

Two key logistics  
activities in  
humanitarian aid and  
relief operations  
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The natural disasters and armed conflicts in various parts of the world in recent years have challenged the competency of traditional emergency relief operations. The challenges have revealed deficiencies which prompt the humanitarian relief sector to redefine the logistical activities that can meet the needs of humanitarian relief operations. “ the process of planning, implementing and controlling the efficient, cost-effective flow and storage of goods and materials, as well as related information, from point of origin to point of consumption for the purpose of meeting the end beneficiary’s requirements” (Kovacs & Spens 2009). Nowadays humanitarian logistics is receiving interest from both logistics academics and practitioners as well. Humanitarian logistics is an umbrella term for a mixed array of operations. Delivering humanitarian aid can, therefore, be seen as a substantial global industry. According to Long and Wood (1995), food relief alone accounted for \$5 billion worth of food in 1991; which has important consequences for the world’s agricultural and transportation industries. Every government in the world is involve in relief operations and might be donor and recipient of operations. Many practices shows the most difficult steps in responding disaster respond operation is providing right reliefs in right time for the people in need(Smirnov, & et. al 2007). For the success of disaster relief mobilizing people, skills, resources and knowledge are the key process to help affected people by disaster and emergencies.

This essay discusses the importance of two key logistics activities in humanitarian aid and relief operations. It also discusses the how two key logistic activities add value to relief operation in terms of place, time and firm utility. It concludes with a framework for humanitarian logistics in

disaster relief. The key logistics activities are 1) Inventory management, and 2) Transportation management.

### Key logistics Activities

Form utility: Form utility refers to the value added to goods through a manufacturing, production, or assembly process that can be used by the customer and is of value to the customer (Murphy & woods 2009). It is a simple process of adding the raw materials together to produce a something of value product in form that adds value to the product. In today's global economic, logistics activities can also provide form utility. For example, breaking bulk and product mixing, which typically takes place at distribution centres, change a product's form by changing its shipment size and packaging characteristics. Thus, unpacking a pallet of coca-cola into individual customer size adds form utility to the product.

1) Inventory management: Inventory is the stock of items used to support production processes raw materials and work in process, customer service and other activities that are maintained for many purpose. The most common is to satisfy the normal demand. Inventory management is the process of planning and controlling physical inventory. It is the key concept of supply chain management. Managing inventory is balancing the supply of inventory with demand for inventory. Every company want to have enough inventories to satisfy the demand of its customers. But company's doesn't want to keep too much inventories because it costs. Inventory costs money of holding cost, capital cost, service cost and inventory risk costs. So it is

better not to have too much inventory. But every company should have their safety stock level. There are lots of approaches for to manage inventories

In which JIT (just in time) approach best suits for humanitarian relief operation which adds value in terms of place, time and form utility. All of the humanitarian relief operations have the common aim to aid people in the survival. The main focus of disaster relief operation is to transportation of first aid material, food, equipment, and rescue personnel in time. The inventory of first aid materials and foods in warehouse is supplied in bulk quantity to the point of disaster for affected people, which adds value when foods are distributed to the victims it got value and it is their basic needs. So the inventory of a place got form utility in relief operations. The approach of JIT helps to provide everything needed in time which creates form utility of a product in relief operations.

2) Transportation management: Transportation can be defined as the actual, physical movement of goods and people between two points (Murphy & Woods 2009). Transportation influences, or is influenced by many logistics activities. Transportation costs, it represents 40 to 50 percent of total logistics costs and 4 to 10 percent of product selling for many companies. Transport logistic direct affect the total logistic costs. Means of transportation also affect the cost and lead time. Means of transportation are air, road, and waterways. In a humanitarian relief operation normal ordered is processed where items are produced locally or in a product manufacturer. Items are then transported to the warehouse via truck or airways. And also emergency ordered are placed internationally to donor country or from

United Nations and transported via air transport. Emergency orders have a <https://assignbuster.com/two-key-logistics-activities-in-humanitarian-aid-and-relief-operations-business-essay/>

much shorter transportation time than normal orders, but carry higher shipping costs. Once the supplies have reached the airport from the production area, they are sent to the field of relief operation where they are received and recorded, at the distribution centres. Distribution centres receives good in pallets and big boxes, then they are break into the normal or consumption size, which adds value to the goods in terms form utility, from bigger form to consumption size in humanitarian relief operation base, which is possible via only transportation. Then it is distributed to affected people. Transportation also carries or helps rescue team to be in operation field where they provide their service. So transportation adds value in a service of rescue members by helping to be there in rescue operation field.

Place utility: Place utility is having products available where they are needed by customers. Logistics provides place utility by moving goods from production surplus point to where demand exists, or moved from point of lesser value to point of greater value (Coyle, Bardi & Langley 2002). Logistics adds economic values in products this addition of economic value of goods and services by moving from point of production to the point of consumption is known as place utility. For example, moving of produces in a farm by logistics to market where the produce is consumed or needed by customers this produce creates place utility. So the product which does not have value in a certain place might be of huge value in other place by moving the product which creates place utility.

1) Inventory management: In a time of disaster the most necessary things are human rescue and basic needs of people, food, water and medicines.

The ability of rescue team or government delivery food and medicines and <https://assignbuster.com/two-key-logistics-activities-in-humanitarian-aid-and-relief-operations-business-essay/>

services to the affected locations relies heavily on transportation network. Advances in technology also allow firms to analyse their delivery networks and develop a route that will serve the item in the affected place. Here the necessary things for relief operations food, medicines etc are transported to the place of need which adds value in these goods and services from the warehouse where it had no value.

2) Transportation management: Transportation management is the logistic of flow of goods, information, services and other information from the point of origin to the point of consumption (.....). Transport logistic is a channel of supply chain which adds the value of place utility. The value of goods or service is directly related to its location. For the humanitarian relief operation the food items, medicines and services has less value in the production area or in warehouse than in identical location or field of disaster relief operations. By transporting resources, foods, medicines and services value increases. Transportation adds value by moving the products and resources from one place to the area of rescue field. Place utility likewise impacts the value of services, considering a doctor trained to perform a unique procedure in relief operations. A victim who requires that procedure to live would place an enormous value on the services of the doctor. If there is no way to transport the doctor to the relief operation field the value of his service is zero at the patient. So it makes clear that transportation adds value in form of place utility at the humanitarian relief operations.

Time utility: Time utility is having products available when they are needed by customers or economic value added to a product or services by having it at a demand point at a specific time (Murphy & woods 2009). Logistics <https://assignbuster.com/two-key-logistics-activities-in-humanitarian-aid-and-relief-operations-business-essay/>

creates time utility through proper inventory maintenance and strategic location of goods and service. For example, it creates time utility by promoting and advertised products available in stores. Time utility adds value to the products in a certain time, winter clothes are of value only in the winter so it adds value for customers by providing in winter season. If they are selling winter clothes in the summer it has got no value and no time utility.

1) Inventory management: Transportation of inventory create time utility by moving something more quickly to a disaster relief operation base. Time utility is much more important in disaster relief operations because of the emphasis on reducing lead time and minimising inventory level through logistic related such as JIT inventory management approaches. To response a disaster relief humanitarian operation a lot of inventories have to be held; these should be of clothes, food and medicine. Transportation from the warehouse to affected area might take time depending on the situation and distance. In the relief operations the first aid materials and foods have to provide in time so that immediate response is required that affected people can get in time. It makes clear that providing right services and goods on time in need of people creates value in those goods and services.

2) Transportation management: When disaster strikes, the emergency plans of regional actors come to action in immediate response. But, however, prepared these actors are, they will need to operate in an environment with a destabilized infrastructure in certain time. Some disasters such as famines occur more often in less developed regions, which from the outset struggle with inadequate infrastructures and a lack of transport connectivity. Less <https://assignbuster.com/two-key-logistics-activities-in-humanitarian-aid-and-relief-operations-business-essay/>

developed regions are also more prone to a larger scale destruction of their infrastructure once a disaster strikes. As an example, earthquakes and floods are often magnified, due to poor housing situations and inadequate construction requirements. The nature of most disasters demands an immediate response, hence supply chains need to be designed and deployed at once even though the knowledge of the situation is very limited (Kovacs & Spens 2007). The supply of rescue team and necessary items in a operation via transport logistics makes it easy to get there in time and help the people affected by disaster. At the place of disaster people are in need of help, to provide help for helpless people operation team needs to be there as soon as possible. For that purpose transportation helps a lot which adds value in the circumstances of disaster to rescue people. Transportation also helps to move food and medicine products to the field in time where these items are distributed among the people.

#### Conclusion:

In conclusion it can be stated that above discussed two key logistic activities has its distinct features to support in humanitarian relief operation in terms of form, place and time utility. By using inventory management and transportation management logistic activities it supports to provide necessary materials and services at humanitarian relief operations in terms of place time and form utility. It also find that inventory management policies for humanitarian warehouse must be easy to implement and flexible to change. Essay shows, for the humanitarian logistic basic principle of logistic can be applied. As they combined their aim with the motivation to



help people, right people, resources, in right time, in the place, in the right time as soon as possible to deliver maximum relief.