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MANAGEMENT LEARNING'S FROM DABBAWALA

The dabbawala profession has its roots in the hearts of Maharashtra i.e. none other than “Aamchi MUMBAI” back then called as “BOMBAY”. It has been functioning now for over 130 years; to be specific 134 years.

The word “Dabbawala” is derived from two Hindi terms - “dabba”, meaning “lunchbox” and “wala”, meaning “person”. The dabbawalla are therefore people who have taken the responsibility of delivering the dabbas i.e. the lunchboxes to people throughout the city.

Back in 1890, migrants were travelling from rural communities to the urban cities to make their lives better in terms of jobs, money, health, service and happiness. Mumbai had been experiencing a huge boom in population due to this increasing migration. This in turn led to many skilled workers travelling to the inner city for work. The fast food infrastructure had not begun then and also there was not much support which could be provided to build the fast food infrastructure and thus came the “Dabbawalas”.

The man behind the famous Mumbaikars Dabbawalas is **Mahadeo Havaji Bacche**. He is the man who is credited with the hiring of the first dabbawala. Back in those days, a Parsi banker wanted to have home cooked food in office and gave his responsibility to the first ever Dabbawala. Many people liked this idea and the demand of the dabbawalas started taking pace slowly. It was all informal initially but Mahadeo Havaji Bacche saw this as an opportunity. He thus hired a man from Pune to assist him. Quickly this idea gathered momentum until later that year around 100 dabbawalas were hired to deliver lunches to offices near him.

All the dabbawalas that Mahadeo Ji employed were from Pune, approximately two hours away from Mumbai. These workers were largely illiterate and thus

were facing challenges in finding out office-based employment opportunities. However, though illiterate, these workers were very highly strong, focused and determined. With the consistent hard work of the workers, the delivery service grew exponentially over the next few decades until they achieved their first huge milestone in the mid-1950s – delivering around 2,00,000 lunches per day.

Currently, dabbawalas are a strong army of nearly 5,000 people who ensure that more than 2,00,000 people get their lunch in time at their offices. They usually work in groups of 25-30. These are men in white i.e. they are dressed in white kurta-pajamas and wear the traditional Gandhi Cap typically known as “Topi”. The hierarchy of the dabbawalas follows 7 levels of management. On the top position is the President who is assisted with a Vice-President. Then comes the General Secretary followed by the Treasurers. Fifth spot is taken by the Directors i.e. the middle level management. Then comes the Mukadam who is the head of the group of dabbawalas followed by the total dabbawalas.

The dabbawalas have an overall system on four basic **pillars** – organization, management, process and culture. All these four pillars are rightly aligned and mutually support each other enabling to run such a complex system in the world’s fourth populous city – Mumbai with such an ease. It is uncommon to see such co-ordination in the corporate world too!

The Mumbai Suburban Railway, one of the most complex, vast and mainly used urban commuter lines worldwide, plays an utmost role in Dabbawala’s operations of delivering the right lunches to right people at right place on time. Its basic layout is that usually cycles and handcarts are used by the dabbawala’s to travel between the railway stations and customers’ offices and homes. Everyday, a Dabba reaches its correct destination after passing through several hands. In the morning, a dabbawala picks the dabba from the customer’s home and goes to the nearest railway station, then it is sorted as per the place of destination and put on wooden carts. Once it reaches the nearest railway station,

it is again sorted and aligned to another dabbawala waiting at that particular railway station, who in turn delivers it to the destination i.e. office before lunchtime. Once the lunchtime is over, the process runs in the reverse direction and Dabba's reaches the customer's home. Therefore, it is seen that the railway system sets the rhythm and pace of delivery. Dabbawalas just have 40 seconds to load the crates of Dabbas on a train at essential stations and just 20 seconds at interval stops!

Once the process is understood, ever wondered how do dabbawala's distinguish one dabba from the other? All the dabbas more or less have same features so what makes them so perfect in delivering the dabbas to the correct person with any confusion! The answer to this question is that the Dabbawala's use the alpha-numeric "**coding system**" which is one the most popular and successful method of the entire Dabbawala system. Under this method, the lids of the dabbas are labelled with numbers, letters and symbols indicating where they came from and where are they to be delivered i.e. the dabbas are marked with:

- 1) Abbreviations for collection points
- 2) Color code for starting station
- 3) Number for destination station
- 4) Code of building names
- 5) Floor number in the buildings.

The Mumbai Dabbawalas are known for their punctuality. This alpha-numeric coding system is the important tool for their consistent punctuality. The mission statement of the dabbawalas since the day of its operations has been 'Always deliver on time'.

Every Dabbawala himself is an entrepreneur. They themselves manage the entire system which includes logistics, hiring, retention and customers acquisition. At first, the governing committees fix guidelines for costs, considering various factors like the distance between customer's home and place of destination and the distance between the office and the nearest railway station. This enables to keep an eye on the process themselves resulting in efficiency, effectiveness and keeping the charges low with no compromise on

the quality. They negotiate the prices with the clients themselves and thus not just build but also sustain healthy and long-term relationships with the same client that continues for years.

Apart from the process and system, Dabbawalas have made certain excellent service records. Each day they deliver nearly 1,30,000 lunchboxes all over Mumbai; which means nearly 2,60,000 transactions are being done by them in almost 6 hours every day, 6 days a week and 52 weeks a year, without a single mistake. This level of performance has been achieved by the dabbawalas at a low cost, eco-friendly manner, without using any digital or IT platform or even mobile phones.

The Harvard Business School conducted a study which showed that it has rated the Mumbai Dabbawala System as “**Six Sigma**” i.e. a Six Sigma performance of 99.9999 %, which means that the error rate in this service system is just 1 in 16 million transactions! This is a spectacular achievement of Dabbawalas in itself.

The Six Sigma Performance achievement of the dabbawalas does not greed them to charge high fees for their services. The cost of service is Rs 500 to 700 per month (\$7 – 1 / month). This price is standard price for all. The annual turnover is approximately 90 Crore. Similarly, a dabbawala earns Rs 15000 approximately per month.

In the world full of difficulties whatsoever, the dabbawalas spirit and ever-growing greed is a stepping stone of the success they have achieved today. They have overcome challenges like floods and railway strikes. Also, they have been adapting to recent times like learning to speak English and embracing technology.

On 7th September, 2017, **Dabbawala Enterprises Private Limited** was incorporated. It is classified as a Non-government company and is registered at Registrar of Companies (ROC), Mumbai. The main objective of the enterprise

is the economic and financial benefit for the dabbawalas by giving a formal recognition. Dabbawalas work as a contractor in this enterprise. Along with this, in October 2020, they launched a Dabbawala App to make food delivery accessible and uncomplicated. Through this app, one can type the address and the app will tell the list of restaurants that can deliver to one's area. Also, one can find restaurants on the basis of cuisine, menu and name. The app offers discounts, offers, special deals with a customer care team with 24/7 assistance without any extra charges.

Though we see Dabbawalas delivering the dabbas to people, have we ever wondered that in spite of gaining so much popularity, wouldn't there be any **challenges** which the Dabbawalas would be facing? Yes, they do face many challenges on various grounds. First and foremost, the challenge is the growing competition in this fast-moving world. Why would one appoint a dabbawala to deliver the lunch when we have so many other alternatives like various restaurants selling a typical "Thali" like a "Gujarati Thali" or a "Rajasthani Thali" where also home-like food can be easily ordered. Also, nowadays we have tiffin service system where a person whether or not in our locality, delivers food in a tiffin made in the service provider's house. Secondly, another direct challenge which dabbawalas face is unpredictable income. As the income of the Dabbawalas is directly proportional to the orders they receive, it is obvious that if due to any reasons they receive fewer orders, their income will be lower for that period which will affect the dabbawalas in many ways. Another upfront challenge are the technological advancements are taking full pace in this modern world. Dabbawalas have been able to survive all these years without the technology; but the real question is will in future the dabbawalas will be able to survive in this cut-throat competition without taking any sort of technological support?

Dabbawalas travel in local trains primarily for food delivery. Cycles and crates are used by them for transporting the dabbas at the place of destination. Any disturbance in these infrastructure and transportation may hamper the entire process resulting in delayed deliveries. Apart from this, there are many other issues too which Dabbawalas face in day-to-day lives are the health concerns, meeting the physical demands, regulatory challenges and seasonal disturbances which are out of control.

It is very important to address the above challenges faced by the Dabbawalas. This requires finding **solutions** to the core problems. Talking about the first challenge i.e. growing competition, let us not forget why dabbawalas is still surviving this long in such a busy city like Mumbai. The main reason is the Unique Selling Price i.e. the USP of the Dabbawala services. Though ordering food from restaurants is an option available, but one cannot eat restaurant food every day simply because of the two reasons – 1) Regular consumption of restaurant food will deteriorate our health and will harm us in long run. 2) Restaurant food is not very cheap usually. So, to eat restaurant food every day, one might face financial issues too. Thus, the main motto of the dabbawalas is to provide HOME COOKED FOOD to the people at REASONABLE PRICES. Yes, one has an option to order food online from different restaurants or avail tiffin services; but nothing can beat the taste of home cooked food! Providing home cooked food to people as the USP should be highlighted by the Private Limited Company which was set up the dabbawalas. This may also bring the solution to another yet important challenge that was use of technology. They could, just to start with use simple advertisements on social media platforms and make the younger generation i.e. the typical Gen z's aware about the existence and working of the entire system of the dabbawalas. Slowly and gradually, they could use technology in areas which would provide them ease of working. This will help them face both – Increasing competition and

Technological advancements. The more they are able to attract customers either through word of mouth or references or these advertisements, customer base will increase solving the unpredictable income issue where they would be earning at least that much amount periodically as to not face any financial crisis.

Further, it is the responsibility of the dabbawalas to be cautious about the health concerns while delivering the dabbas. Keeping the dabbas in the tiffin bag made of cloth so that it is washable, provided by the customers themselves, which will ensure that the possession lies with the customer so as to keep it in good conditions to avoid health issues. During the transportation, they should take utmost care of hygiene conditions and the place where they are actually taking a halt. Periodically, photographs or short videos can be taken of the dabbawalas doing their jobs properly and could be used in the advertisements which will draw attention of the customers towards the care taken by them.

Moving forward, there are certain threats that dabbawalas currently have to face and in future probable these **threats** can become more severe. First one is that the income of dabbawalas is not fixed; it depends directly on the customers they get. Due to this, dabbawalas do not have any income proof, which in turn results in no availability of credit. This is the major threat which restrains them from taking any sort of financial help such as home loan, education loan or credit card. This also results in difficulties in opening a bank account. This has become a vicious cycle for dabbawalas because no bank account and no income proof do not end here; rather they add on to their difficulties even more! No insurance security, no Mediclaim facility, no pension plan is the part of this vicious circle. This threat requires an immediate and careful attention.

Government and the financial bodies have to connect to the dabbawalas and have to think from their perspective too. It is very essential to think that if a person does not have any kind of income proof, how will things work for them? A plea is to be made by the Dabbawala Enterprises Private Limited which will

be a formal application wherein facts have to be stated that why an income proof is not just a requirement but also very important for them. This income proof will not just enable them to open their respective bank accounts but also in turn will result into positive externalities such as provision of home loan and educational loan. It will be dream come true for many dabbawalas where they might purchase a new property or a house for them and many would even send their children for higher studies. A formal plea can actually change the perspective and help dabbawalas a lot.

Next biggest threat that the dabbawalas are facing today and most importantly in future will face is, will the children of dabbawalas would be in favor of working with the dabbawalas? Or not just the children of the dabbawalas, but any person on that ground would willingly come and join the dabbawala service system? If yes, it will run for another century. But if no, how will the dabbawala system continue to function? And in this world of technology and AI, there is a higher probability that if today this question is not given a thought; it will be the biggest threat to tackle tomorrow. For this, the first step has been already taken by the dabbawalas by setting up a formal name and environment for them which gives them a formal recognition not just nationally, but also internationally.

What is more important is what measures are being taken and implemented in this formal setup.

Just like every entrepreneur starts with the startup first, then eventually with the hard work converts that startup into a successful business organization; the dabbawala enterprises private company is in its startup phase in terms of its operations where they are taking steps to adapt to the technological world around and implementing those in its operations. As mentioned earlier, starting to advertise on social media applications initially will attract huge attention. It is important to showcase how they have survived for more than a century.

Everyone in this world, including me as well, looks forward to work in a stable

workplace whether in a corporate or a self-business. Many startups come into force and eventually shut down because it is not able to survive. Surviving for over a century in a city like Mumbai is not easy. So, no doubt these dabbawalas have the ability to sustain their positions. The vital point here to be noted is how they put forward this strength of theirs in front of the whole world where people would be willing to be a part of this beautify ecosystem.

The literate dabbawalas can come together and a team can be formed where strategies would be planned to how to spread awareness amongst people about the USP, price, their system and the organization as a whole. Small initiatives can be taken where they could tie up with other small and medium based food enterprises where those enterprises would be involved in making the food while the delivery part would be taken care by the dabbawalas. Further, they can move to few large restaurants where they are facing issues in delivery and the dabbawalas can partner with them to take up the delivery function. Also, dabbawalas currently function during the daytime, so once they get a hold of this formal setup and see a positive change, they can attempt to start their delivery system during nights too, i.e. dinner. Of course, in normal course of time, a person would definitely return home where they have dinners with their families. However, there is still a huge mob of people who either stay alone for study / work purposes or stay with room-mates but either food at their study place or offices. This will increase the customer base of the dabbawalas. There can be tie ups between public transportation too for transporting thee dabbas in a faraway place. There can be two shift – daytime sift and the night time shift which will work in a much more systematic manner and will also understand the concept of “work life balance” where the dabbawalas would not be pressurized of their work but will get a right balance between the work and at the same time can spend time with their families and relax. When these actions

integrate, much stronger organization will come into existence where it would be able to survive in this world for another decade.

Definitely, the difficulties and the threats does not end anytime. But once it gains confidence on itself, nothing is unbeatable.

Dabbawalas are also involved in good causes. They follow the principle “**Annadan is Mahadan**”. There are many people living on the streets who do not have any means of work and thus possess no money to buy food. Such people usually depend on people to donate them food and many-a times also have to sleep without eating anything. So, to reduce this hunger issues, dabbawalas have started an initiative where they also give a **red sticker** packet to the person, they deliver the dabbas. These sticklers are kept by the customers with them. Suppose, a person X could not finish his entire meal due to some reason, instead of this food gong to waste, this person X can apply one red stickler on the dabba which will be a signal to the dabbawalas wherein they deliver these dabbas to the people who are deprived of food. The dabbas with these red stickers are segregated by them in a systematic manner and also then delivered to the customer’s house back. This ensures reduction in wastage of food and also helping the deprived people have some food.

The stories of dabbawalas have become a **word of talk**. Without even studying any management course, their management abilities have been fantastic and as a result, they are invited to various educational institutes, especially management studies institutes to give a talk on how they manage everything. Various documentaries have been made too on the dabbawalas. Their case study has been included in renowned institutes nationally and globally like the ICFAI Press Hyderabad and Harvard Business School. They hold a world record in best time management and also in the “Guinness Book of world record”. In the year 2003, Prince Charles visited the dabbawalas and spent time with them and were also invited for the marriage of the Prince Charles. The dabbawalas were

also visited by the Queen Maxima of the Netherlands in the year 2018. These moments are a moment of respect for the entire nation.

Dabbawalas have been serving us for past 134 years. Now it is our time to show our care and respect for them. On this 78th Independence Day, let us take a vow to help the dabbawalas achieve their goals and objectives and provide our utmost support from our end. They will make not just Mumbai but the entire nation proud.