Jugaad Innovation: Think Frugal, Be Flexible, Generate Breakthrough Growth

by Navi Radjou, Jaideep Prabhu, & Simone Ahuja

Reviewed by David W. Gill  www.davidwgill.org

Jugaad Innovation was written by three Indian business consultant/educators. Navi Radjou now lives and works as a strategy consultant in Silicon Valley. Jaideep Prabhu is professor at Cambridge University. Simone Ahuja runs Blood Orange, a marketing and strategy consultancy based in Minneapolis. They all travel, work, and write around the world, but with special interest in emerging markets. I was intrigued into buying their book after hearing them interviewed on NPR.

The authors are, naturally, enthusiastic about innovation and creativity in business. But they believe “structured innovation” as pursued in western business models is too expensive, resource consuming, inflexible, elitest, and insular. It tends to weed out unconventional, counterintuitive, deviant responses to business challenges --- and yet it is with such “outlier” proposals that the best options are likely to come. We should not dispense altogether with structured innovation, they write, but we need something more in a world of scarcity, diversity, interconnectivity, velocity, and “breakneck globalization.”

That “something more” is jugaad: “a colloquial Hindi word that roughly translates as ‘an innovative fix; an improvised solution born from ingenuity and cleverness.’ Jugaad is . . . the gutsy art of spotting opportunities in the most adverse circumstances and resourcefully improvising solutions using simple means. Jugaad is about doing more with less” (p. 4). It is about thinking outside the box, beyond the zero sum game, in a makeshift way. It is populist innovation and creativity on steroids.

The authors give a chapter to each of six principles of jugaad: (1) Seek opportunity in adversity. Reframe adversity as a glass half-full rather than mourning it as half-empty. Adversity can produce resilience and creativity. 3M is one of their positive examples. (2) Do more with less. Not “bigger is better” but “more with less” is jugaad. Be frugal, optimize use of scarce resources. Pepsico provides some examples. (3) Think and act flexibly. Question the status quo. Think and act outside the box . . . create a new box! India’s Tata automobile group is their primary illustration. (4) Keep it simple. Complex enough, but no more, is the theme. Look for solutions simple enough to have broad applicability and accessibility. Google and Facebook are two of their examples. (5) Include the Margin. Be as inclusive as possible and intentionally seek out underserved, marginal customers and pull them into your mainstream. Create affordable solutions. Neusoft and Procter & Gamble are two of their examples. (6) Follow your Heart. Use your intuition, empathy, and passion. Get to know your products and customers intimately. Steve Jobs is one of their examples. In chapter eight, the authors argue not to replace structured innovation but to integrate it into a company and use General Electric as an illustration. In chapter nine they argue for a jugaad approach to nation-building, educational reform, health care, and the banking industry.

Jugaad Innovation is compared to jazz music with its improvisational style and ethos. It resonates in many ways with a biblical Christian emphasis on creation and creativity and on serving and learning from all people, including those on the margins. This is an inspiring winner that could profitably be studied not just by entrepreneurs but by managers, deans, and pastors!