



SATTVA MEDIA AND CONSULTING PVT. LTD.

# Labour<mark>Net</mark>

# LabourNet: Transforming Lives of Informal Sector workers **[DRAFT]**

# A Social Enterprise Profile

Sattva Media and Consulting Pvt. Ltd. 08/10/2010

**Contact Details:** LabourNet No.25/1- 4, 9th Cross, J P Nagar II Phase, Bangalore - 560 078 Karnataka, India

**Phone:** +91-80-44504450 **Telefax:** +91-80-26492275 **Email:** <u>info@labournet.in</u> Website: <u>www.labournet.in</u>





# About the author

Rathish Balakrishnan heads the Research Division of Sattva Media and Consulting Pvt. Ltd. Sattva is a media, research and consulting firm focused on the development sector. Sattva aims to accelerate social development in India through creating and sharing knowledge aimed at social development. Through its various activities, Sattva today works with the government, NGOs, social enterprises, agencies, foundations and reaches out to the common on issues relevant to social development.

For more details on Sattva, visit http://www.sattva.co.in

#### **Contact Details**

Rathish Balakrishnan Director, Research Division Sattva Media and Consulting Pvt. Ltd Email: <u>rathish@sattva.co.in</u> Phone: +91 9742 33 33 75

#### Sattva Media and Consulting Pvt. Ltd

444, 13th cross, 5th Main, Indira Nagar 2nd Stage, Bangalore Karnataka, India -560038 Email: <u>info@sattva.co.in</u> Website: <u>www.sattva.co.in</u>

# Acknowledgements

The author would like to acknowledge the following individuals and organizations for their support.

- Small Enterprise Education and Promotion (SEEP) Network for their support, without which this document would not have been possible.
- V Gayathri, former CEO LabourNet, and rest of the LabourNet team for providing the required access and for openly sharing their experiences, challenges and lessons learnt.
- Andrew Tulchin, Social Enterprise associates, for the constructive feedback and for creating the right opportunities for publishing this document.

# Why the Enterprise exists?

Over 90% of the total 400 million people that comprise India's workforce work in the unorganized sector. Much of this population comprises of migrants moving into cities looking for a job and a promise of a better future.

These workers often have no recognized identity in the cities, slipping through the cracks of the social register. Hence, they are denied access to fundamental services such as banking and insurance since the delivery of their services is contingent on a traceable and trustworthy identity. Even their employers invest as little as possible in their wellbeing offering them no training, meagre pay and no effort towards improving awareness about safety and compliance.

The problem is a known one and the government has defined benefits and schemes for their welfare. For instance, the Government of India has enacted the 'Building and Other Construction Workers Act, 1996' under which each State Government must allocate the Cess collected from the builders to the welfare of the construction workers. However, there has been very little progress on the ground in disbursing these funds. Even in case of social welfare schemes that have been successful (e.g. Bhagyalakshmi scheme<sup>1</sup> that provides financial support to families with girl child), workers have not been able to leverage them because they lack essential identification documents like residence proof and income certificate.

The absence of an established community model (such as the self-help groups for women) among these workers makes it difficult for any organized and sustainable intervention. There is a strong need for a mediatory organization that is willing to engage with the workers, vouch for their identities and ensure the last mile access to services that they are rightfully theirs.

LabourNet aims to address this key gap, as a platform that addresses these pressing needs of the workers.

# **Organization overview**

LabourNet is an initiative of MAYA (Movement for Alternatives and Youth Awareness), a nongovernmental organization based in Bangalore focused on Education and Livelihood. MAYA's education programmes are implemented today in 22 districts across Karnataka and Uttar Pradesh. And the livelihood programme focuses on communities across slums and low-income areas of Bangalore Urban & Rural districts.

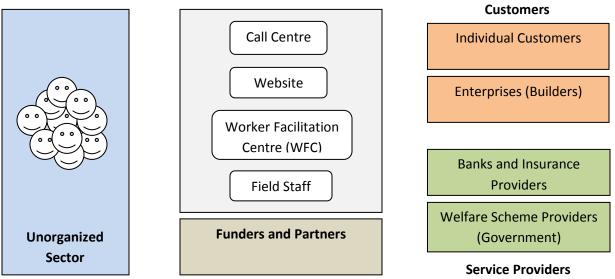
<sup>&</sup>lt;sup>1</sup> According to the Bhagyalakshmi scheme, the Karnataka state government would deposit Rs 10,000 in the name of new-born girl child, irrespective of caste and creed, and the interest accrued from it could be utilized for her education. The deposit would mature when the child attains 18 years and the money could be utilized for her higher studies or marriage. This scheme targets families below poverty line who have up to 3 children.

LabourNet was started in 2005 as a pilot in Bangalore and has since then mainstreamed its operations in Bangalore and Haryana. LabourNet is structured into two separate legal entities – LabourNet, as a non-profit organization, works in Bangalore and Haryana. The for-profit organization is only based out of Bangalore. Within the Informal sector, LabourNet activities are concentrated in the construction and maintenance sectors with capabilities to service a wide range of its registered workers such as masons, carpenters, painters, electricians, plumbers, domestic workers, office housekeepers etc.

LabourNet focuses on three key aspects – Firstly, link workers in the informal sector who need a job and clients who need skilled workers. Secondly, provide an identity for migrant informal sector workers by registering them to its network and formalizing their identity based on their trade and occupation. Thirdly, based on the identity LabourNet provides these workers get access to services to which they hitherto had no access like accident insurance, bank accounts, healthcare services, etc.

# **Key activities**

The following graphic illustrates the ecosystem that LabourNet engages with today



LabourNet

LabourNet, in collaboration with its partners, facilitates the engagement of the workers with the customers and service providers. While the workers enjoy better job opportunities and access to welfare schemes, customers get access to the vast pool of skilled workers to address their immediate needs. Service providers get access to a hitherto unreachable and unviable customer base by streamlining the engagement through LabourNet.

The following section details how LabourNet collaborates with these stakeholders and delivers its services.

#### **Providing identity to workers**

LabourNet maintains a registry of workers as part of their system and offers these workers ID cards as a proof of their identities. To engage with the migrant workers, LabourNet has built a strong on-theground presence through field staff that goes to construction sites and conduct camps among communities to register the workers into the system. In addition, LabourNet has setup Worker Facilitation Centres (WFCs) in locations where there is a strong concentration of migrant labourers.

Today, LabourNet runs four Worker facilitation Centres in Bangalore, Faridabad and Gurgaon respectively. LabourNet complements their strong field presence with mobile technology to stay in touch with the workers.

#### **Creating Job linkages**

In addition to providing identities, LabourNet also creates job linkages for the workers by placing them in homes as domestic help and in construction sites by partnering with the leading builders.

To engage with individual customers (who typically have sporadic need for, say, 1 worker), they have setup a call centre and a web-based model for gathering customer requirements. The Coordination team in LabourNet retrieves the requests from these channels and then connects the customers with the relevant workers. In the last 4 years, over 6000 requests have been recorded and the registered workers have, on an average, 12-14% increase in income through their engagement with LabourNet.

With builders and large enterprises, LabourNet has setup partnerships to source workers for their construction projects. LabourNet has worked with some of the biggest builders in Karnataka like Sobha, Purvankara and BCIL to establish links for registration and job placements.

LabourNet also provides trainings to these workers - With the help of Accenture India, it has developed 9 training videos which teach various skills and safety aspects in an engaging manner. These videos have been prepared in Hindi, Tamil, Kannada and Telugu. These trainings are provided with twin objectives – Firstly, the training helps the workers hone their skills and help them use the latest tools and technology relevant to their skills. Secondly, it also helps them formalize their skills through an established accreditation system such as the Modular Employable Skills (MES) program setup by the government.

#### **Facilitating delivery of services**

As with the builders, LabourNet has also built enduring partnerships with the Service providers. For instance, LabourNet works with Punjab National Bank to open 'no-frills' bank accounts for these workers that allows the workers to have minimal bank balance in their accounts. LabourNet have also partnered with Oriental insurance to provide accident insurance services to the workers. While LabourNet buys it as Group Insurance from Oriental insurance, they have structured it in such a way that the workers see it as individual insurance. While group insurance is a common instrument, LabourNet was the first organization to track it at the level of individual workers thereby insuring each of their lives while reducing the risk to the insurance provider.

Across Bangalore and Haryana, LabourNet works closely with the government to compliment government's initiatives to implement the welfare schemes and policies on the ground. LabourNet entered into a partnership directly with the Haryana Building and Other Construction Workers welfare board (HBOCWWB) (part of the Department of Labour, Government of Haryana) to ensure effective service delivery to construction workers. Together they provided services under four broad categories: Enrolment of the workers (registration), healthcare delivery, early child care and training.

In Bangalore, LabourNet has partnered with the Deutsche Gesellschaft für Technische Zusammenarbeit [German Society for Technical Cooperation] (GTZ)<sup>2</sup>, a private international enterprise owned by the German Federal Government specializing in technical cooperation, to make the welfare schemes provided by the Karnataka government accessible to the workers. While GTZ engages with the various departments in the Government of Karnataka, LabourNet is responsible for running the Worker facilitation Centres (WFCs) and engaging with the workers on the ground.

# People

#### The LabourNet Team

In order to understand the people and the philosophy behind LabourNet, it is important to start with MAYA and its activities. MAYA was initiated in 1989 with the primary focus of eradication of child labour. Over time however, the organisation realised the need to address systemic causes of poverty and child labour. Based on their experiences, MAYA started MAYA Organic Pvt. Ltd., a for-profit social enterprise that provides design services aiming to organise the informal sector workforce into worker owned enterprises.

The MAYA team started LabourNet based on these insights and their extensive experience with livelihood. Its founders have extensive experience in community engagement, working with informal sector groups in various states and in engaging with the government on policy issues.

Supporting them are advisors including seasoned professionals who have worked in large enterprises such as HCL and IBM, entrepreneurs who have started their own enterprises and senior officials from the public sector who have worked on labour issues. These advisors complemented the strong domain understanding with expertise in strategy, finance and marketing.

Together, the LabourNet leadership brings together a strong understanding of the sector together with experience in grassroots level developmental work, international developmental organizations, large business organizations, entrepreneurial start-ups and defence services.

#### **Key stakeholders**

Ford Foundation provided the seed fund to get LabourNet started. Since then, they have been supported by investors who have been able to support the organization both financially and also broaden their network. For instance, American India Foundation (AIF) introduced them to Punjab

<sup>&</sup>lt;sup>2</sup> <u>http://www.gtz.de/en/index.htm</u>

National Bank (PNB) that provides the banking services to the workers registered with LabourNet. Grassroots Business Fund (GBF) helped LabourNet with marketing and linked them to builders such as Purvankara<sup>3</sup>, BCIL<sup>4</sup>. In addition, GBF provided expertise in helping LabourNet create Service Level Agreements (SLA) for workers and customers. In addition, LabourNet has also been supported by SEEP, who funded the preparation of its business plan.

Today, LabourNet works closely with CHF International who provide them funding and also collaborate with them on the implementation on the projects. Founded in 1952, the Cooperative Housing Foundation—now known simply as CHF International—serves more than 20 million people each year, empowering them to improve their lives and livelihoods for a better future. CHF currently has programs in more than 25 countries around the world, across Asia, Africa, Latin America & the Caribbean, Europe & the Caucasus, and the Middle East.

# **Key Differentiators**

#### Holistic engagement with the workers

There are comparable models offering some of the capabilities LabourNet offers. For instance, there are services that act as an employment exchange connecting customers to the workers by doing a basic skill match and providing contact information. There are also for-profit and non-profit organizations that providing training – including life skills, technical skills and finishing education – to youth and create employment opportunities for them.

What differentiates LabourNet from these organizations is an integrated approach that combines job linkages, training and delivery of welfare services across the entire spectrum of workers. LabourNet not only limits itself to creating jobs and providing them training but also has created an extensible platform for delivering relevant services to them.

Another key differentiator is the focus on adult workers. Almost all the organizations focus on providing skill training to adolescents and youth. While the justification is that such skill training is essential for the youth before they embark into employment, there are many adult workers who form a substantial part of the unorganized sector. They put their lives at risk everyday with minimal focus on safety and compliance and lack of access to welfare services. Almost 90% of the workers who engage with LabourNet are over 25 years of age. These workers are provided access to welfare schemes and training programs to upgrade their skills.

#### **Strategic partnerships**

The problems that LabourNet tries to address are of a magnitude that is much bigger than any other organization. For instance, providing identity to migrant workers and making it widely accessible and acceptable is a task that requires alignment across various government bodies and private organizations.

<sup>&</sup>lt;sup>3</sup> <u>http://www.puravankara.com/</u>

<sup>&</sup>lt;sup>4</sup> <u>http://bcil.indiaproperty.com/index.php</u>

One of the models that LabourNet has successfully employed to address these complexities is to establish strategic partnerships that address the end to end value chain in delivering services to the worker. For instance, workers need better tools to work more efficiently. But to address the need requires an organization to provide the worker access to buy the right tools, the skill to use the new tools and financing options to be able to leverage the tool as a micro-entrepreneur. In order to address this need, LabourNet partnered with Bosch and Punjab National Bank. LabourNet, in collaboration with Bosch, provided the training. On completion of the training, Bosch provided the required tooling to the workers. And if the workers chose to setup their own business as a micro-entrepreneur, Punjab National Bank provided the required financial assistance as bank loans.

In addition to the service providers, LabourNet has also forged partnerships with leading research organizations in India. For instance, Microsoft research India<sup>5</sup> helped in addressing key topics that have been central to LabourNet's engagement with the poor. As one of the projects, Microsoft Research India conducted an extensive study on how the poor and the unlettered population use mobile phones. This helped LabourNet to better tailor the engagement with the population through this communication medium. Microsoft Research India also suggested the idea to LabourNet to create videos in local languages for training the workers.

Similarly, LabourNet partnered with the government in order to realize scalable and institutionalized solutions. A good example of the same is the approach LabourNet adopted to certify the workers after they underwent training. The key goal for providing training to the workers is to ensure that their skills are recognized in the market by the employers and other stakeholders. Hence, LabourNet provided certification based on the Modular Employable Skills (MES) rather than providing their own certification.

#### **Delivery platform**

One of the key reasons LabourNet can scale its operations is because it is not designed to be just a service provider but a delivery platform that can be provide services to customers that are offered by other providers as well. Today, LabourNet provides services offered by banks, insurance companies and healthcare providers like Swasth and Ayurved.

In Haryana, Swasth India manages the healthcare service delivery at the 4 WFCs as well as the outreach health camps set up by the WFCs. Swasth India also provides the construction workers visiting the clinics (established in the WFCs) and camps access to best quality medicines at a heavy discount of a flat 50% on all medicines. This is accomplished by tying up with pharmaceutical companies.

In Bangalore, LabourNet has partnered with AyurVAID to provide healthcare services to workers. AyurVAID's fundamental approach is to focus on the lifestyle to address health issues rather than just provide medication for all ailments. This is especially relevant to workers who undertake physically strenuous tasks throughout the day. By focusing on their lifestyle habits, AyurVAID is able to provide a

<sup>&</sup>lt;sup>5</sup> <u>http://research.microsoft.com/en-us/labs/india/default.aspx</u>

long-term solution for better health while moving them away from the mindset of spending unnecessarily on medicines for all kinds of ailments.

LabourNet's platform approach enables these partners focus on their core competence which is in healthcare service delivery, thereby achieving maximum impact for the workers.

#### Results

The table below compiles the results achieved by LabourNet in numbers

Service	Results
Worker registration	36,000
Bank accounts	12,000
Health Checkups	25000 – 26000
Hospitalization Insurance	300 workers
	18000 accident insurance along with welfare
	schemes of Haryana welfare board in Haryana
Children in Crèches	262
Trainings	5300 (including 1800 MES Certification and 400
	BOSCH training certification)

In the state of Karnataka, LabourNet has registered over 18,000 workers who are all covered under accident insurance, opened 12,000 PNB bank accounts for them, prepared 9 trade videos which it uses for training workers who normally are averse to training, provided job information to 6,000 workers and directly facilitated jobs for 3,000 workers.

# Scale and Sustainability

One of the clear proofs of scaling LabourNet's initiative is to be able replicate its efforts in different locations. LabourNet has been able to demonstrate the same – Having started LabourNet as a pilot in Bangalore, LabourNet has since then partnered with the Haryana government to start their operations in the state.

#### **Financial sustainability**

Unlike regular service providers who address an explicit need that customers have, LabourNet evangelizes their services to the workers so that they understand the value of the same. LabourNet identifies key services that workers need to have access to ensure safe and sustainable living – However, the workers themselves are not able to associate a certain monetary value to the services provided.

Hence, LabourNet has observed that the services provided to the workers go through a lifecycle. In the initial phase, the delivery of the services is focused on constant engagement with the workers to help them understand the need for such a service. During this phase, the service is not financially viable on its own requires substantial investment from LabourNet. Once the services are mainstreamed and once LabourNet is able to create a pull for these services, they attain financial sustainability and can then be scaled.

For instance, when LabourNet introduced accident insurance, the workers were not ready to pay for the service. However, based on the successful delivery and increased awareness, the workers are willing to pay for these services today. Similarly, when LabourNet partnered with PNB to open bank accounts, the first two years they did not charge for bringing in the new accounts. However, once a working relationship was established based on mutual trust and performance, LabourNet was able to charge for these services as well. In order to realize such a model, LabourNet achieves financial viability through both external funding and its revenue.

LabourNet's structure reflects this lifecycle of services. LabourNet today comprises of two legal entities – A non-profit entity focused on increasing the basket of services that is provided to the workers. And a for-profit entity focused on designing and packaging 'mainstreamed services' as products to workers.

While the for-profit organization is funded by Grassroots Business Fund (GBF) and individual investors, the non-profit entity gets grants from foundations. The for-profit entity is also designed to generate revenue by creating job linkages by selling worker services to individual and business customers.

Such a structure – combining for-profit and non-profit models – brings to focus the choice that LabourNet has to make between leveraging short-term financial benefits out of mainstreamed services versus investing in crucial but financially unviable new services. With its focus and selection of services strongly based on the social impact on the workers over financial attractiveness of the services, LabourNet is clear that complete financial sustainability of its operations is not a short-term target but a long-term objective.

#### **Operational efficiency**

Operational efficiency is essential for any enterprise to scale its operations. However, this is especially crucial for LabourNet given the nature of its activities. Individual customers who request for domestic help expect responsiveness and in many cases constant follow-up after the job placements are done. It is especially important to ensure predictable response times while providing services to migrant workers, who might not be able to leverage services if there is a delay in delivering it to them. While working with the government (as in the case of Haryana), it is important for LabourNet for establish and deliver based on mutually agreed Key Performance Indicators (KPIs) so that it can demand the same level of responsiveness from the government as well.

Keeping this in mind, LabourNet has put in place processes to ensure efficiency. They have established standardized training modules to train and upskill their staff so that they are able to handle both the individual customers and workers.

With the government, LabourNet agreed on a clearly defined process map along with timelines attached to each process step. The process map covered the planning of registration camps, enrolment of the workers, data entry of the details onto a central database to create a unique ID and finally distribution of the ID cards that are signed by the Labour office, and if the workers have moved away posting it to their permanent address.

Each process step has a strict timeline attached to it, is documented and tracked in documents and reported in a periodic manner. This helps to ensure that delays can be effectively tracked and bottlenecks identified and fixed. Moreover, strict tracking and reporting systems ensure accountability and complete transparency.

While LabourNet has established such processes with their stakeholders and their staff, one area of continued investment for LabourNet is to ensure operational efficiency while engaging with the workers. To ensure sustained impact, LabourNet has to establish its credibility and establish itself as a trusted facilitator and service provider. However, the social structures and the lifestyle of migrant workers create challenges for LabourNet to achieve the same.

# Challenges

As a first of its kind, LabourNet has had to overcome challenges in the existing setup in order to streamline and provide services to the workers. These challenges are present both in the worker engagement space and also in their partnership with the service providers.

#### Lack of established community structures

Successful interventions in rural areas have often leveraged established social and community structures in order to gain adoption. For instance, bottom of the pyramid initiatives have been successful in rural communities due to the engagement model they adopted with the Self Help Groups (SHGs). The women from these groups were able to spearhead and lead the initiatives at the grassroots level. Similarly, microfinance initiatives have also leveraged such structures to ensure accountability and distributed ownership.

With migrant labour, there are no such established community structures. Hence, interventions with these communities involve substantial investments to create such a self-sustaining structure so that such interventions are sustainable. And this is especially difficult with the migrant community given their transitory nature of livelihood. Workers are often identified with just their mobile phone numbers and basic details. However, workers continuously change their numbers without prior notice, making them unreachable for the intervening organization.

As one of the first organizations to work with migrant labour, LabourNet has had to invest in setting up such social structures. While LabourNet uses the mobile numbers of the workers as a channel to reach out to them, LabourNet offers a diverse set of services so that workers perceive LabourNet as a trusted advisor that they continuously engage with.

#### Commoditization of labour in the informal sector

One of the services where LabourNet has not had much success is the training services they provided to workers. Accenture and CHF sponsored and contributed to their efforts of creating training videos for the workers to teach them basic skills. LabourNet brought industry practitioners (such as BOSCH) and partnered with the government to provide relevant training and formal certification (through the Modular Employment Skills offered by the government).

However, there weren't able to get the buy-in from the workers because there is a vicious quality conundrum in the informal sector today – There is an excessive supply of unskilled labour that customers can choose from. However, there are no widely accepted quality norms that help the customers evaluate and asses the skills and capabilities of these workers. Hence, they have relegated this sector as a commodity market where workers are chosen based on availability with minimal expectations and investments. And migrant workers do not want to invest in training since it doesn't anyway impact their employment opportunities in such a commodity market.

However, such an approach results in overall low quality and substantially higher risk for the workers in dangerous working conditions. In addition, continuing as contractual and commodity labour severely impacts workers' negotiation potential and the overall quality of life they can demand from their employers.

To address this problem requires LabourNet to not only provide training to the workers but also bring about a mind-shift change among employers to not treat them as low-cost, contractual labour. At the same, LabourNet engages with the government to create a scalable and recognized accreditation system that can be used as a benchmark across the industry as selection criteria for these workers.

#### Harmonizing delivery

Today, there are many organizations and departments within the government that provide services to the Labourers. However, the different government departments that provide the schemes to workers are completely disconnected with little to no alignment amongst themselves. Their execution is also riddled with inefficiency making it impossible to have any predictability in delivery. Even other service providers, such as banks, do not agree for any Key Performance Indicators (KPIs) to monitor the efficiency of the overall process since these workers are not their most profitable customer segment.

As a platform that offers these services, LabourNet tries to harmonize the delivery of these services by validating which works and also ensuring the paper trail is minimized for the workers. However, workers see LabourNet not just as a facilitator that makes these services accessible to the workers but also as providers of the service. They perceive any delay in responding to them or any miscommunication in the process of delivery as LabourNet's responsibility. Balancing the expectations from the workers with the inefficiencies in providing the services is a constant operational challenge for LabourNet.

### Lessons Learnt and Road ahead

While the magnitude of the problems LabourNet is trying solve is huge given the growing number of migrant workers and the share of workers in the informal sector, LabourNet has been able to demonstrate impact on the ground and adoption of their services among the workers community. And having extended their operations beyond Bangalore to another location, LabourNet has proven its ability to put together an extensible model to span their operations across multiple locations.

In the coming years, LabourNet aims to scale by reaching out to more workers while deepening their relationship with the workers by providing more services and increasing their presence on the field.

Having started in 2005, LabourNet's goal is to reach out to 1 million workers in 7 years and open 36 worker facilitation centres including extending its operations to a new city in the next four years.

Going forward, there are opportunities, challenges and choices LabourNet has to face that will determine their future course of action.

#### Enduring engagement with the workers

As has been reiterated before, engaging and creating a sustainable social structure among migrant labour is in itself a great challenge. One of the key challenges for LabourNet is to track the workers continuously and ensure that the information about them is up-to-date in their systems. Given that workers are constantly on the move and change their mobile numbers on a regular basis, it is very difficult to establish and sustain a channel of communication with them. For LabourNet to facilitate this process requires them to create a pull from the workers to reach out to LabourNet on a regular and ongoing basis.

Today, the most successful service offered by LabourNet is opening of Bank accounts to the workers. This service, like other similar services, is transactional in nature and is a one-time activity. LabourNet is constantly striving to identify services that move beyond transactional engagements and create an ongoing relationship. They have currently identified services such as training that will help them build such a relationship with the workers.

Success of these services in the future is crucial for LabourNet to bring about sustainable progress in the lives of these workers.

#### Financial viability vs. Social impact

Leading companies, especially in the consumer goods sector, seek channels to market and sell their products to the bottom of the pyramid. While they have leveraged the Self Help Groups in the rural areas, they do not have dedicated channel to address the migrant population. Hence, LabourNet's access to these workers is very lucrative to these companies. LabourNet also stands to gain financially by creating such linkages between these companies and the workers.

However, from a social impact perspective – would it be the right approach to introduce the workers to these consumer goods and get them into a consumerist lifestyle, which is clearly not sustainable in the long run? On the contrary, aren't these workers already living in a consumerist economy and have access to these services irrespective of LabourNet's strategy towards the consumer goods companies?

These are not simple and straight-forward questions. LabourNet has today agreed to only provide services that they believe are relevant and encourage sustainable living for the workers. This is reflected in their partnership with Ayurved which focuses alternate ways of improving workers' health by rectifying lifestyle issues rather than issuing medicines.

#### **Engagement with the government**

On September 29 2010, in a little village called Tembhli, Ranjana Sonawne was assigned an ID card with the number 782474317884. With this number, Ranjana has become the first Indian to get the Unique Identification (UID). The UID project is an ambitious initiative of the Indian government to provide an identity to all the citizens of India based on the resident's demographic and biometric information. This identity can then be used by a citizen anywhere in India to access services offered by various providers.

Similarly, government has also passed legislation to ease access to banking to the poor, to provide insurance free of cost and to encourage banks to create no frills accounts by subsidizing the costs borne by the banks. Such changes are definitely positive since they provide a scalable and institutionalized approach to address systemic issues.

However, these changes also impact the core services offered by LabourNet today. Such changes require LabourNet to relook at their role in service delivery and also their focus on the key services they are required to provide. Going forward, LabourNet has a crucial role to play both in delivering services on the ground and in influencing these new initiatives from a policy perspective.

On the ground, LabourNet's role in delivering services to the workers is still relevant today since these initiatives will take over 3 to 5 years to address the entire population. Also, past experiences with government projects emphasize the need for grassroots organizations to complement the project execution with Last mile access. In the future, LabourNet will also need to identify other services that are essential to the workers but are not provided by the government.

On the other hand, LabourNet can help make these government initiatives more effective by sharing their experiences and highlighting real-life challenges. For instance, LabourNet was on the panel of organizations working on the Unique identification project and plays a direct role to influence policy and implementation approaches.

In the long run, LabourNet could establish themselves in this twin role of grassroots implementation and policy advocacy and thus compliment government's initiatives to address the needs of the workers.

# Conclusion

Improving the lives of workers has been the endeavour of organizations worldwide. Advocacy organizations, non-profit organizations and social enterprises have sought to address specific parts of this challenge over the years. By focusing on fundamental issues such as identity, putting together a broad-based approach spanning job linkages, access to welfare and training and by sharing their experiences at the highest of policy and implementation – LabourNet has taken a comprehensive and holistic strategy towards improving the lives of the workers.

Having addressed 36,000 workers, LabourNet has made remarkable but early strides in addressing a problem that impact 90% of a population of 1 billion. While the challenge is daunting, it also provides a unique opportunity for LabourNet to impact the lives of millions of workers.

Clearly, the experiences have highlighted systemic challenges and trade-offs that LabourNet has had to make. A lot of these challenges and experiences are representatives of those faced by social enterprises today. Strong operational efficiency, choice between financial and social impact, effective social engagement strategy with the beneficiaries and the continuing collaboration with the government are issues that organizations have to address to create sustainable social impact, while ensuring their own sustainability.

Going forward, LabourNet has a twin role to play – both in the implementation on the ground and in defining and influencing policy – in collaboration with the government to ensure that there are effective and scalable solutions to the problems that at the centre of their focus and existence.