



A network approach to scaling of grassroots entrepreneurs

Sustainable Development Goals and India

- Social disparities in India
- Economic growth
 - Make in India initiative
 - CSR law
- Rural poverty
 - Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) since 2005
- High level discussions
 - From Union government to State governments
 - Democracy punishment

Low-income entrepreneurs

- Entrepreneurship: Opportunity-motivated vs. necessity-motivated (McMullen et al., 2008)
 - Low-income: necessity-motivated
- Innovations: Novelty-related vs. differentiation-related (Bradley et al., 2012)
 - Low-income: differentiation-related
- Grassroots entrepreneurs
 - Locally embedded
 - Social aims over profit-making

Mansukhbhai Prajapati and Mitticool refrigerator



- Food storage without being dependent on electricity supply
- Environmentally friendly materials used
- Started working on the innovation in 2001

Mansukhbhai Patel and the Chetak Cotton Stripper Machine

- A machine for stripping cotton from shells
- Traditionally, labor done by women and children
- Started working on the innovation in 1991



Sanjay Tilwa and the Groundnut Digger

- Machine for harvesting of groundnuts
- Replacing manual labor on the field
- Started working on the innovation in 2006



Support ecosystem for Grassroots Entrepreneurs in India



Gian

- National Innovation Foundation (NIF)
- Gujarat Grassroots Innovations Augmentation Network (GIAN)
- Society for Research and Initiatives for Sustainable Technologies and Institutions (SRISTI)

Local wisdom as a resource: Problem-solving attitude

- Habit of experimenting
 - Learned and enhanced from product development
- Practical knowledge
 - Technical skills
 - Specifications of the machine
 - Entrepreneurs use advice that is perceived as valuable

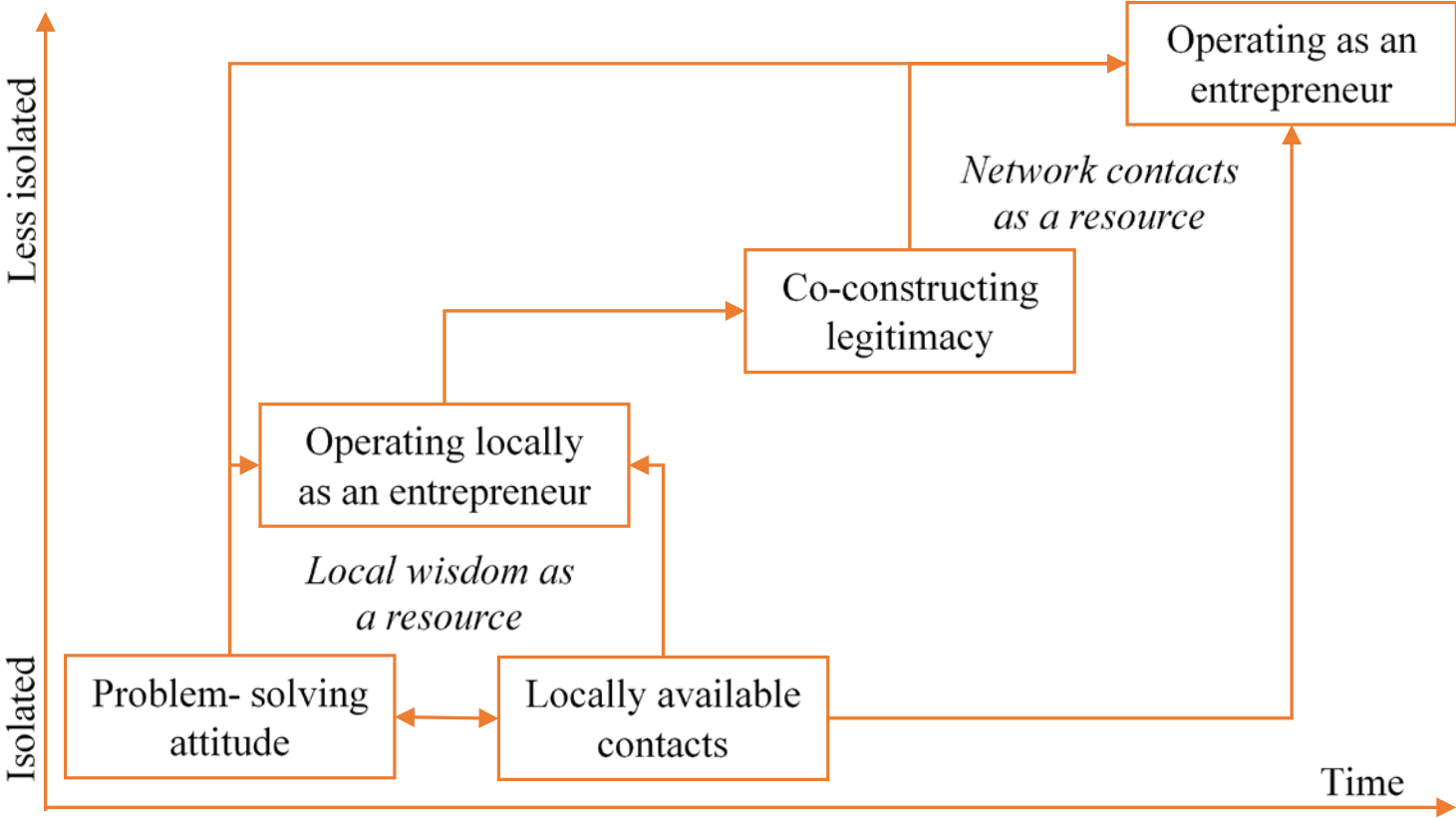
Network contacts as a resource: Co-constructing legitimacy

- Recognition
 - National award and meeting the president
 - Pictures on the wall in the office
 - Award trophy visible
- Testing
 - Access to formal facilities through network contacts
- Patent
 - Filled by network contact
 - Used for self-esteem

Network contacts as a resource: Operating as an entrepreneur

- Value adding activities
 - Convincing by network contact of the necessity (accounting, taxation, structure)
 - Access to out-of-reach resources
 - Isolation
 - Efficiency gains
- Financial support
 - Collateral free loan (MVIF)
 - Amount requested based on own assessment (GIAN)
- Requesting support
 - Machines
 - Gratitude for recognition, understanding and having a listening ear

Scaling model



Scaling and SDGs

- Lifting from informal to formal
- Positive impact of innovations
- Empowerment
 - Example for community
- Employment

Conclusion

- The grassroots entrepreneurs
 - develop novelty-related innovations
 - use both local wisdom and network contacts to scale their innovations
 - feel a need for ongoing support
 - feeling like an outsider
 - change in legislation
 - want to formalize their activities for efficiency gains