

A social bricolage approach to scaling innovations of the grassroots entrepreneur in resource-scarce environments

The interest towards grassroots entrepreneurship as well as innovations emerging from the resource-scarce environment has been increasing among both researchers and practitioners. Despite that, the scaling process of these grassroots innovations has not gained sufficient attention from professionals (Hart, Sharma, & Halme, 2016). In this study, I use the concepts of grassroots entrepreneurship, grassroots innovation and social bricolage to build a coherent understanding of the conditions from which grassroots entrepreneurs scale successfully. Hence, the research question is *how do grassroots entrepreneurs scale up their innovations in resource-scarce environments?*

The grassroots context is complex and the actors primarily use local indigenous knowledge (Fressoli, Around, Abrol, Smith, Ely, & Dias, 2014). The diffusion of innovations is challenging, since grassroots entrepreneurs lack financial, human and social capital to develop, scale and operate an enterprise (Bradley, McMullen, Artz, & Simiyu, 2012). Nevertheless, grassroots entrepreneurs aim to create social value instead of making profit (Pansera & Sarkar, 2016).

Di Domenico, Haugh and Tracey (2010) developed the concept of social bricolage, which expands the concept of entrepreneurial bricolage. This means making-do with what is at hand, not feeling limited by the resource scarcity and improvising (Baker & Nelson, 2005). Social bricolage includes also the principles of social value, stakeholder participation and persuasion strategy to leverage the acquisition of new resources. It was developed in a study on resource-scarcity in the developed country context. However, Di Domenico and her colleagues (2010) suggest applying the model also to the developing country context, as it is radically different due to a more serious resource scarcity. Therefore, social bricolage is the theoretical framework I use in this study.

This exploratory case study loosely follows the grounded theory approach as a means of analysis. At this point, the data consists of documented sources, including reports, newspaper articles, videos and documentaries. To get a comprehensive view of the cases and to triangulate data, I have planned a field visit to India to collect data from the entrepreneurs and their mayor stakeholders in September and October 2017.

The empirical setting consists of three grassroots entrepreneurs from India. Firstly, Mansukhbhai Prajapati has developed the Mitticool fridge made entirely out of clay. Secondly, Arunachalam Muruganatham has developed a low-cost sanitary napkin and a machine to produce these napkins. He sells the machine and the raw materials to produce sanitary napkins locally through his company Jayashree Industries. The third entrepreneur is Raghava Gowda. He has developed a low-cost milking machine for farmers owning not more than a few cows and established Ksheera Enterprise to sell the product.

At this point in the research, before I have collected the data from the field, I can only present preliminary findings. During the initial analysis, I identified a few aspects related to scaling and social bricolage. First, support organizations are extremely important when scaling the innovations of grassroots entrepreneurs as they help to bridge the physical and status gap between the informal grassroots setting and the formal business environment. In the cases studied, I identified as support

organizations state agencies, public venture-funding agencies, universities, newspapers and other media outlets.

Furthermore, I found that the grassroots entrepreneurs have social ambitions, which go beyond profitmaking. Even though they developed a product with commercial potential, the primary aim was to help people with a similar background than the entrepreneurs themselves have. In the cases studied, the first customer was an expert user. This was important for the entrepreneur as it provided income, increased the self-confidence and helped to gain credibility among their fellow villagers and beyond.

The entrepreneurs were unaware of the requirements for products sold on the market, for instance related to safety and usability. To understand this, the entrepreneurs needed guidance from the support organizations and other organizations in their network with specific knowledge from the field of the product innovated. The entrepreneurs also lacked sufficient financial resources during the scaling phase. Therefore, it was crucial that the public venture-funding agency provided the entrepreneurs with collateral free funding. Furthermore, the grassroots entrepreneurs also did not know how to set up sales channels or how to establish a supply chain. Here, the support organizations helped for instance by connecting the entrepreneurs with relevant retailers and dealers.

Lastly, the support organizations were very important for building the legitimacy of the entrepreneur, who came from the informal grassroots setting. Through national and international awards, the enterprises got media attention. This generated a word-of-mouth buzz, which the entrepreneurs also used as a tool for marketing. Furthermore, the support organizations helped with patent registration, which has a high symbolic value. Finally, working with recognized partners helped third parties to see the entrepreneurs as legitimate actors.

To conclude, it is likely to assume, that the grassroots entrepreneurs would have been less successful without the help of the support organizations. The support required was mostly funding, networks and legitimacy building.

References

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