

# DBL Group



## Impact Management Case Study



**Location** Bangladesh  
**Sector** Consumer Goods  
**BOP Stakeholders** Employees  
**Total Reach** 36,000



## Business Model

DBL Group, a large diversified conglomerate with a strong focus on textile and apparel, started its operations in Bangladesh in 1991. Today it has 36,000 employees out of which 13,680 (38%) are women.

With 86% of its employees living at the base of the economic pyramid (BoP), DBL Group is a purpose-driven company with many inclusive business initiatives for its low-income stakeholders.

Employees at DBL Group were facing rising costs of living limiting their families' access to basic health and education. Despite increasing salaries by 15%, DBL Group was unable to substantially reduce the impact of poverty in the communities the company operated in. In response, the company launched its first Bandhan Fair Price shop in 2008 to provide consumer goods at a discount for its employees living at the base of the economic pyramid. Today, DBL Group operates seven Bandhan shops across Gazipur, Bangladesh, providing over 400 household products at prices up to 20% less than market price. At the Bandhan Fair Price shops employees are able to conveniently buy consumer goods previously out of reach through cashless payments.

A few years ago, DBL Group was experiencing high absenteeism and low retention rates, particularly among its women employees. Upon further inquiry, the company learned that a lack of access to hygiene and sanitary products was contributing

to frequent illnesses and prolonged absences. To address this issue and to promote better hygiene and retain more employees, DBL Group started stocking hygiene and sanitary products at discount prices at the Bandhan Fair Price shops.

At its core, the Bandhan Fair Price Shop is designed to improve affordability and access to high-quality products for DBL employees and families. Bandhan was set up in the main garments manufacturing complex of DBL Group known as the "Jinnat Complex." DBL Group invested US\$17,650 to set up the first shop and in the first year made sales worth US \$105,900. Today, DBL has seven shops with total sales worth US\$1,428,600 annually.

In addition to the Bandhan initiative, DBL Group also champions women's economic empowerment by upskilling women employees and promoting them to supervisory positions. The company also provides scholarships for the children of women employees to further improve their standard of living.

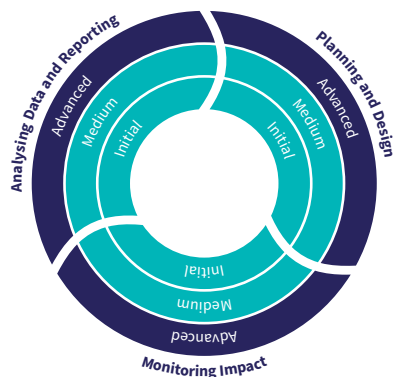
**DBL Group in Numbers**

-  **13,107**  
31,202 BoP employees, out of which 13,107 are women
-  **US \$1.4m**  
Annual Sale at the Bandhan Fair Price shop: US \$1.4m (2018-19)



## Key Stakeholders

86% of DBL Group’s employees live at the base of the economic pyramid, earning minimum wages and having limited access to health and education services. A majority have no formal schooling and almost all have migrated from their villages to the urban area of Gazipur for work.



Companies can have an initial, medium or advanced level of impact management capacity

## 1. Assessing Readiness and Capacity

DBL Group joined BCtA’s **Impact Champions Programme** to understand the needs of its BoP employees and to design initiatives and services that would effectively improve their lives.

At the start of the Impact Champions Programme, DBL Group was found to have an **advanced capacity** for undertaking impact measurement and management. This is because the company’s senior managers view social impact management as a critical activity and can devote time to supervise it. They have some experience collecting and reporting on non-financial data as part of regular monitoring of Key Performance Indicators. Moreover, DBL Group uses web-based tools, laptops, smartphones and Enterprise Resource Planning software to collect and manage data. The company’s senior managers are strongly committed to dedicate time and carry out impact management. Lastly, DBL’s staff regularly collect and use data for their daily operations and can dedicate some of their time for impact management.





## 2. Planning For Impact

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### I. Impact Value Chain

The **Impact Value Chain** is a visual map of how an organization's strategy and operations contribute to its business value and the Sustainable Development Goals (SDGs). The Impact Value Chain allows the organization to holistically understand the effects of its inclusive business activities on different groups and the environment.

DBL Group found that its employees had poor access to high-quality consumer goods. Moreover, its women employees did not have access to hygiene products. There was an opportunity to improve its employees' standard of living by removing affordability and accessibility bottlenecks. Moreover, DBL Group wanted to positively contribute to women's economic empowerment by promoting women-led businesses and making education affordable for children in the communities where their employees come from.

To overcome these challenges and maximise opportunities for creating positive impact, DBL Group launched Bandhan Fair Price Shops inside its factories to provide access to consumer goods for employees and feature specific products that would encourage better hygiene and sanitation practices amongst them. DBL Group also established a Supervisor Leadership

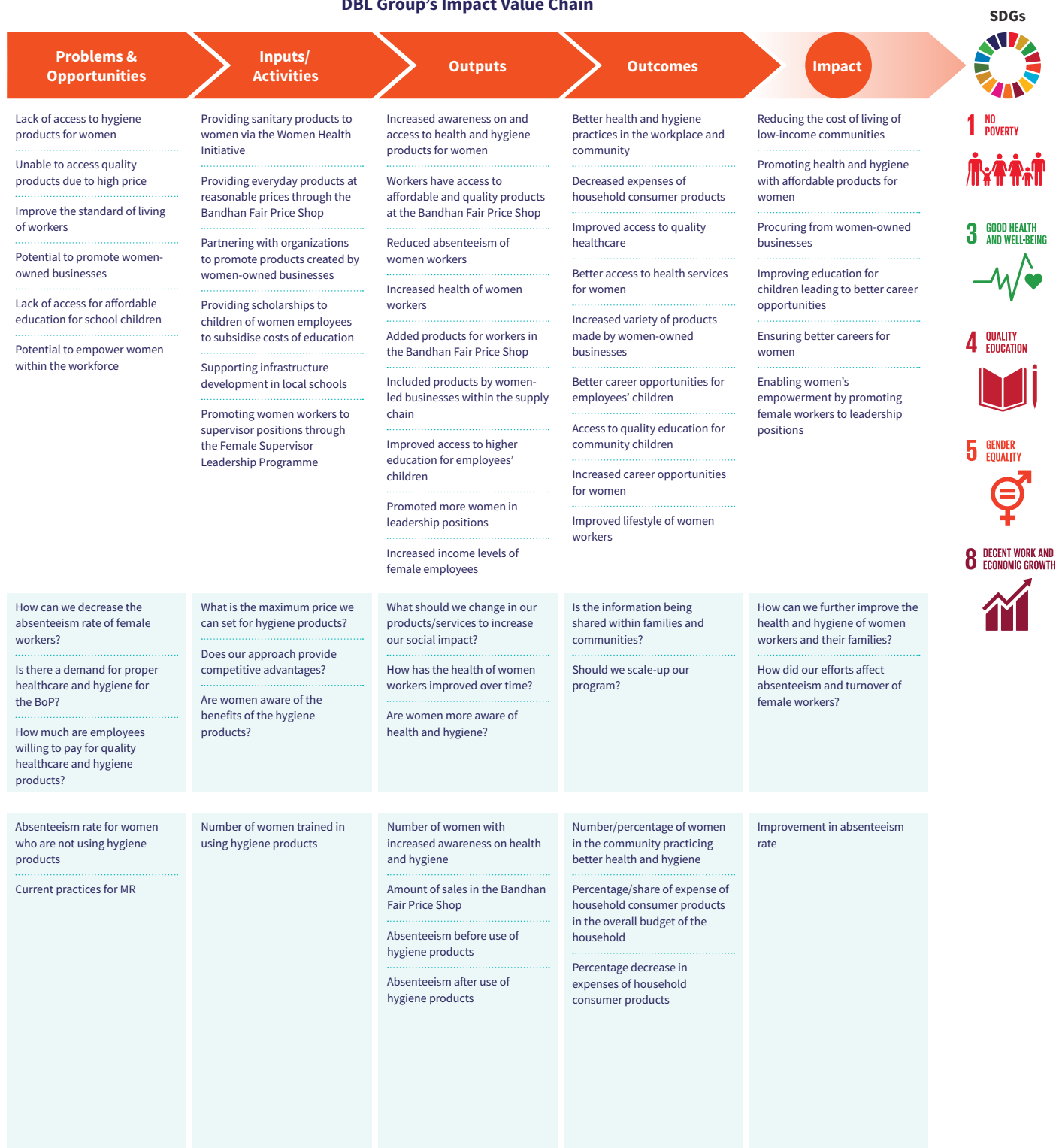
Programme for their women employees and partnered with key actors to promote women-led businesses. To improve access to education, the company set up a scholarship programme and invested in improving the infrastructure of community schools.

As a result of its activities, there was an increase in awareness of hygiene practices, improved access to affordable and quality products, and greater use of health and hygiene products among women employees. DBL Group saw a decrease in employee absenteeism owing to overall better hygiene and sanitation practices. There were more women employees in leadership positions and more BoP women earning higher incomes. Access to higher education for the children in the community was also made possible through scholarships provided by DBL Group.

Over time DBL Group contributed to lowering the cost of living for its employees and a higher standard of living for their families. The most significant effects of its inclusive business model have been evidenced among its women employees who have more access to income and economic empowerment opportunities and an overall improvement in their health.

DBL Group tracks the performance of its inputs, outputs, outcomes and impact goals using the following framework:

### DBL Group's Impact Value Chain



## II. Understanding and Describing Impact

The Impact Management Project (IMP) is a forum for building global consensus on how to measure and manage impact. Through a series of consultations and convenings across the world with thousands of practitioners including investors and multilateral institutions, IMP has developed shared fundamentals on how to describe and understand through the lens of the five dimensions of impact. These five dimensions are: WHAT, WHO, HOW MUCH, CONTRIBUTION and RISK.

	tells us what outcomes the enterprise is contributing to and how important the outcomes are to stakeholders.
<b>What</b>	
	tells us which stakeholders are experiencing the outcome and how underserved they were prior to the enterprise's effect.
<b>Who</b>	
	tells us how many stakeholders experienced the outcome, what degree of change they experienced, and for how long they experienced the outcome.
<b>How Much</b>	
	tells us whether an enterprise's and/or investor's efforts resulted in outcomes that were likely better than what would have occurred otherwise.
<b>Contribution</b>	
	tells us the likelihood that impact will be different than expected.
<b>Risk</b>	

Business Call to Action integrates IMP's shared logic in the Impact Lab to help companies plan for impact measurement and management starting with assessing their outcomes considering the five dimensions described above.

DBL Group is contributing to six distinct outcomes: **1) Reducing the cost of living of low-income communities, 2) Promoting health and hygiene through affordable products for women, 3) Promoting women-led businesses through the company's procurement practices, 4) Improving education for children, leading to better career opportunities, 5) Ensuring better careers for women, and 6) Enabling women's economic empowerment by promoting women employees to leadership positions.**

They mapped each of these effects on the five dimensions of impact to understand better its significance and to be able to better manage and communicate impact.

### Goal 1: Reducing the cost of living of low-income communities



#### What

What is the importance of your goal to your stakeholders?



#### Who

How underserved are your stakeholders in relation to the SDGs?



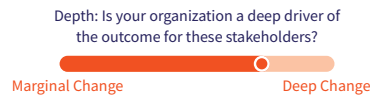
#### + Contribution

How does the impact compare to what is likely to occur anyway?



#### How Much

How significant is the impact that occurs in the time period?



#### △ Risk

What is the risk that the impact is not achieved due to external or internal factors?



## Goal 2: Promoting health and hygiene through affordable products for women

### What

What is the importance of your goal to your stakeholders?



### Who

How underserved are your stakeholders in relation to the SDGs?



### + Contribution

How does the impact compare to what is likely to occur anyway?



### How Much

How significant is the impact that occurs in the time period?



Duration: Do the outcomes last for a long time?

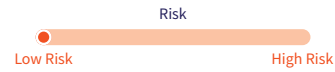


Depth: Is your organization a deep driver of the outcome for these stakeholders?



### △ Risk

What is the risk that the impact is not achieved due to external or internal factors?



## Goal 3: Promoting women-led businesses through the company's procurement practices

### What

What is the importance of your goal to your stakeholders?



### Who

How underserved are your stakeholders in relation to the SDGs?



### + Contribution

How does the impact compare to what is likely to occur anyway?



### How Much

How significant is the impact that occurs in the time period?



Duration: Do the outcomes last for a long time?

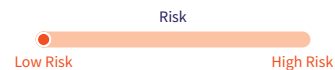


Depth: Is your organization a deep driver of the outcome for these stakeholders?



### △ Risk

What is the risk that the impact is not achieved due to external or internal factors?



## Goal 4: Improving education for children, leading to better career opportunities

### What

What is the importance of your goal to your stakeholders?



### Who

How underserved are your stakeholders in relation to the SDGs?



### + Contribution

How does the impact compare to what is likely to occur anyway?



### How Much

How significant is the impact that occurs in the time period?



Duration: Do the outcomes last for a long time?



Depth: Is your organization a deep driver of the outcome for these stakeholders?



### △ Risk

What is the risk that the impact is not achieved due to external or internal factors?





## Goal 5: Ensuring better careers for women

### What

What is the importance of your goal to your stakeholders?



### Who

How underserved are your stakeholders in relation to the SDGs?



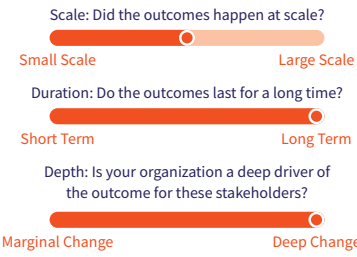
### + Contribution

How does the impact compare to what is likely to occur anyway?



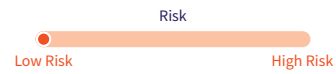
### How Much

How significant is the impact that occurs in the time period?



### △ Risk

What is the risk that the impact is not achieved due to external or internal factors?



## Goal 6: Enabling women's economic empowerment by promoting women employees to leadership positions

### What

What is the importance of your goal to your stakeholders?



### Who

How underserved are your stakeholders in relation to the SDGs?



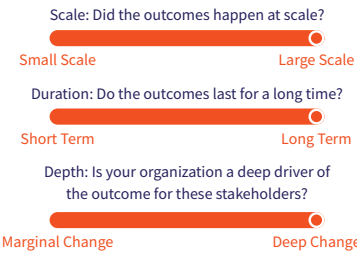
### + Contribution

How does the impact compare to what is likely to occur anyway?



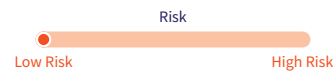
### How Much

How significant is the impact that occurs in the time period?



### △ Risk

What is the risk that the impact is not achieved due to external or internal factors?



### 3. Monitoring Performance

DBL Group conducted a survey with 202 randomly selected employees (90 men and 112 women employees) working at the production level. The survey intended to assess employee satisfaction with the Bandhan Fair Price Shop and gather recommendations for further improvement in the services. In addition, DBL Group sought to evaluate multidimensional poverty at the household level using the Progress Out of Poverty scorecard<sup>1</sup> through a standardized questionnaire.

#### □ What

Most respondents confirmed that the Bandhan Fair Price Shop was their only or primary source for accessing sanitary and hygiene products, improving their household finances, and raising their social status among their local communities. The Bandhan Fair Price shop contributed to improvement in the health and safety of DBL's BoP employees and their households, resulting in more savings and opportunities to invest in assets such as cattle and cultivatable lands.

#### ○ Who

The Progress Out of Poverty section of the survey found that most of the employees surveyed were between the ages of 21 and 30. The majority were relatively new to the workforce having worked for less than five years, spending less than 1,000 BDT (<US \$12) per month at the Bandhan Fair Price Shop. A significant number of the employees reported having dependents of less than 12 years of age in their families, indicating a direct impact of the Bandhan Fair Price Shop on children's health and safety. Furthermore, a majority of those surveyed had houses made of mud bricks that needed constant remodelling and reconstruction. In general, most respondents reported not having a television, mobile phone, fans, personal

means of transportation or agriculturally cultivatable lands. This further reinstates the challenging socioeconomic conditions faced by DBL Group's employees.

#### ≡ How Much

68% stated having access to soap and shampoo from other sources before the Bandhan Fair Price Shop was established. While 83% reported to never having purchased sanitary napkins prior to the shop, indicating the significant change the shop has brought to the lives of its employees and other women in the employees' households.

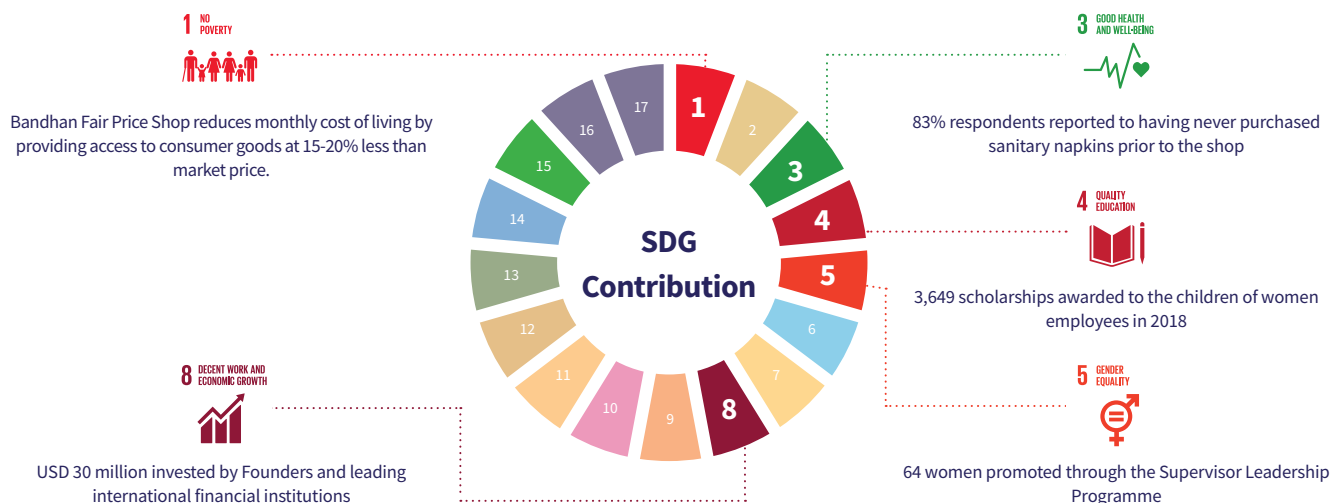
#### + Contribution

The employees reported being satisfied with the range, price and availability of sanitary products in the Bandhan Fair Price Shop and confirmed that this resulted in better hygiene practices and an increase in their motivation to work at DBL Group. On hygiene practices, most of the population confirmed that they routinely and frequently washed their hands using soap. The poorest hygiene practice was the minimal use of toothpaste with 57 households reporting never having used toothpaste before.

#### △ Risk

In the long run, better hygiene and health is a result of improved access followed by behavioural change. There is a risk of low stakeholder participation if the households do not change their behaviour and practice which could lead to the desired outcomes being less impactful than intended.

1 Progress out of Poverty Index





## Lessons Learned

### 1. Strategy for developing an inclusive business model:

Impact measurement has provided DBL Group with a clearer understanding of the effects, both positive and negative, intended and unintended, experienced by its employees. This, in turn, has helped the company identify opportunities to improve its inclusive business initiatives. For example, DBL Group currently procures subsidized sanitary napkins through its Women Health Initiative, but the feedback collected in the survey shows that its women employees are willing to pay for higher-quality products.

Moreover, the Poverty Probability Index tool produced specific insights on significant socioeconomic challenges faced by its employees that DBL Group will use in planning future inclusive business initiatives.

### 2. Impact of Inclusive business on poverty reduction:

The survey confirmed that the Bandhan Fair Price Shop initiative was helping the poorest of DBL Group's employees by allowing them to create financial savings by decreasing their monthly household expenditures. Some households have

been able to create assets in the form of cattle and land over time, indicating successful results of the initiative.

### 3. Unintended positive effects on SMEs and non-profit partners in the extended supply chain:

DBL Group has linked many SMEs supplying to Bandhan Fair Price Shop with a large customer base. For instance, Bandhan Fair Price Shops stock products from a non-profit *Shishu Polli Plus* (SPP) which provides market access to low-income women producers of traditional handmade products. SPP's collaboration with DBL group has allowed the non-profit to become more financially sustainable.

DBL Group is also considering procuring from women-owned businesses for the Bandhan Fair Price Shop to further support women's economic empowerment. DBL has already started working with WeConnect International and LightCastle Partners to promote such businesses. The Bandhan initiative could become a bridge between women entrepreneurs whose products can be purchased by DBL Group at full price and sold to its employees at subsidised rates.

## Way Forward / Next Steps

Regarding inclusive business and its impacts, this was DBL Group's first study aimed at gathering initial evidence of impact. The total analysis that the Impact Lab provided for the Bandhan Fair Price Shop provides a pathway for DBL Group to understand the impact of other inclusive business models that DBL is currently implementing. Furthermore, DBL can make use of the tools to understand the broader impact on its business operations and continue to improve the ways in which the company can support its BoP employees and the community.

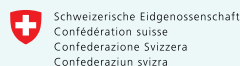
"The Impact Lab gives us a new and deeper dimension in understanding our inclusive business models. This helps us evaluate ourselves and choose newer models from the vast resources of case studies available on the BCtA website." Mr. M. A. Jabbar, Managing Director of DBL Group



### Contact the Business Call to Action

[www.BusinessCalltoAction.org](http://www.BusinessCalltoAction.org)

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