

## “Jugaad” - The Perennial Short-term Solution

Batul Barodawala<sup>1</sup>, Rupsha Banerjee<sup>2</sup>, Shefali Roy<sup>3</sup> and Viren Kapur<sup>4</sup>

*After the American Six Sigma management strategy and the Japanese popularized Total Quality management comes our very own Desi style of management called Jugaad. Over the last few years this colloquial word has become much more than a quick impromptu way of fixing things. It has become the new corporate philosophy, A New Growth Formula and India's most precious resource according to the Harvard Business Review and Economic Times of India. However, there are also contradictory beliefs that it is a management scheme in which material resources and labour is simply tossed together like a hardly edible salad with shreds of sloth and stinginess beyond the regulators view. This paper tests the hypothesis that Jugaad, as a management concept is favourable in the current economic and business scenario in India. The evidence is collected from primary resources as well as secondary resources for an in depth understanding of this subject. Our primary resource includes a survey regarding Jugaad from different managerial heads from the field of medicine, education, politics and corporate. The secondary resources include magazine, journals, newspapers and internet websites. With this paper, we intend to explore this new management trend in its entirety. The evidence collected suggests that though Jugaad is certainly necessary, it is not the most preferred route to resort to in the end and hence the hypothesis is partially rejected. However, an alternative hypothesis that Jugaad if refined has the potential to become the next big management phenomena surfaced.*

**Keywords:** Jugaad, Management, Innovation.

**Field of Research:** Management

### 1. Introduction

Necessity is the mother of all invention and scarcity is the father of all innovations. India is the country of some of the most creative minds in the world. Real India or "Bharat" lives in the villages, which is approximately 70% of the total population. This is the core area where scarcity of resources is a major problem. As we have already mentioned scarcity is the father of innovation and Indians are a creative breed, these critical conditions are the driving force behind the evolution of Jugaad in India. Indians as a community are always looking for cheap quick-fix solutions of most of their problems. Maximum utilization of the available resources with creative inputs is in the blood of Indians. Therefore, if any marketer comes with the creative, qualitative and value pack solution in India it gets priority over all others.

---

<sup>1</sup> Batul Barodawala, BBA, LL.B, Symbiosis Law School Pune, Symbiosis International University, batul.barodawala@symlaw.ac.in

<sup>2</sup> Rupsha Banerjee, BBA, LL.B, Symbiosis Law School Pune, Symbiosis International University, rupsha.banerjee@symlaw.ac.in

<sup>3</sup> Shefali Roy, BBA, LL.B, Symbiosis Law School Pune, Symbiosis International University, shefali.roy@symlaw.ac.in

<sup>4</sup> Viren Kapur, BBA, LL.B, Symbiosis Law School Pune, Symbiosis International University, viren.kapur@symlaw.ac.in

## **Barodawala, Banerjee, Roy & Kapur**

Jugaad is not really a new concept; it is an ancient Indian management technique that signifies attaining any objective with the available resources at hand. The practitioners of Jugaad use the combination of existing knowledge and innovation in utilizing whatever resources may be at hand without asking or waiting for additional resources. The term Jugaad can also mean alternative arrangement, a quick fix through the use of an unconventional but innovative method. The essence of Jugaad is to improvise, and to quickly and cheaply cobble a solution together from the materials you have at hand.

This concept of Jugaad has, in the recent years made an entry into the professional sectors of our country. It has gained widespread popularity in the last ten years, before which it used to be practiced in the rural areas and was rarely used in the daily life of the professional population. This research paper attempts to discover the impact of Jugaad in the endeavours of such persons while undertaking management and production related tasks in particular. It determines how it urges people to adopt this mechanism of functioning. The problem this paper tries to find the solution to is that whether Jugaad is a preferred, well-practiced concept or simply a passing, structurally defective fad. The objective of this research paper is to test the hypothesis that Jugaad, as a management concept is favourable in the current economic and business scenario in India, to find out the potential of Jugaad in the different managerial sectors of India, to find out the potential of Jugaad in the different managerial sectors of India.

Several individuals practice Jugaad in their daily life without any academic assessment of its constructive use. Therefore, this research paper is an attempt to evaluate this management model in terms of its viability. Our findings in the paper majorly support the limited research studies done previously on the subject however, despite the impressive appraisal this management concept has received, this paper had criticized the general positive notion of Jugaad seeing with proof that there is no permanent guarantee to it. What may seem an asset today may become a liability tomorrow.

This research paper was formulated by gathering data from several different sources. First the literature available on Jugaad was collected and analysed which is provided in Section 2. The Research Methodology of the paper has been provided in Section 3 followed by a comprehensive survey on Jugaad which was taken in order to arrive at the conclusion. The responses of this survey have been presented in the form of bar graph in Section 4. The in depth investigation and comparison between these two sources helped us answer our hypothesis the analysis of which is given in Section 5. The conclusion, in Section 6, has been drawn finally where the hypothesis has been partially rejected but an alternative hypothesis is provided for further study and exploration along with references and appendix in Section 7 and 8 respectively.

## **2. Review of Literature**

Jugaad is a major innovation mind set. Here since scarcity rules our lives, we need to optimally utilize what little resources we have with us, since we are bound by constraints of time and money free enterprises or business and the managers involved in them are the ones mainly running the show. Thus, the ones involving lowest cost to spurn out innovative wonders are the ones that take the biggest piece of cake in the end. The author also mentions the economic problems of “what to produce”, “how to produce” and “whom to produce for” by economically friendly choices. All this can be achieved by the Jugaad approach. Further mentioning that Jugaad is all about adaptation in a certain intelligent

## Barodawala, Banerjee, Roy & Kapur

way; by defining, that intelligence here does not mean seeking sophistication or perfection by over-engineering products but rather about developing good enough solutions to get the job done. (Ingo Bobel, 2012)<sup>i</sup>

However, a different perspective has cropped up in another study where it is postulated that India needs to move beyond Jugaad and move on to Systematic Innovation. It states that at a small-scale level Jugaad is, to an extent, acceptable. However, complete reliance on this strategy is hardly advisable. Jugaad is an outcome of three constraints -constraints of space, time and resources. Focus should be put on eliminating these constraints so that work can be done efficiently. By embracing Jugaad, we in a way embrace compromise. We end up settling with just the satisfactory and do not accomplish the excellent. Functionality rules in Jugaad. Aesthetics and efficiency take a backseat in Jugaad. It is not the best solution that one could arrive at. It is sub-optimal. The point is to satisfy, not to optimize. The challenge our country faces is to surpass Jugaad and aspire for Systematic Innovation, which is backed by technology, efficiency and planning, as a wholesome and comprehensive society cannot emerge simply by improvisation. (Charles Dhanraj and T Krishnan 2011)<sup>ii</sup>

Jugaad suffers harsh criticism in this study. It is stated that Jugaad is nothing but a temporary way of ridding yourself off a problem and not a permanent way of solving it. All you do is make the problem take a detour as sooner or later it comes back to haunt you with greater intensity than before. In certain situations, people have to resort to Jugaad but making a habit out of it is not something to take pride in. Aversion is expressed in the manner in which every management guru and business schools have exalted this management trend as it is simply a short-term method of dealing with crisis and should be avoided. (Sidin Vadukut, 2011)<sup>iii</sup>

This study delivers to us how Jugaad actually happens. It delves into the mindset of Jugaad innovators, mainly discussing the six underlying principles and showing how these principles can actively be used in practical life. It discusses the entire concept by sharing many unheard stories of Jugaad. It tells us more about the people who have practised Jugaad and become a commercial success. They have become entrepreneurs and innovators who have used some easy, convenient methods to rise victoriously in the daily-emerged markets. These names have collectively influenced establishing the position of Jugaad as a future successful management technique. Jugaad Innovation shows most of the free-thinks, innovators and leaders in different parts of India that this is the right time for everyone to adopt the method of Jugaad and for it to emerge as a powerful and essential business tool in the Western economies as well. (Navi Radjou, Jaideep Prabhu & Simone Ahuja, 2012)<sup>iv</sup>

Various aspects of Jugaad are covered in this research book; networking being a major one. According to the author, any marketer would agree that networking and Jugaad go hand in hand. One never knows who might turn out to be a saviour in hard times. Jugaad has everything to do with handling people, situations and relationships hence the art of diplomacy is most essential here. "The example of Chanakya's principles of diplomacy can be applied to break any dead lock, conflict, problem existing between people or groups of people. Jugaad is in a way extension of Chanakya's Principles of Diplomacy, to handle people, problems and situations on a day to day basis." It has been very well exemplified the subject by comparing it with a coin. As a coin has a flip side, so does Jugaad. It has been specifically mentioned that Jugaad is an immediate solution to a "problem" and not a

## **Barodawala, Banerjee, Roy & Kapur**

"crisis". It can be of help in a situation where the problem could be averted or solved and hence saving the whole from the crisis. (Virender Kapoor 2010)<sup>y</sup>

Several secondary resources were thoroughly examined and analysed in order to test the hypothesis that Jugaad, as a management concept is favourable in the current economic and business scenario in India. The past studies have displayed a mixed review regarding the favourability of Jugaad. Some research papers and books glorify this management idea in its primal form whereas some of them have elaborated on the adverse effects it can have if not well regulated. Hence, a hybrid response has been provided to our hypothesis by the literature review. Though it has afforded us more clarity regarding certain misperceptions surrounding it, which contributes by stating that Jugaad may not be the absolutely ideal choice of people hence tilting us towards rejecting our hypothesis.

### **3. Research Methodology**

#### **3.1 Research Method - Sample, Source of Data Collection and Statistical Tool**

The research is partially based on primary data that has been collected from 40 persons from the field of education, politics, medicine and corporate each. In total, from 160 persons from four metropolitan cities of India namely Delhi, Kolkata, Mumbai and Pune.

The data was collected through a questionnaire that was sent out to 300 people out of which 160 responded with fully answered questionnaires. The questionnaire method was used to quickly and costs effectively quantify the collected information. It was also the most preferred method to scientifically and objectively test the given hypothesis.

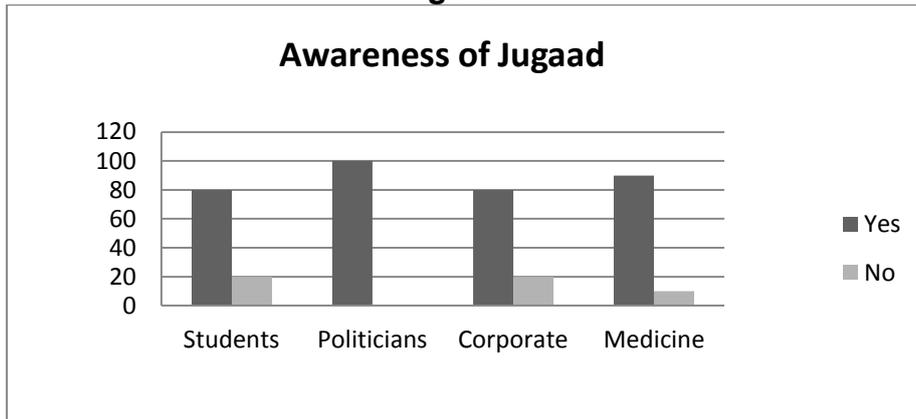
The data or study period is the year of 2012. The opinion survey was conducted keeping in mind the current market scenario in India since the hypothesis attempts to venture into the favorableness of this management trend in the years to come rather than depend on its past application in thorough detail.

The statistical tool applied to demonstrate the data is the bar graph in order to facilitate comparison between multiple categories for greater depth of analysis. The discrete data is plotted on the graph to effortlessly gauge the patterns and trends.

### **4. Findings and Discussions**

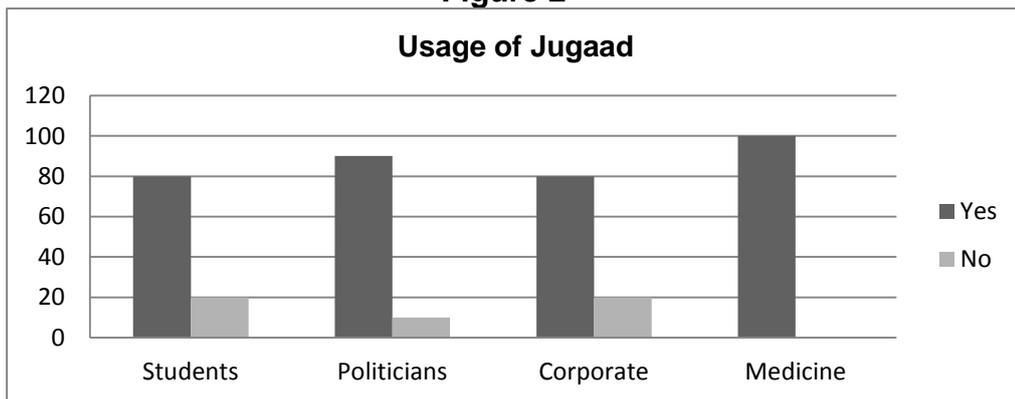
The findings from the survey are presented hereunder. The findings help us understand the estimation of Jugaad harboured in the minds of professionals of urban India. It has enabled us to test our hypothesis and come up with the conclusion.

Figure 1



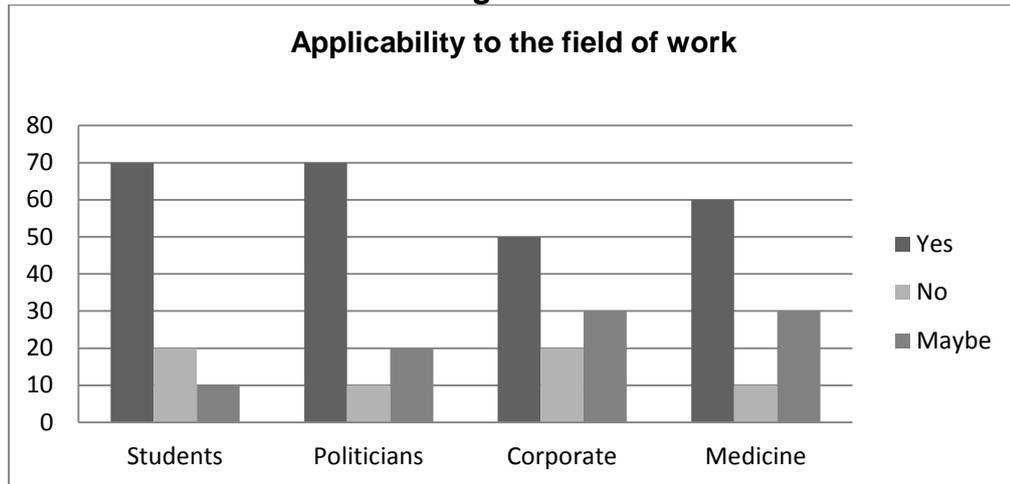
When we reviewed the data, we found that 80% of the students were familiar with Jugaad and 20% were not. All the politicians we interviewed were familiar with this trend, whereas 80% and 90% of the people from the field of corporate and medicine were acquainted with it.

Figure 2



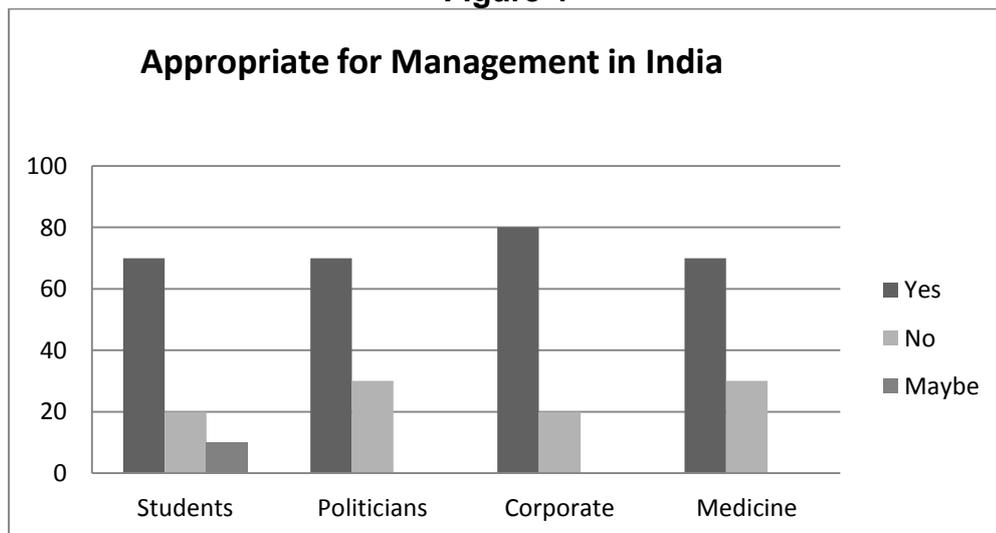
80% of the students use Jugaad to get their work done and 90% of the politicians make use of this management trend to do their job. In the corporate and the medicine sector 80% and 100% of the professionals make use of Jugaad.

Figure 3



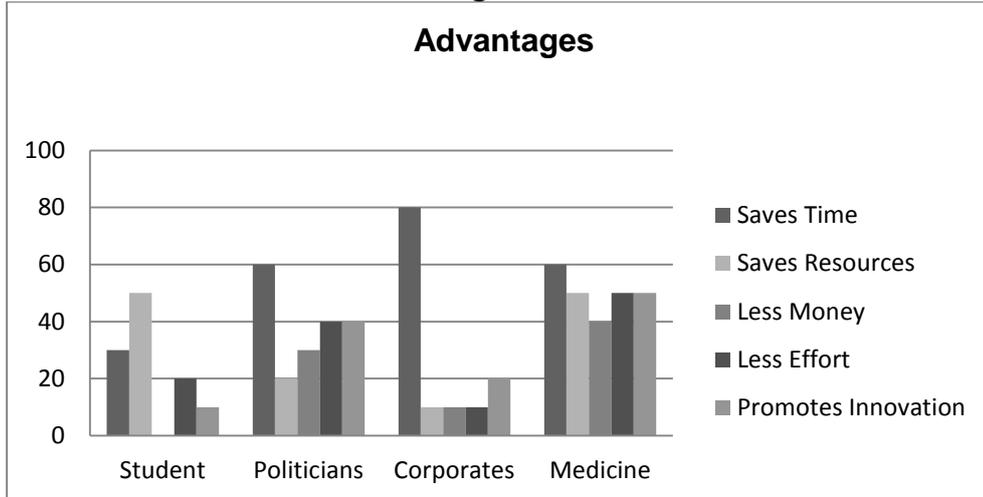
The students and the politicians think that Jugaad is essential to their field and hence 70% of them have said yes, whereas 20% students and 10% politicians said no and the rest went with maybe. 50% of the corporate professionals and 60% of the medicine persons replied yes while 20% and 10% said no. The rest said maybe.

Figure 4



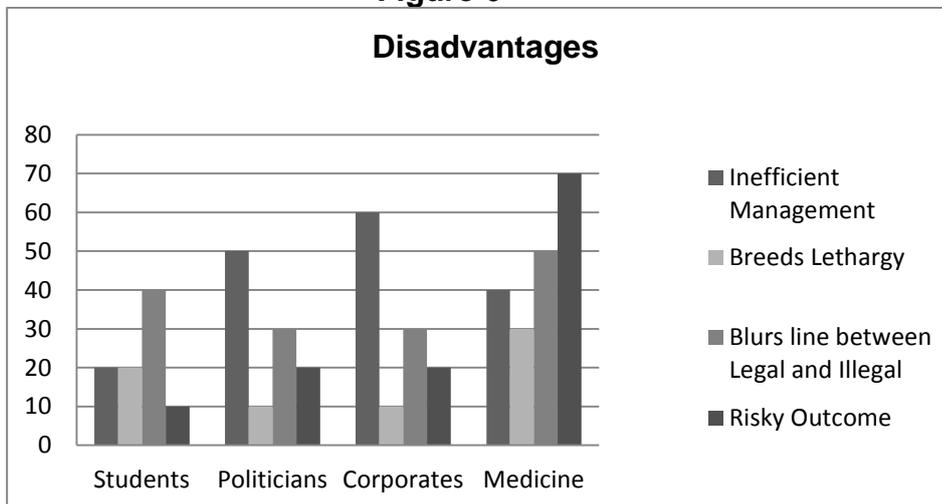
Amongst all the students, 70% think Jugaad is fitting though 20% said they thought it was not suitable for management in India. 10% went for maybe. 70% of the politicians, 80% of the corporate persons and 70% from the field of medicine said yes. None of them picked maybe.

Figure 5



In this case, 20% of the students said that Jugaad helps them save time, while 50% of them said that it helps save resources, 0% said that it results in less money and 20% said that it lowers effort and finally 10% said that it Promotes Innovation. Coming to the Politicians, 60% said that it saves time, 20% said that it saves resources, 30% said that it results in less money, 40% said that it requires less effort and 40% said that it Promotes Innovation. In the Corporate field, 80% said it saves time, 10% saves resources, 10% less effort and 20% promotes innovation. In the field of medicine, 60% said saves time, 50% said saves resources, 40% said less money, 50% said less effort and finally 50% said it promotes innovation.

Figure 6

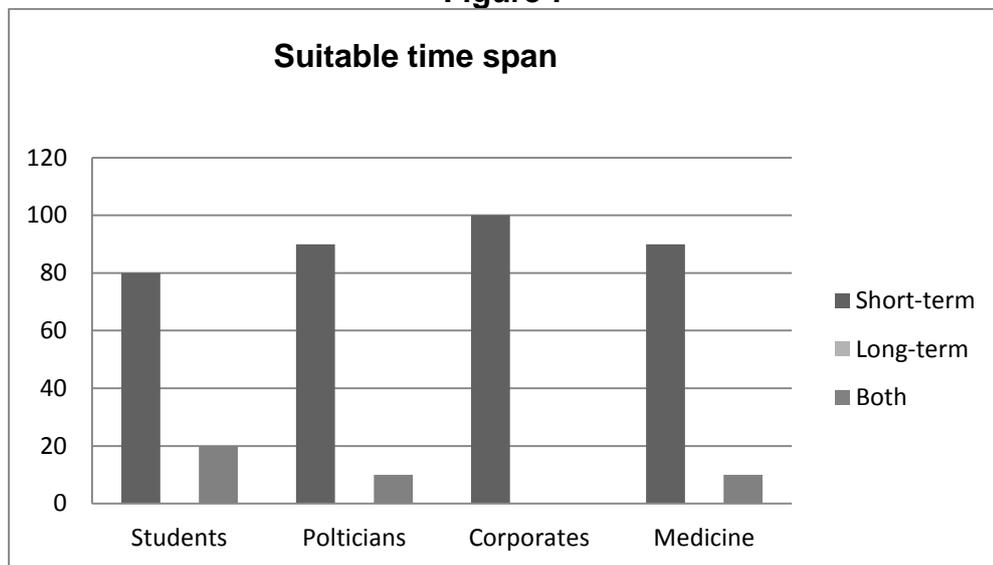


In this survey, the 20% of the students said that it is inefficient management, 20% said that it breeds lethargy, 40% said that it blurs line between legal and illegal and 10% claimed it to be risky outcome. Among the politicians, 50% said that it is inefficient management, 10% said it breeds lethargy, 30% said it blurs line between legal and illegal and 20% claimed a risky outcome. Among the Corporates, 60% said inefficient management, 10% said breeds lethargy, 30% said it blurs the line between legal and illegal and 20% claimed that it has a risky outcome. In the field of medicine,

## Barodawala, Banerjee, Roy & Kapur

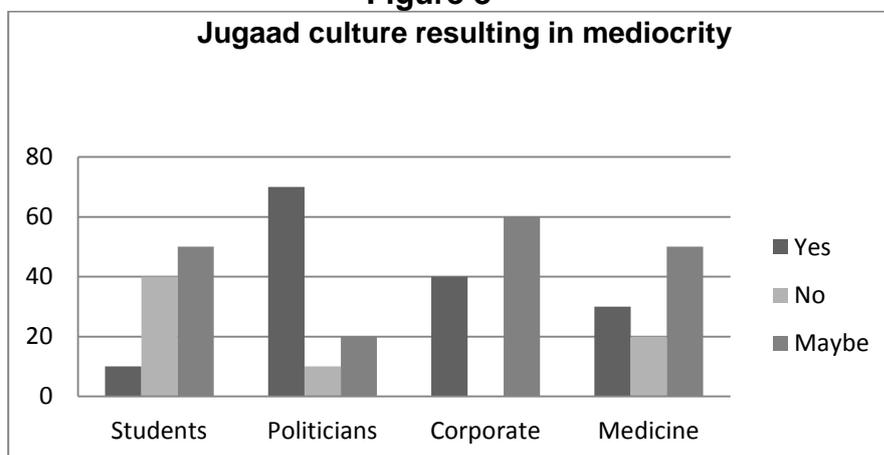
40% said inefficient management, 30% said it breeds lethargy, 50% said it blurs the line between legal and illegal and 70% claimed a risky outcome.

Figure 7



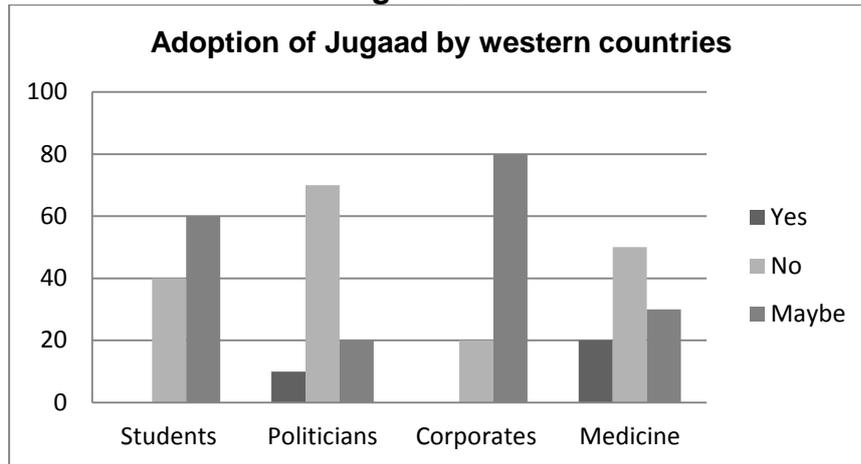
In the case of students, 80% said short-term while 20% said both. Among Politicians, 90% said short-term and 10% said both. In Corporates, 100% said short-term. In the field of medicine, 90% mentioned short-term while 10% mentioned both. None of the fields mentioned long term.

Figure 8



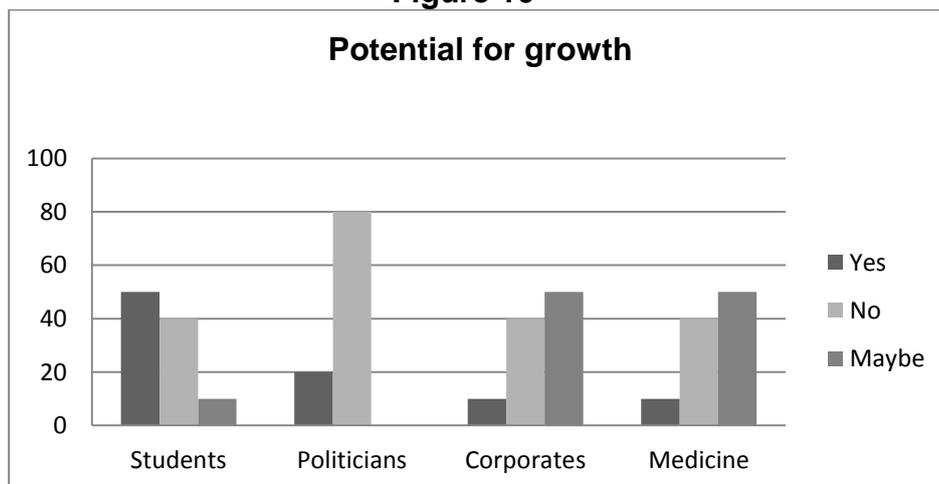
In case of Students, 10% said Yes, 40% said No, 50% said Maybe. Among Politicians, 70% said Yes, 10% said No and 20% said Maybe. In Corporates, 40% said Yes and 60% said Maybe. No one said No. In the field of medicine, 30% said Yes, 20% said No and 50% said Maybe.

Figure 9



In case of Students, 40% said no and 60% said maybe. Among Politicians 10% said yes, 70% said no and 20% said maybe. From the corporate sector, 20% said no and 80% said maybe. And finally in the field of Medicine, 20% said yes, 50% said no and 30% said maybe.

Figure 10



In the case of Students, 50% said yes, 40% said no and 10% said maybe. Among Politicians, 20% said yes, 80% said no and 0% said maybe. In the field of Corporate, 10% said yes, 40% said no and 50% said maybe. In the field of medicine, 10% said yes, 40% said no and 50% said maybe.

## 5. Analysis of the Findings

As shown and interpreted with the data that is given above, we have been able to prove that there are three main conclusions which can be drawn that has lead us to partially reject the given hypothesis that Jugaad is a favourable business concept in four sectors of India namely education, medicine, politics and corporate:

### ➤ Short-term use

Jugaad in its essence is a makeshift tool. The basic idea with which Jugaad is implemented is to provide interim remedy, because the shelf life of any Jugaad is very limited and mostly very fleeting. The survey suggests that Jugaad is only suitable for short term. It means that Jugaad in its essence cannot be used for a long time hence the faction that we surveyed, believe that this characteristic of it makes it a mediocre management trend.

### ➤ Risk factor

The risk involved with Jugaad makes it a substandard option and not an idealistic one. Hence the professionals, who have already been using it, prefer it as an option, but they do not risk prioritizing it, since there is no concrete technical foundation for it and the risk factor for it to become obsolete rapidly looms overhead.

### ➤ The alternative hypothesis

After analyzing the various responses received from the survey, an alternative hypothesis that Jugaad would be a favourable choice if it were altered developed. In order to trounce the mediocrity created due to its short-lived application as well as the risk involved, the survey has revealed that it has to be given the leeway to evolve into a more substantial hypothesis. Jugaad is usually associated with an idea that lacks quality and enduring worth hence focus should be made on smoothening the frayed ends. The by-product of Jugaad should not be left as it is. It should be worked upon to enhance it. Jugaad is usually resorted to when there exists an emergency or a period of crisis. The time that the attempted Jugaad has managed to buy for people facing exigency should be consumed to increase the utility of derivative. This leads to an improvement in the quality of it and makes it capable of being used for a long term.

There was insufficient research material on this concept since it is mostly based at the ground level of this country and only in the last decade or so has it percolated into the more influential management sector. Thus there is very limited data to bank on and mostly public opinion is the most preferential one in such a set up. But from the restricted material that has been used, the findings of this paper with the past studies do not differ considerably. Jugaad has been given prominence and mostly been put up on a pedestal in the world of entrepreneurship and frugal innovation however this research displays a more realistic, day-to-day application of it and that if it is not monitored, it can create drastic foundational problems.

## 6. Conclusions

Jugaad is being increasingly touted as a new definition of frugal innovation. The ground reality of Jugaad can be equated to; when a welder uses a tack instead of a full weld, not bothering to understand the structural necessity of a full weld, the final product for example a motorcycle helmet is made without the required safety standards and hence is largely driven by the urge to save cost and make more profit. Hence Jugaad by itself can be myopic and unscientific.

It insists that a practical solution can be found for any problem through intense experimentation. And it encourages getting off the beaten track in search of a solution.

## Barodawala, Banerjee, Roy & Kapur

These repeated bounce-backs and course-corrections can be attributed to a powerful, gritty, improvisational energy that has been running through Indian society for some time. Its only drawback is that it can be used only for a short span of time. A business, which has to function for a long span of time, requires carefully strategized plans. Its core tenet is to not give up.

As stated previously, the results do not drastically contradict the previous theories displaying its necessary utilization however this paper also shows the ill effects of its regular consistent use. This paper by obtaining the opinion of people who engage in its use and studying in detail other secondary resources too has prompted the authors to suggest and recommend certain operational changes to bring about the required alteration in this management model.

The authors acknowledge the limitations of the paper due to paucity of sufficient research material and past studies providing the functioning of Jugaad from an academic perspective. Hence the outcome of this study cannot be compared with any previous studies, since this study is the first of its kind.

### Endnotes

<sup>i</sup> "Jugaad: A New Innovation Mindset" *Journal of Business and Financial Affairs*, Volume I No. 3. Accessed on 8th January, 2013.

<sup>ii</sup> "Beyond Jugaad," *Business Standard*, February 7, 2011. Accessed on 8th January 2013

<sup>iii</sup> "Die Jugaad, die," *livemint.com & The Wall Street Journal*, December 9, 2011. Accessed on 9th January 2013.

<sup>iv</sup> "Jugaad Innovation: Think Frugal, Be Flexible, Generate Breakthrough Growth" *Random Business / Random House India*, 2012. Accessed on 8th January, 2013

<sup>v</sup> "The Rise and Rise of Jugaad" *Matrix Publishers*, 2010. Accessed on 9<sup>th</sup> January, 2013.

### References

- Aiyar, S A 2010, 'Jugaad Is Our Most Precious Resource', *Economic Times*, 15<sup>th</sup> August.
- Bobel, I 2012, 'Jugaad: A New Innovation Mindset', *Journal of Business and Financial Affairs*, Volume I (3).
- Choudhury, U 2010, 'Jugaad Enters Management Jargon', *DNA*, 10<sup>th</sup> April.
- Dhanraj, C & Krishnan, T 2011, 'Beyond Jugaad', *Business Standard*, 7<sup>th</sup> February.
- Govindarajan, V 2011, 'Jugaad – A Model for Innovation', *Forbes India*, 1<sup>st</sup> June.
- Gupta, B 2012, 'Not Just Quick-fix, Jugaad Is Here to Stay', *DNA*, 8<sup>th</sup> December.
- Jana, R 2009, 'From India, The Latest Management Fad', *Bloomberg Business Week*, 14<sup>th</sup> December.
- Kapoor, V 2010, '*Rise and Rise of Jugaad*', India, Matrix Publisher.
- Mcclellam, P 2012, '*Is Jugaad Going Global?*', [Online] 11<sup>th</sup> October 2012. Available from: [india.blogs.nytimes.com](http://india.blogs.nytimes.com)  
[http://india.blogs.nytimes.com/2012/10/11/is-jugaad-going-global/?\\_php=true&\\_type=blogs&\\_r=0](http://india.blogs.nytimes.com/2012/10/11/is-jugaad-going-global/?_php=true&_type=blogs&_r=0)
- Puliyenthuruthel, J 2011, 'A World of Jugaad', *Business Today*, 11<sup>th</sup> December.
- Radjou, N, Prabhu, J & Simone, A 2012, '*Jugaad Innovation: Think Frugal, Be Flexible, Generate Breakthrough Growth*', United States of America, Jossey Bass.
- Singh, N 2012, 'Jugaad: A Stepping Stone to Process Led Innovation', *Times of India*, 5<sup>th</sup> December.

Singh, S, Sharma, GD & Mahendru, M 2011, 'The Jugaad Technology (Indigenous Innovations) (A Case Study of Indian Origin)', *Asia Pacific Journal of Research In Business Management*, Volume II (Issue 4).

Vadukut, S 2011, 'Die Jugaad, Die', *The Wall Street Journal*.

## Appendix

Q.1) Are you familiar with the term "Jugaad" in the management sense?

- Yes
- No

Q.2) Do you make use of "Jugaad" to get your work done?

- Yes
- No

Q.3) Do you think it is applicable to your field of work?

- Yes
- No
- Maybe

Q.4) Do you like many reputed companies think "Jugaad" is good for Indian Management?

- Yes
- No
- Maybe

Q.5) If you are a believer of Jugaad, why so?

- Saves time
- Saves resources
- Less money
- Less effort
- Promotes innovation

Q.6) If you are against Jugaad, why so?

- Inefficient management
- Breeds lethargy
- Blurs line between legal and illegal
- Risky outcome

Q.7) For what time span is it feasible to use Jugaad?

- Short term
- Long term
- Both

Q.8) Is "Jugaad" culture resulting in mediocrity of Indian Companies compared to the Western counterparts?

- Yes
- No
- Maybe

Q.9) Do you think the Western countries should adopt the "Jugaad" style of management?

- Yes
- No
- Maybe

Q.10) Do you think "Jugaad" has the potential to be the global face of management in future?

- Yes
- No
- Maybe