

## Lynn Fritz: Mobilizing business expertise for measurable gain in humanitarian relief

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A pioneer in the global logistics industry, Lynn Fritz was Chairman and CEO of the Fritz Companies Inc. until his firm was acquired by UPS Inc. in 2001. Under his leadership, Fritz Companies was transformed from a family-owned documentation company to a global organization of 10,000 employees in 120 countries.

He founded the nonprofit, San Francisco-based Fritz Institute ([www.fritzinstitute.org](http://www.fritzinstitute.org)) in 2001 to bring together business best practices and academic research to strengthen the capabilities of humanitarian organizations engaged in disaster relief around the globe.

Through a comprehensive, integrated strategy that includes convening the key players in humanitarian aid, providing access to state-of-the-art technology from the commercial arena, and creating a worldwide network of scholars to research best practices, Fritz Institute seeks to improve the delivery of disaster relief.

Fritz also serves as a member of the World Economic Forum's Logistics and Transportation Governors, and is a founder of the Disaster Resource Network (see box at right), an initiative of the Forum that channels support in disasters, particularly from the engineering, construction and logistics industries.

Fritz recently spoke with Global Giving Matters from Geneva, where his agenda included meetings with

potential private sector partners for a new Fritz Institute initiative in Africa. Following are highlights from that conversation that focus on one of his current priorities: getting the private sector more involved in disaster relief.

Global Giving Matters: Why did you decide to orient your philanthropy toward humanitarian relief, and what motivated you to create the Fritz Institute?

Lynn Fritz: Like most philanthropists, my efforts were well-intentioned. As I got more interested in philanthropy, however, I saw a curious lack of interest in real accountability, strict business practices, and the use of metrics. I really wanted to get involved in a way that could utilize my business skills and networks, to see if there was a way to apply it to philanthropy.

After some thought and consultation with colleagues, I came to the conclusion that few causes were more in need of global operational expertise than humanitarian aid organizations. They're all global, complex organizations and the Fritz Companies -- that's all we did, we served complex global organizations.

I thought that there would be all kinds of examples of private-public partnerships in this area, only to find out that there were not. It seemed like a wonderful opportunity to do what I wanted to do with my philanthropy, so I created the Fritz Institute.

GGM: How is the Fritz Institute helping to transfer commercial practices and technologies used in global business to the humanitarian relief sector?

Fritz: On the operating side, when you get down "under the hood," to the actual day-to-day running of the business-procurement, warehousing and distribution-we had seen every one of these issues before. We began to turn our attention towards developing technologies that would go across all these humanitarian relief organizations. [See article on the Fritz Institute's Humanitarian Logistics Software, also in this issue.]

We have been able to bring in the expertise of our colleagues from the private sector, not just from the Fritz Companies, but from Intel, and Philips, and other corporations. We're bringing in people who work in purchasing, logistics, financial control, governance, and human resources, and saying, we want you to apply your knowledge to very similar problems in another sector, except you'll be helping millions of people in need and your expertise will be used in a highly leveraged situation.

GGM: What's in it for the private sector companies that get involved in your work?

Fritz: First, it's an easy and effective way for them to respond to their sense of social responsibility. They're asked for a very specific expertise which is focused in a rela-

tively short-term basis. With Fritz Institute as an intermediary, they can fulfill their corporate citizenship while optimizing their corporate investment.

The second thing is that we don't engage in any of this work without having a strong element of measurement, so companies can show their constituencies that their people, their expertise, and their products really have successful social application.

GGM: To date, you've largely underwritten the cost of Fritz Institute yourself, spending \$6 million of your own funds. You've recently begun to seek financial contributions from external sources—what impact do you expect this move to have on the Institute's work?

Fritz: The idea is to establish an august list of great companies from around the world, recognize them

as "Corporations for Humanity," and to work with them on an ongoing basis because our efforts are getting wider and deeper on so many levels.

We are now focused on raising more money than my own for a couple of reasons: because there is so much work to be done that will require more resources; because we want to make sure that it has for all the constituents an absolute sense of ongoing permanency; and because the more prestigious organizations and foundations that join, the more credibility it lends to what we do.

In private business, I never asked partners to join me unless I was satisfied that we had an absolutely compelling, cogent value proposition. We just started about three months ago to go out not only to corporations, but to other private foundations, to say that if you really want to invest your money and

you're interested in the humanitarian sector, we can demonstrate that our approach is a leveraged, measurable way of focusing your funding.

GGM: Looking ahead, what role do you see the Fritz Institute playing three years from now?

Fritz: What we were about in our first three years was getting to know the various key constituencies of the humanitarian ecosystem—providers, the academic community, the private sector, and governmental donors. In three years, if we are successful, the Fritz Institute should be able to go from incremental impact in thought leadership, to making measurable, systemic improvements in the manner and method of humanitarian aid.

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