



CASE STUDY

RRD'S INTEGRATED APPROACH TO IMPACT SOURCING

How Impact Sourcing helps meet business and social aspirations

While conducting an in-depth study to identify new countries for expansion, RRD discovered that it was already operating in the most relevant countries. Rather than expand geographically, RRD decided to research rural BPO businesses, to explore how Impact Sourcing could meet business needs while having a positive social impact. RRD identified an Impact Sourcing provider, joined the Global Impact Sourcing Coalition (GISC), and now has a strong, integrated approach to Impact Sourcing.

Impact Sourcing is a business practice where a company prioritizes suppliers that intentionally hire and provide career development opportunities to people who otherwise have limited prospects for formal employment. These include people who are long-term unemployed or living under the national poverty line. Through Impact Sourcing, impact workers take their first step onto a career ladder that leads to economic self-sufficiency through income, skills development and professional advancement.

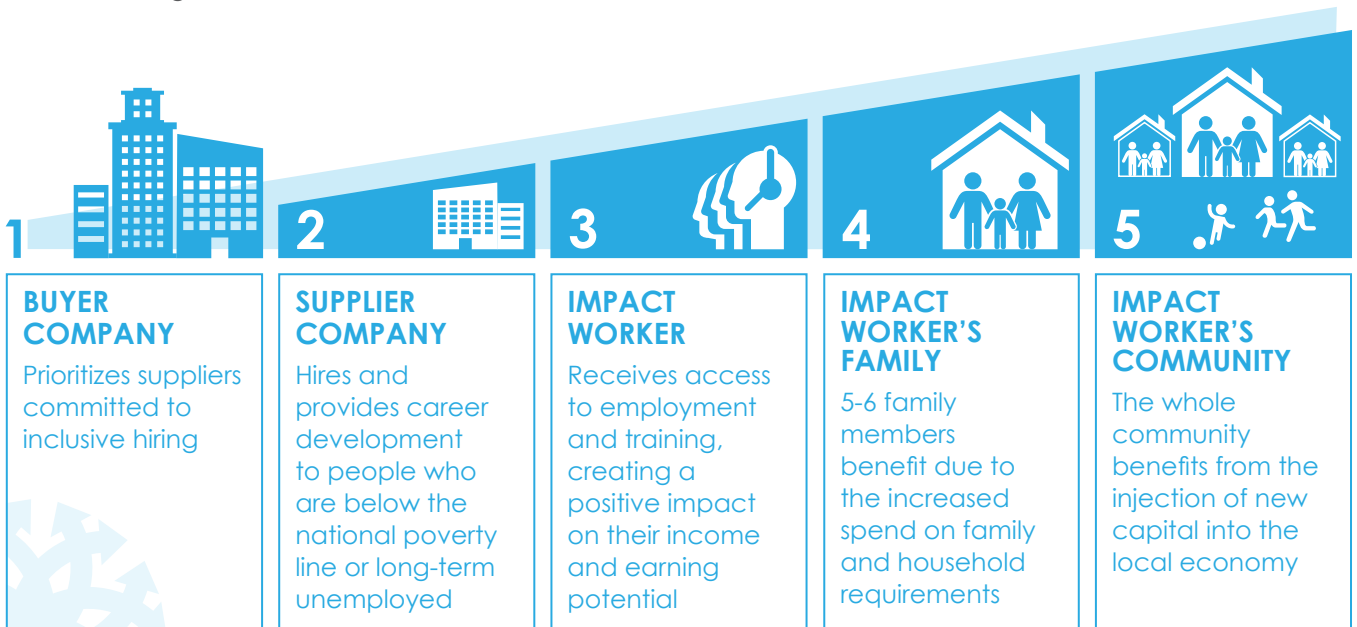
RRD is a global, integrated communications provider, employing people in 28 countries. After assessing the rural BPO businesses in India,

RRD decided to work with B2R Technologies, a for-profit social enterprise which sets up and operates rural BPO centers in Uttarakhand, India, with the aim of delivering business value together with social value.



WE LOOKED AT SEVERAL RURAL BPO PLAYERS IN THE INDIAN MARKET. B2R TECHNOLOGIES WAS THE CLEAR WINNER. THEY KNEW WHY THEY WERE DOING IMPACT SOURCING. THEIR PHILOSOPHIES WERE ALIGNED WITH RRD IN THAT THEY UNDERSTOOD THAT IF IT DOESN'T MAKE COMMERCIAL SENSE, IT WILL NEVER WORK IN THE LONG RUN.

AMARDEEP DEVADASON, SENIOR VICE PRESIDENT, OPERATIONS - GLOBAL OUTSOURCING, AT RRD



INTEGRATING IMPACT WORKERS INTO THE BUSINESS

RRD now has a team of 106 impact workers at B2R Technologies, working on processes such as financial composition (typesetting of financial documents for printing or filing with the SEC), and post production for images. Suneel Shankar, Assistant Vice President – Operations, explained: “The team is integrated, as a seamless node in our network. We are now in a position, if we choose, to go to market with RRD and B2R Technologies offering a ‘centre of excellence’ model. We are creating customer value and doing the right thing at the same time.”

DELIVERING SOCIAL IMPACT THROUGH IMPACT SOURCING

One of the biggest problems India faces is imbalance of livelihood opportunities causing migration to urban centers from rural communities. This has negatively impacted the social fabric of rural communities. Bringing technology jobs to where young people live is one sustainable solution. The youth are able to find employment, families are staying together, and communities are benefiting. Young women are especially impacted by joining this workforce by becoming financially independent, marrying later, and setting an example for girls to stay in school.



THINK ABOUT THE EXTRA INCOME FLOWING INTO A VILLAGE – IT INCREASES THE PURCHASING POWER, HEALTHCARE IMPROVES, AND IMPACT WORKERS BECOME AGENTS OF CHANGE IN THEIR COMMUNITY. THIS IS A POWERFUL CATALYST FOR KEEPING PEOPLE IN THE VILLAGE. MOVING JOBS TO WHERE THE PEOPLE ARE CREATES A MORE SUSTAINABLE FUTURE.

JANINE NIRMAL, DIRECTOR – OPERATIONS, AT RRD



RRD has worked with B2R to assess the socio-economic impact of employing rural youth. Employing 106 full-time workers has generated 91,350 person-days of employment for rural youth. The impact is spread across 52 villages in two districts in Uttarakhand. Over 50 percent of those employed are young women.

The emphasis on improving gender equity is reflected in the upward movement of the marriageable age of young women (moving from an average of 16-18 years, to mid-twenties). For every one person directly employed, it is estimated around three more individuals are indirectly influenced economically, hence the number of people affected is approximately 418.

BENEFITS OF IMPACT SOURCING



SUPPLIER PERFORMANCE

“Working with B2R Technologies has created diversity and expanded RRD’s India footprint. The company can more effectively service clients across multiple time zones, and is also more competitive due to economies of scale.”



STABLE SUPPLIER WORKFORCE

“People perform better when they are happy. The benefits of employees staying in their home town mean they are more productive.”



SOCIAL IMPACT

“For every one person directly employed, it is estimated around three more individuals are indirectly influenced economically, therefore whole families and rural communities benefit.”

WHY BUYERS VALUE IMPACT SOURCING

SUPPLIER PERFORMANCE

Access suppliers with responsible hiring that compete on quality, service and price



STABLE SUPPLIER WORKFORCE

Lower attrition and higher motivation



SUPPLIER INCLUSION

Meet supplier inclusion and diversity goals



CORPORATE CITIZENSHIP

Promote responsible supply chains, social equality and diverse workforces



SOCIAL IMPACT

Create positive impacts for impact workers, their families and communities



MEETING ASPIRATIONS

Devadason reflected: "It's important to remember that every kid has the same aspirations, whether in the city or in the villages. Impact Sourcing makes sound business sense, and provides a route to aspirations, enabling impact workers to become members of a global workforce."

As well as the economic and social benefits, RRD is also considering how to promote environmental sustainability, for example by introducing recycling for the paper that is used by the team. Like-minded B2R also intentionally promotes environmental sustainability using low-power consumption desktops, planting trees, supporting awareness campaigns, and locating centers within walking distance from impact workers' homes. The B2R carbon footprint is significantly lower than its urban counterparts.

RRD joined GISC in December 2018, and has used GISC's Supplier Directory to identify potential Impact Sourcing partners. Impact Sourcing goals are now part of the Global Outsourcing team's objectives, as RRD takes part in a quiet revolution, delivering lasting change.

TIPS FROM RRD'S IMPACT SOURCING JOURNEY:



BUSINESS REACH

Deepen, rather than widen, your business reach through Impact Sourcing.



PROVIDERS

Seek like-minded providers to work with to deliver both commercial and social impact.



INTEGRATION

Integrate the Impact Sourcing provider and impact workers into the business.



JOIN GISC

Join GISC to collaborate with other companies, find Impact Sourcing suppliers and use the Impact Sourcing Standard to explain minimum requirements.

RRD'S IMPACT SOURCING PARTNER: B2R TECHNOLOGIES

B2R Technologies, named for a shift of business to rural, is a unique BPO company established in 2009 as a for-profit social enterprise and pure-play Impact Sourcing service provider. It has supported over 600 youth based in the hills of Uttarakhand, India, into the economic mainstream, with skilled jobs and a career alternative to migration. Local youth who had migrated to cities due to financial pressures now see a reason to return.

Since operations began in September 2009, wages of approximately INR 12.7 Crore (US\$ 1.8 million) have trickled into the local rural economy. In a region which in 2008 had an average household income of about INR 1,500 (\$23) per month, the B2R household incomes have increased more than five times.

Of the 600 youth B2R has employed over the years, over 50 percent are women, well above the Indian industry standard. With employment opportunities at their doorstep, women have been empowered beyond traditional stereotypes, and are seen as valuable economic contributors to the family.

An emphasis on education has decreased dropouts, and actively engaging with the community encourages young women to become local role models and community leaders.

Currently, B2R operates six delivery centers with about 350 employees, servicing a strong base of domestic and international customers. Services include Publishing Support Services, Accounting and Financial Services, Legal Process Outsourcing, Web Research and Data Management, Human Resources Outsourcing, Helpline Support, and Image Processing. To cater to the needs of international customers for nearshore Spanish language services, B2R also initiated a partner-center in Yucatan State, Mexico.



A BSR Collaboration

BSR provides executive leadership and secretariat support for GISC. GISC's activities are overseen by the GISC Steering Committee, with active participation of the GISC membership. BSR is a global nonprofit business network and consultancy dedicated to sustainability. BSR Collaborations bring together more than 400 companies, spanning multiple sectors and geographies, to strengthen company performance, improve markets and industries, and contribute to systemic change for a more just and sustainable world. Visit www.bsr.org to learn more.

