

Company staff earn bonus in disaster relief

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The earthquake in Pakistan a year ago killed more than 73,000 people, injured more than 128,000 and left more than 3m homeless. While many companies round the world made financial donations, logistics companies such as TNT, DHL, PWC Logistics and UPS were able to offer direct help in the form of trained staff, transport and equipment as a natural extension of their day-to-day operations.

The central motive for their efforts was to bring vital help to the needy. But the endeavours of private sector companies - and the relationships they built with non-governmental organisations along the way - had profound benefits for employee skills and morale.

With their sophisticated supply chain networks, fleets of aircraft and trucks, logistics companies are ideal partners for disaster relief agencies, says Professor Alyson Warhurst, director of the corporate citizenship unit at Warwick Business School.

This is why, when UPS announced a \$2m (£1.1m) donation for victims of the Pakistan earthquake, half the gift consisted of in-kind services such as transport of medical and health supplies.

Yet co-operating with humanitarian organisations also brings benefits to participating businesses. Lynnette McIntire of UPS says helping disaster victims reinvigorates the workforce.

"It gives them a whole new perspective on their jobs. They learn how to solve problems quickly and, because it is a crisis situation, it builds relationships."

It also improves employees' skills, says Mariam Al Foudery of Kuwait-based PWC Logistics. "Humanitarian organisations are demanding customers - they know what they want and their standards are exacting. If we can respond to their needs in a very short time frame, we are likely to do a good job elsewhere."

Logistics companies are using their experience of each disaster to improve their response to the next one. In the aftermath of the Pakistan earthquake, the Airport Emergency Team swung into action at Chaklala air base in Islamabad, handling 9,000 tons of relief supplies from 230 aircraft in three weeks. The AET, based at Dubai airport, is made up of 40 volunteers from nearby companies, including DHL, TNT and the airline Emirates, who are trained in team building, disaster awareness, security, ramp operations and first aid.

It was set up after a review of the relief operation for the 2003 earthquake in Bam, Iran, and the Al Hoceima, Morocco, quake in 2004, showed that airports close to the scene of a disaster are a critical bottleneck in the provision of aid. When many relief flights arrived in short order, airports were unable to cope. Aircraft loaded with supplies blocked the apron and runway, so incoming aircraft carrying further supplies were unable to land.

In these situations the AET can help by immediately being deployed to the airport closest to the disaster-affected area.

"In the immediate aftermath of a disaster, this kind of help is better than any money can buy and it gives [us] the edge in moving aid fast," says James Morris, executive director of the United Nations' World Food Programme.

The WFP has been working with Dutch group TNT since 2002. Meanwhile, Deutsche Post World Net, the German company that owns DHL, has links with the UN Office for the Co-ordination of Humanitarian Affairs and the UN Development Programme.

Mike Goodhand, head of international logistics for the British Red Cross, says many business skills are transferable to humanitarian relief and the secondment of company logistics staff benefits both sides.

"The logisticians pick up new ways of working in a different environment and it exposes us to the latest corporate thinking and business tools such as software," he says.

The Red Cross is looking beyond the logistics sector, too. "There are sectors where logistics is not the prime role but it is an important part of the business - areas such as clothing and retail where companies may have to find supplies very quickly in reaction to changing fashions - whose skills are very relevant to disaster relief," says Mr Goodhand.

Companies are also looking for ways to help communities be better prepared when disaster does strike - not simply for altruistic reasons. "We have employees all over the world - from our point of view, getting businesses back on their feet is good for us and for our workers," says UPS's Ms McIntire.

The key to minimising the impact of disasters on those affected is to make them less vulnerable. In Pakistan, for instance, construction companies can "build back better" by making new homes earthquake-proof for those displaced in last year's quake.

Elsewhere, financial services companies offer micro-insurance products that help those who have lost everything get back on their feet.

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