



Godrej | CONSUMER PRODUCTS

IMPACT
REDEFINED

GODREJ SALON-I & BEAUTYPRENEURS- SROI STUDY REPORT



IMPACT MEASUREMENT- A BRIEF

SROI = Social Return On Investment – Methodology implemented is inspired by Social Impact Analysts Association and the UK SROI Network – recently turned into Social Value International www.socialvalueint.org .

At its core, SROI is a measurement valuing both financial and non-financial outcomes.

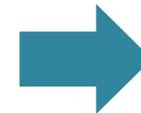
SROI quantifies and monetizes social impact in a clear and consistent way, enabling stakeholders to measure the achievement of social impact against three primary performance indicators, being appropriateness, effectiveness and efficiency.

For example

- for **every ₹1 spent** on the initiative, the program **generated ₹6.4** of social impact
- for **₹100,000 invested** in a particular initiative, there was a creation of **₹6,40,000 of total social value**



Investment-INR



SROI

BACKGROUND: HOW DID THE PRACTICE EMERGE

The past decade has seen increasing interest in measuring the social impact of projects, programs, organisations, businesses, and policies.



CSR Managers want to know what results have been achieved, with a view to improving future performance.



NGOs and Foundations want to demonstrate better accountability for the money they've raised



Investors want to know the social value their money is creating.



Governments have a strong imperative to measure the social impact of policies, programs and funded activities

OUR APPROACH TO CONDUCT SROI

SROI STUDY : THE SIX STAGES

Stage 1: Establishing scope and identifying stakeholders

Stage 2: Mapping outcomes

Stage 3: Evidencing outcomes and giving them a value

Stage 4: Establishing Impact

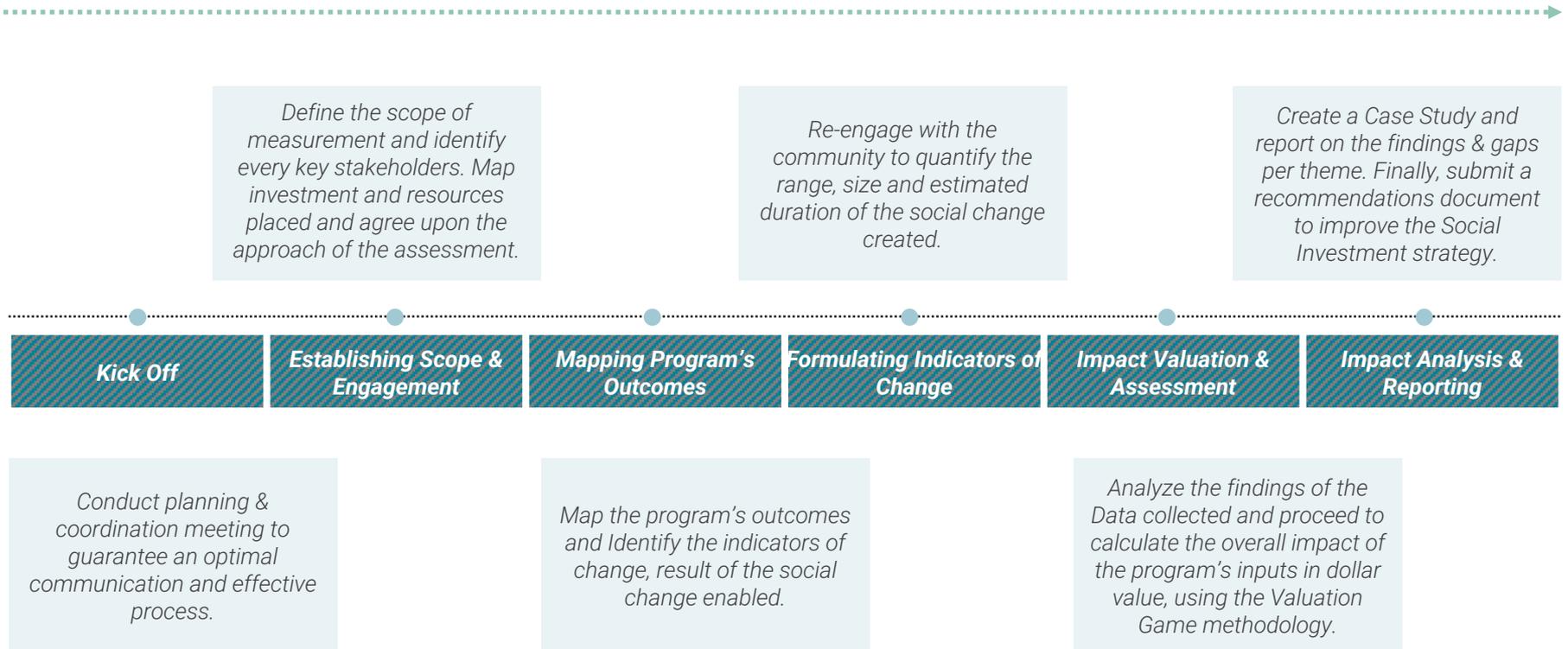
Stage 5: Calculating the SROI

Stage 6: Reporting, using and embedding



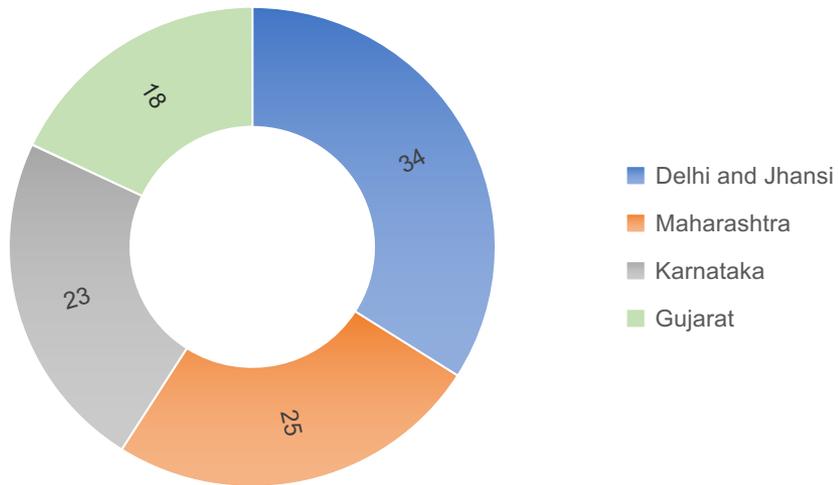
SOCIAL IMPACT ASSESSMENT PROCESS

The following process includes the main objective per stage on our way of assessing the impact of the *Beautypreneur Program* and identify its potential gaps and needs as well as its key achievements.

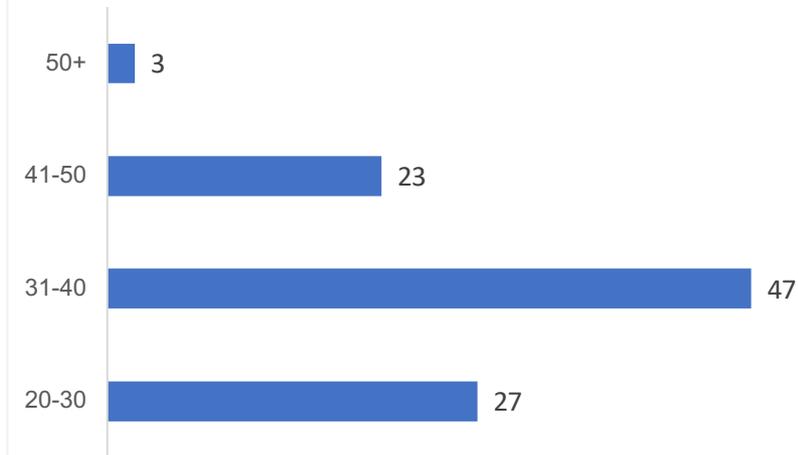


SURVEY PROFILE OF BEAUTYPRENEURS (100 BPs)

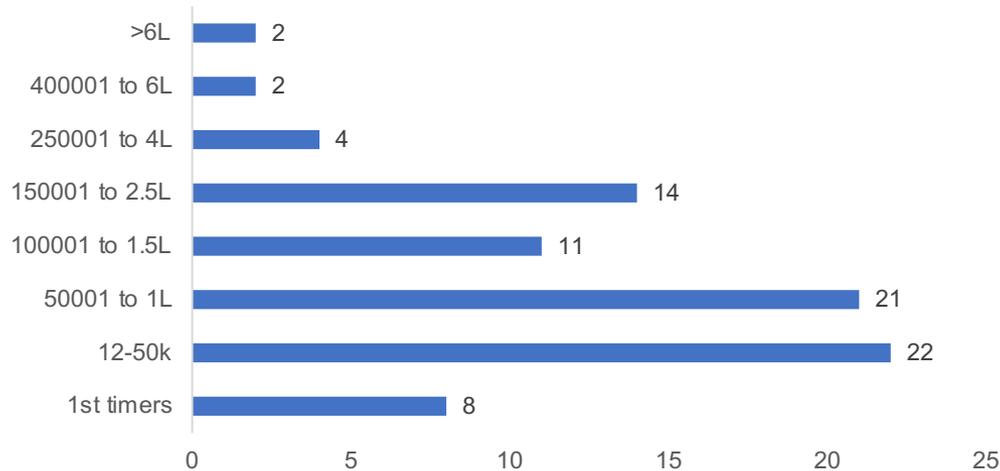
Total Sample-100



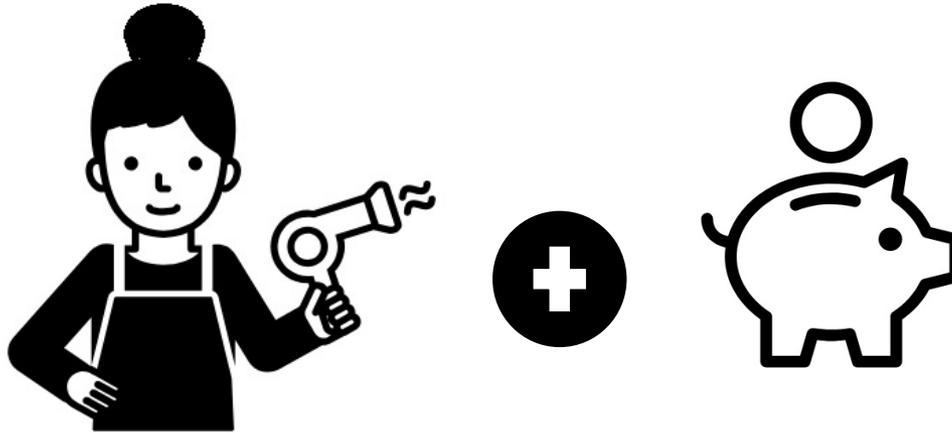
BEAUTYPRENEURS' AGE PROFILE



REVENUE PROFILE OF BPs-Before Enrolment



BEAUTYPRENEUR PROGRAM IN BRIEF



Increase Revenue by 50% (from the base-line (profiling data))



Enhanced Tech skills

Student Training

Free Hair Color

Expert Seminars

BEAUTYPRENEUR PROCESS FLOW (NEW):



1

Mobilization



4

Biz-Plan



7

Seminars



2

Orientation



5

Profiling



8

GERC



3

Sign-Up



6

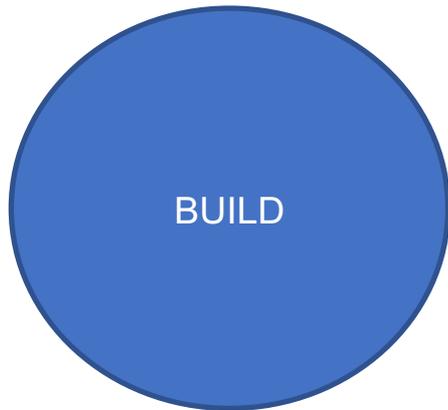
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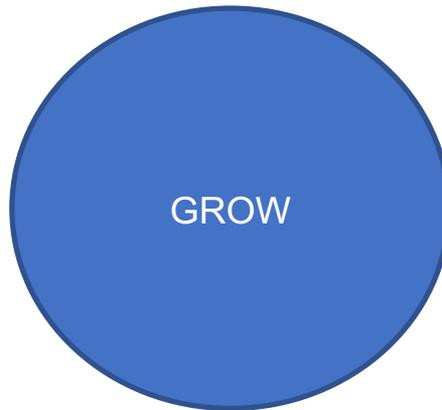
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Student Training

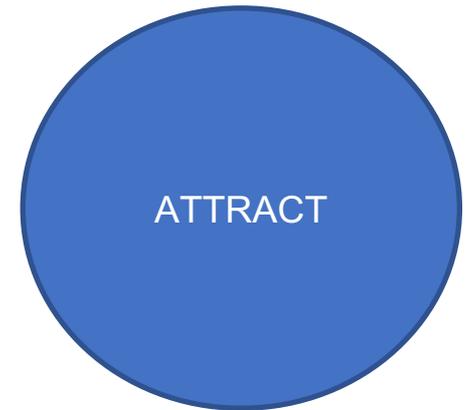
ASPECTS OF BEAUTYPRENEUR PROGRAM OUTCOMES



Technical Knowledge
Assets
Personality
Entrepreneurial Spirit

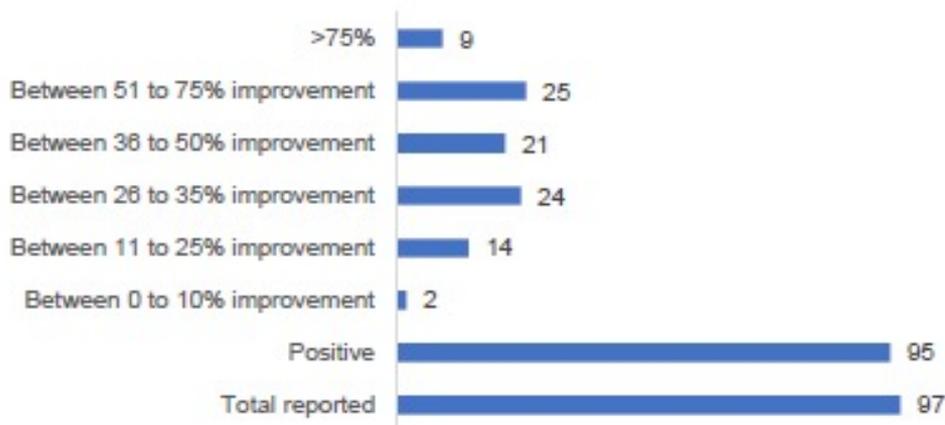


Revenue
Profit
Family and Personal well
being



Customers
Revenue Sources
Branding

BPs PROGRESS IN TECHNICAL KNOWLEDGE AND PERSONALITY DEVELOPMENT



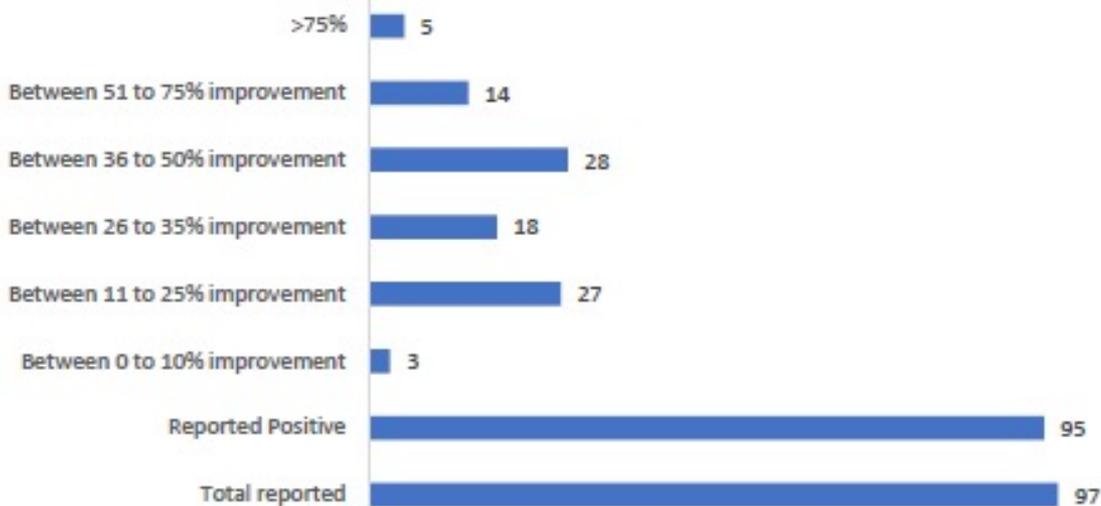
Key aspects of Technical Knowledge and Personality Development

1. Progress in Aspirations, understanding Patriarchal family challenges and working on Life skills

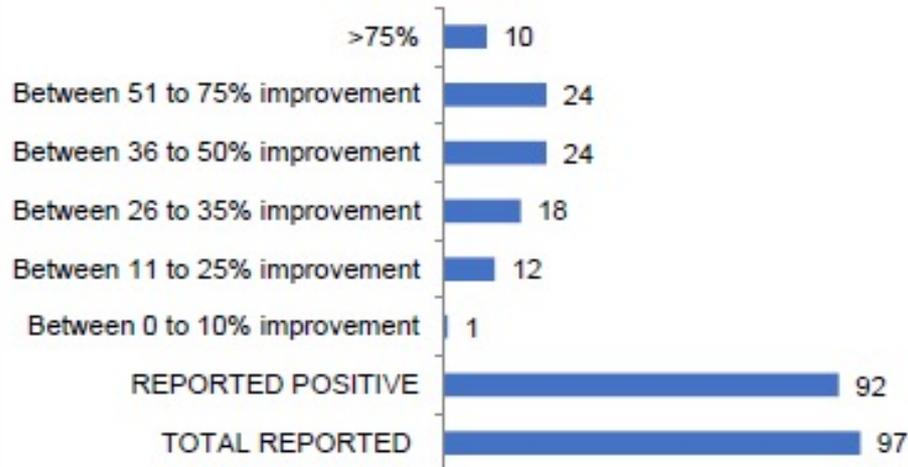
Key aspects of Women Empowerment

1. Banking, financial access and decision making in household expenses and in saloon business
2. Progress in non-financial decision making upon household and in saloon business

EMPOWERMENT



ENTREPRENEURIAL SPIRIT



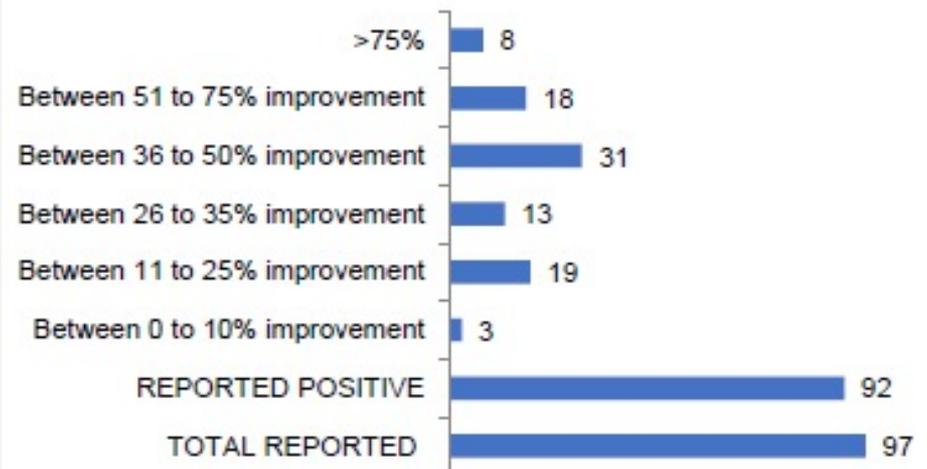
Key aspects of Entrepreneurial Spirit

1. Continual learning, innovative and passionate to beat local competition
2. Clarity on stock flow, price negotiations and products availability
3. Family, local community specific conditions and cultural aspects decide these outcomes

Key aspects of Leadership evidences

1. Public speaking on outreach, seminars and events
2. Motivating peers and inspiring fellows BPs and others to pursue higher aspirations

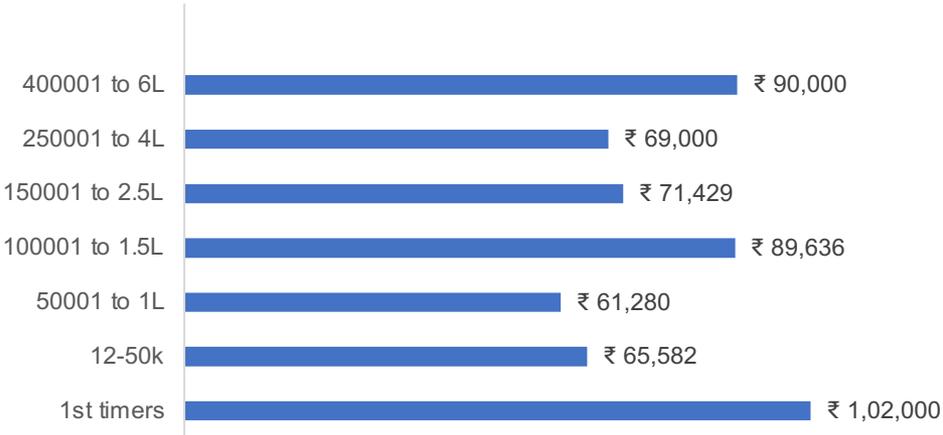
LEADERSHIP



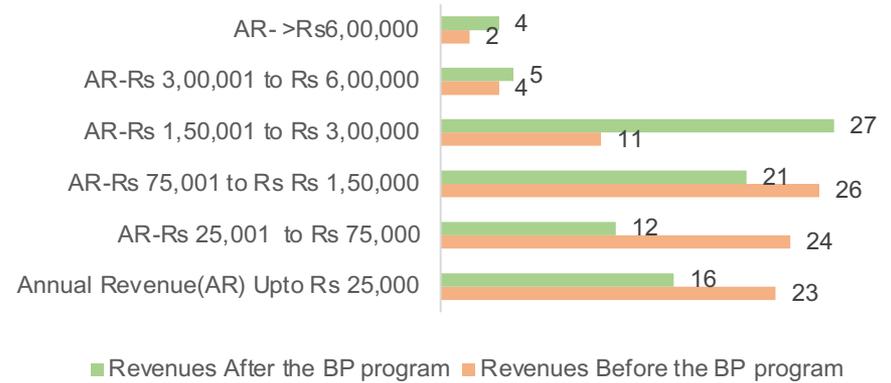


REVIEW ON KEY OUTCOMES

AVERAGE CHANGE IN REVENUE
(WITH REFERENCE TO BEFORE INCOME)



REVENUE CHANGE AMONG BPs



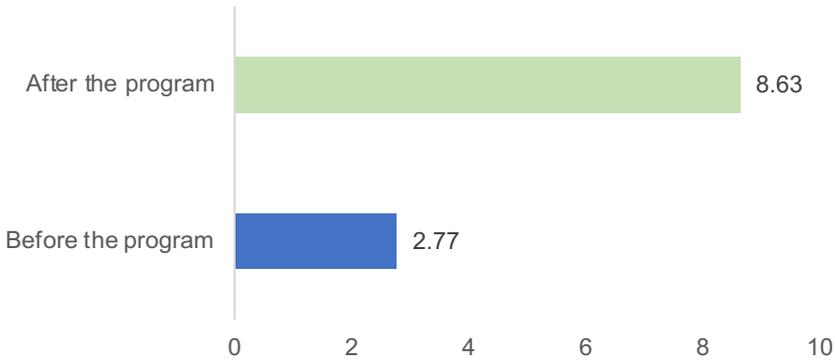
Key observations

- 1) Intervention has resulted in shifting their revenue brackets
- 2) Indirect outcome is the contribution towards Family Savings and Contribution to Household expenses

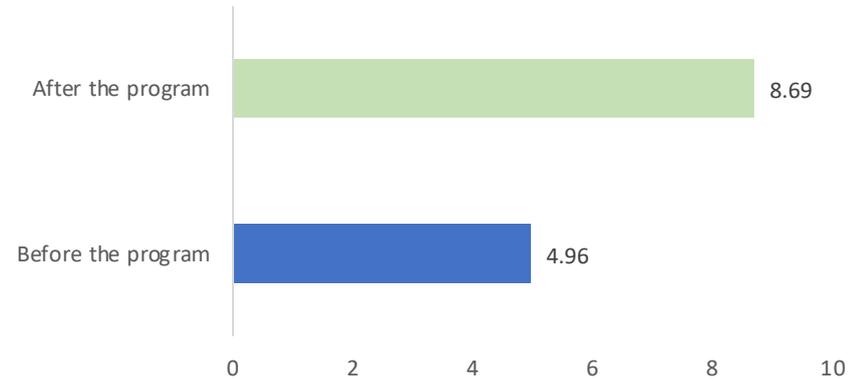


REVIEW ON KEY OUTCOMES

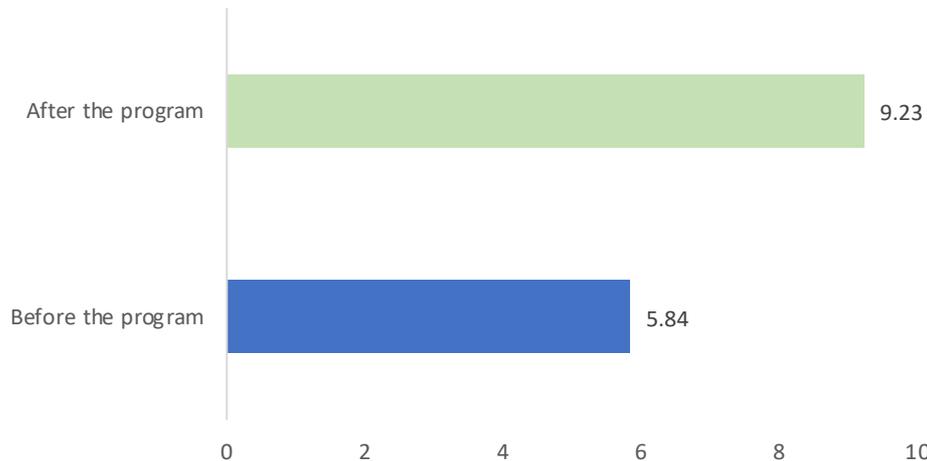
CUSTOMER SERVICE RATING



CUSTOMER RETENTION RATING



PARLOUR'S BRAND RATING



	No. of services	Revenue	No. of services	Revenue
Major packages	21	Rs20,376	28	Rs28,302
Average packages	15	Rs10,804	21	Rs14,409
Minor packages	13	Rs6,405	19	Rs9,646

SROI- IMPACT MAP FACTORS

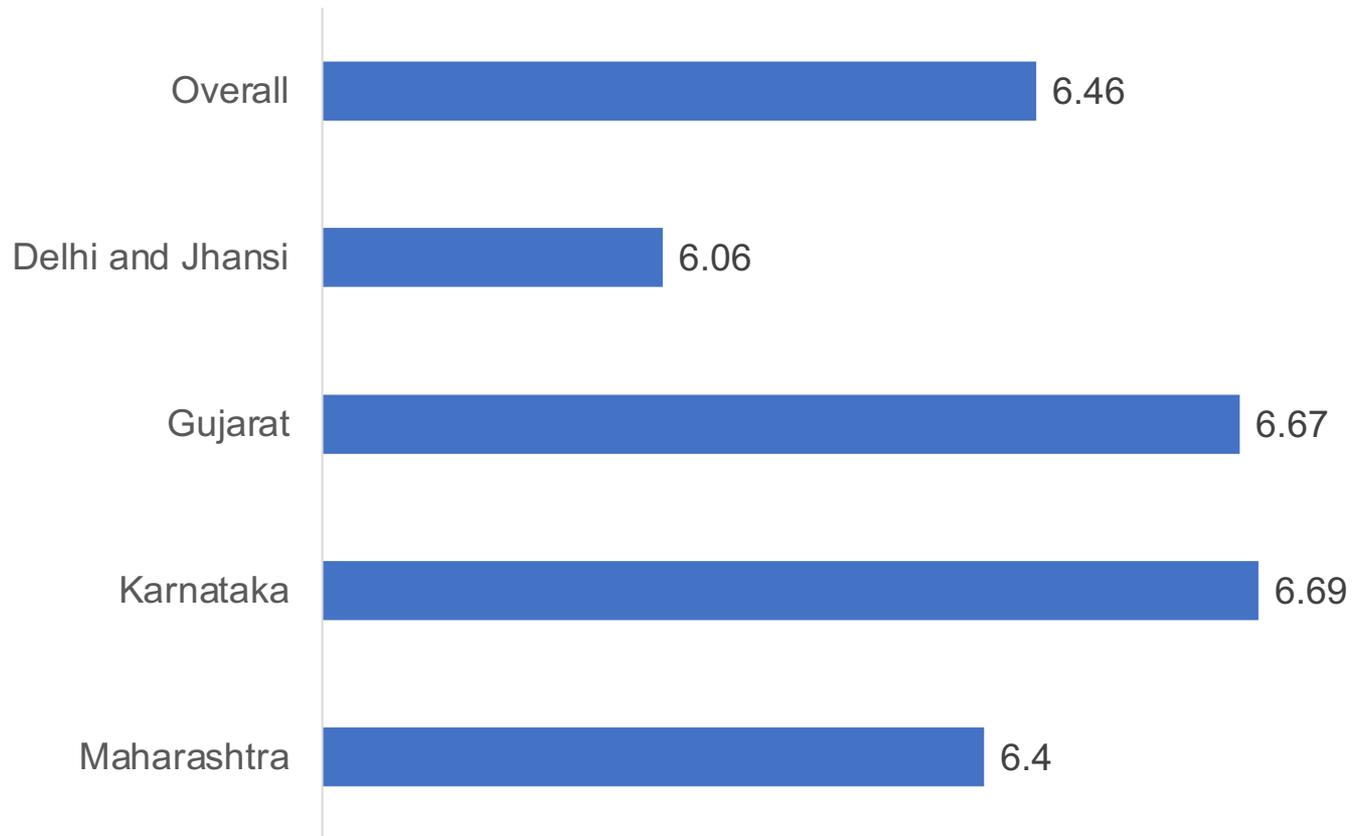
Outcomes	Indicators of change
Technical knowledge and Personality Development OF BPs	Performance scores in training and customer feedback. Self evaluation of knowledge
Empowerment of BPs- Financial and Non Financial	Change in volume of financial transactions by a BP in her family
Entrepreneurial Spirit for BPs	Change in attitude and ability to beat competition, become innovative and win customers
Income Change for BPs	The net income change is clearly visible from the transaction details provided in the log books
Shared Value for association with the Godrej	The goodwill of Godrej appreciated by BPs to bring a positive income

SROI- IMPACT MAP FACTORS

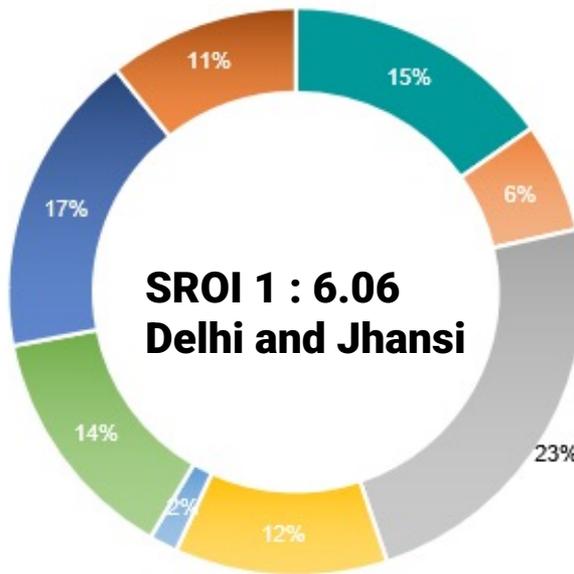
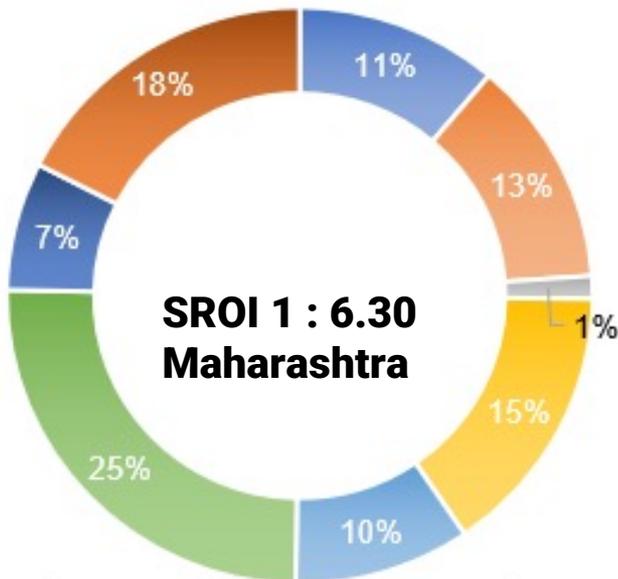
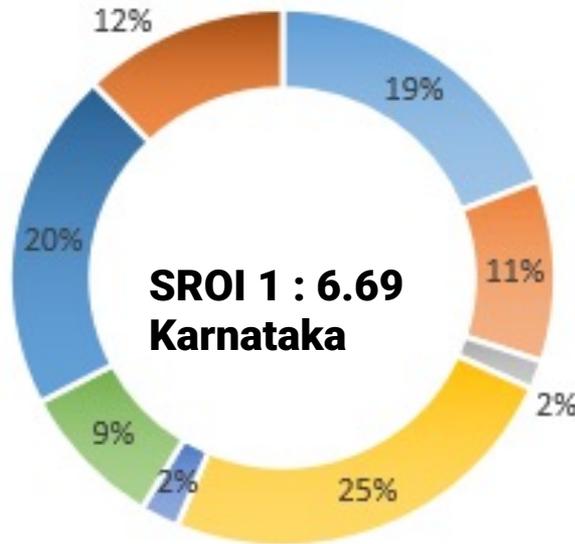
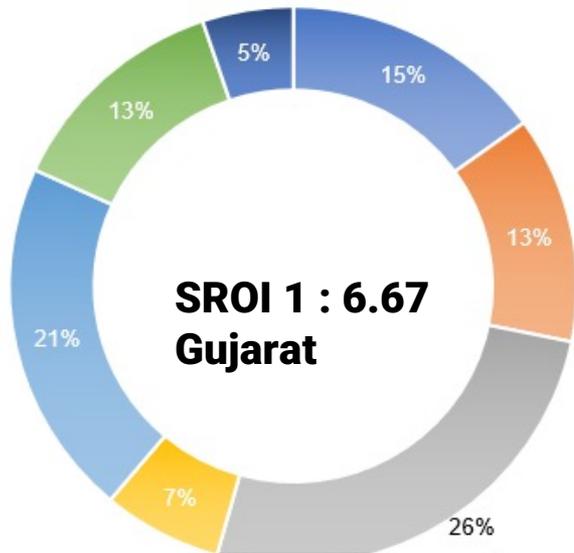
Outcomes	Indicators of change
Technical knowledge for NGO partner	Rating on the knowledge and skills developed in Hair care and skin care programs.
NGOs Sustainability- Financial and Non Financial	Value of financial support obtained and incidents of misses and gaps-compliance and due diligence
NGO's Community trust and outreach	Number of BPs outreached(especially vulnerable and disadvantaged), enrolled, dropouts and long standing beneficiaries.

REVIEW ON SROI

SROI-Beautyprenur Programs



REVIEW ON SROI COMPONENTS

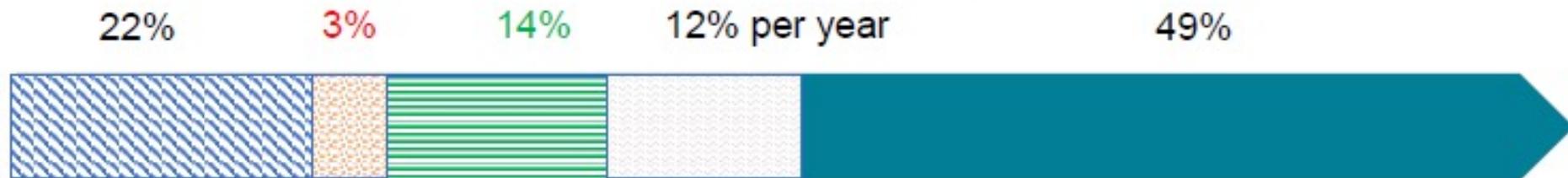


- Technical knowledge for BPs
- Empowerment of BPs- Financial and Non Financial
- Entrepreneurial Spirit for BPs
- Income Change
- Technical knowledge for NGO partner
- NGOs Sustainability- Financial and Non Financial
- NGO's Community trust and outreach

SROI VALUES-ESTIMATION

Outcome : Entrepreneurial spirit

Indicator: Beautypreneurs are identifying innovative opportunities to beat competition



Deadweight:

They are studying the course in a different institute

Displacement:

Chance to lose customers or business order during peak seasons

Attribution:

Role of family, friends and customer in achieving the above Entrepreneurial Spirit

Drop-off

They might need to refresh and update with trends, products and devices

Financial Proxy: Beautypreneurs spotted a new hair styling and make up technique and established a regular income of Rs 1,00,000/- per year

$$\text{Actual Impact} = 100,000 - [(100,000 \times 22\%) + (100,000 \times 3\%) + (100,000 \times 14\%) + (100,000 \times 12\%)] = \text{Rs}49,000$$

CALCULATING SROI (Karnataka)

Total Value of inputs= ₹ 7,37,410

Total Value of outputs in Present Value= ₹ 47,36,439
(after deduction of externalities and adjusting to the interbank lending rate for the last 10 years)

$$\begin{aligned}\text{SROI Ratio} &= \text{Present Value} / \text{Value of inputs} \\ &= ₹ 47,36,439 / ₹ 7,37,410 \\ &= 6.69 \text{ (Karnataka)}\end{aligned}$$

For every ₹ invested there is a return on investment of ₹ 6.69

Creation of ₹ 47,36,439 of Socio-Economic Value

KEY OBSERVATIONS & RECOMMENDATIONS

KEEP UP THE GOOD WORK

- 1) Being an elder sister and a sorority gives a strong hope to a budding or a struggling beauticians.
- 2) Actively engaging them through various events, seminars, competitions and even personally visiting them or having a call
- 3) Enriching their technical knowledge and business management skills and rewarding them for their active participations-Tabs
- 4) Equipping the resource centers with devices and facilities and giving them trainers.

FEEDBACK FROM PARTNERS

- 1) They are keen to learn from each other and wish to improve the best practices in Monitoring and Evaluation of the performance so they can amplify the impact and scale up accordingly if needed
- 2) They value the brand association with Godrej significantly as it improves not only their financial sustainability but also improves their community trust and outreach
- 3) They expect to have celebrity hair stylists or make up artists to train BPs so it adds an enormous credibility for them to brand themselves.

KEY OBSERVATIONS & RECOMMENDATIONS

STRATEGIC RECOMMENDATIONS

- 1) Collective initiative to become a micro brand or a brand on their own is a strong demand. BPs in Delhi/Mumbai/Ahmedabad reiterated their interests to have a standard parlour. It would bring a branding in terms of facilities, services, interiors, PCH and absolutely trendy to stand out and compete in the market.
- 2) The major valuation of outcomes and the outcomes were seen in lower end of the income earning group less than 2Lakh rupees a year. The handholding and training those BPs could be handled through Peer to Peer learning. It could be more of a buddy mentor and rewarding approach to increase business management skills-logbooks and marketing
- 3) Increase their bargaining power, as they can buy products in a group and in bulk. Retrospectively speaking, the discipline to fill log books and keeping up the relevant stocks is vital, especially will prove effective during high season. Pune is already doing it and especially people in Jhansi, Nagpur, Kolar and Nadiad will benefit in savings.
- 4) Cross learning between BPs and implementation partners. Categorisation of BPs from active participant and diligent reporting have helped Dhriiti to win more support from BPs. The Whatsapp group has numerous success stories as an informal learning platform. However it can be transformed into formal trainings if there is huge demand for services in the customer end and from BPs. It will help them to be up in the market and become the forefront runner in their neighbourhoods to bring trends and earning customers trust
- 5) Financial Support: Most of the BPs have obtained Mudra loans, enhanced their facilities and are clear on the breakeven and repayment of loans. Dhriiti and SAATH are already doing it. Godrej could formalise it, educated them about the credit rating and repayment capacities, connect with right sources, it can help.

Renewed Career

My income increased and family support has increased in time so much that now my husband accompanies to take my kits. I have learnt the beautician course 15 years ago, was not regularly practising as I was extremely doubtful. Now my business has increased and profits have doubled from Rs5,000 to 12,000 per month

Educating customers

I was a freelancer beautician but now started my small saloon and it's income has increased. There was a lot of struggle before joining the program to attract customers. Now I educate my customer hygiene, merits of PCH and they see value in it to spread a positive word in the neighbourhood-Kumkum, Mumbai

Found sisterhood and became outgoing person

I was not an outgoing person and never went out to deliver business. I couldn't seek technical advice and was absolutely confused about service and products. I was forbidden to go for work but now that is a change. It is more of sisterhood rather than any training program and I often reach out to Meera/Archana-Trainers in case of doubts-Hetal Ahmedabad

Investing more into business

My family reputation, income and social reputation have increased. I actively conduct seminars and Participate to win prizes worth 2lakh. My fellow BPs have become my family. I am regularly investing in my saloon, planned to invest more 3-5 Lakh to convert into Unisex saloons, as my son became hair stylist.-Jaya, Bangalore

Finance knowledge and became competitive

My Confidence and clarity to do business have improved, started using logbook from expenses and sources of incomes and there has been a lot of learning. After the colour competitions, it led to more footfalls and it helped our marketing through customers' word of mouth. I have a joint family, my 2 daughters and all are proud of my progress in business and supporting the finances for family-Jayshree, Baroda

THANK YOU
