



## Using the Global Goals as a Systemic Approach to Relief



By Maria Besiou, Kühne Logistics University; Alfonso Pedraza-Martinez, Kelley School of Business; and , INSEAD

### **With the UN SDGs as a guide, how can non-profits and NGOs do their work while considering long-term impact?**

Non-governmental and non-profit organisations (NGO/NPO) exist to aid those in need. Delivering immediate help, however, can sometimes have negative long-term consequences. Sudden disaster relief must save as many lives as possible with little consideration for how the humanitarian organisation leaves the impact area. Although it may seem like many NGOs, such as [Join for Water](#), are tailor-made for the [UN Sustainable Development Goals](#) (SDGs), not all humanitarian organisations are alike.

Introduced in 2015, the SDGs are a 17-point framework designed to motivate global efforts towards ambitious targets for 2030, such as ending poverty, ensuring universal access to quality education and providing clean water to the entire world.

While there had been progress in several (but not all) of these Global Goals, the Covid-19 pandemic has unfortunately **widened** the gap between progress and the goals. The pandemic has inspired generosity from donors; despite the increased economic strain, donations in the United States increased by 2 percent in 2020 compared to the previous year. However, NPOs report that not all of these donations are useable or appropriate for their beneficiaries' needs.

Humanitarian organisations, with the best of intentions, may underestimate the **vicious cycle** of natural disasters increasing poverty. Also, those concerned directly with disaster relief and who are still on-site post-crisis may find it difficult to shift from disaster mode to recovery mode. As such, they may miss out on encouraging **community resilience**.

### **Operations management support**

# PRODUCTION AND OPERATIONS MANAGEMENT

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With this in mind, we **edited** a **special edition** of *Production and Operations Management*, calling for research that demonstrates humanitarian- or

health-related impact which can influence the SDGs. Addressing the issues of poverty, health and education, for example, is clearly all important to NPO/NGO supply chains and the goals. Work in this special issue examines different questions with data.

How can humanitarian operations management support the SDGs? Using a systemic perspective, this field can contribute to the fulfilment of SDGs 1-16 by reducing the risk of future disasters and increasing community resilience. Consider it a shift from a quick-win methodology to longer term approaches to disaster management.

## **Data-centred research and the SDGs**

All the articles in the special issue build on real problems and relate to the SDGs, including one that has previously appeared on [INSEAD Knowledge](#). Several are briefly mentioned here.

### *“Trying and Failing: Biases in Donor Aversion to Rejection”*

Donations – think staples for a food bank, or warm clothes for a homeless shelter – are important to SDGs. But unwanted donations present a unique challenge for non-profits; sometimes it’s all too much. In this [article](#), the authors look at donors’ response to rejected donations to understand their biases and behaviours. The study uses a controlled experiment in which subjects make a costly effort to donate but their donations may be rejected. This rejection affects donors’ beliefs about the acceptance of future donations.

This work mainly addresses SDGs 1 (no poverty) and 12 (responsible consumption and production). NPOs are on the front line of the fight to eradicate poverty and they rely on donations (including in-kind, the focus of this work) to further their missions.

### *“Improving Outcomes in Child Care Subsidy Voucher Programs”*

In the United States, families can spend as much as 60 percent of their annual income on childcare. Families who are unable to afford childcare are eligible for [subsidy vouchers](#). The authors of this [article](#) examine the operational challenges of these subsidies in communities in need. Government agencies deliver the vouchers, but some families decline them since there are no childcare providers near them that accept the vouchers. Since voucher allocation doesn’t necessarily result in childcare, how can the

organisation providing the subsidies improve childcare?

The analytical model in this study finds cases in which inequity is reduced when more funds are allocated to regions with a lower proportion of income-eligible families. Neighbourhoods with more eligible families are more likely to have providers. The authors apply the model to a service area in Massachusetts and find an equity improvement of 7 percent.

This work directly relates to SDGs 4 (quality education) and 5 (gender equality). Its proposed solution may help decrease gender inequalities by prioritising outreach in regions with disproportionately lower maternal labour force participation.

### *“Inventory Policies for Pharmaceutical Distribution in Zambia”*

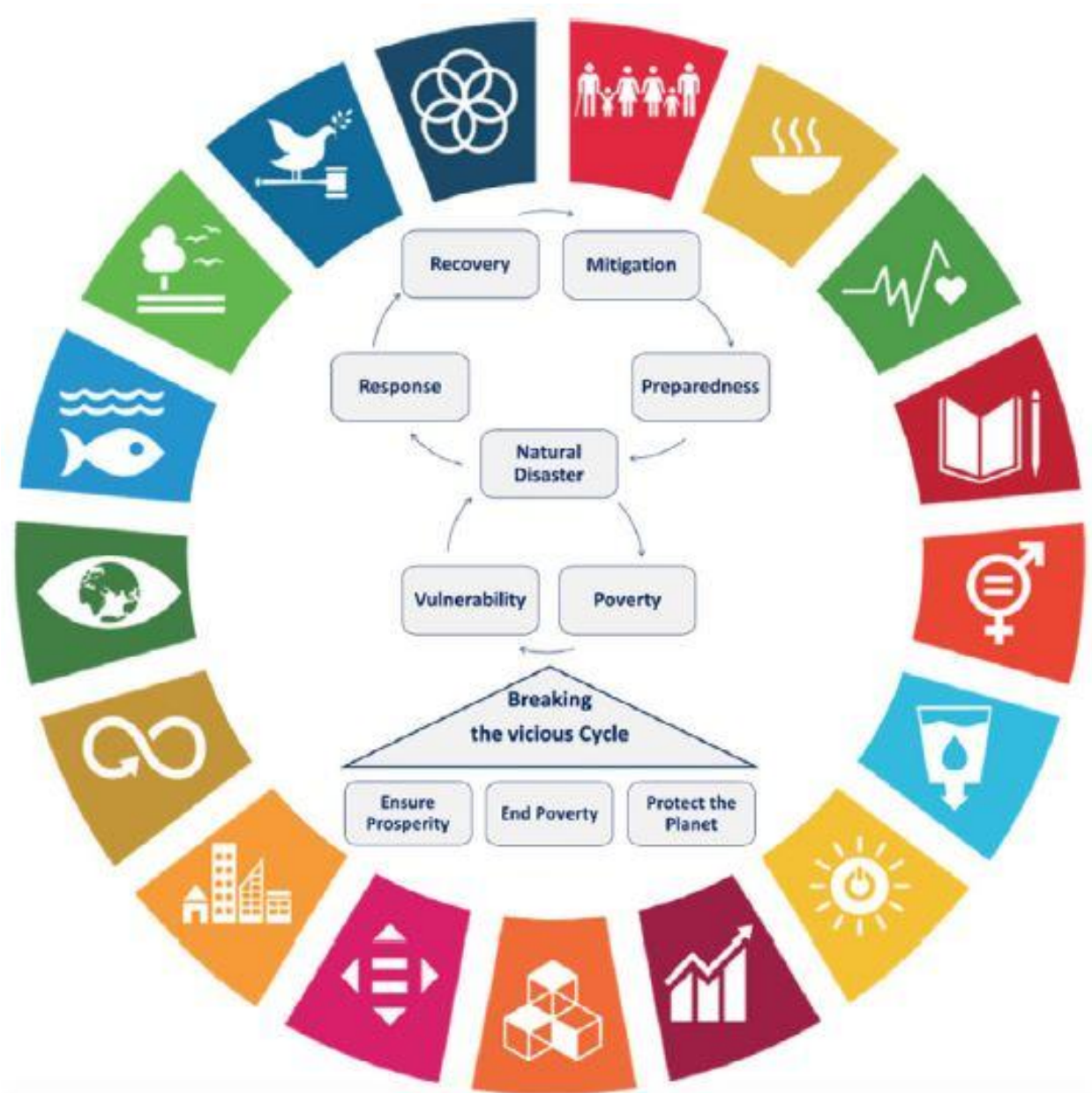
A dearth of medicines in low-income countries’ public health facilities is a persistent if unequal problem. This [article](#), co-authored by my INSEAD colleague [Prashant Yadav](#), models the reduction of stockouts of medicines, such as malaria drugs, aiming to reduce inequality within and among countries in Sub-Saharan Africa. Using inventory management concepts, the authors use a simulation model that captures very specific setting characteristics (e.g. demand seasonality, uncertainty in both demand and lead-times, lost sales and equity). They compare the effectiveness of different inventory policies and find that an optimisation-based policy outperforms the current base-stock inventory policy for malaria drugs in Zambia.

SDG 3 (good health and well-being), which explicitly highlights the equitable access to essential medicines and vaccines for all humans, is addressed by this study.

### **Systemic perspective**

Research should contextualise the framework of humanitarian operations management, supporting the view of the SDGs as a framework. When the survival SDGs (1, 2, 3 and 6) are fulfilled, people can try to improve their quality of life by focusing more on individual SDGs (4, 5, 7 and 8). Once this individual achievement is attained, they can give back to their communities (SDGs 9, 10, 11 and 12) and support the fulfilment of the global SDGs (13, 14, 15 and 16). When these global goals are met, it becomes easier for individuals to outgrow their survival SDGs. This creates a virtuous circle.

The SDGs intersect and influence one another, as depicted in the figure below, which makes identification of root causes when one isn't realised very difficult.



This special issue shines a light on the importance of interconnectedness and demonstrates the inter-reliance and resilience possible when using the SDG framework as a whole.

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