Supply chain nutrition program Case Study Template

Gain and NewForesight

Methodology for assessing the business case of nutrition programs

10 July, 2019

Introduction to the document

Why are we doing this study?

Aim of this study

With this study, we aim to develop a way to assess:

- how effective current supply chain nutrition programs are,
- which programs work,
- in which contexts,
- what matters to private sector players and
- what GAIN can do in order to better support these private sector players.

Purpose of this document

The purpose of this document is to

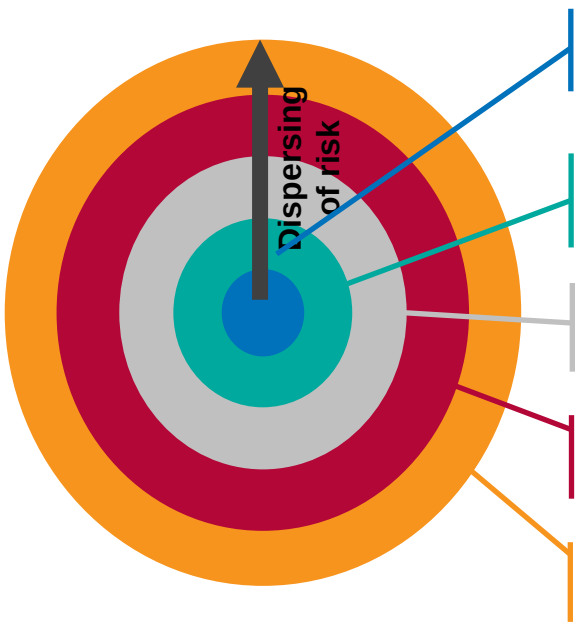
- give an overview of our reasoning behind looking at the business case of supply chain nutrition programs
- explain the methodology we developed to understand the business case and the likeliness of implementation of nutrition programs
- share the results of applying the methodology we developed to a specific program

Key definitions we use throughout this study

- A **supply chain nutrition program** is one that is delivered by the private sector to workers in the supply chain e.g. factory workers in the garment sector, plantation workers in the tea sector, or small holder farmers in the cocoa sector
- The **business case** is the overall sum of costs and benefits for different stakeholder surrounding the nutrition program

Introduction to the case study methodology

Malnutrition leads to risks for different stakeholders which can be addressed through supply chain nutrition programs



Individual
Malnutrition affects individuals in the short, medium and long-term by manifesting in physical and behavioral risks that can also affect their ability to work and take care of their families.

Private sector
This can directly and indirectly impact companies, including traders and buyers through affecting work capacity, turnover rates, costs of healthcare and can also lead to indirect risks e.g. brand reputation

Community
Malnutrition related lower health and productivity can lead to less economic activity on community level and lower income and health risks for a household.

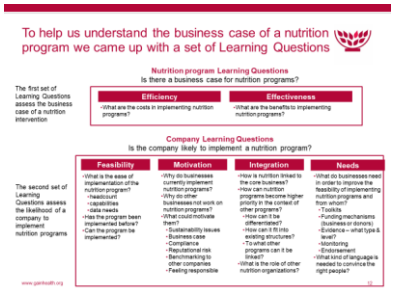
Market
Malnutrition related lower income may lead to communities with less purchasing power and therefore a smaller local market.

Government
All the risks above can lead to higher costs for the government, a lower GDP, public unrest, decreased tax revenue and failing to meet development targets e.g. SDGs.

- There are a range of **possible entry points for improving nutrition** e.g. the education system, the financial sector, the health care system and the supply chain.
- **The supply chain is an effective entry point** as people spend a large part of their waking hours at work (within the supply chain) and it is an already established and organized delivery channel with existing delivery mechanisms.

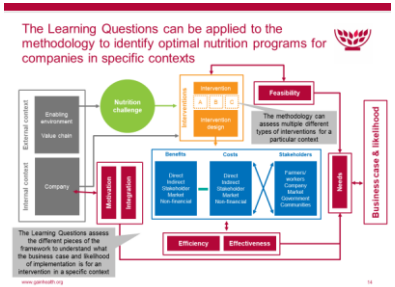
- **Supply chain nutrition programs** address nutrition through the supply chain, with interventions focused on access to and demand for healthy food, supporting breastfeeding and addressing nutrition related health issues.
- They can have **benefits for different stakeholders on different levels.**
- In order for these programs to be economically viable in the long term, **we need to understand their business case** both financially and non-financially.

We will understand the business case of supply chain nutrition programs using a standardized methodology



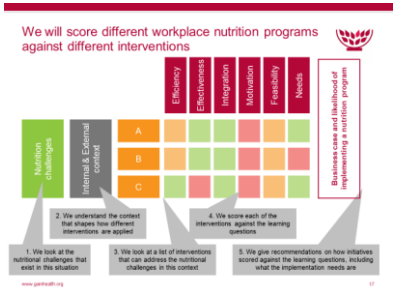
1. Learning Questions

We developed a set of Learning Questions that focus on a) the likelihood of a company implementing a supply chain nutrition program and b) the business case of a specific nutrition program.



2. Framework

We apply the Learning Questions to a framework that helps identify what an optimal nutrition program is for a specific context, taking into account the company, enabling environment, intervention type and design and which specific nutrition challenges are being addressed.



3. Scoring

We will score the nutrition program on the 6 different learning questions to understand what is important in implementing a nutrition program and to have a standardized way to compare nutrition programs.

4. Methodology

We apply this standardized methodology across cases to understand the business case of nutrition programs and the likelihood of them being implemented. The methodology will therefore be presented in the form of a case study.

Structure of this document

1. *Introduction to the case study methodology*
2. *The case study outline*

The context of the nutrition program

Overview of the intervention

Likelihood of the intervention being implemented

The business case of the nutrition intervention

Conclusions & insights

Our aim is to assess the business case of nutrition interventions across multiple stakeholders

What do we mean by business case?

- The **business case** is the overall sum of costs and benefits for different stakeholder surrounding the nutrition program

- The simplified overview on the left shows our logic behind the multi stakeholder business case.
- We assess if there is a business case (a positive sum of benefits and costs) as well as whether the costs and benefits are distributed evenly between the different stakeholder levels.
- The assessment is done through a combination of quantitative and qualitative methods

How do we select a case study partner?

- The case study partner is our 'point of departure' for studying the broader business case of nutrition programs. From this 'point of departure' we aim to answer our learning questions and improve our methodology, also by engaging key other stakeholders. We use the following criteria for selecting partners:
  - ❑ They are implementing a nutrition program, so we can best understand the context, efficiency, and effectiveness
  - ❑ They are working together with GAIN
  - ❑ They have high quality data available
  - ❑ They have potential for follow up work
  - ❑ They are ambitious and motivated for impact
- Based on a broader business case analysis we assess the different bottlenecks, decision-makers and key people to target within each sector.
- This will help guide where GAIN could focus its efforts within a particular supply chain.

The case study

How to navigate the case study

- Introduction
- Context
- Intervention
- Motivation
- Integration
- Feasibility
- Needs
- Efficiency
- Effectiveness
- Conclusions

1. Structure
The case template will cover the topic areas outlined in the study framework (described in slide 6)
Colored tabs indicate which topic is being covered.

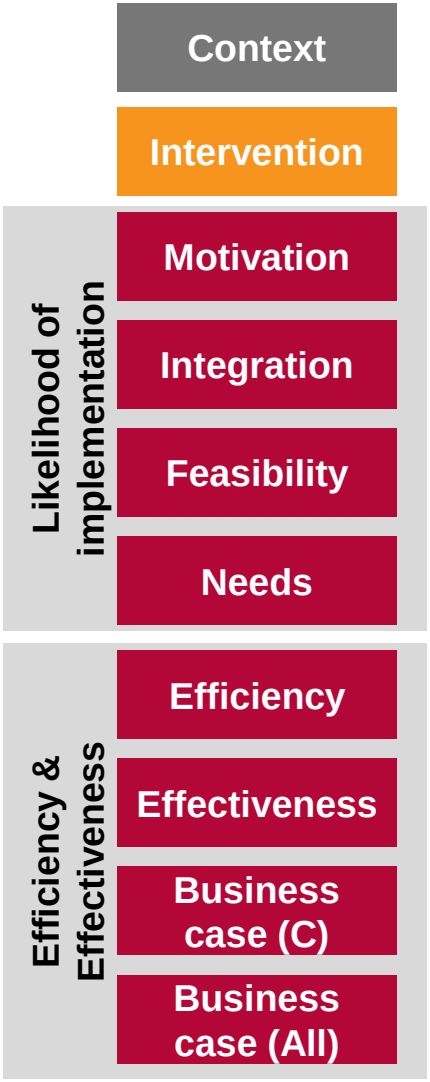
2. Guidance
Blue callout boxes will explain how the analysis will be conducted.

Analysis
Where will we gather the information?
How will we conduct the analysis?

3. Discussion
A discussion box will indicate the questions we are trying to answer with the analysis

Discussion box
- What questions do we want to answer?

What are the overall conclusions and insights from the case study?



Discussion box

- What is the context of the program and what are the implications for this on nutrition?
- What does the intervention look like?
- What are the overall conclusions?
- What are the overall insights?
- How does this nutrition program compare to others?
- How does the business case impact the likelihood of a nutrition program being continued, replicated or scaled up?
- How do the different learning questions impact each other?

The context of the nutrition program

Nutrition program context: summary of key findings

Context		Here we will score the supportiveness of the context the program is in and what the implications are for nutrition programs in the particular country, sector, supply chain, and company.

- Highly supportive context
- Mixed context
- Highly challenging context

What does the case study partner look like and how does that influence implementation?

General overview

Type of company

- E.g. trader/ processor/ manufacturer

Size of the company

- Small/ medium/ large

Nutrition related strategies of the company

- Sustainability/ Human resources/ Other

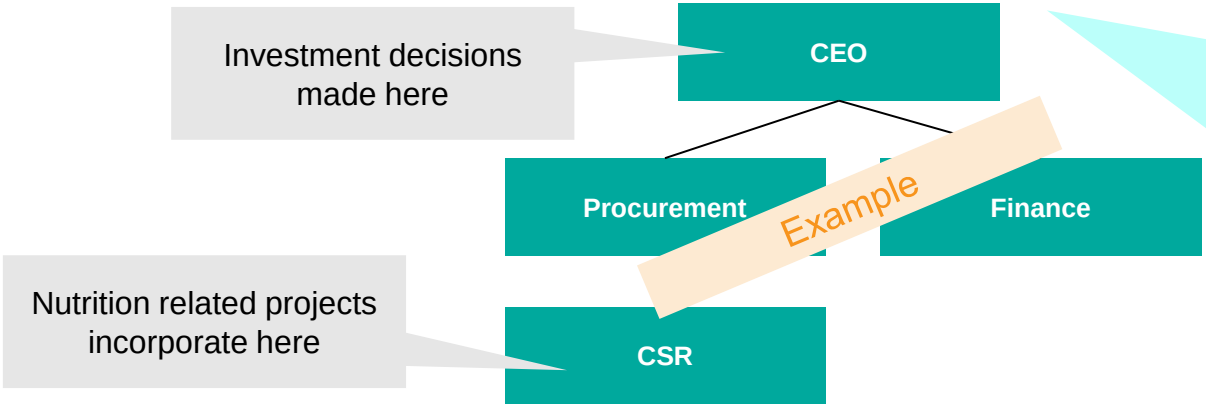
Nutrition interest of the company

- High/ medium/ low

Discussion

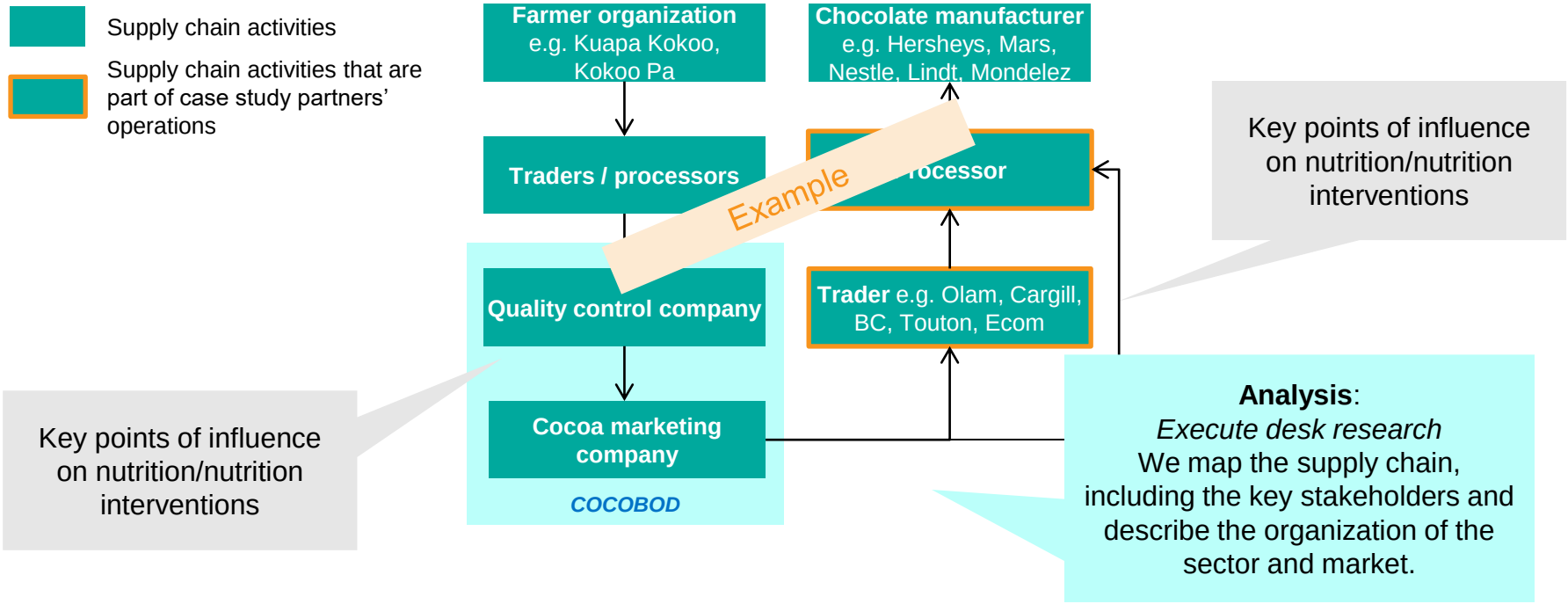
- How does the company context influence implementation of nutrition interventions?
- How might this be different in other contexts?

Organogram



Analysis:
Interview implementing organizations
We give an overview of the company and its different departments and indicate which departments are relevant to decision making on and implementation of nutrition programs.

What does the supply chain look like and where does the company fit in?



Sector
- Supply chain organization (tight/ loose)
- Type of supply chain (Small/ large producers)

Market dynamics
- Price
- Supply
- Market location (EU market more sustainability oriented)
- Type of customers

What are the issues and enabling environment that influence nutrition programs?

Challenges / issues

General

- What are the greatest sustainability challenges companies face in the context (country/ supply chain) of this nutrition program?
- How do these challenges affect the implementation of the nutrition program?

Nutrition

- What are the greatest nutrition challenges workers or farmers face in this context?

Analysis:
Execute desk research and interview stakeholders
We will assess what the greatest sustainability and nutrition challenges are that might influence the design of the nutrition program.

Analysis:
Interview implementing organizations
We map the enabling environment that is in place and assess how it influences the implementation of nutrition programs.

Enabling environment

Country

- In which country is the program implemented?

Infrastructure

- What level of infrastructure is available in terms of roads, electricity, water?

Institutions

- How strong are institutions such as banks, law enforcement?

Laws & regulations

- Are there regulations in place that hinder the implementation of nutrition programs?

Taxes & subsidies

- Are current taxes and subsidies stimulating or prohibiting favorable nutrition practices?

The Workplace Nutrition program

What does the nutrition program consist of and how is it designed?

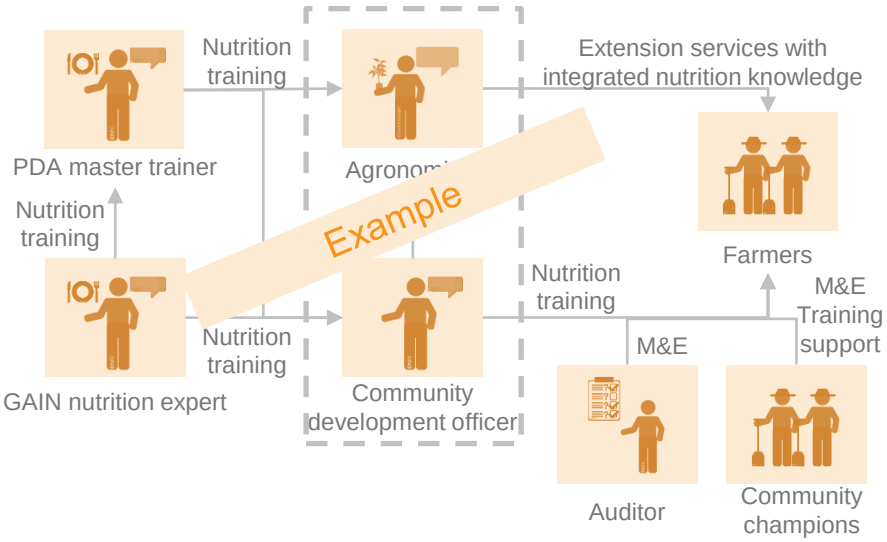
Intervention type(s)

Access to food
- E.g. food or inputs provision for vegetable gardens

Demand creation
- E.g. behavioral change communication

Breastfeeding support
- E.g. lactation space for breastfeeding mothers

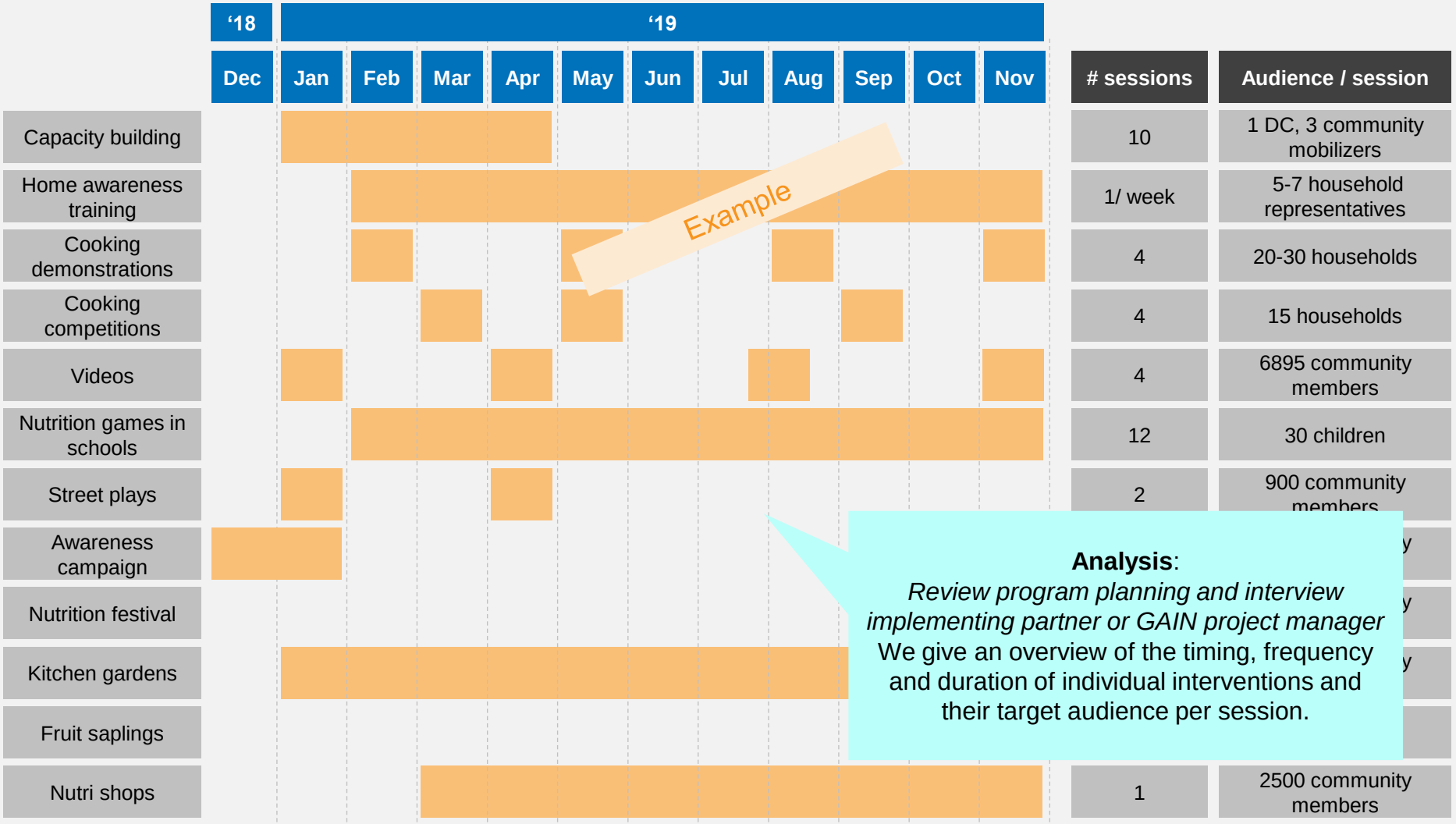
Addressing nutrition related health issues
- E.g. obesity, non communicable diseases and hygiene



Intervention design
- Scale
- Duration and intensity
- Sequencing of intervention
- Staffing
- Data Collection
- Service delivery method
- Partners for implementation

Analysis:
Interview implementing organizations and review intervention reports
We give an overview of what the intervention that the company is implementing in addressing an how it has been designed. We will illustrate this to indicate the roles of different partners

What is the timing, frequency and duration of the interventions and what is their target audience?



The Likelihood of a nutrition program being implemented

What is the overall likelihood that the nutrition program will be implemented?

Integration		We will score the level of integration of nutrition (programs) in the structure and strategy of the company. The more integrated it is to the company, the higher the score.
Motivation		We will score the different motivations on being present and rank them on level of importance for making the decision to implement for the case study partner, and potentially other organizations that invest In the program.
Feasibility		We will score to which extent the nutrition program can be continued, replicated or scaled up, by e.g. integrating it into existing programs or operations. The more feasible, the higher the score.
Needs		We will score the case study partner and customers needs to continue, replicate or scale the program(e.g. toolkit, funding, evidence, monitoring, endorsement) on level of importance, adding qualitative insights with more detail.

Strong integration/motivation ; High feasibility

Medium integration/motivation ; Medium feasibility

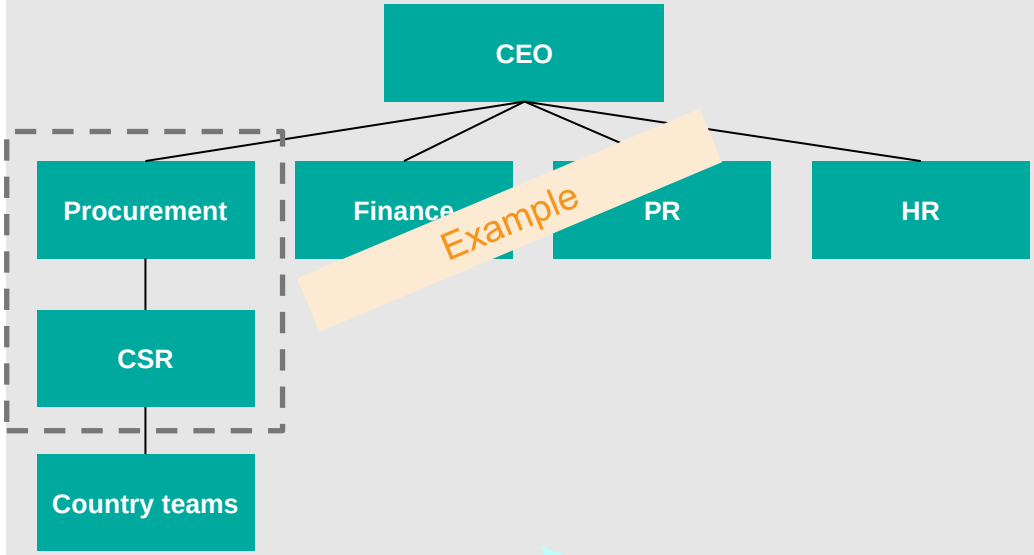
Low integration/motivation ; Low feasibility

Needed

Not needed / no strong need expressed

How is the nutrition program integrated into the current operations of the case study partner?

Organogram



Analysis :
Interview case study partner and review nutrition program reports
During interviews we will walk through the org structure of the company to understand who is responsible for different programs. We will also look at program reports to understand how nutrition programs are integrated into the company structure.

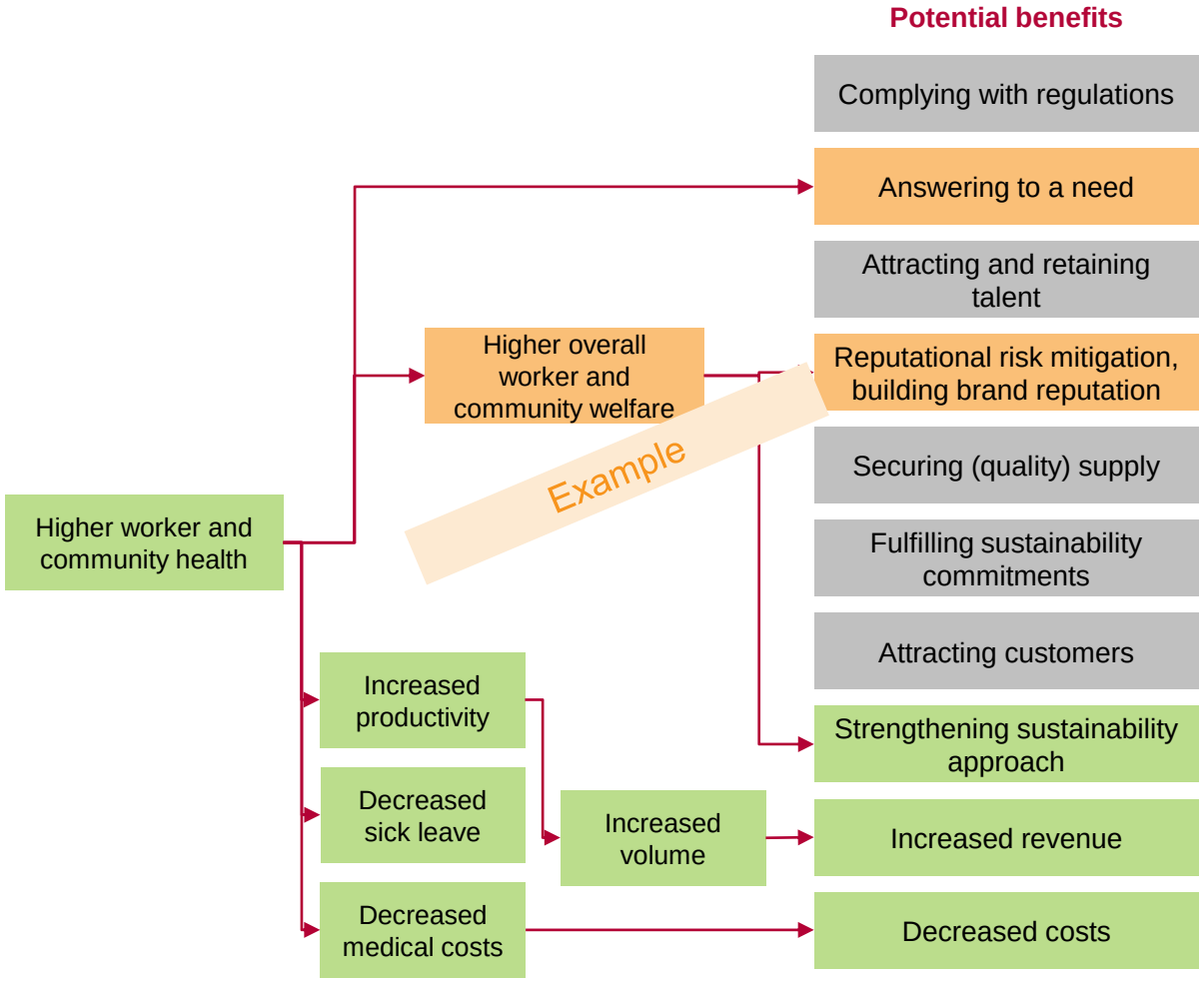
Discussion box:

- What role do different departments play in the implementation of nutrition programs?
- How does the nutrition program fit / interact with the other programs in terms of logistics?
- How are the different issues prioritized?
- Are the programs funded from the same place?
- How can programs benefit from each other, can they be interlinked?
- What was the decision process for implementing a nutrition program?
- How was it initiated?
- Who made the final decision on whether to implement or invest?

Definition of potential benefits of the program we use in this methodology

Complying with regulations	Complying with government regulations or guidelines on nutrition
Answering to a need	Answering to a need of workers, their households, or wider community by addressing their nutrition related issues
Attracting and retaining talent	Attracting talent and employee engagement as investing in nutrition program will position the company as sustainability frontrunner
Reputational risk mitigation, building brand reputation	Building brand reputation and customer trust by investing in nutrition programs as part of efforts in improving working conditions
Securing (quality) supply	Securing future quality supply of resources or products to process or resell, by improving nutrition of current and future workers
Fulfilling sustainability commitments	Realizing previously made sustainability commitments by itself, its shareholders or customers partially or fully by addressing nutrition challenges in its supply chain
Attracting customers	Attracting customers by positioning itself as nutrition front runner or meeting customer requirements by investing in nutrition programs
Strengthening sustainability approach	Strengthening approach of existing sustainability efforts, by making them more holistic by adding a nutrition component.
Increased revenue	Increased revenue by higher performance of workers or farmers, resulting in higher quality and/or higher quantity supply as a result of improved nutritional status and higher energy levels.
Decreased costs	Decreased nutritional related health treatment costs, or costs associated with absenteeism, paying for an unproductive line of workers, training costs associated with high turnover

How do the case study partner motivations link to the nutrition program from their viewpoint?



Discussion box:

- What outcomes do case study partners expect from nutrition programs?
- How do the expected outcomes relate to the factors that motivated the case study partner to implement and invest in the nutrition program?
- How do the expected outcomes from the nutrition program link to sustainability commitments of the case study partner?
- Is the case study partner already measuring / reporting on the outcomes?

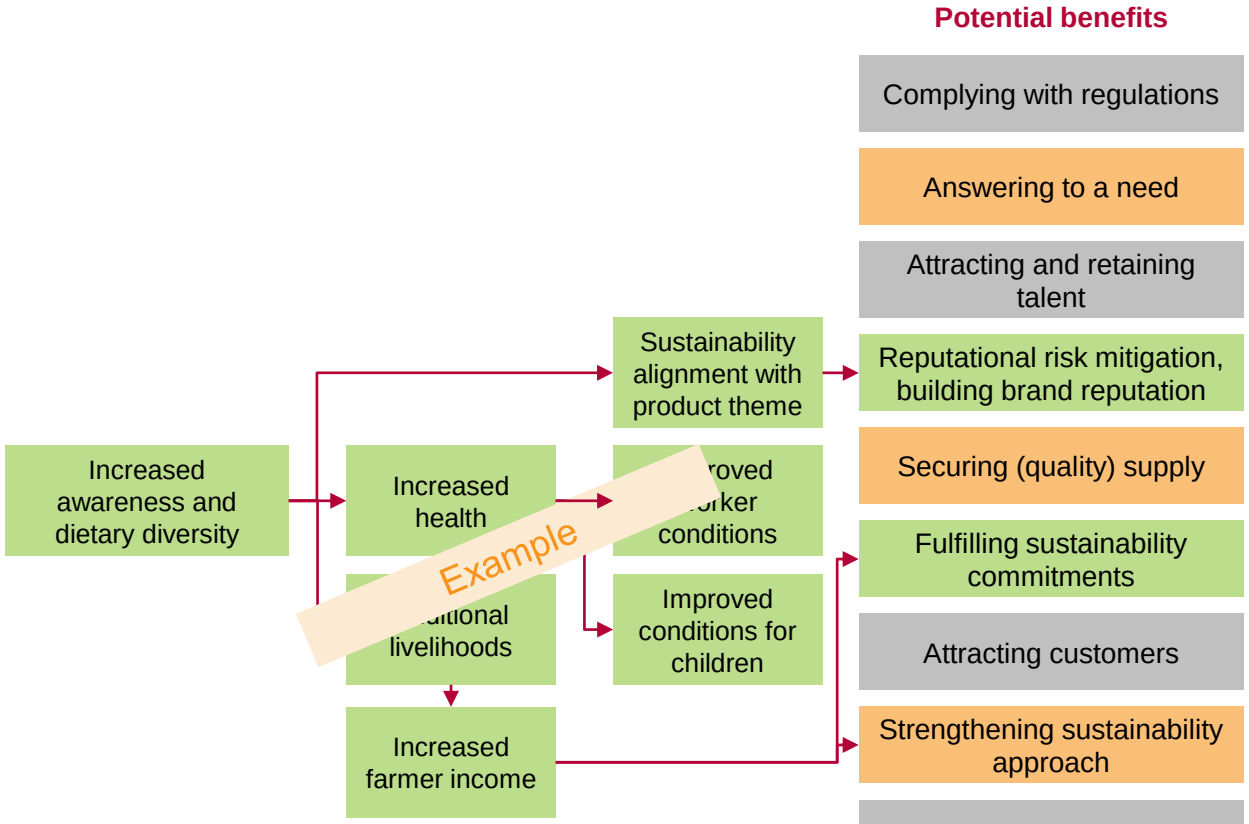
Analysis:
Interview relevant case study partner departments
During interviews we will walk through the expected outputs and outcomes of the nutrition program to map the case study partner's expectations and motivational factors.

Highly motivating factor

Partially motivating factor

Not regarded as important by case study partner

How do the customer's motivations link to the nutrition program from their viewpoint?



Discussion box:

- What outcomes do customers expect from nutrition programs?
- How do the expected outcomes relate to the factors that motivated the customer to invest in the nutrition program?
- How do the expected outcomes from the nutrition program link to sustainability commitments of the customer?
- Is the customer already requesting KPIs on the outcomes of the program?

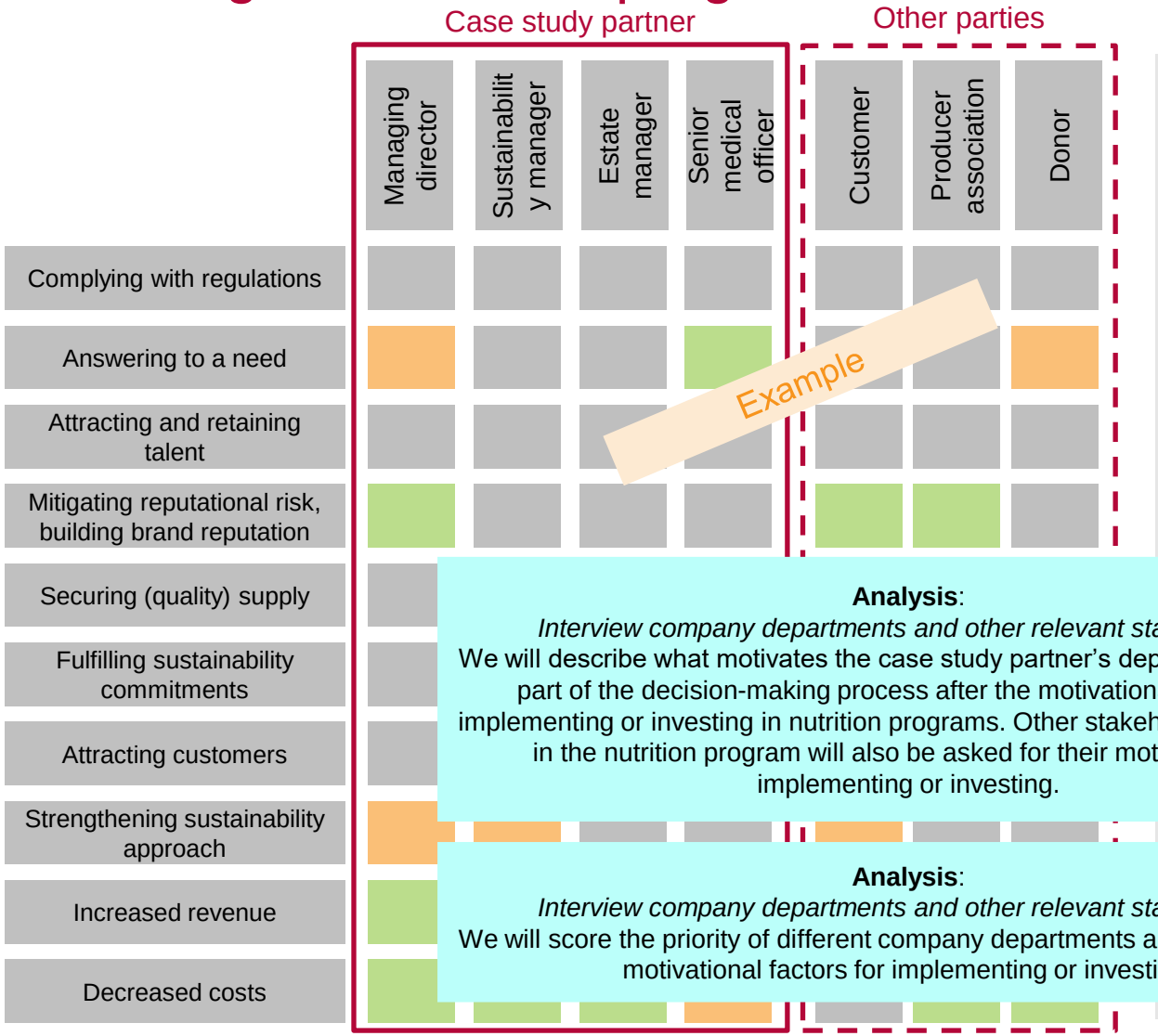
Analysis:
Interview case study partner's customer
During interviews we will walk through the expected outputs and outcomes of the nutrition program to map the customer's expectations and motivational factors for investment.

Highly motivating factor

Partially motivating factor

Not regarded as important by customer

What is the main motivation for implementing or investing in a nutrition program?



Discussion box

- Which stakeholders invest in the nutrition program, if any other than GAIN?
- What motivates stakeholders and departments to implement or invest in a nutrition program?
- How can the motivational factors be ranked on importance for taking the decision to invest or implement?
- What is their main reason to implement and/ or invest?

Analysis:
Interview company departments and other relevant stakeholders
We will describe what motivates the case study partner's departments that are part of the decision-making process after the motivational factors for implementing or investing in nutrition programs. Other stakeholders that invest in the nutrition program will also be asked for their motivations for implementing or investing.

Analysis:
Interview company departments and other relevant stakeholders
We will score the priority of different company departments and (co-) investors motivational factors for implementing or investing.

Highly motivating factor | Partially motivating factor | Not a motivating factor

What is the feasibility of continuing, scaling and/or replicating the program and what are the needs?

	Case study partner	Customer
Ambition	**Discussion Box** • What is regarded as the replication and scaling potential of this program? • What is your ambition for continuing, scaling or replicating the nutrition program? • Do you have requirements the program needs to meet for you to start realizing that ambition?	**Discussion Box**

Analysis:
Interview case study partner and their customer
During interviews we understand the ambition of the case study partner and customer for continuation, scaling and/or replication of the program and the requirements the program needs to meet in order for them to realize that ambition.

Needs for scaling up the nutrition program

	Toolkit	Evidence	Funding	[illegible]	Endorsement	Commitment	Expertise
Touton							
Ferrero							

Example

	Case study partner	Customer
Needs	**Discussion box** • What is needed to continue, scale and/ or replicate the nutrition program? And from whom?	**Discussion box**

Analysis:
Interview case study partner and their customer
We will also describe what the case study partner and their customer need for continuing, scaling and/or replicating the program and from whom.

Needed

Not needed / no strong need expressed

Effectiveness and Efficiency

What is the business case of the nutrition program?

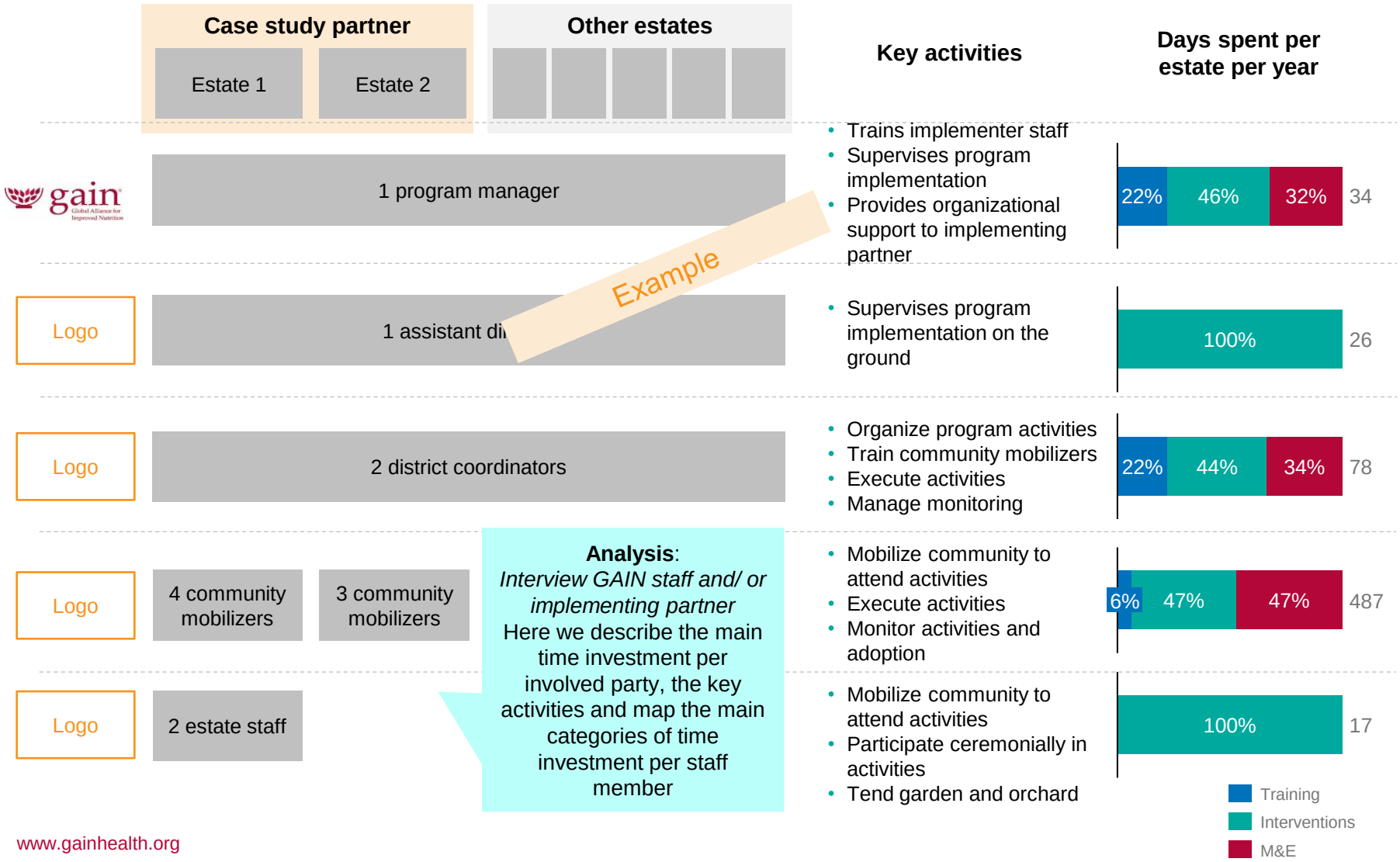
Efficiency		We will score the efficiency of the nutrition program. This scoring will differ depending on benchmarks for the program type and country/sector.
Effectiveness		We will score the effectiveness of the nutrition program, based on the quantifiable and non-quantifiable benefits perceived by the stakeholder groups. This scoring will differ depending on benchmarks for the program type and country/sector.
Business case (company)		We will score the business case of the case study partner, looking at total benefits – total costs.
Business case (overall)		We will score the overall business case by looking at the individual business cases of the different stakeholder groups, total benefits – total costs.

High efficiency ; strong impact and/or data measurement ; strong business case

Average efficiency ; average impact and/or data measurement ; average business case

Poor efficiency ; poor impact and/or data measurement ; poor business case

What is the overall time investment in the program and by whom?

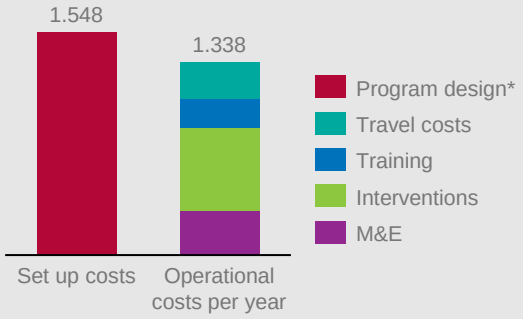


Analysis:
Interview GAIN staff and/ or implementing partner
Here we describe the main time investment per involved party, the key activities and map the main categories of time investment per staff member

What are the main cost categories of the nutrition program and what are costs per intervention?

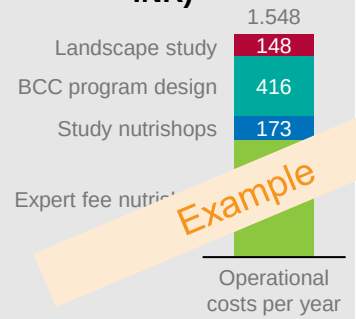
Set-up costs and operational costs by category for 1 estate

Overall cost categorization (000 INR)



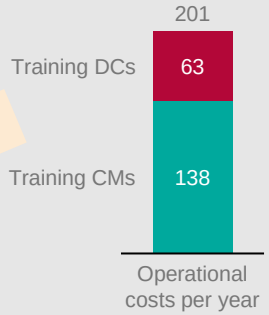
*total design costs divided by 7 estates

Program design* (000 INR)



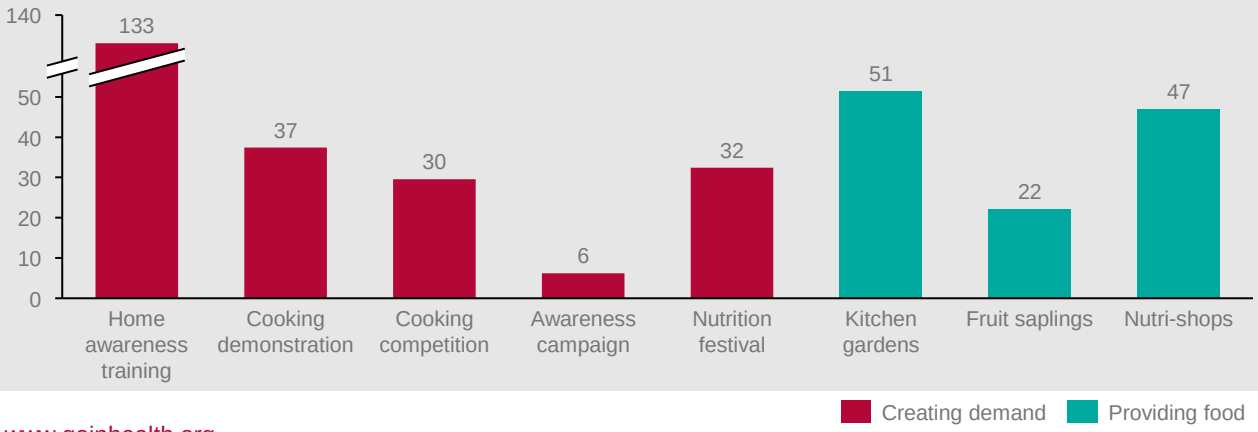
*Landscape study and BCC program costs divided by 7 estates
Nutri-shop costs divided by 4 estates

Training (000 INR)



Monitoring & evaluation (000 INR)

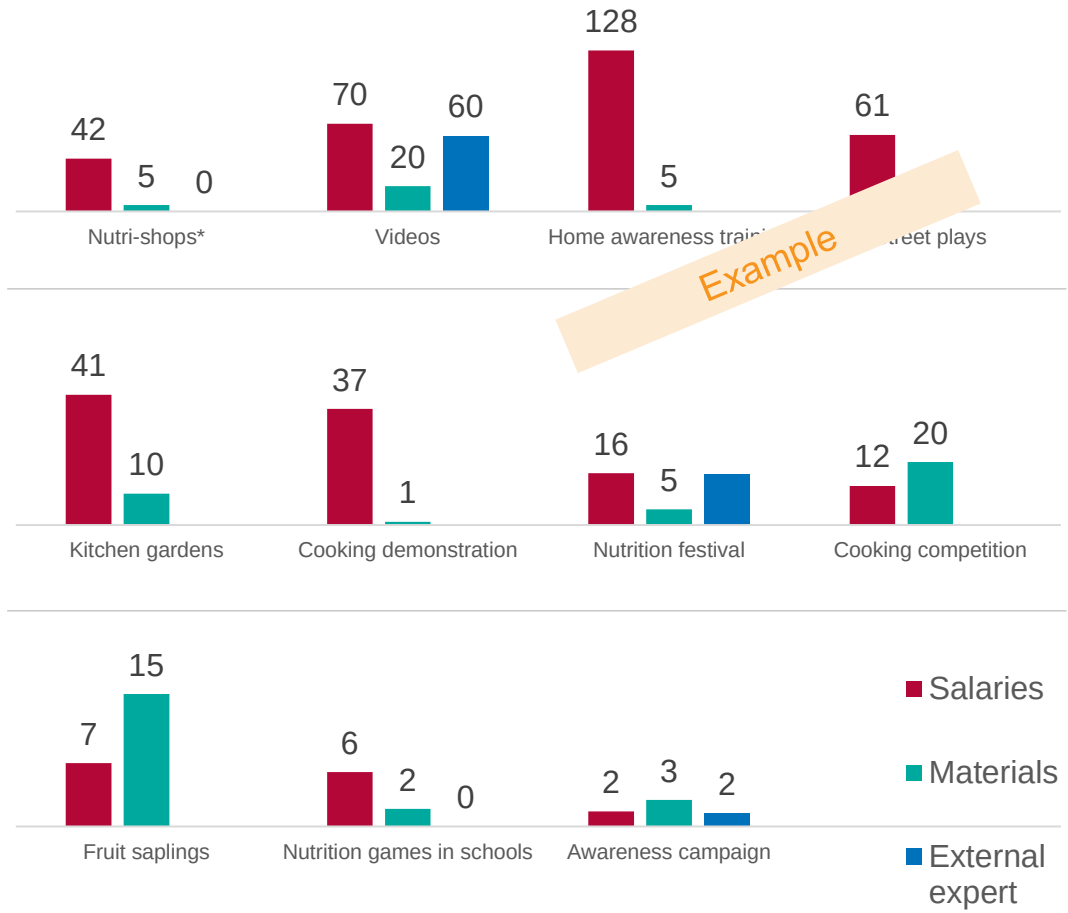
Interventions (planning and execution) (000 INR)



Analysis:
Analyze financial data and program reports
We map and compare the costs per category and phase, seeing which categories are most cost intensive.

What are the main costs components of individual interventions?

Cost breakdown per intervention (000 INR)



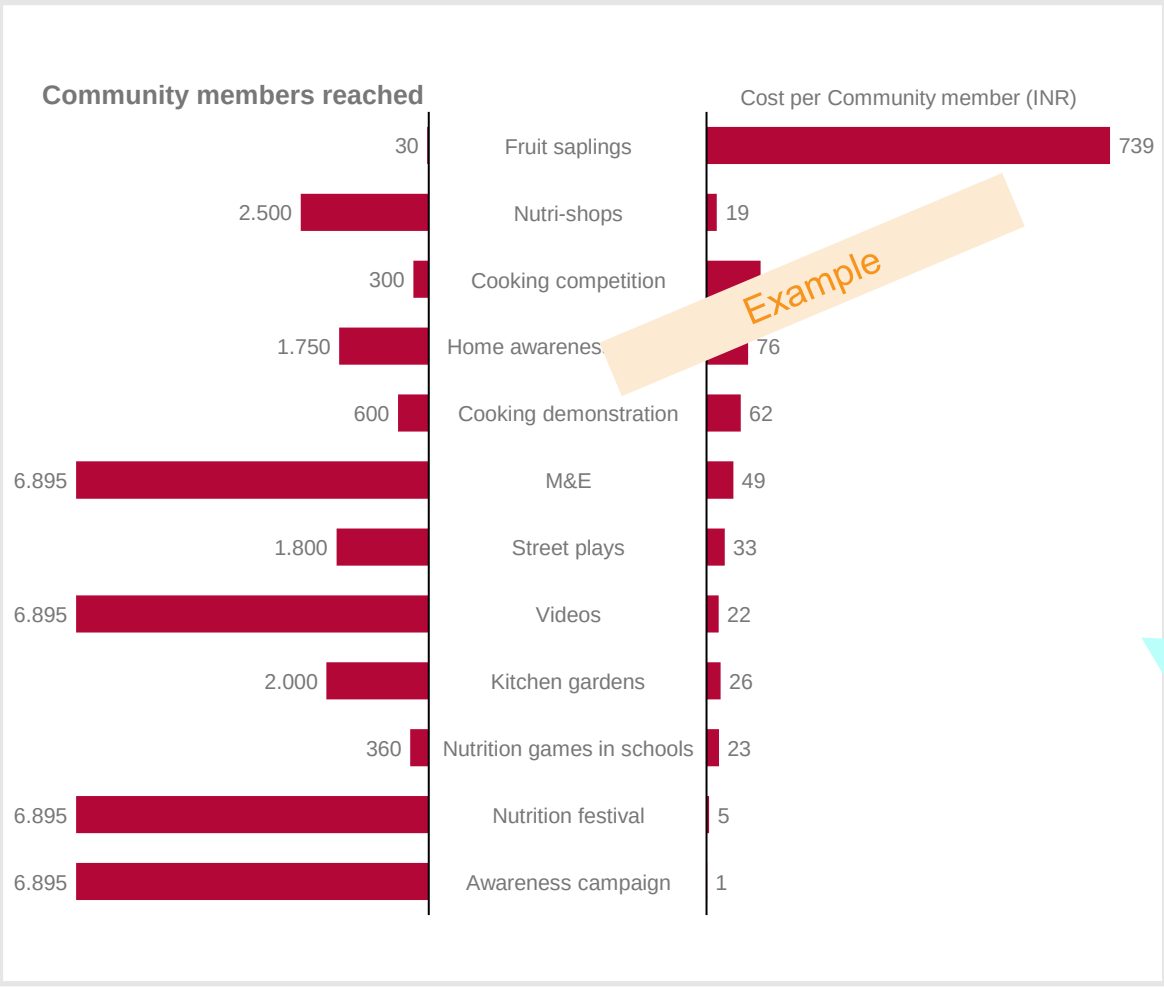
Discussion

- What are the main cost categories per intervention and in general?
- How were the costs calculated?
- What costs stand out and what are the reasons behind it?

Analysis:
Analyze financial data and program reports
We look at the main cost components per individual intervention to understand major differences and potential opportunities for increasing efficiency.

What are the costs per community member of the individual interventions?

Scale of the interventions (# community members reached) and cost per community member (INR / community member)



Discussion

- Which interventions stand out in cost efficiency? How do they stand out?
- What is the reason behind outlying interventions in cost-efficiency?
- Is there data available on effectiveness of the interventions?

Analysis:
Analyze financial data and program reports
We look at the reach versus costs per community member, to understand the cost-efficiency per intervention. Ideally this could be combined with data on adoption or effectiveness

What direct benefits is the company expecting and how can they be measured?

	Benefit	Data (available)	Impact (evident)
1	**Increased productivity** • Increased productivity per worker leads to **decreased costs** (fewer temporary workers and lower cost per kg of tea picked).[1] • Indicators to measure: ₹ Wages & benefits temporary worker * # of temporary workers[1]		
2	**Decreased sick leave** • Less sick leave days results in more available workers picking the tea, leading to higher estate level productivity which may lead to **revenue increase**[1] • Indicators to measure: Kg/ worker produc… sick days permanent worker (indoor & outside referral)[1]		
3	**Decrease in medical costs** • Reduced malnutrition related medical costs for permanent workers leads to overall **decreased costs**.[1] • Indicators to measure: ₹ expenditure: ambulance, sick allowance, hospital medicine, total costs outside treatment, hospital feeding[1]		
4	**Improved worker health** • Improved health leads to the benefits above as well as resilient supply chains as perceived by Unilever[2] for **securing supply** and **decreased reputational risk**.[1] • Indicators to measure: # maternal mortality, # infant mortality, % sick rate, # TB patients, # reported anemia[1]		

Example

Data available | Evident impact
No data available | No evident impact
Limited data available | No data available yet

Discussion

- What are the benefits that the company is expecting?
- What data is the company already collecting related to those benefits?
- What would be effective indicators to measure progress on the benefits?
- How attributable and reliable is the evidence of benefits?

Analysis:
Identify potential benefits and define indicators that can be used to measure it
The benefits the company expects and is interested in can be described here, including what indicators are feasible to measure them on a company level.

What are the non company benefits of the nutrition program?

	Direct/ measurable	Indirect/ harder to measure
Farmer/ worker	• Higher energy levels • Improved nutritional status • Healthier children/household	• Higher cognitive functions • Higher mental health • Higher productivity
Community	• Increased household health	• Overall increase of income • More jobs due to new market of nutritional products • Higher purchasing power
Market		• Increased local demand for nutritional products • Increased market due to higher purchasing power
Government		• Increased GDP • Decreased public unrest risk • Increased tax revenue

Example

Analysis :
Conduct interviews / focus groups and desk research
Here we will describe and score the benefits as perceived per stakeholder. We will do this based on interviews with the stakeholder groups in the matrix, and for market and government it will be largely based on desk research.

Conclusions & insights

Conclusions and insights

Discussion box

- What can we conclude from the analysis?
- What insights can we provide the company with?
- What are the implications for GAIN and the role it can play?

Annex

To help us understand the business case of a nutrition program we came up with a set of Learning Questions

The first set of Learning Questions assess the business case of a nutrition intervention

Nutrition program Learning Questions

Is there a business case for nutrition programs?

Efficiency

- What are the costs in implementing nutrition programs?

Effectiveness

- What are the benefits to implementing nutrition programs?

The second set of Learning Questions assess the likelihood of a company to implement nutrition programs

Company Learning Questions

Is the company likely to implement a nutrition program?

Feasibility

- What is the ease of implementation of the nutrition program?
  - headcount
  - capabilities
  - data needs
- Has the program been implemented before?
- Can the program be implemented?

Motivation

- Why do businesses currently implement nutrition programs?
- Why do other businesses not work on nutrition programs?
- What could motivate them?
  - Sustainability issues
  - Business case
  - Compliance
  - Reputational risk
  - Benchmarking to other companies
  - Feeling responsible

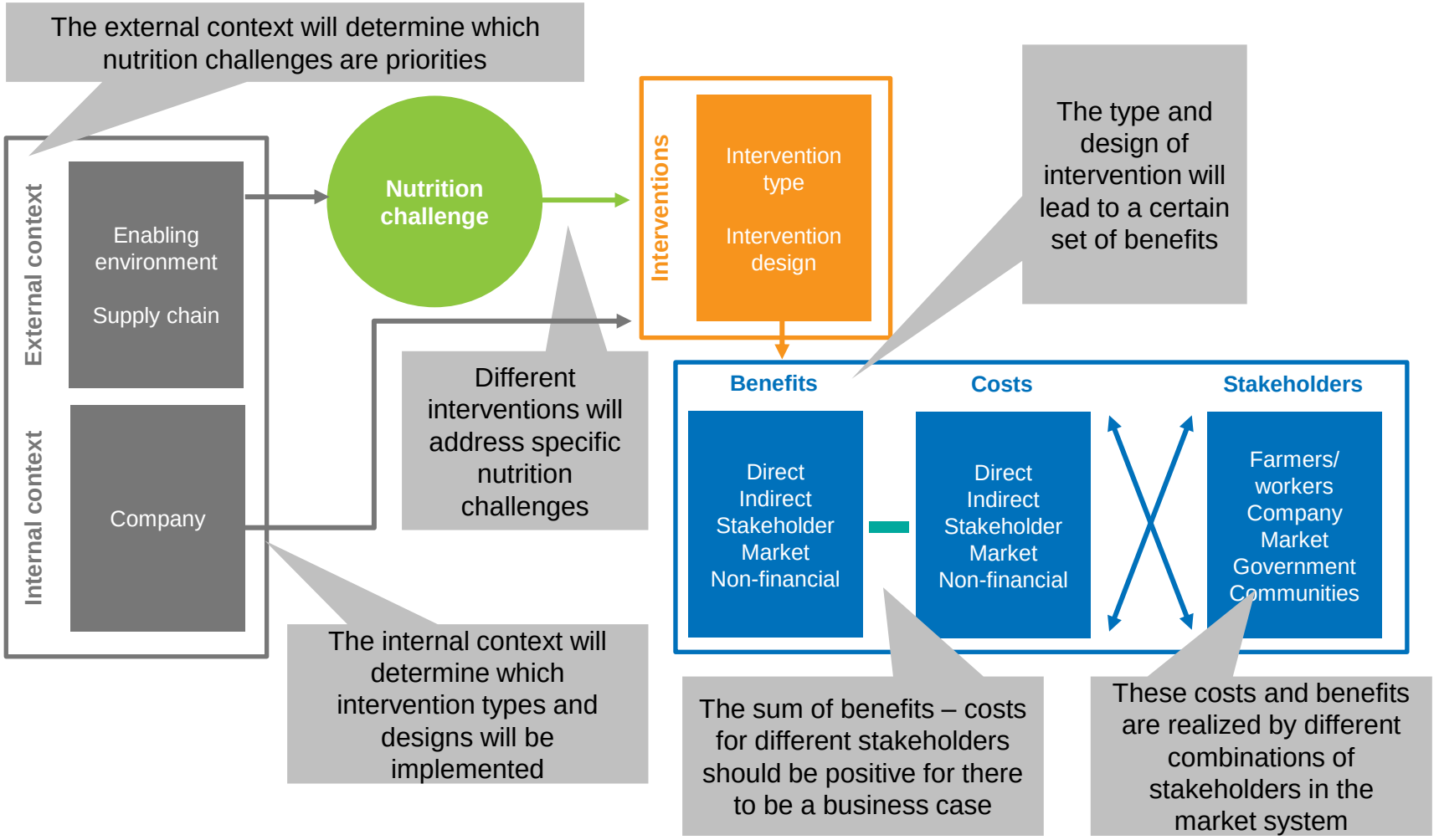
Integration

- How is nutrition linked to the core business?
- How can nutrition programs become higher priority in the context of other programs?
  - How can it be differentiated?
  - How can it fit into existing structures?
  - To what other programs can it be linked?
- What is the role of other nutrition organizations?

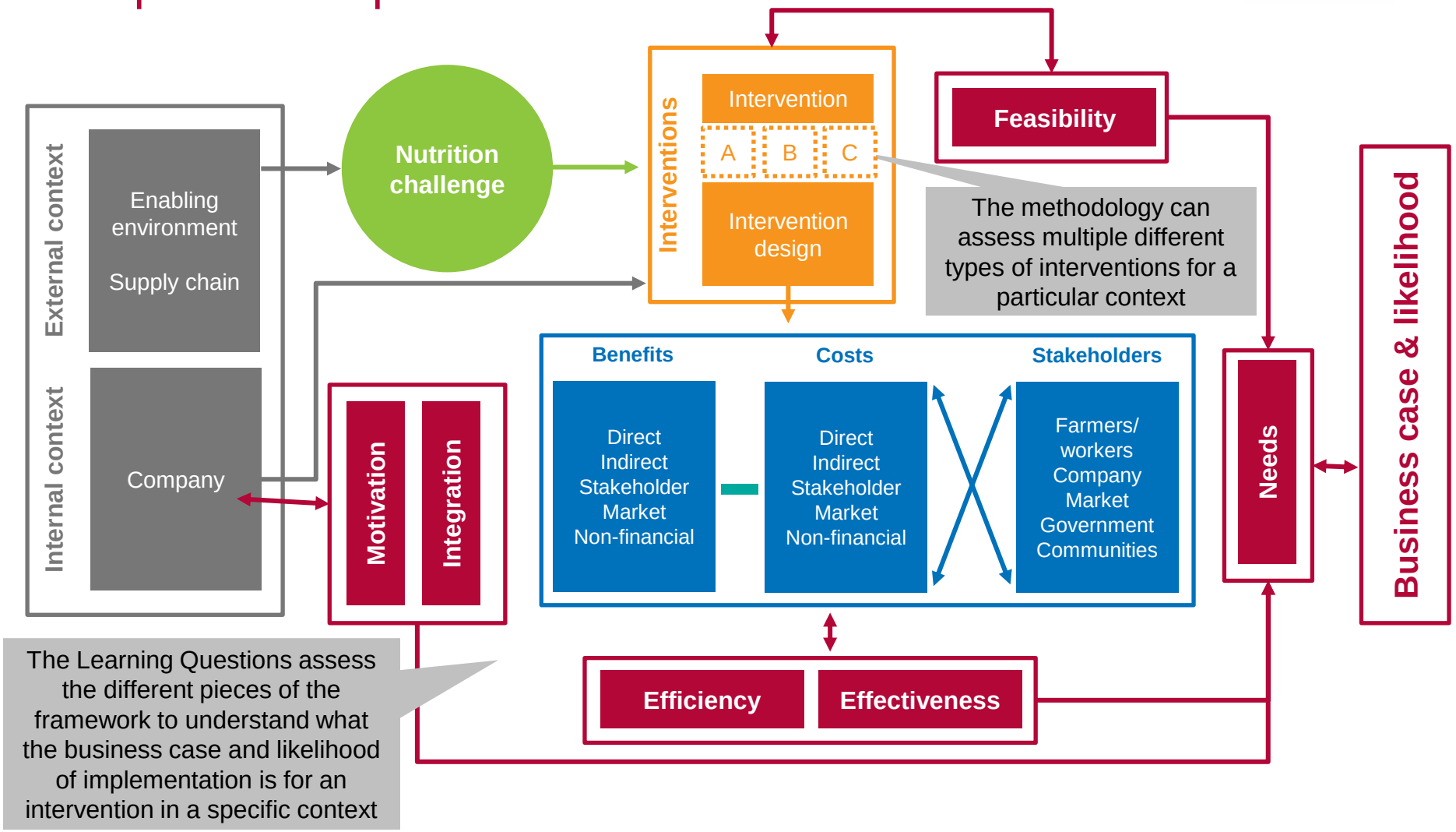
Needs

- What do businesses need in order to improve the feasibility of implementing nutrition programs and from whom?
  - Toolkits
  - Funding mechanisms (business or donors)
  - Evidence – what type & level?
  - Monitoring
  - Endorsement
- What kind of language is needed to convince the right people?

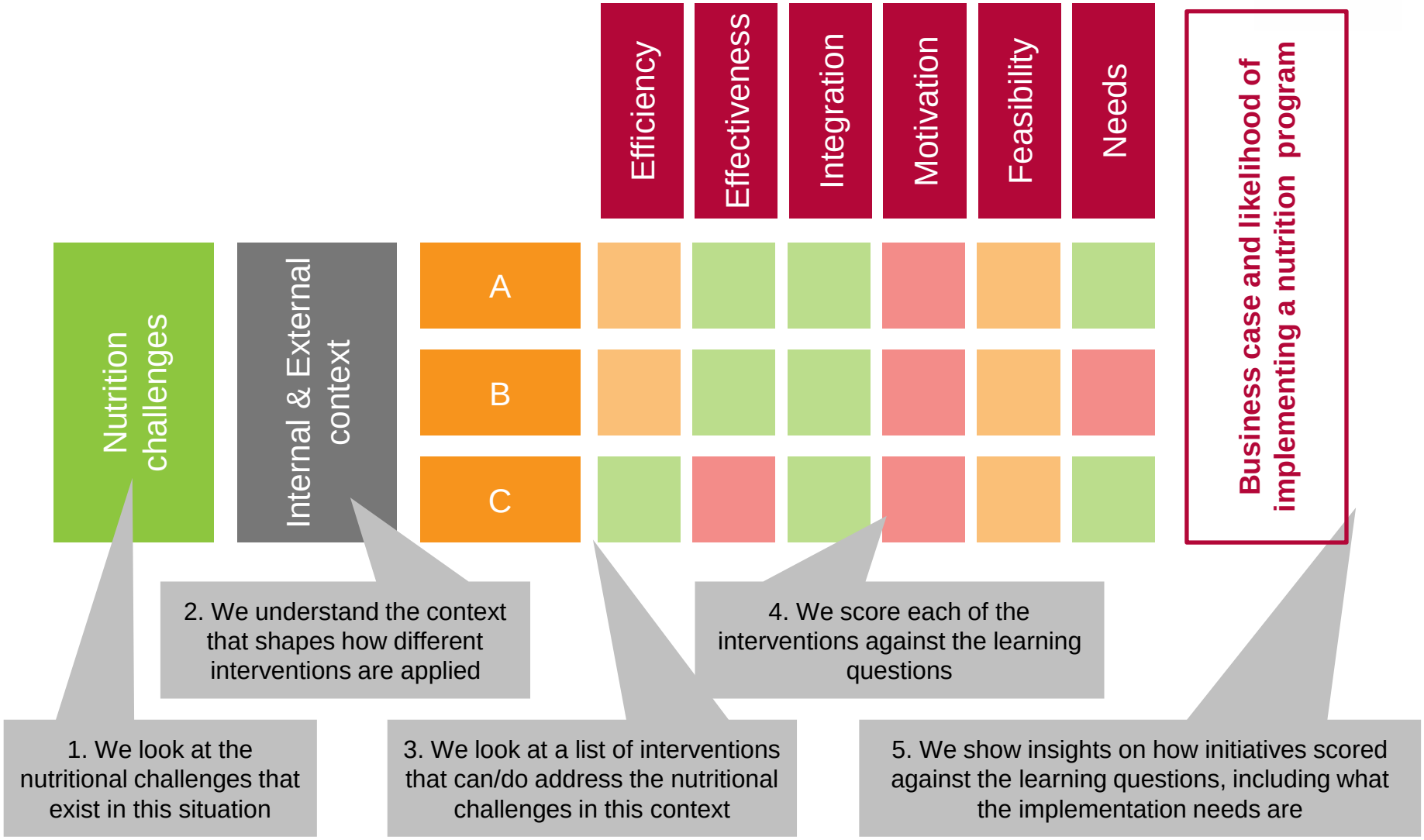
We also developed a methodology that allows us to assess nutrition programs in specific contexts



The Learning Questions can be applied to the methodology to identify optimal nutrition programs for companies in specific contexts



We will score different workplace nutrition programs against different interventions



THANK YOU

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