The Magic Of Dabbawala Unfolded

Official Website: www.mydabbawala.com
Official E-Mail: info@mydabbawala.com
How The Dabbawala System Started?

- It was the time when English were ruling the India.
- New government offices, post offices, bridges, etc were being constructed.
- No MacDonald or Pizza Hut.
- A Parsi banker employed a person to bring home made food to site of work.
- His colleagues too liked this idea and started availing this service.
- Slowly this evolved into the present 5000 strong Dabbawala system.
A Tribute to Hon. Mahadu Havaji Bache.

• Educated only up to class 2.
• Started the Dabbawala system with a handful of 35 Dabbawalas in 1890.
• Migrated farmers from remote villages around Mumbai to work and settle in Mumbai as Dabbawalas.
• A man of dedication, values, commitment and business ethics.
• Started Dharmshala in Bheemashanker in 1930.
Believes of Dabbawalas.

• Work is worship.
• Serving people is serving God.
• Annadan is Mahadan.
• Marathas of Varkari sect from the remote villages round Mumbai.
• The decedents of the Dabbawalas were the warriors in the army of Shivaji Maharaj.
• Time is money.
• Unity is Power.
What Is Nutan Mumbai Tiffin Box Suppliers Association?

<table>
<thead>
<tr>
<th>History</th>
<th>Started in 1890</th>
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<tbody>
<tr>
<td>Charitable trust</td>
<td>Registered in 1956</td>
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<tr>
<td>Education</td>
<td>85% Illiterate – 15% Class 8 pass/fail.</td>
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<tr>
<td>Total area coverage</td>
<td>60 Kms to 70 Kms (Virar – Churchgate, Kalyan/ Panvel – CST)</td>
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<tr>
<td>Employee Strength</td>
<td>5000</td>
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<tr>
<td>Mukundhams</td>
<td>635</td>
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<tr>
<td>Number of Dabbas</td>
<td>2,00,000 Dabbas i.e 4,00,000 transactions every day.</td>
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<tr>
<td>Time Taken</td>
<td>3 hrs</td>
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Working of NMTBSA.

• Error Rate : 1 in 16 million transactions
• Six Sigma performance (99.999999)
• Technological Backup : Nil.
• Cost of service - Rs. 250 - 300/month ($6.00/month)
• Standard price for all (Weight, Distance, Space)
• Rs. 30 Crore. approximately Annual Turnover. \[5000\times 12\times 5000=30,00,00,000\]
• “No strike” record as each one a share holder.
• Earnings - 4000 to 5000 p.m. per Dabbawala.
• Diwali bonus: one month’s salary by customers.
Major Features Of Supply Chain.

- Zero % fuel
- Zero % modern technology
- Zero % investment
- Zero % Disputes
- 99.9999% performance
- 100 % Customer Satisfaction
- Food is taken from home or mess and is delivered at office.
- Those who eat late keep 2 Dabbas.
Approach Of Dabbawala.

DISCIPLINE:
• Wearing White Cap during business hours.
• Reporting to duty on time.
• Behave properly and respect the customers.
• Carry Identity Cards.

WOMEN:
Mrs. Bhikhubai of Kandivali
Mrs. Anandibai of Borivali
Mrs. Parvatabai of Karale (Ghatkopar)
Mrs. Laxmibai Bagade of Santa Cruz
How do they do it …

- Organizational Structure
- Code
- Operations
- War against Time

(9:00 am – 12:30 pm)

Executive Committee
(5 members)

Teams of 20-25 headed by a group leader

Individual Dabbawala’s workload:
Collect from home – 35 tiffins
Delivery at office – 35 tiffins
Return empty tiffins to home – 35 tiffins
Organizational Structure.

- Dabbawalas operate in groups of 25 – 30, headed by a group leader.
- In one segment there are more than one group.
- A flat organization.
- Instant decisions are taken on the spot.
- Everyone is a shareholder.
- Even the president and other high-ups also work.
- Mini government meets every month to help, guide and sort differences.
Some Examples Of Coding System.
Coding system of Dabba

- **VLP**: Origin railway station (VLP means Vileparle station)
- **9 AI 12**: Area to be delivered within Churchgate zone (9 means Nariman point)
- **E**: Area collected from within Vile Parle (E means Hanuman road)
- **3**: Destination railway station (3 means Churchgate station)
- **Floor to be delivered to in Air India building**: (Although 12th floor is mentioned, all dabbas are delivered at the ground floor only in high rises)
Pick up Dabba from Residence and bring it to Andheri Station.

9:30 AM - 10:30 AM  (Location : Andheri)

- This time period is utilized for collecting Dabbas from different places around Andheri.

- Dabbas are collected from different resources such as homes, hotels, messes, etc. by Dabbawalas and brought to Andheri Station.

- Red Light, no entry, etc is crossed.

- Now these collected Dabbas are sorted according to destination.

- Wherever there is a Dabba – There is a Dabbawala.
Journey in Local Train.

10:34 - 11:20 am (Andheri Station)

- This time period is actually the journey time. The Dabbawalas load the wooden crates filled with tiffins onto the luggage or goods compartment in the train.

- Generally, we choose to occupy the last compartment of the train.

  - 12 coach train
  - 4,000 commuters
  - 8,000 disputes
  - But no excuses, Duty first
Unloading And Sorting At Destination Station.

11:20 – 12:30 pm (Church Gate Station)

• At this stage, the unloading takes place at the destination station.

• Re-arrangement of tiffins takes place as per the destination areas and destination buildings.

• Dabbas are delivered by cycle, hand card or even walk.
12:30pm – 1:00 pm (Lunch Time)

- Dabbawalas carry their food with them.
- Area wise we sit together and have our lunch.
- The family that eats together stays together.
Collection of empty Dabba and sorting at destinations station.

1:15 – 2:30 pm (At All Destination Stations)

• Here on begins the collection process where the Dabbawalas have to pick up the Dabbas from the offices where they had delivered almost an hour ago.

• The return journey by train where the group finally meets up after the day’s routine of dispatching and collecting from various destination offices.

• The Dabbawalas meet for the segregation as per the destination suburb.
Return Journey.

2.48 – 3:30 pm

• Usually, since it is more of a pleasant journey compared to the earlier part of the day, the Dabbawalas lighten up the moment with merry making, joking around and singing.

• There is no cause of tension or worry as customer has eaten the lunch.

• Even if the return journey is delayed little bit – there is no problem.
Sorting and delivery of empty Dabba at residential station.

3.30 – 4:00 pm (At All Origin Stations)

• This is the stage where the final sorting and dispatch takes place. The group meets up at origin station and they finally sort out the tiffins as per the origin area and the empty Dabba is delivered at the respective residence.

• The actual address of the residence is not mentioned on the Dabba – it is remembered by the Dabbawalas.
Six Sigma Certification By Forbes Group.

• After few days there was new in Times Of India that Mr. C. K. Prahlad met President Mr. K. R. Narayan and Dabbawalas got six sigma.
  • Dabbawalas were invited to collect the six sigma certificate – they did not know what it is made of – Gold or bronze.
  • The certificate is lying in cupboard eating dust.
ISO Certificate To Dabbawalas.

- Certificate accredited by “The Joint Accreditation System Of Australia And New Zealand” – JASANZ.
- The Indian consulting firm T. G. Solutions coordinated the process of getting the certificate.
- Most Dabbawalas do not know what ISO stands for.
- The only thing that a Dabbawala know is that – “Error is Horror”.
- Dabbawalas work with great efficiency without caring for any certificates.
Outstanding Service Organization Award By NIQR.

National Institution for Quality and Reliability

LUCAS TVS-NIQR AWARD FOR OUTSTANDING SERVICE ORGANISATION-2004
TO
NUTAN MUMBAI TIFFIN BOX SUPPLIERS ASSOCIATION - “DABBAWALLAS”

On a glorious day, in Nov. 2003, Prince Charles from England, had expressed his amazement on the meticulous performance of the lunch box careers, who had been running the service for over a hundred years and were incredibly successful without using any modern technology.

British High Commission official remarked that the service is unique and they cannot think any other city anywhere in the world or even India has such a system.

American Business Magazine Forbes has given the Six Sigma performance plus rating (i.e.) only one mistake in six million deliveries.

Also,
- World record in Best Time Management
- Appeared in Guinness Book of World Records
- Registered with Ripley's Believe it or Not
- Felicitated and awarded by CII, IIMs, Dr. Reddy's Lab Foundation etc.
- Included in a subject in Graduate school of Journalism, University of California
- Provided projects and case studies for MBA students
- Documentaries made by most leading TV channels including BBC, CNN, Zee, Star, NDTV etc.

This is the wonder story of Dabbawallas

Dabbawallas are dedicated service men who deliver home cooked food – dabbas to lakhs of Mumbai office goers on all working days even during heavy down pour. Thanks to their services, one can get a meal cooked at home delivered to his place of work, right before the lunch break at a very nominal service charge. The delivery system is simple, driven by teamwork and the speed and efficiency are amazing. The system has not degenerated despite being 100 years old.

Identification and traceability system is through their own unique coding system indicating area of pick up, place, boarding station, destination station, delivery street / building / floor no. The flow logic of distribution system is unbelievable. Collection, sorting, loading & unloading in trains, distribution of tiffin carriers & collection and return of empty carriers to the right people by the Dabbawallas requires witnessing to believe the accuracy in timings.

Dabbawallas belong to an Association called NMTBSA Nutan Mumbai Tiffin Box Suppliers Association. This was started in 1890 and got registered, as a Charitable Trust in 1956. The average literacy rate is 8th grade schooling. They cover a distance of 60 to 70 km. Their employee strength of 5000, service 2,00,000 customers (i.e.) 4 lakhs transactions everyday.

NMTBSA is operated through 5 members Executive Committee with teams of 25 Dabbawallas and a group leader for every team. An Association with all members as shareholders and with 'No strike' record and earnings of Rs.5000 / 6000 per month with a turnover of Rs.72 crores per annum. Carrying identity cards, wearing white caps they wage a war against time daily from 9.00 A.M to 12.30 P.M and share the bonus paid by the customers. Their belief is ‘Work is Worship’. The error rate of 1 in 16 million transactions.

No wonder they are competitors to GE & Motorola in Six Sigma performance achievement.

To sum up With - No Investment, No Working Capital, No Modern Technology. But with Unity and Teamwork and a commitment to deliver the right product at the right place at a reasonable cost, this organisation has achieved Six Sigma performance plus.

NIQR is privileged to honour ‘NMTBSA’ through its President Mr. Raghunath Medge by Presenting “LUCAS TVS-NIQR OUTSTANDING SERVICE ORGANISATION AWARD 2004” on this day 23rd April 2005.

Dr. N. Govrishankar
Chairman
NIQR - Chennai Branch

K. N. Krishnamurthy
National President
NIQR
Marketing through Dabbawala.

- Star TV hired the services of Dabbawalas to distribute the pamphlets of Amitabh Bacchan anchored “KBC” reaching 2 lakhs Mumbaikars in just 4 days.
- Maharashtra government propagates HIV awareness through Dabbawalas channel.
- Campaigns done for many companies in Mumbai.
- Dabbawalas are the fastest and most economic method to reach the nook and corner of Mumbai.
- This brings additional earning for Dabbawalas.
Awards and Felicitation.

• 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:
  • ICFAI Press Hyderabad
  • Richard Ivey School of Business – Ontario

• Dabbawalas were invited for the Terra Madre World – Italy meeting of food communities between October 20-23, 2004.
  • We were part of the “Community of Cooked Food distributors from Mumbai”.
Awards and Felicitation.

- Invitation 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.

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

- **Radio** -(German Radio, Radio Mirchi, Radio Mid-day, FM – Gold, BBC Radio)
  - World record in best time management.
  - Name in “GUINESS BOOK of World Records”.
  - Registered with Ripley's “believe it or not”.

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- **World record in best time management.**
Study On Dabbawala By Foreign Researchers.
Prince Charles honored dabbawala by his visit on the 4th of November, 2003.

He spent 20 minutes with the dabbawalas.

He took keen interest in their way of functioning, expressed surprise at our efficiency and was shocked when he was told that we didn’t employ any technology.

The prince was presented a small memento, accompanied with a garland, a Gandhi topi and a trophy by the Dabbawalas.

British High Commission official said the idea was to show him something that was unique to Mumbai. "I don't think any other city anywhere in the world or even India has such a system,"
Invitation to Prince Charles’ Marriage.

- Dabbawalas invited for the marriage of Prince Charles second marriage on 9 April, 2005.
- Tickets arranged by Air India.
- On the scheduled date of marriage there was “Amavashya” - Dark inauspicious night.
- So Dabbawalas arranged a “Havan Pooja” for the success of their marriage.
- On the day of marriage the Pope died and due to this the marriage got postponed to a auspicious day.
- Now they are happily married.
Selecting gift for Prince Charles and His Wife.

• Selection of saree at Dadar for Queen Camilla Parkar.

• Sending gift containing Puneri Pheta, Saree, Kolhapuri Chappal for Prince Charles and Queen Camilla Parkar for their Wedding.
Respected Prince Charles

Our Heartiest Congratulations on your Marriage. In your visit to India in Mumbai, you have visited Mumbai Dabbawala Association and you have enlightened the life of Dabbawallas with your presence. We wish and pray that with the support of Princess Camila Parker, you will make your country brighter in all respects throughout the world. Thanks for your invitation.

Wishing you a Long Happy Married Life.

With Our Sweet Memories

Mumbai Dabbawalla Association, India
Letter From Prince Charles After Mumbai Flood.

BIRKHALL

8th August, 2005

Dear Mr. Hedge,

My wife and I were deeply concerned to learn of the appalling floods in Mumbai as a result of the catastrophic Monsoon weather. We are particularly distressed by the suffering being endured by so many people in and around Mumbai and wanted the Dabbawallahs to know how much we feel for you all and that our hearts go out to all those whose lives and property have been so cruelly affected by this continuing tragedy.

We send you all our fondest thoughts and heartfelt wishes.

Yours most sincerely,

[Signature]

and Sympathetically,

[Signature]
Dabbawalas in London.
Sir. Richard Branson, Chairmen of Virgin Airways with Dabbawalas.

• He got inspired to meet Dabbawalas by the news of Prince Charles Meet with Dabbawalas.
• He traveled in the luggage compartment of local train from Dadar to churchgate.
• During the journey period he inquired about the working of Dabbawalas and fully enjoyed the travel.
• Mr. Richard Branson (CEO of Virgin group) delivered the Dabba to the employees of Virgin Airways near churchgate.
Dabbawalas meeting with Hon. Shri. Uddhavji Thakre.
Lectures By Dabbawalas.
Keep Capital Investment Bare Minimum.

- Only investment is the hard work, honesty, promptness and time management.
- Low cost offices.
- Very cheap hand cart.
- Easy to maintain cycles – Fuel is free air - (God given fuel).
- Use public space for sorting.
- No IT or HR department.
Keep operational costs as low as possible.

- Dabbawalas use cycle, hand cart, local trains – all low cost.
- No big offices to maintain.
- No IT budget. No miscellaneous expenses.
- No Ad budget – word of mouth publicity.
Just Serve Your Customer – Nothing Else.

• Dabbawalas always deliver food on time - even during heavy rains.
• On time without wearing a watch.
• They do not try to impress or bother customers with unsolicited offers.
• Bothering customers with unsolicited offers forces them to discontinue even existing services.
Never Deviate From Your Core Competency.

- Dabbawalas are only in the business of delivering home made food to office.
- Efforts to sell FMCG and other products through Dabbawala system failed.
- Be – “Master of one trade rather than jack of all”.
- If required, develop product & services around core competency.
Do Not Be Over Dependent On Technology.

• For 116 years, Dabbawalas did not touch technology - yet got six sigma and ISO.
• Today mobile phones are used to communicate – mostly incoming.
• Website & SMS used to get more customers & give information.
• But logistics is still manual.
Flat Organization – Fast Decision Making.

• Dabbawalas operate in group of 25 – 30, headed by a group leader.
• Everyone is a shareholder.
• No fear of boss.
• Instant decisions are taken on the spot without any formalities.
• Mini government to guide, help and sort differences.
Co-operation Inside – Competition Outside.

- There are 2-3 Dabbawala groups in each segment.
- Dabba collection is group-wise but transportation is shared with other groups. Competition is only up to collection.
- Profit is shared equally within each group after deducting expenses.
- World’s most democratic organization?
Keep Extras For Fault Tolerance.

• For every 20 Dabbawala there is one extra Dabbawala – like cricket team.
  • Extras still do the work and take more jobs when someone is absent.
  • Extras also get paid equally among the group.
  • Without extras, services will affect in case of exigencies -maligning reputation.
Know The Implication Of Failure.

- If food is not delivered on time then customer will be angry and work will suffer.
- Problem with boss & wife.
- If vegetarian gets non-veg Dabba, then big problem.
- Knowing the implication of failure makes you more responsible and serious towards your work.
Build Your Services Around Existing Infrastructure.

- Dabbawalas use reliable, fast, efficient and cheap existing local trains for transportation.
- Many food companies in Mumbai use their own Infrastructure which is tough to maintain and costly as well.
- 3 sigmas, out of 6 sigmas that Dabbawalas got, should be given to local trains system.
- Building new infrastructure increases cost to server.
Abandon Bad Customers.

- When Dabbawala knocks the door, the Dabba should be ready.
- If not – then for 2-3 days, the time is given to adjust.
- After that, the services are stopped as it affects the services to other customers.
- Bad customers affect your operations and profitability from existing customers.
Strike Means Suicide - Labor Means Life.

• Dabbawalas have never gone on strike since inception – for 116 years!
• Even if the customers do not give yearly bonus, they still serve them right.
• A world record for no strike?
• In Mumbai, hundreds of mills were closed due to political interference and strikes. Everyone got ruined due to closure of mills – workers as well as mill owners.
• Always sort out differences amicably.
Penalize Employees For Non Compliance.

• Dabbawalas are penalized for Not wearing Gandhi Topi, not pre-informing leave and Misbehaving with customers.
• After giving a few warnings, if Dabbawala does not change then he is expelled from the system.
• Discipline is one of the main reasons of Dabbawala success.
• If Not penalized for non compliance - then what are the rules for?
Do Not Transfer Your Employees Very often.

- 5000 Dabbawalas remember the address of 2 lakh customers by heart.
- Most have been serving for about 30 years+ on average.
- Fully know the needs of their customers.
- So customers trust them.
- Give enough time to employees to know the system and bring innovation.
Keep Your Employees Emotionally United.

- 5000 Dabbawalas are Marathas from Varkari section & are from remote villages around Mumbai.
- Meet every month to sort out issues and differences.
- Take their lunch & sing together.
- Same language - same traditions – same social status.
- If employees are emotionally united then they will support the company in case of tough days.
High Salary Alone Can Not Retain Employees.

- The average monthly salary of a Dabbawala is only Rs. 5000/- (About USD $10).
- Still employee attrition is very less, well almost 0%.
- Most of the Dabbawalas are third generation decedents.
- Some work up to 85 years of age!
- Retained because of respect, healthy relations, ownership & no fear of boss.
Be Humble And Do Not Boast Your Success.

- Dabbawalas never boast about their achievements. Awards (Six sigma, ISO, etc)
- Attribute their success to customers.
- Humbly seek support from society - Media Savvy.
- So never come under the bad eyes of customers or media.
Management Principles Derived:

- Team work
- Time management
- Innovation
- Customer relationship management
- 6 Sigma
- Logistics And Supply chain management
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 joinees
- Owner + Employee is the designation of each
- Quarterly Meetings to discuss issues
Swot analysis of Dabbawala

- **Strength**
  - Teamwork, Discipline & Honesty
  - Time Management
  - Ownership & Pride in the work
  - Customer Satisfaction
  - Low Operational Cost, Process Consistency
  - Service Delivery of Sig Sigma Standard
  - Service Commitment [No strike since inception]
  - Satisfaction of Team Members [due to low attrition]
  - Fool proof delivery model through color coding
  - Financial independence for the small group of dabbawalas
  - Just in Time Approach
Weakness

- Highly dependent upon Mumbai Local Train Service
- Limited access to education limits diversification of Members to other business / jobs
- Limited fund flow for the association limits the governing body to implement welfare schemes
Opportunity
- Tie up with Caterers to serve variety of Meals i.e. Diet food, Chinese/Continental Food, Food for Fasting
- Opportunity of expansion of service on the routes of Mumbai Metro.
- Generating Revenue by Promotion of other Brands
- Diversification by offering miscellaneous services like Courier, Rail/Bus Ticketing etc.
- Expanding Network in other cities
- Booking of Service through internet & SMS
- Recently started – needs to be popularized
Threats
- Threats from fast food joints & small restaurants
- Flexi-timing / Work from Home Culture
- Food Courts at Malls / Mega Structures
- Catering Services offering Tiffin Services
- Paper Food Vouchers & Smart Cards.