

Mtbsa swot



A SWOT analysis is a comprehensive review of an organization's; strengths and weaknesses both internal and external. It helps in evaluating a business; viability in its given industry and can be used as a strategic management tool.

Strengths;

Teamwork, Discipline, and Honesty

Teamwork is defined as joint actions by a group of people in which each person subordinates their individual opinions and interests to enhance the unity and efficiency of the group. The most effective teamwork happens when all the individuals harmonize their contributions to achieving; a common goal. As per the admission of their managing director, the dabbawala organization has more than 5000 employees who deliver an estimated 200, 000 tiffin boxes to and from their client; s offices (Thomke et al., 2010). All of this is achieved without an IT infrastructure as is required in many other organizations. The dabbawalas have preset times on when they should collect the tiffin boxes, how long to wait for clients running late; when to arrive at the station; and the approximate timeline for delivery to the client; s offices. Each of the 5000 dabbawalas is aware of how simple delays in one part can result; in much longer delays in the overall supply chain. Therefore, they have to coordinate and work together to make sure that the tiffins get delivered on time. In such a system, it is easy to note and rectify delays long before they become an issue for the client.

Additionally, the MTBSA has buffer workers whose sole objective is to fill in for sick employees or to employ alternative routes if a dabbawala misses his

usual train. Additionally, even the supervisors have to join in the manual labor during periods of high demand. This helps in increasing employee engagement as upper-level; management also get to interact with the lower level employees and shows their commitment to the success of the organization.

Time Management

Each dabbawala starts collecting the meals at around 9. 00 am and makes sure they are at the train station by approximately 10. 30 ; 11. 00 a. m. (Thomke et al., 2010). The schedule for each specific team varies according to the number of clients, and the distance to the eventual delivery location. The dabbawalas understand that minute delays in each part of the tiffin delivery process would result in service failure.

Ownership and Pride in work

One of the main factors responsible for the dabbawalas; sustained six-sigma performance is their ownership stake in the organization. Every employee of the MTBSA is also a shareholder in the organization and their earnings reflect their hard work; or lack thereof. Additionally, the MTBSA organizational culture is closely tied to their religious culture where service to their clients is also seen as service to God (Raste et al., 2016). Therefore, the employees all take pride in their work and do their best to maintain the positive outlook of the organization. The employee engagement also results in increased service commitment as is evidenced by the dabbawala track record that features no strikes.

Customer Satisfaction

The Dabbawala; s main marketing method is through word of mouth where new customers are referred by existing customers. Therefore, consumer satisfaction is essential for the continued existence of the organization. Thus, each employee in the organization is trained on the importance of always delivering tiffin boxes on time to their clients to avoid any issues. In cases where delivery is impossible, such as in the case of extensive floods, the dabbawalas usually return the tiffin home but only after running out of delivery options.

Long-term customer satisfaction has led to a lot of public trusts; and goodwill towards the organization with clients trusting the dabbawalas to deliver precious parcels such as their end-month salaries or jewelry. The long relationship of trust between the dabbawalas and their clients facilitates a daily emotional connection between the city and the MTBSA.

Low operational cost and process consistency

Since its inception over a century ago, the MTBSA has relied mainly on their railway to get the tiffins from the suburbs to the metropolis. The extensive railway system facilitates a low cost and reliable way to deliver the tiffin boxes from the clients; homes to their offices and back. Since the railway runs on a fixed schedule, the Mukadams are able to organize their teams based on the departure times of the trains from various stations along their delivery route.

Just in Time Approach

The dabbawalas are mainly a supply chain and logistics organization specializing in transporting tiffin boxes from the residential suburbs to the metropolitan commercial hub of Mumbai. While they have had many offers for vertical integration, they have maintained their core business objective of delivering home cooked meals to their clients. This results in a situation where they keep no inventory and thus, incur no holding costs.

Weaknesses

Highly dependent on the Mumbai Local rail network

The chairman of the Dabbawala organization acknowledges that much of their success derives from their easy access to cheap transportation of their tiffin boxes from source to destination (Roncaglia et al., 2013). While the dabbawalas also utilize bicycles, much of the cargo is moved through the goods section of the local trains, which minimizes costs while also increasing reliability. Since this is primarily a low-tech operation, it does not require much innovation for it to continue functioning smoothly over time. The Mumbai railway system is one of the most comprehensive in the world covering much of the city and transporting most of the city's commuters. Therefore, the MTBSA have a cheap and reliable long-term transport mechanism.

Limited Fund Flow in the organization

A dabbawala's earnings are in part reliant on the ability of each team to attract more customers in their delivery line and in part reliant on the role played by each individual in the group. New members of the group who have

not yet purchased a mukadam line receive a fixed basic wage that varies according to the group; s revenue in a particular month (starting from 2500 to 4000 rupees each month). The Mukadam; s earnings depend on how many tiffins his team can deliver. If a mukadam supervises multiple groups or has bought multiple lines, then his earnings are higher ranging from 6000-8000 rupees a month. However, for a dabbawala to become a mukadam, he has to buy a line from another dabbawala who has decided to retire or change occupations. This means that there are limited opportunities for advancement within the organization while also limiting growth since a new dabbawala has to run a particular line for years or even decades until they can save up enough to finally take advantage of opportunities to purchase a line.

The Case study by Roncaglia et al. (2013) identified the typical earnings and expenses for a dabbawala in the MTBSA.

Figure 5: A dabbawala; s typical earnings and expenses

Source: Roncaglia (2013)

As is seen from the figure above, the compulsory contribution to the trust is only 0.3% of the total earnings, which leaves little for the MTBSA to conduct welfare programs. Since most of their members have families in rural areas, most of the members choose to withdraw their earnings and send them to their relatives, which leaves the organization with little funds to manage their welfare activities.

Limited Access to Education

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The average educational attainment of the dabbawala is eighth grade. This fact is mainly due to the practice of hiring from the same region. The dabbawalas earn an average income of about Rs 5000, which is a decent salary by Indian standards. Additionally, the regions and villages from which the dabbawalas come are usually made up of poor farmers who take any opportunity to have a stable income in the form of tiffin delivery. Since the dabbawalas come from poor backgrounds in the rural areas, they have limited opportunities to learn auxiliary skills such as accounting, IT, or even study for managerial best practices. However, while this has worked well in creating an organizational community culture, it has hindered them from growing their business as they have remained largely unchanged for the 125 years the MTBSA has been operational.

The low education levels can be attributed as the root cause of the dabbawalas' aversion to technology. Although they have an English-language website, which has caused both media and academic interest and leading to small donations, the website has not substantially increased their client base since the inquiries received via the internet are passed on by word of mouth to the mukadams operating in the potential client's neighborhood. Additionally, they have no system to track whether an inquiry reaches the appropriate dabbawalas and whether it resulted in a conversion to sales. This aversion to technology among most dabbawalas while may seem effective on the surface, has only compounded their challenges. They are unable to reach wider audiences, which results in a high opportunity cost as most of the potential clients who are unable to reach a dabbawala informally opt for fast foods or hotels nearby to their workplaces. While the

dabbawalas recognize that a more comprehensive technology solution would overcome the current limitations, they are skeptical on the advantages that technology would bring. The dabbawala President, Mr. Medge, gave a comment asking ; what can technology do when we don't have even regular electricity supply. We are not educated so we do not even know how to use modern technology; (Roncaglia et al., 2013). He emphasizes that the dabbawala work philosophy has religious links as serving food is like serving God and therefore, they should just focus on delivering the dabbas to their clients.;;