

Socio-Economic Impact Measurement (SEIM) of Operations at Tenkasi



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1 Background to the Study

Zoho Technologies Pvt Ltd. and Zoho Corporation Pvt Ltd (hereinafter referred to as “Zoho” throughout this Report), a leading SaaS company launched in 1996 offering a wide range of online software, is desirous of measuring the socio - economic footprint of its operations @ Tenkasi.

Zoho engaged Economix Consulting Group (ECG) in January 2021 to undertake this exercise. The attached Final Report summarises the approach & methodology, the analytical process, the observations and our recommendations.

1.1 Zoho @ Tenkasi

1.1.1 The Origin

With the vision that world class products can be built anywhere, Zoho @ Tenkasi was set up in 2011 with a 6-member team. Zoho Desk, a customer help desk software, was created and launched from Tenkasi in 2016. Over the last 10 years, the employee strength has grown manifold to 436 (as of 2020), of which 18% are women.

S.No	Parameters		Year of Data Source	
1	Population (2011)	Male	2011	714215
		Female		726580
		Total		1440795
2	Projected Population (2020)	Total	2020	1589475
3	Sectoral Share of GVA	Agriculture	2012	11%
		Industry		38%
		Services		50%
		Agriculture	2017	12%
		Industry		37%
		Services		51%
4	Sectoral Share of Employment	Manufacturing	2014	36%
		Trade, Communication, Tourism		20%
		Agriculture & Allied		14%
		Construction		13%
		Other Service Sectors		11%
		Others		6%
5	GDDP Per capita		2017	₹. 1,18,000

Note:

Population (2011) – Tenkasi District;
 Projected Population (2020) – Tenkasi District;
 Sectoral Share of GVA (2012 & 2017) – Tirunelveli District;
 Sectoral Share of Employment (2013) – Tirunelveli District;
 GDDP Per capita (2016-17) – Tirunelveli District;
Tenkasi was part of Tirunelveli District until 2019

1.1.2 Genesis of Zoho Schools of Learning (ZSL)

To solve the problem of availability of talent, Zoho started a Tenkasi branch of ZSL (previously called, Zoho University) in 2013. Currently around 10% of the total workforce is made up of students who came through this program.

1.1.3 The various initiatives/activities

1. Employee Welfare

As part of employee benefits, Zoho offers 3 meals free of cost to all its employees and housekeeping staff. The employees are provided with cabs for pick up and drop from home/bus stations. Health insurance for the employee and 5 dependents are provided apart from an on-call doctor at the Zoho campus. Employees are not required to adhere to any dress code. ID cards act as attendance markers, but no timings are enforced and are flexible.

Fitness and recreational facilities include a fully functional gym, volleyball, badminton, cricket, table tennis, chess, foosball and carrom facilities. Personal loans and salary advance are options that employees can choose to avail. Creche and Dormitory facilities are currently unavailable due to the pandemic. Other employee engagements include conferences, interactive meetings with motivational speakers, team outings and team lunch/dinner allowances and celebrations, games and tournaments at Campus.

Employees can share their views and feedback with management on internal forums directly or anonymously. The employees are also encouraged to voice their opinions at regular open houses with the CEO.

2. Agri initiatives

Siddharth Agro farms was set up in Govindaperi to encourage farming and provide employment to the local villagers. Spread over 110 acres, it currently employs 55 labourers. 5 employees of Zoho are also involved in this initiative.

3. CSR initiatives

As part of their CSR initiatives, Zoho has:

- helped local schools ramp up their infrastructure,
- improve sanitation and hygiene by building individual household toilets and community toilets,
- desilted Nallamadan Puthukaulam pond,
- gifted battery-operated vehicles to the local panchayat apart from a funeral procession vehicle and some land,
- supported the local law enforcement offices with computers, xerox machines and UPS,
- donated used chairs, tables, boxes and shelves to primary health care centers,
- contributed to the 'Tree Planting Initiative' in partnership with Parana.

4. Zoho during COVID-19

- Zoho has ensured that Covid does not impact the earnings of any of their stakeholders, including their employees, vendors and suppliers and vendor staff.
- Since the pandemic, employees were working from home. After the lockdown eased, employees continued to work from home and were further empowered to set up 10 satellite offices across Tamil Nadu and Kerala, to minimise travel from their homes.
- Zoho also organised a food drive for the local community during the lockdown and donated food packets to the tune of ₹13 lakhs.z

2 Study Approach & Methodology

2.1 Introduction

While the standard economic framework presumes individuals to be rational, making decisions in their own interest and based on their own preferences, Professor Emmanuel Saez at his keynote address at the 2021 virtual meeting of the American Economic Association (AEA) put forth the proposition of an updated outlook of the modern society – one that accounts for the concept of ‘social contract’.

In a broad sense, Social Contract constitutes the arrangements and expectations between individuals, institutions, and the government, which promote cooperation for the sake of mutual or social benefit.

To take an Indian example, joint families in India are a socio-cultural norm that mitigate old-age poverty outside the scope of India’s formal welfare system. It is not uncommon for many employers, including the private sector, to offer health insurance to employees that not just covers their partners and dependent children, but also their parents.

State-sponsored education and compulsory schooling legislations in several European countries are also examples of the social contract at play. While rational economic models advocate that the decision to go to school is a choice based on affordability and desire, compulsory schooling laws take away this decision from the child and their guardians. In doing so, compulsory schooling laws guarantee the socio-economic benefits of education that are enjoyed by society, while state-sponsored education addresses issues surrounding schooling ‘being affordable’. The social contract here operates through attaching societal value to having a minimum level of education, both economically and in the sense that this ensures fairness of outcomes.

Zoho’s initiatives @ Tenkasi, outside of their principal business, is to be viewed under this prism and given the current context of a pandemic impacted society, the idea of the socio-economic impact measurement is both appropriate and timely.

2.2 Objectives of the Study

- 1. To assess the social & economic impact of Zoho's business @ Tenkasi**
- 2. Measure the direct & indirect benefits of Zoho's business environment @Tenkasi**

2.3 The Measurement Methodology

In a broader sense, the more commonly used socio-economic impact measurements tend to be complex with a bias towards quantitative outcomes and largely designed towards physical infrastructure or social projects - drinking water, sanitation, rural housing, etc. - being the many examples.

Given the evolving conversation around common interests and social responsibility, frameworks for measuring impacts have also begun to keep up. The WBCSD's **Measuring Impact Framework**¹ takes the first steps in measuring business contributions in line with a broader view on societal value. The framework moves beyond conventional reporting to outline the contributions of business activity from the perspective of various relevant stakeholders.

¹ This Methodology was developed by the World Business Council for Sustainable Development in 2006, in partnership with the International Finance Corporation (IFC) to enable business to measure its impact on society.

2.3.1 Key features of the Methodology

1

Grounded in what business does – built by business for business.

2

Moves beyond compliance – attempts to answer questions about what business can contribute beyond traditional reporting.

3

Encourages stakeholder engagement – supports open dialogue with stakeholders to create a shared understanding of business impacts and societal needs, and to explore what business can and cannot do to address these needs.

4

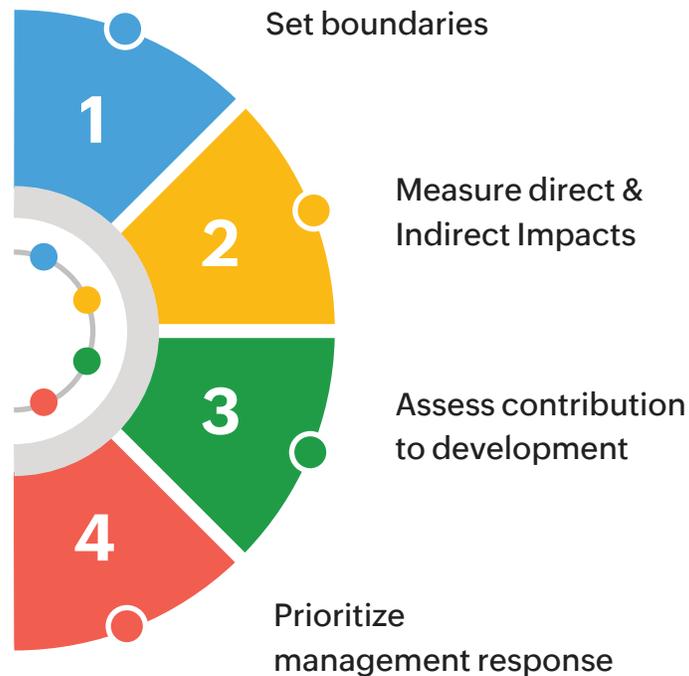
Flexible - designed for any business and/or industry at any stage in its business cycle, operating anywhere in the world.

5

Complements existing tools – makes use of what is already out there

2.3.2 Steps for Measuring Socio-Economic Impact

The framework lays out four (4) distinct steps.



- **Step 1** – Identify or define the relevant business activity, thus setting geographical and contextual boundaries for measuring impact,
- **Step 2** - Both the direct and indirect impacts of a business are measured,
- **Step 3** - Then these impacts are linked to development contributions in the area of interest,
- **Step 4** - And finally, the amalgamation of contextualised impacts and stakeholder perspectives is used to identify areas for response, and corresponding indicators to track progress of the business in their contributions.

At present, this Report summarises Steps 1 to 3. Step 4 will need to be evolved in consultation with Zoho Management.

2.3.3 Our Approach

While modelling the Methodology on the Measuring Impact framework, we have designed our Approach using “stakeholder consultations” as the central, holistic theme with our 360° framework to measuring impacts, that are both relevant and contextually significant. A mixture of quantitative indicators, qualitative observations and respondent quotations are used to evaluate the contributions of the organisation to “each distinct group” of stakeholders. This is throughout supported by significant secondary research to meaningfully evaluate the survey results. Gradients based on availability and validity of evidence are then used to rank the outcomes in order of their impact on the social environment in which the business operates and the organisation’s ability to sustain its socio-economic footprint.

2.3.4 The Analytical Process



Stage 1: Based on our initial discussions with Zoho and secondary research, we developed a set of preliminary hypotheses, which was then discussed and agreed with the Zoho counterpart team.

Stage 2: Once the stakeholder coverage had been agreed with the Zoho counterpart team, we obtained the list of possible stakeholders under each category and curated the lists (where possible) to ensure these reflected the diversity of the stakeholder landscape. For example, in the case of employees, the 150 finally curated list included diversity by gender, designation and years of experience.

Stage 3: Questionnaires were developed for each category of stakeholders and these were then shared with the counterpart team for their inputs, if any.

Stage 4: A combination of telephonic interviews, virtual focus group discussions (for current ZSL students) and field in-person surveys @ Tenkasi were used to engage with the stakeholders.

Stage 5: Simultaneously, judicious amount of **secondary research** was carried out to capture such elements of the information as likely to be impactful for the study. These are presented at different sections of this Report.

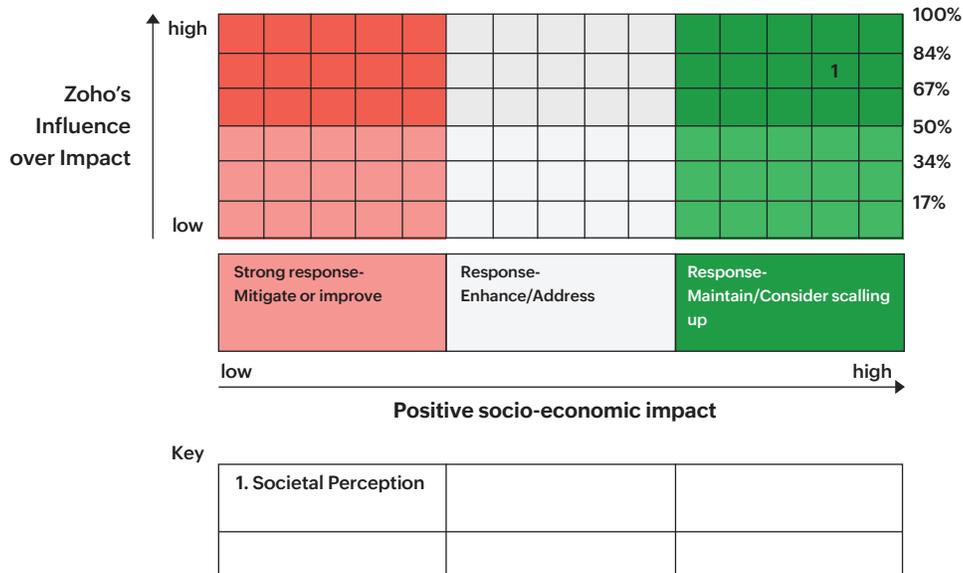
Stage 6: We also gathered through the Zoho counterpart team, information as to the organization background and ethos, HR – Headcount and Employee Welfare related, ZSL – headcount, alumni, infrastructure & operations, CSR initiatives, vendor & supplier information, agriculture & horticulture related activities, any new initiatives. The format of information checklists 1 to 3 is presented through Annexure 11 to 13 of this Report.

Stage 7: For each Stakeholder Group, the data gathered were then collated and analysed, the distilled data of which is presented in the sections following. Key Stakeholder Sections concludes with the **Measurement Summary**.

Stage 8: The key suggestions and quotes provided by each Stakeholder Group is summarized and presented to enable Zoho to “hear” their voices, albeit indirectly.

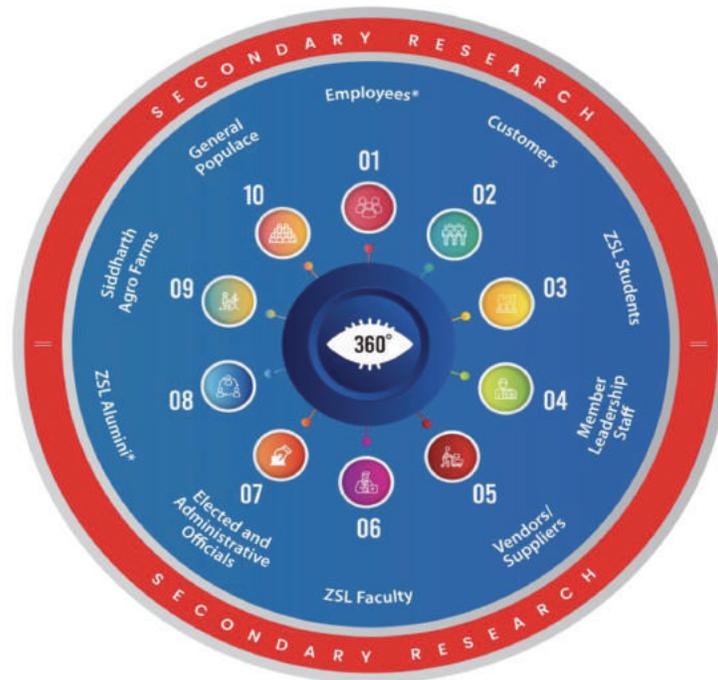
Stage 9: The Final Summary captures the **Overall Socio-Economic Impact Measurement** as also **our Recommendations** on the way forward.

2.3.5 The Measurement Summary Framework



- The Summary Framework of the Socio-Economic Impact Assessment is a 3x2 Matrix, presented in 3 distinct sections.
- The Green section indicates High Socio-economic Impact, Grey indicates Moderate Socio-economic Impact and Red indicates Low Socio-economic Impact.
- Zoho's influence over the Impact is plotted vertically, which is further divided based on percentage of impact as per the collated response from the stakeholders, where necessary backed up by secondary research. The line dividing the darker and lighter shades of the 3 colours marks the 50% impact response.
- The Management Response with respect to the initiative/parameter of engagement is structured as below:
 - Green- Maintain or consider scaling up
 - Grey- Enhance/Address
 - Red – Mitigate or improve
- To illustrate, on the parameter of 'Societal Perception', if the collective response from 75% vendors/suppliers since their partnership with Zoho is reported to be "Much Better", then, since it is a high socio- economic impact parameter, it would be plotted in the green section, right of center. Additionally, since 75% of vendors feel the same, it would be plotted in the dark green section but in proportion (>50%).

2.3.6 The Stakeholder Consultation Summary



The final position as regards stakeholders consulted is summarized below:

1. Employees

- Coverage – Impact of Zoho on Education, Employment, Earnings, Lifestyle & the Tenkasi ecosystem
- Sample – 139

2. Leadership Staff

- Coverage – Impact of Zoho on Employment, Lifestyle & the Tenkasi ecosystem; Vision of Zoho
- Sample – 20

3. Zoho Schools of Learning – Students

- Coverage – Impact of Zoho on Education and Skill Development, Household Income, Lifestyle & the Tenkasi ecosystem
- Sample – 62

4. Zoho Schools of Learning – Alumni posted in cities other than Tenkasi

- Coverage – Impact of Zoho on Education, Employment, Earnings, Lifestyle
- Sample – 22

5. Zoho School of Learning – Faculty

- Coverage – Impact of Zoho on Employment, Skilling & Education and the Tenkasi ecosystem
- Sample – 4

6. Customers

- Coverage – Impact of Zoho on Business & Society
- Sample – 3

7. Vendors and Suppliers

- Coverage – Impact of Zoho on Partnership, Earnings, Lifestyle & the Tenkasi ecosystem
- Sample – 16

8. Elected and Administrative Officials

- Coverage – Impact of Zoho on the Tenkasi ecosystem
- Sample - 3

9. Siddharth Agro Farms

- Coverage – Vision, Immediate and Future Plans, Impact on Employment, Lifestyle and the Tenkasi ecosystem
- Sample – 2

10. General Populace

- Coverage - Impact of Zoho on Education, Employment, Lifestyle and the Tenkasi ecosystem
- Sample – 23

3 The Analyses

3.1 Impact on Employees²

3.1.1 Coverage

- 139 respondents, all mapped to Tenkasi office.

3.1.2 Quantitative Inferences

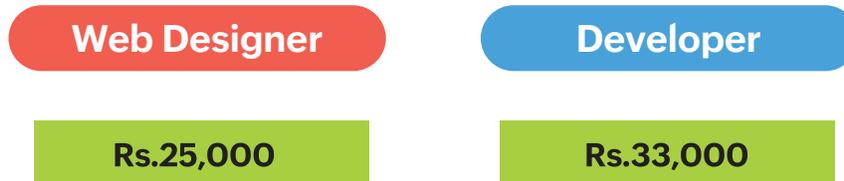
1. Profile

- Relatively young employee population @ Tenkasi with most of the respondents (86%) in the age group of 20-30, with a significant majority (65%) qualified as graduates/post graduates and another healthy 22% being diploma holders. 55% consider their job profile as software developers.
- 68% are men and 32% are women.
- About 1/3rd are married, of whom 63% have children and 93% of those have upto 2 children.
- About 40% of employees hail from Tenkasi/Tirunelveli. Nuclear families dominate (69%), of whom about 52% are in rental/leased accommodation.

² Excludes Leadership staff, which is covered separately.

2. Employment @ Zoho

Average Monthly Entry Level Salary



Median Income expectation for entry Level jobs in Tirunelveli District*

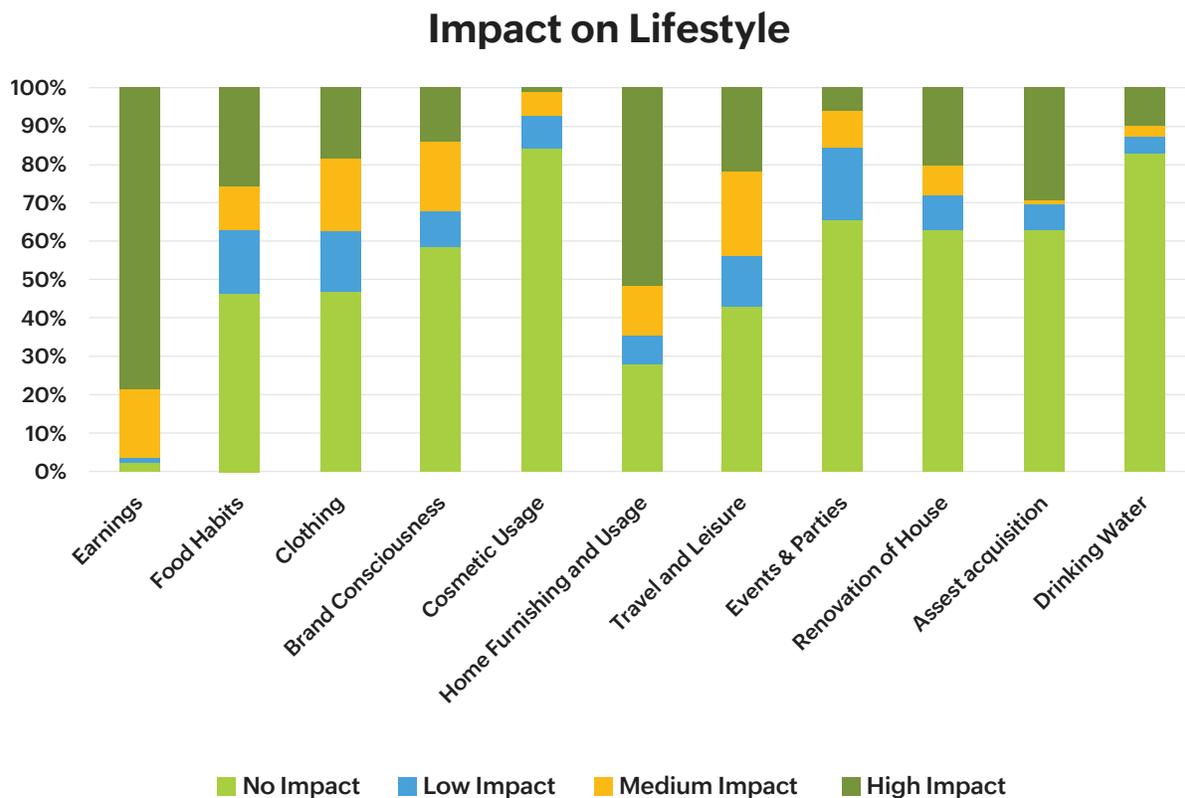
Rs.14,175

* Source - All India Survey on Higher Education 2017-18

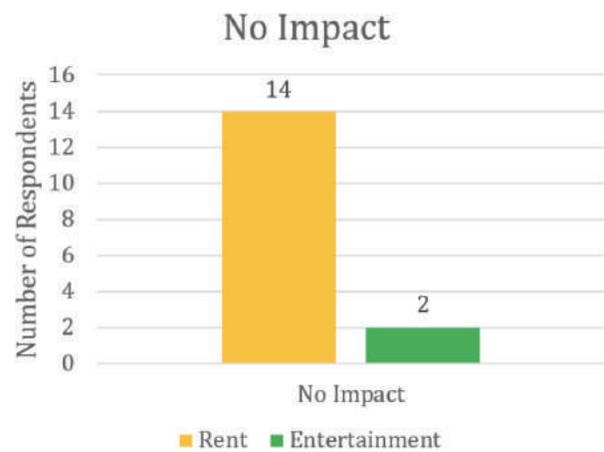
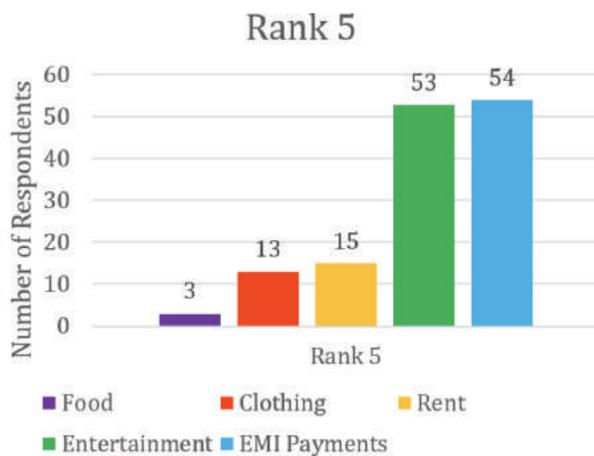
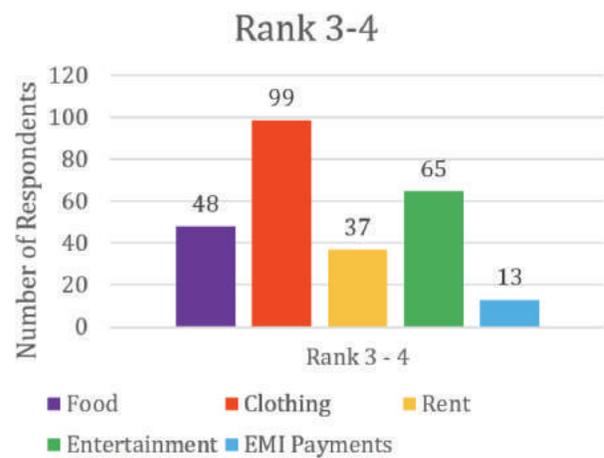
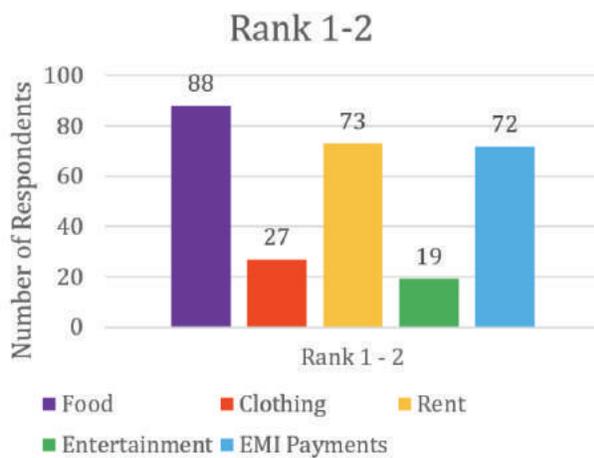
- For a significant 66%, Zoho is their first job.
- Of the lateral recruits, the top 3 reasons for choosing Zoho are professional growth (32%), location (15%) and Zoho being a product-based company (14%).
- About 34% are Zoho school alumnus
 - 55% of whom came to know of Zoho school through Zoho's presence @ their school/college's campus recruitment process and a good 42% became aware through friends, family and neighbours.
 - 60% of the alumnus-recruits graduated between 2016-2020.
 - Interestingly, about 47% of the ZSL alumnus stated they would have gone on to college if they had not opted for Zoho while 45% had plans to take up jobs.
- Overall, 24% have been with Zoho for less than 2 years, 45% between 2-5 years and 30% over 5 years.
- A significant 51% have also worked in campuses outside of Tenkasi.

3. Personal stories and impacts

- **Support education of family members** - 58% of the employees report supporting the education expenses of one or more immediate or extended family members.
- **Support to livelihood of family members** - 67% reported some form of support (monetary or otherwise) to immediate or extended family or even friends since their employment with Zoho
- **Lifestyle changes** – (multiple responses)



- Changes in Monthly expenditure – (multiple responses)

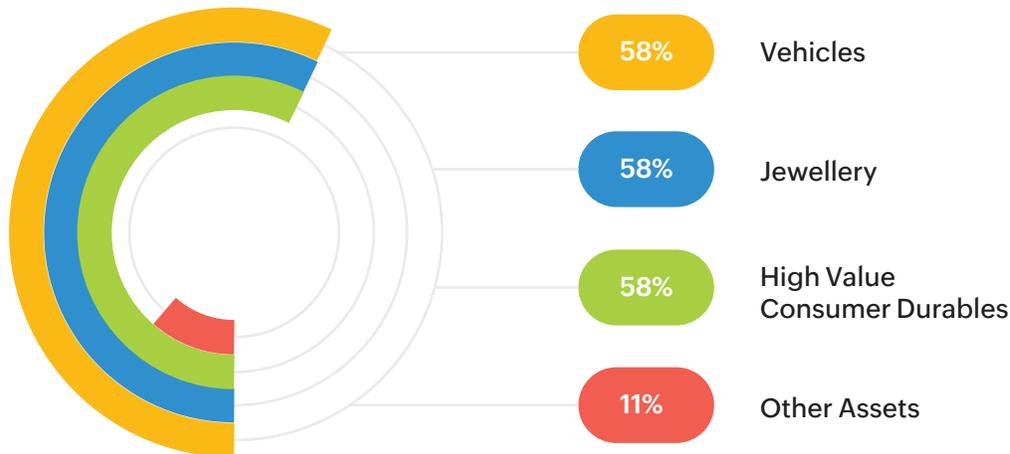


Overall, expenditure on food has been rated as the most impacted followed by Rent and EMI payments.

Impact on expenditure can denote an increase or decrease in expenditure. To illustrate, out of the respondents who have rated food as their highest impacted component, many have stated a decrease in food expenses due to the free canteen food at Zoho, while others have stated an increase in food expenses as they can afford healthier/ more expensive food options.

- Asset acquisition – (multiple responses)

Asset acquisition since employment @ Zoho



Other Assets include Mobile Phones, Cycle, Camera, etc.

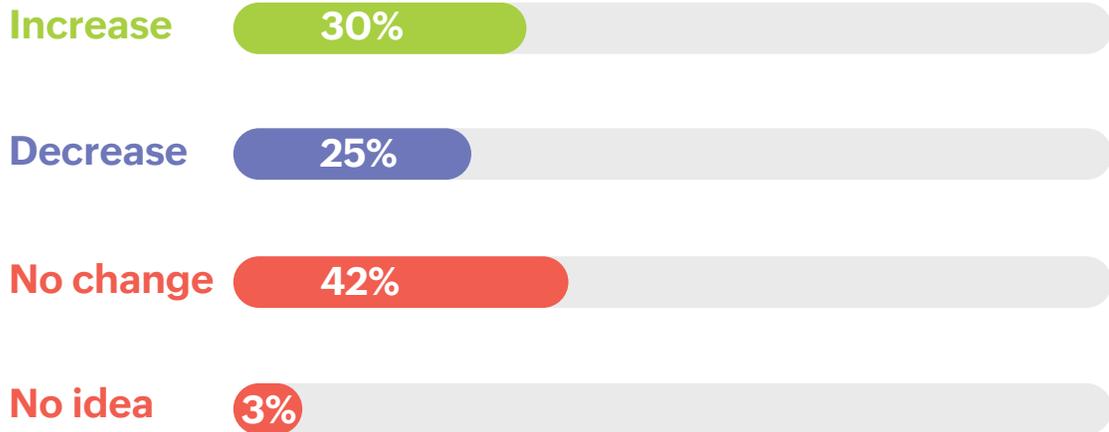
- Financial decision-making –

- 13% of the respondents indicated that they have opened a bank account only since joining Zoho.
- Interestingly, 62% report that they have the habit of preparing and following a monthly budget, of whom 33% have acquired this habit only since their employment with Zoho.
- 30% report credit card acquisition and report regular usage since joining Zoho, while another 10% have acquired a credit card but have not started using it as yet.
- A vast majority (87%) have made no investments in shares/mutual funds and likewise about 72% report no fixed/recurring deposits in Banks. 26% have stated that they have invested in FDs/RDs while 14% report investments in PPF/Post Office schemes.
- 38% report having availed loans prior to joining Zoho, of whom 32% are still repaying these loans. Of this 32%, a good 53% report that employment with Zoho has facilitated the repayment process. About 46% have availed fresh loans since joining Zoho.

• Social media habits –



Change in time spent on Social Media post-employment with Zoho*



*multiple responses

Most used Applications*



*multiple responses

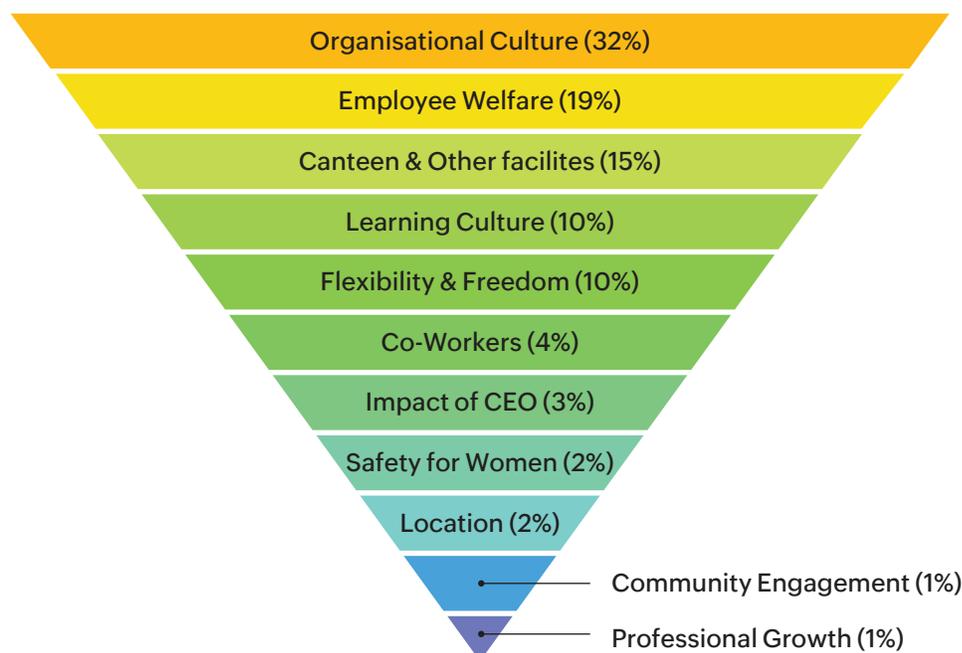
- **Social circle** - 58% employees feel their social circle has expanded and become better since Zoho and 22% feel that while the social circle has expanded, it has not necessarily become better.
- **Societal perception** - 81% report that the way society views them as well as their family is **Much Better or Better** since their employment with Zoho.
- **Milestones & Aspirations** – (multiple responses)
 - Aspirations for the family – 29% opine that they would like to buy land/property/construct a house and 21% want to continue to support their family financially to enable them to lead a comfortable life.
 - Personal Milestone – 45% want to reach the next level in their careers, learn more and be financially secure and 15% would like to buy land/property/construct a house.
- **Specific to women employees** –
 - 38% of women respondents report that they make their lifestyle (clothing, cosmetics, going out with friends, etc.) decisions; perhaps not surprisingly, an equivalent 38% responded, “not always” while 22% indicated that the decisions are made by some other member of the family.
 - Of the 60% (27 respondents) who said they own a house, only 4% (1 respondent) said the house is in their name.
 - 22% respondents indicate that financial decisions are made by them always and an equivalent 22% report making those decisions in conjunction with family. However, a sizeable 40% indicate that they take no part or are not consulted with respect to financial decisions.
 - A healthy 64% women report **spending more on themselves** since their employment.
 - While 51% have responded in the affirmative to attending programs specific to women (financial planning, work-life balance, etc.) sponsored by Zoho, the other 49% have responded in the negative.

Others –

- Covid Impact – 71% did not feel the impact of Covid for themselves or their family, of whom 81% attributed this to their employment with Zoho. Of the 29% who were impacted in some way, 68% attributed the significant reduction in impact to their employment with Zoho.
- Their view of Zoho and Zoho Schools for the future – (multiple responses)
 - Zoho - 82% mentioned that Zoho is already performing to their expectations. Of the 16% who have expressed other opinions, 12% have largely provided suggestions, which are captured elsewhere in this Report. Similarly, some strong feedback is captured under “Voice of Employees”.
 - ZSL - While 61% have given the same feedback for Zoho Schools (already performing to their expectations), interestingly, some 32% have provided feedback/suggestions, which are also reflected elsewhere in this report.

4. Zoho Experience (multiple responses)

What does the Zoho experience represent to you?



3.1.3 Measurement Summary

Summary - Employees*



Key

1. Increase in household income	2. Ability to support family members a. Education b. Livelihood	3. Changes in Monthly Expenditure a. Food b. Clothing c. Rent d. EMI	4. Lifestyle a. Food habits b. Clothing c. Home furnishing d. Travel & Leisure e. Home Renovation	5. Asset Acquisition a. Vehicles b. Jewelry c. High value Consumer Durables	6. Loan repayment
7. Impact of Covid a. No Impact b. Lower impact	8. Personal Milestone Learning & Development	9. Expanded Social Circle	10. Financial Planning	11. Women spending more on themselves	12. Programs specific to women
13. Positive Societal Perception	14. View of a. Zoho b. ZSL	15. Zoho Experience a. Organisational Culture b. Employee Welfare	16. Better Internal Communication including Admin & HR	17. Bonus despite Covid	* Leadership staff not included

3.2 Leadership Staff

3.2.1 Coverage - 20 respondents, 16 mapped to Tenkasi office

3.2.2 Quantitative Inferences

1. Profile

- 70% of the respondents are in the age group of 30-40, with 100% qualified as graduates/post-graduates. Overall, 25% continue in the same role since joining/moving to Tenkasi while a good 60% have changed roles.
- 90% are men and 10% are women.
- Only 10% hail from Tenkasi/Tirunelveli and another 60% are from Tamil Nadu. 45% moved to Tenkasi to be closer to their native place while 15% had to make the shift on account of work.

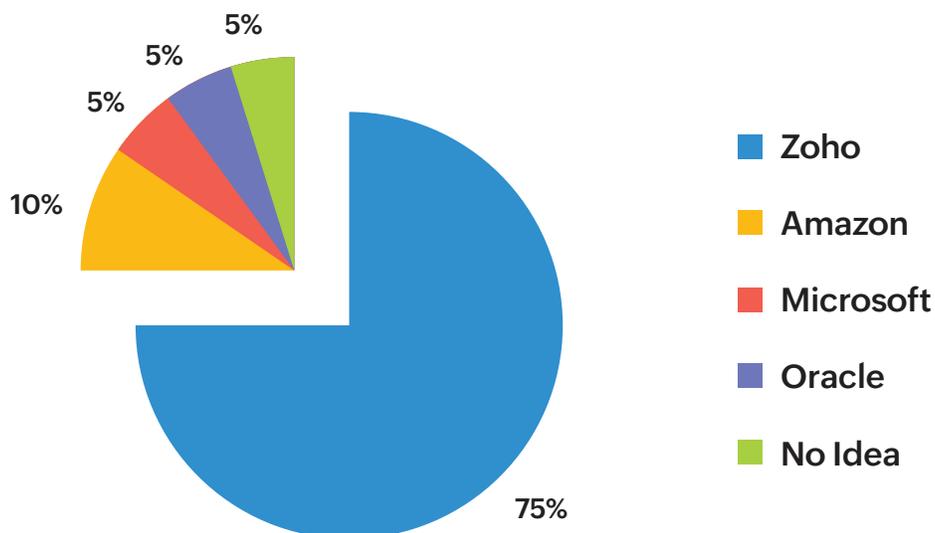
2. Employment @ Zoho

- For a significant 50%, Zoho is their first job.
- Of the lateral recruits, the top 3 reasons for choosing Zoho are referrals by friends & family (29%), organizational culture (11%), ideal employer (11%) and only company that was then hiring (18%).
- Overall, 45% have been with Zoho for 10-15 years, 35% between 5-10 years and 10% each between 15-20 years & 1-5 years.
- Significant 85% have also worked in campuses outside of Tenkasi.

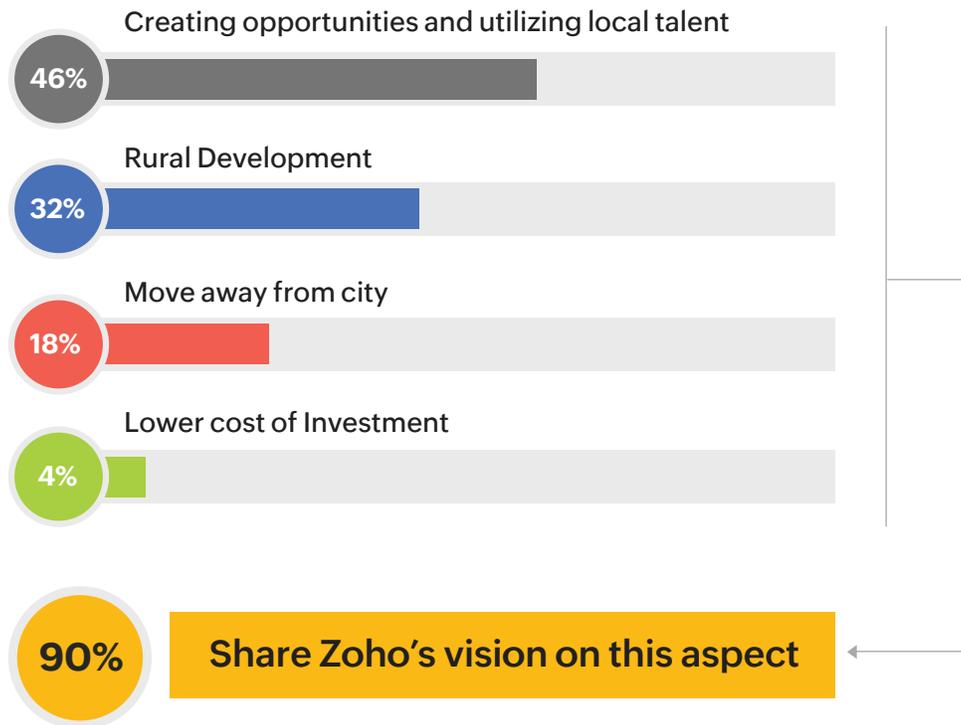
3. Personal stories and impacts

- **Compensation** – A significant 70% believe that the compensation is at par with the industry but 15% consider the compensation to be @ less than average of the industry.

- **Tenkasi as a work location –**
 - Compared to any other Tier 1 city - 65% opine that there is no difference and even the 15% who feel there is a visible difference attribute it to work timings, lesser distractions, and face time with counterparts.
 - Continued presence - While 75% strongly believe that there is no disadvantage to Zoho continuing its presence @ Tenkasi, the 20% who feel otherwise attribute it to increasing cost of real estate and rentals.
 - Operational Challenges – A good 60% feel there are no operational challenges specific to Tenkasi but 20% feel there are issues on account of language barrier, logistical delays, training local talent and some amount of exploitation by the locals on account of perception of ‘high earnings’ of Zoho staff.
- **Career advancement –** 100% of the respondents are happy with how their careers have shaped up @ Zoho.
- **Single biggest factor to continue with Zoho (multiple responses) –** ‘Flexibility & Freedom’ appears to be a key factor for **41% of the respondents** while for 32%, it is the ‘organizational culture’ that drives their motivation.
- **Changes to organisational culture –** 55% believe there has been a cultural shift in Zoho while the balance 45% do not consider so. Of those who consider there has been a cultural change, 73% have expressed their happiness with these changes.
- **Ideal employer (individual view) – (multiple responses)**



- Perception of Zoho’s initiatives @ Tenkasi – (multiple responses)



- Zoho’s evolution to match with the millennials – (multiple responses)



- **Community perception of Zoho** (multiple responses) – 17% feel that the larger community @ Tenkasi view Zoho as an IT company, another 17% opine that Sridhar Vembu is seen as “Zoho” while 13% think Zoho is seen as an “equal opportunity” employer.
- **Zoho’s community connect –**
 - Current - **45% opine that Zoho is ‘strongly/very strongly connected’ to the local community and a further 20% feel that they are ‘well connected’** while 15% consider that they are ‘moderately connected’.
 - Future (multiple responses) – 40% feel that Zoho is already engaged in sufficient initiatives. The 25% who feel otherwise have provided ideas/suggestions, which are mentioned elsewhere in this Report.
- **Zoho’s ecological footprint –** While 20% opine that Zoho is doing sufficient from an environmental perspective, **30% provided ideas for Zoho to consider, such as wind energy, carpooling and waste management.**

3.2.3 Measurement Summary

Summary - Leadership Staff



Key

1. Compensation	2. Tenkasi as a work location a. Comparison to other Tier-1 cities b. Continue @ Tenkasi c. Operational challenges	3. Career Advancement	4. Why Zoho a. Flexibility & Freedom b. Organizational Culture	5. Happy with Organization's Cultural changes	6. Evolution to match with millennials a. Assess & assign responsibility b. Exposure to organizational culture c. Do not micromanage d. Set up role models
7. Zoho as an Ideal Employer	8. View of Community perception of Zoho a. Zoho as an IT company b. Sridhar Vembu as Zoho c. Equal opportunity employer	9. Community Connect - Strongly/very strongly connected a. Current b. Future	10. Zoho's Ecological footprint a. Sufficiently engaged b. Need to consider fresh ideas-Wind energy, car pooling & waste management	11. Perception of Zoho's Initiatives @ Tenkasi a. Local employment b. Rural Development c. Employee alignment with vision for Tenkasi	12. Bonus despite Covid

3.3 ZSL – Students³

3.3.1 Coverage - Total no of respondents - 62

3.3.2 Quantitative Inferences

Education @ Tenkasi Block - Key Highlights

S.No	Parameters	Tenkasi Block
1	Literacy Rate	77.90%
2	SSLC Exam Pass %	96.23%
3	HSC Exam Pass %	94.41%
4	No of Schools	1273
4	No of teachers	9941
6	No of Students	269003
7	Transition Rate	Primary to Upper Primary 99.17% Upper Primary to Secondary 96.23%
8	Gross Enrolment Ratio	Primary 105.45% Upper Primary 99.11% Secondary 100.97%
9	Completion Rate	Primary 99.75% Upper Primary 99.11%
10	Dropout Rate	Primary 0.32% Upper Primary 0.31% Secondary 6.10%
11	Pupil Teacher Ratio	Primary 25 Upper Primary 25
12	Pupil School Ratio	Primary 170 Upper Primary 361

1. Profile

- Discussions were held with 62 out of the 63 students from the class of 2019 & 2020. The students were divided into 7 batches of 9 students each.
- Majority of the students hail from Tenkasi (43%) and Tirunelveli (38%).

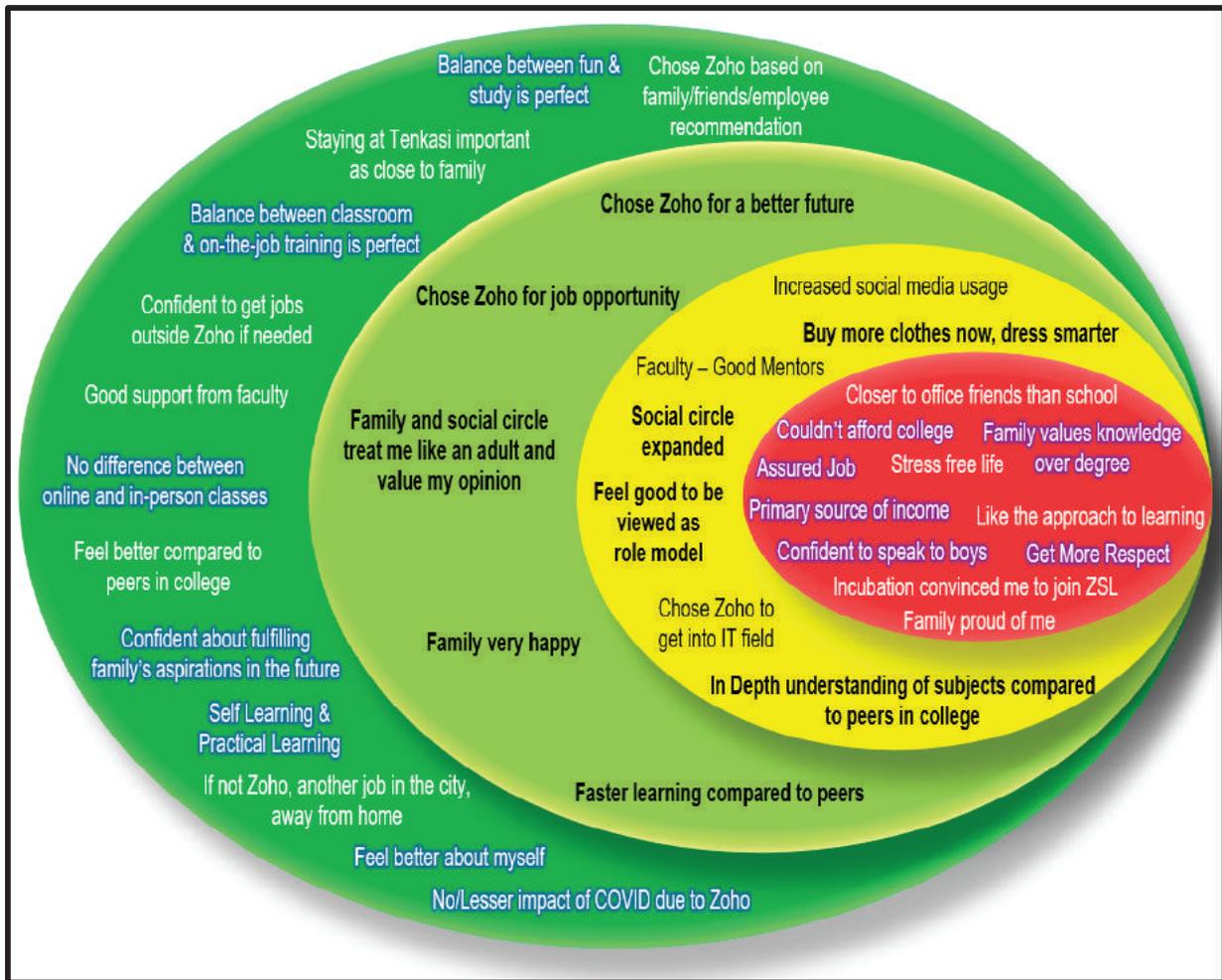
³ Through virtual Focus Group Discussions

- Majority (78%) respondents live in 4-5 member families, only 1 student is married.
- 30% of the respondents are women.
- 83% of the respondents are between 17-20 years of age. The other 17% are between 21-23 years of age.
- 50% the students are Diploma Holders, while the other 50% are Class 12 graduates, 13% of whom have dropped out of college.

2. Summary of Key Discussions & Observations

- Overall, the students are engaged and open to discussion and candid with their views.
- The students are articulate and able to communicate their opinions well. This is true of the women students as well.
- In view of only online classes owing to Covid, the class of 2020 did not have too many views to share.
- The students seem to enjoy the “on-the-job training” aspects, especially working in teams.
- They also appear to enjoy the monetary aspects of being a student of ZSL, for its impact on their family, their peers and self.
- The ellipsoid on the next page summarises **the key repetitive positive observations**. And the figure following provides a snapshot of some one-off observations, repetitive strong feedback, and no impact.

Repetitive Positive Feedback



■ Very Strong >75%
 ■ Strong 40-75%
 ■ Moderate 10-40%
 ■ Weak <10%

One-off Positive

- Able to pursue **hobbies**
- Cater better to **healthcare needs** of family
- Improved **personal mode of transport**
- No **exams/ Allowed to try, fail and change streams** if desired

One-off Negative

- **Staff interaction and friendly approach** is reduced by 50% in online classes



Repetitive Strong Feedback

- **Exposure & Opportunities** less at Tenkasi
- **Family pressure** to get a Degree
- Initially **on the job training** was **hard to cope** with, but seniors helped
- Not sure about getting **jobs outside Zoho** as they may want a College Degree
- **Rental rates** in Tenkasi have risen

No Impact

- **Food habits**
- **Lifestyle**
- **Way family and social circle treat them**

3.4 ZSL – Tenkasi Alumni

3.4.1 Coverage - Total no of respondents – 19

3.4.2 Quantitative Inferences

1. Profile

- Each batch of ZSL Tenkasi since its inception in 2013 is represented in the sample.
- More than half (69%) the employees hail from Tenkasi/Tirunelveli.
- Respondents are in the age range of 20-30, 79% of whom are men and 21% are women.
- About 25% are married, of whom 20% have children. Most of those married (80%) live in nuclear families.
- A significant majority (63%) are diploma holders while 32% of them are Class 12 graduates.
- 42% of the alumnus-recruits graduated more than 5 years ago, 26% graduated 4-5 years ago and 32% graduated less than 3 years ago.
- About 37% had plans to pursue higher education if they had not opted for Zoho while 58% had intended to take up jobs.
- 63% report coming to know of ZSL through Zoho's presence @ their school/college's campus recruitment process and 37% cite friends, family, and neighbors as their source.
- 95% of the respondents have previously worked/currently working in the Zoho Chennai campus and 5% in the Madhapuram campus.
- 73% consider their job profile as software developers.

2. Personal stories and impacts

- Support to livelihood of family members – 95% report some form of support (monetary or otherwise) to immediate or extended family or even friends since their employment with Zoho, of whom 94% report monetary support to family members.
- **Financial decisions –**
 - 21% report having availed loans prior to joining Zoho.
 - Of those who availed loans prior to joining Zoho, a good 75% report that employment with Zoho has facilitated the repayment process.
 - About 63% have availed fresh loans since joining Zoho.
- **Milestones & Aspirations –**
 - Aspirations for the family (multiple responses) – 48% would like to buy land/property/ construct a house and 38% want to continue to support their family financially to enable them to lead a comfortable life.
 - Personal Milestone (multiple responses) – 38% would like to buy land/property/ construct a house, 24% want to reach the next level in their careers, 19% want to be financially stable and lead comfortable lives.

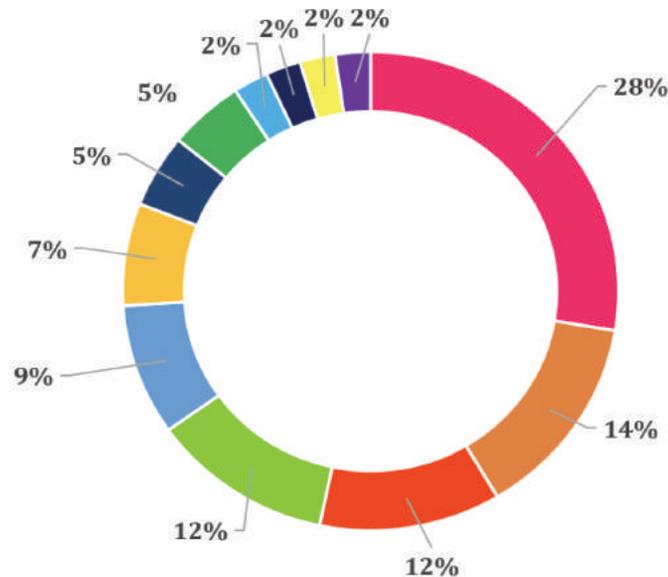
3. Specific to women

- 75% of the women respondents indicated that financial decisions are made by them in conjunction with a male family member. However, 25% stated that 'only a male member of their family' makes financial decisions.
- All 4 women report 'spending more on themselves' since their employment.

4. Others

- Covid Impact – 95% did not feel the impact of Covid for themselves or their family, of whom 100% attributed this to their employment with Zoho. Of the 5% who were impacted in some way, 100% attributed the significant reduction in impact to their employment with Zoho.
- Their view of Zoho and Zoho Schools for the future – 74% mentioned that Zoho is already performing to their expectations. 26% have provided suggestions, which are captured elsewhere in this Report. Similarly, some strong feedback is captured under “Voice of Employees”.

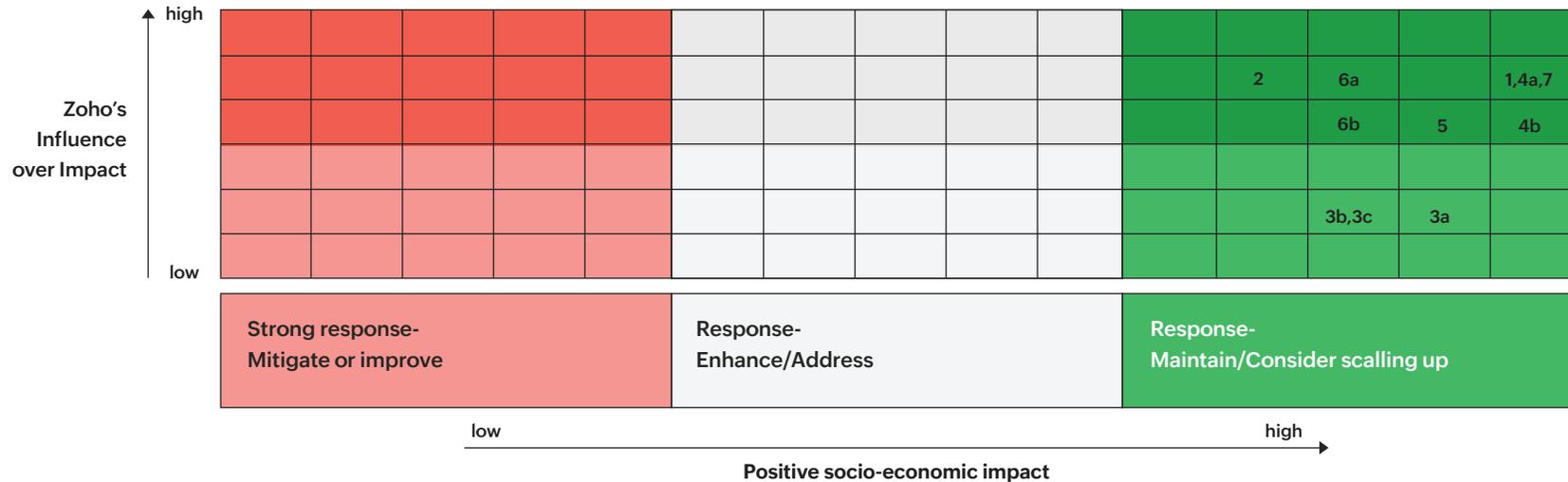
5. The Zoho Experience (multiple responses)



- | | | |
|--------------------------|-------------------------|--------------------------------|
| ■ Organisational Culture | ■ Employee Welfare | ■ Canteen and other facilities |
| ■ Community Engagement | ■ Co-Workers | ■ Freedom & Flexibility |
| ■ Compensation | ■ Rewards & Recognition | ■ Company's Vision |
| ■ Learning Culture | ■ Safety for Women | ■ Equal opportunity Employer |

3.4.3 Measurement Summary

Summary - ZSL Alumni*



Key

1. Ability to support family members & friends	2. Loan repayment	3. Personal Milestone a. Buy land/Build own house b. Learning & Development c. Financial stability
4. Impact of Covid a. No Impact b. Lower impact	5. Women spending more on themselves	6. View of a. Zoho b. ZSL
7. Bonus despite Covid		

*Not part of Tenkasi campus

3.5 ZSL Faculty

3.5.1 Coverage - 4 respondents, all mapped to Tenkasi

3.5.2 Quantitative Inferences

1. Profile

- Aged between 21-50.
- Of the 4, 3 are women.
- 3 of them are from engineering background. 3 of them have prior teaching experience in schools and colleges.
- 2 of them chose to work with ZSL as their spouses work at Zoho Tenkasi, and also as they would be closer to hometown, while the other 2 chose ZSL as they felt it was a unique, exciting, and fulfilling opportunity.
- 3 of them feel that the compensation @ ZSL is superior to other educational institutions.

2. Impact of ZSL

- **Curriculum –**
 - For students - All 4 consider ZSL superior to other educational institutions. They also report that the curriculum is updated every 6 months' - 1 year to address the needs of the industry as well as the requirements of the students who are local.
 - The faculty also feel that the curriculum prepares the students for jobs even outside of Zoho.

Students –

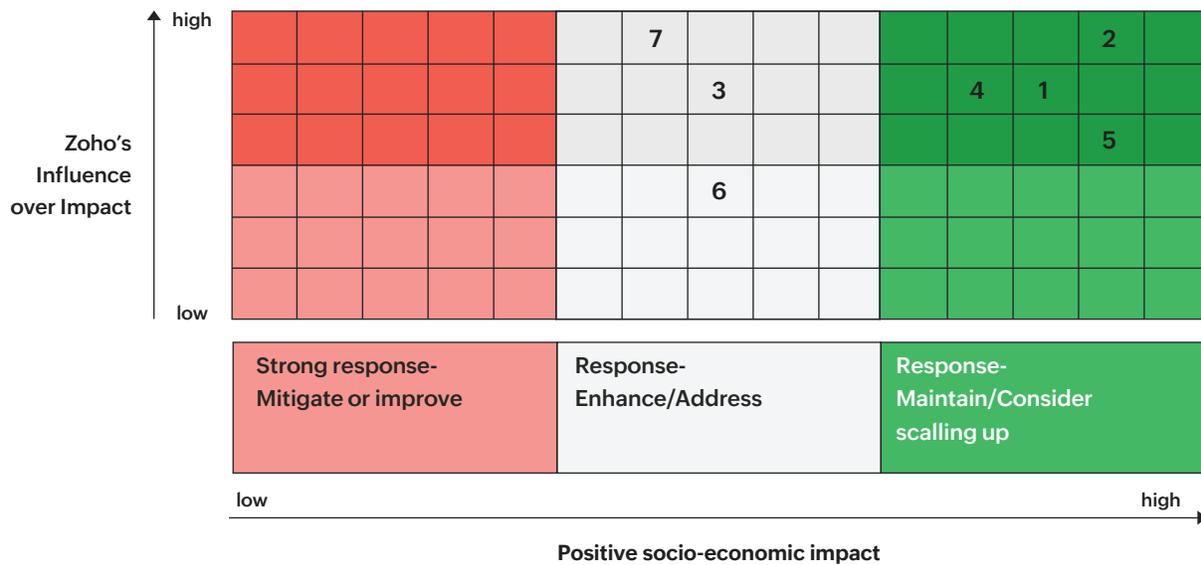
- Program Impact - All the faculty vouch for the transformation ZSL has brought about in the students' lives in terms of confidence and communication and believe they can be a positive influence on their families and society.
- Stipend Impact - The reasons attributed by the faculty for students being given a stipend include - to ensure the students only focus on their studies with their families' financial needs taken care of and their personal rental, electricity and internet expenses also met.
- Role of Zoho staff - Zoho staff also engage with ZSL students regularly for guest lectures and conduct workshops to discuss new technology. They are also involved in updating curriculum as well as during placements.
- Covid Impact Mitigation - The faculty shared that, to support the 2020 Batch who had to learn through virtual classes due to the pandemic, the Buddy Program was instituted, which has helped the students learn about Zoho culture and nature of work.
- **Self - 3 of the faculty felt the opportunity to work with ZSL has been 'life changing.'**

3. Key Concerns & Suggestions

- ZSL-Tenkasi expansion – In their view, the only limitation if ZSL-Tenkasi is to expand would be that there should be enough vacancy in Zoho to accommodate the expanded student base, both during internship as well as for employment.
- Student counselling - A few of the students have tended to display their higher income leading to a general bad feeling in their local community, particularly amongst their peers.
- Involvement of Zoho staff - Zoho staff should be more engaged during the initial stages of students working with teams to enable the students to better understand the work. Similarly, it would be useful if they were also more involved in the Industrial Training of the faculty.

3.5.3 Measurement Summary

Summary - ZSL Faculty



Key

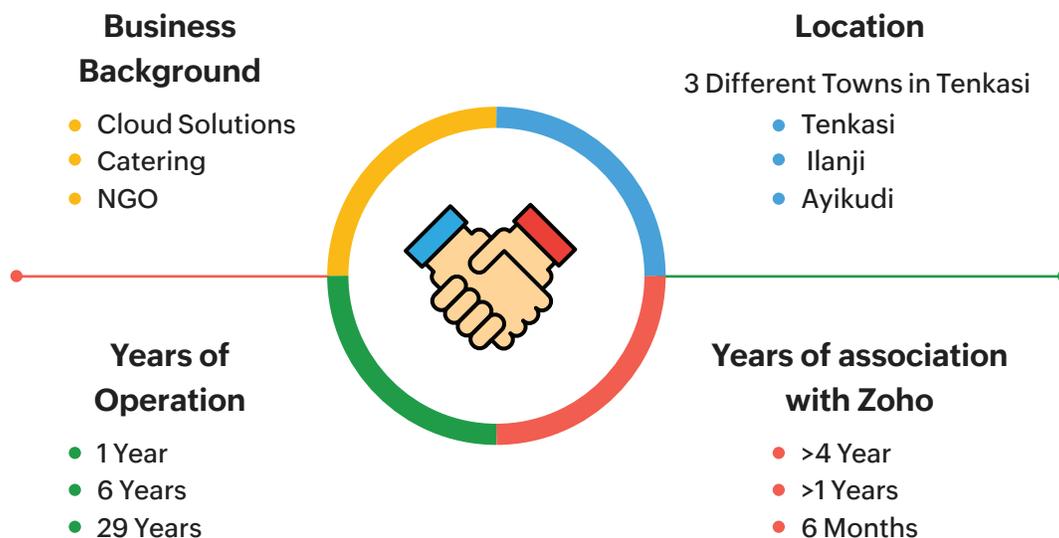
1. Personal impact of association with ZSL	2. Compensation	3. View on ZSL Admission procedure
4. View on ZSL's Curriculum & Upgradation	5. View on ZSL's impact on students	6. View on extent of involvement of Zoho staff with ZSL
7. View on Sustainability of ZSL Program		

3.6 Customers

3.6.1 Coverage - 3, All based @ Tenkasi

3.6.2 Quantitative Inferences

1. Profile



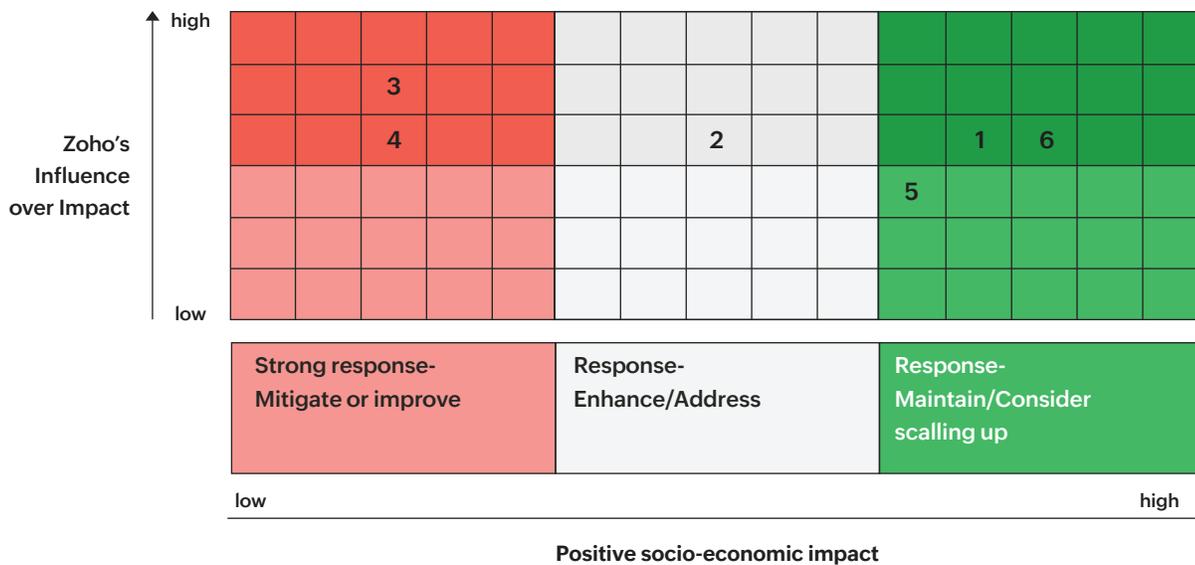
2. Partnership with Zoho

- **Zoho products in use:** Zoho Bigin, Zoho Creator, Zoho Social, Zoho Meeting, Zoho Projects, Zoho Books
- **Reason for choosing Zoho** - 2 of the customers chose Zoho products as they felt it suited their need, while the third uses Zoho's products to support an Indian Company and the Make in India initiative.
- **Product Experience:** Products serve their need, enables ease of connect and makes work much easier. 2 of them rate the Zoho products they use an 8/10 & the other rated it a 10/10. 2 of them have used or continue to use similar products from other companies, of whom 1 has reported that Zoho needs to work on product/platform integration by providing comparative example of Google.

- **Sales & Service Experience:** While the average Sales Experience rating is 7.33 and Service Experience rating is 6.67, 1 customer has rated the Service Experience as 2 (especially on account of poor Turn Around Time (TAT)).
- **Customer Engagement:** The rating for overall Communication and Engagement with Zoho is 6.5. However, 1 customer has provided feedback that it is time consuming and ineffective to deal with different Zoho teams for different products.
- **Referral:** All of them have referred Zoho products to their network.
- **Awareness of Zoho’s Community Initiatives:** Customers are overall aware of Zoho’s initiatives @ Tenkasi. **2 of the customers reported that it influenced their decision to partner with Zoho.**

3.6.3 Measurement Summary

Summary - Customers



Key

1. Products serve the need	2. Product Integration with other Zoho products	3. Service Experience-TAT
4. Service Experience— Relationship with Customer Support Staff	5. Zoho’s community engagements influence purchase decision	6. Testimonial - Provide referral to other organisations

3.7 Vendors & Suppliers

3.7.1 Coverage - 16 respondents, 15 mapped to Tenkasi

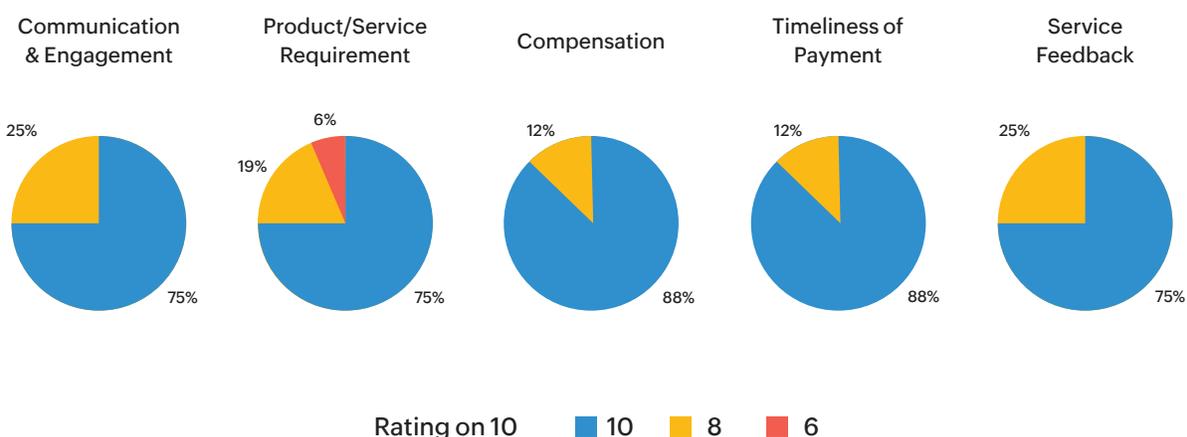
3.7.2 Quantitative Inferences

1. Profile

- Most of the vendors and suppliers (94%) are locals from Tenkasi district, 11 are based in Tenkasi town and 4 in Kadayam Village.
- The types of businesses include:
 - Housekeeping & security, transport, catering and online payment vendors
 - Stationery, fuel, electrical & plumbing, groceries, and fertilizer suppliers.
- 44% own family businesses.
- 56% respondents have businesses established more than 10 years ago and 13% less than 10 years ago.

2. Partnership with Zoho

- 44% of the vendors and suppliers have been partners with Zoho for more than 5 years, while 25% are associated for more than 3 years.
- Zoho is the first client for 31% of the vendors.
- As on date, only one of the vendors has partnered with Zoho at other campuses.
- Evaluation of Zoho – Most of them (88%) report sharing an exceptionally good relationship with their 'Zoho Employee Point of Contact'. More specifically:



3. Personal Stories and Impact

- **Impact on Business** – About 44% suppliers report that they have been able to acquire more clients due to their association with Zoho.
- **Impact on self/family** –
 - Biggest impact reported is on earnings with 38% respondents indicating an increase in earnings by more than 20%, followed by 25% reporting a 5-10% increase and 13% by 10-20%.
 - Interestingly, the next area of impact @ 31% is on Clothes/Dressing, followed by 21% on Asset Acquisition.
 - 69% of the respondents indicate that they support their extended family financially, of whom 82% contribute 'more than 50%' of their earnings.
 - 50% of Vendors and Suppliers report being able to 'improve the education and healthcare of their family' because of their partnership with Zoho
 - 63% respond that they have been able to 'uplift the livelihood of their relatives and friends' thanks to Zoho.
 - A significant 44% of them indicate that their social circle has 'expanded and become better.'
 - 50% feel that the society's perception of them has become 'much better' because of their association with Zoho.
 - A significant 81% of the vendors and suppliers attribute their feeling 'Much Better/Better about themselves' to their partnership with Zoho.
- **Covid Impact** - 31% of the respondents reported being affected by the pandemic, of whom 40% feel that their business association with Zoho 'significantly reduced the impact.'

4. Suggestions

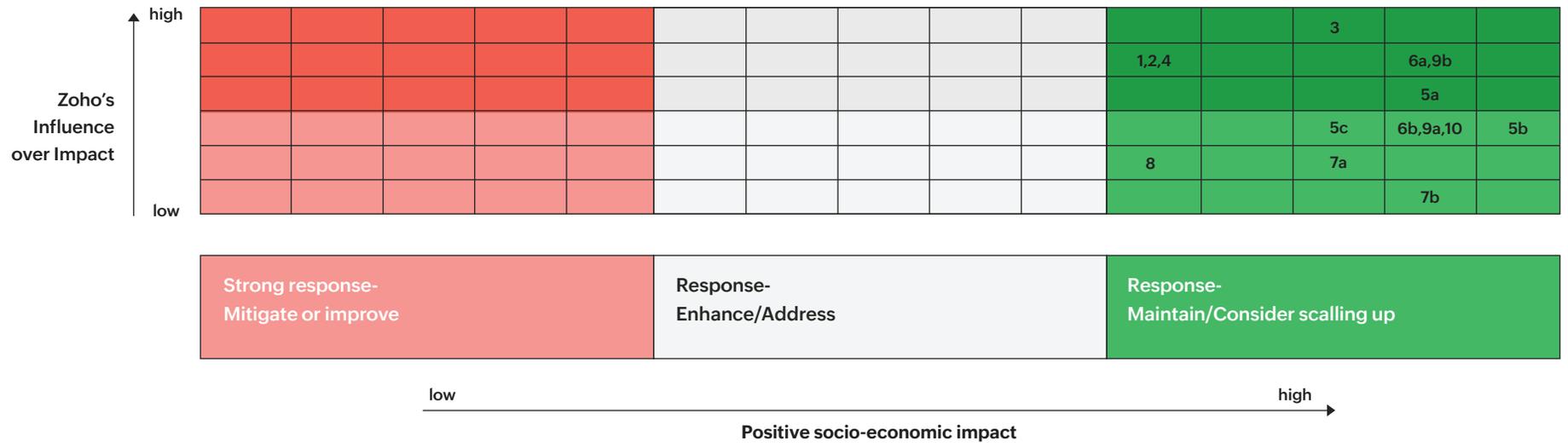
- About 25% of the Suppliers and Vendors would like Zoho to 'start schools' to provide education for the rural children at Tenkasi.

5. Perception of Zoho

- They generally associate Zoho with Sridhar Vembu.
- Also, as a company which 'provides employment opportunities for the local community'.

3.7.3 Measurement Summary

Summary - Vendor/Suppliers



Key

1. Product/ Service Requirement Specification	2. Communication & Engagement	3. Compensation & Timeliness of Payment	4. Service Feedback
5. Increase in earnings by a. 20% b. 10-20% c. 5-10%	6. Support extended family a. Financial b. Education & Healthcare	7. Lifestyle a. Clothing b. Asset acquisition	8. Expanded Social Circle
9a. Societal Perception 9b. Self Esteem	10. Enabling acquisition of more clients/ partnerships		

3.8 Elected and Administrative Officials

3.8.1 Coverage – 3; All mapped to Tenkasi

3.8.2 Qualitative Assessment

1. General Observations

- No awareness of Zoho or IT companies/IT when Zoho was initially set up here.
- Believe, Zoho is one of the main reasons for Tenkasi to become a separate district.
- In their opinion, what sets Zoho apart from other big IT companies is that they give opportunities to local talent, train them and then get them employed, rather than choosing candidates based purely only on qualifications.

2. Impact on society

- **Impact on Employment** – In their view,
 - Employment opportunities have been created in this district and since getting employed here, lifestyle and livelihood of those have been positively impacted; While women are being given more opportunities now, they are still less in number.
 - This has also allowed people to remain with their family/extended family and consequently, it has ensured savings due to reduction in household expenditure.
- **Impact on Students** – They opine that,
 - Students are aware of what Zoho offers and are therefore determined to complete their School/Diploma education successfully to join Zoho.
- **Impact on Real Estate, Housing** – According to them,
 - Real Estate values have increased significantly.
 - New housing facilities are being constructed to accommodate Zoho staff.
 - Company staff have started showing interest in investing in agriculture; This has also been a contributing factor for the increase in the value of agricultural land.

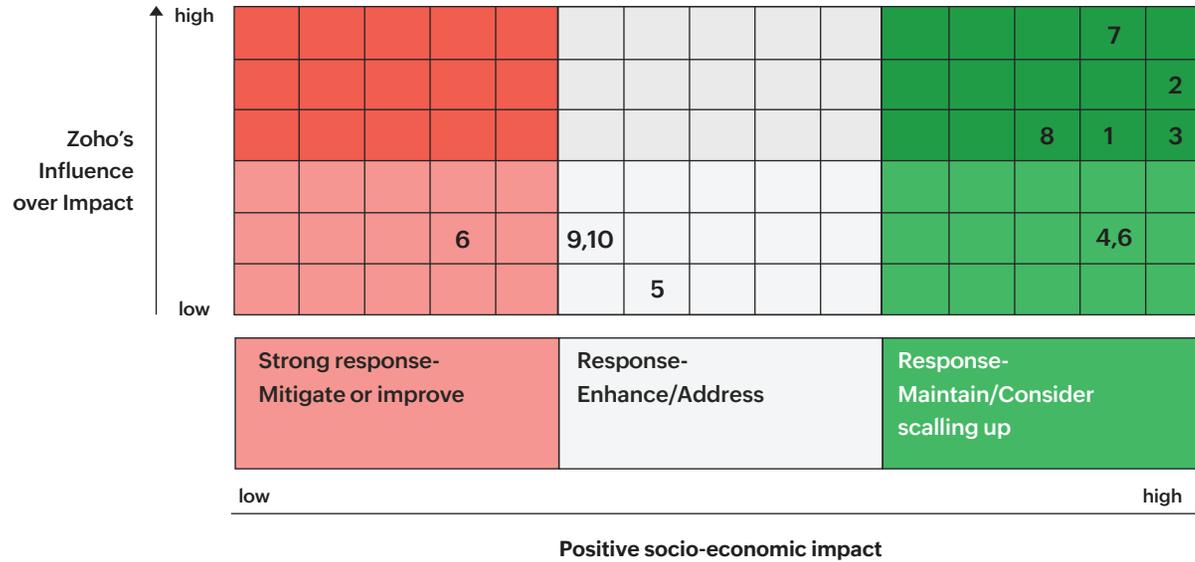
- **Impact on Local Businesses** – It is their considered view that,
 - Only the Businesses/Business owners that are directly engaged with Zoho and the other businesses that are engaged with the vendors/suppliers of Zoho have benefitted.
- **Impact on Farming/Farming Community** – They say that,
 - Farming initiatives by Zoho has created awareness about organic farming to some extent amongst the locals.
 - The panchayat has now started producing vermicompost.
 - Local Farmers are being taught and gaining an understanding of organic farming.
- **Social Service and Community Engagements** – They say,
 - ₹1.5 lakhs have been provided for waste clearance.
 - Zoho has also contributed ₹25 lakhs for lake clean up.
 - During Covid, Zoho enabled free food to be provided to nearly a 1000 people including front line workers.

3. What should Zoho do differently?

- **Selection of candidates:** Zoho should visit the Government schools in and around Tenkasi and choose a minimum of 4-5 students from each school, specially focussing on those students who cannot pursue higher studies due to familial/financial reasons, then train and employ them.
- **Waste Disposal:** There are 3 villages near Zoho which are generating waste but there is no land available in any of these 3 for waste disposal leading to lot of waste accumulation. Zoho should consider providing land/space for creating a dumping site to take care of the waste accumulated from the nearby villages.
- **Support to enhancing medical facilities at Tenkasi:** Zoho should conduct Medical Camps often. They should also look to build or contribute to building hospitals/medical facilities.

3.8.3 Measurement Summary

Summary - Elected/Administrative Officials



Key

1. Awareness about Zoho	2. Employment generation	3. Opportunities for students
4. Impact on Local businesses	5. Farming Practices	6. Impact on Real Estate
7. Support during Covid	8. Social & Community Initiatives – Waste Clearance, Lake Clean up	9. Support healthcare @ Tenkasi
10. Support Waste Management @ Tenkasi		

3.9 Other Initiatives of Zoho @ Tenkasi⁴

3.9.1 Qualitative Summary

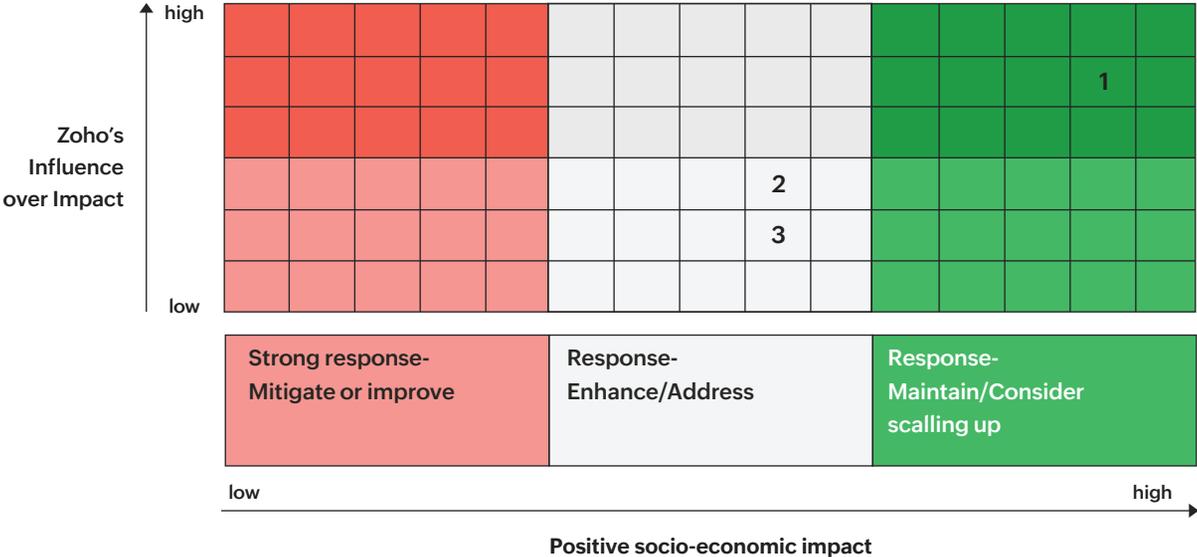
1. Farming related

- Set up in Govindaperi.
- Spread over company owned 110 acres.
- Employs 55 local labourers. 5 employees of Zoho are also involved in this initiative. The labourers are employed all year round thus doing away with seasonality of employment like other farms.
- Wages amount to ₹200 for women and ₹350 for men per day, paid weekly. The labourers conveyed happiness with the quantum and timeliness of wage payments.
- Crops grown include guava, gooseberry, lemon, mango, wheat, etc. Sustainable practices like organic farming and drip irrigation are used.

⁴ As per information shared by Zoho

3.9.2 Measurement Summary

Summary - Other Initiatives



Key

1. Quantum & Timeliness of Wages — Farming	2. Sustainable farming practices	3. Nascent Initiatives of Zoho Labs
--	----------------------------------	-------------------------------------

3.10 General Populace

3.10.1 Coverage – 23, Tenkasi Main; Kadayam; Mathalamparai

3.10.2 Qualitative Assessment

S.No	Parameter	Tenkasi	Ramanathapuram	Sivagangai
1	Population	1,440,795	1,353,445	1,339,101
2	Population Density	495	328	274.7
3	Per Capita Income	-	44,707	50,466
4	Literacy Rate	77.90%	80.72%	79.85%
5	HDI Rank	29	20	16
6	Worker Participation Ratio	50.78%	44.55%	46.30%
7	Gender Inequality Index	0.014	0.075	0.114
8	Infant Mortality Rate	8.6	13	13
9	Gross Enrolment Ratio (Secondary Education)	102.26%	95.54%	106.70%
10	Transition Rate (Upper Primary to Secondary)	94.96%	95.27%	99.67%

Notes:

- 1) Population - Year of Data Source 2011 across all three districts
- 2) S.No 5 to S.No 10 - Year of Data Source is 2013-14
- 3) S.No 5 to S.No 10 - Calculated based on the data source in 2013-14
- 4) Per capita income of Tirunelveli as per Census 2011 - Rs.54,259

1. Profile

- Gender: All male
- Occupation: Shop owners, School teachers, Cab/Auto drivers, General public, Public transport employees, Bank Manager, Automobile Dealership owner, Hotel Owner.

2. Awareness about Zoho and its operations & initiatives

- Respondents in and around Tenkasi Main and Mathalamparai (5) are aware of Zoho as an IT Company, of whom 2 are aware of Zoho's primary business but not to a great extent.
- Respondents from Kadayam area are unaware of Zoho Technologies except public transport employee and auto drivers. Some of them (3-4) are aware of Zoho Farms.

3. Impact on Local Businesses

- Respondents in and around Tenkasi Main and Mathalamparai feel that local businesses have improved to an extent since the establishment of Zoho @ Tenkasi.

4. Impact on Real Estate and Rental Rates

- Some respondents feel that 50–60% of the increase in Rental Rates can be attributed to Zoho's presence in Tenkasi.
- Some others opine that Zoho is also a contributing factor for the increase in Real Estate prices.

5. Local Transport

- It is the view of the respondents that there has been "No Impact" on Public Transport.
- They do feel that there is an increase in personal vehicles.

6. Impact on Education

- A few of the respondents opine that the ZSL way of training and employing students right out of schools precludes their chances of a higher education.

7. Any other Impacts on Society due to presence of Zoho @ Tenkasi

- Majority of the Respondents are unaware of Zoho's Impact on society. A few respondents also felt that the impact of Zoho is only on the lives and families of the ZSL students and not on others in the community.

3.10.3 Measurement Summary

Summary - General Populace



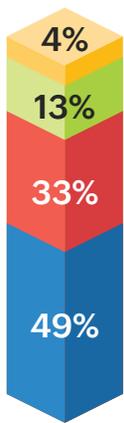
Key

1. Awareness of Zoho	2. Impact on Local Businesses/ Business Owners	3. Impact on Real Estate & Rental Rates
4. Opportunities for Students		

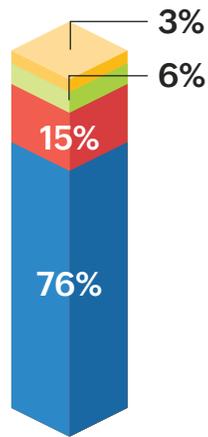
3.11 Stakeholders' view of Zoho's societal impact

Stakeholders' view of Zoho's impact @ Tenkasi

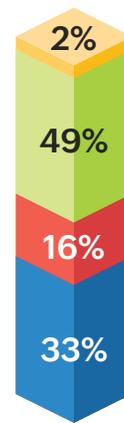
Farmers/Farming Community



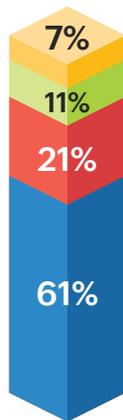
Local Businesses/ Business Owners



Local Transport



Education



Recreational Facilities



■ Positive Impact
 ■ No idea
 ■ No Impact
 ■ No Response

3.11.1 Measurement Summary

Summary - Stakeholders view of Zoho's societal impact



Key

1. Farmers/Farming Community	2. Local Businesses/ Business Owners	3. Local Transport
4. Education	5. Recreational Facilities	6. Real Estate & Rental Rates

4 Respondents' Voice

4.1 Suggestions – Employees & Leadership Staff (2 Pages)

Recruit other profile of people
apart from Engineers

Alter admission criteria in ZSL to include
more of the under privileged

The number of Faculty
staff members should
be increased

Provide more training and
assessment for the students

Spreading awareness
and promoting
ZSL to the locals is a must

Zoho Technologies employees
should be asked to teach students and
share their experience more often

Recruit more
talent locally

Teach Language
and communication
skills to employees

Increase seating capacity
in Madurai office

ZSL should give preference to needy people first

Start a township for Zoho Employees exclusively

More core subjects and soft skills to be introduced and taught to improve student's capabilities

Paying Guest accommodation for Women Employees

Provide Training for New Recruits before assigning jobs

Enroll employees who are not graduates

Build Hospitals

Invest more on R&D

Construct Library with Technical Books

Make Work-from-Home permanent option

Expand offices to other places

Own fleet of cars instead of hiring Cabs

Expand ZSL to other locations

Intakes of Students should be increased

4.2 Suggestions – Other Stakeholders⁵

Hostel facility should be given

Zoho should set up schools or revamp existing schools to provide education for students in the rural

Expand operations here and employ more people and improve local community

Should pick minimum of 3-4 students from each school

Conduct Medical Camps

Provide land to mitigate the garbage disposal problems in Mathalamparai and neighbouring villages

Products needs to integrate with each other like Google

Zoho should visit more govt schools in and around Tenkasi to pick students for their program

Alter recruitment criteria; Look beyond uploading codes/hackathon rank

Diversify into other businesses

Buid Hospitals

Should advertise more to fetch more customers

Add more Presentation, Debate, Soft-skills and personal finance to the curriculum

⁵ Includes – ZSL Students, ZSL Alumni, ZSL Faculty, Customers, Vendors/Suppliers, Elected/Administrative Officials

4.3 Voice of Employees & Leadership Staff (2 Pages)

“

Able to educate brothers and sisters because of Zoho

Zoho as an organization is **too decentralised**. We don't have a hierarchical structure which hampers the growth, since there is no order; there is no standardization of processes

Switched over to **healthy life**, consuming more fruits and vegetables similar to Zoho's food.
Trying to **avoid junk food**

Marriage prospects have increased

Being a **non-ZSL alumni**, initially found **it difficult to** adapt to work environment

Other companies pay well for same kind of work

We manage work, not people

No impact on dressing because **no one in Zoho cares about other's appearances** or clothing and mingle well

Not eating well due to more work

When I joined Zoho, **no one knew about Zoho**, but later when many articles were published, people started appreciating me for working in Zoho

Job security is there. There were no layoffs, during pandemic

”

“

Financially well off, Mentally peaceful, Stress free life

Prior to Zoho was a little brand conscious but joining Zoho & seeing the **simplicity of Sridhar Vembu** has totally changed me

Items/packages that come from Chennai get delayed leading to **business delays**

Her monthly **salary is equivalent to her father's 6 months salary** put together

Got inspired by CEO Sridhar Vembu and Became crazy to join

Unexpectedly good increase in earnings

Local exploit us as they assume that Zoho is a very big company & the employees are rich

Joined Zoho to **explore and utilize my creativity**

Feels that she took a good decision to join ZSL, **now having good professional growth**

”

4.4 Voice of Other Stakeholders⁶ (2 Pages)



**Tough to find homes
in Mathalamparai now**

After Zoho I gained **confidence, became bold and brave** to face any kind of situation

Their **family income has increased** and their lifestyle has changed completely, **they did not even have decent food for a day**, now earn really well

**ZSL teaches you how to learn,
so you can survive anywhere**

I miss the **Crickfest
and AMISTAD Culturals**

I love working at Zoho Schools, and being able to see the amazing creativity from the students

Shops & businesses flourish in areas where Zoho employees reside

Dad is a national driver, so he couldn't work till October. The **stipend from Zoho saved us**

Children of farmers are now employed in Zoho and due to this, their parents are able to **sustain farming without getting into further debt**

On-the-job training was tedious initially as we had to learn and understand other team member's code also, but with support of team members, we could overcome

People ask us for opinions & suggestions - both at home and outside. **Society feels we will know more**



⁶ Includes – ZSL Students, ZSL Alumni, ZSL Faculty, Customers, Vendors/Suppliers



I too have few acres of land and now even
I feel motivated to do more farming

Traffic is higher
due to personal vehicles

Happy employees,
no pressure, no ego

Many are **determined to do well in**
life and they all think Zoho is the way for it

Very successful social enterprise
bringing substantial change in the lives of rural people.
But to see real change, it will take time

Skill is more important than degree,
I am confident I can shine outside Zoho also

Learnt not to waste time, to keep everything clean,
patience, respect, hygiene, how to communicate, importance
of education, **entire life has changed**

Land value has increased tremendously
negatively impacting the business ecosystem

We make it a point to **travel with family**, this is possible
only due to Zoho as they are giving regular income

Wouldn't have been able to study further
if not for Zoho. We did not have the finance for it

A lot engineers I know did not get jobs and have taken
up small, low paying jobs nearby, Zoho is much better



⁶ Includes – ZSL Students, ZSL Alumni, ZSL Faculty, Customers, Vendors/Suppliers

5 Our Qualitative Assessment, The Final Summary and Our Recommendations

5.1 Our Qualitative Assessment and Recommendations

Using our 360° framework, we have undertaken an in-depth and extensive consultative process to obtain both quantitative and qualitative data to measure Zoho's Socio-Economic footprint @ Tenkasi.



In the pages above, we have summarized the several quantitative and some qualitative insights provided by the wide variety of stakeholders about Zoho's operations @Tenkasi.

We have also reflected the several suggestions provided by the various stakeholders and, also captured their "voices" for the benefit of Zoho.

While Quantitatively, the Socio-Economic Impact of Zoho @ Tenkasi is POSITIVE at varying degrees for those who are a part of the Zoho ecosystem (Employees, Leadership Staff, ZSL students, ZSL Alumni, ZSL Faculty, Customers, Vendors/Suppliers, Local Elected & Administrative Officials, people engaged in Zoho's other initiatives such as Agri, etc.), given the scale of the operations in relation to the overall economy of Tenkasi (see table 'Tenkasi @ a Glance in page 5), for the General Populace of Tenkasi, the quantitative impact will only be LOW at this point.

However, it is the scale of the Qualitative impact that needs closer examination:

1. An alternative to conventional method of education – The education initiative of Zoho @ Tenkasi is well structured and thought out. While the local community remains ambivalent on its impacts (“impact is only on the students & their family”; “children are missing out on higher education”) that it has had a SIGNIFICANT POSITIVE impact on the students themselves and their families is undeniable. In addition to showing an alternative non-conventional path to unlocking their earning potential, it has also, as the students themselves have acknowledged in their interactions with us⁷, has made them more confident, articulate (including English language skills), enhanced their social skills, and provided them with an opportunity to support their families.

Zoho Action – Continue to expand the program and enhance the curriculum to cover other aspects such as etiquette, social media behaviour etc.

2. Empowerment of girls and women – Our interactions have shown that there is a POSITIVE outcome to enrolment of girls/women in ZSL and their subsequent working @ Zoho. While the last available data on female literacy levels @ Tenkasi is at 45% in relation to Total Literate Population of Tenkasi District and women’s participation⁸ in the workforce is around 35% (agri) and 58% (non-agri), the nature of work largely remains in low paying jobs in the cottage industry (like Beedi rolling) or as farm workers/casual labourers. Zoho affords a way out of this. As per their own admissions, even though still not entirely in control of their finance, the girls/women interning or working with Zoho have started spending more on themselves, which is a definitive act of social change.

Zoho Action – Programs specifically curated to bring more girls into ZSL and into Zoho; create opportunities for interaction with Women Role Models from different

⁷ 98% of the batch of 2019-2020 combined.

⁸ Tirunelveli (including Tenkasi) as of 2011 Census.

3. Re-distribution of wealth and rise in overall income levels – It is no surprise that Zoho’s biggest impact has been on its employees⁹, many of whom hail from Tenkasi, Tirunelveli and other neighbouring towns/villages (a third of the employee-respondents belong to this category). But beyond of that, our discussions¹⁰ have shown that, in addition to vastly influencing their own standard of life, it has also enabled the employees to support not just their extended families but in many cases, friends. In addition, their savings and spend habits (asset acquisition, jewellery, property investment, etc.) have also undergone considerable changes, thus causing automatic wealth distribution in the local community. In our view, this is an area of **SIGNIFICANT POSITIVE** impact.

Zoho Action – Expanding their operations in Tenkasi to maintain/increase their footprint.

4. Indirect job/wealth creation – Beyond its employees and the ZSL students, Zoho’s key area of influence has been in creating opportunities for a wide variety of local vendors/suppliers. Our interactions with 94% of the vendors/suppliers (for Tenkasi operations) have clearly demonstrated that in addition to the financial benefits, the ripple effect in terms of their ability to extend their children’s education, take care of their extended family and enhance their spending would clearly place this as an area of **SIGNIFICANT POSITIVE** impact for Zoho.

Zoho Action – Consciously increase the share of Zoho’s local procurement. Set clear targets for this and to on-board more local vendors/suppliers.

⁹ Including Leadership Staff and ZSL Alumni

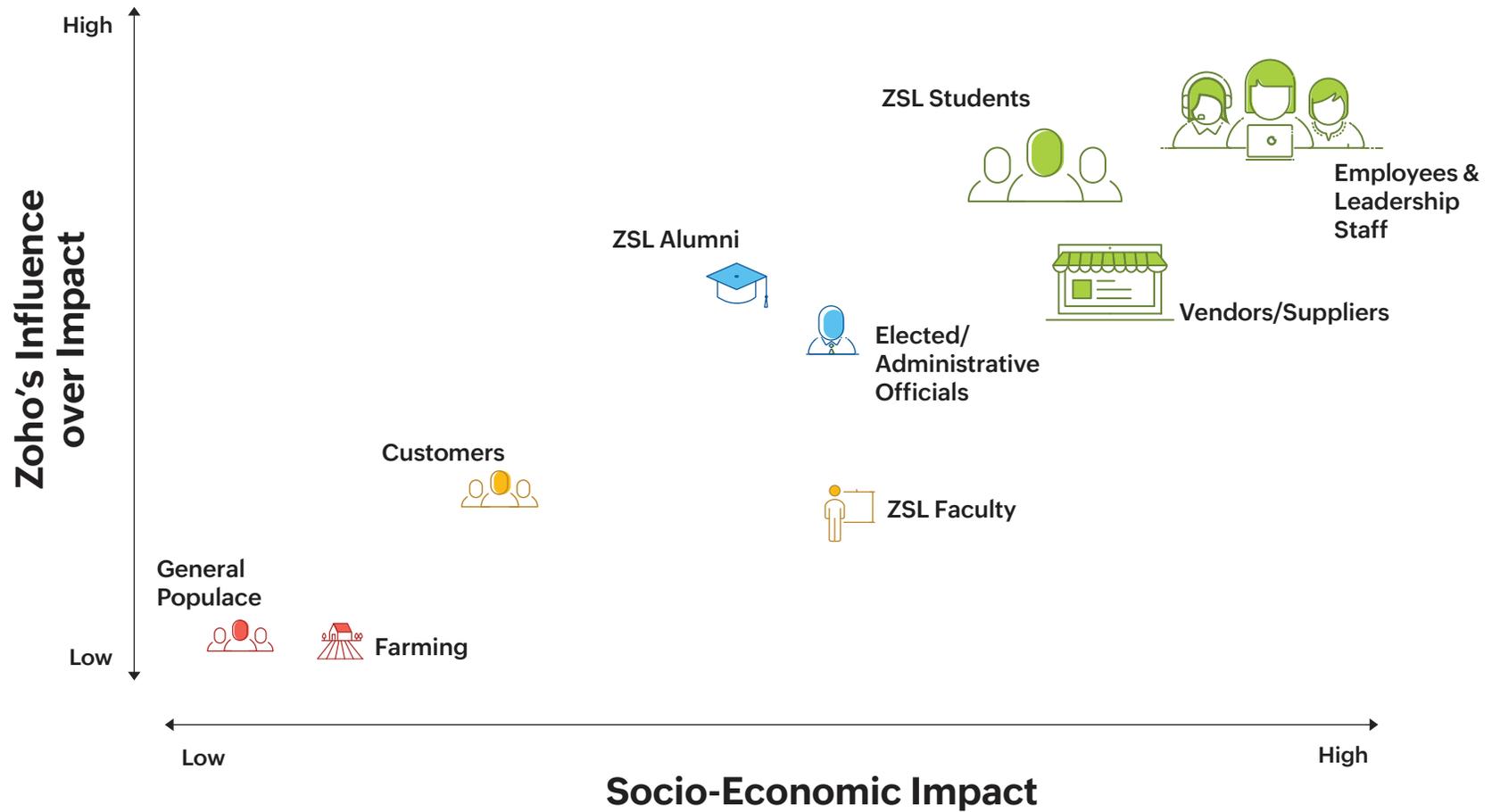
¹⁰ ~35% of the total no of employees @ Tenkasi; 67% of the overall Leadership Staff (Tenkasi + 4 key people involved in this Project); 16% of the former alumni of ZSL (current employees)

5. Ecological actions and awareness – In addition to their education and employment related initiatives, Zoho has also embarked on organic farming and related activities. Our understanding is that this is nascent and Zoho is still learning and instituting small initiatives. Similarly, in the area of waste management, Zoho has contributed to the creation of a waste landfill and organic waste is, as we understand, segregated. However, there have not been any significant efforts as yet to institute source segregation and modern waste management practices. At this time, we would rate the impact of Zoho’s ecological footprint @ Tenkasi as **LOW**.

Zoho Actions – a. Create an environment strategy to both define Zoho’s planned actions as also to measure progress. b. Invest in scientific management of waste generated at all locations of Zoho @ Tenkasi. c. In addition to continuing the organic farming and water conservation practices at the farms, Zoho should also consider hosting awareness programs on these for the benefit of the local farming community.

In Summary, the societal initiatives of Zoho @ Tenkasi, while being conceived and put in place long before Covid was a pandemic, is, in our view, if sustained, likely to have a larger impact going forward than the already significant impact it has had to-date.

5.2 Summarised SEIM Matrix of Zoho's Socio-Economic Footprint @ Tenkasi



5.3 ECG Speaks



The ECG Team has tremendously enjoyed this experience of working with Zoho. The virtual Focus Group Meetings with the ZSL students and the Field Study Visit to Tenkasi were both absolutely engaging and invigorating. Our best wishes to Zoho to continue more and more positive footprints @ Tenkasi and beyond.

- **Latha Ramanathan**, Founder & CEO

6 References

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