



Humanitarian operations: the challenges for fleet management

Humanitarian disasters are on the increase. According to Lars Gustavsson, Senior Executive Officer, World Vision International, two large emergencies were recorded in 1982, compared with 90 in 2000, and this figure is set to rise to 170 by 2020. With this in mind, the natural question is how can humanitarian organisations continue to delivery efficient disaster response operations?

The mid-1990s heralded a new era in humanitarian operations. In the wake of criticism regarding the response to high-profile disasters, humanitarian organisations began to focus increasingly on improving response delivery through improved logistics. Fleet management was an integral part of this process. As Luk Van Wassenhove, Academic Director of INSEAD Social Innovation Centre, points out, “Without (vehicle) fleets, humanitarian organisations cannot respond”.



Transportation is the cornerstone of humanitarian

programme delivery, and the second largest cost in terms of overheads for humanitarian organisations. The current combined humanitarian fleet is estimated to be more than 100,000 vehicles, with an annual operating cost of one billion US dollars. The UN Environmental Programme predicts that this figure will triple by 2050. Testament to the increased attention being paid to fleet management in humanitarian response operations, The Fleet Forum was established in 2003 as a joint initiative of World Food Programme, International Federation of the Red Cross, World Vision International and the commercial logistics company TNT. The purpose of the Fleet Forum was to use the expertise of different stakeholders involved in the humanitarian sector to find solutions to some of the most pressing problems facing humanitarian organisations in the area of transportation and programme delivery. Specifically it focused on safety, environmental impact and fleet management. It has since grown to become the leading interagency association working on these issues, and consists of more than 40 NGOs, international organisations, United Nations, academic institutions, donors and corporate partners.

The Fleet Forum, according to **Palle Maschoreck**,

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Business Development Specialist at Kjaer Group, “brings knowledge to the table”. The INSEAD Humanitarian Research Group (HRG) has been involved with the Forum since 2004, looking at how cross-learning between the private and humanitarian sectors can have a real benefit for both parties.



Since 2007, the INSEAD HRG has been conducting extensive research into fleet management in the humanitarian sector. First, it aims to understand how international humanitarian organisations manage their vehicle fleets. Second, it investigates the critical factors affecting vehicle fleet management in international humanitarian organisations. Third, it examines how vehicle fleet management impacts on humanitarian programme delivery. This is the first academic research project of its kind to understand and develop solutions for the important issue of vehicle fleet management in humanitarian operations. In doing so, the HRG hopes to contribute to building the capacity of international humanitarian organisations for improved practices in the delivery of their programmes. **Rob McConnell**, founding coordinator of Fleet Forum and current Executive in Residence at INSEAD, states: “Subjecting fleet management to the scrutiny and rigour of a top management school such as INSEAD enables fleet managers to improve their practices and raise the standard of humanitarian programme delivery.”

As part of the project, INSEAD HRG has carried out field research with Fleet Forum members International Committee of the Red Cross, World Vision International, IFRC and WFP in Africa and the Middle East. Additionally, HRG has developed solutions with management teams in Europe, and examined the development of a fleet management product by one of Fleet Forum’s private partners. To date, findings from this research have been presented at academic conferences such as Production and Operations Management Society, Institute for Operations Research and the Management Sciences, and the London Business School Trans-Atlantic Doctoral Conference, where it won the best paper award in 2008. However, in order to ensure the greatest level of impact on the sector itself, it has also been presented at practitioner conferences such as Harvard Business School, the Inter-Agency Procurement Group, and the Fleet Forum.

The 2010 Fleet Forum conference entitled, *‘From Donor to Delivery: The Role of Transport in Successful*

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Programme Delivery’, included over 60 participants from private sector companies such as TNT, Land Rover, Nissan, Toyota, Kjaer Group and Overseas Leasing Group; humanitarian organisations such as World Food Programme, International Federation of the Red Cross, International Committee of the Red Cross, World Vision International, Oxfam, Catholic Relief Services, Organisation for Security and Cooperation in Europe and UN Committee for Refugees; and academic institutions such as HEC and University of Lugano. Opening the conference, Lars Gustavsson, highlighted the role of the Fleet Forum as: “Contributing to the achievement of the Millennium Development Goals and improving the lives of beneficiaries in low- and middle-income countries, through better fleet management”.



There are eight Millennium Development Goals: eradicate extreme poverty; achieve universal primary education; promote gender equality and empower women; reduce child mortality; improve maternal health; combat HIV/AIDS, malaria, and other diseases; ensure environmental sustainability; and develop a global partnership for development. In the process of delivering their programmes, humanitarian organisations have a direct impact on many of these goals. The aim of the Fleet Forum reflects this and as such, presentations from leading experts in the field examined, greening fleets to reduce environmental impact, improved safety

standards to avoid widespread accidents, pooling vehicles to reduce costs and increase efficiency, fair processes to improve management practices, and the benefits of multi-sector partnerships in achieving real results. More than ever, the conference highlighted INSEAD's valuable role in generating and disseminating relevant knowledge to effect real change.

INSEAD HRG's research on Fleet Management in the Humanitarian Sector continues. Hosting the Fleet Forum conference was one landmark in this ongoing journey.

The seventh annual Fleet Forum conference was held at INSEAD's Europe campus in Fontainebleau in mid-March.

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