“How to fundraise for operational expenditures in international humanitarian aid: The International Federation of Red Cross and Red Crescent Societies case”

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CEE Seminar Room – A230
McCormick School of Engineering (TECH)
2145 Sheridan Road, Evanston

Abstract
International humanitarian organizations (IHOs) frequently implement both development and disaster response programs. Based on the programs’ operational needs, IHOs estimate the operational expenditures and then appeal for donations. Their operations and actual operational expenditures depend on the donations that they receive. They face budget constraints; some programs are overfunded, while others are underfunded. In this paper, using multiple regression analysis, we estimate the responsiveness of donations to a number of variables, including fundraising costs, operational costs included in the appeal, profile of the country where the program takes place and disaster criticality, and we then link donations and fundraising effort with actual operational expenditures. We also study whether some types of operational expenditures require higher fundraising efforts than others. We use data from the International Federation of Red Cross and Red Crescent Societies (IFRC), which is one of the largest IHOs. Data on development programs come from the 243 development programs implemented by the IFRC in the period from 2010-2012. Data on disaster responses’ programs cover the 80 disasters that the IFRC responded to in the time period from January 2010 to April 2014.

Bio: Professor Maria Besiou is Associate Professor of Humanitarian Logistics at the Kuehne Logistics University (KLU). She received her Ph.D. in Operations Management from Aristotle University of Thessaloniki (AUTH) in Greece. She holds a Diploma in Mechanical Engineering from AUTH. Before joining the KLU she worked as a Postdoctoral Research Fellow at INSEAD. Professor Besiou’s main research interests are in humanitarian logistics, closed-loop supply chains, and stakeholder media. Her research appears in several case studies and award-winning papers in peer-review international journals like Production and Operations Management, European Journal of Operational Research, Journal of Business Ethics, California Management Review, and the Journal of Industrial Ecology. She serves as the Vice President of Outreach of the Humanitarian Operations and Crisis Management Chapter of the Productions and Operations Management Society and as the Coordinator of the Humanitarian Operations Working Group of EURO Society.