



भारतीय प्रबंध संस्थान बेंगलूर
INDIAN INSTITUTE OF MANAGEMENT
BANGALORE

INCLUSIVE BUSINESS MODELS

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| Name of the Faculty: | Sourav Mukherji |
| Designation/Affiliation: | Professor, IIM Bangalore |
| Teaching Area: (such as Finance & Accounting; Marketing; Production & Operations Management; Strategy) | OBHRM |
| This course may be offered to: | GNAM Week Master's level |
| Total Credits (No. of hours): | 3 credits – 30 hours |
| Specify the Year and Month: | October 2026 (GNAM week) |
| Course Type: | Elective |
| Grading Norms | Qualitative |



Course Summary

The Indian economy has witnessed rapid growth during the last two decades as a consequence of liberalization and globalization. However, contrary to expectations, such growth has not reduced economic inequality in the Indian society. India is today the home to a large number of poor people who do not have any social security, cannot afford proper education or healthcare for their families and struggle to have access to financial services or non-polluting sources of energy. While more than 60% of Indians live in villages, agriculture contributes to about 17% of Indian GDP, resulting in rural unemployment and large-scale migration to Indian cities. The resources at the disposal of government are not adequate to provide them with a decent living, neither have not-for-profits been able to raise enough grant money to deal with their needs.

Fortunately, such challenges have spurred several organizations into creating business models that explicitly address the needs of the poor, create products and services that are affordable and useful to improve their economic conditions. These organizations are inclusive in their mission and their business models enable them to be financially sustainable. In this week-long programme at IIM Bangalore, we will discuss the challenges of poverty and inequality that India and many rapidly growing countries from emerging economies are grappling with and explore some of the business models, which in their innovative ways, are providing possible answers to deal with these challenges. Apart from in-class discussions led by real life case studies, students will interact with founding teams of such innovative businesses and engage with them to understand their approaches and methods for resolving these challenges. This course will enable students at business schools to apply principles of management in a constrained non-market environment and understand the tradeoffs that are involved in seeking a balance between the dual objectives of social enterprises – of addressing the needs of the poor and maintaining financial sustainability.

Prerequisites: Completion of first year core courses in an MBA curriculum

Learning Objectives / Outcomes

The course is designed with the following specific objectives and learning outcomes:

- a) It is not expected that students of this course will join inclusive businesses¹. However, many of them will be joining profit seeking enterprises that consider the poor as potential consumers, producers and supply chain partners. Some of the students will also work for investing or consulting organizations that have practices focused on Bottom of the Pyramid (BoP) segments. This course will provide a rich understanding of the challenges of such endeavours.
- b) Many profit seeking organizations today have evolving practices within the domain of Corporate Social Responsibilities (CSR). Some of these would involve working with inclusive businesses as

¹ Though it will be wonderful if this course inspires some to join or start social enterprises / inclusive businesses



partners and complementors. This course will enable students to understand what kind of CSR activities will create greater impact. Many organizations are also looking at integration of their CSR activities with their main line of business – an endeavour that is close in philosophy (though not similar) to the concept of inclusive business model.

- c) Sensitize students to a reality of emerging economies such as India and the world that remains largely unarticulated and ignored in most of the other courses taught in MBA curriculum. While the reality of poverty, hunger, illiteracy, exploitation and denial of basic human rights is rather bleak, the case studies that will be discussed in this course will introduce the students to the inspirational dimension of certain businesses that are working hard to improve living conditions of those who are poor, hungry, illiterate and often exploited.

Pedagogy

The course will be taught entirely through case studies. This will be complemented by interactions with founders of inclusive businesses, site visits and a project component that will require students to apply the concepts that they learn in class to analyze or create an inclusive business model.

There is no requirement for a textbook. The book *Inclusive Business Models* (S Mukherji, Cambridge University Press, 2021) may be provided as a reading companion.

Course Evaluation & Grading

The grading will be qualitative (Excellent / Good / Satisfactory / Failure). However, quantitative grade points can also be provided if there is such requirement from any of the participating schools. The final grades will be arrived based on the following:

| Component | Unit | Weight |
|----------------------|------------|--------|
| Attendance | Individual | 10% |
| Class participation | Individual | 40% |
| Project Presentation | Group | 50% |



Session-wise plan

| Credits: 3 | | Total Hours: 30 | No. of sessions: 20 |
|---------------------------|--|-----------------|---------------------|
| Sessions | Topics | | |
| Day 1, Session 1 | Topic: Introduction. Course philosophy, roadmap, setting expectations. What are inclusive businesses? Why do we need them? How are they different from Social Enterprises, not-for-profits and corporate social responsibility? | | |
| Day 1, Session 2 | Topic: Debates about the Base of the Pyramid. Is there really a fortune at the Base / Bottom of the Pyramid? Reading: Diageo Case Study – How do you judge Diageo’s effort in serving the BoP? Background Reading: Fortune at the Bottom of the Pyramid (C K Prahalad & S Hart, Harvard Business Review) Mirage at the Bottom of the Pyramid (A Karnani, California Management Review) | | |
| Day 1, Session 3 | Topic: Inclusive Healthcare Need and challenges of building inclusive healthcare models in India. Comparing and contrasting different healthcare models. Why are there so many different models? Which one is the best? Reading: Case Study - Vaatsalya Hospitals In class screening of videos: Aravind Eye Hospital and Narayana Hrudayalaya | | |
| Day 1, Session 4 | Topic: Inclusive Education Can education be offered to the poor in a financially sustainable manner? What are the various models and what are their advantages? Reading: Case Study- Gyanshala In class screening of videos: Gyanshala and Barefoot College | | |
| Day 2, Session 1 | Topic: Providing Access to Energy What role does access to energy play in improving lives and livelihood of the poor? What are the sustainability challenges of creating energy solutions for the poor? Reading: Case Study - SELCO In class screening of video on SELCO | | |
| Day 2, Session 2 | Interactions with senior leaders from SELCO, preparation for field visit | | |
| Day 2, Sessions 3&4 | Field visit to various sites where SELCO works with communities to provide them energy access and improve their livelihood opportunities | | |



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| Day 3, Session 1 | Topic: Challenges of Managing Waste Creating sustainable livelihood options for waste pickers Reading: Case Study – Hasiru Dala Innovations |
| Day 3, Session 2 | Field visit to waste segregation and processing site, interaction with employees of Hasiru Dala |
| Day 3, Sessions 3&4 | Students conduct interviews in teams, profiling individuals and families who are at the lower strata of the economic pyramid, understand the challenges that they face related to their lives and livelihood |
| Day 4, Session 1 | Topic: Inclusive Business Models in Agricultural Value Chain Enhancing income of the smallholder farmer through productivity improvement and creating market linkages Reading: Case Study – IDE Nepal and Reliance’s Banana Value Chain |
| Day 4, Session 2 | Topic: Rural BPO – Nonfarm livelihood option in Rural India Viability of delivering business process outsourcing from rural India. Can it solve rural India’s unemployment and migration problems? Reading: Case Study – RuralShores |
| Day 4, Sessions 3 & 4 | Students continue their interviews in teams, profiling individuals and families who are at the lower strata of the economic pyramid, understand the challenges that they face related to their lives and livelihood |
| Day 4 Evening | Students develop outline of an inclusive business model to address the needs of people living at the lower strata of the economic pyramid |
| Day 5, Session 1 | Students finalize and prepare for their inclusive business model presentation |
| Day 5, Sessions 2&3 | Teams present their business plans |
| Day 5, Session 4 | Conclusion – key learning from the course Valediction |

Profile of Faculty:

[Sourav Mukherji | Indian Institute of Management Bangalore \(iimb.ac.in\)](http://iimb.ac.in)