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## Management Learning's from Dabbawala

*“For running a successful business, you don't need a degree in business management. You don't even need to be literate. Sound common sense, good stamina and good memory are enough, if these are backed by clarity of focus and a generous dose of self-drive. In any business, customer satisfaction, quality control and the overall success are not the exclusive domain of the educated managers or the privileged lot!”*

As India emerges to become a major player in the global economy, it is essential to understand some of the unique business models that have emerged interacting with its cultural economy and found a place in its developmental trajectory. Of these, the Dabbawalas' of Mumbai is worth a special mention. The Dabbawalas' constitute a lunchbox delivery and return system that delivers hot lunches from homes and restaurants to people at work in India. Based on primary research and more recent literature, this paper provides updated perspectives on the Dabbawala business with special focus on the sustainability of their business model. It discusses the Dabbawala system performance along multiple aspects of sustainability. The basis of competitive advantage of the Dabbawala business model is presented an emergent phenomenon from the cultural logic of the ecosystem.

They are a strong army of nearly 5,000 people who ensure that 2,00,000 people get their lunch on time at their offices.

Their work is so efficient that many famous personalities like Richard Bradstone and Prince Charles have visited them.

Moreover, these men in white have given lectures at different business schools. Therefore, they are six sigma compatible.

The service was born out of sheer need.

With so many people belonging to different communities reaching the city of dreams and no fast-food culture being that popular back then, there was a shortage of an adequate food delivery system.

While there was a rising demand, there was a supply of illiterate workers who had traveled to the city after their agriculture business failed to ensure sustenance at home.

With no education to work as clerks in the homes of Britishers but with enough energy to embark on any hard work, the idea of delivering home-cooked food was born.

Thus was the launch of the “Dabba Delivery System” in Mumbai.

## EMERGENCE OF DABBAWALAS’

Nearly 125 years ago, a Parsi banker working in Fort Branch wanted to have home-cooked food in his office. So, he appointed a young man who belonged from Gurgaon to get his lunch from his home every afternoon.

Soon, the business started picking up and gaining popularity because of the visionary work of Mahadeo Havaji Bacche, who considered this a golden opportunity and decided to grow it as a business.

According to the inscribed management lessons in each and every step within the delivery system, Dabbawalas’ primarily work on four basic pillars i.e. Efficiency, Time management, Coordination, and Culture.

## THE DABBA DELIVERY SYSTEM

Dabbawalas’, each serving around 30 customers per day, works under the leadership of a ‘mukadam’ (supervisor). They have time-tested and perfected their hub-n-spoke concept. Each spoke is managed autonomously by a team of 20-25. Over the time, this ‘hospitality network’ evolved into a flawless system with six sigma performance rating.

Dabbas are collected from homes or from the dabba makers to a sorting place, where the lunch boxes are sorted into groups based on the destination. The grouped boxes are then carried to the coaches of trains. Destination station Dabbawalas’ pick these groups and deliver them. Later in the day, the empty lunchboxes are carried back to their places of origin. A combination of colors and symbols help Dabbawalas’ to identify pertinent delivery instructions. The lunch boxes have the following identifiers on them: Dabba origination point; abbreviated location name; name of the railway station nearest to the origination point, color-coded; name of the railway station nearest to the destination point, color-coded; and, identifiers for destination building and floor, for the benefit of

the destination Dabbawala handling the lunchbox. Their system creates the unique situation of circular distribution with supplier and the supplied often indistinguishable: something like a zero-order closed loop supply chain.

## COMMUNITY BASED BUSINESS MODEL FOR SUSTAINABLE DEVELOPMENT

Dabbawalas' evidence that sustainability is a 'process in the making'. One of their sustainable innovations in the making includes the introduction of dabbas (food boxes) made of more eco-friendly materials (boxes made of wood rather than steel/aluminium, better sealing to avoid contamination in the transportation phase, no to plastic). In exceptional cases, they deliver restaurant-cooked food to workplaces and even to homes. While resisting the temptation to exploit an increasing opportunity to do the same, they rather encourage home-cooked food from trusted neighbourhood homes (livelihood for more families!). They deliver organic raw materials for food preparation to homes, often directly from the farmers (inside the otherwise empty dabbas) in the evenings – an instance of 'sustainable' reverse logistics with integration to 'sustainable' second order supply chains. They collect leftovers from hotels and event locations and deliver to the orphanages and old age homes.

Likewise, they collect leftovers in the dabbas to deliver to farmers who use them as manure. Their support for household waste disposal support is well known; also, they support women with cloth washing (dhobi). They have started up with opening up of in-house canteens in factories, business offices, and schools (and also the Indianization of menus of multinational fast-food chains). The Dabbawalas' engage in complementary and supplementary pro-community activities. They help circulate community support messages (E.g., About medical camps, volunteering and employment opportunities, etc.). They organize community activism (E.g., Mobilization of people against the corrupt; against unsafe garbage dumping; tree planting; etc.). These add-on activities make an 11am - 2pm job to a full day job for the network members

While the overall story of Dabbawalas' of Mumbai has been widely discussed in the academic circles, their contribution upon sustainable development has not received adequate attention. Dabbawalas' epitomize the triumph of human will that is fuelled by the power of certain living philosophies (Nirali & Vijaylaxmi, 2014). The traditional Dabbawala business model built upon frugal and reverse innovation ensured sustainability for the bottom of the pyramid. The Dabbawalas' have no strategy but an implicit sense of shared purpose that directs their

collective action (Thakur, 2015). The fitness of a business model to local cultures results in greater productivity, engagement, and low turnover, observe (Behrens, Singh & Bhandarker, 2016). With increasing living expenses and the cost of delivery, the Dabbawalas' need

additional revenue streams to survive. The business model streamlining is indeed a strongly felt need (Sivarak, 2017).

In this regard, some potential avenues include:

- Carry commercials and samples inside dabbas
- Mail delivery
- Paint dabbas with advertisements
- Product endorsements
- Dabbawala owned restaurants with food take-out outlet

Modernization need not be an enemy of. Yet, some fear that Dabbawalas' should resist every kind of externally imposed or imported change. The Dabbawalas' are imbued with a sense of autonomy and accountability not explicable by the western ideas of management and Raste calls this "spirituality at the bottom of the pyramid". They grew tremendously big, yet maintained the characteristics of micro-enterprises, ensuring inclusive growth. This makes the Dabbawala model an in transferable benchmark in urban logistics. Driven by the cultural and structural embeddedness of organically developed ideas of perfection, every Dabbawala is in competition with himself for better standards. This simultaneous dynamic of competition with themselves and cooperation with others in the network offers intriguing potential for future research.

## CONCLUSIONS

The Dabbawalas' give a very unique twist to community-based entrepreneurship. This paper has attempted to examine the case of Dabbawalas' within the context of the extant literature on business networks and sustainable development. The 'third way' of development espoused by this model is driven by motivations other than corporate profit and shareholder wealth. It leads to a balanced distribution of the wealth among the members of the cooperative while serving an important yet traditionally unmet need of the society.

One of their key inimitable strengths is the organic development of not just their organizational culture but also their business strategies. While the traditional literature would place a heavy premium upon planned development and execution on strategies, the agility that an organization gains by interacting with the various elements in the business environment.

Three generations of Dabbawalas' made this business model work. But, will next generation be interested to accept this as a career option? A Project with tech-savvy young employees on an 'express delivery system' using electronic distribution technologies is in the experimental stage. E-commerce in food delivery (web-based booking, SMS based ordering and tracking, etc.) is a serious initiative. Experimentation is done with 'table services' by trade-school trained Dabbawalas'. Will these lead to an erosion of their core competence? Will the 'MBAs as managers' create a cultural divide between the Dabbawalas' on the road and the managers sitting in the corporate building? A lot of unsought (sometimes unwanted) help comes to the Dabbawalas' from academic researchers and gurus.

No doubt, a crucial question that might be going through the minds of the Dabbawala top brasses is whether their reputation as an impeccable social enterprise will be negatively affected or whether their key strengths will be diluted. We need to wait and see. Still, with the appointment of a few professionally trained administrators and the introduction of scientific managerial practices, the Dabbawalas' hope to keep pace with the times.