

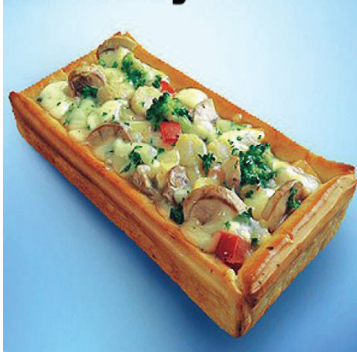


Celebrating 69th
Independence Day

In today's challenging times, western companies are forced to learn to operate with alternative plans or face bankruptcy. MNCs and small businesses alike are realizing that new business strategies are needed for survival. According to Raj Date, a former executive director of Cambridge Winter Center for Financial Institutions Policy, there will be a lending shortfall for small businesses of \$250 billion-\$500 billion as the economy recovers. "The demand for working capital is going to increase, at a time when nobody has the finance company or bank capacity to be able to provide it," he said.

India is now known to be one of the fastest growing economies in the world. Reason? With 280-300 million people seeing bigger purchasing power and a growing youth population. According to a UN trade body's survey, India ranked third globally as an FDI recipient in 2009. As per the US Census Bureau, "Asian Indian-owned businesses are having a strong economic impact in many states across the US in a wide range of sectors and are the major engine of economic growth."

McCurry Pan™



McAloo Tikki™



The success of McDonald's in India is attributed to its adaptation of the Indian menu or glocalization.

According to a report released in July 2015 by the Confederation of Indian Industry (CII) and Grant Thornton, Indian based companies are responsible for creating tens of thousands of jobs and \$15 billion in investments across the US.

Linking Mughal emperors to modern business giants? The Mughal emperors believed that "A good name for kings is achieved through lofty buildings." Like their remarkable architecture, their acumen in commerce was also known to have contributed to their powerful regimes. Eventually, the word Mughal, adapted from Mongol, morphed into the word "Mogul" in

the English language, and is still used to describe a very successful and wealthy businessman.

I believe I am the first one to link Mughal dynasty with *Jugaad* as the Modern Mughal Mentality. The new *Jugaad* Management Principle Business Model can be applied to any business, anywhere. I define *jugaad* as "obtaining your objectives by maximizing resources through thinking out of the box."

Following this new business model will inspire all types of companies, big or small, anywhere in the world, to create innovative mentalities, products, and strategies. The Modern Mughal Mentality also reveals ways in which Western companies can learn to be successful in India.

Implementing the new management model can lead to increased profit, maximized resources, and a more efficient way of dealing with today's turbulent economy. I have also identified international opportunities in pharmaceutical, biotechnology, medical, tourism, hospitality and Bollywood industries – providing practical solutions to take the guesswork out of the equation.

CASE HISTORY

My book describes the history of *Jugaad* as well as its place in Indian culture and how it leads to success. Multi-sector success stories illustrate the various components of the new management model. The term *glocalization*, for example, fuses the words globalization and localization. It refers to adapting techniques to local conditions. A product is more likely to become successful when the product is adapted specifically to each geographic region or culture it is marketed in. The success of McDonald's in India can be attributed to its adaptation of the

Indian menu or glocalization.

India's main religion is Hinduism. Cows are considered holy by Hindus because they represent fertility and nurturing. For the 12% Muslim population, pork is taboo. A majority of Indians are vegetarian. Taking these three diverse cultural attitudes into account, McDonald's has developed a menu especially for India with vegetarian selections to suit Indian tastes and preferences. The challenge was to change the ingredients of the worldwide popular hamburger to make an entry into India with a population of over a billion.

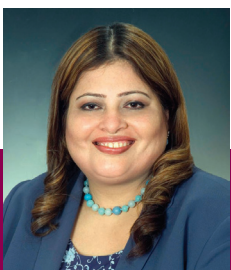
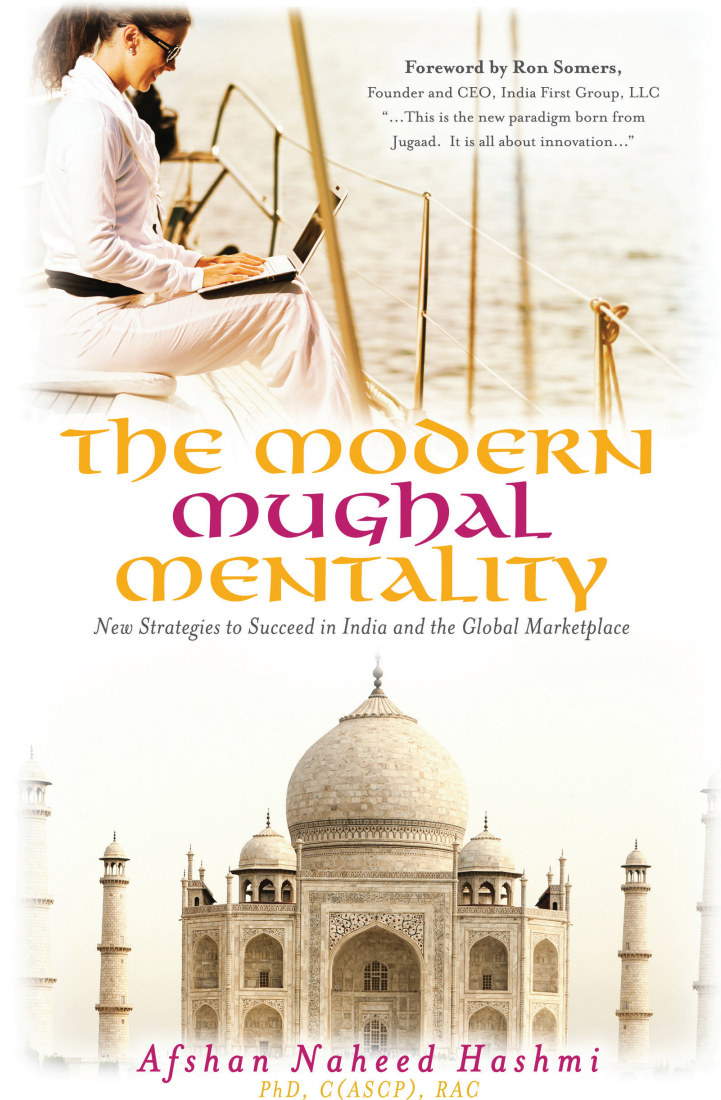
McDonald's created the McAloo Tikki burger. It ensured vegetarian products are 100% vegetarian. The company even developed vegan mayonnaise especially for Indian consumers and their soft serve ice-creams are 100% vegetarian. Then, vegetarian products are segregated from the non-vegetarian down the supply chain. In order to expand their product line, McDonald's made a chicken and fish option available for the non-vegetarians.

As in the McDonald's example, *Jugaad* is at its best when confronted with a problem that needs immediate improvisation.

Dr. Afshan Naheed Hashmi has discovered that India's economy flourishes because its businesses:

- Think big – they don't let obstacles overcome their visions
- Get creative – ingenuity is used to transform limitations
- Maximize resources in every way possible & Know their customers
- Think favorably of change & Provide high social value to their clients
- Are driven by dreams of grandeur

The *Jugaad* Management Principle Business Model shows that Creative Improvisation, Frugal Innovation, and Reverse Innovation can be part of *Jugaad* through Systematic Innovation. Systematic Innovation, inspired by the *Jugaad* mentality, can be further divided into 7 key concepts: 1. Creative Improvisation; 2. Glocalization; 3. Competitive Advantage; 4. Reverse Outsourcing; 5. Acquisitions; 6. Frugal Innovation; 7. Reverse Innovation.



The India-born, Maryland, USA based Dr. Afshan Naheed Hashmi is an author, award-winning entrepreneur, speaker, educator, Radio and TV show host, as well as a regulatory and business development professional. Her book 'The Modern Mughal Mentality' is published by BookBaby. She can be contacted at drafshanhashmi.com.