

SWOT Analysis of Dabbawalla's

**Dr. Sarika Sawant*

INTRODUCTION

Dabbawalla's story (Tiffin carrier guy) is the favorite case study among management institutions for a single reason - that they do not use any technology, but still, they were able to get Six Sigma rating (99.9999) due to their high level of efficiency and performance. Dabbawalla's operation is an exemplary model of logistics, operational efficiency and supply chain management. There are 4500 dabbawalla's across Mumbai, who coordinate with each other for picking up and delivering the Tiffin over to 1, 75, 000 Mumbaikers everyday in a 3 hour period through 60 kms of public transport. In fact, the modes of transport simply include the local trains, bicycles and hand carts. Of course, it is rare that a Tiffin may miss being on its owner's lunch table at the lunch hour.

The Dabbawalla's organization is really a marvel because it achieves a high level of efficiency and performance without any documentation, without computers and without an educational work force. Yet, they are the ultimate practitioners of logistic management. They have been practicing the hub and spoke system, just-in-time tactics, no inventory policy and supply chain management principles even before these terms were coined!!!

Leaving thefts apart, these Dabbawallas make a mistake only one every two months, i.e. one error in every 8 million deliveries, making it one of a kind 'Six-Sigma' supply chain in India.

The organization works on a 'Work is Worship' philosophy, which is the traditional Indian practice. They respect food and, therefore, there is no misuse of food, timely delivery is important because it is an individual's basic need for food at that time. The Dabbawallas have never gone on a strike since they went into business.

As it is popularly said in Mumbai. *'If the local train is the lifeline of the city, then the Dabbawallas are the food line'.*

Table 1: About NMTBSA

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

SWOT ANALYSIS

A SWOT analysis is very important for a thorough and complete analysis of the Dabbawalla's system. Being over a 100 years' old organization, it is bound to have much strength that is inherent in the system and it may also have certain weaknesses arising out of conventional technology. There will be several opportunities since it is such an open organization and its performance is also always visible to everyone.

STRENGTH

- ✿ Simplicity
- ✿ Coordination
- ✿ Integrated working
- ✿ Team spirit
- ✿ Low Operating Cost

**Assistant Professor, SHPT School of Library Science, SNDT Women's University, Mumbai. Email:sarikashpt@gmail.com*

WEAKNESS

- ✿ Lack of funds
- ✿ High dependability on local trains
- ✿ Uneducated people

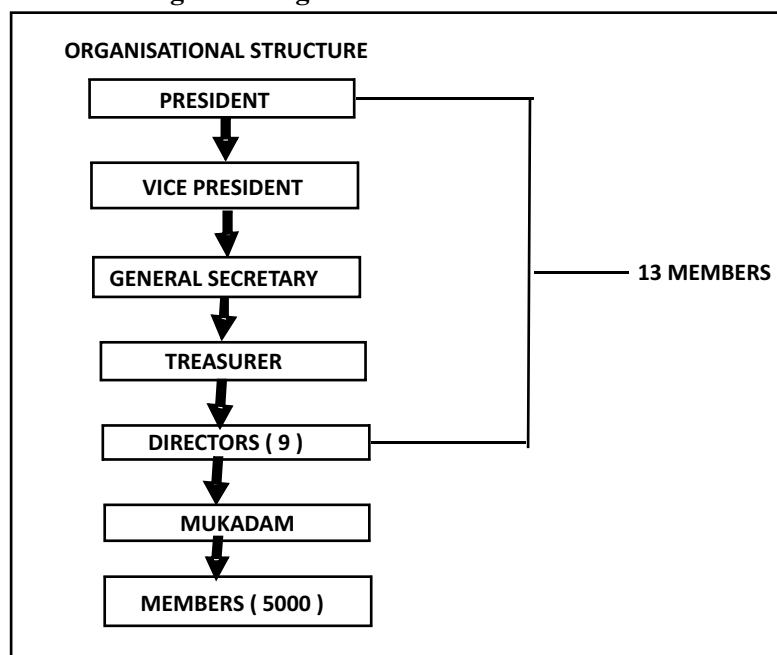
OPPORTUNITY

- ✿ Advertising
- ✿ Branches in other cities
- ✿ Catering service

THREAT

- ✿ Small-scale players offering services.
- ✿ Coupon system offered by corporate offices.

Figure 1: Organizational Structure



STRENGTHS

✿ **Simplicity In Organization:** The organizational structure is very simple. It is a loose cooperative with the entire organization divided into Strategic Business Units (SBUs) i.e. groups of 10-20 individual Dabbawallas. These groups are responsible for their own sources of money and have to maintain their own accounts if required. Therefore, they are financially independent. With relatively medium income levels and greater levels of customer satisfaction, this Organization does not at all need a rigid operating structure.

✿ **Coordination:** The groups, although independent as far as money matters are concerned, work very smoothly and efficiently with each other. Not only is the coordination within the group perfect, but also the coordination among different groups is really remarkable. A group responsible for a particular area in Andheri will effectively coordinate with other groups on the way to Churchgate station. The individuals will merge into other groups for delivery. The effectiveness of coordination can best be seen during the sorting process. There is no rivalry whatsoever among different groups and the functioning is smooth and problem free.

✿ **Integrated Working:** A large number of groups coordinate among themselves and Dabbawallas change their groups for picking up and dispatching at the origin and destination stations, they can practically work with the same efficiency in any group. This means that the end result is extremely efficient and customer satisfaction is also high.

The basis for this is the integrated working pattern. Highly accurate and efficient coding systems, along with the efficient system of local trains lead to a complete integration of the working of all groups at various stations. A single Dabbawalla is never completely devoted to one single group or one single Tiffin box. Therefore, this integration goes a long way in asserting the success of the system.

✿ **Team Spirit :** All the Dabbawallas mostly operate in groups that are actually functioning as a team does in any sport. They have a daily routing to complete, which is like a mission to accomplish within a stipulated time. External factors such as weather elements, crowd, disputes with outsiders, etc... are all neglected then it comes to performing the duty first because of the time constraint. Every Dabbawalla knows that he must work effectively in the team in order to complete the job successfully. Another reason for the great team spirit is that most Dabbawallas are from the same region and community and, therefore, it's like a huge family that is working together to earn a livelihood. Disputes are often for a short period only and they get back to working with everyone in a very friendly way. Cooperation is the key element here. People prefer to work in a group simply because it is a team which pools all the efforts and gives the most efficient overall output in term of productivity and efficiency.

✿ **Simple Character :** The Dabbawallas are basically a part of a large community that was the direct descendent of Shivaji Maharaja's work force and army. Therefore, their origin dates back to the glorious days of the region and hence, their nature is essentially simple and orthodox. Rather, one can say that they seem to be like simple, cheerful and humble folk. But this is lighter side of Dabbawalla's, who are like a military personnel carrying out the duties with immense hard work and agility. At work, they perform like a ruthless army with a mission to achieve victory by racing against time. Their daily agenda, if experimented by the common man in practicality, will not only exhaust him, but will make him have more and more respect for the great army of Tiffin carriers, who have such a vigorous daily exercise to perform. Whenever they have an opportunity or have time in hand, like during lunch or while sitting in the train during the journeys, the Dabbawallas show their true nature and simplicity in character by sharing some light moments. They are cheerful, joyous and relaxed folk.

✿ **Low Operating Cost :** The costs involved in carrying out the daily routines are very low if you compare it to any logistical company. The main expenditure is on their traveling only, which too, is by the cheapest and fastest mode of transport in the city. Besides trains, they operate on bicycles or on foot, which is also very cheap. Bicycles require negligible expenses because they are easy to maintain. The information system is neither computerized nor does it involve paper work. It is simply done by making codes on the top on the Tiffins with coloured pencils or paint or chalk. The money matters are handled individually by the groups and, therefore, the incomes and common expenses are borne by the groups themselves. It is difficult to find any other organization that operates on such a large scale and yet is so cost efficient.

✿ **Conventional Working Methods :** The working methodology of the Dabbawalla's is totally conventional. It consists of non-technology based techniques and yet, is very efficient. There is absolutely no computerization involved in maintaining client accounts, the systematic networking of Tiffin's carriage, in maintaining records of the number of Dabbawallas, number of absentees or even complaints. All this is handled individually by the respective groups. For the number of tiffins allotted, each Dabbawalla is responsible for collecting the money from his clients. And he has to handle their complaints too. If there are major disputes, they have to resolved during the monthly meetings held at Dadar. That is convened by the association, and here also, there is no paperwork involved. All the transport logistics, clients' accounts, Tiffin association, etc. are handled without any book keeping or by maintaining records. All the functions are discussed within the group initially and the same is carried out regularly. There is no change in their working method at all. All principles and methods have been predefined and have been kept simple enough to avoid any need of automation or complexity. Considering all these factors, it is laudable that the Dabbawalla's still manage all the deliveries, client's accounts and differences in income and expenditure so efficiently.

✿ **Customer Satisfaction :** The clients of the Dabbawalla's are extremely satisfied by their service. They have no disputes with the Dabbawalla's as matters can be resolved face to face and in most cases, the Dabbawalla's policy makes things simpler. If in a particular case, the client's Tiffin gets misplaced or lost, the Dabbawalla takes the responsibility, irrespective of the fact that another carrier working in the destination area might have lost the dabba. It was primarily the responsibility of the Dabbawalla who is the under the respective client's contract to ensure the safety of the Tiffin. He has taken his own decision to delegate the job of delivery to another member and hence, he has to bear

the loss for the misplaced Tiffin-box. Therefore, this policy being simple as it is, the client is quite satisfied because there are no disputes and claim issues. In other cases such as leaves, the Dabbawalla would usually intimate the group members about his being unable to attend the duties on a particular day and hence, the backup member would carry out the duty on his behalf. Therefore, because of the absence of the usual Dabbawalla, the client is not totally deprived of the services, as there is a back up in the most cases. Other leaves include the week long holiday that all Dabbawalla's take to attend the annual festival at their village. This information is provided to the client before hand, and is intimated one week in advance.

WEAKNESSES

✿ **Funds For The Association :** The association have very limited funds for the organization. Every Dabbawalla has to deposit ₹15 every month to the association. With around 4,500 Dabbawalla's working, that would amount to ₹ 67, 500 for the association per month that translates to over ₹ 8 lakhs. With this fund, the association has to maintain all the pilgrimage places where it has set up dharamshalas (shelter or rest house). It also has to sponsor certain welfare benefits to the Dabbawalla in terms of medical aid and to the family members of the Dabbawalla involved in an accident. The association can accumulate more funds and allocate them for programs such as children's education, upliftment of communities at the village level and other benefits. But this shortage of funds hinders these possibilities.

✿ **High Dependability On Local Trains:** The entire Dabbawalla network, barring a few who function independently on bicycles, is totally dependent on the functioning of the railways. They work only if the train works. Therefore, during the bandh or railway strikes, the Dabbawallas call off their duties. Of course, the customers do understand the problem and the case of the Dabbawalla's taking an off due to non-functioning of railways is again, a rare case. The local trains of Mumbai do not stop in case of heavy monsoons or even during riots.

The trains are hence, very efficient in their daily functionality. This enables the Dabbawallas to perform their operations regularly enough. But the underlined fact is that they function only when the trains function and ,therefore, their over dependence on the railway network is an undeniable weakness.

✿ **Illiteracy :** The majority of the Dabbawalla association can only manage to sign their names. They are unable to read or write in English. This poses a major problem in case the individual leaves the association and has look at an alternative profession. His inability to write will then pose a problem to his own survival. The association does not take any up any initiative to educate the Dabbawallas. As a part of its welfare and social commitment, education is absent from the agenda. But the Dabbawallas do manage to carry out their operations with their limited ability to read and write. They are able to comprehend the codes imprinted on the tiffins. If they are totally illiterate, they are trained to that level but in most cases, the Dabbawallas do not require this kind of training because the association has set a minimum criterion for the applicants who want to join the association. They must be able to understand the basic alphabets and numbers. Unfortunately, in today's time, it is necessary to acquire proper knowledge and education to secure one's future. Not all Dabbawalla's work till they are 65 to 70 years old and ,therefore, they require the knowledge to support themselves. Thus, their illiteracy is definitely a weak point.

OPPORTUNITIES

✿ **Advertising :** The Dabbawallas have been approached by various companies before for advertising on the Tiffin's- the most famous and successful campaign to date has been the 'Kaun Banega Crorepati' advertisement. Star Plus approached the organization and offered a meager amount of ₹ 10, 000 for pasting its stickers on every Tiffin box. This is incidentally the standard rate the association charges from every company that wishes to advertise. The '9 baj gaye kya?' (Is it 9 O clock?) campaign was a great success as all office goers would notice this on their Tiffin boxes everyday and would hence remember to watch the programme at 9pm every night. It had great recall value at that time. Thus, the association has several more opportunities to grab in the form of additional revenue that can be raised from these ads. It caters to over 1,500,000 people everyday and the cost for the advertising is also minute compared to the exposure that it offers. The contract would be on a weekly basis or a monthly basis.

✿ **Other Cities :** The Dabbawalla network could also work in other cities but on a smaller scale. Cities like Pune already have a small network of Dabbawalla's who operate on bicycles only. There is definitely a source of income in

such cities as there is a huge market. Although, the absence of a efficient railway network that is gifted to Mumbai city exclusively could pose a problem, it is nevertheless quite possible to operate on a medium scale compared to Mumbai, Bangalore, Delhi, Pune, Hyderabad, Ahmedabad, etc. are few cities where office goers have to commute daily to their work places. Also, the Dabbawallas can cater to the needs of school going children. It will be a more rigorous exercise if the Dabbawallas were to travel by bicycle across the length and breadth of cities but small cities such as Pune can be manageable and then cities like Delhi now have the Metro Rail as an efficient means of transport. Thus, these cities are a great opportunity for the Dabbawalla's to expand their service network.

✿ **Catering :** Considering the increasing competition from restaurants and catering services, the Dabbawalla's also can, in a small way, start their own catering service for customers. There are a large number of customers who find it difficult to prepare the tiffin early in the morning.

The Dabbawallas can manage the catering at a central location (eg. Dadar) and then, a few of the Dabbawallas can pick up the Tiffin from the catering centre and deliver them to various offices. In this manner, the customers can get the benefit of warm food at the lunch hour and without undergoing the pain of preparing lunch early in the morning while managing other affairs. This in fact, is one of the biggest opportunities for the Dabbawallas to tap sale for merely ₹15 only! Biryanies, fish curry, rice plate, Chinese food, etc. are among the variety of cuisines offered at really cheap rates. Almost every lane in downtown Mumbai has some outlet or the other. People get used to the taste and do not care too much about the quality. In most cases, the quality is genuinely good in cases of meals that are pre-cooked and served.

THREAT

✿ **Ticket Restaurants :** Many offices have started offering coupons to their employees, which are valid at particular restaurants. They are known as Ticket Restaurants. Employees can enjoy restaurant grade food at the company's expense. Smoking Joes, Shiv Sagar, Copper chimney, etc. are some of the restaurants which accepts Ticket Restaurant coupons.

To overcome the threat of Ticket Restaurants is a challenge for the Dabbawallas. In most cases, it is impossible for them to substitute the eatery stalls and subsidized food offered by companies, but the advantage to them still remains that their customers can get warm home cooked food at the lunch hour.

BIBLIOGRAPHY

- 1) <http://www.mydabbawala.org/>
- 2) Mumbai's amazing dabbawalas. (2005). Retrieved October 7, 2009, from <http://www.rediff.com/money/2005/nov/11spec.htm>
- 3) Wonder of Dabbawalas. (2006). BLISc Project report. SHPT School of Library Science. SNDT Womens University. Mumbai.