

INTERNATIONAL

# AID & TRADE

REVIEW

Conference & Exhibition Special Edition

# January 28-29, 2004

Geneva Palexpo Conference & Exhibition Centre

INTERNATIONAL  
**AID & TRADE**

Published by Brigade 2000 Limited

[www.aidandtrade.com](http://www.aidandtrade.com)



operation is one that resonates with logisticians at most humanitarian organisations, whether at headquarters or in the field. Our research with the heads of logistics at several global humanitarian organisations suggests that the lack of voice and recognition by senior management is their single biggest source of frustration. Despite the increase in scale and complexity of logistics challenges and the potential for huge savings with a well functioning logistics team that has the proper training and tools, the voice of the logistician is still relatively weak in organisational strategy. Gustavsson attributes this and the consequent gaps in logistics capabilities to a number of factors, including funding based on short-term response and a lack of depth in logistics knowledge at senior levels in the organisation. Rickard's explanation is similar, as he attributes the lack of logistics' relevance to the structuring of operations into programmes and support, with logisticians relegated to support while project managers, mostly from programmes, are the decision-makers who often have no understanding of the logistical constraints. It also tends to cause tensions with people in programmes as they cannot understand delays and breakdowns in the supply delivery process, further distancing the logistician from the decision-making nexus.

#### Elevating the role and status of logisticians

Two decades ago logistics was rarely a subject discussed in the executive suites of large corporations. Often referred to as shipping, the function had a lowly place and logisticians were located in basements and at shipping docks. Today, logistics or supply chain management is recognised as a strategic and value-producing component in the overall operation of commercial organisations. Graduate and doctoral programmes at major universities assure ongoing research that documents and disseminates examples of best practice. There is a professional career path for logisticians, a number of magazines that chronicle their work and a community of peers that shares knowledge in meetings sponsored by organisations such as the Council of Logistics Management (CLM).

Drawing on lessons learned from the commercial world, the Fritz Institute,

formed to support the disaster relief chain, believes that strengthening humanitarian infrastructures, particularly in logistics and technology, can only increase the effectiveness and impact of humanitarian relief efforts. When developed with clear strategic intent, trained people, established processes and robust systems, logistics enhances organisational capabilities, develops capacity, increases preparedness and learning which consequently adds value to beneficiaries, donors and other stakeholders. To elevate the status of logisticians and logisticians in the world of humanitarian relief, the Fritz Institute harnesses a structured process that includes supporting applied research, convening meetings to build a community and developing solutions to meet common needs.

The Fritz Institute process begins with research to identify common challenges across relief organisations. Next, academics brought together corporate experts and professionals from humanitarian organisations to discuss and prioritise issues around which collaboration, contribution and learning can occur. Wherever possible specific solutions are developed collaboratively and applied in an organisation. The impacts are tracked so that both the solutions and the knowledge gained from the process are disseminated to other humanitarian organisations that might benefit. See figure 1.

#### Challenges to logistics: the research evidence

To understand the role of logistics in a relief effort, members of the Fritz Institute team have visited over 15 major global relief organisations around the world, at headquarters and in the field. This exercise led to the mapping of the relief logistics process, as well as the layers of technology and training that underlie the process. This research was augmented through the sponsorship of five teaching case studies about relief logistics written by Ramina Samii and Luk Wassenhove, of the distinguished supply chain faculty at INSEAD University.<sup>1</sup> Earlier this year Fritz Institute sponsored a special issue of *Forced Migration Review*<sup>2</sup> that profiled the opinions of logisticians, their assessment of the state of the field, the innovations and accomplishments in recent operations, and the challenges that continue to frustrate them.

The themes that emerge from all of these efforts are consistent and centre around people, process and technology. High turnover among logisticians due to funding cycles, as well as burnout and stress, leaves most organisations short on trained personnel, particularly in emergencies. Another consequence of the turnover is the lack of institutional memory regarding the innovations and mistakes from one context to the next. Since there is no consistent venue, virtual or otherwise, where logisticians and emergency relief personnel meet, collaboration is often adhoc at a disaster, rather than planned for shared resources or services.

The lack of voice for the humanitarian logistician was also attributed to a lack of 'professionalisation' in the field, including the absence of standards, certification and accreditation. Without a professional body, research, or a community of practice, it is challenging for logisticians to communicate their impact in strategic terms, as measures and metrics of effectiveness are relatively underdeveloped or indeed completely absent. It is not surprising then that there are no professional career tracks for logisticians and that no organisation includes a logistician on its senior management team.

As illustrated in Figure 3, the Fritz Institute also found that the technology layer underlying the relief process in most of the organisations is extremely fragmented. Multiple systems are often used to capture the same data, interoperability between core systems such as commodity tracking and finance frequently does not exist, and the communication of data between geographically distant locations is reliant on phone and fax. All of these factors result in people-intensive mobilisation operations, as well as restricted access to timely and accurate information. Despite large investments over many years, origin to destination information about the funding, food and non-food supplies and gifts-in-kind, is not readily available to decision-makers in real-time. In addition, manual error-prone processes still dominate. Historical data is rarely captured and used for negotiating better rates, selecting more reliable vendors or identifying the relative advantages of pre-positioned stock versus long-term frame agreements with suppliers.

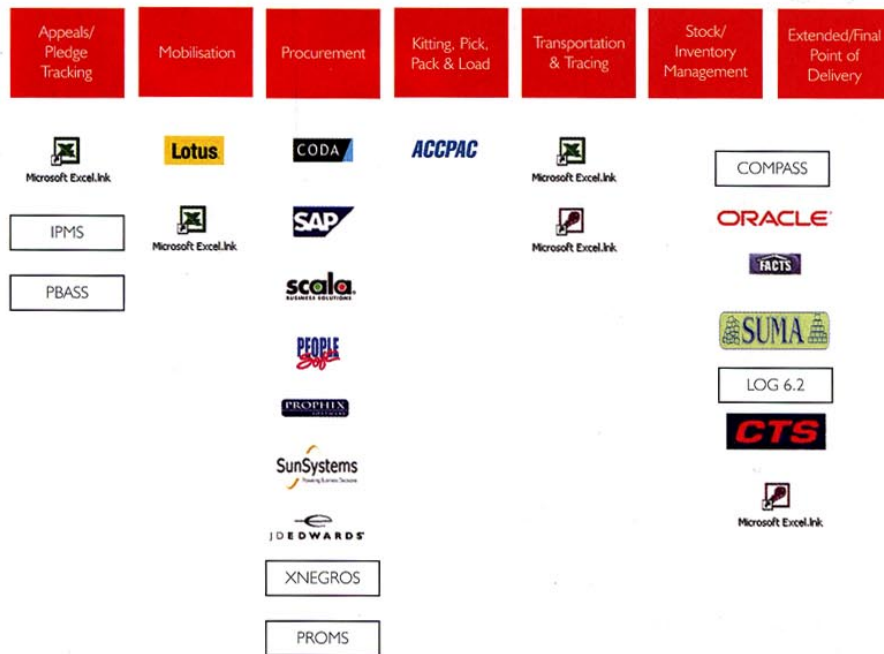
#### Greater collaboration and learning

A crucial element in the evolution of a field is the creation of a community of practice, where a group of people united by a common effort, interact and share knowledge and work practices. In the commercial logistics arena, the Council of Logistics Management hosts an annual educational conference attended by 5,000-7,000 people from a broad range of industries. Creating a forum where humanitarian logisticians can meet each

Figure 2 Relief Information Chain



Figure 3



other and discuss their challenges and best practices would facilitate the sharing of knowledge and discussions and actions about common standards and shared services. To encourage a 'community of practice' the Fritz Institute hosts two logistics meetings each year: one in the United States and one in Europe. The Humanitarian Logistics Conference, held annually in Geneva, brings together senior logistics professionals from the world's largest relief organisations, along with prominent logistics professors, to share experiences and discuss ways that the practice of logistics can be improved. 'Crossroads', held in California, brings together senior supply chain executives from corporations, academics and representatives from the humanitarian community, to discuss ways to develop practical tools and approaches to support logistics in humanitarian relief.

**Solutions based on expertise**

The focus of the Fritz Institute's solutions is to bring private sector and academic resources and expertise to specific problems in the humanitarian arena. Wherever possible the tools are created to address the same problem in multiple organisations so that the investment of time and money can be leveraged over and over again. One example of a Fritz Institute solution is Humanitarian Logistics Software (HLS) which was created using best practices from commercial logistics and technology to address the issues of lack of process, fragmented technology, reliance on error-prone manual processes and lack of timely

and accurate data which are endemic to relief efforts.

HLS, created in collaboration with the International Federation of the Red Cross and Red Crescent Societies (IFRC), automates the mobilisation process and tracks supplies from donation to delivery in the field. Easy to use, it links emergency operations with logistics and finance to provide a comprehensive and timely view of the relief pipeline.

**Next steps: broadening the community**

Lessons learned from the practice of logistics in the commercial arena suggest that as the professionalisation, prominence and strategic significance of the logistics function increases, so will the value added by this function to humanitarian organisations. Logistics has the potential to enhance the success of programmes and greatly increase the efficiency of operations. Senior managers in humanitarian organisations, as well as donors, should recognise that logistics data encompasses all aspects of execution, such as the effectiveness of suppliers and transportation providers, the cost and timeliness of relief efforts, the appropriateness of donated goods and information flows between the field, headquarters and donors. In a relief effort, logistics is the nexus of information for donors, operations managers, finance departments and field relief activities. Further:

- Logistics serves as a bridge between disaster preparedness and response through the establishment of effective

procurement procedures, supplier relationships, prepositioned stock and knowledge of local transport conditions.

- The speed of response for major humanitarian programmes involving health, food, shelter, water and sanitation interventions is dependent on the ability of logisticians to procure, transport and receive supplies at the site of a humanitarian relief effort.
- Since the logistics department is usually involved in every stage of a relief effort, it is a rich repository of data that can be analysed to provide post-event learning.

The Fritz Institute welcomes collaboration with universities, NGOs, multilateral organisations, international organisations and corporations towards identifying new paths to the improvement of logistics in the humanitarian community, the professionalisation of logisticians and ways to measure and communicate the impact of logistics within and across organisations.

*Dr Anisya Thomas, Ph. D. is managing director of the Fritz Institute. For more information, visit [www.fritzinstitute.org](http://www.fritzinstitute.org).*

1. The Afghanistan Crisis: The United Nations Joint Logistics Centre (UNJLC). The Mozambique Floods: (UNJLC). Logistics Moving the Seeds of a Brighter Future (UNJLC's Second Year in Afghanistan). Choreography of Disaster Management (IFRC). The Gujarat Earthquake (IFRC).
2. *Forced Migration Review*, Oxford University, September 2003.