Humanitarian Operations and Supply Chains

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Humanitarian Supply Chains - A matter of life and death

- The supply chain is **a critical component** not only of corporations but also of humanitarian organizations and their logistical operations.
- To ship the humanitarian goods to the affected area in the first 72 hours after disasters is crucial. The successful execution is not just a question of money but **a difference between life and death** (Van Wassenhove, 2006).
- At least **50% of food aid** is spent on transport, storage and administrative costs (Dugger, 2005).
- According to some estimates, up to **60%** of donated disaster aid can not be used (Center for International Disaster Information, 2013).
Issues in Humanitarian Operations

Australians sending 'unhelpful' donations like high heels, handbags, chainsaws to disaster zones

By Loop Global
11:52, January 16, 2017

Unsolicited donations given to Australia's Pacific neighbours after disasters may be causing more harm than good, says a report commissioned by the Australian Red Cross.

Thanks, But No Thanks: When Post-Disaster Donations Overwhelm

January 9, 2013 - 8:11 PM ET
Heard on All Things Considered

Volunteers sort through piles of donated clothes for Superstorm Sandy victims at an impromptu Staten Island aid station in November. Relief groups are still trying to figure out what to do with donated clothes people sent to New York and New Jersey in Sandy's aftermath.

Sara Winog/AP
Various types of humanitarian supply chains:

- Hunger Relief
- Medical Relief
- Disaster Relief
- General Humanitarian Aid
Contrasting Humanitarian vs. Commercial SCs

- **Similarities to Commercial Supply Chains:**
  - Core model is the same - Plan, Source, Make, Delivery and Return
  - On-going aid is similar to commodity product SCs (lean operations)
  - Disaster aid is similar to make to order product SCs (agile operations)

- **Differences from Commercial Supply Chains**
  - Life and death vs. Profit and loss
  - Command and control - High uncertainty in management
  - Supply Chain formation – especially in disasters
  - Funding comes mainly from donors – funding depends on voluntary donations
  - Supplies come from donors which are generally independent

Source: Day et al., 2007; Blanco and Goetzel, 2006; SCC, 2010
Supply Chains can also be a source of Humanitarian Scandals

The New York Times
Asia Pacific

Report on Deadly Factory Collapse in Bangladesh Finds Widespread Blame

The Guardian

Dell suppliers accused of human rights violations in China
Mingshuo Computers, which assembles motherboards for Dell, has been filmed by undercover reporters breaking Chinese labour laws.

Revealed: Asian slave labour producing prawns for supermarkets in US, UK
Thai 'ghost ships' that enslave and even kill workers are linked to global shrimp supply chain. Guardian investigation discovers
- Trafficked into slavery on Thai trawlers to catch food for prawns
- Thailand's seafood industry: state-sanctioned slavery?
- Ask your questions - live chat as it happened

The Telegraph

'Mass suicide' protest at Apple manufacturer Foxconn factory
Around 150 Chinese workers at Foxconn, the world's largest electronics manufacturer, threatened to commit suicide by leaping from their factory roof in protest at their working conditions.
Food for Thought

- How do humanitarian supply chains can *benefit* from leading edge supply chain thinking?
- How can we realistically *measure the impact* of social enterprises and humanitarian supply chains?
- Why do human rights issues *continue to surface in news* reports about supply chains?
- How should *companies/governments/civil society* go about improving the human rights of workers in their supply chains?
- Can we *realistically expect* to almost eliminate human rights issues within the supply chain?
Module Outline

Day 1: What is humanitarian L&SCM?
Day 2: Managing disaster versus on-going aid SCs - performance and stakeholder management
Day 3: How do social enterprises create value: bricolage, networking
Day 4: 2 Guest Speakers:
  • Social entrepreneurship in development, debates on 'DIY aid', volunteering/voluntourism and the changing nature of development.
  • Humanitarian Aid in Rwanda - Disaster and on-going aid from a United Nations perspective.
Day 5: Case Presentations: Rana Plaza Disaster, Haiti Humanitarian and On-going Aid, Rwanda Crisis; Doctors Without Borders; Ebola crisis