

Book Review

JUGAAD INNOVATION

A FRUGAL AND FLEXIBLE APPROACH TO INNOVATION FOR THE 21ST CENTURY

Navi Radjou, Jaideep Prabhu, and Simone Ahuja, Random House Publishers India Pvt. Ltd., Noida (U.P.), Eighth Edition, 2013, pp.318+xvii(HB), ISBN: 978-8-184-00205-8, Rs. 499/-.

21st Century has witnessed series of innovations, and the need for innovation has never been so intense, because of the mounting demand of global marketplace. Innovations are the key to growth, prosperity, problem solving world over, and is also crucial to the progression of human well-being. These disruptive innovations have always been credited to the developed markets focusing more on the desires of the rich, who can afford them. Thus, these companies innovate in the emerged markets and then engage in the process of 'glocalization'. Indian companies therefore, are left with no option than to compete with these global players abroad with little time, money, and opportunity. In this context Mr. Sam Pitroda, Advisor to the Prime Minister of India on Public Information Infrastructure and Innovations; Chairman, National Innovation Council, writes in his introduction to the book that India cannot follow that path. India has to focus on innovations that meet the need of people at the bottom of the pyramid- for them, in which they participate and which they can own. These should be affordable, without compromising quality. While India has a tradition of improvisational innovation, this has to be scaled to a system of frugal engineering which can have tremendous benefits for solving challenges unique to our country. The country needs innovation processes that are 'frugal' in terms of the resources required & have a 'frugal' impact on the earth's resources.

Given the sheer resource constraint and the unprecedented challenges faced by the present business environment, not only in the developing economies, but also in the advanced economies, companies are posed with a question of what kind of innovation do companies need so as to enhance and sustain their competitiveness, and how should they embed that kind of innovation in their organizations. As an answer to this question, this book comes as a 'How To' book for all the CEOs and entrepreneurs.

Jugaad literally means an improvised arrangement or work-around which needs to be used because of lack of resources, i.e., a way of managing things by minimal resources. It is very common in emerging markets. Jugaad is a Hindi word and though there is no exact translation of this in English, but there are parallel words for it in other emerging economies. In China it's called 'zizhu chuangxin', in Brazil 'gambiarra', and in France it's called 'System D'. In recent times, it is becoming active even outside emerging markets.

This book has drawn many examples both from emerging and developed markets to challenge the very way the traditional organizations think and act. Cases of leading companies which are practicing the jugaad technology concept, such as, 3M, Tata Group, PepsiCo, Facebook, Future Group, GE, Google, Yes Bank, Philips, Proctor & Gamble, etc, to generate value, as in today's fast-moving world with economic upheavals coupled with agile entrepreneurs, expensive R&D model, the structured approach to innovation is too expensive, resource consuming, and inflexible.

Shipra Singh

The authors have propounded six principles: seek opportunity in adversity; do more with less; think and act flexibly; keep it simple; include the margin; follow your heart, and the authors assert that these principles could help firms, anywhere in the world, to innovate and grow in a highly volatile and hypercompetitive environment. Also the authors cautioned that businesses need to integrate the structured model of innovation of the emerged markets with the free-flowing jugaad model to create dynamic balance between both approaches in their organization, and not replace the existing structured innovative practices with jugaad technology.

The book has not only been praised from different CEOs and entrepreneurs all over the world, but has also invited criticism. The criticism has been with regard to that the principles propounded and the terminology of “Jugaad” has existed since time under different labels. One of the questions being asked is do we have a critical mass of such manufacturing organizations who have implemented a structured process of innovation – to be able to support a pan-India network of jugaad innovators? Also whether to label jugaad as innovation or not is still an ongoing debate echoing loud in India.

To sum, this book delves into critical socioeconomic issues in their communities and present cases of how people have converted these constraints into opportunity. The book in its lucid style offers a way to vest this approach in their organization, and of being systematic about innovating frugally.

– Shipra Singh