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Management Learnings from Dabbawala

Executive Summary

“**Dabbawala**” is a Hindi word describing a man selling boxes. However, in Mumbai a “Dabbawala” is referred to a man whose job is to pick up home-made freshly cooked food from the home of the customer and deliver it to the customer’s office. Dabbawala is a business with approximately 5000 employees who are not actually employees but business partners of the Charitable Trust **Nutan Mumbai Tiffin Box Suppliers Association (NMTBSA)**, with their main aim is to make sure that their customers get to eat healthy food made by someone who understands their taste and prepares the food as hygienically as possible.

With approximately 20700 people living per square kilometre, Mumbai is one of the most populated and dense cities in the world, it is nearly impossible for a person travelling in a local train to even flex a little bit. In such situations carrying large tiffins becomes very difficult. This gives rise for the needs of the Dabbawala’s services. Dabbawala has one of the most efficient supply chains in the world with no investment in technology, no negative effect to the environment and one of the most promising 2 organizations with a six-sigma certification awarded in recognition of 99.9999% accuracy rate of deliveries.

The Mumbai Dabbawala Association is an organization based in India which is world famous for its Supply Chain network and expertise. Quite often we have seen businesses fail because of lack of technology mainly for sharing of information but the Dabbawala’s are the exact opposite of such organizations. The Dabbawala’s employees are partners and not employees of the organization. The Mumbai’s Dabbawala’s have been delivering home-cooked food from the customer’s houses to the customer’s offices since the past 130 years and have a track record of making less than 1 mistake in every 16 million deliveries to offices. The association has approximately 85% of its employees/partners who are illiterate and have been able to achieve a 100% customer satisfaction rate.

Mission and Vision

The mission and vision of Dabbawala is to serve home-cooked food to people efficiently and effortlessly at low cost

Management Lessons from Mumbai Dabbawala

1. Employees are an Asset

A place where employees are treated well is the place that gets the most amount of effort put in from their employees. Dabbawalas are very well known for how well they treat the people they work with

2. Hard work and determination

It is not compulsory that if a person has a higher degree, he has a big heart. The dabbawalas may not be very well educated but they know their work more than anyone. They know how to communicate, and how to manage their time and other than that they are fully dedicated to the work they are doing

3. Providing employees with a feeling of motivation and value

The dedication of the dabbawalas can be somewhat ascribed to the worth they put into the work they do. “Our dabbawalas view their work as love. They are thankful for their work, and to serve others by delivering food is akin to service to God,” says Manish. Therefore, everybody in Mumbai regards and appreciates the dabbawalas for their work

4. A smile can make the food tastier

Food served with love has a different taste. Even if you are not hungry and someone with a loving smile asks you to eat something, you cannot resist having it. In the same way, the dabbawalas, despite working so hard in the scorching sun, always serve you with a prominent smile to make your meal more delicious.

5. It is not easy to be a Dabbawala

Well, not everyone can be trusted with the food. The dabbawalas go through a tough training process and then a 6-month trial. The dabbawala is not selected until he completely understands the motto of dabbawalas

6. Try not to be excessively lean; build in buffers

Each dabbawala is fit for gathering up to 20 dabbas a day, yet this is extreme. Generally, in a gathering, all dabbawalas come together so that if a dabbawala is busy or unavailable, the others can redress. New dabbawalas are employed distinctly to replace a part or when there is an excessive number of new clients in an area

7. A robust support system

There is nothing as competing against each other in the dabbawalas. No one has a designation; everyone is the boss. They are not bound by anything, because of which they give the best results for themselves and their co-workers

8. Keep a level organization

Harvard Business School's contextual investigation noticed that the dabbawala association has developed into a hierarchical design to empower quick navigation

9. Leave awful customers

They believe that one client should not make thousands suffer. In case a Mumbai homemaker is late with the dabba for more than one week, they are careful about not taking on that client again

10. Simple yet Achievable

The dabbawalas show that an organization doesn't need extraordinary talent to achieve outstanding performance with the right system

How COVID-19 affected the Dabbawalas (2020-2021)

The COVID-19 Pandemic has dealt a cruel blow to the men in white. Thousands of dabbawalas retreated to their original homes in rural locations as the virus raged across Mumbai, a city of over 20 million people, crippling the century-old food supply chain.

Some of them were surviving on state rations and charities. They neither had electricity nor mobile connectivity in their homes.

Till now, the government did not give permission for the dabbawalas to travel in local trains, which makes it difficult for them to reach their final destinations.

Challenges that Mumbai Dabbawala need to address in today's world

1. Need for technology adoption

The technology adoption in organisation is backward as opposed to the customer who is using the service

2. Efficient but risky transportation mode

Local trains are very efficient but can be prone to risks of pick pocketers for Dabbawala carrying boxes. It might be risk to both boxes as well as the Dabbawala person himself

3. Alternate transportation mode

Relying only on one mode of transportation is not enough in today's fast-moving environment. There is a need for an alternate mode as a backup to meet customer needs

4. Understanding market and meeting customer demands

While it is hard for Dabbawala to keep themselves very open for this century, it is the need of an hour to meet the demands of the customer on their wants and needs. Being open to new ideas and learn from how other organisations are structured and operate while also keeping their traditional values and culture they follow

Risk/Benefits Analysis:

Category	Benefits and Risks
Disruptions	Natural Disasters such as Floods and Terrorism can be a major risk given high level of interdependency among all the Dabbawala's along the Supply Chain
Delays	Mumbai's Local Trains are known to be late; luckily for the Dabbawala's the trains usually delay 10 minutes. However longer delays of Trains can be a major risk as it can lead a delay along the whole Supply Chain
Systems Risk	The innovative information system of the Dabbawala's doesn't depend on Information Technology and for this reason the Systems is a benefit for the Dabbawala's
Forecast Risk	The only forecasting the Mumbai's Dabbawala's need is for managing Labor. They need to anticipate the increase in Demand and recruit new employees accordingly. Bad forecasting can be a minor risk for the company but since they have a monopoly this risk is negligible
Intellectual Property Risk	The Dabbawala's only intellectual property is the cycle of the employees and the tiffin crates, but since the employees purchase these things themselves it is their responsibility and hence the risk is shifted from this organization to the Dabbawala's
Procurement Risk	This risk is inter-related to Forecast risk in the case of the Dabbawala's. If the Forecast of required labor (supply is not accurate), the Dabbawala's would have a major risk in managing its Demand
Inventory Risk	Neither a benefit, nor a risk
Capacity Risk	Neither a benefit, nor a risk

Conclusion

Many individuals believe that Mumbai dabbawalas are caterers. However, they are not food caterers. They are not caterers; they are delivery people who carry lunch boxes from homes to workplaces before lunch break. The specific recipients of respective Dabbas enjoy healthy and wholesome home-cooked meals delivered by the Dabbawalas. Furthermore, when individuals finish the lunch box contents, the empty lunch boxes are returned in the evening to their rightful owners at the same time daily.

Strategies	Dabbawala's Service
Competitive Strategy	Blue Ocean
Product Development Strategy	One Product so not applicable
Marketing Strategy	Maintain relations with existing customer's
Supply Chain Strategy	Highly Efficient
Consistency	Highly Consistent

There are many financial challenges faced by Dabbawala previously, which showed it is not resilient to changes, so there is a need for them to understand the market needs and wants of the customers, while also keeping the mission and vision of the organisation going.