FRUGAL INNOVATION
Unlocking profits through high-value, low-cost solutions
OVERVIEW

In a recent global study by Forrester Research, 93% of senior business executives cited innovation as a top strategic priority. To stay ahead, CEOs are demanding continuous innovation as a business competency that needs to be actively managed. However, achieving sustainable growth in a global economy characterized by volatility, complexity, and resource scarcity creates multiple challenges. This, coupled with consumers in emerging markets and developed economies who are demanding more value at a lower cost, is creating an urgency for companies to innovate faster, better and cheaper. Solutions to these challenges can be found through leaders who understand frugal innovation: a low-cost, flexible and user-centric approach to innovation most prevalent in emerging markets. Publications from BusinessWeek to the Economist have looked closely at the role of frugal innovation as a growth driver for global companies.

*Frugal Innovation: Unlocking profits through high-value, low-cost solutions* is an experiential lab that increases participants’ understanding of frugal innovation: the ability to do more with fewer resources, use resource constraints as an advantage, and improvise solutions to user-centric problems. As participants delve into the principles behind frugal innovation, they will also learn how this paradigm is relevant and actionable in their own work through the analysis of case studies, demonstrations, coaching, and tools to share these principles with their own teams. Participants will have an opportunity to conduct field observations (directly or remotely), create business blue-prints, and interact with successful frugal innovators, and find solutions to real business problems through a frugal innovation framework, and a customized design thinking methodology.
IE Social Impact Series
Frugal Innovation

PROGRAM OBJECTIVES

The goal of this lab is to catalyze innovation and equip participants with the ability to find low cost, high value solutions to a host of real business problems, and enable a culture of frugal innovation in their organizations. The program will enable participants to:

• Understand and appreciate principles behind frugal innovation
• Learn about strategic opportunities and challenges of frugal innovation
• Understand how to conceptualize, formulate and implement market-based solutions to intractable social problems
• Understand the need for hybrid ecosystems and private-public partnerships
• Take a user-centric approach to product, service and business model innovation for ‘Bottom of the Pyramid’ markets
• Reframe problems to find multiple, value-for-money solutions to existing business problems
• Learn strategies to reduce bureaucratic approaches to create a more nimble, innovative organization
• Identify challenges to frugal innovation in their current business practices
• Design, establish and manage teams to produce the greatest possible chance of success in frugal innovation initiatives

PARTICIPANT PROFILE

The program is designed for executives driving innovation in their organizations, including but not limited to leadership, scientists, R & D, marketing, design, strategy and technology.

METHODOLOGY

The program’s approach to sharing information uses global next practices including experiential learning and multidisciplinary collaboration as well as individual exploration. Lab participants are immersed in an innovative climate supported by the principles of frugal innovation. Initially participants build empathy and garner an understanding of value innovation’s user-centric approach through observations and interviews. This is followed by exercises that help to remove existing assumptions, and support a flexible mindset that leads to ideation and iteration through multiple solutions.

Through case studies and discussions, participants will learn how other companies have engaged in frugal innovation initiatives, how they have organized to deliver such innovations, and the challenges they have faced in scaling these initiatives both internally and externally. Then, participants will get an opportunity to create business blue-prints to develop frugal innovation initiatives, and learn to imbue this mindset, principles and methodology into their own organizations.
CONTENT
The program will lead participants to answer the following questions:
• What constitutes frugal innovation? How can low-cost and high-value come together?
• What core competencies are required to develop frugal innovations and meet the needs of increasingly demanding, resource-constrained consumers?
• How can such competencies be institutionalized in companies?
• What is the role of ecosystems in frugal innovation?
• How can frugal innovation principles be applied in developed economies? In what sectors can these principles be applied?
• What is the competitive advantage of organizations that deliver value innovations in developed markets? In emerging markets?
• How do value innovations lead to sustainable solutions for consumers and sustainable growth for companies?
• What challenges are faced by corporations based in developed economies that are driving value innovation? In emerging economies?
• What are the limits of frugal innovation?

STRUCTURE

DAY 1: Mastering Frugal Innovation
Morning: Introduction to Frugal Innovation
• The principles and mindset of frugal innovation
• Found Object Exercise: Challenging the uses of everyday objects
• Proprietary video case study and discussion
• Interaction with frugal innovators
Afternoon: Frugal Innovation in Practice
• Empathy Exercise
• Frugal Innovation Challenge

DAY 2: How to Pilot Frugal Innovation-Driven Organizations
Morning: Strategies for Frugal Innovation-Driven Organizations
• Case-studies of frugal innovations in India, Africa, Latin America
• Undertaking strategies for frugal innovation
• Managing the frugal innovation process
Afternoon: Designing Organizations to be Frugal Innovation-Driven
• Organizational design for ambidexterity
• Integrating frugal innovation with mainstream initiatives
• Conversation with global value innovator/Q&A

DAY 3: Implementing Frugal Innovation
• Culture and Change Management
• Blueprint and Failure Workshop
• Leading frugal innovation initiatives in organizations
• Key takeaways and concluding remarks
**FACULTY**

Simone Ahuja is the founder of Blood Orange, a marketing and strategy advisory boutique with a focus on innovation and emerging markets. Headquartered in Minneapolis, with partners around the globe, Blood Orange shares and practices innovation principles learned through extensive work in India, including jugaad - a frugal, flexible and inclusive approach to innovation inspired by emerging markets. She regularly conducts ethnographic, background, and academic research on innovation occurring at the grassroots level in emerging markets with social entrepreneurs, to that of US-based multinationals. Simone is the co-author of Jugaad Innovation: Think Frugal, Be Flexible, Generate Breakthrough Growth (Jossey-Bass, 2012). Jugaad Innovation has been published in the US, Brazil, Holland, France, Japan and India, where it is now a #1 business bestseller. This seminal book has been called “the most comprehensive book yet on the subject” of frugal innovation by the Economist and was recently shortlisted for a 2013 Thinkers50 Breakthrough Idea Award.

Dr. Ahuja has served as a consultant to the Centre for India & Global Business at Judge Business School, University of Cambridge, and as an associate Fellow for the Asia Society in New York City. In May 2013 she participated in a World Economic Forum Global Agenda Council on Emerging Multinationals held in Dalian, China with 20 of the world’s leading experts on the subject. She provides advisory services, keynotes and interactive frugal innovation and design thinking labs to entrepreneurs, academic institutions, and corporations including PepsiCo, 3M, Procter & Gamble, Medtronic, the World Economic Forum, MIT, and Harvard University. She is a regular columnist for the Harvard Business Review online.

MB Sarkar (Ph.D. Michigan State University) is Lenfest Chair Professor of Strategy & Innovation at the Fox School of Business at Temple University, Philadelphia. He is the 2013 recipient of Temple University’s Great Teacher Award, the highest honor the University bestows on its faculty. A visiting professor at several leading business schools in Europe, Latin America, and India, MB’s research is on strategic issues related to innovation and entrepreneurship. In a current research project on emerging markets, he is studying how the next generation of competitive advantage is being seeded in firms that are trying to leverage their capabilities into frugal solutions that address society’s big, unsolved problems.

His work has been published in many top-tier journals such as the Academy of Management Journal, Strategic Management Journal, Management Science, Organization Science, Journal of Business Venturing, and Journal of International Business Studies. MB serves on the editorial review boards of The Academy of Management Journal, the Strategic Management Journal and the Global Strategy Journal. His research has won several international and prestigious awards.

MB serves as the Academic Director, Global Immersion Center at Fox through which MBA students engage in immersive ‘deep dives’ in India, China, Africa and Latin America to better understand the challenges of innovating in these markets. MB is active in executive education and has conducted programs for several organizations. MB is the past Chair of the Entrepreneurship & Strategy Interest Group of the Strategic Management Society, and has chaired several international conferences. Prior to joining academia, MB founded a media company in India which produced television programs, corporate films and advertising commercials.

**GUEST SPEAKERS**

Key speakers will be invited from renowned multinational companies that are successful in applying frugal innovation, as well as social entrepreneurs. (List of speakers and their companies to be announced soon)
**DETAILS**

**REGISTRATION**
You may register online by going to our website: [www.ie.edu/internationalprograms](http://www.ie.edu/internationalprograms), proceeding to the program’s webpage, and clicking on the “Register now” button on the right-hand side.

Once your registration is received, you will be contacted by IE staff to confirm your enrollment.

**FEES**
The program investment is 4,300 €, which covers tuition, course materials, and all coffee breaks and lunches for all three days of the program.

**SPECIAL CONCESSIONS**
Concessions are available for IE alumni, groups of executives attending from the same organization, participants registering for more than one program, early-bird inscriptions, and other cases.

**CONTACT**

Krysta Martínez
International Executive Programs Manager
krysta.martinez@ie.edu
Tel.: +34 91 568 95 70

---

**THE IE SOCIAL IMPACT SERIES**

This new series of IE Business School - Executive Education reflects IE’s commitment to its core value of Social Responsibility alongside its other core value of Entrepreneurial Spirit. We at IE believe that well-formed managers and entrepreneurs are a potent force that facilitates innovation, stimulates growth, multiplies social value, and raises living conditions.
WHY IE BUSINESS SCHOOL

Ranked No. 1 in Europe, IE Business School is dedicated to educating business leaders through programs based on its core values of:

- **Entrepreneurial spirit:** Founded in 1973 by entrepreneurs for entrepreneurs, IE places the entrepreneurial and innovative mindset at the heart of its programs, and is home to many startup initiatives such as the Venture Lab, the Spain Startup & Investor Summit, and Wayra.

- **Diversity and global focus:** With about 100 nationalities making up its student body, IE provides business education with a global perspective. It supports talent from all over the world from admission to graduation and beyond, and through its Diversity and Equality Commission and its Center for Diversity.

- **Humanities and social responsibility:** As Secretariat of the United Nations Global Compact in Spain, IE places positive social impact at the forefront with its Corporate Social Responsibility programs and expert faculty in areas of social entrepreneurship and microfinance, among others. It is also the proud birthplace of organizations such as Net Impact and Emzingo Group.

IE Executive Education programs equip managers, entrepreneurs, and leaders with the latest tools, best practices, and skills through interactive and practical sessions. Our programs are designed to enable executives to excel amidst the many and varied challenges they face both today and in the future.

www.ie.edu/internationalprograms
INTERNATIONAL EXECUTIVE PROGRAMS

PROGRAM PORTFOLIO
(List is subject to change)

SKILLS DEVELOPMENT
• Innovative Leadership
• Executive Negotiation Workshop
• Communication Skills and Public Speaking Workshop
• Leading Project-Driven Organizations

FINANCE
• Finance and Accounting Workshop for Non-Financial Managers
• Corporate Finance
• Venture Capital
• Private Equity
• Islamic Finance

SPECIALIZED MANAGEMENT
• Management Fundamentals for Scientists and Researchers
• Effective Management for Security Professionals
• China: An Inside View
• The Digital Tourism Business

SOCIAL IMPACT SERIES
• The Global Renewable Energy Business
• Frugal Innovation
• Financial Inclusion

CONTACTS
Visit our website where you can also download the program brochures:
www.ie.edu/internationalprograms

Or contact our International Executive Program Managers:
Krysta Martinez
Krysta.Martinez@ie.edu
+34 91 568 95 70

Karolina Cintron
Karolina.Cintron@ie.edu
+34 91 568 96 69

Follow us on:
IE Business School Executive Education
@IEExecEducation
IE Business School Executive Education
IE Executive Education

IE Business School – Executive Education
Pinar 18, 28006 Madrid, Spain, EU
Tel.: +34 91 568 96 00
Fax: +34 91 568 96 18
www.ie.edu/internationalprograms