term “IRP2” does not incorporate the intangible rewards, and has a negative connotation among staff (as described in the Connectedness section).

2.1.2 Competent coordinators, medical specialists, and people with a humanitarian motivation

The second-half of the objectives of IRP2 focuses on the type of profiles MSF targets, and mentions a focus specifically on “competent coordinators, medical specialists, and people with a humanitarian motivation.” While these needs are still present, the needs are changing.

Operations and Human Resources

The somewhat narrow objectives of the IRP2 that specify medical specialists and coordinators may not serve the organisation well. Some interviewees have suggested that the current HR management system is not aligned with operational growth or objectives, describing an HR system that is inward-looking, conservative, valuing a “home-grown” approach to filling management positions, and having a short-term view.

As the humanitarian contexts in which MSF works change and as the organization evolves, so does the nature, size, and complexity of operations. The 2016 Typology Report states that projects characterised by conflict, instability, and

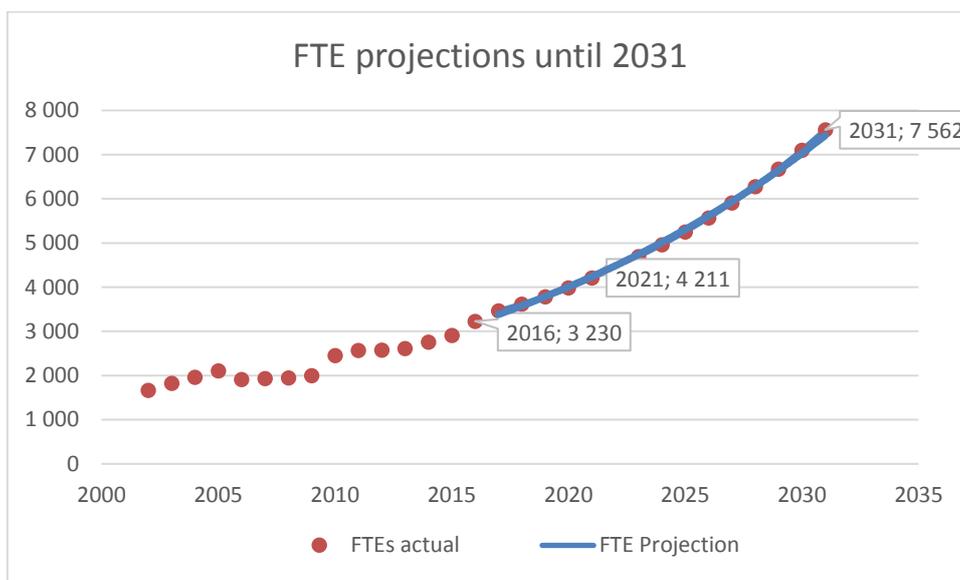
displacement have seen the biggest increase as well as a surge in MSF “core activities” (such as hospitalization, consultations, malaria treatment, post-natal care, and so on).¹³ In addition to advances in medical and non-medical technology, these factors all have enormous repercussions on human resources. This means MSF has a need for increasing numbers of specialists and professionals, both in medical and non-medical fields, and need of more coordinators / managers / leaders.

Undeniably, there is still a continued requirement for medical specialists in the gynaecology, anaesthesiology, and surgery (GAS) fields, but there is increasingly the need for medical doctors with knowledge of or specialisation in fields such as psychiatry and non-communicable diseases such as diabetes and hypertension. Para-medical specialties now include epidemiology, and infection control. In the non-medical arena, for example, it often no longer suffices to have one “all-round” logistician for a project responsible for finance, admin, HR, technical matters, and so on. MSF now requires more specialized logisticians, architects, administrators, and HR specialists. Even managers are required to be more specialised, for example as the number, size, and complexity of secondary health care facilities increase, operations now require hospital directors.

In addition, managers are still an important requirement for MSF. In the IRP2 evaluation survey, 40% of respondents stated that more international staff with people management skills are needed, while in interviews, “management skills” was the most cited need: it was mentioned in 42 out of 67 interviews.

There is a particular need for senior medical positions (Project Medical Referent and Medical Coordinators) and Project Coordinators, especially for projects located in High Insecure Contexts (HIC).

While the needs for specific profiles are changing, the overall need for more staff is not. This is demonstrated in the graph below showing full-time equivalent (FTE) projections to 2031, which are based on the correlation between operational growth and FTE growth in the past, and projecting FTE numbers based on the projected operational financial growth (as agreed by the ExCom).¹⁴



Graph 3: FTE projections to 2031

There continues to be reported gaps for positions in most OCs as depicted in the table below.¹⁵ Although the IRP2 evaluation survey did not include “gaps in positions” as an option for what demotivates staff in the field, 16 respondents felt strongly enough about this to write a comment in the survey regarding the negative effect of gaps on their motivation or ability to do their work. In addition, in the 2016 EOMS report, an indication of “gaps” in positions is that 54% of respondents did not receive a handover from their predecessor and 45% responded there was a lack in continuity of human resources.

¹³ Typology 2016: Description of MSF Activities, pg 4; Most current Strategic Plans have some reference to growth and increased complexity of operations; International Board Bulletin #9

¹⁴ Data and calculation methodology provided by the International Finance Coordinator, IO [Email correspondence]

¹⁵ IDRH, “2017_IDRH_Follow-up on Growth and HR_FINAL”, 2017

Table 1: Average % of gaps per OC

Average % of gaps per OC – 2016				
OCA	OCB	OCBA	OCG	OCP
9%	8%	7%	5,6%	13%

Given this clear upward trend of increasing need for human resources and the continued gaps in positions, MSF may need to consider strategies which will attract and retain significantly higher numbers of staff. As will be discussed in greater detail in the Effectiveness and Appropriateness section, this may mean a system that is more flexible and adaptable, which answers the needs of a more diverse workforce.

Diversity

MSF is not alone in the growing diversity of its workforce: many organisations have seen a shift due to globalisation (increased ease of mobility for some), social changes (individuals have many careers and move in and out of the workforce more fluidly), and demographic changes (new generations). One difference, however, may be the active pursuit of MSF to increase the diversity of its staff, managers, and leaders. In the five current Strategic Plans, each OC refers to the need to increase staff diversification; although not always explicitly stated, this seems to mean regional diversification. The rationale is to create acceptance amongst the population for which MSF works, to improve the perception of MSF as an independent INGO, and to grow and expand the organisation’s world view.¹⁶

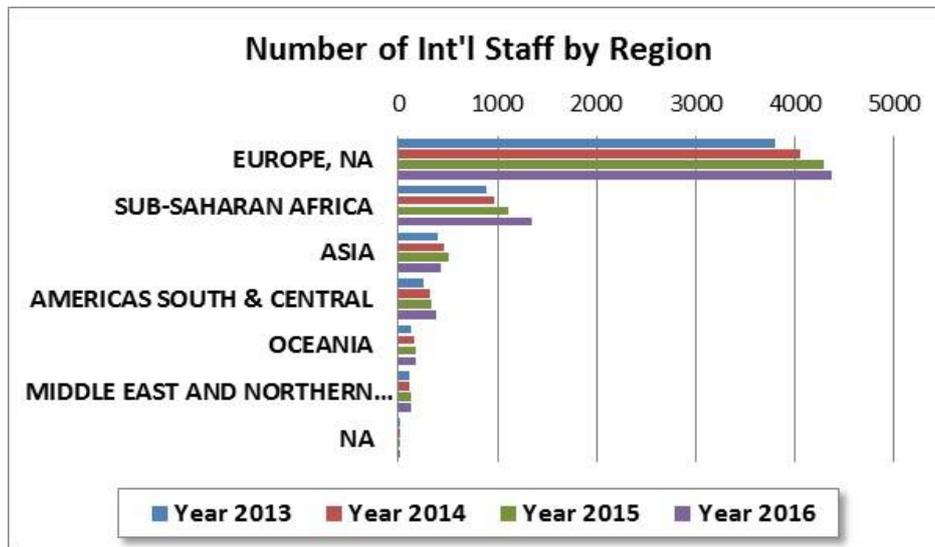
MSF should consider the definition of a diverse workforce, which should include, for example, individuals of varied ethnic, cultural, and geographic backgrounds as well as a range of ages and gender.¹⁷ Additionally, MSF should consider what diversity looks like practically. For example, does diversity mean that MSF wants to have staff originating from all the countries where MSF works? Of those staff with diverse regional origin, gender, ages, what proportion should be in managerial / leadership roles? Once decided, this would provide a quantifiable measurement and allow for the development of targeted strategies to achieve these goals.

Regional diversity

The graph below shows that there is an increase in number of international staff from non-European, non-North American countries year over year. The subsequent table demonstrates a trend in the increase of regional diversity cumulating to 3.8% increase from 2013 to 2016. This increase is mostly linked to the increase of staff from sub-Saharan Africa (3.7%), perhaps due to the efforts of the two recruitment offices in this region (Dakar since 2013 and Kenya since 2016).

¹⁶ A few examples include: 2017_11 Statement from the IGA; MSF OCA Strategic Plan 2015-2019; MSF OCBA Strategic Plan 2014-2017; [MSF OCG] Strategic Plan 2016-2019; [MSF] OCP Strategic Plan 2017-2019; [MSF] OCB Strategic Orientations 2016-2019; Motions presented and voted at the OCB GATHERING 2013 (Motion 3); International Human Resources Vision Endorsed by ExDir, November 2009

¹⁷ MSF OCA recently concluded a report on diversity and inclusion where the definition used was: “Diversity may be divided into observable and non-observable attributes. Examples of observable characteristics include gender, race, ethnicity, and age. Non-observable characteristics include education, functional background, organisational tenure, socioeconomic background, personality, religion, disabilities, and sexual orientation.” Reshma Adatia, “Diversity and Inclusion in MSF-OCA”, 2017



Graph 4: International Staff by Region

Table 2: International Staff Regional Diversity from 2013 to 2016

Region	Staff 2013	Staff 2014	Staff 2015	Staff 2016	Difference 2013 to 2016
EUROPE, NORTH AMERICA	68.0%	66.8%	65.7%	64.2%	-3.8%
SUB-SAHARAN AFRICA	16.0%	15.8%	16.9%	19.7%	+3.7%
ASIA	7.2%	7.6%	7.8%	6.3%	-0.9%
AMERICAS SOUTH & CENTRAL	4.4%	5.1%	5.1%	5.5%	+1.1%
OCEANIA	2.3%	2.7%	2.6%	2.6%	+0.3%
MIDDLE EAST AND NORTHERN AFRICA	2.0%	1.8%	1.9%	1.8%	-0.2%

Age group

Not surprisingly, the bulk of staff in 2016 were in the 30 to 39 age range (49% males and 44% females). These individuals are largely part of the millennial generation or Gen Y – those individuals born in the 1980s. Although not universal and somewhat generalizing, millennials tend to have views about compensation that differ from other generations. For instance, they value work-life balance more, they value transparency when it comes to compensation, rewards, and decisions about their career, they value total rewards and strive on personal fulfilment.¹⁸ Arguably, a typical millennial interested in joining MSF is likely to have slightly different views than the general millennial population, but nonetheless these findings are relevant. See the Appropriateness and Effectiveness section for further details regarding generational differences.

As the workforce grows and becomes more diverse, so do the needs and interests of employees. MSF will also need to change and adapt to the shifting workforce. This is discussed in much detail in the Appropriateness and Effectiveness section.

2.2 APPROPRIATENESS AND EFFECTIVENESS

This section aims to answer the following evaluation questions: “Is IRP2 appropriate for meeting its objectives (and current HR needs) today?” and “Is IRP2 effective in realising its objectives?” While these questions were treated separately during data collection, the two are highly interlinked. Further, there is limited data (and thus findings)

¹⁸ Iconixx, “Surprising Attitudes Millennials have about Total Compensation”, 2014

regarding effectiveness, as there were no indicators, definitions of key concepts, or data collection plan set at the implementation of IRP2.¹⁹ For the purpose of the report, these two evaluation criteria are discussed together.

Main Finding: There are currently no indicators which can prove or disprove the effectiveness of the system.

Recommendation 2: Set clear system objectives, define key concepts, link key indicators of success, establish targets, and develop a data collection plan.

Setting clear system objectives is the first step towards being able to concretely measure the success of the system. It is important that MSF also has a clear definition of key concepts to best inform how to measure them, such as retention, diversity, gaps, specialists, and so on. Linking key indicators of success to the objectives will allow the organisation to determine which data to collect and be able to concretely measure the impact of their compensation and benefits system. According to People in Aid, “the absence of even a simple list of success criteria increases the likelihood of inherent inconsistencies in the objectives of the pay system.”²⁰ The indicators should be clear, transparent, measurable, time-bound, and related to the data collected. These will provide a sound basis for MSF to conduct a comprehensive review that will determine the success or needs for improvement of the system and allow MSF to make data-driven decisions. Indicators could include, for example, the change in retention statistics or gaps over a set period.

Aligned with these indicators, MSF should set short-, medium-, and long-term targets for the indicators. This could include, for example:

- In the next year, increase the number of vocationer contracts by 1% per OC.
- In the next three years, decrease the percentage of staff who report salary discouraged them from staying with MSF from 46% to 35%.
- In the next three years, decrease the percentage of staff who reported salary and benefits were discouraging to joining the organisation from 39% to 30%.
- In the next five years, decrease the number of position gaps by 1% per OC.

Note that these are only examples and MSF would need to discuss indicators thoroughly.

Ideally, data for these indicators would be collected by the OCs and PSs on a movement-wide level with the specifications and guidance centralised through MSF Luxembourg in order to ensure consistency, reliability, and validity. This data may include, for example, retention statistics, statistics about when and why applicants drop out of the recruitment process, entry surveys to show why people join MSF, etc. Once indicators are established, baseline indicators should be collected immediately to provide a comparator for future system evaluations.

2.2.1 Attraction and Motivation

Main Finding: Compensation and benefits are not a significant factor in attracting individuals to join MSF nor motivating staff while on mission. However, C&B may discourage staff from joining and demotivate staff while on mission.

Compensation and benefits are not the main factors for attracting or motivating staff within MSF. This makes sense given that salary and benefits are a “hygiene factor”,²¹ meaning they are only impactful in a negative way when they are not sufficient (see Relevance section for more info about hygiene factors). While this does have implications for the objectives of IRP2, within MSF the staff interviewed generally perceived it as a good thing that salary and benefits does not affect staff attraction or motivation as MSF puts a greater emphasis on humanitarian commitment.

Attraction

According to the IRP2 evaluation survey, the top factors for encouraging staff to join MSF were 1) doing humanitarian work, 2) MSF values and principles, and 3) the job content (tasks). Salary and benefits scored the lowest of all possible options for this question. This matches with perceptions from interviews, which also include the following factors for

¹⁹ MSF Luxembourg provides a yearly International HR Indicator report. This data was provided in an updated and tailored form to evaluators and was utilised in this report where relevant. However, the data is not directly linked to any indicators showing the effectiveness of IRP2 and therefore cannot prove or disprove IRP2’s effectiveness.

²⁰ People in Aid, “Policy Guide and Template: Developing and Implementing a Reward Strategy and Policy” May 2005

²¹ Compensation and benefits can be understood by Fredrick Herzberg’s motivation-hygiene theory, which states that while some factors can be motivators, others are simply “hygiene” meaning they are typically not motivators but can demotivate individuals if they are not sufficient. Herzberg et. al., “The Motivation to Work” 2011.

attracting staff: size, culture, brand, and reputation of MSF; travel/adventure and exploring diverse cultures; CV building; and many others.



Figure 2: Top 3 Encouraging/Discouraging Factors for Staff to Join MSF

While the IRP2 evaluation survey showed that salary and benefits scored lowest for encouraging staff to join MSF, it scores the highest among factors that discourage staff from joining. However, this information is of limited usefulness as all survey respondents did join MSF. It is hard to assess the extent to which the C&B system may discourage potential staff from joining MSF, as the reasons for recruits to not undergo a mission are not well-tracked within MSF, and furthermore it is impossible to tell why qualified staff may not apply to MSF in the first place. Nonetheless, it appears that MSF’s C&B is not a “pull factor” for attracting individuals to join.

There are differences between staff groups regarding what attracts them to join MSF, which are important given the needs to attract diverse profiles (See Relevance section). Overall, the main reasons for joining MSF remain the same among all groups: doing humanitarian work, and MSF values and principles. We can see the following notable examples of differences between staff:

- Regional differences were present in the IRP2 evaluation survey: While only 7% of staff with domiciles in the EU²² were encouraged to join MSF based on salary and benefits, these numbers are much higher in other regions (23% of African staff, 19% of Asian staff, and 15% of MENA staff). On the other hand, the percent of staff that found salary and benefits discouraging from joining MSF were similar throughout the regions (39%), though MENA is much higher (49%).
- Interviewed stakeholders expressed that there are some staff who join MSF only planning to stay for one or two missions, while others join hoping for a career with MSF. Salary and benefits are likely to be less important for the former group, as for them it is only a “stepping stone” to something else. Salary and benefits are also likely to be less important for people who join MSF to volunteer rather than as a main career. According to a survey of medical professionals, about 1/3 of respondents were not interested in making MSF their main career, though it is unclear if this number can also be extrapolated to the non-medical MSF workforce.²³
- Generation Y (millennials)²⁴ has some unique trends compared to other generations. In the IRP2 evaluation survey, compared to previous generations, they are more likely to have found travel/adventure and career opportunities encouraging factors to join MSF, and more likely to find the salary/benefits and family considerations discouraging.
- Salary and benefits were more often reported to be encouraging factors to join MSF for staff in Guaranteed Grid countries (21%) than for countries with their own salary grids (7%).²⁵ However, they were equally as likely to report salary and benefits as a discouraging factor (38% compared to 40%).

²² Including Norway and Switzerland. See Annex 5.4 for a complete breakdown of countries in each region.

²³ “Improving retention of medical profiles and staffing of medical coordination positions.” Final Draft, 5 July 2017.

²⁴ For the purposes of this report, Generation Y (or millennials) refers to people born in/after 1983; Generation X born 1968-1982; Baby Boomers born 1948-1967; Other born before 1948.

²⁵ See the introduction for an explanation of the Guaranteed Grid.

- While salary and benefits were reported to be discouraging factors to join MSF at similar rates among the different income levels (around 39%), they were reported less likely to be encouraging for higher income countries (8% for high income, 15% upper-middle income, 23% lower-middle income, and 24% low income).
- Several interviewed stakeholders perceived that people with significant previous experience outside MSF may be less attracted to join MSF, limiting horizontal entries. This is partially because MSF does not consider external experience fully towards salary in order to ensure they are recruiting people with humanitarian motivation. For indemnity, external experience is counted at 50%, and for the salary levels it is counted at 50% up to midpoint and then not at all considered for moving into the upper range of the salary.

Given these differences, it is important for MSF to consider the distinctive characteristics of different staff to propose and design a Total Rewards Package, including compensation and benefits, in a way that attracts the individuals with the skills and motivation needed by operations (See Recommendation 5).

Indemnity

The C&B system includes an indemnity period (*<l'année du desert>*) in which staff, for the first 12 months of employment, are on a decreased salary. Indemnity is rooted in tradition within MSF. Its intended objectives include to “remove economic barriers for people to volunteer with MSF,” to differentiate between staff who want to volunteer for a short time and those who wish to work with MSF as a career,²⁶ and to ensure staff have a non-lucrative, humanitarian motivation.²⁷ In 2016, 31% of all staff were on indemnity.²⁸

It is difficult to use data to assess the impact of indemnity on attraction since it is impossible to know who might not have joined MSF because of indemnity.

There are very mixed views regarding the impact of indemnity. While some people think it is effective in ensuring MSF hires people with a humanitarian motivation, others think it is an outdated system that is harmful to the organisation. Some think its impact on attraction is limited as people mostly do not look at the salary when they first join and salary only becomes important later in their MSF career.

Again, indemnity affects distinct groups in different ways. For example, some key stakeholders perceive that because specialists tend to have higher salaries outside of MSF, it is more difficult for them to accept the low income they would receive on indemnity. However, this does not appear to be supported by the IRP2 evaluation survey, which shows that specialists and non-specialists tend to have similar feelings regarding indemnity.

Another group uniquely affected by indemnity is people who have considerable experience in other organisations. MSF counts external humanitarian experience at 50% towards indemnity. Those who view indemnity as outdated expressed it is based on the assumption that new staff are inexperienced, not specialists in their fields or coming from other, comparable organisations. This is seen as particularly damaging for MSF as it makes it difficult to attract horizontal entries who do not qualify to skip the indemnity period into management / coordination positions. While MSF has traditionally focused on “home-grown” coordinators, the lack of skilled managers to take these roles creates a need and willingness for filling these positions with external candidates as well. The indemnity period is reported to act as a barrier for these profiles.

Additionally, some interviewed stakeholders perceive that indemnity may be a barrier for people from less wealthy backgrounds, who may not be able to afford 12 months on a reduced salary. While there is no data to support or refute this claim, the IRP2 evaluation survey shows that respondents from countries with lower-middle or low-income economies are more likely to think indemnity should be eliminated (38.6%) than respondents from countries with high or upper-middle income economies (27.5%).

Furthermore, for those staff with non-MSF humanitarian experience outside of their country of residence, the indemnity period may be reduced, but MSF does not generally consider the experience acquired by individuals who work for humanitarian organisations in their country of residence. MSF does count national staff experience with MSF at 50% towards indemnity.

²⁶ International Remuneration Project II HR Briefing Paper, November 2013

²⁷ IRP II & Reward Principles Briefing Paper, January 2013.

²⁸ According to statistics provided by MSF Luxembourg for this evaluation.

It is important to note that the administration of indemnity has legal implications in some countries. For example, some governments have special fiscal policies in place regarding volunteerism and/or individuals receiving indemnity.²⁹ Moreover, at least in one country, the level of the indemnity is so low that it fails to meet the required minimum wage for a 40-hour work week, forcing the partner section to specify in their contract that the rate is for a 35-hour work week. Therefore, individuals may experience indemnity very differently based on their country of domicile.

In summary, the impact of indemnity on attracting (and to some extent retaining) staff is unclear, but appears to impact staff in different ways. Indemnity has been an integral part of MSF's identity and understandably, many believe it should be maintained, however an increasing number of individuals believe it is outdated. See the Connectedness section for more information regarding staff perceptions on indemnity.

A rigorous debate was held during the conception of the IRP2 regarding the indemnity period. After a proposal from the five OCs to reduce the indemnity period from 12 to 6 months (with OCB supporting its elimination) in early 2013, the International Board refused to make the change, citing the need and importance to engage with committed staff to fulfil its social mission.³⁰

To substantiate the value (or lack thereof) of the indemnity period to its intended objective (hiring staff with a humanitarian commitment), MSF should undertake an analysis to weigh the actual impact of indemnity on this objective against the disadvantages (discouraging qualified staff from joining, especially staff with needed profiles). This analysis should also include an exploration of ways to ensure staff have humanitarian motivation other than through financial sacrifices (perhaps through psychometric tests). After which, a debate could be undertaken with a large group of stakeholders to determine the way forward for the indemnity period (See Recommendation 3).

Motivation

According to a study on the motivation of NGO workers, "The culture of an organisation, its structure, leadership, vision and mission, and management processes have a direct influence on the motivation of the employee... The factors responsible for low employee motivation... are low salary, restructuring and job insecurity, increased employment opportunities elsewhere, issues of personal safety and security, lack of respect and appreciation, under employment, lack of development opportunities, work culture within the workplace and non-alignment of values."³¹

This aligns with the findings of this evaluation. The top three factors reported to be motivating in the IRP2 evaluation survey were 1) doing humanitarian work, 2) MSF values and principles, and 3) the operational relevance of the project. Other factors for motivation mentioned in the interviews were team dynamics and the multiculturalism of colleagues, ability to make decisions and be promoted quickly, and ability to make a difference. On the other hand, salary and benefits was the factor most often reported to be demotivating in the survey (by 27.2% of respondents).

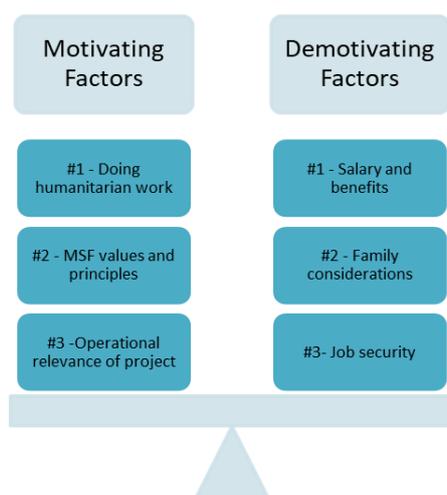


Figure 3: Top 3 Motivating/Demotivating Factors

²⁹ For fiscal conditions on indemnity provided for international volunteerism in France see: <http://www.fiscalonline.com/Statut-fiscal-des-volontaires,7341.html> and <http://bofip.impots.gouv.fr/bofip/6651-PGP> [Retrieved 2 September 2017]

³⁰ Sébastien Libert, « L'année du désert », Inside OCB, 2013

³¹ FRONTERA, "Motivating Staff and Volunteers Working in NGOs in the South" People in Aid, 2007

<http://www.ngoconnect.net/documents/592341/749044/Motivating+Staff+and+Volunteers+Working+in+NGOs+in+the+South> [Retrieved 2 September 2017]

In interviews, several reasons were given for why staff may be demotivated by salary and benefits. One reason is that staff may not feel acknowledged and valued by MSF, whether it is due to the salary they receive or the feeling that the organisation does not care about their personal circumstances due to the rigidity of the system (as will be discussed later). Others may find themselves demotivated if they are worried about their families at home and feel they cannot adequately provide for them while abroad, for example, if their family does not have health coverage and become ill. International staff may also feel demotivated if they realise they can make significantly more money with other NGOs, or working as a national staff for MSF, either at HQ or in a project (though for field assignments, there are only three countries where national staff explicitly make more in the salary grids - Italy, Jordan, and Angola).³² Additionally, some staff may be demotivated by the salary system if they perceive the system as unfair (discussed further in the Connectedness section).

While salary and benefits are generally not a significant factor in motivating staff, they are more significant for some groups than for others. For example, the IRP2 evaluation survey shows that staff from countries with lower-income economies are more likely to have their motivation impacted by salary and benefits than staff from countries with higher-income economies.

2.2.2 Retention

General

Main Finding: IRP2 is not appropriate in contributing to retaining staff. The salary appears to contribute to staff attrition. However, the benefits are generally perceived as adequate.

Compensation and benefits are more influential in retention than in attraction and motivation, which is seen in the staff surveys and interviews, and matches literature regarding the subject. For this reason, the evaluation focused heavily on the objective of “to retain” compared to the objectives of “to attract and motivate.” While it is unlikely that staff will stay with MSF just for the C&B, they may decide to leave because of it.

Retention is a serious issue in the humanitarian sector in general,³³ and it is a significant issue for MSF as well: retention and turnover are oft-mentioned issues in Strategic Plans; and in End of Mission surveys, international staff consistently state that the continuity of human resources is unsatisfactory.

Unfortunately, statistics regarding MSF retention rates are lacking. The statistic that 50% of first missioners do not return for a second mission is oft-cited by interviewed stakeholders, but data could not be found to support this claim, and in fact one partner section report indicates 33% of staff do not return for a second mission.³⁴ An initial study from MSF Luxembourg seems to show that 35-50% of staff only work for MSF for one year or less. Interestingly, these statistics do not match what staff self-report in surveys. According to End of Mission Surveys, the rate of people stating they are willing to work again with MSF is very high (95% in 2016). According to the IRP2 evaluation survey, 61.5% of respondents (those “active” with MSF at any point between July 2013 and May 2017) reported they plan to go on another mission.³⁵

“I have 100 reasons for leaving and 1,000 reasons to stay.” – HR professional quoting a staff member

There are many reasons why staff may choose to stay or leave MSF. According to the IRP2 evaluation survey, the three factors most reported to be encouraging for staff to undertake another mission are demonstrated in the graph below, along with the three factors most reported to be discouraging.

³² Mariana Oliveira, “MSF – External market data for the IRP2 Evaluation.” 18 August 2017.

³³ See for example: Visser, “Loyalty in Humanity” 2015; Korff, Valeska Pailin, “Between cause and control management in a humanitarian organisation” 2012; Balbo, Mills, Heyse, and Wittek “The Impact of Humanitarian Aid Context and Individual Features on Aid Worker Retention”; David Loquercio, “Turnover and retention”, People in Aid, 2006.

³⁴ Sue Folinsby, “Retention and Engagement of ‘Médecins Sans Frontières (MSF) First Missioners’ Who Do Not Return to the Field for a Second Mission”, 2016

³⁵ This difference between the surveys and the statistics may be due to several issues: 1) survey respondents are naturally self-selected to include people willing to answer the survey and who therefore may be more invested in MSF; 2) staff may feel uncomfortable being negative in surveys; 3) EOM respondents may intend to re-enlist but are then lost while waiting for a next mission; and/or 4) the retention statistics need to be further controlled in order to be reliable.

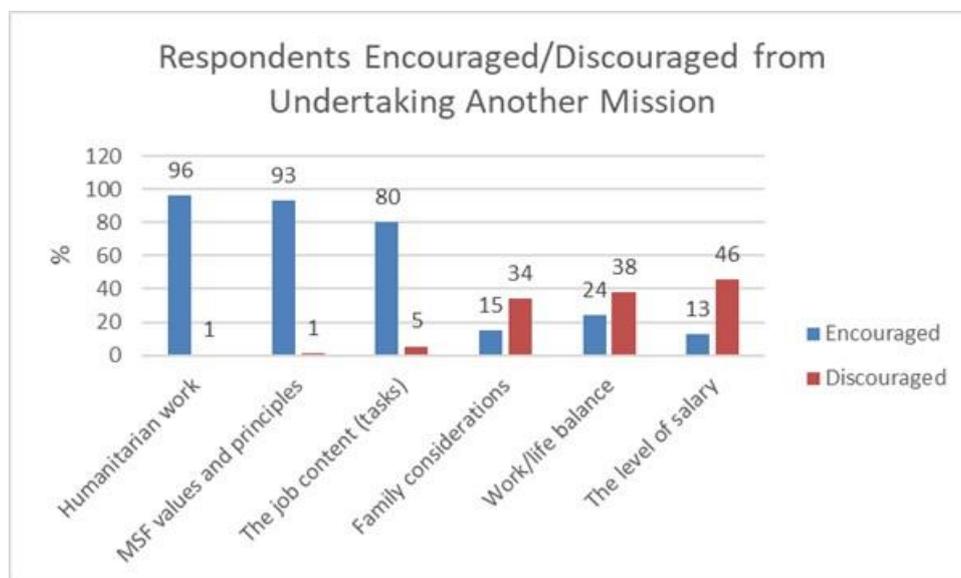


Figure 4: Top 3 Factors for Encouraging/Discouraging Retention

It is difficult to measure the overall impact of IRP2 on retention given the lack of statistics, along with the difficulty in showing causation even if there were statistics. According to data from MSF Luxembourg, the average seniority of all staff in 2013 was 7 missions / 48 months, with a very slight increase of 8 missions / 48 months in 2016.³⁶ This seems to show there was no significant difference between before IRP2 was implemented and after. Similarly, the median seniority of coordinators was 5 missions / 37 months in 2013 and 7 missions / 37 months in 2016. This is particularly important giving the emphasis of IRP2 on coordinators, but again shows no conclusive changes due to IRP2. Of the IRP2 evaluation survey respondents who said they were not planning on doing a field mission with MSF in the future or they were unsure if they would, 34% (approximately 700 persons) reported the implementation of IRP2 had an influence or partially influenced this decision. These statistics are not conclusive enough to state whether IRP2 impacted retention.

The Impact of Salary on Retention

Based on numerous surveys and interviews, a conclusion can be reached that the salary provided by MSF is an important contributor to staff attrition. In the IRP2 evaluation survey, 45.75% of respondents reported the level of salary was discouraging them from undertaking another mission, making it the most-reported reason for discouraging retention. Additionally, almost half (49.2%) of respondents reported that they are not satisfied with their salaries. In the IRP2 evaluation survey, the second most reported need for MSF international field staff was “providing higher salaries to international staff” (after better career management).

In EOM surveys, the salary level is consistently ranked 2nd or 3rd for reasons why respondents declare they are unwilling to work with MSF again (with poor management being the top reason). Though it is notable that since 2011 this percentage decreases slightly every year.

These statistics match what was found in the questionnaire and interviews. Below are a few quotes from survey respondents illustrating this impact:³⁷

- *“I loved working for MSF and was very sorry to stop. But due to financial pressures at home, I could not continue. My plan is to reduce my debt and save up enough money so that I can one day return and go on another mission.”*
- *“The real reason I left MSF is because I could not have long term plans with the salary I was receiving. I love MSF but I will not return unless the salary scale is fully reviewed.”*
- *“I would love to stay with MSF but the salary is simply not sustaining.”*

MSF’s policy of paying below market rates is not new with IRP2. It is based on the reward policy of “modesty” to ensure the organisation employs staff with a humanitarian commitment. However, “organisations that aim to pay below

³⁶ Note that this statistic is slightly misleading because an “average” would be skewed by people who stay a very long time. A median may be a better measurement, but is not available.

³⁷ The survey was available in French and English, but all survey comments were translated into English for this report.

average in the relevant labour market are likely to experience more difficulty in recruiting and retaining staff.”³⁸ Reportedly, this creates tension between two of MSF’s HR goals: to retain staff, and to employ staff with a humanitarian commitment. Many question whether modesty in pay is the only way to ensure staff have a humanitarian motivation. This is especially true considering that humanitarian work is increasingly perceived as a career, and not “voluntary” work done aside from another job.

Another issue regarding the policy of modest pay is the lack of clarity in its definition. While older documents state that “modesty will be a target market position against a common peer group”,³⁹ this target market position is unclear and has resulted in some country salaries at very different market positions. Meaning not all countries receiving “modest” salaries; for example, MSF salaries in Bangladesh are positioned above the 90th percentile of the market, DRC around the 85th percentile, and Lebanon and Greece at the 50th percentile. According to the definition used in the “MSF – External market data for the IRP2 Evaluation” report, these are deemed competitive salaries.⁴⁰ However, as will be discussed later, these percentiles need to be taken with caution as the market comparisons may not be representative of what is needed for a decent quality of life. This demonstrates how IRP2 is experienced differently by staff based on their country of domicile.

Recommendation 3: Conduct a thorough analysis and discussion (including at the associative level) of what salary means to the organisation in order to align policies, practices, and processes.

Should salary: ensure a standard quality of life for employees? be a means of showing appreciation to employees? retain employees or ensure employees have a humanitarian commitment? invest in human resources or control costs? serve to improve the world or to ensure equity? This discussion should include:

- The concept of modest pay. Assess the policy’s positive impacts on its goal of employing people with a humanitarian commitment, as well as weighing the negative impacts, namely the (operational) impacts of poor retention. Develop other means of ensuring individuals have a humanitarian motivation other than through financial sacrifices. Finally, it would include the practical translation of modest pay: should MSF aim to pay at the P25 of the market for all international staff?
- The principle of volunteerism and the policy of indemnity, along with its contribution towards the objective of ensuring staff have a humanitarian commitment and any negative consequences regarding attraction.
- HR’s standing in MSF’s overall strategy. Is it an investment, or is it a necessary cost that needs to be controlled? What should C&B account for in the overall MSF budget?
- The concepts of professionalisation and volunteerism, specifically how much importance MSF gives to these concepts, and how, or if, a balance should be struck between them.
- Should MSF ensure a minimum standard of living for staff?
- The policy of utilising domicile in determining salary.

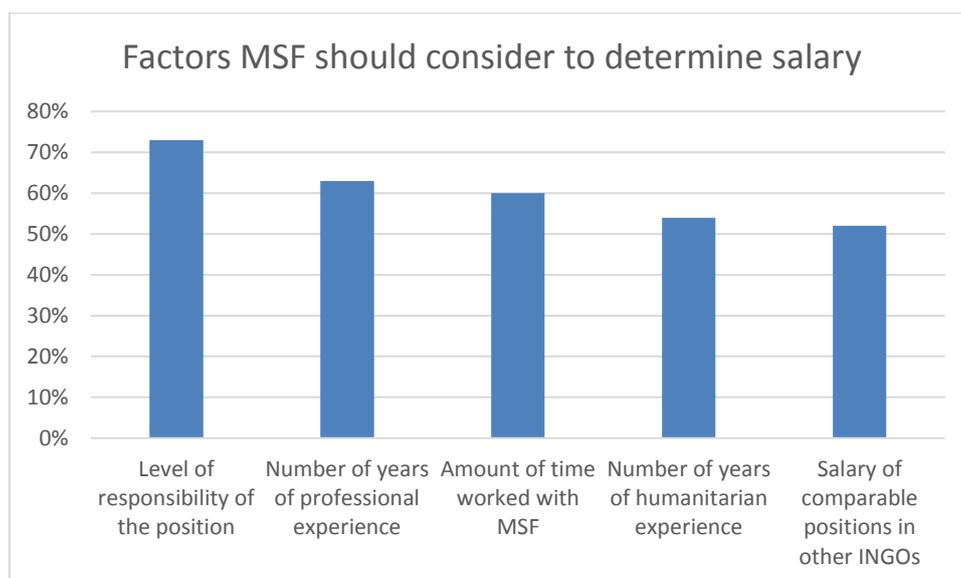
While the discussion should focus on salary, it is important to acknowledge that benefits play an important part in contributing to the overall Total Reward package, and therefore their contribution to, for example, staff standard of living should not be ignored.

³⁸ People in Aid, “Code of Good Practice in the Management and Support of Aid Personnel,” 2003.

³⁹ MSF IRP Project Team, “IRP II & Reward Principles,” January 2013.

⁴⁰ “A salary is considered ‘competitive’ if it is positioned within or above the local market median”, Mariana Oliveira, “MSF – External market data for the IRP2 Evaluation”, 18 August 2017

Regarding the salary components/structure, the graph below depicts the factors that were selected by over 50% of survey respondents as factors that should be considered in determining the salary of international staff.



Graph 5: Factors MSF should consider to determine salary

All these components are accounted for within IRP2 to some extent. However, the country of domicile is a significant factor in determining staff salaries, while only 20% of staff felt that the salary of comparable positions in their country of residence should be considered. This opinion was reflected in many of the interviews as well, with many staff feeling that paying based on country of residence was discriminatory or even racist. This topic will be further explored in the Connectedness section.

The idea of paying more for medical staff or staff with hard-to-find technical skills was brought up in several interviews, but not supported by most survey respondents (10% and 21% respectively).

Interviewed stakeholders held mixed opinions regarding whether MSF should pay based on the hardship/security and size/complexity of the contexts of missions. 45% of survey respondents agreed that hardship/security should be a determinant of salary and 28% that size and complexity should be considered. To determine the level of responsibility (internal relativity), MSF uses the HayGroup Method of Evaluation™, which is recognised worldwide and used by many organisations. This method has a criterion for evaluating jobs that stipulates size matters; there is a clear difference between running a \$200,000 business and a \$2M business. The same can be said for the various missions of MSF; some have smaller budgets, fewer staff, bigger hospitals, and so on. MSF made a conscious decision not to include the complexity (magnitude) of the mission when evaluating their jobs. Considering some of the most difficult contexts to recruit for are Yemen, Pakistan, Mali,⁴¹ it may be time for MSF to revise this decision and allow for some differentiation in job size and provide greater compensation or benefits for (especially) managers in larger projects or missions. MSF currently does not compensate at all based on hardship/security, and perhaps should reconsider this decision as well. A revision would also align with the principle of mutuality (proportionality between offer and commitment).

“If you are HoM [Head of Mission] in Afghanistan, [you] have to put in more effort, time thinking about, read history than a context that is more relaxed with less impact when making decisions.” - HR Staff

The Impact of Benefits on Retention

Benefits are generally perceived to be satisfactory within MSF and are not reported to be a major reason for attrition. The 2016 EOM survey found that 79% of respondents felt that MSF provides good benefits to its staff.

MSF offers several types of benefits, which can be grouped as benefits provided in the field (per diem, accommodation, transport, etc.), benefits provided for children or partner in the field (insurance, medical coverage, dependent per diem, contribution to school fees, child care), and other benefits provided with the contract (paid leave, medical insurance, Home Child Allowance, pension scheme, loyalty bonus, return tickets, luggage cover, etc.).

⁴¹ IDRH Follow-up on growth report, April 2017

In terms of benefits provided in the field, 64.42% of respondents reported they were satisfied with these benefits. This satisfaction is also seen in the EOM surveys. According to an MSF study of 15 similar INGOs,⁴² MSF appears to be mostly aligned with similar organisations in the benefits they provide in the field and above average for some benefits.

In terms of benefits provided for dependents in the field, survey results were not clear as most respondents (even those with dependents in the field) selected that they were unsure or had no opinion about these benefits, though more were positive than negative. Compared to the other 15 INGOs studied in the MSF International report, “MSF’s systematic full family package of additional housing, per diem, child care and school fees coverage appears to be much more generous than other INGOs, although this is not such a straight forward comparison.”⁴³ The 2016 EOM survey found that 41% of respondents agreed that MSF is a good organisation to work for if you have a partner and/or family. This may be linked to the low number of family missions and the nature of humanitarian work rather than the benefits provided. The data in terms of benefits provided for dependents in the field are thus inconclusive.

Finally, regarding the “other” benefits provided with the contract (paid leave, medical insurance, Home Child Allowance, pension scheme, loyalty bonus, return tickets, luggage cover, etc.) two key issues were discussed during interviews. Most often mentioned was pension schemes, as there is currently no harmonised retirement plan for NCR staff. However, the C&B working group has recently made substantial efforts with the International Pension Plan project.⁴⁴ While full harmonisation across OCs is still underway, as of May 2017 all NCR staff have some type of pension scheme. This is a considerable achievement.

Another oft-cited issue in interviews and survey comments is that MSF does not provide health insurance for non-accompanying dependents. This is particularly seen to be an issue for NCR staff who do not have good public health care systems in their country of domicile. For the national staff that become international staff, they see a loss of this benefit that is often not replaced by commensurate salary.

Different Staff Groups

Main Finding: Different staff groups have different expectations and needs regarding the compensation and benefits system, and the system impacts staff differently.

Given the diversity that makes up MSF’s workforce, it is important to understand the differences between types of staff and their expectations and needs regarding salary and benefits, as well as the different ways they are impacted by the system. This section discusses several groups of staff. These groups are themselves not homogeneous groups and individuals would likely find themselves among multiple groups. While many characteristics could have been explored in this section, the following groups were chosen as they have strategic importance for MSF: specialists, medical staff, coordinators, stage of life/generation, and staff from non-European and non-North American countries. MSF should ensure the C&B system is aligned to the corresponding profiles required by operational needs (See Recommendation 5), which may require further studies regarding specific groups.

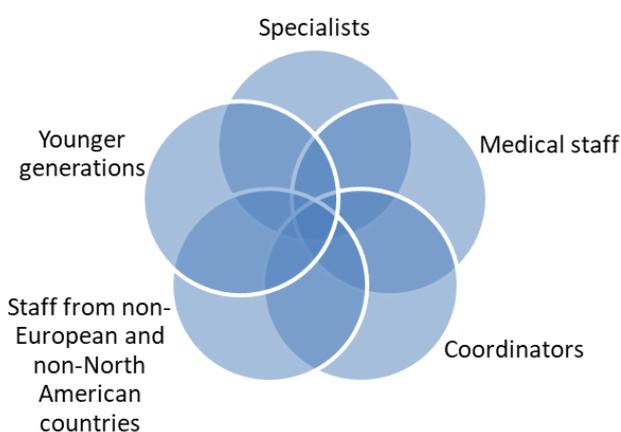


Figure 5: Specific staff groups

⁴² Mariana Oliveira, “MSF – External market data for the IRP2 Evaluation.” 18 August 2017.

⁴³ Ibid

⁴⁴ “International Retirement Plan Project Update.” May 2017

Specialists

As the objective of IRP2 states, MSF has as a focus to hire and retain specialists, therefore it is important to understand how salary and benefits may influence this group. While the IRP2 objective focuses specifically on medical specialists, the need for non-medical specialists was made clear during the interviews (as discussed in the Relevance section).

Specialists⁴⁵ (both medical and non-medical) and non-specialists report similar levels of satisfaction with their salary and benefits, and the reasons why specialists undertake another mission with MSF are also similar to the general population. However, in interviews, it was often expressed that specialists are more likely to want to work for MSF occasionally while maintaining another job in their country of domicile, rather than seeing MSF as their primary employment. Because of this, it is perceived that they care less about their salary and benefits as they see themselves more as volunteers and receive salary and benefits from their other employer. This matches with findings from the EOM 2009-2014 study, which showed that medical specialists were the most likely group to say they would work with MSF in the future but the least likely group to say they would like to build a career with MSF.

If specialists (both medical and non-medical) would like to join MSF as their primary employment, they may encounter difficulties as the salary could be too low to pay for their school debts, for example. This results in a perception that this group should receive higher salaries if MSF wants to retain them. Other interviewees also expressed that specialists typically go on shorter missions than most staff, and that this is not always conducive for operations. The evaluators could not find any data to support or refute these perceptions.

Medical Staff

Another group of staff that is unique is medical profiles compared to non-medical or para-medical profiles. Medical profiles tend to have a lower retention rates than other profiles,⁴⁶ but in EOM surveys medical doctors and medical specialists tend to be the most satisfied with MSF.⁴⁷ The reasons for this are likely the same as discussed for specialists: medical profiles are more likely to see MSF as voluntary work in addition to their normal jobs. According to a study done by MSF Norway regarding retention of medical profiles, one-third of survey respondents (all medical) reported that they were not interested in making MSF their main career, with medical specialists being the least likely to be interested in making MSF their main career.⁴⁸ This may be because of the low salaries in MSF, but also because medical profiles have obligations if they wish to remain employable in their profession: they must often meet requirements in their home-countries in order to maintain their medical licenses, and they must work in certain contexts in order to continue to be professionally up-to-date.⁴⁹

Additionally, the set-up of the salary grids may not encourage medical profile retention. Clinical assignments are valued lower in the function grid than management positions, and therefore to advance in the organisation (both in terms of salary and responsibility), medical staff need to leave clinical work to move into management positions, which not all want to do or necessarily have the right competencies for. However, according to the medical retention study, 64% of respondents had already worked as Project Medical Referent (PMR) or Medical Coordinator or were willing to try, showing there is more interest in taking managerial roles than perhaps perceived. Specialist MDs tend to be less interested in managerial assignments than general medical profiles.⁵⁰

Coordinators

⁴⁵ In the IRP2 evaluation survey, respondents were asked “What is your current or most recent role in mission with MSF?” For this analysis, “specialists” were identified as anybody who chose either “Medical Specialist (Gynecologist, Pediatrician, Surgeon, Psychiatrist, Anesthetist)”; “Para-Medical Specialist (including nurses, midwives, psychologists, mental health specialist, lab technicians, physiotherapists, epidemiologist, pharmacist, health promotor, etc.)”; or “Non-Medical Specialist (Logistics Specialist, Humanitarian Affairs Officer, Communications Advisor, Fin/Admin/HR, etc.)”

⁴⁶ According to a cohort retention study conducted by MSF Luxembourg for this evaluation.

⁴⁷ EOM Retrospective survey 2009-2014

⁴⁸ “Improving retention of medical profiles and staffing of medical coordination positions.” Final Draft, 5 July 2017.

⁴⁹ Ibid.

⁵⁰ Ibid.

Coordinators are a group specifically targeted in the IRP2 objective, and were frequently mentioned in interviews as a difficult group to attract and retain. In 2016, 39% of international staff FTEs were in coordination positions.⁵¹

Coordinators are also a significant group for MSF’s HR to consider, as management is often listed as the number one reason for staff to leave MSF in EOM surveys.⁵² While poor management is not directly linked to the compensation and benefits system, the underlying causes of poor management may be linked. As demonstrated in the figure below, there appears to be a cycle in MSF which is very harmful.



Figure 6: Coordinators Cycle

The survey showed no significant differences between coordinators and non-coordinators considering their motivations to stay with MSF. However, in interviews it was expressed that some staff feel motivated to work for MSF as they are happy to grow so quickly into management positions and be given additional responsibility. Furthermore, the salary progression for the management stream is seen by many as a positive for IRP2.

Stage in Life / Generation

According to interviews, a clear barrier to retention is that as staff reach a certain stage in life, family considerations become more important. Staff may have partners, children, parents, or extended family that they want to care for, whether that means being physically present or being able to support them financially. Therefore, as staff age, they are more likely to be concerned about salary and benefits and to be interested in family postings.

Linked to this, different generations have different needs in terms of salary and benefits. As expressed in the Relevance section, as Generation Y⁵³ becomes an increasingly large percentage of MSF’s workforce, MSF will need to account for differing expectations for salary and benefits. While the major reasons that retain Generation Y are similar to older generations (i.e. MSF values and principles, and humanitarian work), the survey results seem to indicate that Generation Y will be more difficult to retain than previous generations. For example, Generation Y reports higher levels of feeling discouraged from undertaking another mission due to many factors, including, for example, work-life balance, professional obligations, and job security. Interestingly, they are also more likely to be discouraged from undertaking another mission due to family considerations than other generations, which does not correspond to the perception that as staff get older they care more about family.

⁵¹ According to statistics provided by MSF Luxembourg for this evaluation.

⁵² It was the sixth highest reason for discouraging retention in the IRP2 evaluation survey. The differences between the evaluation survey and EOM survey results are likely due to methodological differences between the surveys (in terms of how the questions are asked, what were the possible options, and the population surveyed).

⁵³ For the purposes of this report, Generation Y (or millennials) refers to people born in/after 1983; Generation X born 1968-1982; Baby Boomers born 1948-1967; Other born before 1948.

In regards to salary, Generations Y and X report similar levels of satisfaction with salary (26% and 25%), while Baby Boomers have much higher levels of satisfaction (38%). These differences may be due to generational differences in expectations, but they may also be due to other factors possibly related to age, such as stage in career.

Non-European and Non-North American Staff

As expressed in the Relevance section, MSF is increasingly acknowledging the importance of diversity within the organisation. Today, MSF is changing to include more and more staff from countries outside of Europe or North America, and therefore it is important to understand how salary and benefits impact this group.

There is a perception among some interviewed stakeholders that non-European and non-North American staff are retained better (complete longer and more missions). Although there is anecdotal evidence of such, there is not sufficient data to confirm or deny this perception, but could be interesting for MSF to study this phenomenon to determine if there is a link between length of stay in missions and the country of domicile.⁵⁴

There are many terms used within MSF to refer to staff, including “NCR staff”, “staff on the Guaranteed Grid”, “staff from countries with lower income economies”, “non-Western staff”, and staff from different regions (African, Middle Eastern, etc). Oftentimes, these terms are used interchangeably, when in fact they are very different groups and should be treated as such. For an overview of the different terminology, please see the Introduction section. However, one common thread amongst all these groups is the perception that IRP2 favours European/North American staff, and is thus unfair, discriminatory, or even racist - to be further explored in the Connectedness section.

For the purposes of understanding salary and benefits, it is important to look at the groups based on how the system addresses them. For salary, we can look at people from countries using the Guaranteed Grid and people from countries with lower-income economies, as salaries can be attributed to individuals in these groups. For benefits, we can look at NCR staff as whether an individual is from a contracting country or not determines their benefits structure. Regional differences may impact both salary and benefits expectations, as it might if a staff was formerly national staff.

Guaranteed Grid

37% of the total FTEs were on the Guaranteed Grid in 2016.⁵⁵ The IRP2 evaluation survey shows that for staff on the Guaranteed Grid, salary is more of an issue than for people on individual country grids. While survey respondents who are on the Guaranteed Grid report that better salaries and better benefits are the number one and two HR needs for MSF, for people on country-specific grids these come in number eleven and six respectively. While 57% of respondents on the Guaranteed Grid disagreed with the statement that they are satisfied with their salary, only 44% of respondents on their own country grid disagreed. Additionally, respondents on the Guaranteed Grid were more likely to report that the salary impacted their decision to undertake another mission.

One issue raised in interviews was that some countries on the Guaranteed Grid should receive higher salaries. There were two main reasons presented for this argument; the first being that some countries were placed on the Guaranteed Grid because no benchmarking data is available. According to a report from the IO, in 2016, the benchmarking data provider used by MSF (Mercer) did not have data for 37 countries where some MSF international staff were domiciled.⁵⁶ The IO analysed 24 of these countries against MSF Norway’s benchmarking (done for national staff), and found these countries are positioned correctly in MSF’s international pay system, with the only exception being Libya, for which the IO report recommended further analysis. Therefore, this perception may not be accurate.

The second reason for suggesting some countries using the Guaranteed Grid should pay higher salaries is that benchmarking exercises based on market data may not be appropriate in countries with lower-income economies. Benchmarking data is simply a reflection of the market reality, which says nothing of the standard of living that can be achieved from the average market salaries because it is a relative rather than an absolute data point. This means that in some countries the benchmarked average salary may be less than what is required to have a decent quality of life

⁵⁴ A cohort study provided by MSF Luxembourg for this evaluation tends to agree with this perception, showing slightly higher retention rates for NCRs than non-NCRs. However, this study had many data and methodology limitations, and is therefore not conclusive.

⁵⁵ According to statistics provided by MSF Luxembourg for this evaluation.

⁵⁶ Mariana Oliveira, “MSF – External market data for the IRP2 Evaluation.” 18 August 2017.

(even if it is higher than the 50th percentile of the market). According to a recent report from the IO, “It is not entirely clear whether the benchmarks of local wages we [MSF] use to determine our pay truly reflect local cost of living. In other words, whether local employers’ salaries are enough for what MSF would consider ‘adequate’, especially compared to ‘Western’ standards”.⁵⁷ While MSF relies on benchmark data to create salary scales, they may inadvertently perpetuate inequality.

MSF should conduct a thorough analysis and discussion of what salary means to the organisation (See Recommendation 3). It is also recommended that the organisation study labour markets in order to understand how, and in which countries, the median benchmarked salary may be lower than what is needed to ensure a certain standard of living.⁵⁸ MSF would need to first define what standard of living is deemed adequate, for which looking at research regarding “living wage” may be useful. While definitions of a “living wage” differ, it can generally be defined as a wage which allows a family to afford their basic needs (food, shelter, clothing, transport, education, health care, emergencies) in a specific community without relying on welfare or additional support.⁵⁹ Based on these findings, MSF may need to adjust if, or how, they use Mercer benchmarks. For example, they may consider complementing Mercer data with data from another benchmarking source.

Country of Domicile Level of Income

Another way to look at differences between staff is by level of income for their country of domicile.

One interesting finding is that while MSF salaries for some positions are more competitive in countries with low-income economies than in countries with high-income economies (compared to other jobs available in-country),⁶⁰ MSF staff from lower income countries nonetheless tend to be more dissatisfied with their salary in the IRP2 evaluation survey. It is therefore important to understand that the level of competitiveness of an MSF salary compared to similar positions in the home country is not the only factor determining whether staff are satisfied with their salary.

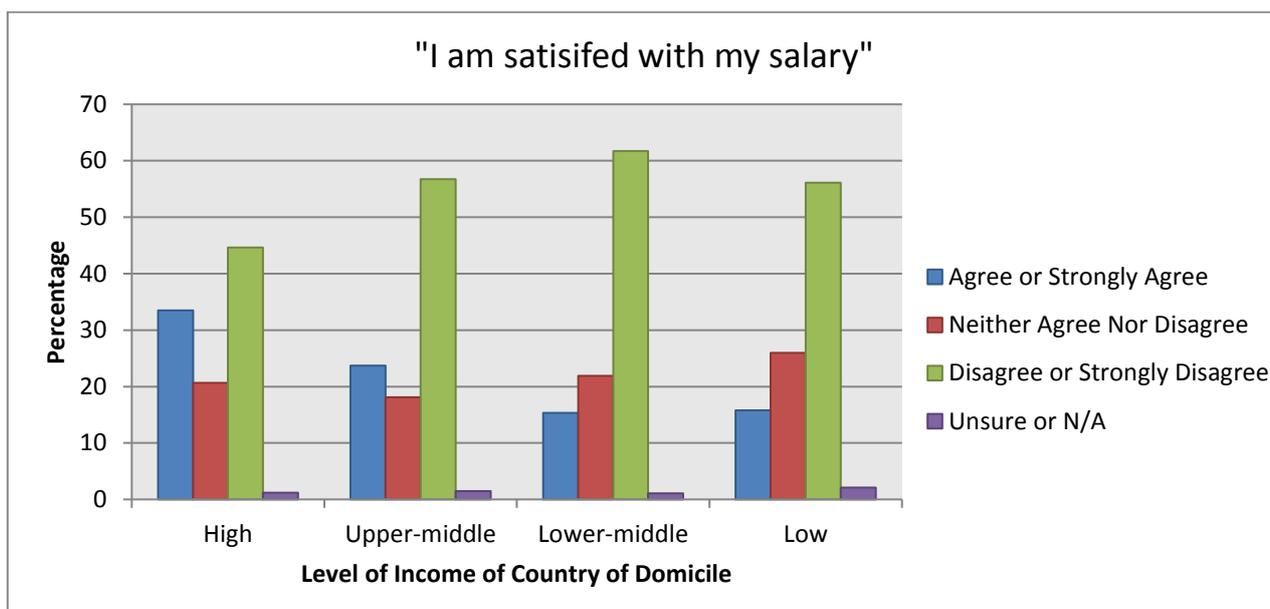


Figure 7: Satisfaction with Salary by Income Level

One reason for this could be that the salary benchmarking used by MSF is based on salaries for similar positions on one salary point (Level 2, or Functions in levels 9 and 10 in the IRFFG) in the country of domicile, but salaries in the country of domicile may not account for a decent standard of living in lower-income economies, as mentioned above. Further,

⁵⁷ Ibid.

⁵⁸ MSF may consider commissioning a specialised organisation, such as HayGroup for this study. Using an algorithm, HayGroup can take their market data based on the job evaluation points for the MSF jobs (for a sample number of countries – they have about 110 in their database) blended with AMI (which is a valuation of currency based on GDP and average exchange rates) and purchasing power parity based on World Bank data.

⁵⁹ For more about the living wage, see the report “MSF – External market data for the IRP2 Evaluation”, as well as Living Wage Canada, “What is a Living Wage?” <http://www.livingwagecanada.ca/index.php/about-living-wage/what/> [Retrieved 2 September 2017].

⁶⁰ Mariana Oliveira, “MSF – External market data for the IRP2 Evaluation.” 18 August 2017.

as MSF only takes one salary point and extrapolates the mid-point for other salary levels using a formula, this may lead to discrepancies in the comparison with the other salary points. Additionally, salary does not account for the ability to access state-sponsored social services. In many high-income countries, social services are available from the government, while in many low-income countries they are very expensive to access or very poor in quality.⁶¹ This issue was brought up in more than half the interviews conducted for this evaluation. The main social services discussed were health care and education costs for dependents remaining at home.

In regards to health care and education costs, these can be significant costs for individuals domiciled in countries with social services deemed to be inadequate by staff. According to a report from the IO, a stark example of this is Brazil, where the education and health care costs for a standard family would come to about 28% of the international staff gross salary.⁶² Additionally, staff domiciled in these countries are more likely to be in the upper socio-economic strata of that society and therefore expect better (and more expensive) services. Medical coverage for dependents not in the field is lacking for many staff. This is particularly notable for those former national staff with MSF who had coverage for their family and then lose it once becoming international staff. A lack of medical coverage for dependents, especially in countries with very poor public health services, can lead to staff being worried about their dependents at home while they are in the field, leading to demotivation.

MSF should conduct a thorough study of the social benefits systems (including retirement schemes, education costs, and health care) in staff countries of domicile in order to determine how to best address this need. This should not only include an understanding of countries with lacking social services, but also an understanding of what benefits staff from countries with more social services receive (e.g. tax benefits and education allowances in France). This study would inform the wider conversation regarding domicile as a factor in determining salary (see Recommendation 3), and could result in short-term changes while the domicile issue is further debated.

NCR Staff

NCR staff make up about 33% of international staff.⁶³ This percentage has remained more or less constant since 2013, with a jump to 38% in 2016. It is notable that the percentage of NCR staff changes between the OCs, ranging from 51% of OCBA staff to 28% of OCP staff in 2016. While there has not been a significant increase in the percentage of NCR staff since 2013, there has been a clear upward trend in the percentage of NCR staff in coordination positions.

NCR staff were significantly impacted by the implementation of IRP2. Before IRP2, the salary and benefits package for an NCR staff could change significantly depending on which OC they worked for, and they were paid as though they were residents of the managing sections (Holland, France, etc.). One of the goals of IRP2 was to harmonise this in order to ensure NCR staff were paid consistently regardless of their contracting section for each mission and avoiding competition between OCs. The harmonisation of NCR salaries has been seen as a success of IRP2. This was partially done by putting NCR staff on salaries benchmarked according to their country of domicile, which resulted in salary decreases (and consequently, salary freezes) for a majority of NCR staff (57% of NCR coordinators and 91% of NCR non-coordinators).⁶⁴ As of 2016, 16% of NCR staff were still on protected salaries, compared to only 1% of non-NCR staff. This has implications for retention, as it means some staff have not had any salary increase since 2014, and may have more difficulty in perceiving a financial incentive for staying with the organisation. Additionally, NCR staff are impacted by the negative perception of discrimination associated with IRP2, as will be discussed in the Connectedness section.

NCR staff are in a unique situation regarding benefits. While staff who are contracted through their country of domicile have certain social benefits provided by the government of that country, NCR staff are on contracts with the managing section they are working for. MSF makes no contribution to the social system of the domicile country, leaving staff with no social benefits specific to their country of domicile. Instead, MSF provides NCR staff with gross salaries rather than net salaries, though most countries require individuals to pay income tax and therefore responsibility rests with NCR staff to pay tax on their gross salary. The IRP2 evaluation survey showed that NCR staff retention is more likely to be impacted by benefits than their non-NCR counterparts, as demonstrated in the graph below where benefits tend to play a larger role in encouraging or discouraging NCR staff to stay with MSF.

⁶¹ Mariana Oliveira, "MSF – External market data for the IRP2 Evaluation." 18 August 2017.

⁶² Ibid.

⁶³ According to statistics provided by MSF Luxembourg for this evaluation.

⁶⁴ IO, "New global pay model proposal IRP2.2." PPT, March 2017.

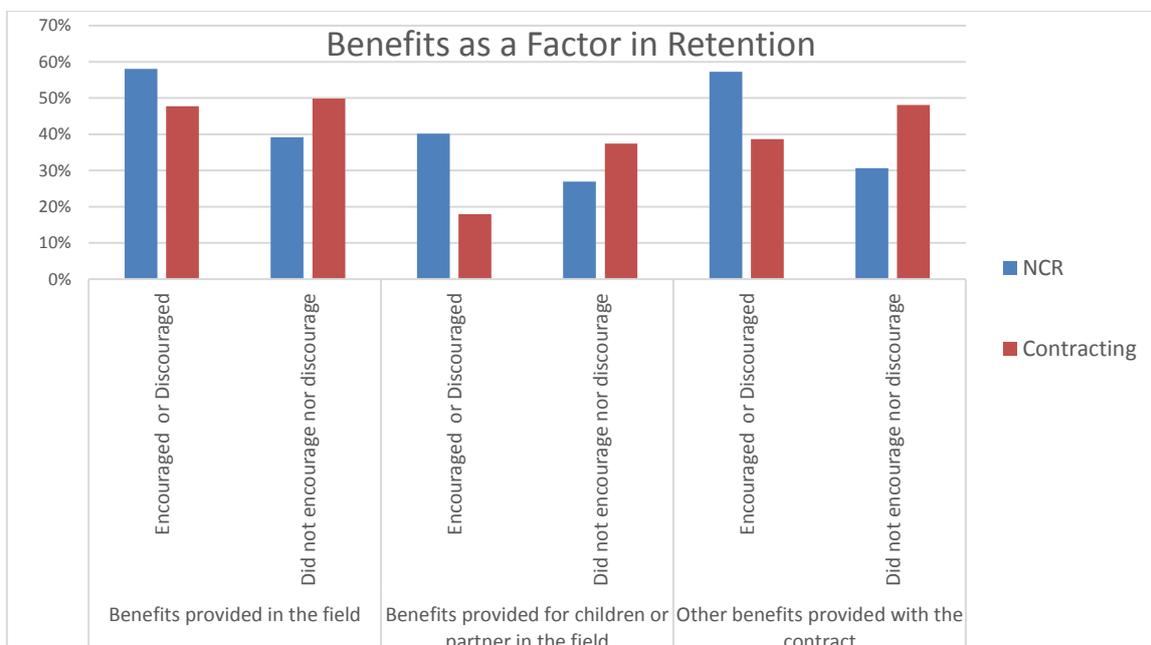


Figure 8: Benefits as a factor in retention by NCR/Contracting staff

The lack of pension schemes for NCR staff was an oft-cited issue in interviews. Some question whether MSF is a responsible employer if they did not provide a pension fund, given that any staff who worked for MSF for a long time would not have funds in retirement. Furthermore, most similar INGOs do provide pension to all their staff.⁶⁵ While OCA, OCB, and OCG have provided some form of pension scheme for NCRs for some time, OCBA and OCP just implemented schemes in May 2017. MSF is planning to achieve a fully harmonised system for providing pension funds for NCR staff, though this is currently not a priority and therefore the timeline is not determined.

Regions

Some staff's expectations of salary and benefits may differ due to factors related to their region. This could be because of cultural, socio-economic, historical, or other factors. This is very difficult to generalise as all regions are extremely heterogeneous and hard to group together. Nonetheless, there are some interesting findings regarding regional differences.

First, there is a perception that African staff stay longer with MSF and do longer missions, though there is no conclusive data to prove or disprove this perception. However, examining the IRP2 evaluation survey results, respondents from Africa are more likely to be dissatisfied with salary and benefits and more likely to be discouraged to undertake another mission due to salary and benefits compared to respondents from other regions. 59.6% of respondents from Africa reported dissatisfaction with their salary compared to 49.2% of general respondents.

Respondents from the MENA region also report higher levels of dissatisfaction with salary, but not as much with benefits. 53% of respondents from MENA reported being discouraged from undertaking another mission with MSF due to salary, compared to 44% of EU residents.

Former National Staff

According to interviews, there is an expressed interest from some parts of the MSF movement in having more national staff deployed as international staff. In 2016, about 6% of all international staff FTEs had national staff experience, though this number significantly differed between OCs.⁶⁶ Former national staff may also have unique expectations regarding salary and benefits. For this group, the coherence between international staff and national staff policies is brought to attention. For example, when national staff leave on international staff contracts and lose health care coverage for dependents, it may demotivate them from working as international staff.

IRP2 Strategies for Retention

⁶⁵ Mariana Oliveira, "MSF – External market data for the IRP2 Evaluation." 18 August 2017.

⁶⁶ According to statistics provided by MSF Luxembourg for this evaluation.

When IRP2 was designed, several mechanisms were put in the system to try to encourage retention. Primary among these was the segmentation of contracts (intermissioners, LTA, and vocationer), the loyalty bonus, and salary bands/levels.

Segmentation of Contracts

The introduction of long-term contracts, both LTA and vocationer, is seen as a major “win” for IRP2 by many of those interviewed. Many staff within MSF express concern about their job security and being able to afford time between missions,⁶⁷ with 31.2% of IRP2 survey evaluation respondents reporting that “job security” discouraged them from undertaking another mission compared to 21.4% encouraged. This is especially true for non-medical staff, as many medical staff maintain another job aside from MSF which they can return to between missions. Due to this, some staff go on another mission very shortly after returning, which puts them at risk of burnout.⁶⁸ Therefore, longer contracts which account for time between missions is very positive.

“When I finish this mission I am anxious about living expenses and health care coverage. Although I think I will be back on a mission within three months, I’m worried that I will feel pressured to take a mission before I am ready.” – Survey respondent

However, many perceive these contracts have been underutilised. In 2016, 77% of FTEs were on inter-mission contracts, 20% were on LTA (12 or 24 month), and 2% were on vocationer contracts.⁶⁹ The number of staff on longer term contracts is expected to increase each year: in 2015 only 12% of staff were on LTAs and only 1% were on vocationer contracts. These numbers differ between OCs, with OCB and OCA having the highest percentage of LTAs (24% and 27% respectively) while OCBA had the highest percentage of vocationers by far (9%). When IRP2 was first implemented, the OCs were asked to declare their intentions for each contract:⁷⁰

Table 3: Intentions declared by OC for use of Vocationer and LTA Contracts

Intentions declared by OC for initial IRP II projections, compared to 2016				
	Vocationers		LTAs	
	Intention %	Realized 2016	Intention %	Realized 2016
OCA	10%	<1%	20%	27%
OCBA	20%	9%	15%	13%
OCB	5%	2%	8%	23%
OCG	20%	1%	15%	13%
OCP	20%	1%	15%	14%
MSF	15%	2%	15%	20%

While these intentions were meant for financial indications and not meant as goals, they are nonetheless indicative of how little the longer contracts (particularly vocationer) have been utilised compared to what was expected at the time of implementation, with the notable exceptions of OCA and OCB who used LTA contracts more than intended.

The limited utilisation of these contracts is partially perceived to be due to OCs not knowing exactly how to use them. It is not surprising that when implementing a new system there may be some “getting used to” involved. This has led to some inconsistencies between and within OCs on how these contracts are utilised, which, according to interviews, has led to some staff feeling discontent. It is important for MSF (and each OC where necessary) to have clear and transparent strategic objectives for the use of each contract type.

Vocationer contracts are particularly underutilised. Possible reasons expressed in interviews were that there is not enough rest time between missions on vocationer contracts, and staff feel that they may not be able to turn down missions if they need more rest or if they do not like the mission location/project. Another reason is that while OCBA had a type of vocationer contract even before IRP2, the other OCs did not start using vocationer contracts immediately with IRP2’s implementation – OCB and OCP introduced them in 2015, while OCA and OCG did so in 2016. The vocationer contract is also only “open” to certain positions and /or individuals, determined by operations; human resource pool

⁶⁷ Seen in interviews and the EOM Retrospective survey 2009-2014

⁶⁸ Cecile Olson, “Retention of Humanitarian Aid Workers at Médecins Sans Frontières: A Literature review.” 2015/6

⁶⁹ According to statistics provided by MSF Luxembourg for this evaluation.

⁷⁰ According to information provided by MSF Luxembourg for this evaluation.

managers are not at liberty to offer these to anyone. MSF should consider how to eliminate barriers for staff to take vacationer contracts, which may mean considering the flexibility of staff to decline or postpone mission assignments. Furthermore, it is recommended that MSF better advertise vacationer contracts to staff so that interested staff may proactively seek these out.

Regarding the LTA contracts, one concern mentioned in interviews was there is no longer any notable difference between LTA contracts and intermissioners' contracts. This is primarily due to the policy change that as of September 2016, any intermissioner who extends their contract to 12 months will receive an extra return ticket home. LTAs still receive a few benefits that intermissioners do not: Home Child Allowance, extra paid leave, and additional luggage allowance, however, these may not be sufficient to differentiate between intermissioners and LTA contracts.

Loyalty Bonus and Salary Bands/Levels

Some interviewees expressed that while MSF aims to have staff retained for long periods, the segmentation of packages still uses assignments as a measure of commitment, whereas some believe that length of time with the organisation should be used instead. For this, MSF has a loyalty bonus of 2% for every 12 months of assignments completed. Some interviewees felt that the 2% loyalty bonus was too low to affect staff retention, which matches with the fact that the majority of IRP2 evaluation survey comments about the loyalty bonus were asking what it is, showing they are not even aware they get it or could get it. This demonstrates that the loyalty bonus is very unlikely to be effective in retaining staff.

MSF also has a salary band system. Each salary band has three levels: entry, mid, and upper point. There is a 20% difference between entry point and upper point, which is a significantly smaller difference than most INGOs, and MSF's maximum salary is much lower than the INGO market.⁷¹ Although the strategy was formulated in order to encourage staff to take more responsibility rather than stay in their current role, staff who do not want to move into management roles may not be encouraged to stay with the organisation for financial reasons as their salary will not increase significantly, leading to many staff moving into management roles (often before they are ready or want to) or leaving the organisation once they obtain some experience. Offering higher pay for increased responsibility is a common practice in most companies and organisations. Take for example, an individual who works as a ward nurse, no matter how high performing they are, at some point they will reach the top of their scale and no longer receive a higher pay (except, perhaps, for cost of living increases). The key to ensuring this individual stays motivated and continues to be a high performing nurse does not reside in salary alone. This is where intangible rewards can prove to be very advantageous: providing learning and development, recognition, and job enablement may be the answer.

2.2.3 Adaptability and Flexibility of the System

Main Finding: The system is not adaptable and flexible enough to meet MSF's HR needs.

Several changes have been made since IRP2's implementation in 2014. For example, open-ended salary protection (provided no break in service longer than 12 months) was granted for non-coordinator positions, and a retroactive loyalty calculation was introduced in 2015. In 2016 and 2017, further changes included reintroducing a 50% partner per diem, increasing the Home Child Allowance, providing an extra return ticket for intermissioners at 6 months if their contract was extended to 12 months, including a pension scheme for all NCR staff, and the introduction of the Global Grid which simplified the salary grids. Many of these changes have been in reaction to negative, unintended consequences of the system and staff perceptions of unfairness.⁷² Therefore, it is questionable if the system is adaptable to HR needs, or rather only adaptable in response to concerns from within the organisation. It is perceived by interviewees to be more of a reactive than a proactive system.

Many interviewees expressed that change was too slow within the system. The main example of this is the implementation of pension schemes. This issue has been known for quite some time, and while some progress was made in May 2017, the system is yet to be fully harmonised. The following quotes highlight the issues with slow change.

- *"I think it's a scandal, it's shameful that we've been talking about pension funds for almost 3 years and nothing has moved."* [Interview]

⁷¹ Mariana Oliveira, "MSF – External market data for the IRP2 Evaluation." 18 August 2017

⁷² See "Template Letter to HR executors" August 2016.

- *“We are not an agile organisation and changes take a long time to take place because there are many people involved, many stakeholders.” [Interview]*
- *“IRP2 collectively is not quick enough to resolve issues. This is also due to its inflexibility and the rigid systems.” [Core(+) ExCom Video Conference Minutes, 31 March 2016]*

On the other hand, there is a clear willingness to review the system, which is seen in this evaluation, as well as in the IRP II Scaling Audit (2017).

There are several factors which may make the system hard to adapt to changing contexts. One is that the system is inter-sectional. One of the main advantages of IRP2 compared to IRP1 was that it harmonised a majority of the compensation and benefits system across sections. While this is considered a major “win”, any changes require significant discussion and buy-in. According to the Executive Governance Impact Analysis, MSF’s decentralised governance model results in needing agreement for all parties involved, and “the need for political buy-in means that agreements take longer to reach.”⁷³

Another reason is the complexity of the system, which makes it hard to understand the implications and the technical details behind any change, no matter how minor. Many staff at all levels of the association perceive IRP2 to be overly complex and technical, making it difficult to understand and explain (see the Connectedness section for more details). Because the system is so complex, the system administrators (primarily mid-level HR professionals) often do not understand it fully. A result of this is they implement the system as a set of strict rules rather than guidelines, and they may see themselves as “protectors” of the system.

Recommendation 4: Consider ways to further simplify the system to make it easier to communicate, understand, and implement.

For example, MSF may consider putting a “salary calculator” on the IRP2 website so that individuals can see each step of the process and clearly understand how their salary was decided. Rather than using one salary point (level 2) from Mercer and calculating the other levels using a formula, MSF may use all 7 salary points from Mercer. MSF may also use other sources to correlate the salary scale (for example, using a median job evaluation point within each salary level against market data).⁷⁴

Additionally, the system was designed to meet the objectives, which specified three main profiles (medical specialists, coordinators, and humanitarians), whereas changes in MSF’s context result in changes in the types of profiles needed, and therefore the salary and benefits appropriate to retain those profiles.

The lack of flexibility of the system, or the ability to meet specific needs of sections or individuals was mentioned in 41 out of 67 interviews. When IRP2 was first implemented, a “Flexibility Envelope” was put in place, providing each OC with a certain amount of funding to pull down barriers for hard-to-fill positions by providing extra benefits. As it became clear that more and more exceptions were being made for salary, MSF began monitoring exceptions, including those made under the framework of the Flexibility Envelope and those made outside the framework.⁷⁵ In 2015, there were 212 exceptions recorded, including salary increases, skipping indemnity, extra holidays, extra flight tickets, dependent housing, additional school fees, and relocation allowance, to name a few.⁷⁶ However, through interviews, it became obvious not all exceptions are recorded by all OCs, especially the exceptions that are made at field level regarding benefits.

⁷³ MSF Luxembourg. “Executive Governance Impact Analysis 2013-2015.” October 2016.

⁷⁴ MSF currently uses Mercer data to benchmark against the local markets through job title matching. This can provide erroneous benchmarks as job titles are not homogeneous across organisations / countries (for example manager versus supervisor). As MSF already has job evaluation points through HayGroup, one method used by them is comparing points (jobs of equal value) in each market.

⁷⁵ “International Remuneration System (IRP2) – Monitoring of Exceptions.” March 2016

⁷⁶ “Exceptions Monitoring 2015 Data Analysis.” PPT presented to C&B Working Group, April 2016.

The assignment of roles is another aspect where there are some differences being made between staff, particularly the difference between supervisory and activity management roles for medical profiles.⁷⁷ For example, OCA generally has not used profiles in levels lower than 9 in the IRFFG (meaning they mostly do not use supervisory levels).⁷⁸ While OCA has formally committed to changing this practice, this is an example of how the rigidity of the system can result in exceptions being made that are not in line with the goals of IRP2 (in this case, harmonisation of staff salaries between OCs).

"If exceptions have to be done, let's harmonise the exceptions." – HR staff

Another effect of the inflexibility of the system is that it is not able to serve individual staff personally. A selection of quotes from interviews demonstrate this:

- *"We absolutely eat up people as an organisation. I don't think we mean to, but we really benefit beneficiaries, operations, results, cost-effectiveness, donors, everything above our people... We write all over the place that people are our most valued asset, but we don't live that in the way we do things."*
- *"We pride ourselves in putting patients first but I wonder if sometimes that means we end up leaving staff on the wayside."*
- *"I stay in spite of how they [MSF] treat me." (second-hand quote)*
- *"The salary system has become too complex in that [it] cannot be humanised."*
- *"If we don't know our people, we don't know their needs and how we can answer to these needs."*

Several stories were also shared during the interviews demonstrating how the lack of flexibility impacts the retention of highly-needed staff. Compensation and benefits can be a powerful tool in acknowledging that MSF appreciates individual staff members and values them as individuals, not only as resources.

Recommendation 5: Establish mechanisms for the system to proactively adapt to changing needs, specifically operational needs regarding required profiles and the individual needs of staff.

It is recommended that MSF considers how the C&B system can be more flexible in order to accommodate for individual needs, both in order to show staff appreciation and to better retain the most challenging and needed profiles.

- On a regular basis, MSF operational departments should determine which staff profiles are of particular importance, and HR should align their strategies to quickly adapt to the needed profiles. At the moment, these groups are likely medical and non-medical specialists, staff from non-European and non-North American countries, and Generation Y.
- Potential strategies could include: 1) an "à la carte" (or cafeteria style) policy for benefits, in which staff can choose from a selection of different benefits depending on what is most important for them; 2) incentive programmes for much-needed profiles; 3) developing a policy and providing funds for contracting sections to enable "consultancy-type" contracts; 4) broadening the policy linked to the Flexibility Envelope to include more contract types; and / or 5) a working group focused on compensation and benefits for specific profiles (changing as per operational needs).
- MSF should consider ways to expand decision-making regarding C&B. Possible strategies could include: 1) continuing to strive towards adding sections in areas where many international staff are domiciled (such as the DRC), which would create a platform for staff domiciled in these areas and allow MSF to have more information regarding these staff; 2) making more partner sections contracting (such as Brazil), which would allow MSF to pay directly into government systems so staff have access to governmental benefits, as well as allowing these sections to better tailor the system to the needs of their contracted staff as they have more information regarding specific issues faced by staff domiciled in that country; and 3) providing more decision-making power to partner sections that do not contract, for example by giving them more space in the relevant platforms.

It is important not to lose the harmonisation between OCs in the process, as this was considered a major win for IRP2.

⁷⁷ "IRFFG Function Allocation Audit." June 2015.

⁷⁸ As mentioned in the IRFFG Function Allocation Audit, OCA reported that the use of both supervisor and manager roles did not make sense.

2.3 CONNECTEDNESS - CONNECTEDNESS OF STAKEHOLDERS WITH THE IRP2 SYSTEM

Main Finding: The IRP2 system and its underlying principles suffer from a poor perception mostly due to using domicile as a policy to determine salaries, which is viewed as unfair, inequitable, and even discriminatory. Additionally, the IRP2 system is not well understood.

2.3.1 Perception of the IRP2 system - Perception is that person's reality

Since before its implementation, the IRP2 system has been the subject of much debate, concern, and often discontent. Three years after the implementation, this trend persists.

According to the IRP2 evaluation survey results, approximately 28% of international staff hold a negative opinion of the IRP2 system, while approximately 16% have a positive opinion. These figures, which should already raise some concern, become even more alarming when looking at responses from individuals in countries with low-income economies or using the Guaranteed Grid. Those results are drastically different: 52.2% of respondents from low-income economies hold a negative opinion of the system, and 47% of respondents from countries using the Guaranteed Grid (37% of employees) hold a negative opinion of the system.

When reviewing comments made in the survey and in conversations with staff interviewed, many expressed that the system is Eurocentric (12 times in interviews), discriminatory (18 comments in the questionnaire, 33 mentions in interviews, and 101 comments from the survey), or even racist (22 comments in the survey).

*"We are doctors without borders ... We are definitely remuneration with borders."
– HR Staff*

Below are some examples of comments made in the IRP2 evaluation survey:

- *"For me, IRP2 is more discriminatory than equitable."*
- *"With the IRP2 system, there appeared a certain discrimination against expatriates coming from poor countries and benefiting Westerners."*
- *"My issue with the IRP2 is not about the low salary but because it is a discriminatory practice that was managed very poorly."*
- *"As long as there are inequalities, discrimination in remuneration for the same work, one cannot be satisfied with this salary."*
- *"I feel discriminated by the residence, that factor should not influence the payment."*

Many of these opinions are closely linked to the policy of domicile used to determine where the contract is issued and which salary grid applies for each employee. Out of 15 options for what should determine employee salary, "comparing to similar salaries in the domicile country" came in 14th for the general population and last for those using the Guaranteed Grid. Also telling is the negative opinion, by region, of how the salary is determined in MSF: 48% - South and Central America, 48% - MENA, 47% - Sub-Saharan Africa, 41% - Asia, 30% - European Union, 29% - Europe (non-EU), 29% - North America, and 25% - Oceania.

Salary in MSF is a hybrid system, balanced between the international NGO market and the local market of the staff members' country of domicile. MSF chose not to pay only based on the international market because this market "offers no link with costs incurred at home, but rather on what other international NGOs are paying for international staff performing the job. This option would challenge the MSF principles of volunteerism and modesty, and would not fully reflect the reality of our international staff. It means that people in the same job get different pay (in terms of purchasing power) depending on their domicile."⁷⁹

This decision has led to much debate within MSF regarding the principle of equity vs. equality. In response to these concerns and to simplify the system, a Global Grid was introduced in May 2017 to replace the Guaranteed Grid. The IDRH believe this salary model gives more visibility to equality rather than equity, as seen in the graphs below.⁸⁰ The Global Grid and top ups were not evaluated in this report as they were implemented mid-evaluation.

⁷⁹ IRP II Expats Website (OOPS), Base Salary Construction, see: <http://oops.msf.org/irp2-Expat-site/#./english/salaries/base-salary-construction/index.html> [Retrieved 2 September 2017]

⁸⁰ IDRH PPT Presentation to ExCom, "International staff Salary Grid proposals 2017." 16 March 2017.

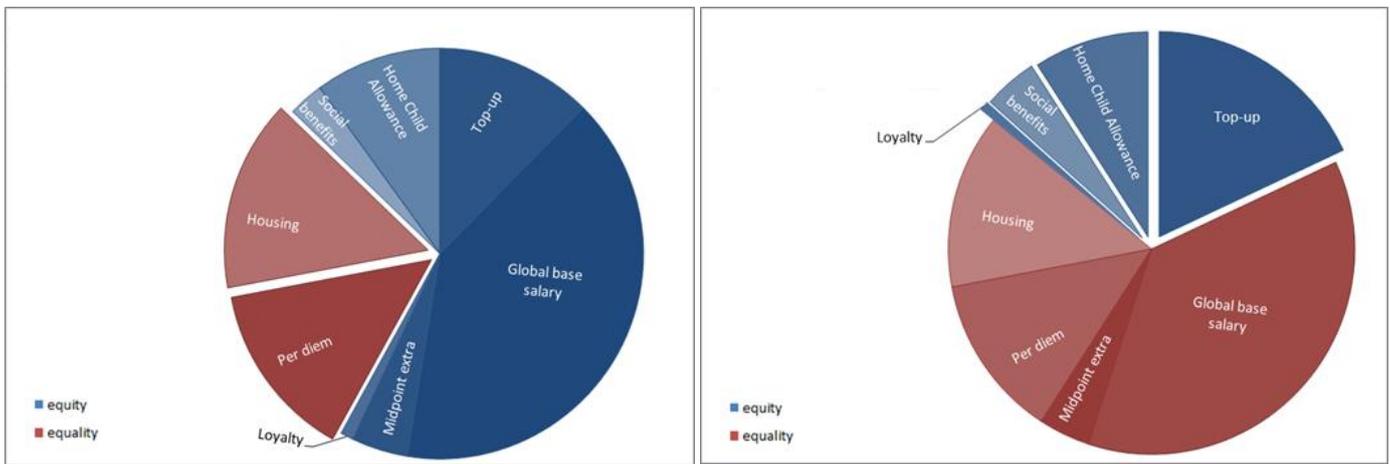


Figure 9: Equity and Equality in Compensation & Benefits : Previous vs 2017 Model

The discontent with the C&B system is perhaps due to several reasons, but predominantly a sense of unfairness and inequity mostly attributed to domicile, which translates into a perception of discrimination. As the Chartered Institute of Personnel and Development (CIPD) advises, employers should:

*bend over backwards to ensure that you do not and are never seen to discriminate against employees on any unfair grounds. [...] While the overall level of pay is unlikely to play a major role unless it is way below the market rate, perceived unfairness in the distribution of rewards is very likely to lead to resignations.*⁸¹

Although MSF does not currently have actual figures on the number of individuals who have left MSF because of IRP2, several interviewed staff as well as survey respondents expressed that they know someone / people who have. In addition, the evaluation survey asked respondents: “If you do not plan to do another mission, has IRP2 influenced this decision?” Of respondents who were not considering doing another mission or were unsure if they would, 16% responded “yes”, and 18% said “partially.” Out of 2,054 respondents, approximately 700 individuals left or considered leaving MSF to some degree because of IRP2.

Some may argue that these figures represent a small portion of MSF staff, but it is difficult to say what an acceptable level of negative perceptions should be. The fact that this perception has persisted for over three years since even before the implementation of IRP2 indicates this is an issue that is not going away and should be addressed by MSF.

Organisational justice

Many studies over the last decades have demonstrated a high correlation between employee engagement and the perception of organisational justice, which consists of distributive, procedural, and interactional justice within an organisation.⁸²

Distributive justice entails how individuals react to the amount and make-up of compensation they receive, and influences their attitudes (positive or negative) toward the results of decisions. In essence, pay satisfaction is linked to distributive justice because individuals assess how fair their pay is by comparing contributions and compensation with those of other individuals. Multiple interview respondents mentioned that discussions about salaries amplified after the implementation of IRP2 because of the increased awareness in differences in pay between staff, which was visible between individuals working side by side in the same project. This created a sense of unfairness when the contribution towards the project appeared the same, but the salaries were not. The perception of low distributive justice could also explain why 47% of IRP2 evaluation survey respondents stated that providing higher salaries was one of the greatest needs for international staff (second after improving career management).

⁸¹ Cited in: David Loquercio, “Turnover and Retention: A summary of current literature”, People in Aid, 2006

⁸² See, for example: Steve Harvey, “Employer Treatment of Employees During a Community Crisis”; Seigal et. al., “The Moderating Influence of Procedural Fairness on the Relationship Between Work–Life Conflict and Organizational Commitment”; Tremblay et. al., “The Role of Organizational Justice in Pay and Employee Benefit Satisfaction, and Its Effects on Work Attitudes”; and Masson et. al., “That’s Not Fair!”

Procedural justice examines how individuals react to the procedures used to determine compensation. Procedural justice perceptions are useful for predicting employee attitudes toward the employer, such as the level of trust and to what level the organisation should be held accountable for decisions (as opposed to individuals). One group of experts suggests “when treatment is viewed as unfair or unjust, the morality of the employer can be called into question and disengagement and retribution often occur.”⁸³ One could reasonably argue the opinion that IRP2 is discriminatory stems from the idea that the process used for determining salaries is unfair; hence, low procedural justice. Some themes mentioned in interviews are the use of domicile in determining salaries, lack of consultation about the development of the system, Eurocentric decision-making, the complaints that social benefit costs were not /are not considered, the complexity of the system, which makes it difficult to explain and understand, and the negative opinion regarding how salary is determined in MSF (35% of survey respondents).

Interactional justice refers to the quality of the relationship between employees and the organisation. Less relevant for the C&B system, interactional justice is nonetheless an integral part of how employees perceive the organization and the Total Rewards Package and may contribute to the negative perception of IRP2. Interactional justice reflects the perception by employees that they are treated with dignity and respect. Below are some comments from the survey to illustrate the perception of interactional justice within the organisation.

- *“I am very disappointed with the salary policy because it has equal work, lower wage, which creates discrimination and a lack of respect for us who have a lower salary than others despite the cumulative experience.”*
- *“Find an HR system that demonstrates respect for our staff, respect of technical skills, key for quality programming.”*
- *“I think MSF HR department should focus more on the respect of the employees. We are not only number working in the field and if sometime our administration situation doesn't fit into MSF box let's take a shot for a human being consideration.”*

During interviews, when asked what they would change to make MSF a better employer, 37 interviewees said MSF should essentially treat employees better (for example, provide more care and attention, have a more personal approach, make people feel part of the organisation, improve the support provided to employees, and so on). Of those 37 stakeholders, 20 are either members of management teams, in leadership positions, or decision-makers.

Indemnity

As described in the Effectiveness and Appropriateness section, at its inception, indemnity was aiming to remove the economic barriers to volunteering with MSF. Many still believe indemnity is at the heart of MSF’s identity and truly demonstrative of humanitarian commitment. On the other hand, however, as the organisation changes, and grows, more and more individuals perceive indemnity to be outdated and elitist. Some interviewed suggest that only people who do not need to rely on a constant source of income are able to join MSF.

“Who do we think we are as MSF to ask the staff to prove with financial sacrifices their commitment to the humanitarian cause?” – HR staff

Among IRP2 evaluation survey respondents, 29% believe that MSF should eliminate the indemnity period, 26% believe MSF should reduce the indemnity period, 24% believe that MSF should maintain the indemnity period, 2% believe MSF should increase the indemnity period, and 19% had no opinion or did not know what indemnity is.

These results do not change significantly between groups, but there are some notable differences.

- Staff on the Guaranteed Grid are more likely to think MSF should eliminate indemnity than those on their own grid (34% vs. 28%).
- Staff from countries with lower-middle or low-income economies are more likely to think indemnity should be eliminated (both at about 36%) than respondents from countries of high or upper-middle income economies (27% and 20% respectively).
- Younger generations tend to be more negative about indemnity than older generations: 20% of Generation Y reported feeling negatively about indemnity compared to only 12% of Baby Boomers.

⁸³ Masson et. al., “That’s Not Fair!” 2009

Interviewed stakeholders similarly held mixed opinions about indemnity. While 30 of 75 interviewed stakeholders did not take a strong stance nor identify their opinions, 31 felt that indemnity should be eliminated, with 14 of these being either members of management teams, in leadership positions, or decision-makers. Several stakeholders expressed that despite the length of the indemnity period, the policy should be more flexible for highly-needed positions or in terms of valuing external experience.

Rewards principles

Underpinning the C&B system are MSF’s rewards principles, often called remuneration principles, which are:

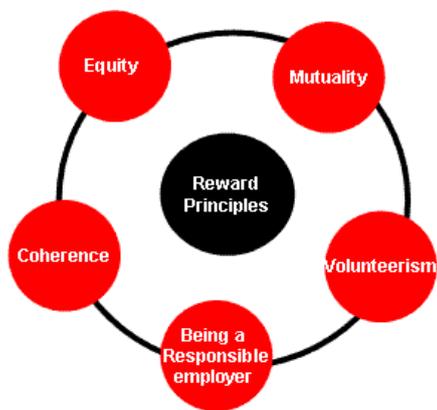


Figure 10: Reward Principles

- **Equity:** All employees are treated equitably. Equity means fair and just principles applied consistently.
- **Mutuality:** The value of MSF’s offer to employees is proportional to the level of their commitment.
- **Volunteerism:** Volunteerism is about undertaking a selfless action without expectation of reward.
- **Coherence:** All staff should be treated in a fair and just manner, though practices may differ between staff groups (international, national, and HQ).
- **Being a responsible employer:** MSF has a duty of care to provide a high standard of support in the field through benefits.

Closely linked to these rewards principles are MSF’s reward policies, which include: the level of responsibility of individuals, competency (years of experience), indemnity, modesty, recognition of commitment, and domicile.

The majority of respondents (>50%) state they understand well the principles of equity, volunteerism, and being a responsible employer. Less well understood are the principles of mutuality and coherence. However, during various interviews, it became evident that the individual’s interpretation of the principles is often different than what is presented or intended by MSF.

Overwhelmingly, interviewees, questionnaire respondents, and IRP2 evaluation survey respondents (as the graph below demonstrates) agree that MSF’s rewards policies should be based on the current rewards principles. Perhaps not surprisingly (as respondents of the IRP2 evaluation survey suggest the second greatest need for international staff is to provide better salaries), volunteerism is the most contentious, with 30% of respondents believing rewards should not be based on this principle.

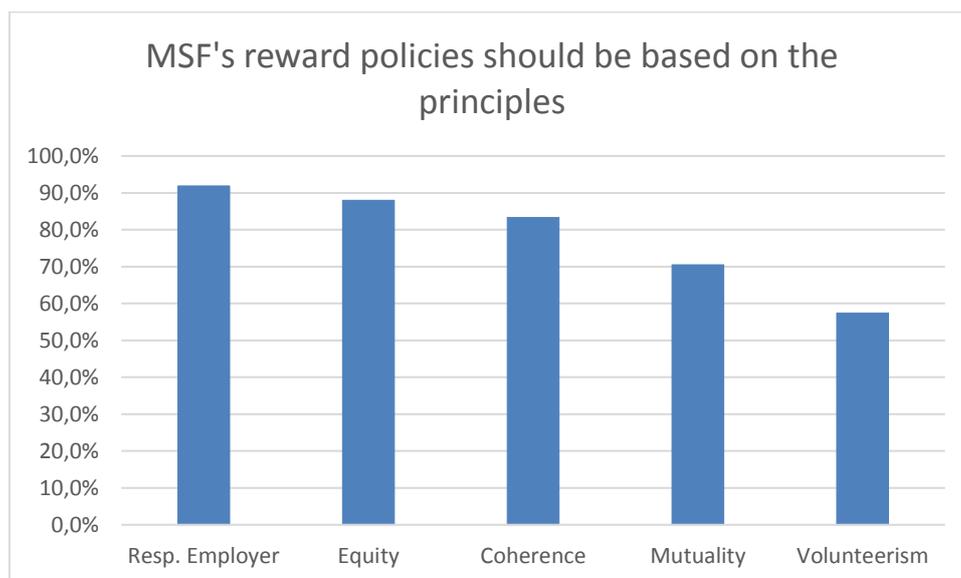


Figure 91: MSF’s reward policies should be based on the principles

However, several stakeholders expressed during interviews that the principles are quite difficult to disagree with as they are general concepts, and that their practical application within the system is more contentious. For example, while equity is generally accepted as a suitable principle, one translation of equity within IRP2 is utilising country of domicile

as a factor in determining salary, which many stakeholders disagree with. Of respondents who are domiciled in countries using the Guaranteed Grid, 43% do not believe the principle of equity is well reflected in the system.

In response to a motion passed at the 2016 International General Assembly, the IDRH and the ExCom announced in May 2017 a discussion on the remuneration principles that will be conducted across the movement through consultations of MSF associations, the executive, and staff. During the interviews some comments were made, which may come up during this discussion of principles that are worth mentioning here without a great deal of detail.

- Equity: This principle was raised most often in interviews (mentioned 94 times, in 51 out of 67 interviews) and is by far the most contentious principle, linked to the domicile policy.
- Mutuality: Requirement to define “commitment” and an expression of the need for better exploitation of segmentation, more differentiation, and the need to recognise complexity of missions in terms of programmes and security.
- Volunteerism: Indemnity and the concept of modesty require further discussion.
- Coherence: There were many comments regarding the lack of coherence between the staff groups (national staff, international staff, and HQ staff) that is contrary to the La Mancha agreement.
- Being a responsible employer: Many argued that to be a responsible employer MSF needs to discuss the minimum living standard that the staff can expect (again linked to domicile).

Recommendation 6: Focus on three areas to help improve the climate of justice and equity within the organisation; these are: decoding organisational values; balancing employer and employee perspectives; and measuring effectiveness.

In addition to the discussion on principles, and in line with recommendations from several experts, there are areas MSF should focus on to help improve the climate of justice and equity within the organisation.

Decoding organisational values

The review of the principles, as mentioned above, is a good step towards bridging the perception gap and addressing the fundamental divergence of views about the principles and the policies which are currently hindering the C&B system.

In addition, MSF has developed a poignant International Human Resources Vision.⁸⁴ In many organisations, these visions sometimes become taken for granted, even invisible. To make sure the International HR Vision comes and stays alive

within MSF, senior leaders and HR would be well served to articulate and communicate how this vision impacts the purpose and design of the Total Rewards Package.

Balancing employer and employee perspectives

As exemplified by the high amount of participation in the IRP2 evaluation survey, many have also expressed how welcome this evaluation has been. The expectation of change and improvement are high, and this is only the first step. Research has shown that only one in five organisations encourage employee participation in the development of their rewards, while for most organisations, rewards programmes are the largest investment.⁸⁵ With the increasing diversity of MSF staff, employee participation is a critical aspect of the design and development of employee rewards. MSF should build on this momentum and continue to ask employees what their needs are, how MSF can best answer them, and whether they are satisfied. Ideally, this would not only be through surveys, but through focus groups, associative debates, and other platforms. This should be done while always maintaining an alignment with the fundamental principles.

Measuring Effectiveness

There are two ways in which organisations tend to view rewards; either as a cost of doing business, or as an investment. Those who view it as a cost are focused on cost control and benchmarking. Those viewing rewards as an investment, tend to think of optimizing returns on their investment.⁸⁶ MSF’s funding is mostly through private donations and the organisation has a very high level of responsibility and accountability towards these donors. As such it is understandable that the organisation strives to use these funds in the most efficient manner. However, there is also a recognition that viewing rewards as an investment will have longer term benefits.

⁸⁴ MSF, “International Human Resources Vision: Endorsed by ExDir, November 2009”, 2009

⁸⁵ Masson et.al., “That’s Not Fair!” 2009

⁸⁶ Ibid.

Typing in with the recommendations in the Effectiveness and Appropriateness section, MSF should set comprehensive targets and indicators for the rewards system. MSF should also adopt a more systematic and comprehensive process for evaluating the fairness and effectiveness of the rewards programmes. Evaluation should use multiple perspectives and rigorous analytical methods including: surveys and focus groups to understand their perception of fairness and to test their understanding of the programmes; monitor behaviour (resignations, attrition, exit interviews); assess the results (retention, performance); and measure the return on investment of the rewards programmes.⁸⁷

2.3.2 Understanding and Communication of IRP2

In interviews, most HR professionals expressed that IRP2 is very difficult for many HR staff to understand as well as most international staff. This is reflected in the IRP2 evaluation survey where respondents identified that least understood are how salaries are calculated and the types of contracts provided by MSF (32% of respondents did not understand either). Best practice shows that remuneration systems which are not easy to understand or operate are the most likely to fail.⁸⁸

“HR departments are meant to be the most informed group, so if we don’t fully understand it then who does?” - HR Staff

A few reasons were given for this lack of understanding both through interviews and survey responses. First, the complexity of the system and its overly technical aspects makes it very difficult to explain in an expedient and efficient manner.⁸⁹ Second, there may be a lack of interest to understand, which may also be due to the complexity. Third, the lack of appropriate and comprehensive communication about the system during the implementation phase, and throughout its administration. Fourth, the negative perception itself may be a barrier to understanding the system, as people who see the system as unfair may disregard any communication. Further, some mid-level HR professionals who must communicate the system to field staff have expressed they feel uncomfortable explaining the system as they themselves view it as unfair.

“[IRP2] is hard to explain, as not very transparent...To be honest, I feel embarrassed if someone asks me about it, as I can't really explain.” - International staff

As stated in a recent report conducted on the communication of IRP2, “[IRP2 & IRFFG] suffer from lack of strategic use of communication to support the change management they entail and generally facilitate their understanding by a wider audience with [sic] MSF.”⁹⁰ This statement seems to be supported by the respondents of the IRP2 evaluation survey as demonstrated in the chart below.

⁸⁷ Measuring ROI on rewards means establishing metrics to quantifiably measure the cost vs. value of the programme. More information on this can be found: <http://www.loyaltyworks.com/wp-content/uploads/Measuring-Reward-Program-ROI.pdf> [Retrieved 2 September 2017]

⁸⁸ People in Aid, “Policy Guide and Template: Developing and Implementing a Reward Strategy and Policy” May 2005

⁸⁹ Overly complex systems and systems failing to get real buy-in are most likely to fail. (People in Aid “Policy Guide and Template: Developing and Implementing a Reward Strategy Policy,” Rev. 2008.)

⁹⁰ Sandrine Dupain, “Communication on IRP2”, January 2017

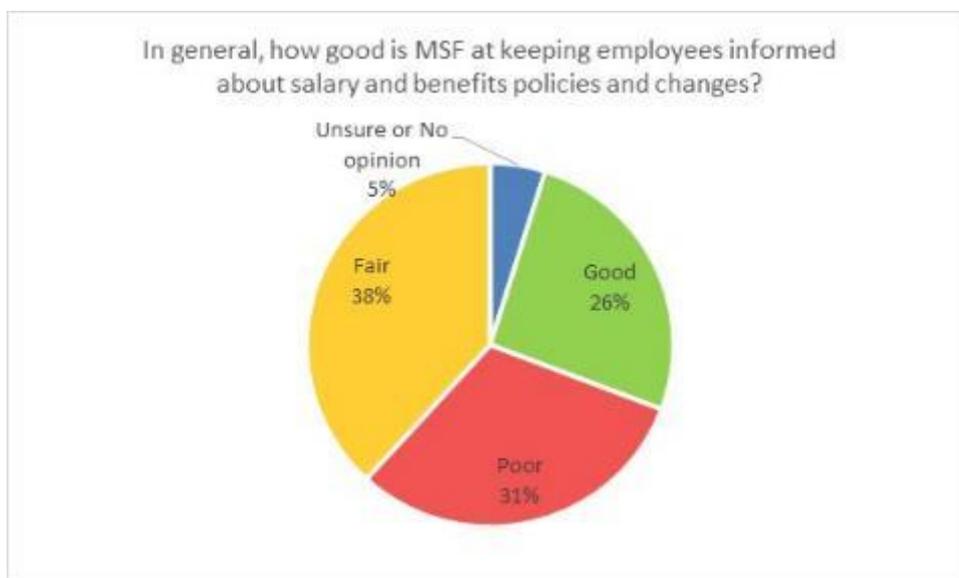


Figure 12: MSF keeping employees informed

Recognizing that communication around compensation and benefits is not an easy task, numerous studies have shown the benefits of a good communication strategy. One study found that:

*...simply better communications about how the compensation system works have a greater impact on employee satisfaction with [their] pay than do increases in actual pay. In addition, employee engagement is improved with employees' increased knowledge of the pay system...*⁹¹

MSF seems to have a good understanding of this since the IO has already taken steps to improve the sharing of information by employing a communication specialist with a focus on HR communications. Additionally, the Guaranteed Grid was recently replaced with the Global Grid to simplify the system and communication, though the Global Grid was not evaluated.

MSF should consider ways to simplify the system to make it easier to communicate and understand (see Recommendation 4).

2.4 BEYOND IRP2

Main Finding: International staff compensation and benefits do not function in isolation; they are part of a wider system.

Although the following findings are somewhat outside the scope of this evaluation and span beyond international staff compensation and benefits, they are nonetheless linked to IRP2.

Staff Categories

IRP2 focuses solely on international field staff remuneration. In 2016, international field staff made up only 7.7% of MSF's total global workforce.⁹²

While IRP2 is used to determine international staff C&B, the National Staff Intersectional Remuneration and Benefit Policy Framework ("Common Frame") is used for national staff, and there is no intersectional policy for HQ staff. Several

⁹¹ Jensen, McMullen and Stark, "A manager's Guide to Rewards" 2007; see also <http://www.totalrsolutions.com/compensation-sense-compensation-communication-can-help-improve-employee-satisfaction-loyalty/> [Retrieved 2 September 2017]; (Dupain 2017); and Scott et.al., "A study on Reward Communications: Methods for Improvement of Employee Understanding", 2008

⁹² According to statistics provided by MSF Luxembourg for this evaluation.

interviewees questioned the differences in policies between these three groups, and some questioned the acceptability of categorizing staff into these groups. The C&B policies for these three groups are very different. For example, the concepts of volunteerism and modest pay are not applied for all categories. Currently, indemnity is only used for international staff. Further, the Common Frame states that the national staff policy “should allow competing effectively in the relevant labour market.”⁹³

Recent trends among INGOs show a move away from the traditional dual salary system (with one salary for international staff and another for national staff)⁹⁴ as “dual salary systems and the relative inequity experienced within them were contributing to demotivation, feelings of injustice, and thoughts of leaving the job, particularly for skilled host country national employees.”⁹⁵

The differentiation among staff categories is becoming more problematic within MSF. MSF is already seeing conflicts arise due to changes in the “traditional” international/national staff dichotomy in locations such as Greece. Additionally, some parts of the movement are expressing a desire for increasing mobility among staff.⁹⁶ However, these needs are not entirely new. The La Mancha Agreement (2006) states, “We acknowledge MSF’s urgent need to provide fair employment opportunities for all staff based on individual competence and commitment rather than mode of entry into the organization (either through national or international contract). This is to address the under-utilization of human resources and inclusiveness in decision-making in MSF.”⁹⁷

Centralised or Decentralised

MSF should consider which processes of the Total Rewards system can be more efficient and effective if they are centralised or decentralised to/from OCs, partner sections, and field.

MSF’s HR policies are already a mix of centralised and decentralised strategies. For example, while centralisation is sought for the matching stage (to share resources between OCs through the creation of Symphony), recruitment is decentralised to utilise context-appropriate strategies. This dichotomy was expressed in the La Mancha Agreement: “In order to encourage diversity and innovation of action, a decentralized MSF movement should be maintained. However, for the sake of coherence and the overriding interests of the MSF movement, binding international decisions by the IC, to which all section must adhere, are required on some core international issues.”⁹⁸

A more in-depth discussion on the centralisation or decentralisation of each step could support a more flexible and adaptable system with more inclusive decision-making. For example, centralising the contracting of NCR staff (perhaps by region: Brazil, Japan, Kenya, Jordan) could be an advantage as the staff would receive consistent information about their package, while their feedback, concerns, and ideas for improvement would also be held in one place and more easily communicated to the OCs. Another example could be to formalize the use of exceptions by field missions, giving them recognized autonomy to afford extra benefits to staff. In this way, these exceptions can be monitored and inform decision-making regarding required changes in policies (when an exception becomes a rule), helping the system to be proactive. Along these lines, partner sections could also have more autonomy to negotiate reductions in indemnity and additional benefits.

The HR Silo

Several interviewees expressed that HR currently operates independently of other departments, whereas HR should be an integral part of decision-making at all levels; HR should be a strategic partner, not only a service provider. Experts agree “a great deal of effort today is spent simply in [HR] policy management which is complicated enough in just one jurisdiction, let alone in a globalized world of mixed concerns and differing views. However, this is typically a defensive, non-proactive...[and] a very transactional activity.”⁹⁹ Of course, HR has a role to play in doing everything possible to

⁹³ MSF. “National Staff Intersectional Remuneration and Benefit Policy Framework (‘Common Frame’),” July 2016.

⁹⁴ CHS Alliance, Birches Group, the University of Edinburgh, and Massey University. “Exploring practical pathways for reward fairness in international NGOs,” 2017.

⁹⁵ Carr, S. C., McWha, I., MacLachlan, M., and Furnham, A. (2010). “International: Local remuneration differences across six countries: Do they undermine poverty reduction work?” 2010.

⁹⁶ See: MSF OCB “OCB Strategic Orientations 2016-2019” February 2017; MSF OCG “Strategic Plan 2016-2019”; MSF OCP “Strategic Plan 2017-2019 Strategic area: Investment in People”; MSF OCBA “MSF-OCBA Strategic Plan 2014-2017” Jan 2014; MSF OCP “OCP Strategic Plan 2017-2019”; MSF “International Work Plan 2017-2019.”

⁹⁷ MSF “The La Mancha Agreement” June 2006.

⁹⁸ Ibid

⁹⁹ Rawn Shaw, “Shifting HR from A Reactive Process to a Proactive Business Service” 2011

remove barriers and promote better performance, this is the added value of HR. But by not having the space to do so, it will remain a reactive process, always trying to “catch up” to operations.

Recommendation 7 (Beyond IRP2): Have an open discussion regarding compensation and benefits within MSF from a global perspective, considering the possibility of significantly changing the structure of the system.

Such a discussion would include:

- challenging the acceptability of differences between national, international, and HQ staff;
- determining which processes of the Total Rewards Package could be more effective and efficient if they were centralised or decentralised;
- ensuring HR is more integrated among all departments.

A first step in this process would be an analysis of what comparable organisations are doing in regards to C&B (such as the Project Fair research and other research coming out of the CHS Alliance), how humanitarian aid is changing in general, and how the role of HR is changing in organisations (both NGOs and others).

3 CONCLUSIONS

The review of the IRP2 system was conducted from February to September 2017 with the goal to measure the relevance, effectiveness, appropriateness, and connectedness of the system. The evaluation also had the mandate to formulate recommendations for adjustments to the IRP2 system where appropriate. The objectives of the IRP2 system are “to contribute to attracting, motivating, and retaining in MSF competent coordinators, medical specialists, and people with a humanitarian motivation.”

Following this framework, the methodology used included gathering information, perceptions, and opinions of the system through conducting interviews (75 informants), by administering a survey to international staff (5,122 responses) as well as an open-ended questionnaire (35 responses), by reviewing key documents, and by collecting internal and external data and key indicators.

The system has several advantages and positive attributes, and it is continually evolving in response to expressed needs. First, the system rests within a wider Total Rewards Package framework, which provides an employee value proposition. Second, there have been efforts to simplify the system and address concerns (such as through the creation of a “Global Grid” with top-ups, and ensuring each OC now has some form of pension scheme for all international staff). Third, the recognition of increased responsibility for managers through salary scales may encourage some staff to stay with MSF. Fourth, the segmentation of various contractual offers (inter-mission, long-term assignment, vocationer, and emergency team contracts) is seen as a very positive component of IRP2. Fifth, the IRP2 achieved one of its goals to harmonise many aspects of C&B across the movement. Sixth, in a recognition of the difficulty in communications, the IO recently hired a communication specialist. Finally, in response to a motion passed at the IGA in 2016, a discussion of the rewards principles will be conducted in the coming months through a wide-ranging consultation with MSF associations, the executive, and staff.

However, there are areas of the IRP2 system where MSF would be well served to give some attention.

In terms of **relevance**, although the profiles mentioned in the objectives of the IRP2 are mostly aligned with the needs of operations, there are additional profiles that should be taken into account as well as consideration for the evolving and changing needs of the contexts in which MSF chooses to work. Furthermore, the objectives of the system (to attract, motivate, and retain international staff) are disconnected from the system in its current state.

Analysing the **appropriateness** of the IRP2 system demonstrates the system does not attract nor motivate MSF staff, and this is generally agreed to be a good thing. MSF has chosen to attract and retain staff for their humanitarian motivation, not for financial reasons. The system appears to fail in its appropriateness for retaining staff. While the benefits are generally perceived as adequate, the salary appears to contribute to staff attrition. It is important to also understand that different staff groups have different expectations and needs regarding the compensation and benefits system, and the system impacts staff differently, which IRP2 does not fully address. The system is not flexible and adaptable enough to meet MSF’s needs.

No observations can be made conclusively regarding the **effectiveness** of the system because no indicators of success were established at the onset of the system, nor baseline data that could be used to monitor and assess the system.

As for the **connectedness** of the system, the evaluation finds that the system suffers from a poor perception on the part of many stakeholders, especially staff from countries with low-income economies or using the Guaranteed Grid, largely due to the issue of domicile in determining salary. This can be understood through the perception of organizational justice: distributive justice entails how individuals react to the amount and make-up of compensation they receive and influences their attitudes (positive or negative) toward the results of decisions; procedural justice is how individuals react to the procedures used to determine compensation; and interactional justice refers to the quality of the relationship between employees and the organisation. Furthermore, the system is not well understood.

Beyond IRP2 addressed the fact that the system does not function in isolation; it is part of a wider system. Although these findings are somewhat outside the scope of this evaluation, and span beyond international staff compensation and benefits, they are nonetheless linked to IRP2. These topics include staff categories, centralisation / decentralisation, and the role of HR within the organisation.

The recommendations made to address these issues are in the following section.

4 RECOMMENDATIONS

- ⇒ Recommendation 1: Alter the objectives of the compensation and benefits system, such as “MSF’s Total Rewards Package aims to attract and retain a diverse workforce with humanitarian values and the necessary skills to best serve operations and beneficiaries; to retain and reward current staff; and to recognise the value staff bring to the organisation”.
- ⇒ Recommendation 2: Set clear system objectives, define key concepts, link key indicators of success, establish targets, and develop a data collection plan.
- ⇒ Recommendation 3: Conduct a thorough analysis and discussion (including at the associative level) of what salary means to the organisation in order to align policies, practices, and processes. Should salary: ensure a standard quality of life for employees? be a means of showing appreciation to employees? retain employees or ensure employees have a humanitarian commitment? invest in human resources or control costs? serve to improve the world or to ensure equity?
- ⇒ Recommendation 4: Consider ways to further simplify the system to make it easier to communicate, understand, and implement.
- ⇒ Recommendation 5: Establish mechanisms for the system to proactively adapt to changing needs, specifically operational needs regarding required profiles and the individual needs of staff.
- ⇒ Recommendation 6: Focus on three areas to help improve the climate of justice and equity within the organisation; these are: decoding organisational values; balancing employer and employee perspectives; and measuring effectiveness.
- ⇒ Recommendation 7 (Beyond IRP2): Have an open discussion regarding compensation and benefits within MSF from a global perspective, considering the possibility of significantly changing the structure of the system. Such a discussion would include:
 - challenging the acceptability of differences between national, international, and HQ staff;
 - determining which processes of the Total Rewards Package could be more effective and efficient if they were centralised or decentralised;
 - ensuring HR is more integrated among all departments.

5 ANNEXES

5.1 LIST OF INTERVIEWEES

There are 2 additional interviewees for whom we have not received permission to include their names in the report.

Name	Position	Office
Agnes Delahaie	Coordinator of the Field Administration Unit and the Staffing Unit	OCB
Àine Markam	International Vice President	International Board
Akke Boere	Operational Manager	OCA
Ana Cecilia Moraes	Former President MSF Brazil A	MSF Brazil
Anara Karabekova	Head of Recruitment and Mobility – Dakar	OCGe - Dakar Unit
Anne-Laure Roudier	Operational HR Coordinator a.i.	OCP
Anne-Louise Jacquemin	International Comp & Ben Coordinator	MSF International
Arjan Hehenkamp	General Director	OCA
Arnold Rinzema	Head of HR	OCA
Aude Thorel	HR Director	OCGe
Aurelien Marechal	Logistics Resources Coordinator	OCB
Barbara Hessel	HR Coordinator	Field (OCA)
Brett Sandler	Career manager/Recruiter	MSF South Africa
Brigitte Vasset	Medical Director a.i	OCP
Bruno Jochum	General Director	OCGe
Carlos Tortta	President MSF LA	MSF Latin America (Regional Association)
Charles Oloo	East Africa Association Vice-President (Acting President)	East Africa
Chidi Okparaebo	Search and Rescue Nurse	Field
Christine Gayral	Pool Management Coordinator	OCGe
Christopher Stokes	General Director	OCB
Clairy Giamali	HR Director	MSF Greece
Delphine Leterrier	Deputy General Director	OCP
Diane Djadjo	C&B Manager / Comp&Ben Referent	OCP
Diego Maggi	Former Logistics Coordinator	Field
Edda Bambach	HR Coordinator	Field (OCBA)
Eric Pujo	Cell Manager	OCP
Farhat Mantoo	HR Director	MSF India
Florian Westphal	General Director	MSF Germany
Florijn Spoelstra	Recruitment Specialist / Former Pool Management Coordinator	OCA
Giuliano Santagata	Logistics Pool Manager	OCB
Guilhem Mollinie	General Director	MSF South Africa
Guillem Perez	Coordinator Recruitment and Pool	OCBA
Imane Boulouah	Coordinatrice ressources terrain	OCP
Johanna Vanpeteghem	Head of OCBA Nairobi Unit	OCBA Nairobi Unit
John Lawrence	President MSF USA	MSF USA
Julie Péton	HR Director	MSF Japan
Kate Mort	Director Field Human Resources	MSF USA
Kristel Eerdeken	Deputy Cell Coordinator Cell 5 (Ops Manager)	OCB
Laura Smith	HR Advisor	OCA
Lisette Rietti	Staff representative - Workers' Council OCA; Functional Application Administrator	OCA
Marc Ferrier	Recruitment Coordinator	OCP
Marcel Langenbach	Operational Director	OCA

Name	Position	Office
Mari Carmen Vinyoles	Program Manager Cell 2	OCBA
Maria Aalders	Rewards Specialist / Comp&Ben Referent	OCA
Mariana Oliveira	Compensation & Benefits Project Manager	OCA
Marietta Provopolou	General Director	MSF Greece
Marine Henrio	Pool Management Coordinator	OCP
Mégo Terzian	President of MSF France Association and IB member	International Board
Melanie Cagniart	HR Director	OCP
Monica Folch	HR Director	MSF Denmark
Muriel Cornelis	HR Director	OCB
Nadine Delamotte	Pool Management and Recruitment Coordinator	OCB
Nele Verhofstadt	Field Administration Unit Manager / Comp&Ben Referent	OCB
Nicole Rugebregt	HR Admin Officer	MSF Hong Kong
Olaf Pots	International Logistics Coordinator	MSF International
Owen Campbell	Field Human Resources Manager	MSF Canada
Pablo Waring	Comp&Ben Referent	OCBA
Parthesarathy Rajendran	Board member of MSF SARA	MSF South Asian Regional Association (SARA)
Philippe Berneau	IGA Rep MSF Italy	MSF Italy
Renato Santos	Recruiter MSF Brasil	MSF Brazil
Rhitam Chakraborty	Field HR Manager Responsible for GAS pool	MSF Hong Kong
Ricardo Rubio	Int'l Financial Coordinator IO	MSF International
Robin Sands	Head of HR	MSF Australia
Roya Milani	HR Project Manager / Comp&Ben Referent	OCG
Sandra Matouk	Head of Recruitment	OCB MENA offices
Sidney Wong	Medical Director	OCA
Stefano Manfredi	HR Director	OCBA
Tammam Aloudat	Deputy Medical Director	OCGe
Tiffany Moore	HR Director	MSF Canada
Todd Phillips	Staff representative - Workers' Council OCA; HoM	OCA
Vanessa Cardoso	HR Director a.i., Recruiter and Career Manager – Paramed pool	MSF Brazil
Vickie Hawkins	General Director	MSF UK
Zahid Ansari	Medical HR Officer	MSF India

5.2 INFORMATION SOURCES

Primary data collected for this report include:

- Survey sent to 11,268 unique email addresses of international staff who were in at least one field assignment as of July 2013. 5,122 respondents total.
- Questionnaire sent to 99 discrete email addresses of international staff who were in at least one field assignment as of July 2013. 35 respondents total. Two additional interviews for clarification.
- 67 interviews with 75 key stakeholders.

The following is a list of the type of documents received and reviewed. It is not exhaustive but shows a sampling of key documents:

- Documents from the development and implementation of the IRP2
 - Survey results
 - Meeting minutes from IDRH, ExCom, and Comp&Ben working group
 - Communications to international staff (including webinars, FAQ sheets, newsletters, briefing papers, etc.)
- Policy documents and communications
 - IRP2 policy
 - Salary grids

- May 2017 salary change communications
- Communications to international staff and HQ HR staff
- National staff policy
- International HR Reports
 - MSF-External market data for the IRP2 Evaluation
 - End of mission survey reports and retrospective surveys
 - Exceptions monitoring
 - HR Strategy
 - HR International Indicators 2004-2011, 2015, 2016
 - MSF Vision on People
 - Executive Governance Impact Analysis 2013-2015
 - IRP2 Communication Report
 - Scaling Audit Report
 - Retention and Employability Survey for Medical Staff
 - OCA Domicile and Discrimination Report
- Retention reports/studies
 - Literature review of retention studies
 - Medical retention survey
 - OC and PS retention studies
- MSF core documents
 - Employee Charter
 - La Mancha Agreement
 - Chantilly Principles
- Strategic / Planning Documents
 - Strategic Plans
 - Activity Reports
 - Annual Action Plans
 - Typology Studies
- Documents from associations and partner sections regarding complaints, exceptions requests, and proposals
 - IGA motion
 - MSF France proposal (and response MSF Japan, Australia)
 - MSF Greece exception request
 - MSF Spain exception request
 - Associative documents
 - Articles and forums with staff thoughts/complaints

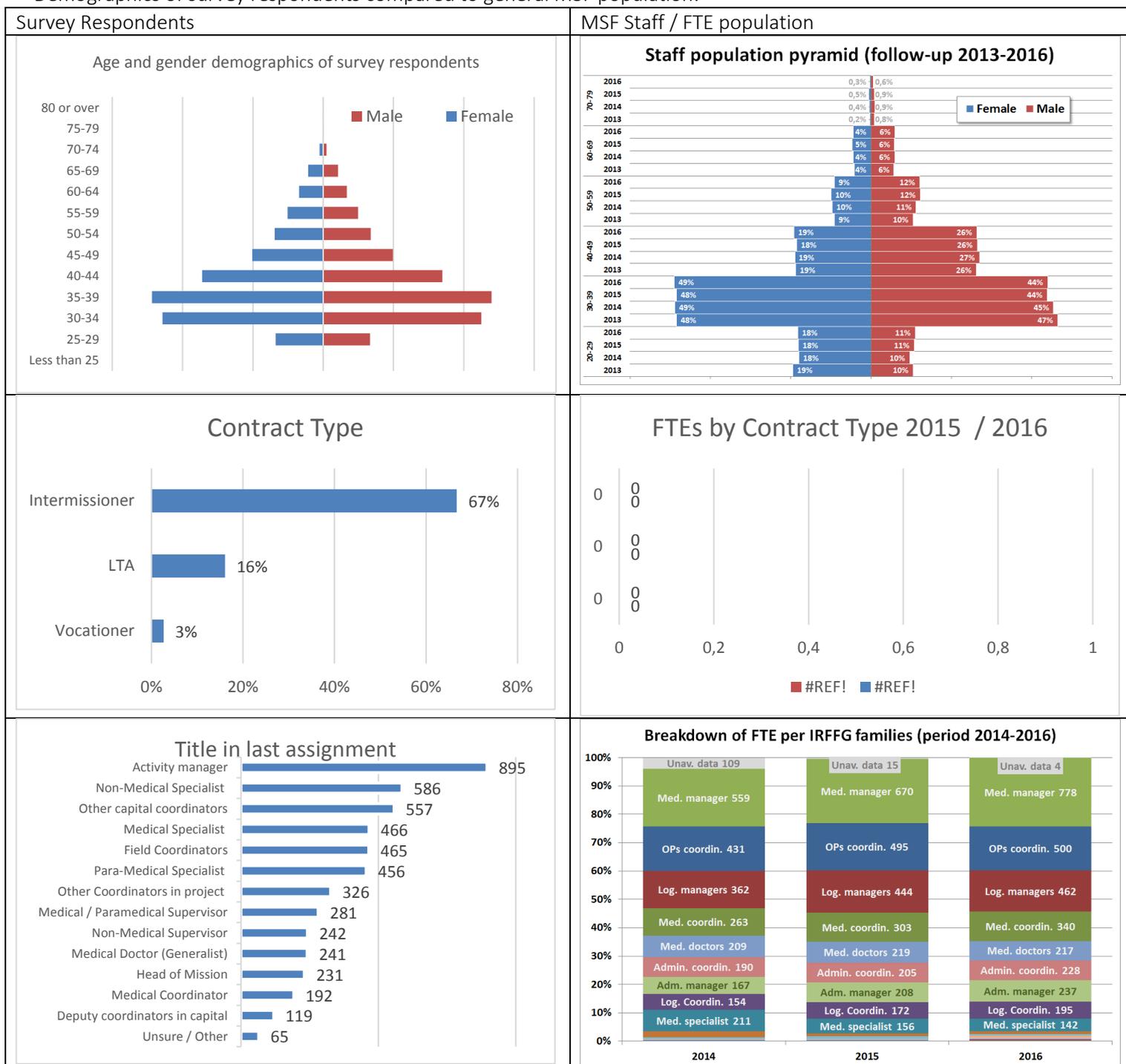
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5.3 ADDITIONAL SURVEY DATA

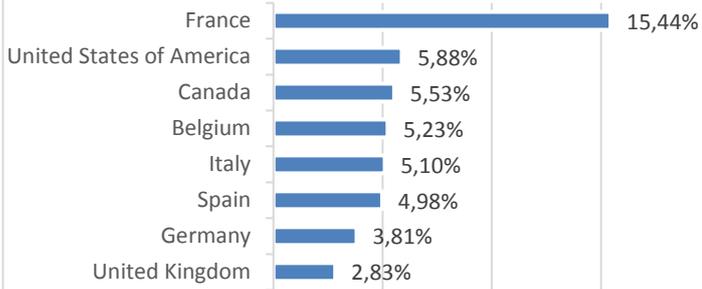
Raw survey data is available through the Stockholm Evaluation Unit.

Demographics of survey respondents compared to general MSF population:



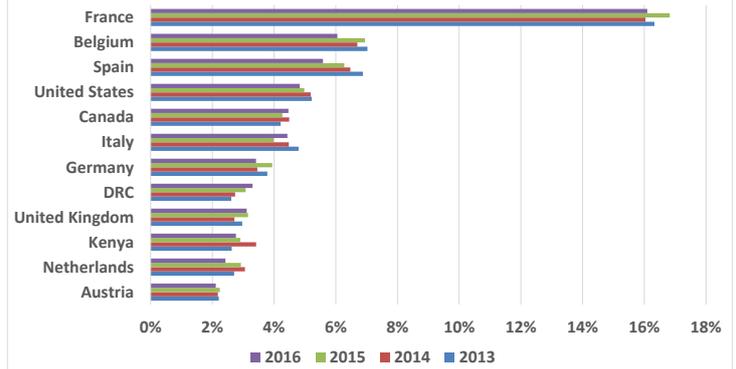
Survey Respondents

Most represented countries of residence

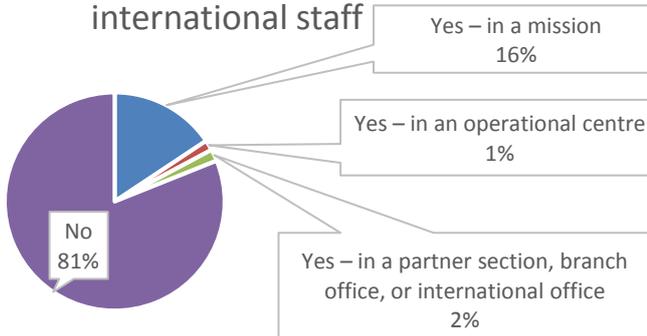


MSF Staff / FTE population

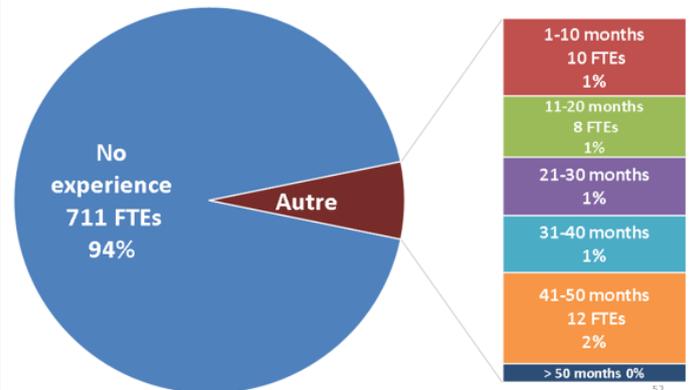
Main countries of domicile of the international staff



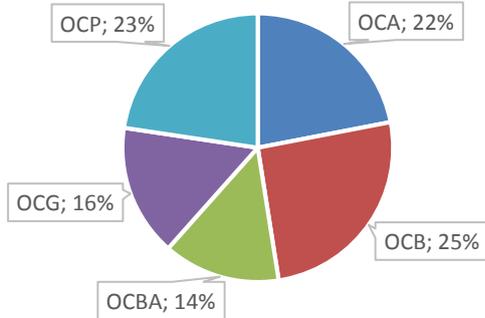
National staff (field and HQ) before international staff



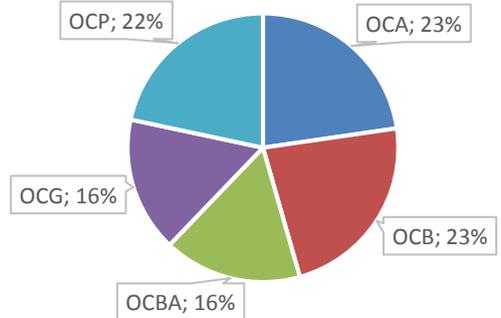
Prior national staff experience (year 2016)



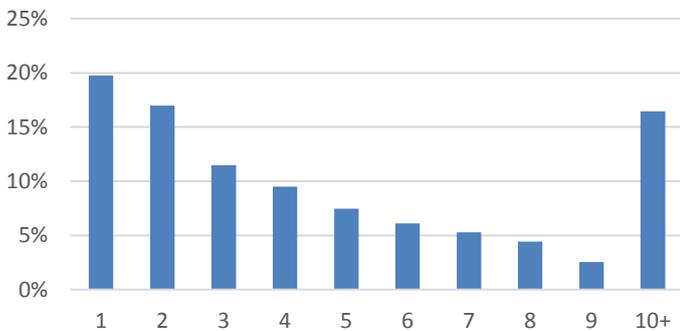
IRP2 survey respondents by Operational Centre



FTEs by Operational Centre (2016)

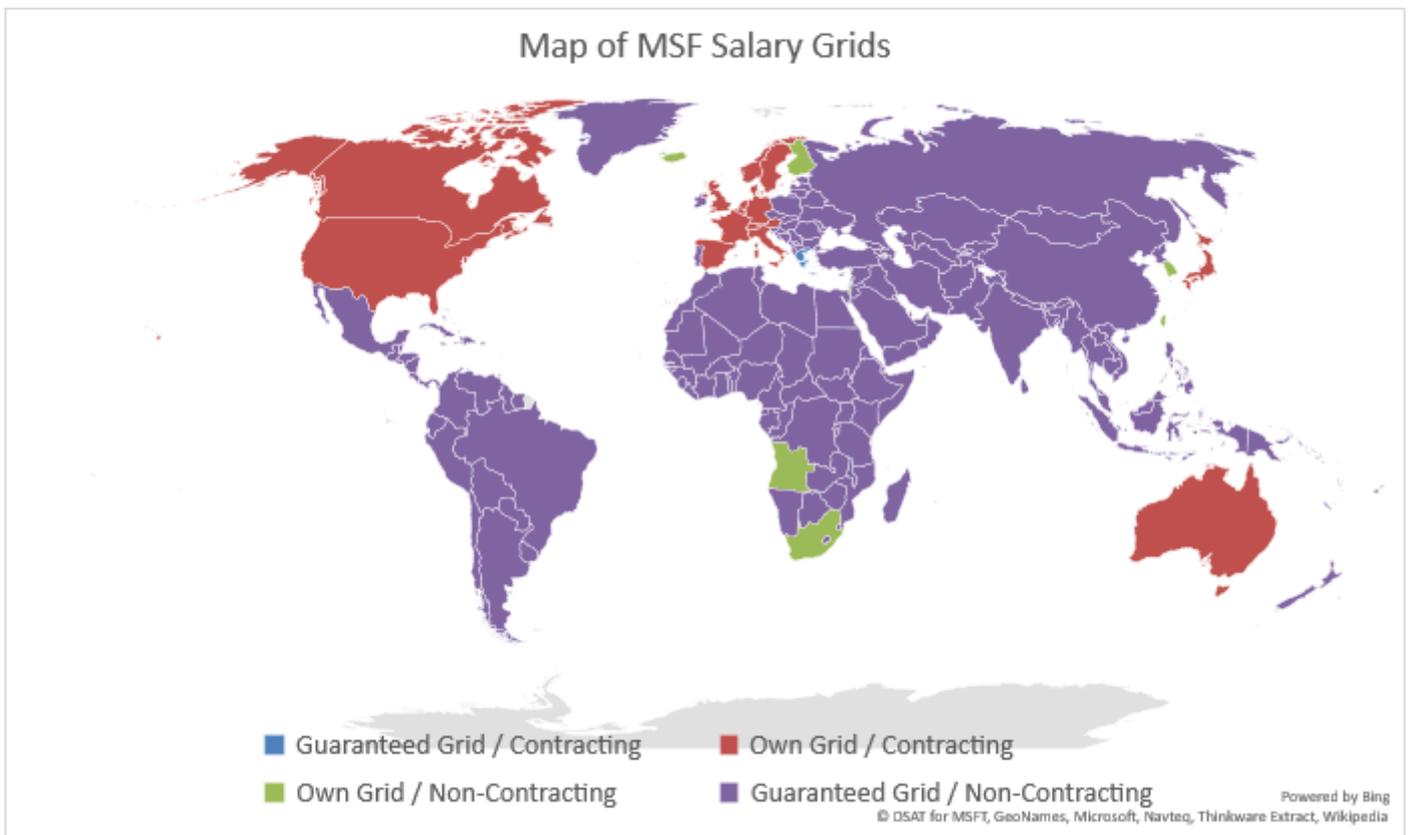


Number of Missions



Not available

5.4 LIST OF COUNTRIES BY SALARY GRID TYPE / CONTRACTING STATUS, REGION, AND INCOME LEVEL



Greece (in blue) is an exception as it is the only contracting section using the Guaranteed Grid.

Figure 13: Map of Salary Grids

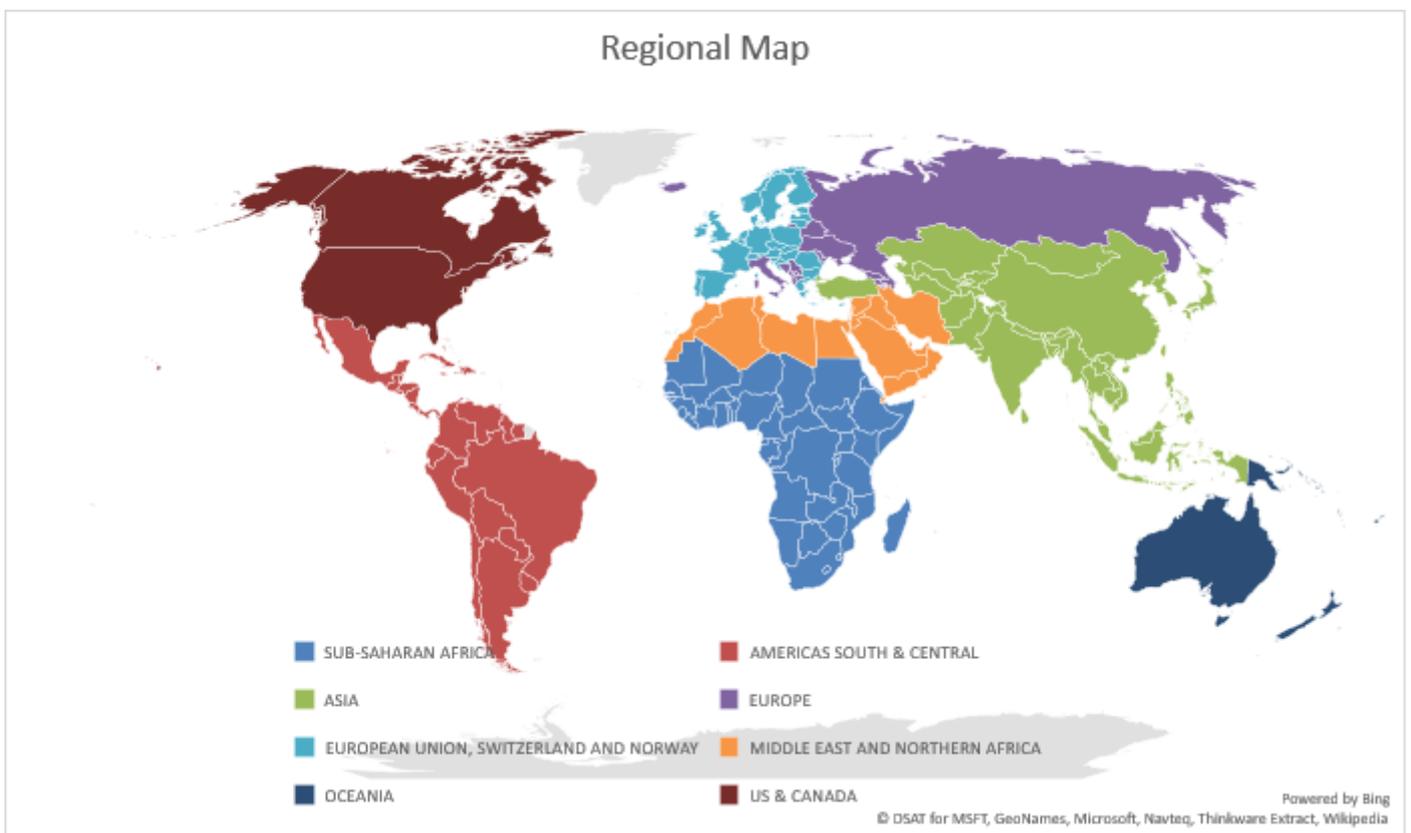


Figure 14: Regional Map

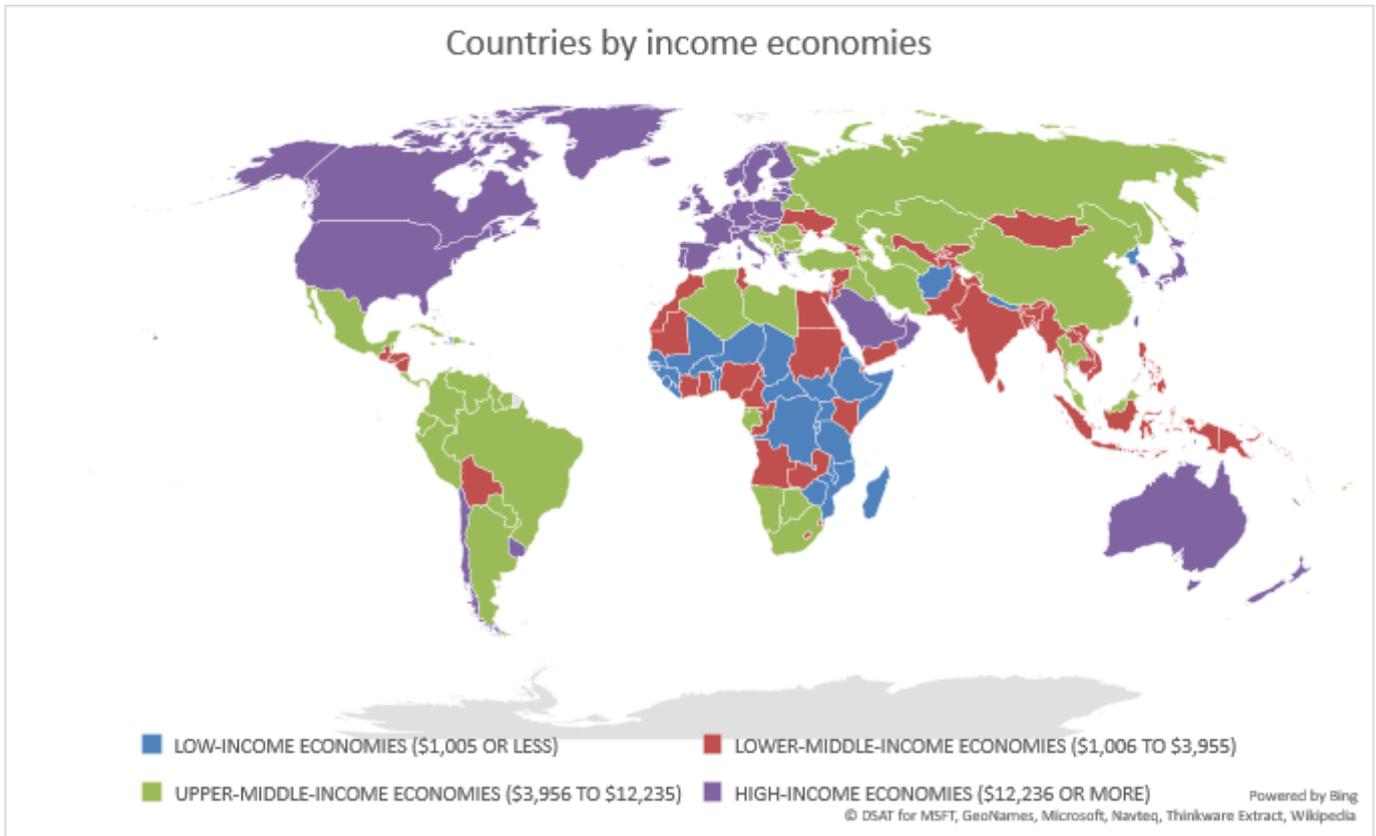


Figure 15: Countries by income economies

5.5 ABOUT THE EVALUATORS

The core evaluation team consisted of Annie Desilets as Lead Evaluator, Shana O'Brien as Evaluator, and Yves Sonnay as Assistant Interviewer.

Annie Desilets was the Lead Evaluator. For the last 15 years, Annie has been self-employed as a management consultant, specialising in human resources with a focus on efficiency, organisational design, and pay equity. Nine years ago, she made the decision to work overseas, mostly in Africa, with Médecins San Frontières as a Project Coordinator and subsequently as a consultant helping with specific issues such as review and evaluation of projects, developing exit strategies, developing partnership frameworks, and reviewing internal policies and processes. Many of these projects included developing strategies to better manage organisational changes. In 2015 she gained her Master's Degree in International Law and Human Rights from the United Nations- mandated University for Peace with the purpose of incorporating these aspects to affect change of policy of INGOs.

The Evaluator was Shana O'Brien. Shana has a Masters in International Humanitarian Action. She has been focused on human resource management since obtaining her Masters in 2015. As part of her Masters, and in collaboration with MSF OCB, she completed extensive research into MSF OCB's HR policies/practices and their impact on the dynamics between international and national staff. She has also consulted on a course "Advanced Human Resource Management in Humanitarian Action" and worked as a Project Manager and Human Resources Trainee for a consultancy company, during which time she was involved in several evaluations of humanitarian projects. Prior to 2015, Shana was focused primarily on refugee resettlement and disaster response, working in Sub-Saharan Africa and the United States as a Project Manager, Refugee Caseworker, Resettlement Consultant, and Development Associate/Grant Writer with several different organisations.

Yves Sonnay was the Assistant Interviewer. Yves has a background in engineering and holds post graduate degrees in international project management and humanitarian assistance. From 2006 to 2015, he worked for MSF in the field, including as a Logistics Coordinator, Project Coordinator and Head of Mission. His assignments in the field covered a broad spectrum of humanitarian challenges, from leading the opening of an intervention in an active conflict zone, defining and implementing a 3-year disengagement strategy, and running an emergency cholera outbreak response. Since 2015, he has been involved as a consultant in reviewing management systems of humanitarian organizations, including decision-making processes to develop interventions, and implementation processes of new human resource policies. In parallel, Yves is pursuing a Master's degree in Public Health at the London School of Hygiene and Tropical Medicine.

Stockholm Evaluation Unit

Médecins Sans Frontières

www.evaluation.msf.org