



Fair Trade Outsourcing



One Year: Always Improving

It has been a year since we began measuring our business with a dual scorecard that shows financial results as well as social impact results. This report proves that we're maturing in both how we're making an impact, as well as our understanding of how to make that impact.

Last quarter, a surge in hiring was attributable to the expansion and onboarding of new accounts. Predictably, the total number of people impacted also increased, by measuring the number of dependents that each agent carries. The 1 to 6 ratio of agent-dependent continues with new agents hired in our primary Filipino delivery center, giving us further proof that BPO employment has a powerful place in the Philippine economy. Next quarter, we will cross the 5,000 mark in total people impacted in the Philippines.

We're getting better at measuring income, and what it means in agents' lives. In the quarter to come we're *again* recalibrating our income measurements. New research by the leading [economic stats agency](#) in the Philippines allows us to calibrate against these statistics.

The results are thrilling. 74% of agents are in the "middle income" bracket, and the other 26% are safely well above the poverty line, according to this widely accepted definition. By synchronizing to this definition, in the future we will be able to objectively measure, according to academic standards, *how quickly a household exits poverty* through a BPO job.

As we've also learned this quarter, income is only half of the poverty equation; the other half is consumption. We are expanding and clarifying our measurement of the middle-class life we seek to build by identifying certain markers, like housing ownership & type, household composition, household goods ownership (which impacts the household cash flow), and as always, transportation ownership.

In the quarter to come, we will go deeper into the household itself, as we've now learned that you cannot understand poverty and how to cure it without knowing how the household is behaving economically. A poor person is never an island.

Among our existing programs, we have made two zero-interest micro-loans, 4 calamity grants, and 10 people leveling up in English proficiency. These programs are becoming well-oiled machines. They continue to grow in scale as we do, and continue to support our dream of making a BPO job a way out of poverty.

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Total Impact

Our aim is to create measurable, visible impact on our agents' lives as well as on the lives of those who depend on them. An "Income Dependent" is someone who directly benefited from our agent's income regularly within the past 3 months (regardless of location, consanguinity, affinity or relationship).



4,937

People Impacted since 2016

137

Students

802

Agents

3,998

Dependents

What are the top items on our agents' budget?

27%
Food

10%
Utility Bills

10%
Savings

9%
Transportation

17%

of our agents' income goes to their dependents (education, healthcare and daily sustenance)

90%

of agents have dependents

7

avg. no. of income dependents per agent

62%

of agents are major breadwinners

How are the agents related to most of their dependents?

19%
Cousins

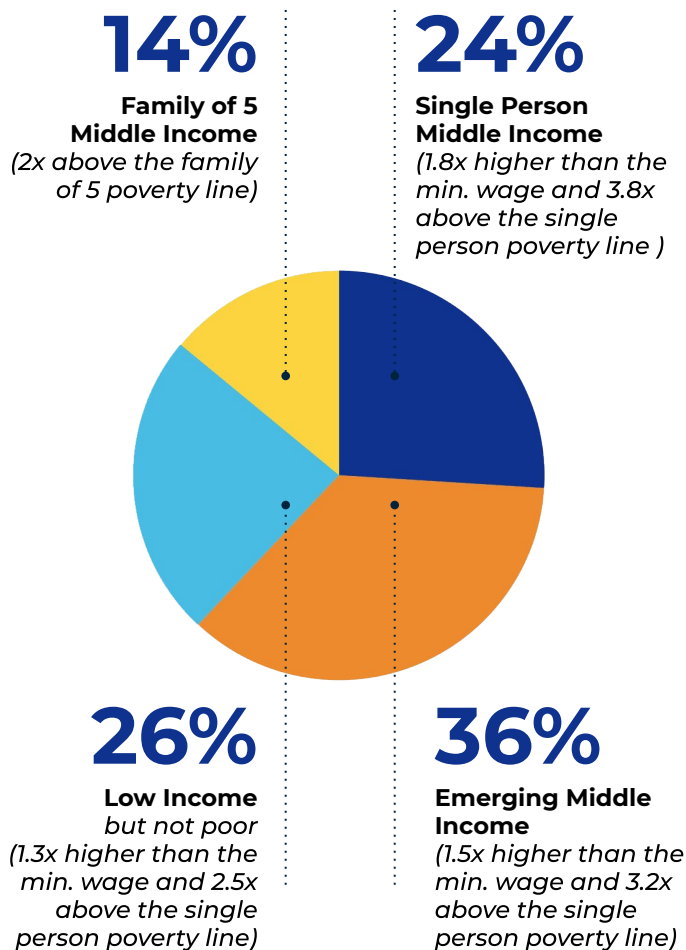
17%
Siblings

17%
Parents

Building Our Agents' Capacity to Improve Their Quality of Life

While creating measurable impact is a top goal for Rethink, we want to pursue a more inclusive vision for our impact initiatives. We're not just providing middle-class employment. We are giving our Agents the tools to improve their Quality of Life -- from capacity building programs to microloans for business and private transportation. These will provide them additional income streams.

We are building a new generation of not only skilled workers but also entrepreneurs. We want to see grassroots entrepreneurship take hold and change not only the lives of our agents but also the communities where they live and work.



2.18x

Avg. gross salary vs. poverty line

30h

Avg. total time spent by agents on English Proficiency capacity building programs

448h

Avg. total time spent by apprentices on software development and quality assurance capacity building programs

10

Number of agents who signed up for directed training classes and successfully upleveled

19%

% of agents engaging in business & investments

Pay at RTS starts at **1.3x higher** than the minimum wage and **2.5x above** the single Person Poverty Line

Quality of Life

(Housing & Household, Health, Education, and Transportation)

Our Impact Survey focuses on providing an inclusive view of what's happening in our Agents' lives. Measuring economic impact based on Proud Purchases alone isn't enough. There must be changes in their lifestyle and progress in their personal lives.

In this report, we look at the quarterly spending habits of our Agents. We measure the changes on four important areas: housing, utilities, family, and transportation. Within their households, Agents are highly capable of buying appliances, gadgets, and personal transportation. More Agents have access to basic utilities, like water and electricity. Plus, they now have the financial capacity to support their dependents' healthcare and education.



Housing

49%

permanent house is owned (owner-like possession)

47%

permanent house has strong roof, and concrete walls and flooring

94%

permanent house has access to electricity

69%

permanent house is connected to water supply with own use faucet

8%

of the agents' whose proud purchases are for their home improvements



Household

87%

of the agents live with their family

6

average size of household

35%

household with head aging 51-60

54%

household with members that are below 14 years old

75%

household owning a refrigerator

Transportation



83%

of the agents rely on public transportation



17%

of the agents travel to and from work by a car or motorcycle they own and maintain

Dependents



26%

of the agents' whose proud purchases are for their dependents' healthcare and medication



11%

of the agents' whose proud purchases are for their dependents' education



Agent Stories

Meet our extraordinary agents who grew their economic power throughout their employment with us.

Juhnly

Go-getter Power Agent

RTS became a place that enabled me to nurture my personal and economic growth.

Recently, it helped me big time by giving me access to Motors for Progress (a Zero-Interest Microloan for Motorcycle). I live 20 kilometers away from the office. I had to be ready by 8pm everyday to catch the last bus ride to the city and I just continue my sleep at the office. With my new motorcycle, I can rest continuously at home and get ready to work just in time. [Learn more](#)

Discover more success stories on our [website](#).



Nica
Wonder Woman



Cathy
QA Specialist
Internetpreneur



Karen
Wage Earner to
PisoNetpreneur



Alemar
Farm to Office Table



Mimi
Damsel in Success



Karen
Wage Earner to
PisoNetpreneur

Programs that Impact People's Economic Lives

Bam becomes the second RTS Power Agent to receive our Zero Interest Microloan for Business.

She now operates a 5-unit coin-operated computer and internet shop. This business provides her with an additional income stream that she solely owns and not just work for.



Juhnly is the first Power Agent to receive our Zero Interest Microloan for Motorcycle

Private transportation is giving him more control of his time. He lives 20 kilometers away from the office. He used to cut his sleep in order to catch the last bus ride to the city. With his new motorcycle, Juhnly can rest continuously at home and get ready for work just in time.



28 Power Agents upleveled in English Proficiency since launch

Our agents undergo a cycle of learning experiences and benchmark tests that enable them to build their capacity and uplevel. Achievement is linked to compensation and will qualify them to take on higher level work and progress in life.



6 newly graduated IT students join the Software Developers and Software QA Apprenticeship Program

Since it was launched in May, each of the 6 apprentices have spent 448 hours building their capacity in Software Development and Software Quality Assurance for global IT work.



Since the launch of this program, 16 employees who experienced a catastrophic situation received help from RTS.

The Catastrophic Fund Program was set up to ease the burden that our agents experience when a catastrophe happens to them and their family.

The Fourth Rethink Impact Report - July 2019

