

Book Reviews

***Jugaad Innovation* by Navi Radjou, Jaideep Prabhu and Simone Ahuja, Random House Publishers India Private Limited, New Delhi, 2012, 318 pages, ₹499, ISBN 978-8-184-00205-8.**

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One of the prerequisites of sustenance is to continuously innovate in response to changing needs and demands of society. Academicians, management experts, corporate leaders across the globe are engaged in widespread research to come out with new innovative strategies and techniques in order to withstand competition, enhance growth and ensure customer satisfaction. The book explores an innovative strategy that is not an outcome of any research as such, but is what is within all of us. I remember those days when I used to get ` 10 everydayas pocket money and at the end of the day managed to keep at least some portion of it after having met most of my demands. This is what "Jugaad" is all about. It is a colloquial hindi term that presents a unique way of thinking and acting in response to challenges, deriving the best out of any circumstances.

Mansukh Prajapati's resilient mindset to create refrigerators, non-stick tawas and lots of other stuffs made of clay under the brand name of 'Mitticool' sets an example how ingenious solutions are born for pressing socio-economic problems in the local communities, breaking free the shackles of all possible bottlenecks that may come in its way. It is not just a story of a single man but of all those grassroots entrepreneurs who have carved a niche out of empathy for the local community combining limited resources and a never say-die attitude that finds voice through this book. Though the top-down innovative strategies had quite successfully been embraced by entrepreneurs worldwide in the post second world war era, it has been observed that many leading corporate houses like Google, Facebook, Apple, GE, Philips, PepsiCo, Philips, Tata Group, YES BANK, Future Group and many others have resorted to the Jugaad style of management as a complimentary tool to meet the demand of time. The six fundamental principles i.e. seek opportunity in adversity, do more with less, think and act flexibly, keep it simple, include the margin and follow your heart, identified by the authors based upon which Jugaad innovation operates have been discussed in the subsequent sections.

Adversities have become synonymous with the way of leading lives of most of the rural entrepreneurs and the local community. The very fact that he could salvage meager profit as a major portion of the operating costs would go in energy consumption, forced Tulsii Tanti, a textile entrepreneur to think differently to explore alternative sources of power which not only resulted in the usage of wind turbines to meet power needs for his unit but rather he could sense the vast untapped opportunity to meet global demand of steady supply of affordable energy which triggered him to establish Suzlon, which today is the world's fifth largest energy solution provider. In a similar way many entrepreneurs over the globe inculcate this jugaad spirit of seeking opportunity in adversities viewing the glass as half full instead of half empty and with the strong urge to learn jugaad innovators strive to respond to the harshest circumstances and seek opportunities for growth and expansion in it. The authors salute this jugaad mindset to move forward in the path of odds, transforming them into evens for the benefit of a larger community.

The principle of doing more with less has its base laid in the economics of scarcity. This section of the book reimburses the age old truth that scarcity is the mother of invention. The frugal mindset of the jugaad innovators in response to the pervasive scarcity and the demanding nature of the consumer base not only results in lowering the costs of operations for themselves but also delivers value to the consumers. The reasons how jugaad innovators can manage to do more with less emanates from the fact that they reuse and recombine the existing technology and resources instead of creating something new from the scratch which consumes both time and resources; they tend to invest less in capital assets, instead they go in for sharing or taking the same on rent thereby keeping their cost-structure lean and allowing flexibility in operations; they make use of the already existing distribution network instead of going for starting their own physical network. Despite the growing number the low-income consumers who seek value for money offerings most of the large companies' still practice the 'more for more' strategy since the top level management lacks the incentive to seek opportunities in low-income segments considering them to be unprofitable. The authors thereby seem to criticize this 'more to more' strategy of the large companies envisaging the jugaad way of operation in the light of the fact that resources are in limited supply and hence needs to be optimally utilized.

The fact that jugaad innovators can think and act flexibly corresponds to their ability to constantly experiment and improvise solutions to the obstacles they frequently encounter. They have made their way through in the era of technological advancement and cost competitiveness by thinking the unthinkable, by improvising solutions rather than relying heavily on preconceived course of actions, devising multiple ways to achieve a goal and acting with speed and agility; which becomes difficult for the top

down strategists owing to their fixed mindset, sense of predictability, aversion to risk, disengaged employees and rigid and time consuming process of product development. Along with a set of advices for the large companies to break free the inflexible mindset, the book has glorified the fact that jugaad innovators have become masters of flexibility with an outlook to challenge the conventional thinking, coming up with entirely new value proposition and modifying their plans as they go.

In the words of Albert Einstein 'any intelligent fool can make things bigger, more complex, and more violent. It takes a touch of genius- and a lot of courage - to move in the opposite direction'. In recent times a gradual shift from complex technology to simpler ones is noticed amongst consumers round the globe. But still large corporations have embraced a 'bigger is better' approach to innovation. The book criticizes this myopic perception of large companies that forgoes long run sustainability to reap short term benefits. Simpler products are cheaper to make and hence affordable, they are easier to install and maintain and they can satisfy a wider audience, the benefits of which is enjoyed by the jugaad innovators. The book in a way highlights the art of simplicity with an ardent appeal to make life simpler and easier.

Despite the growing diversity and large number of marginalized consumers in many parts of the world, many large companies view them as unprofitable, too complex to serve or not sufficiently valuable to include in the innovation process. On the other hand scarcity, diversity and interconnectivity are together acting as driving force for jugaad innovators to build their business around the needs and aspirations of marginal consumers and employees. They approach the marginal groups as a whole new market helping everyone to climb up Abraham Maslow's need hierarchy. The book in a way warns large corporations about the alarming truth that the margin is becoming the majority and having perceived them as 'out of mainstream' customers would cost a lot. Instead they should carry out social inclusion with a business mindset and embrace the principles of inclusive design.

Jugaad entrepreneurs through their unique power of intuition can successfully navigate a highly complex, uncertain and unpredictable environment. The harsh conditions in which their fellow citizens live and the difficulty in logically analyzing a highly complex situation to make a rational decision, often compels them to follow their heart instead of relying too much on brain. The book cites the example of Kishore Biyani, CEO of Future Group, who is a typical example of jugaadmindset entrepreneur. He didn't take the logical advice of management consultants, but rather used his intuition to sense the taste and preference as well as the comfort zone of the Indian consumers. Like always this section of the book also keeps ready a set of suggestions for corporate leaders as to how they can 'follow their heart' to seek practical life solution.

Though jugaad as an innovation strategy can sustain breakthrough in the contemporary complex business environment, but it is not feasible to apply the jugaad principles in all situations. In other words it is not a substitute of tradition structured innovation approach, but rather justifies itself more as a complement to the latter. Under conditions of volatility, resource scarcity, frugal and diverse customer markets, jugaad strategy stands to deliver optimum results. The book highlights the case of General Electric (an MNC based in U.S.A), which integrates 'Jugaad' and 'Six Sigma' innovation approach thereby seeking the benefits of both the approaches. The do's and don'ts suggested for the CEOs of large corporations as to how they can infuse the jugaad spirit into their organization gives a signal that the authors are making a conscious attempt to influence the implementation part of integrating jugaad into the organizational structure.

The western world is gaining momentum on adapting jugaad movement to improvise frugal and flexible solutions to problems of complexity and scarcity. Given the fact that most western governments are facing financial meltdown, the entrepreneurial class from all walks of life are increasingly taking the nation building task in their own hands and are applying the principles of jugaad to address the problems of their societies. Apart from that many universities and institutions too are engaged in training tentative future jugaad innovators. The list of suggestion for Indian companies to reap profit from the jugaad innovation is evidence to the fact that the authors dream to materialize a prosperous world of jugaad.

In the era of growing complexity and scarcity, when the world is suffering from crisis of all sorts and our sustainability is at stake, we need to devise new ways of looking into things and act according to the need of the hour. The contemporary world demands restraints and frugality in an attempt to make lives simpler and meaningful. Jugaad innovation promises us such world of simplicity where we listen to our heart instead of getting dwindled in the deluge of grey matter. In a way it nurtures the spirit of self-reliance and development of a perfect human being. The book is written in a style where we can find a perfect blend of management expertise, philosophical connotations and societal concern, and hence can be considered as a resource for people from all fields of life who aspire to celebrate life and make it meaningful at every point of their existence.