We are closer than ever to a holistic supply chain management approach now that the humanitarian sector has recognised the importance of logistics.

“It was 20 years ago, today…” goes the famous opening line of the Beatles’ magnum opus Sgt. Pepper’s Lonely Hearts Club Band. It is indeed some 20 years ago that we saw the birth of humanitarian logistics as a necessary and respected discipline in practice, and a subject of study in academia. Admittedly, there were excellent and experienced humanitarian logisticians or “loggies” before that time, but the rest of the organisation often viewed logistics as the rather simple (but too expensive) operational task of bringing stuff from point A to point B.

Evidently, given the sometimes-rough field conditions, the delivery of supplies was not always a piece of cake. Many loggies were guys (yes, sorry,
almost all guys) who could entertain you endlessly with cowboy-like stories late at night at the bar. These very motivated professionals had mountains of experience but little training and systems to support them. Much of their work could be described as improvisation or even “performing miracles”. Humanitarian organisations, including the big players like the UN agencies (or “UN sisters”), did not consider logistics to be a crucial function where investments were badly needed.

Consequently, little management attention and resources were allocated to develop logistics and the function was hidden somewhere very low in the organisational hierarchy. Not surprisingly, the humanitarian world was eventually hit with the reality that logistics is a crucial function. This realisation occurred after organisations were heavily criticised for below-par response to a number of major sudden-onset disasters. Only then did people realise change was necessary.

The professionalisation of humanitarian logistics

In spite of the growing pains, logistics is a well-respected function today and typically sits relatively high in the organisational hierarchy. Most organisations pay attention to the need for logistics professionals, including processes for hiring, training, and retention, as well as adequate systems for preparedness and response. A lot remains to be done, but there is a solid bedrock on which further progress can be systematically built.

Today, logisticians in the humanitarian sector are well-trained experts, capable of adapting and applying concepts from the commercial and other sectors to their specific context. We have seen the emergence of professional logistics associations like the Humanitarian Logistics Association (HLA), as well as training programmes (whether internal or at academic institutes) playing an important supporting role. Researchers have developed methods and insights to support system design and decision making. Humanitarian operations have become “Better, Faster and Cheaper”, as envisioned in the former slogan of the International Federation of Red Cross and Red Crescent Societies (IFRC).

Are we there yet?

It is truly amazing to see how much progress has been made in two decades. But beware, not evolving is tantamount to going backwards. Bigger organisations as well as professional associations like the HLA have a clear
role to play in helping smaller organisations that lack resources to develop a
full-fledged logistics function. Moreover, while logistics has progressed
eormously within the humanitarian sector, the world has also changed
fundamentally, in terms of technology, funding, protracted disasters,
pandemics, war and climate change. Once again, there may be a lack of
management understanding of the key role of logistics.

Are we at a point where logistics always has a place where key strategic
decisions are made? I am sure you will agree that we are not quite there yet.
The next logical question is what is required? First, just like in commercial
companies, logistics needs to be strongly connected to the other managerial
functions and responsibilities within the organisation. It should also be on par
with them and not isolated or considered inferior.

Second, one needs to realise that one cannot do things alone; there is a
strong need for partnerships and specialisation in supply chains. For
instance, why should every organisation have its own fleet? Can’t we think
about mobility and set up sharing systems, at least for some of our needs?

Third, how do we ensure the efficient and effective use of technology? In
many cases, data is still the main challenge. Effective data gathering and
sharing is needed as modern data analytics can provide useful insights.
Similarly, AI can help forecast future needs, which is particularly urgent in
the face of climate change. The list goes on. This is no time to rest on our
laurels since we could easily find ourselves in the same situation as 20 years
ago.

**The need for a paradigm shift**

A mindset change on supply chain management is key – namely a shift in
view from a largely internal operations optimisation function to a function
critical to organisational success. Inputs from robust supply chain analyses
should drive important decisions on funding, technology, partnerships,
collaboration, specialisation and so on. Supply chain management, anchored
in logistics, should be a driver, not a supplementary function. Of course,
organisations need to attract and develop supply chain experts with the
managerial skills to leverage logistics know-how by influencing important
strategic organisational decisions.

Logistics today finds itself at an important juncture, much like 20 years ago.
It needs to evolve into a driver of important strategic decisions within the
organisation, such as investments in data analytics, technology, sharing platforms and partnerships. How do we decide which key competencies to focus on that can be sold as a service to become a source of income, and how do we decide what to outsource?

Covid-19 has clearly shown that the world is a very complex and highly interconnected system. This system complexity has hit the humanitarian world in the face. Addressing complex systems requires a different approach and a willingness to align many stakeholders. The problems are so huge that we cannot even dream of having sufficient resources. We can’t do it alone, and instead depend heavily on the decisions of others. There is simply no other way than to collaborate with our humanitarian, commercial, or academic partners.

**Humanitarian activities can be inclusive and sustainable**

Evolution and progress mean that it would be wise to pay more attention to diversity, such as women in leadership positions and the empowerment of locals. Equally important is the need for collaboration with external as well as internal stakeholders, which can be greatly enhanced with technology. Finally, we cannot ignore the importance of reducing the environmental footprint of humanitarian actions.

Just like 20 years ago, I am strongly convinced that the current cohort of logistics and supply chain experts are ready to tackle new challenges. It is no longer about logistics as an operational function, but rather, about supply chain management, where the emphasis is on management and a more integrated strategic perspective.

Logistics has built the expertise. It is time to leverage this expertise to better manage supply chains, help drive important change in our organisations, and ultimately, improve the lives of the people whom we set out to help.

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**Find article at**

https://knowledge.insead.edu/operations/coming-age-humanitarian-logistics
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