

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



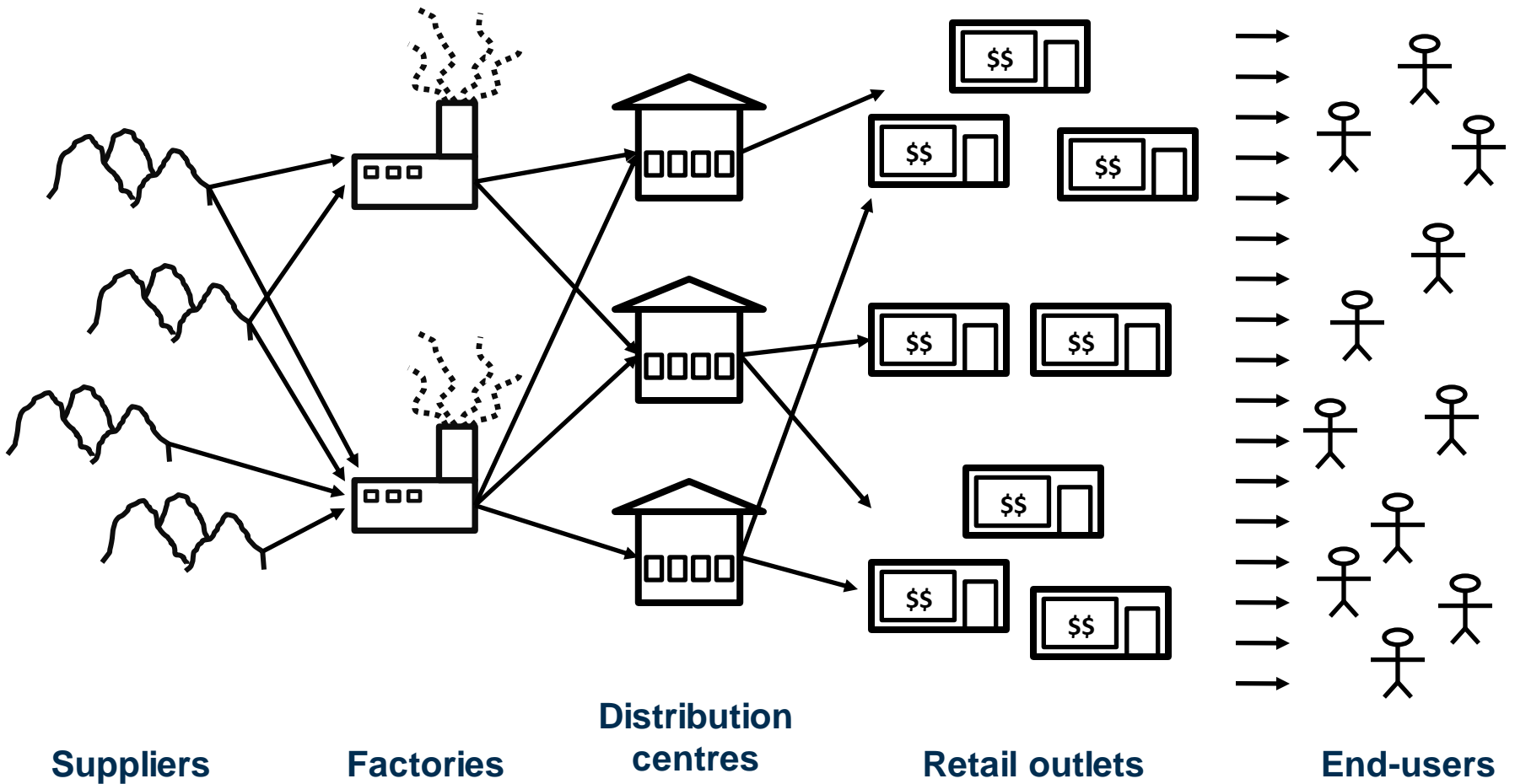
CSIR 4<sup>th</sup> Biennial Conference

*Nadia Viljoen*

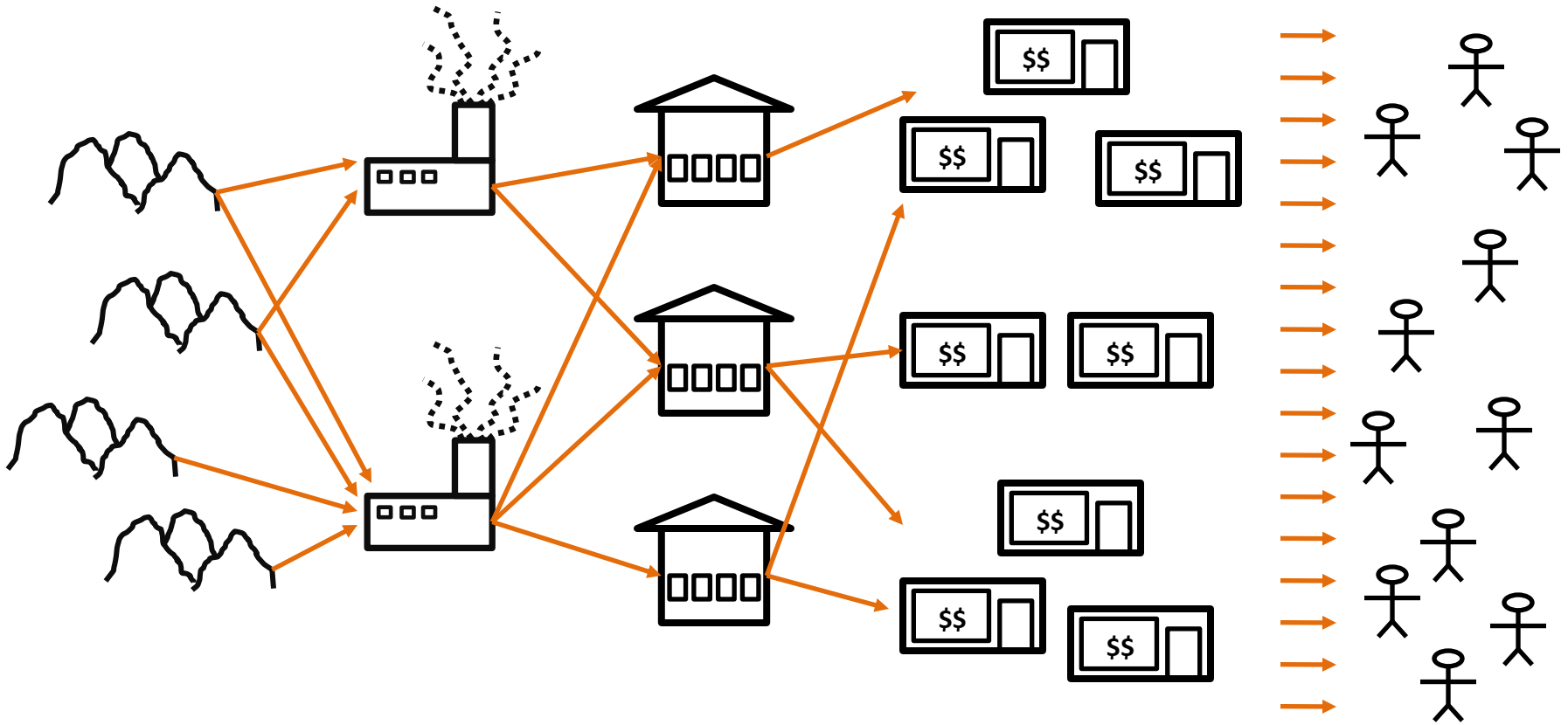
Transport Systems and Operations

10 October 2012

# What are we talking about?

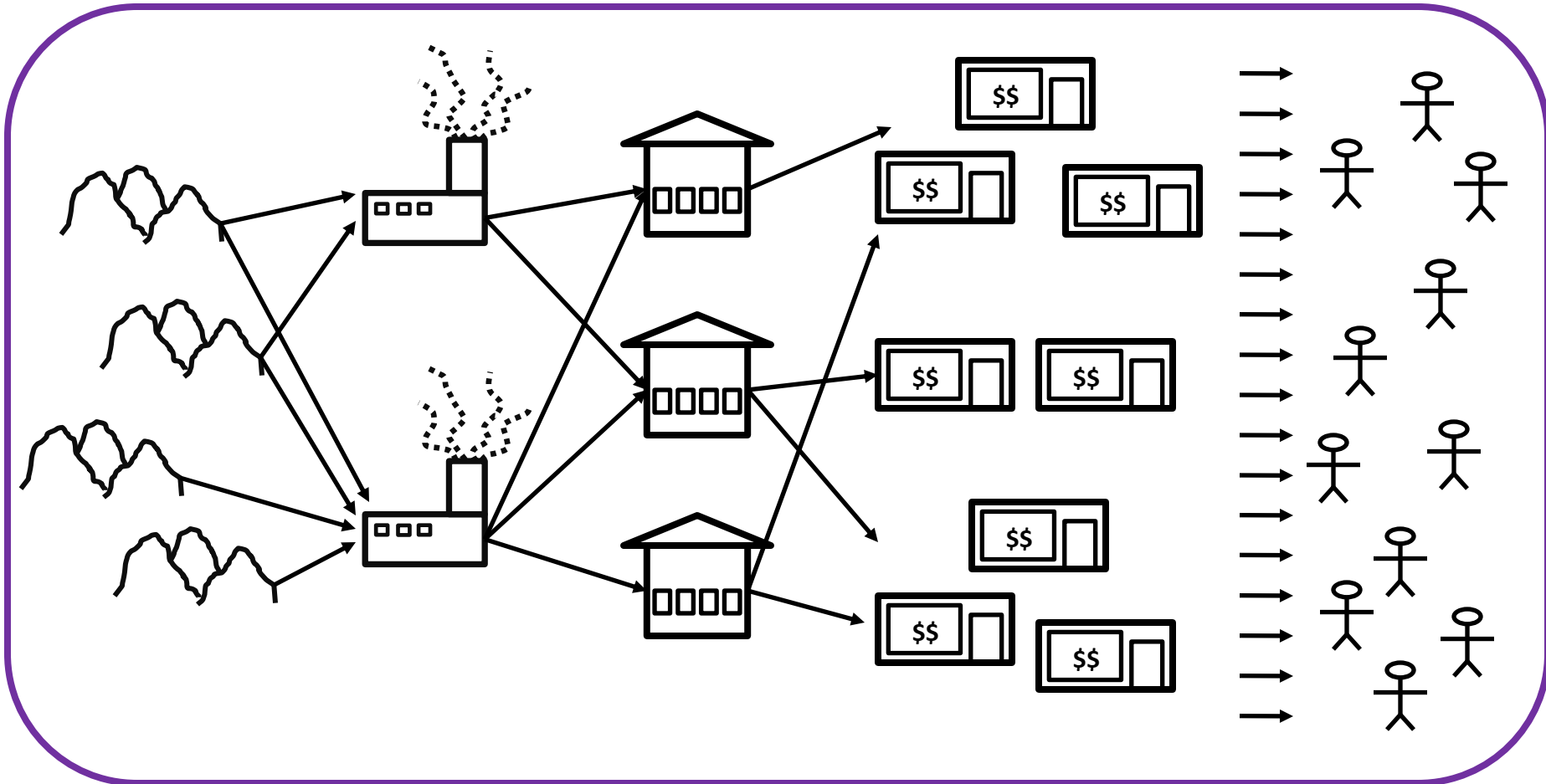


# What are we talking about?



## Logistics

# What are we talking about?



## Supply chain management

# Three different worlds

## Formal business



<http://americanbedu.com>

## Informal business



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

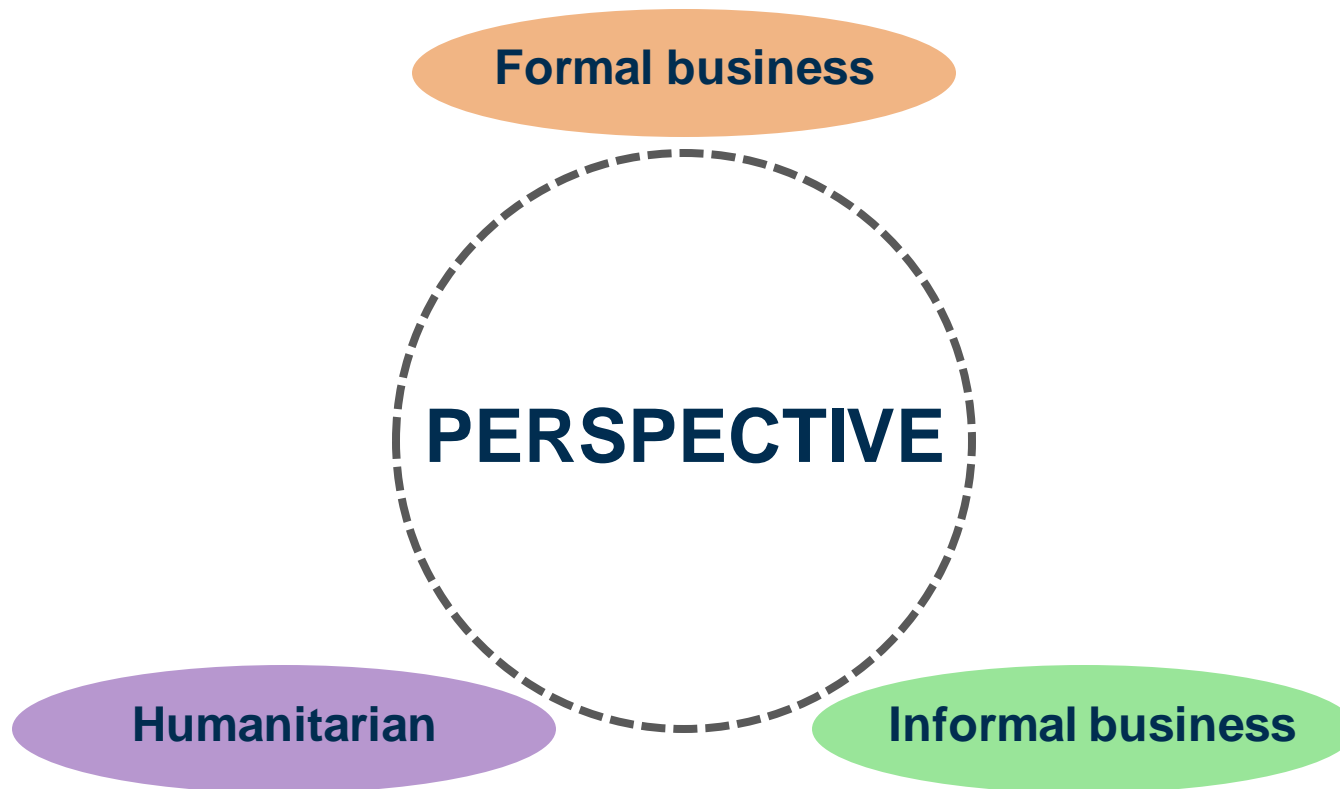
## Humanitarian



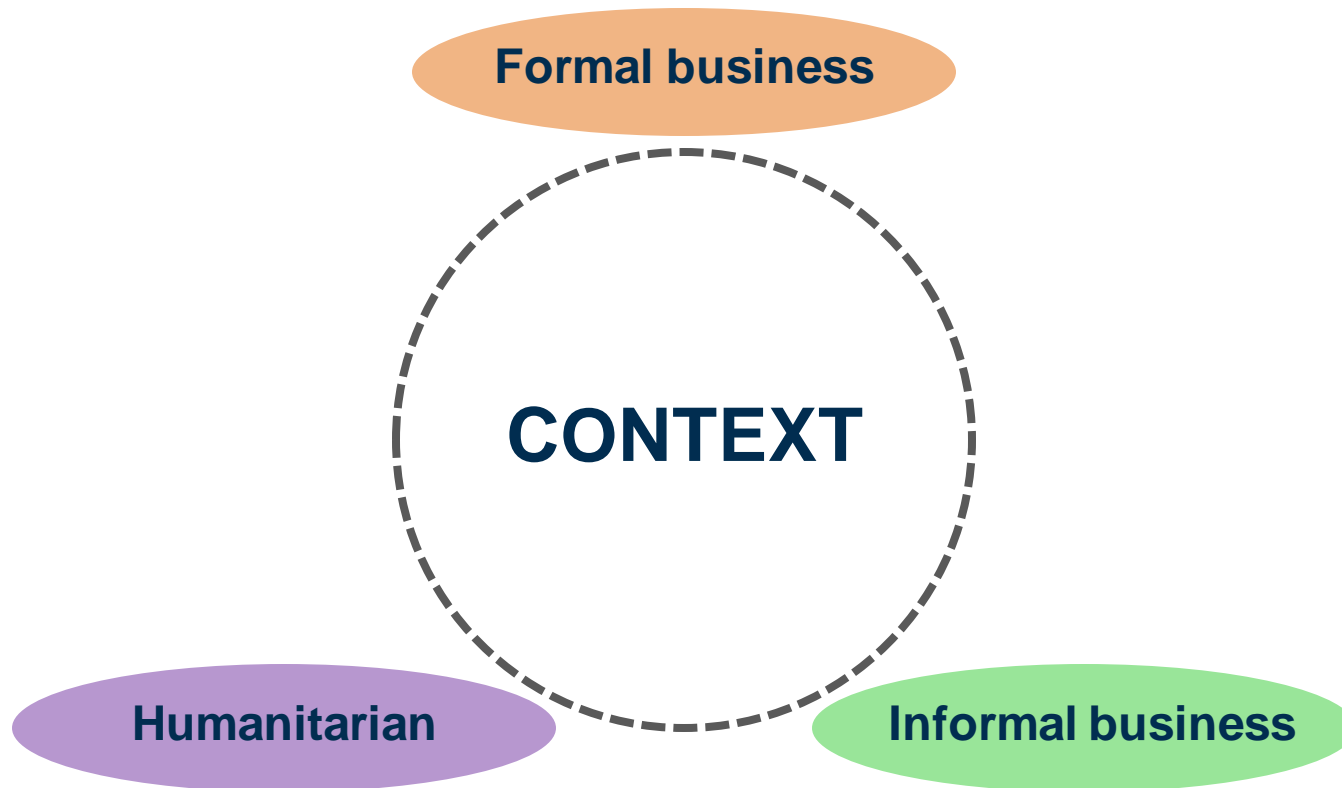
[www.oxfam.org.au](http://www.oxfam.org.au)



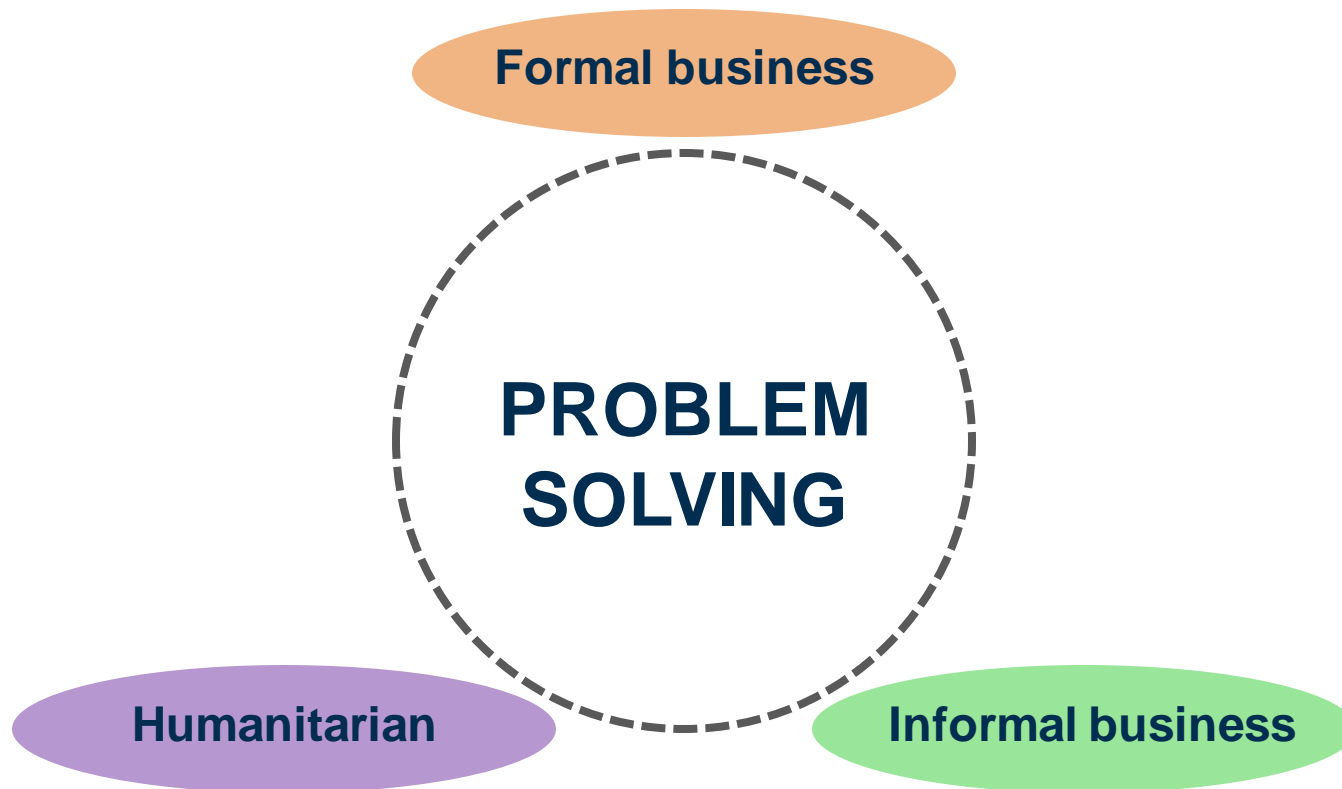
# Three different worlds



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# Three different worlds





## Formal business

- Bottom-line
- Long-term profitability
- Competitiveness

*Cost to be managed*

*Competitive differentiator*

## Informal business

- Cash flow
- Short-term survival

*Victim mentality*

*Opportunistic solutions*

## Humanitarian

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

*Necessary evil*

*Operational necessity*

*Black hole for funds*

## 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

# Can the CSIR make an **IMPACT**?

## 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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