



# CASE STUDY

IIM - AHMEDABAD • SAKHA CABS



## SAKHA CABS CASE STUDY

### About:

Sakha Consulting Wings Pvt. Ltd is a unique social enterprise, launched to provide safe transport solutions for women, by women in selected cities of India. Together with its sister organization, Azad Foundation-a not for profit, Sakha provides livelihood with dignity to resource-poor women in India as part of its “Women on Wheels” programme. In this way, it delivers dual solution to multipronged issues.

Azad Foundation was started in 2008 and Sakha Consulting Wings followed next year in 2009. Azad provides skill development training to women with meager economic and social capital to become professional and commercial chauffeurs, while Sakha Consulting Wings provides remunerative and safe employment options to women trained by Azad. In the year of our establishment, where there were almost no professional women drivers in cities where we work, the initiative has enabled now close to 700 women to become employable as a chauffeur by acquiring professional qualifications completing Women on Wheels training. Almost 300 women that participated in Women on Wheels are currently practicing as professional drivers across the cities where we work.

Our women drivers have been nominated for numerous awards and their stories are regularly covered by national as well as foreign media (e.g. Guardian, New York Times). Stories of our women drivers have been featured in videos by various organization, for example American Jewish World Service (AJWS) <https://ajws.org/stories/on-the-road-khushis-story/> and on SBS TV - Australia's multicultural and multilingual broadcaster,

<http://www.sbs.com.au/news/article/2016/06/19/indian-women-turning-female-only-transport-stay-safe>

In Delhi we are working closely with the Delhi Commission of Women (DCW), via the 181 Emergency helpline. 181 is a helpline dedicated to women facing violence and since March 2016, DCW - through its allied NGOs - has employed women drivers from Sakha to drive the 181 cabs to the rescue of victims. Azad has also placed the first ever women bus driver with Delhi Transport Corporation.

Azad Foundation is also closely working with government's National Safai Karamcharis Finance & Development Corporation (NSKFDC) to empower 50 women from the Manual Scavengers community to become employable as chauffeurs in Delhi and further 100 women in Indore, where the corporation is fully funding the training programme. Women from the manual scavengers community are extremely marginalized due to intersecting discrimination on the basis of the caste status and their gender.

The Founder and CEO of Azad Foundation and Sakha is recipient of numerous awards for the work of organization. Our drivers have been recognized by and given the opportunity to drive foreign politicians – British PM David Cameron and PM of the Netherlands Mark Rutte, and also had the opportunity to meet HRH Prince and Princess of Wales.

### Beneficiaries:

The women we employ come from resource-poor backgrounds, and are either out of work, or work in low paid professions traditionally assigned to women. Many dropped out of formal education prior to completing class 12. They reside in slums & resettlement colonies & come from a mix of caste, ethnic and religious backgrounds, with many from socially excluded groups. Many haven't been outside their neighbourhood; many live in abusive relationships. .

### Impact:

Thanks to gaining remunerative employment with dignity, together with a sense of empowerment and strengthened agency, women transform into self-sustaining individuals who take control of finances, with many investing into physical assets, education and healthcare - for themselves and their families. Each woman driver has a bank account in her name, understands the use of an ATM and has invested in various saving instruments such as 'recurring deposits', life insurance policies, etc. Many were able to delay marriage, renegotiate relationships in their families and many found the strength to walk out of abusive relationships. Many have become change agents in their communities.

We have pioneered and successfully established the idea of women professional drivers in Delhi, Jaipur, Kolkata and Indore. Now, many big taxi companies and also the Government of India have started employing women drivers, however there



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isn't an equivalent hybrid venture combining capacity development training with access to job market and economic with social empowerment. We also ensure safe and female-friendly work environment.

Sakha Consulting Wings offers three service products currently.

### 1. Chauffeur Placement Services

A one of a kind Chauffeur Placement Service on a full time contract. Our contract is for a minimum of 1 year, where the client pays a monthly salary to the drivers directly. Sakha charges Administration fees every month and a Welfare Fee annually.

We have been able to place our drivers with private individuals and household, private institution (IILM, Delhi) and government organization (DCW-181 Services).

### 2. Cabs for Women (Commercial/ Taxi Service)

A Premium Cab service driven by women for women in Delhi & NCR and Jaipur. We offer packages for 4 hrs/40 kms & 8 hrs/80 kms and any additional kms/hrs is charged as applicable.

We have 14 cars in Delhi and 2 cars in Jaipur. We have 17 Commercial drivers in Delhi & 3 commercial drivers in Jaipur. Jaipur Commercial Operations was launched in March 2016, so this service is in an introductory phase, whereas in Delhi it is in growth stage.

In the recent years, we have been able to tie up with various corporate clienteles for dropping their female employees after work and to do airport transfers for them. We also work with the US Embassy and one of our biggest business strategic partners is G Adventures, a travel company based in Toronto, Canada. G Adventures clients can sign up for the "Women on Wheels" programme and be picked up by our women drivers.

### 3. Chauffeur on Call

Chauffeur services for a short duty or based on daily packages. We charge Rs. 518/5 hours & Rs.750/8 hours. This service is applicable only in Delhi & Jaipur currently. We have regular clients who use our services as and when they required.

#### The Context: Sakha Placement Service:

Once a woman driver is certified from Azad as a trained woman chauffeur, she is required to undergo a Sakha panel test. This test is conducted by independent individuals/volunteers who are aware of Azad and Sakha but are not involved with the day to day functioning of the organization. Based on the test, the woman driver could be certified as employable or sent back to Azad for more training if required.

Placement Services are then responsible for finding employment for all the women who have passed the Sakha Panel Test. The main idea behind this service is to ensure that the trained women chauffeurs are being employed in a financially productive environment where they have a stable source of income, and at the same time are putting their skills to use.

This is important as it ensures that the trained women chauffeurs have a stable source of income and get exposed to the outside world, and gives them a chance to grow and realize their potential. Secondly it ensures that the women chauffeurs get the required training (driving experience) to get a commercial license.

Sakha also runs a commercial taxi service and our aim is to expand our fleet and get more commercial drivers. Hence through placement, we would like to ensure that the drivers get the required training, so that they are eligible to apply for a commercial driver license and a badge after a year of driving experience.

#### The Competitive Context:

In the last couple of years, competitors have emerged in the form of big taxi aggregators like Meru, Ola and Uber. These big taxi companies have had a long history, are well known brands, have larger fleets attached to them and have a bigger chunk of the transport segment in the urban areas.

Big taxi aggregators still do not pose a major threat during placements, as the girls still do not have a commercial license or badge which will enable them to drive a commercial taxi. The major competition comes in at the Commercial stage.

However, having said that, the taxi aggregators have also tied up with the Government, where in they have offered



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provisional employment to the girls in training. They have also been in touch with some of our drivers, offering them help and support.

In the last 2 years, they have realised the potential of this niche market and are now offering a similar service for women by women drivers. These companies are also in a better position to offer better incentives to the drivers than Sakha. For example, helping them buy their own car at negligible rates of rates, better incentives in terms of pay scales, more business, all of which translate into better financial earnings. On the ground level, though we are not sure of how the work model translates into actual financial empowerment.

Our mission is to give livelihood with dignity to trained chauffeurs and we feel extremely proud when they get employed with a good brand. However, at the same time, it remains a challenge to Sakha to retain the drivers with us.

Since we are neither government nor completely private and as part of the social economy, we do not aspire to profit maximization but rather to improve the welfare of the community that we work with and its members.

### Business Challenges:

Sakha started out very small by word of mouth, personal references and references from repeated clients. We did not have big MNCs or established institutions as our regular clients. Hence from the beginning, we have not managed to break even. It was only in 2015, when we were able to break even and not show a loss.

Azad training target numbers are increasing every year but our placements services have not matched up and are struggling to keep up with the numbers as is evident in the data below:

2013-2014: 65 trained, we do not have placement records of this year

2014-2015: 63 trained, 44 placed

2015-2016: 136 trained, 97 placed

Azad Foundation targets for the next 5 years are as follows:

2016-2017: 205

2017-2018: 305

2018-2019: 365

2019-2020: 485

2020-2021: 540

We started Sakha Placement in Jaipur in 2015 and Sakha Placement in Kolkata in 2016. We are finding it difficult to increase the pool of new clients every year and ensure that we are able to place every trained chauffeur at the earliest once they are in Sakha. Our biggest challenge in both these locations has been about marketing and making the people aware of our services.

The other challenge is that driving as a career still falls under the "Informal Sector" and a lot of people equate hiring a driver to hiring a house help, nanny, gardener etc. As a result, we find it challenging to find a client who is willing to pay a good reasonable salary, sign an agreement/contract and who believes in the HR policy implemented by the Government (leaves, overtime, maternity etc).

Sometimes we have clients with high end cars but our drivers have not been trained on them. So during test drives, we see a lot of rejections. In a way, this means that we have a demand but we are not being able to supply to the same.

### Business Questions:

We need a sharp proposition to differentiate ourselves against the growing breed of aggregator services (like Ola and Uber), and translate the proposition into an engaging integrated media campaign. Resources will remain limited, and the campaign idea must factor this in the planning. The campaign should help build the trust/reliability quotient while highlighting the social impact we make.

In summary,

- Help us come up with a proposition that will differentiate Sakha against the growing breed of aggregator services



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- Plan a Brand Communication that will create awareness of the mission, and build a client base

References: <http://azadfoundation.com/stories-of-courage/>

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