Logistics and supply chain management for the informal business and humanitarian sectors

CSIR 4th Biennial Conference

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What are we talking about?

Suppliers → Factories → Distribution centres → Retail outlets → End-users
What are we talking about?

Logistics
Supply chain management
Three different worlds

Formal business

http://americanbedu.com

Informal business

http://www.s-and-t.co.za

Humanitarian

www.oxfam.org.au
Three different worlds

- Formal business
- Humanitarian
- Informal business

PERSPECTIVE
Three different worlds

- Formal business
- Humanitarian
- Informal business

CONTEXT
Three different worlds

- Formal business
- Humanitarian
- Informal business

PROBLEM SOLVING
Perspective

**Formal business**
- Bottom-line
- Long-term profitability
- Competitiveness

*Cost to be managed*

**Informal business**
- Cash flow
- Short-term survival

*Victim mentality*

**Humanitarian**
- Beneficiary first
- Service for all
- (Sustainability?)

*Necessary evil*

**Competitive differentiator**

*Operational necessity*

*Black hole for funds*
**Context**

### Formal business
- Technology support
- Skilled workforce
- Formalised business processes
- Automated data collection
- Stringent reporting requirements
- Formalised hierarchy and responsibilities

### Informal business
- Minimal technology support
- Lower skill levels (not managerial)
- Ad hoc processes
- Little to no operational data
- One-man show

### Humanitarian
- Gap between HQ and community staff
  - Skills
  - Technology
- M.O. = Fighting fires
-Cumbersome data collection for reporting
- Stringent reporting requirements
- Flatter structure
Problem solving approach

Formal business
- Advanced business analytics
- Extensive modelling
- Sophisticated, pervasive solutions
- Medium-term timeframes

Informal business
- Awareness and training (unobtrusive)
- Collaboration solutions (economies of scale)
- Simple accessible solution design

Humanitarian
- “Learn by helping”: value-add from the get-go
- Solutions relevant to HQ and the community
- “Fire-proof” business processes
- Yesterday
Informal business sector

1. Research to motivate dti support
   - Logistics needs assessment
   - Study of size and spread of informal “hotspots”

2. Solution development
   - Development of collaboration platforms
   - Development of training materials and training platforms

What will it take:
Time for legwork, willingness to walk the streets
Can the CSIR make an **IMPACT**?

**Humanitarian sector**

- Success stories and quick-wins to open doors
- Develop tried-and-tested methodologies for the basics
- Create a platform where consultants can donate “services”

**What will it take:**

*Time for legwork, humility, sacrificing your agenda*
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