FRUGAL ENGINEERING
& SOCIAL ENTERPRISE

Creativity is a skill and innovation is a process.

CREATIVITY
Is Thinking Up New Things,
INNOVATION
Is Doing New Things.

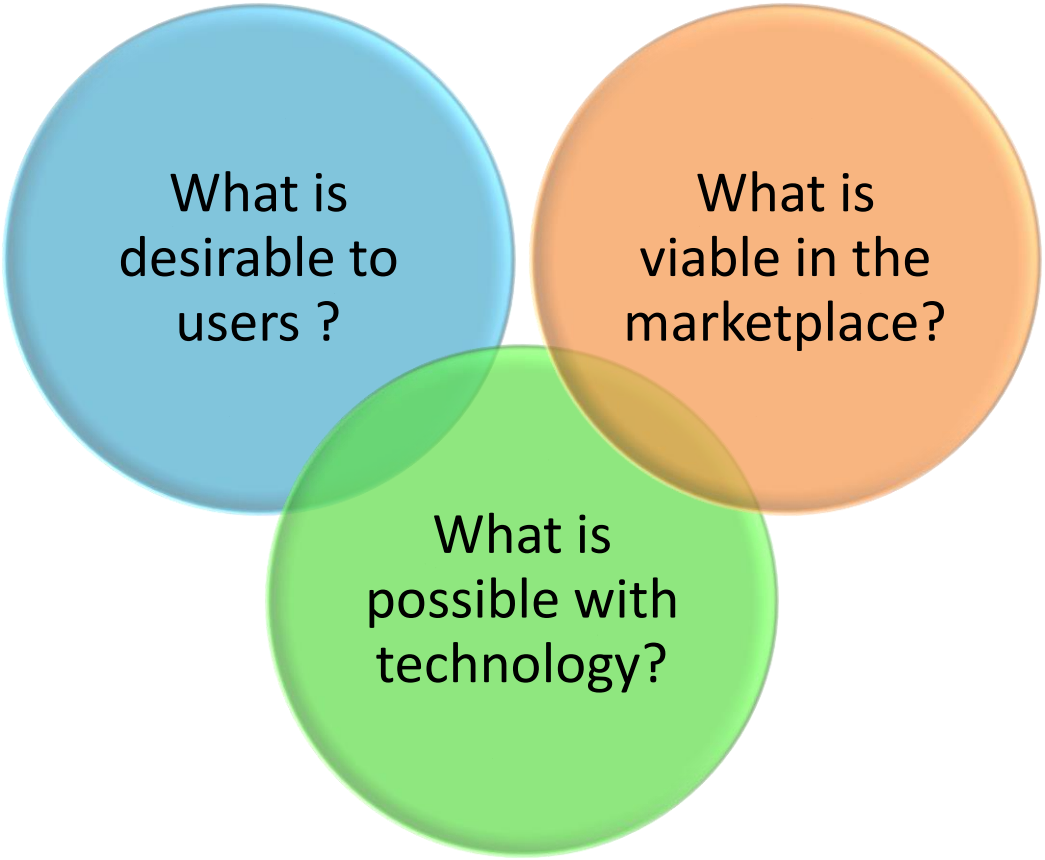
Innovation

- **Involves thinking differently, creatively and insightfully**
- **Enables solutions/ inventions that have an impact on social and economic value**
- **Fulfills unmet needs, not met by conventional products/processes/ institutional forms**
- **Moving beyond R&D to mean new applications of old technologies, new processes & structures, organisational creativity & more…**

Idea Factors to Innovation

- **Need spotting**
- **Solution spotting**
- **Market research**
- **Trend following**

Idea Factors to Innovation



Innovation

- **Innovation** is the initial commercialization of invention by producing and selling a new product, service, or process
  - Product innovation
  - Service innovation
  - Process innovation

Innovation distinguishes between a leader and a follower.

- Steve Jobs

Risks Associated with Innovation

- Innovation involves creating something that doesn't now exist
- Long odds for success
- Market risk
- Technology risk…

Frugal innovation

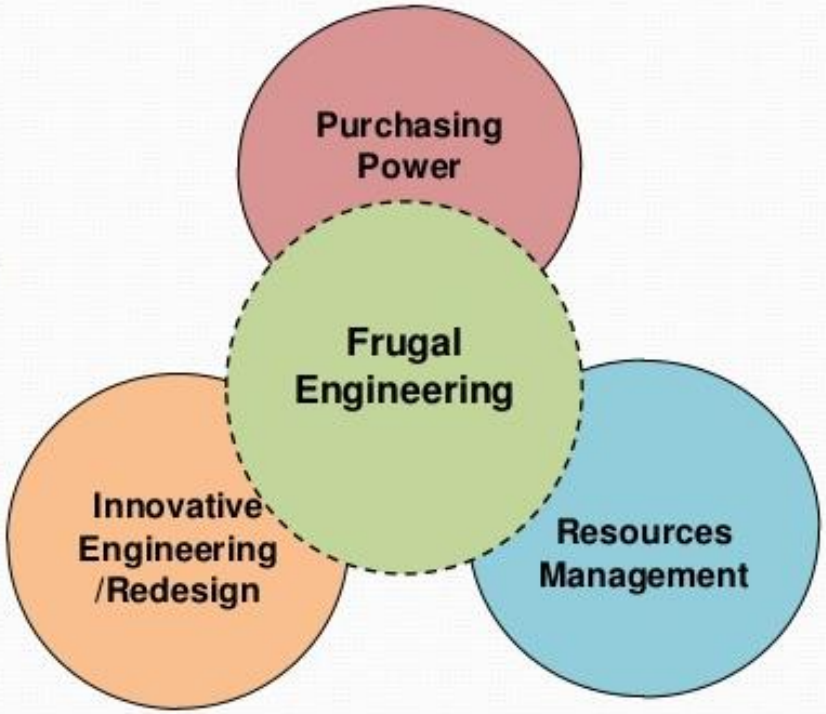
- Frugal innovation, means making clever products from limited resources and seeing poorer populations as a market to serve not as an object of charity.
- Due to the scarcity, people demand for more value.
- Companies deliver to that need by focusing on product reorientation and local solutions.

From ‘Jugaad’ to Frugal Engineering

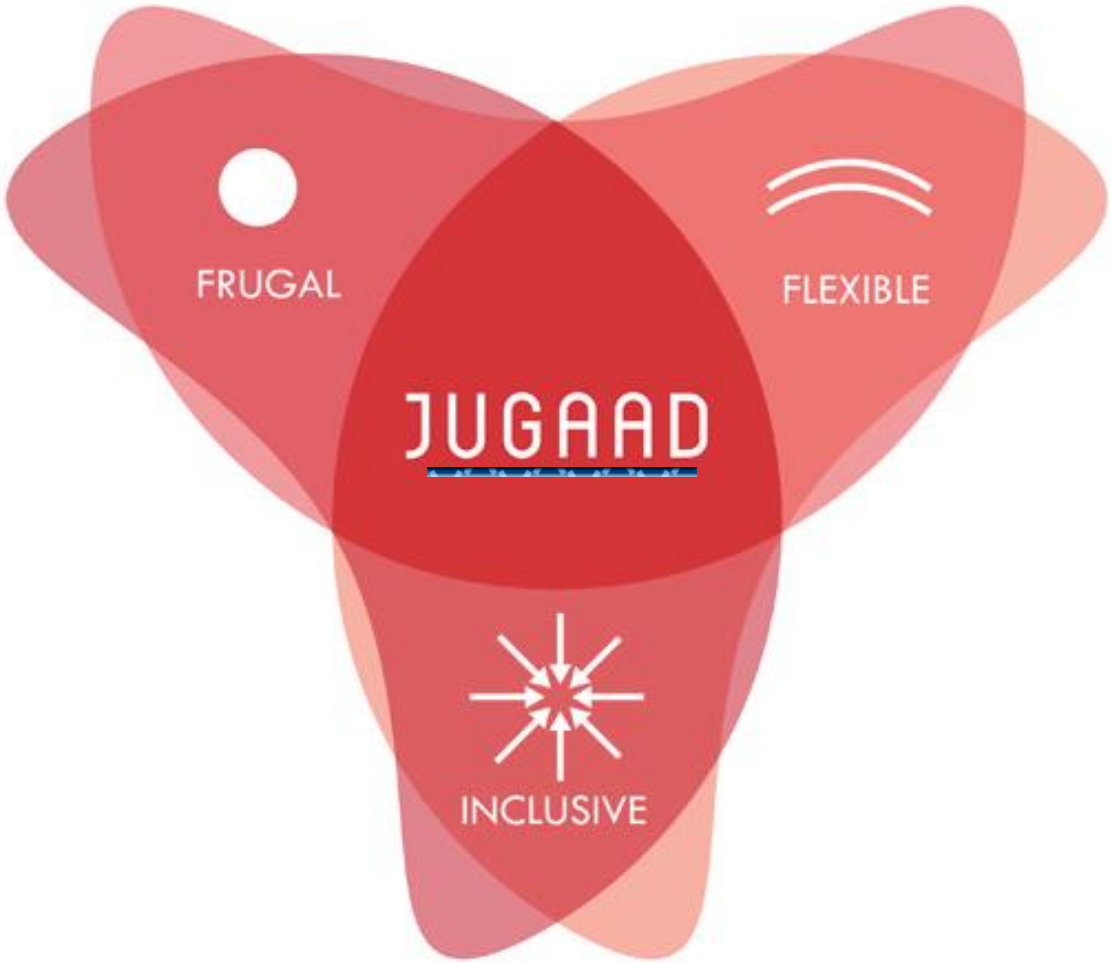
- Existing culture of **improvisational innovation or ‘jugaad’** driven by scarce resources & customers’ needs
- Informal improvisation needs to be scaled up to a system based on frugal engineering geared towards Indian needs
- Would drive disruptive innovations in sectors such as health, education, housing etc. to meet the needs of many.

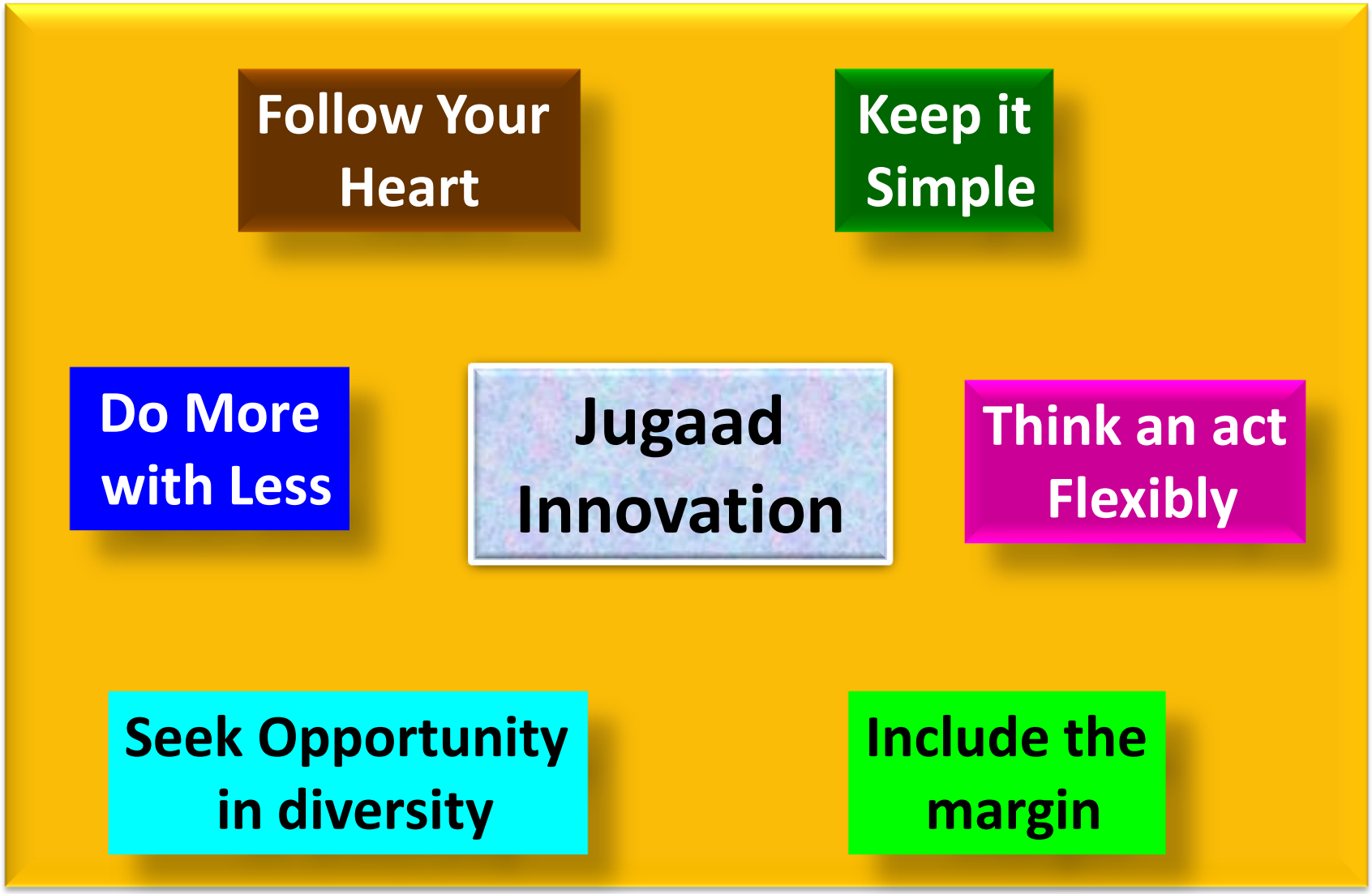
Frugal Engineering–achieving more with fewer resources

- Low-cost design.
- Product development efficiency
- Capital efficiency
- Manufacturing simplicity
- Optimizing customer Interface features
- Eliminating non-value adding features



Focus on 'frugal innovation' that produces products and services that are affordable by more people at low levels of income, without compromising quality


FRUGAL
FLEXIBLE
JUGAAD
INCLUSIVE


Follow Your Heart
Keep it Simple
Do More with Less
Jugaad Innovation
Think an act Flexibly
Seek Opportunity in diversity
Include the margin

Social Entrepreneurship

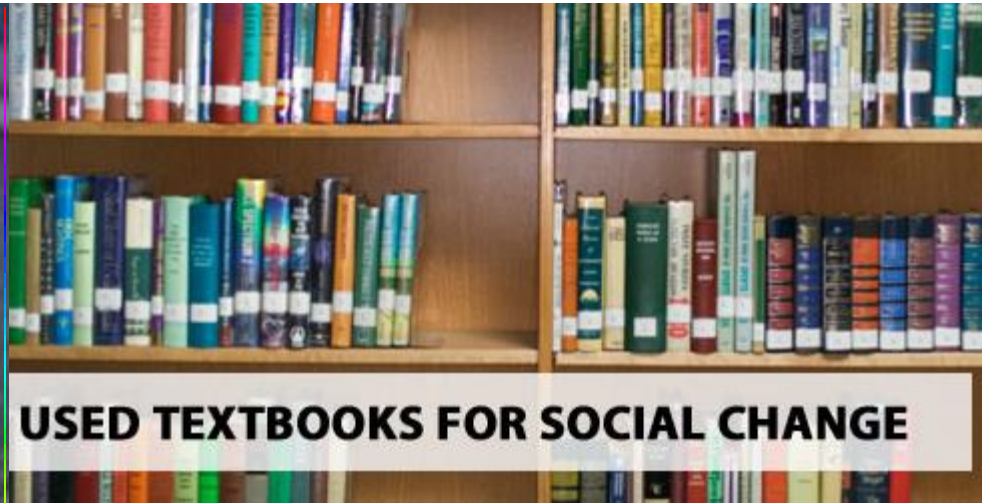
What Is Social Entrepreneurship?

Process of creating value by bringing together a unique package of resources to exploit an opportunity, in pursuit of high *social* returns

Social Entrepreneurship

"Innovation to create sustainable, scalable solutions to our most pressing social challenges. Working at the intersection of business, nonprofit, and government, social entrepreneurs/social innovators blend models and create mission-driven ventures to effect positive social change."

-Tulane University



New kind of Business Social Business

- Creating *business models* revolving around *low-cost products and services* to resolve social problems

- Social business is for 'more-than-profit'

  combine revenue-generating business with a social-value-generating structure

- Can be two kinds
  - Creating services for poor
  - Owned by poor (** not a SB)

"Social entrepreneurs are not content just to give a fish, or teach how to fish. They will not rest until they have revolutionized the fishing industry."
— Bill Drayton

THANK YOU FOR YOUR PATIENT LISTENING!!!

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