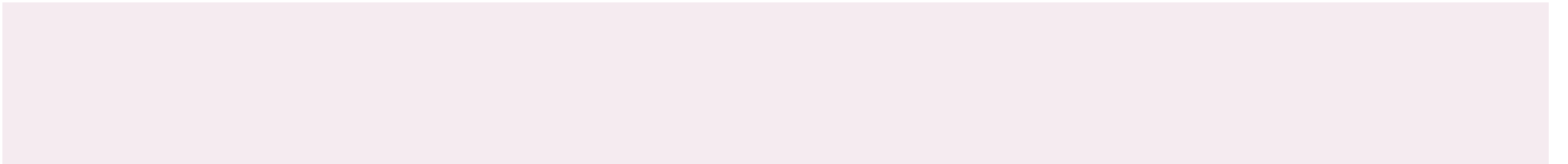




Mumbai Dabbawalas



They are called..

Shivaji Maharaj's soldiers – “Deccan Mavle”

The Annadatta's

The Dabbawalla's



Their Principles..

ü Shakti aur bhakti

ü Work is Worship

ü Manav seva me bhagwan seva milti hai

ü Union is strength

ü I trust man only coz I trust in god

Nutan Mumbai Tiffin Box Suppliers Association

- History : Started in 1890
- Charitable trust : Registered in 1956
- Avg. Literacy Rate : 8th Grade Schooling
- Employee Strength : 5000
- Number of Tiffin's : 2,00,000 Tiffin Boxes
i.e 4,00,000 transactions every day
- Time taken : 3 hrs
- Total area coverage : 60 Kms to 70 Kms

Success Factors

- **Low cost delivery**
- **Delivery reliability**
- **Decentralization**
- **Perceived equality**
- **Suburban railway network**



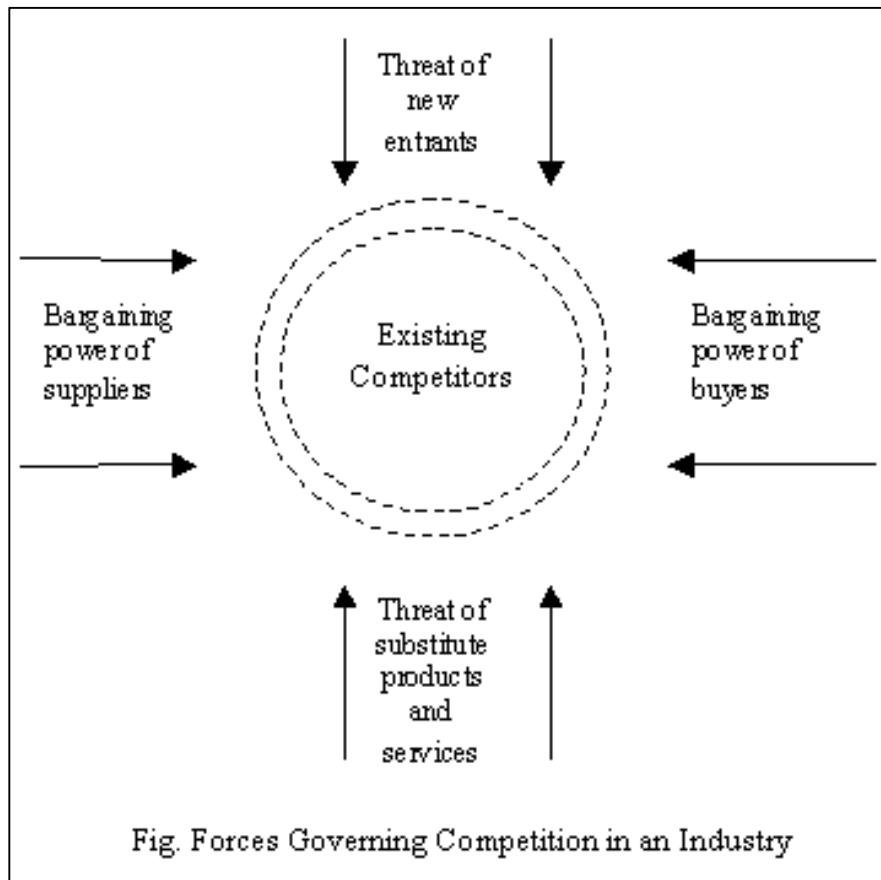
- **Design** – on information flow, product exchanges and developing long lasting relationships
- **Result** – loyal team of dabbawala and a assured customer base
- **Leader** – Madhu Bache had a strong influence
- **Strategy** – is same since 125 years – To develop localized organization and groups to have location advantage cause of familiarity with the area
- **Network** – Networking system is like internets network on a system

HR Practices they follow

- Flat organization
- No hire and fire rule
- Community based Recruitment
- Sharing common beliefs, values, ethics
- Following of strict dress code
- Loyalty & trust is their monopoly
- Training provided to the new joiners
- Owner + Employee is the designation of each
- Quarterly Meetings to discuss issues



Porter's 5 Force Model



- **Competition:** Its difficult to replicate their supply chain network
- **New entrants:** Fast food joints as well as office canteens. However, since neither of these serve home food, the *dabbawallas'* core offering remains unchallenged.
- **Bargaining power of buyers:** Delivery rates are so nominal (about Rs 300 per month) that one simply wouldn't bargain any further.
- **Bargaining power of sellers:** minimum infrastructure and practically no technology is used, hence they are not dependent on suppliers.
- **Threat of a new substitute product or service:** No substitutes to home cooked food in Indian scenario, hence threat to the *dabbawalla* service is not an issue at least in the foreseeable future.

SWOT Analysis

Strengths:

- § Simplicity in organization with Innovative service
- § Coordination, team spirit, & time management
- § Low operation cost
- § Customer satisfaction
- § Low Attrition Rate

Weaknesses:

- § High dependability on local trains
- § Funds for the association
- § Limited Access to Education



Opportunities

- § Wide range publicity
- § Operational cost is low
- § Catering

Threats

- § Indirect competition is being faced from caterers like maharaja community
- § Indirect threats from fast foods and hotels
- § Change in timings
- § Company transport
- § Ticket restaurant



Management Principles Derived..

- Team work
- Time management
- Innovation
- Customer relationship management
- **6 Sigma**
- Logistics And Supply chain management



Their Achievements

- ***Documentaries made by :***

BBC ,UTV, MTV, ZEE TV, AAJ TAK, TV TODAY, SAHARA SAMAY, STAR TV, CNBC TV 18, CNN, SONY TV, TV TOKYO, NDTV.

- ***CASE STUDY made by :***

ICFAI Press Hyderabad & Bangalore

Richard Ivey School of Business – Canada

Also, Included in a subject in Graduate School of Journalism University of California, Berkeley

- ***Invitations from :***

CII for conference held in Bangalore, IIML, IIMA, CII Cochin, CII Delhi, Dr. Reddy's Lab Foundation Hyderabad, SCMHRD Pune, SCMHRD Nasik, Sadahana – Pune, Rotary Club – Bangalore, NIQR at Chennai

- ***Radio:***

German Radio Network, Radio Mirchi, Radio Mid-day, FM – Gold, BBC Radio, Radio City

Others:

- § World record in ***Best Time Management*** with Six Sigma rating.
- § Name in “***GUINNESS BOOK*** of World Records”.
- § Registered with ***Ripley's “believe it or not”***.
- § Participated in “***Deal Ya No Deal Contest***” by Sony Entertainment Television
- § ***Invited for marriage of Hon. Prince Charles of England on 9th April, 2005***





Six Sigma definition

Six Sigma is a methodology to manage process variations that cause defects and to systematically work toward managing variation to eliminate defects.

The objective of Six Sigma is to deliver high performance, reliability, and value to the end customer. It was originally defined as a metric for measuring defects and improving quality, and a methodology to reduce defect levels below 3.4 defects per million opportunities (DPMO).

Six Sigma works to minimize the difference between what your customers need, and the product or service you deliver

Sigma (the lower-case Greek letter σ) is used to represent the standard deviation (a measure of variation) of a statistical population. The term "six sigma process," comes from the notion that if one has six standard deviations between the mean of a process and the nearest specification limit, there will be practically no items that fail to meet the specifications

What is 6 σ quality?

Six Sigma's goal is the near elimination of defects from any process, product, or service.

The numerical goal is 3.467 defects per million opportunities.

It is observed that sometimes, close to 1/3 of the work done consisted of redoing what had already been done.

Beyond six sigma



Amazing supply chain management

Forbes magazine reorganization

In this process of supplying Dabba, a unique distribution system has been created

They are generating employment to more than 5000 uneducated people.

This system works so well that Forbes magazine has conferred upon them a six sigma quality rating putting it into the league of corporate like GE & Motorola



Beyond six sigma

Error Rate: 1 in 16 million transactions

Six Sigma performance (99.999999)

Technological Backup: Nil.

Cost of service – Approx. Rs. 300 to 500 /month

About \$6 - \$7 / month only

Standard price for all (Weight, Distance, Space)

Rs. 36 Cr. Turnover approx.

[$6000 * 12 * 5000 = 360000000$ i.e. Rs. 36 crore p.a.]

Earnings -5000 to 6000 p.m.

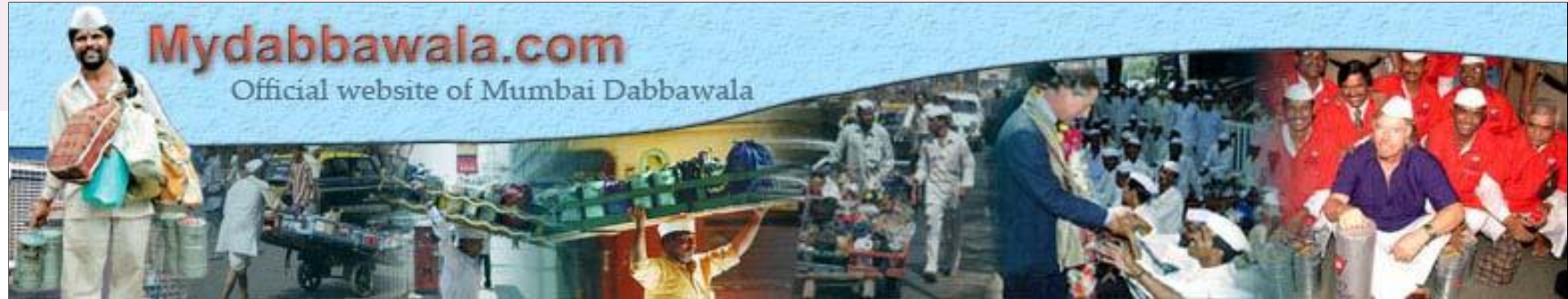
Zero % fuel

Zero % investment

Zero % modern technology

Zero % Disputes

100 % Customer Satisfaction



DISCIPLINE

No Alcohol Drinking during business hours

Wearing White Cap during business hours

Carry Identity Cards

Beyond Six Sigma

- Access Of Home Made Lunch In Time 365 Days a Year To almost 2 Lacs Busy Working Professionals.
 - Most influenced meal distribution system
 - Working for last 118 yrs without even a single off.
 - Six Sigma Certified.
 - Although Six sigma rating implies that they have an error rate of 3.4 errors per million transactions, the fact is that Dabbawala have error rate of 1-2 errors per 6 million transactions . Accuracy rating is 99.999999. More than Six Sigma.
 - Most ingenious meal distribution system.
-



WHEN THEY CAN DO IT WITHOUT IT

WHY WE CAN NOT DO BETTER WITH IT?

We have IT, we have ERP, we are all highly educated....we should produce better results than 'uneducated Dabbawala'

**SIX SIGMA IS A MUST FOR EVERY
PROGRESSIVE ORGANIZATION**


Use ERP / MIS to measure the defects and improve quality

SIMPLE CODES ON THE TIFFIN

▶ Code for Dabbawala at residential station

Coding System

- ▶ VLP: Vile Parle (suburb in Mumbai)
- ▶ 9EX12: Code for Dabbawalas at Destination
- ▶ EX: Express Towers (building name)
- ▶ 12: Floor no.
- ▶ E: Code for destination Station eg. Churchgate Station (Nariman Point)

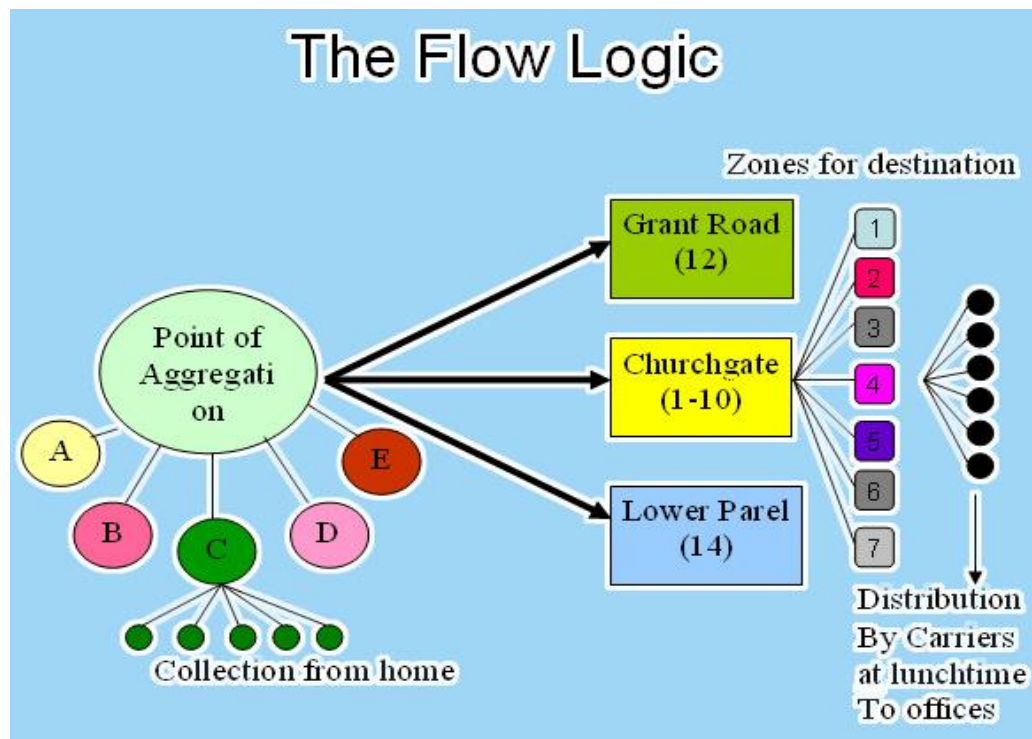


D' SOUZA

SUPPLY CHAIN



The Flow Logic



COCA-COLA TIES UP WITH DABBAWALLAS

BEVERAGES MAJOR, COCA-COLA INDIA, WILL USE THE MIGHT OF MUMBAI DABBAWALLAS TO LURE CUSTOMERS TO SAMPLE ITS ORANGE JUICE DRINK MINUTE MAID PULPY ORANGE

MR. VENKATESH KINI, VP,
MARKETING



RS.500 CRORE PACKAGED
JUICE MARKET
COCA-COLA IS COMPETING
WITH PEPSICO'S
TROPICANA
AND DABUR'S FOODS' REAL



Thank You

