



BURN MANUFACTURING CO. (BURN)



BOARDS & SENIOR
MANAGEMENT



EMPLOYEES



ENTREPRENEURS
/ CONTRACTORS



CONSUMERS



COMMUNITY
MEMBERS

BURN Manufacturing Co. designs, manufactures and distributes efficient cookstoves to address the environmental, health and household economic challenges caused by inefficient cooking. BURN, established in 2011, seeks to manufacture 3.7 million improved biomass cookstoves that will save \$1.4 billion, reduce CO₂ emissions by 21.3 million tons and save 123 million trees while creating more than 300 design and manufacturing jobs in Kenya. To date the company has sold over 475,000 cookstoves resulting in saving over an estimated 2 million tons of wood, and savings families an estimated USD\$130 million per year.



BURN employees at the factory in Ruiru, Kenya

SUMMARY

YEAR ESTABLISHED: 2011

NUMBER OF EMPLOYEES: 240

COUNTRIES OF OPERATION: Kenya, Somalia, Uganda, Tanzania

AREAS OF VALUE CHAIN & GENDER OPPORTUNITIES INTEGRATED:

Board/Senior Management/Employees

- ☐ CEO / leadership commitment to gender equity, which is clearly communicated to managers and staff.
- ☐ Identify qualities needed in women who can be potential marketers / sellers of products on commission, and engage them (acknowledging they may only engage for the short-term once exhaust current network).
- ☐ Screen for qualities that may be important for sales/the position.
- ☐ Create pipeline opportunities and source from within, as makes sense.
- ☐ Offer flexible working opportunities (in travel requirements, scheduling meetings/work activities).
- ☐ For pregnant women, consider a modified work schedule according to the individual's needs.
- ☐ Have a paid maternity leave policy and paid paternity leave policy.
- ☐ Provide support in transitioning back to work for new parents.
- ☐ Provide sick leave and health care benefits.
- ☐ Have a strong sexual harassment policy that employees are aware of.
- ☐ Implement a transparent reporting process that involves third party reporting systems.
- ☐ Have all employees go through training on what harassment is and what causes it.
- ☐ Provide travel allowances and/or access to things to travel (e.g. motorbikes, bicycles) - ensuring that whichever option is pursued is discussed with women.
- ☐ Provide staff with ongoing training opportunities to build skills related to sales and customer interaction.
- ☐ Provide staff with ongoing field-based mentorship support.

Entrepreneurs/Contractors

- ☐ Identify qualities needed in women who can be potential marketers / sellers of products on commission, and engage them (acknowledging they may only engage for the short-term once exhaust current network).

Consumers

- ☐ Employ female sales agents to market and sell products that have female end users (e.g., cookstoves)
- ☐ Provide access to credit schemes.
- ☐ Identify women's groups to market and sell products to.
- ☐ Develop financing mechanisms to enable access to products, particularly through utilizing groups to offset risks.
- ☐ Engage sales agents to conduct after-sales service.

BUSINESS IMPACTS:

- ☐ Access to a new consumer segment (chamas) resulting in 2,869 sales over 12 month period.
- ☐ Greater retention and reduced absenteeism among female staff.
- ☐ Recognized by The top sales activator has been female for 66% of the last 6 months.
- ☐ On average women sales representatives are rated higher by distributors.

SOCIAL IMPACTS:

- ☐ A new consumer segment (reaching ~12,600 people) accessed clean cookstoves who now experience fewer emissions resulting in an anticipated 54% less sick days, and approximately 50% fuel savings.
- ☐ Low-income women able to access cookstoves through group payments and/or interest-free credit.
- ☐ Low-income women earning commissions (100,000 KSH in total commissions from ambassadors in 12 month period, 19,000 KSH in total commission from Champions over a shorter period).
- ☐ Sales agents report increase confidence and greater networks.

BACKGROUND ON GENDER STRATEGY

Gender has been at the core of the BURN operations strategy from when they began producing in 2011, and the CEO has been consistent in expressing strong commitment to gender equity throughout the organization – including in R&D, production, marketing and sales – which trickles down to managers and staff. Recognizing women as end users and consumers of clean cookstoves, BURN has taken a purposeful gender approach in its marketing, sales and

distribution efforts. It has done this through engaging women as entrepreneurs (through a commission-based approach), as well as through women employees (as sales agents), with various lessons learned in both approaches. Further, BURN recognized that one of the largest barriers potential women consumers face when considering purchasing an improved cookstove is the upfront cost. While bank loans may be accessible, many women join ‘chamas’ – informal, community-based financial groups usually run for and by women.

GENDER OPPORTUNITIES IMPLEMENTED & RESULTS

Consumers:

With grant funding from the Global Alliance for Clean Cookstoves through its Women’s Empowerment Fund, BURN identified and refined its preferred financing mechanisms for women in chamas to purchase stoves. Chamas were an attractive way for BURN to reach new – primarily female – consumers, who could also then access credit through the chamas, through BURN with the assurance of the chama or through third party mobile credit. Chamas were also attractive to target as BURN sought to turn on a network effect. With the grant funding, BURN also refined its approach to targeting chamas – initially calling chama members. However, this proved ineffective in generating sales, so they switched to having sales agents conduct sales pitches in person.

BURN found that no chama sales were made on third-party mobile credit due to the high interest rates. Approximately 45% of the women who participated in the program purchased cookstoves on chama credit, while 55% purchased on BURN

credit with 3-month repayment plans. In the chama credit scenario, the chama collected and managed payments from members and then purchased stoves directly from BURN in cash once all the cash was collected for the purchase. Both chama credit and BURN credit enabled women to access the cookstove immediately and take advantage of interest-free financing plans. BURN initially introduced a payback period of five months on BURN credit – in addition to an established plan that included 50% payment up front and 2-month repayment plan – in order to provide women with the option of lower payments. While the 3-month option was popular, the 5-month plan was never utilized. Other methods BURN has tried which did not work were layaway programs, as well as “try before you buy” programs.

There were several challenges related to accessing chamas, including the being time intensive and the difficult travel logistics for sales agents to go to groups, deliver products and collect payments. Further, while many pitches go well with chamas and results in multiple sales at once (up to 100

or as few as 5, depending on the chama size), it would still take two to three months for chamas to decide to purchase and raise the required cash – if purchasing through the chama credit option. Lastly, in order to access the credit option through BURN, chamas had to be registered with the government and individual chama members had to provide photo copies of their IDs. Many chamas were not registered and women often did not have easy access to their photo IDs.

While cost intensive, chamas was one of the top distribution channels for the 2017 year with potential for large purchases that would be made at once. Sometimes chamas would connect BURN staff to other chamas, thus capitalizing on the network effect, or would purchase more stoves. Hildah Njau, who ran the chama program, notes: “Sometimes chamas would make multiple purchases so they [could] distribute them themselves.” Also, the chama program enabled women who were not able to pay on an individual basis or without credit to now be able to access products.

Entrepreneurs:

While BURN had originally planned to reach a network of peri-urban and rural chamas through female ambassadors from chamas who were trained and mentored, ambassadors did not stay engaged. At first, BURN accepted volunteers from chama groups to be product ambassadors and offered incentives for referrals and entrepreneurship training. However, most ambassadors lost interest and dropped off. By the end of the 12-month test for the program, only four ambassadors remained active out of over 300 recruited. While BURN sought ambassadors

who were underemployed and excited about BURN products, they undervalued a third critical component: talent in sales and marketing.

BURN shifted strategies to identify and sell through chamas by having BURN sales agents do “market storming”, in which they targeted vibrant market days in untapped regions. At these market days, they would target women, especially those who belonged to chamas, and provide demonstrations of products. These women could then invite them to pitch to a chama they belonged to. One day of market storming could therefore introduce BURN agents to a pool of 100 chamas. This method continues to be used.

From the ambassadors approach, BURN redirected efforts to create a “Champions” program in which BURN agents identified a pool of “super customers” through reviewing customer satisfaction surveys and conducting phone interviews. These “super customers” were all women who spoke highly of BURN products and were trained by BURN in small business entrepreneurship. These Champions proceeded to market stoves in their communities and received commission when stoves were purchased directly through BURN. However, sometimes these people would instead purchase stoves in the market from another distributor and the Champion would thus not receive a commission. BURN agents checked in with the Champions weekly to talk about sales goals and strategies that are working for them. BURN has found that only about 0.1% of satisfied customers are likely to become effective ambassadors or salespeople; therefore identifying “super customers” can be time intensive. This

model enabled BURN to focus more on quality of people engaged, as opposed to quantity.

Despite the resources required to identify “super customers”, these women were effective. BURN market research shows that low-income women in particular tend to be skeptical of any new expensive products, lofty claims, or anything requiring credit. Women also want to see a woman who looks like them, talks like them, and cooks like them demonstrating the new cookstove. Despite this, the resources required made it financially unsustainable.

Employees: Sales Agents

As opposed to engaging women who earn commission, BURN now focuses on its female (and male) sales agents, who are employed full-time by the company. Sales agents may train and support distribution partners, market and sell cookstoves at markets, or –as in the case previously with chamas – pitch to and activate new consumer segments. Sales agents have an initial one-month trial period, and following that may be offered contracts of 3 months, 6 months or one year – depending on the position. Once their contracts end, they may be renewed.

BURN sales agents understand that the process and approach is different in selling to women versus men. For example, potential female clients want to see the product in action through a demonstration and want to know how much the product will save her (in money and time),

whereas men are more interested in the facts including the benefit of the cookstove and why it is better than another on the market. Sales may take longer for female clients, the sales agents say, as women will want a second opinion and know if others are buying. The sales agents acknowledge that selling in a group to women can be more effective – as there can be a network effect whereby once one person (particularly the leader) wants the stove, the others will too.

Njau notes that female sales agents often have an easier time selling to women, and tended to be more successful in chama sales. Given that men are not often the end users, or cooks, they may not be as poised to answer questions regarding the use of the product. Njau also notes that women generally stay longer at BURN. This may be partly to not wanting to lose the advantages they get from working at BURN, where women are provided with equitable opportunities and responsibilities.

Women, however, do face certain challenges. One female sales agent noted, “For women, if [you] don’t have a supportive husband, then she’ll have trouble doing this work.” Clients may call at night and husbands may not want their wives to answer these calls especially if it is from a man – an issue that men do not face to the same extent. Additionally, support from husbands is critical in helping take care of the kids as needed. Furthermore, female sales agents are wary

of being seen as “promiscuous” when talking with potential male clients. All sales agents acknowledge that jokes can help in making a sale to a male client, but that women have to be sensitive in how they come across to ensure there is no misunderstanding.

Also, female sales agents may face more challenges in needing to be closer to family and having to care for kids. Given this, male sales agents tend to visit areas that are a higher safety risk and further away, while female sales agents – especially if they have children – are able to work closer to home in order to care for them. Also if breastfeeding, women will not travel for long periods. Regardless, all sales agents receive a travel allowance and funds for airtime from BURN. Sales agents also undergo ongoing training and support from management, particularly in marketing the product along with active support on the ground such as in helping identify and access markets. Male and female sales agents have (and use) flexible work options – and can adapt when they work, but still have sales targets to meet. The company has three marketing managers as of October 2018, two of which are women.

Employees: Producers

BURN also has achieved gender balance among employees of its production factory. While not explicitly focused on retaining an equal number of men and women in its production factory in Ruiru, Kenya, approximately 50% of BURN factory staff are women (making up 56% of low-

skill level positions and 54% of medium-skill level positions). Producers are also on contracts of 3 months to 1 year, and can renew contracts at the end of that time period. Producers may have day or night shifts. For women with families, they are able to have day shifts and shift time if needed.

Having equitable representation of women in these types of technical positions is rare in Kenya and elsewhere. The representation can be partly credited to the commitment of the CEO in gender representation throughout the company, which has transferred as an ethos to other staff members. There is also a desire from management to change stereotypes around these jobs only being able to be done by men. Leadership therefore encourages and actively seeks to create equal opportunities for men and women. With women being in technical positions and rising in the ranks at the company, it has further created a role model effect – attracting new potential hires and showing other women and men that it’s possible for women to be effective in these positions.

Internal Policies

All employees – including producers and sales agents – benefit from certain policies. These include a 90-day maternity leave and two-week paternity leave, which are mandated by Kenyan law. Upon returning to work, new mothers are able to work half-days as desired for a period of up to one month. Policies also include 21 days of paid annual leave and 7 days of paid sick leave.

The company has a strong sexual harassment prevention approach. Boston Nyer, CEO of BURN, says it's important to "set [sexual harassment prevention] systems in place early and set the culture." BURN has sexual harassment training, a secure reporting mechanism, and makes it clear that leadership does not tolerate sexual harassment – regardless of country context. BURN has found it important that staff know there is an appropriate channel for reporting any issues and going to your manager is not the only option.

The company looks within to promote, and supports men and women to grow through the pipeline. Some people may start as cleaners and move to producer positions. BURN actively recruits people and supports their growth when they demonstrate dedication and good work. Then higher-level staff may train and support those individuals, creating a culture of mentorship and support, which is present employees in sales as well. In recruitment processes, sex is never a factor in deciding who gets interviewed and both men and women conduct interviews – depending on management in the department that is hiring.

Ultimately, BURN has effectively created a culture of gender representation and equity. As put by Njau, "we have been trained to think we can do anything, so it's hard to see differences between men and women."

LESSONS LEARNED:

1. CEO commitment for gender equity is critical - and it needs to be clearly conveyed to all levels of staff.
2. Women in chamas prefer informal credit over formal credit when formal credit entails high interest rates.
3. Woman-to-woman marketing is most effective in chama sales.
4. Product ambassadors and champions must be recruited strategically; sales and marketing talent is a quality that cannot be overlooked. This process is time intensive and potentially resources intensive - however, it did open up new access to new consumer segments.
5. Engaging women to market and make sales on commission (i.e. as entrepreneurs) may only be effective for a short period of time - as these women may not reach beyond their existing networks.
6. Flexibility in terms of hours for female staff who are mothers is important in enabling them to balance family responsibilities.
7. The role model effect of seeing women in positions that are traditionally male dominated cannot be underscored and plays a big role in attracting and keeping female candidates.
8. Promoting from within can help effective women rise in the ranks to positions they may not have gotten to if otherwise applying for the higher position without working at BURN previously.

IMPACTS:

Business impacts:

- Access to a new consumer segment (chamas) resulting in 2,869 sales over 12 month period sensitive policies.
- In the factory, women stay an average of 3.1 years at the company; where as for men, this is 2.6 years (women thus stay an average of 19% longer).
- While the company does not collect absenteeism statistics disaggregated by sex, BURN has let 4 men go in the last two years due to absenteeism, whereas this number for women is 0.
- The top sales activator has been female for 66% of the last 6 months.
- In 2017 ratings of sales representatives by distributors, women are rated higher on average at 8.5/10 versus 7.5/10 for men.
- Global brand reputation with funders has been positively impacted through integrating gender into the company - including through receiving two awards specifically for how the company integrates gender into the

business (Ashden Award for Clean Energy for Women and Girls; Company of the Year from the Women in Energy Award). However, the financial impact is difficult to quantify.

Social impacts:

- A new consumer segment (reaching ~12,600 people) access clean cookstoves who now experience an anticipated 54% less sick days, and approximately 50% fuel savings.
- Low-income women able to access cookstoves through group payments and/or interest-free credit.
- Low-income women earning commissions (100,000 KSH in total commissions from ambassadors in 12 month period, 19,000 in total commission from Champions over a shorter period)

Organizational impacts:

- Going forward, BURN is prioritizing women not only as sales agents and ambassadors, but as managers and support staff to those agents as well.

This case study was conducted through (1) a review of BURN program documentation from the Global Alliance for Clean Cookstoves' Women's Empowerment Fund, (2) interviews conducted with leadership and management at BURN, (3) follow-up data collected from BURN, and (4) a focus group discussion of sales agents (male and female) at BURN..