Lynn Fritz’s Christmas rally call

WHAT do air cargo bosses do after they retire? Lynn Fritz, until 2001, chairman of freight forwarder Fritz Companies, finds himself in mid-November in a Washington hotel. He is just starting on a trip that will take him onto the UK, Zambia, then Davos in Switzerland for the World Economic Forum, then Geneva, then on to Ethiopia, and back to his home town of San Francisco.

“I am travelling as much or more than I ever did when I was at Fritz,” he admits.

It is not that Fritz particularly enjoys travelling to outlandish places. He admits that Zambia or Ethiopia are places “I would not normally be travelling in”. In late June he was in an even more outlandish place — Baghdad — chatting to UN envoy Sergio Vieira de Mello in the canton of the UN headquarters there. “It was an interesting experience. Everything you read about the place is true, and if I had known how bad it would be I probably would not have gone there,” he admits. A few weeks later, de Mello and 20 other UN staff were killed in a terrorist attack.

So why is Fritz travelling around the world when, as he himself says, he could be back home working on his golf game? The story goes back to the time when he was head of Fritz Companies. “We had offices in 120 countries, and every year we were impacted by natural disasters of one kind or another,” he says. “I saw people in our organisation or their families being impacted by earth- quakes or floods, and I was frustrated that as an employer I could do so little to help them. I felt that a chief executive officer should be able to exert a positive impact on his own people, and that as we were the best logistics company in the world, we should be able to help.”

Thinking on these lines, Fritz started to research into the logistics side of major humanitarian aid agencies, and was startled by what he found. “I thought there would be a lot of information about their supply-chain, purchasing and so on, but there was almost none. I found that they were very paper-orientated rather than automated, and that the efforts of people on the support side of such organisations were not recognised.

“The recognition all goes to the front-line staff, not the operations people. Donors wanted to send money for aid, not to finance training or improve internal processes.”

For Fritz, a lifelong logistics, here suddenly was a fascinating challenge. “I started to make what is probably the first properly constituted study of their logistics activities,” he reveals. “It was similar to what we would have done if asked to go into Nokia — look at what they do, and suggest how they could do it better.”

The result is the Fritz Institute, a non-profit organisation dedicated to bringing together expertise, best practices, technology and academic research in logistics, and putting them at the disposal of humanitarian organisations. The idea, Fritz insists, was conceived before he sold Fritz Companies to UPS in May 2001, but since that time it has been his full-time job.

The first organisation the Fritz Institute started working with was the International Federation of Red Cross and Red Crescent Societies, based in Geneva, and one of the first lines of attack was to bring web technology to bear within their organisation. “They had IT systems already, of course, and they had enterprise resource planning systems, but they did not have supply-chain technology,” he states. “Yet the web is an obvious tool for an organisation that has people working in the field all over the world, and donors giving gifts, and lots of supplies with no idea of when and where they will be needed next.”

The software devised by the Fritz Institute connects all these different parties on a real-time database. “That means they now know what they have, what is on the way, and what did and did not get dispatched,” he says. This replaces some of what Fritz describes as the “extraordinary flurry of calls” that usually accompanies the start of a humanitarian crisis. “If there was ever a perfect use of web technology, then this is it,” he says.
for the heroes of humanitarian aid

Amazingly, the system was delivered to the Red Cross on time and on budget.

"Fritz was a very systems-oriented company, but this is the first IT project I have ever known where that happened," he says. The Red Cross itself is said to estimate that the new system will improve the speed of its supply-chain by 25-30 percent.

Another role the Fritz Institute has played is in linking up commercial companies and aid agencies to share expertise. "Aid organisations tend to be suspicious of businesses and wonder if their intentions are pure," he points out. "For example, are they offering to help just to promote their brands?"

Through his former relationships with many leading companies, Fritz has been able to break through that barrier. "Money is fine, and many companies are incredibly generous to charities, but what we're looking for is expertise," he says. "For example: Can you lend us your logistics guy for a month?"

The three commercial companies to have become involved in working for the Red Cross in this way so far are Intel, Selectron and Dow, but Fritz has lots of other targets. "We might take analytic skills from one, and organisation skills from another. The companies themselves have the satisfaction of seeing their technology or expertise being put to good in a measurable way."

Performance measurement is another tool in the Institute's armoury, an area Fritz says aid agencies have traditionally not been good at. "After all, if your house is on fire, you tend to have other things on your mind," he says. His solution is to take on "discreet little projects" for agencies, measuring performance before, introducing changes, and then measuring afterwards. "We are like a 4PL (fourth-party logistics provider) overseeing the assets, seeing that the job gets done," he says.

A further idea has been to bring together operations staff from charities in an annual conference in Geneva, again something that no one has apparently thought to do before. "It is a unique event," says Fritz. "We give them the results of our research, and they get a chance to compare notes and see what the others are doing. We've really created a centre of expertise with these events that is truly beneficial."

One source of expertise that Fritz has so far not touched are his former colleagues and rivals in the global logistics industry, but that will soon change. "We wanted to get the analytics done first, and get the software up and running," he says. "But this time next year I hope to begin dealing with carriers and the big logistics companies of this world.

"There's a lot they can do and we certainly welcome any voluntary interest on their part. Any initiatives to support our projects would be most welcome."

He does not think it will be a one-way process. Another aspect of the Fritz Institute's work has been to stimulate academics to study humanitarian logistics topics, and Fritz says one September conversation with a professor has stuck in his mind.

"He said that he had worked in logistics for 20 years, but it was all child's play compared to the challenge of working with the aid agencies. They never know when the problem will occur or the nature of the materials needed, yet they need to respond in the fastest possible time. As the professor said, this is the highest level of logistics. My absolute expectation is that there will be an enormous amount of learning applicable to the commercial world."

One final way in which Fritz will be looking for support for his Institute in the coming year or two will be financial. He admits that he started it up with a lot of his own money. "I couldn't ask other people to stake their money if I did not put up some money myself." But now he is looking for other, more long-term funding. "We have had so many encouragements recently that I think it is the right time to go out and seek support," he quips.

And on a personal level? There are two ways in which Lynn Fritz is clearly getting great satisfaction from his new role. One is making a difference on the ground to the victims of disasters. "It is so edifying. You deal with the most impacted people — not at government level, but from the ground up," he says.

Another is in seeing operations staff in humanitarian agencies finally get the recognition they deserve. "This is like the 1970s in the commercial world, when traffic managers worked night and day and got no recognition. Operations staff in humanitarian agencies are like that now. They are marvellous people, nothing short of heroic. They deal with more things with fewer tools than any organisation I have ever seen, and their work really counts — it is literally life and death. And for the first time we are giving them the help and getting them the recognition they deserve."

Though we are talking over the telephone, one can sense Fritz beaming at this point, as full of drive and enthusiasm as he ever was. "This is something I know how to do," he concludes. "It is not just raising money for the opera; it is making a difference where it really matters. I am privileged to be able to do it, privileged to be able to use my expertise in this way."

And with that he is off to another meeting, to catch another flight.