

FRUGAL INNOVATION

by Renie Cavallari

A CORONAVIRUS SILVER LINING...

A few years back I was lucky enough to go on a wild four-week adventure exploring India, understanding its business models, government small business, investment strategies and learning about frugal innovation. To say I was inspired is an understatement. At the opening session of the EO (Entrepreneurial Organization) Global Conference, my mind-blowing experience unfolded about frugal innovation.



Though frugal innovation was not new to me, how I saw it shifted.

Let's start with the definition of frugal innovation. According to Navi Radjou & Jaideep Prabhu in an article published in Harvard Business Review:

- *Frugal innovation is more than a strategy. It denotes a new frame of mind: one that sees resource constraints not as a liability but as an opportunity – and one that favors agility over efficiency.*
- *Human creativity is a natural, infinitely renewable resource and it's coming up with smart, cheap solutions to people's biggest problems.", states Navi Radjou.*

Jugaad, the Hindi word that is used to describe these kind of solutions means improvised fix. Most of these solutions come out of necessity and adversity vs. pure innovation. They can be high tech or low tech, and many are done due to the fact that resources like capital, education and R&D are not available.

Frugal innovation is no different than the graffiti artist who took a bad wall in a horrible neighborhood and made it into something to come see, take your photo in front of and be inspired as I was when exploring the muraled, colorful and storytelling walls throughout the neighborhood called District 13 Medellin in Columbia.

If you watched Narcos on Netflix you will remember this once scary neighborhood, which is now a tourist attraction with escalators to the top, outside small shopping wagons, kids hip hop dancing for money (I actually bought a t-shirt!) and extraordinary graffiti murals that line the walls and are commissioned for a price to tell the story of this community. Frugal innovation.

Frugal innovation is an active thinking lab that you can have in your building. Better yet, think outside of the building! It's scrappier than sophisticated and yet it has created things like clay fridges to keep fruits and veggies cold even in humid climates and solar-powered lights designed to make clean energy for rural communities. It creates value and solutions using resources that already exist and are likely right in front of you.

It requires you to put on a different set of glasses much like a Kaleidoscope. As you look through a different "lens", your solutions are transformed through human imagination, collaboration and ingenuity.

“ NECESSITY IS THE MOTHER OF INVENTION ”

Before my trip to India I hadn't really explored frugal innovation, and then one day I was in a country with both extreme wealth and horrific poverty that has been leading the way. As the expert speaker took to center stage, he opened his speech with one simple question:

"what is this?"



We all shouted out a plastic water bottle. Then he said, "and what is its use?" Of course, we looked annoyed at him and said it is to hold water so you can take it with you and easily drink it. And then he said, "but what else?" I was intrigued.

As we all shuffled in our seats, he made the challenge all the clearer and stated, "I want you to come up with at least ten ways to use this water bottle."

As we all sat back and began our journey of frugal innovation, our individual minds began to open up. As time passed, he pushed us further (a lesson in itself) and asked us to find five more ways. Before we knew it many of us had 30 different ways to repurpose a plastic water bottle and stop the endless supply that is multiplying in landfills across the world.

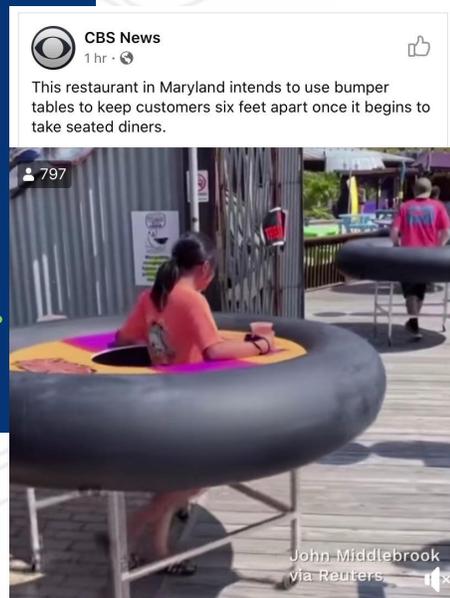
A bird feeder. A paper weight. A flower vase. A child's rattle or toy. A weapon. And the list went on and on. My mind was exploding with possibilities and then the real magic occurred as we began leveraging each other's ideas and expanding into new potential solutions and innovations. One thing was very clear, our collaboration kept expanding as a derivative of one simple question, "what else?"

I wrote that question down. What else? I now use this question all the time to expand possible solutions, create new programming and ensure we are never just taking our initial ideas and settling.

What India did with all those endless water bottles that litter every square inch of the poorest communities was take them, fill them with dirt and sand (which they have an abundance of) and use them as insulation for the metal huts that so many of their poorest people live in. This simple solution improved the quality of millions of people living conditions. There it was... one man's trash became another man's source of cooling and heating system.

I was in love. I love doing this exact exercise with teams as soon as someone makes that annoying statement, "it's not in our budget." I get it. We can't spend what we don't have and when you truly have nothing you start seeing what you do have. You look beyond what is obvious, or an intended function or purpose. You look for "what else?"

Frugal innovation is happening all around us right now during this pandemic.



- Eating out while eating in thanks to the many restaurants who have worked their dining approach to ensure they still had customers to feed.
- Hotels housing health care workers and response teams.
- Hair salons selling “color your own hair” kits for pick-up. They helped customers and found a way to make money while closed.
- Restaurants taking vegetable and meat orders that they then put through to their local farmers to ensure they not only stay in business but that their customers didn’t have to go into big grocery stores.
- Individuals with sewing machines and clothing companies selling face masks. Some for necessity as we were in such dire need and some that made them into a fashion statement providing for your own style and flair.
- Car manufacturers making ventilators. Yes, under pressure from the government. Not only was it good for them to do as a corporate citizen, it kept workers employed as car sales plummeted.
- Each evening, in parts of Italy, great musicians and opera singers took to their balconies to keep the music and its healing ability alive. Bravo!
- In South Fork, Long Island, they took their art to the streets by doing art installations on lawns, porches, driveways and garage doors.
- Remote training and the use of technology has shifted what is possible in both remote work environments and better solutions than traditional online learning.

- Retraining housekeepers on the new protocols before starting back in hotels, training sales people in a variety of industries to sell in virtual environments and an endless stream of webinars teaching us more about real estate, economic impact, how to stay healthy and much more. Learning has never been easier and the exposure to experts more available.
- Starting with Chris Martin, then John Legend and away the music industry went with free online concerts to share their craft, launch a new album or make others smile through the sounds of their music.
- Late night talk shows and Saturday Night Live did their craft from home with some including their kids as part of the show to keep us entertained and help us find some much needed laughter.
- Speakers around the globe are doing virtual keynotes from their home to the homes of thousands.
- Appreciation in new ways from a Thunderbird salute to the streets of NYC stopping at 7 pm to say “thank you” to the many health care workers risking their lives to save ours.
- In Cuba, where you cannot own more than one building, people live upstairs and have opened restaurants, hair salons, and other commerce on the ground level to expand local services and leverage tourists’ money.

Getting Started

There is no better time than now to work with your team on frugal innovation as there are so many challenges to solve and opportunities to leverage. A few thoughts to get your team started:

- How can you leverage your technology? Give a call to your various providers and ask them how to save time, save cash, improve processes and leverage their ideas and mind.
- As you start to re-enter the market, rethink your training as there is a need for more training now than ever before. How do you do hospitality with social distancing and a mask? How can you train before they are back in the building?
- What outside sources can assist you? The internet is full of learning tools. Check with your training partners to explore what remote services they might be providing.
- As you re-onboard your team members, it's a perfect time to re-energize your culture and brand to align your people and stimulate pride and enthusiasm. It is easier than ever as people want to belong and connect to a higher purpose and cause.
- How can you streamline check-in and check-out processes or do away with them completely (think rental car companies)?
- Revamp your housekeeping approach, creating new places to dine that provide social distancing outside of your restaurant spaces.
- How can you take open spaces and make them into unique experiences?
- Take that buffet that is of no use to you now and make it into an herb garden.
- How can you use iPads to improve communication with guests?
- Walk around your business. Where are the underutilized and undervalued resources?

RENIE CAVALLARI is founder, CEO and Chief Instigator of **Aspire** and an award-winning international strategist and leadership expert. Since founding **aspire** in 1995, Cavallari has worked with thousands of organizations helping them optimize asset value, rethink everything and improve people performance.

Known as an organizational anthropologist, pioneer and frugal innovator, she is recognized as one of the world's leading authorities on shifting human behavior and disrupting the status quo.

Aspire is recognized for its ability to effectively help clients think and boldly. With clients of all sizes around the globe, **aspire** provides training and strategic leadership solutions that are custom designed, forward thinking, and enhance performance even in challenging times. Our collaborative approach and measurable results have been at the foundation of our 96% retention of our clients year after year for 25 years. Our services include reservations and call center training, sales training, quality assurance shop calls, service delivery training, service standards development and training, leadership development, service culture, and strategic consulting. Delivery methodologies include leader led, online, keynote, virtual and remote delivery.

GUIDELINES FOR FRUGAL INNOVATION

Before you begin there are a few guidelines that may help you get there. What is most important is to put the objective in place first.

- + Establish ground rules: we are here to think better, smarter, faster. We are agile. We are not focused on how; we are focused on what we can frugally innovate.
- + As a team watch **Apollo 13** when the boss, played by Ed Harris, says "what do we have in this spaceship that works?" Watch for 15 minutes and discuss how this applies to what your team is about to do. Then walk your business and start thinking.
- + Be clear on the customer or economic problem you want to solve. Have a system for the "squirrelers," like me and yet be sure you allow them to go wild as they may be onto something big.
- + Stay open. No one looks at a plastic water bottle and is inspired. It happens with engagement into what is possible and then the creativity turns on.
- + Keep ideas simple.
- + Ask: What resources already exist? How can a mobile phone help? What technology resources do you have that can be repurposed?
- + What can you decentralize? Centralized and matrix organizations can appear cheaper and they usually don't have much agility.
- + Have people in the room who are close to the customer or the problem(s).
- + What can you outsource and leverage other experts' knowledge and frugal innovation to save you time, money and keep you moving fast?
- + Don't get caught up in the how. Focus on the what might be possible. Prioritize and then think in sprints. (Agile project management and development). If you look at things in smaller bit size pieces you will get there faster.
- + Who else might want your product that doesn't use it today?
- + What revenue sources do you have and how can you activate them differently?
- + Who can you align with? Alliances give you velocity if they are strong ones where both parties have a win.
- + "What else?"

IMAGINE THE POSSIBILITIES