

## Leveraging Design Innovation for design of Not-for-Profit Societal Scheme with the aid of Repayable Funds: Design Illustration for Sustenance of Tribal Community Centers

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### Abstract

**Problem:** Sustenance of community centers among low-income population in a Tribal region with the aid of repayable funds, through a societal scheme that is not-for-profit. Low-income communities consist of population who depend on sponsored schemes that are welfare oriented. But often there is dearth of sponsored funds in order for a scheme to be made operational. The challenges are significant if the sponsored funds are repayable by the beneficiaries. Considering sponsors who would lend their money towards interest free repayable funds, what could be the scheme design that would accomplish both income generation for the communities as well as repayment of availed funds by the community members? Such scheme design is of immense help to low-income communities and it would encourage sponsors to lend for a societal cause, with funds that are repayable. The problem scenario is addressed through Design Innovation and this paper is about describing such scheme design and execution in a tribal region in India. There can be a group of sponsors, each contributing a small portion, towards a larger overall fund to support the scenario. **Design/Methodology/Approach:** Design Innovation and Design Research Methodology and Field Study. Design Innovation is about harnessing human creativity to address a certain need (or desirability) with the aid of technological possibility (or feasibility) coupled with economic viability (or financial viability). Design Research Methodology refers to enhancing the creativity based design practice towards a certain intent, which in this case is about enabling the practice for innovation, with a focus on societal initiatives. A field study is undertaken to understand the desirability, feasibility, and viability aspects among a tribal community in Araku Valley Region in India. **Findings:** Sustenance of Tribal Community Centers through a Societal Scheme. The tribal communities are closely knit families with community leaders and community members, co-existing with each other. Their income levels are very low and they depend on external support for their upkeep and wellbeing. The community leaders command a lot of respect from their community members. It is possible to design and execute a scheme consisting of a series of small business ventures proposed by the community members, supported through repayable funds. The entire operations are facilitated by community leaders who oversee both the access to repayable funds and collection of repayments that are

*interest free. Even a small increase in their earnings makes a huge difference in their lives. Conclusion: It is possible to replicate the scheme among low-income communities wherein similar societal structures exist on the ground in the form of community members and community leaders. The income earned by community members is retained for themselves and free-will offering they give to community leaders serves towards facilitation service rendered by them. The fund sponsor will get back the money over a period of time without any interest charges. The overall operations result in increased income for community and good will on the part of the fund sponsor.*

**Key Words:** 1.Design Innovation, 2.Not For Profit, 3.Societal Scheme, 4.Community Centers, 5.Repayable Funds

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## Introduction

Design Innovation leverages creativity based design in order to make a business proposition feasible and viable. Materializing a proposition requires ensuring both the market channel and customer relationship are established on the ground. In this paper, creativity based design is leveraged to ascertain these two towards sustaining the existing community centers in a tribal region in terms of income generation and livelihood. The design is of a not-for-profit scheme consisting of a series of business ventures proposed by the tribal community members, supported through repayable funds. The community members are expected to undertake their respective business ventures and generate income for themselves. The scheme execution is facilitated by the community leaders who oversee both access to repayable funds and collection of repayments that are interest free. The free-will offerings by community members to community leaders serves towards the facilitation service rendered by them. The sponsor to get back the funds without any interest charges. The focus and scope of design is not on the business ventures but on collection of repayments and free-will offerings. This scheme can be replicated among other low-income population segments wherein similar societal structures exist among communities consisting of community center members and leaders.

Societal initiatives are generally aimed at uplifting people and communities with respect to their quality of life and standard of living. Thereby, societal initiatives consists of various schemes with an aim to make a difference to a certain target population segment. But often, societal initiatives suffer from lack of funds which are required for execution of schemes in order to make a difference to people. This is where design of schemes with repayable funds turn important and this paper is about leveraging Design Innovation to design such schemes for the benefit of all who are involved with it.

Design Innovation leverages creativity based design practice to address a certain need (or desirability) with the aid of technological possibility (or feasibility) coupled with economic viability (or financial viability). Thereby, Design Innovation aims to address the complete realm of human endeavor wherein certain ideas are shaped into propositions and further towards materializing the proposition into corresponding benefits for the target population segment. Creativity based design is undertaken to shape the ideas into artefacts with certain proposition and Design Innovation takes it further towards design preparedness to realize this proposition. This paper is about leveraging Design Innovation for the context of societal initiatives wherein creativity based design is undertaken for design of schemes aimed at improving the earnings of low-income population segment with the aid of repayable funds, among a tribal community in India.

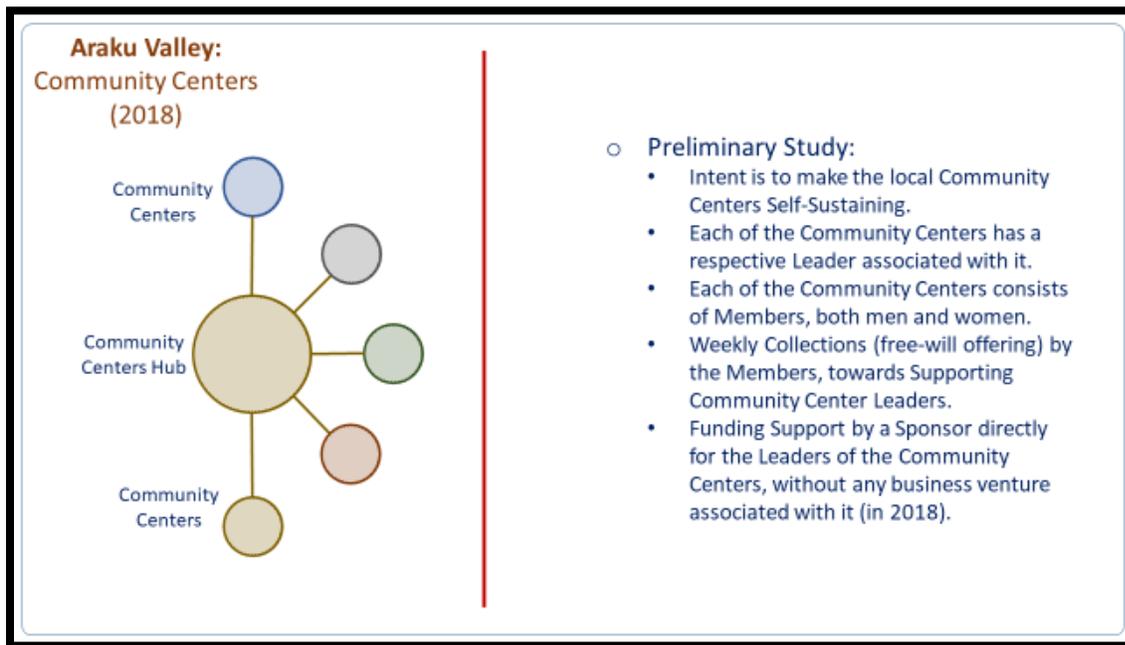
The structure of this paper consists of the following: Towards problem description, the scenario among a tribal community in India is described with a focus on their income level and earning capacity. Since Design Innovation is leveraged to address the described problem scenario, Design Research Methodology is adhered with to improve upon current design practice in order to cover the complete scope consisting of human

desirability, feasibility and viability of the scheme. This would require adapting certain insight from the discipline on Business Model. Towards findings, the field study among the tribal communities and the corresponding detail in terms of scheme design and execution are included. The data with respect to their initial income level and the impact due to scheme in terms of increased income level are presented in tables. The paper ends with overall learning and conclusion. It is a real life case wherein the approach based on Design Innovation has been put to use. Being a design illustration in a societal context, only a few relevant references are included. And the study basis by the authors is cited and included in the references list.

**Problem Scenario and Context:**

The tribal community for this study is located in a place called Araku Valley in India. It is spread over a few km range consisting of several community centers with members from tribal families. There are about 16 community centers, each having a community center leader with a few tribal families attached to it. Overall, there are about a few hundred tribal families as part of all these community centers. The community center leaders and community center members have an overall head, who is the primary connect during this study. The visual corresponding to this description is shown in Fig. 1.

There is no steady and consistent income for these tribal families as part of their day-to-day living, as they depend upon welfare schemes of the government. A significant population of these families consists of educated youth, both men and women, who are of working age group but there are no formal job opportunities. These families get to meet every week as part of community gatherings in their respective community centers headed by the corresponding community center leaders. The community members exhibit a lot of respect and gratitude towards community leaders by their free-will offerings every week. But the amount of their free-will offering is quite meagre as their income level is quite low. It requires about 2 to 3 fold increase in order for the free-will offering to be sufficient for the community leaders. This is where Design Innovation has been leveraged to design a scheme to multiply their income level.



**Fig. 1 Visual depicting the Community Centers located and spread across the Tribal Region**

**Chronology of Study and Events:**

The chronology of events as part of the field study are described in Table 1.

**Table 1. Chronology of Events for undertaking a Societal Scheme at Araku Valley in India**

| <b>Chronology</b> | <b>Event</b>  |
|-------------------|---|
| 2018 March        | Information received about the financial need at this Tribal location.  |
| 2018 June         | Field visit as part of preparation to assess the ground reality.  |
| 2018 August       | Conducted a 2 day meet to discuss their ideas and to collect their project proposals to undertake certain entrepreneurial activity. Nearly 100 youngsters have attended this meet, both men and women. The community leaders have facilitated in organizing this meet, without whose support it is not possible to do this. |
|                   | The proposals are analyzed to arrive at a funding support of Rs. 6000/- per individual member. And this amount to be returned through monthly instalments of Rs. 250/- each over 24 months (2 years). There is no interest levied on this amount. Note: Rs. refers to Indian Rupees.  |
|                   | The proposals include Tailoring, Millet Mill, Food Catering, Retail Store, Sheep and Goat farming, etc. Some of these involved grouping of individuals to make up for the initial investment. The community member proposal details are given in Table 2.   |
|                   | There were total 72 individuals who were identified to avail the funding support and the scheme formally got started from 2019 January for 2 years.   |
| 2018 November     | Provided the funding support for 40 individuals. Their proposals and scheme started from 2019 January for 2 years.  |
| 2019 February     | Provided the funding support for an additional 32 individuals. Their proposals and scheme started from 2019 April for 2 years.  |
| 2019 and 2020     | Execution of the scheme by the community members with facilitation by community leaders. Unfortunately, COVID struck during 2020 April and for the rest of the year. Hence the year 2019 only is considered for analysis purpose.   |
| 2021 January      | Started receiving the Data from the field about the scheme.   |
| 2021 February     | Continued to receive the Data from the field about the scheme.  |
| 2021 March        | Analysis of the Data and Report Preparation on the Scheme.  |

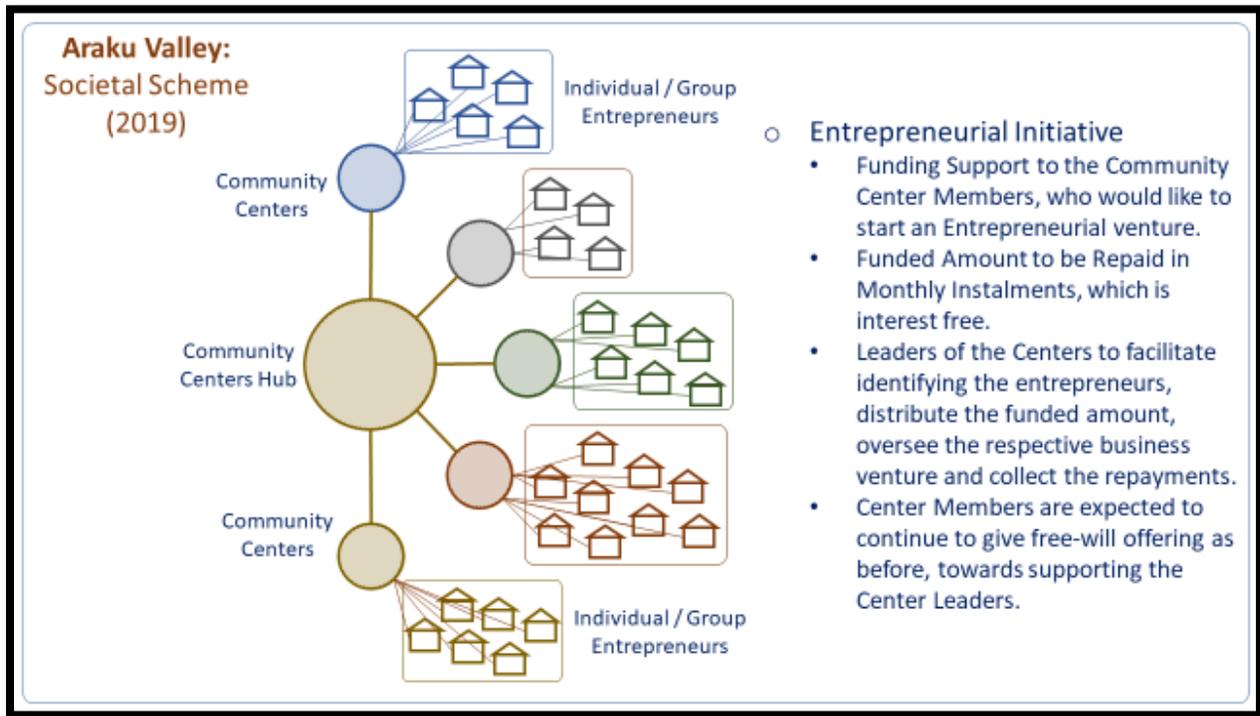
**Table 2. List of Entrepreneurial Ventures for a total of 72 Members / Beneficiaries**

| <b>Serial No.</b> | <b>Category of Venture</b>              | <b>Number of Members</b> |
|-------------------|---|--------------------------|
| 1                 | Tailoring – mainly women – 4 groups     | 16                       |
| 2                 | Millet Mill – group activity – 4 groups | 24                       |
| 3                 | Food Catering – youngsters – 2 groups   | 12                       |
| 4                 | Retail and Grocery Store - individuals  | 8                        |
| 5                 | Sheep / Goat Farming – 2 groups         | 12                       |

**Entrepreneurial Ventures in Societal Context:**

The project proposals that are received from the community members amounted to various entrepreneurial ventures by the respective individuals and groups. In case of proposals that require more funding, a group of 4 to 5 or 6 individuals have agreed to do the venture together. These are visually depicted in Fig. 2.

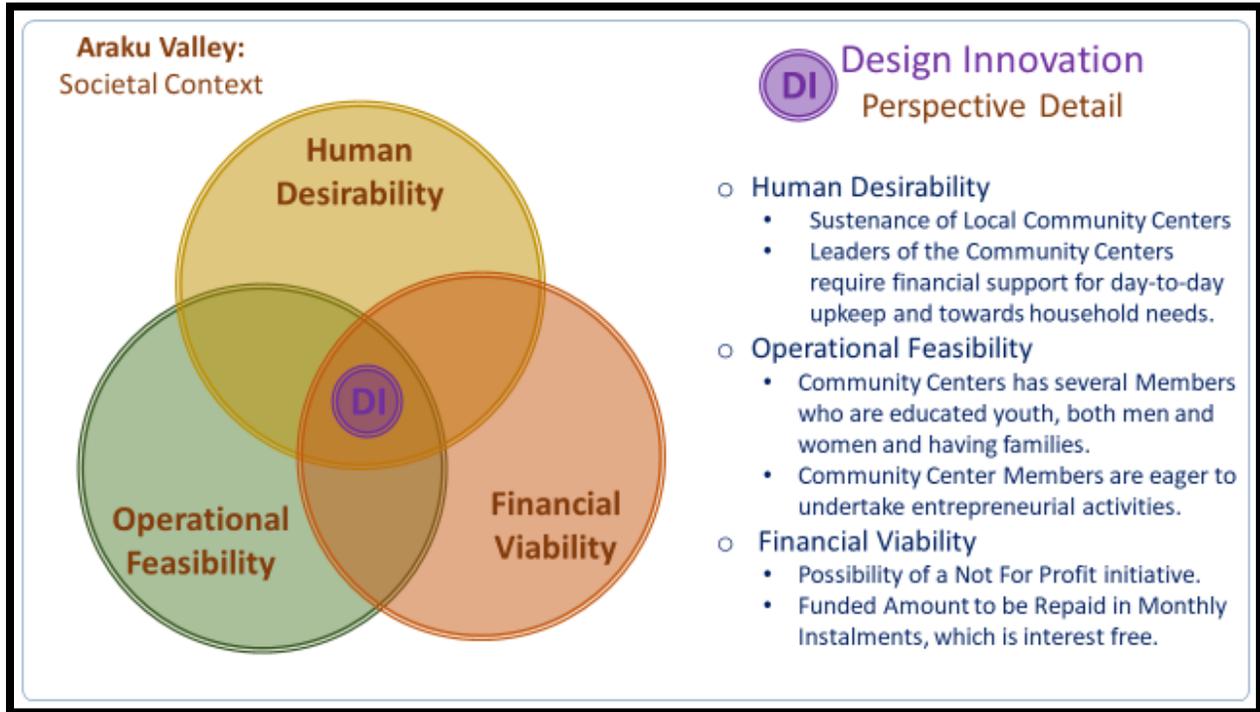
The focus and emphasis in this paper is not on the entrepreneurial ventures by the community members. But instead, the focus and emphasis in this paper is on the facilitation services rendered by the community leaders in terms of access to avail funds by the community members and collection of repayments from the community members. The identification of community members with suitable project proposals is also carried out by the community leaders. As per the study basis (Lokku et al., 2019 and 2021), the key factors are the personal relationship and access channel between the community members and community leaders. These factors are taken into consideration while designing the overall societal scheme. This paper describes the scheme design based on Design Innovation as an approach towards design of societal schemes with repayable funds that are interest free.



**Fig. 2 Visual depicting the Entrepreneurial ventures among the Tribal Community**

### Design Innovation for Societal Context

The dimensions of Design Innovation (Brown, 2008 and Weinberg, 2013) and its applicability for societal context are shown in Fig. 3.



**Fig. 3 Societal Context and Perspective Detail based on Design Innovation (Adapted)**

The dimension on human desirability is interpreted for the tribal context in terms of community leaders requiring financial support with regard to sustaining the community centers. Each community center has several tribal families associated with it and they provide free-will offerings to the community center leaders. Due to their very low-income status, the free-will offering is quite meagre in order to cater to their day-to-day upkeep.

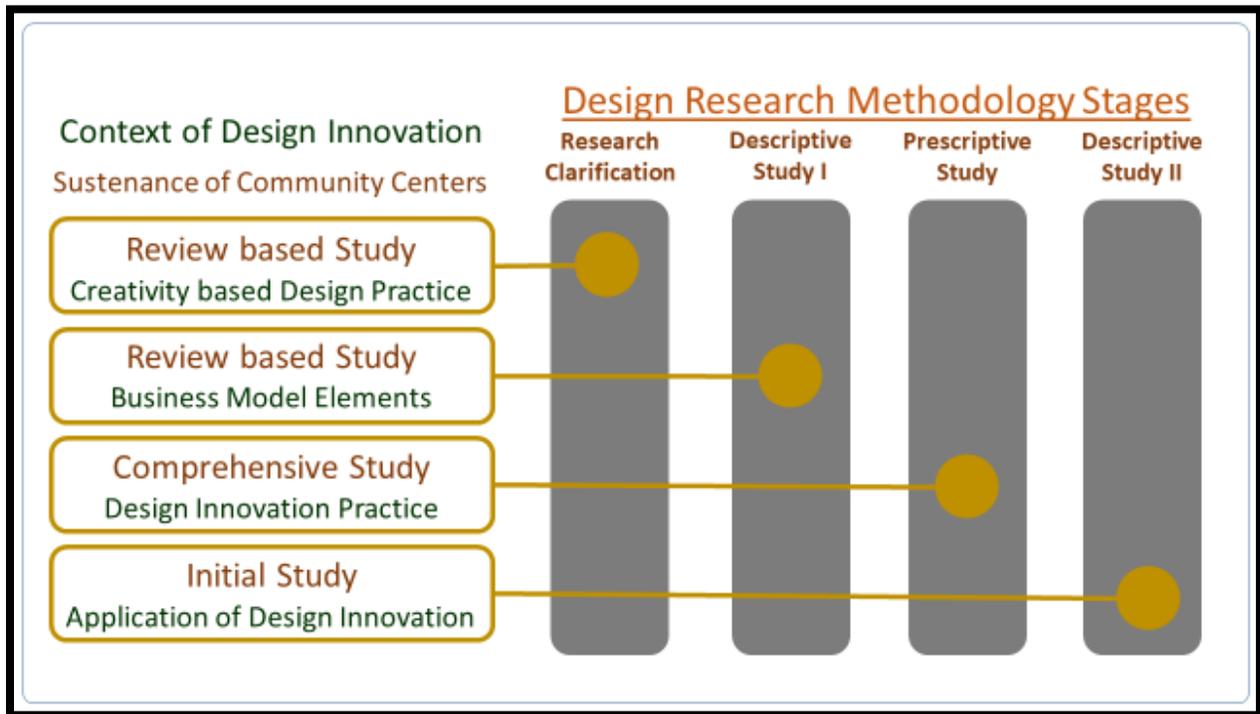
But several members of the community center are youngsters who are eager to undertake entrepreneurial ventures with minimal fund support and facilitation and guidance. Hence there exists an operational feasibility and scope to increase their earning and income level. The financial support provided can be used towards initial investment for their respective project proposals as they intend to multiply their income.

And by repaying the availed fund in regular instalments, it can make the scheme financially viable, as the funded amount is returned over a period of time. There are no interest charges levied on the borrowed fund.

With their increased income level, their free-will offering also can go up, which is sufficient to cater to the needs of the community leaders. Moreover, it serves towards facilitation services rendered by the community leaders while executing the scheme. This is the central idea in the scheme design. But the challenge is, how to ensure repayments collection in addition to the free-will offerings by the community members? This is where the perspective through Design Innovation can aid to design a scheme for ensuring both access to funds and collection of repayments. The details of such scheme design are described in this paper.

**Design Research Methodology**

Design Research Methodology(Blessing and Chakrabarti, 2009) isa systematic approach for strengthening the design practice from a certain perspective. It has four stages and each of the stages are accompanied with a corresponding study as shown in Fig. 4.



**Fig. 4 Stages in Design Research Methodology for the context of Design Innovation Practice (Adapted)**

Each of the above stages and the accompanied studies are interpreted for the context of Design Innovation and applied to the context of sustaining tribal community centers. The word sustenance used in this context mainly refers to financial strengthening of the tribal communities who are considered generally poor (with an income level of about a couple of dollars (USD) per day. 1 USD is approximately 80 Indian Rupees).

**Research Clarification**

Research Clarification is accompanied with a review based study on creativity based design practice with respect to its ability (or lack of ability) to address innovation. The definition of innovation is a process to transform ideas into business offers and to successfully differentiate these offers in the market (Baregheh et al., 2009). The review led to a gap which needs strengthening with reference to the context of Design Innovation. The study to enhance the practice in adherence with Design Research Methodology has been addressed by the authors(Lokku et al., 2019 and 2021). The context of sustenance of community centers, leveraging the enhanced practice on Design Innovation, is addressed in this paper.

### **Descriptive Study-I**

Descriptive Study-I refers to review of literature on Business Model wherein an insight on innovation is adapted into design practice towards enhancing it. Accordingly, the key elements of a Business Model, namely Relationship and Channel are identified in order to address the societal context of sustenance through repayable funds. A portion of this study in adherence with Design Research Methodology is published by the authors (Lokku et al., 2019 and 2021). Whereas this paper describes the context of sustenance of community centers and how the enhanced practice on Design Innovation is leveraged to design a societal scheme for it.

### **Prescriptive Study**

Prescriptive Study refers to adapting the above insight and making it part of the strengthened practice with the aid of its standard design phases, namely: Understand, Observe, Point of View, Ideate, Prototype, and Test (Lindberg et al., 2010). These standard phases are put to use while designing the societal scheme. The Business Model elements, namely Relationship and Channel are ascertained using the standard design practice phases. Accordingly, the sustenance of community centers is addressed while ensuring fund repayments as well as free-will offerings by the community members.

### **Descriptive Study-II**

Descriptive Study-II refers to applying the strengthened practice of Design Innovation for the tribal context of sustaining their community centers. The standard phases of design practice are leveraged while detailing the societal scheme. This paper outlines the design of scheme and validates the key elements, namely Relationship and Channel, which are critical for both collection of fund repayments as well as free-will offerings, from the community members.

In the absence of these key elements among the community leaders and community members, it is not possible to operate societal schemes with repayable funds. Accordingly, it amounts to an important and critical insight for design of societal schemes with Not-for-Profit repayable funds.

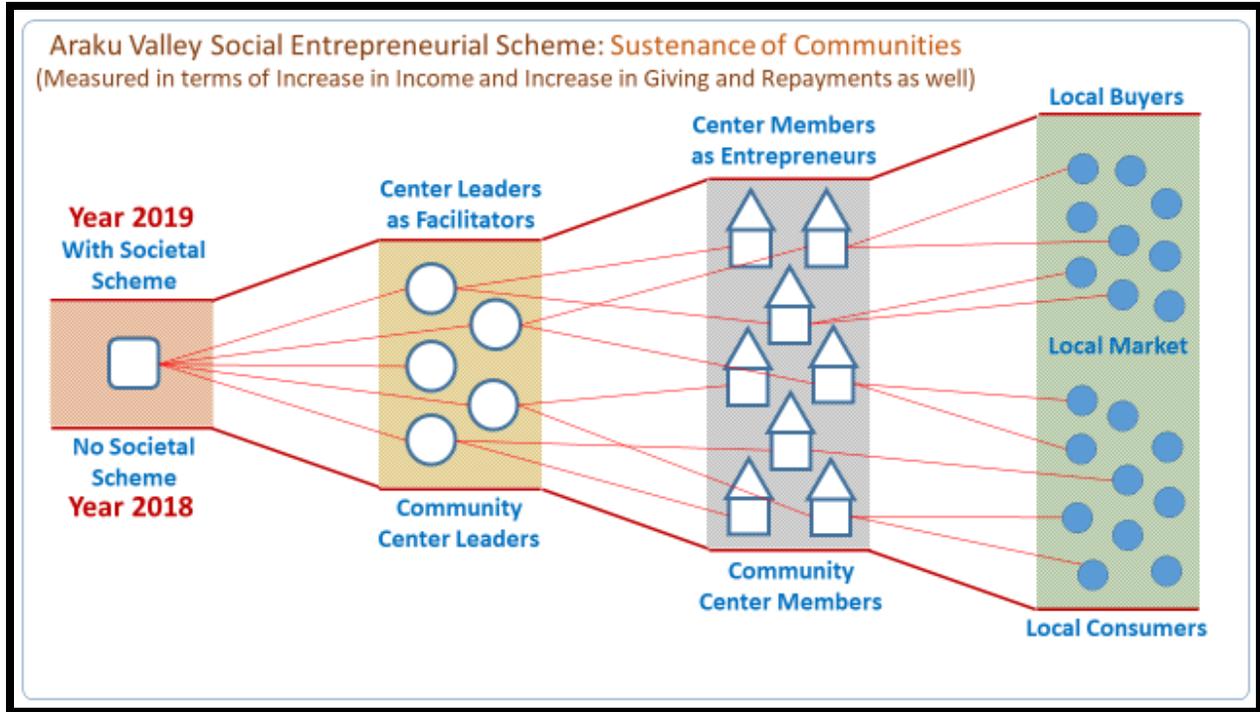
The subsequent description in this paper on design and execution of Societal Scheme point towards Descriptive Study-II wherein the critical insight on Business Model elements, namely Relationship and Channel, is validated for the context of sustenance of community centers through a Not-for-Profit Scheme with Repayable Funds.

### **Design and Execution of the Societal Scheme**

As shown in the chronology of events, the field study for the scheme has been carried out in 2018. Based upon the inputs gathered from both the community leaders and community members, a societal scheme has been designed keeping in view of desirability, feasibility, and viability of the Design Innovation context. The parallels between the years 2018 and 2019 are shown in Fig. 5.

### **Scheme Outline**

In order to verify the impact due to the societal scheme, 2018 is taken as the baseline year wherein the situation on the ground reflects the problem scenario. Whereas in 2019, the designed scheme is rolled out and executed with facilitation by community leaders. This is visually depicted in Fig. 5.

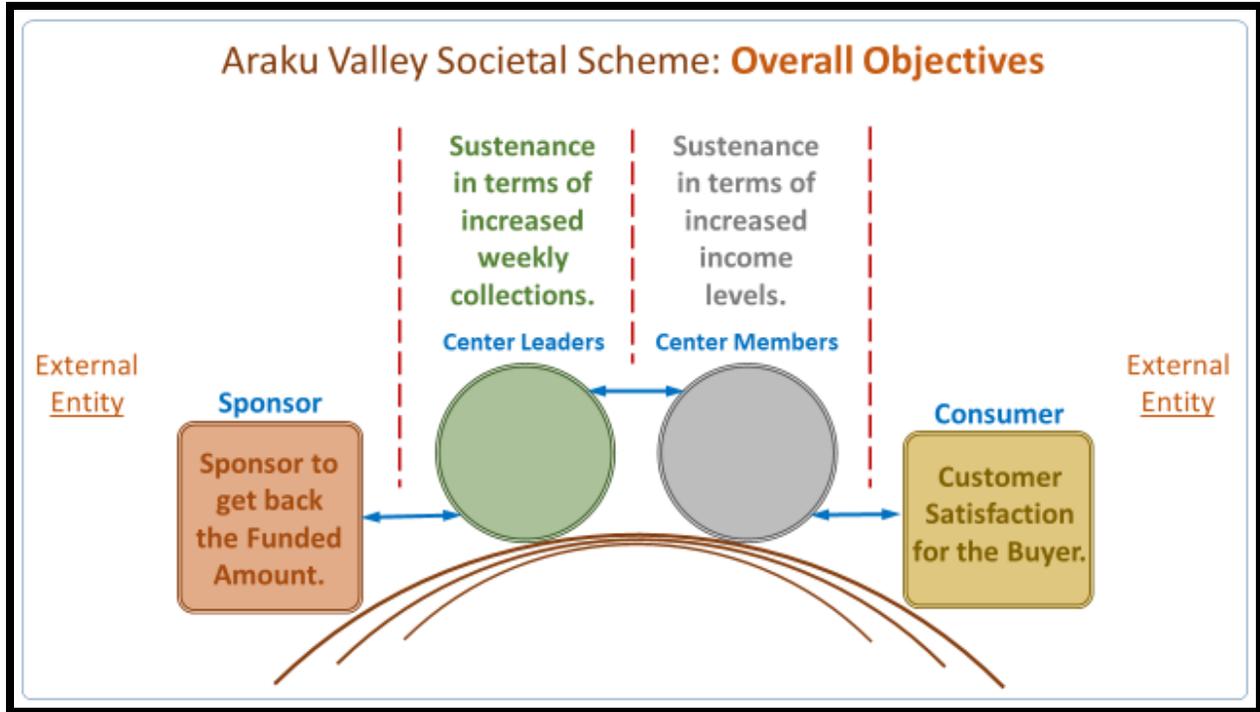


**Fig. 5 Parallels between 2018 and 2019 – Role Change of Community Leaders and Members**

One can infer from this visual the change in role played by community members as well as leaders from 2018 to 2019. The community members have started operating their respective business ventures targeting the local buyers, whereas the community leaders have facilitated the operation of the business ventures. The outcome from the business ventures are measured in terms of their giving free-will offerings, which is an indication of their increase in income level. These numbers are shown towards the end, as part of data analysis.

### Scheme Objectives

The overall objectives of the Societal Scheme are visually shown in Fig. 6. The primary objective is to increase their income level through entrepreneurial ventures so that their free-will offering to the community leaders can go up sufficiently. As part of their entrepreneurial ventures, the community members will go to market with their respective business offers and make these offers attractive enough for the external buyers. Thereby, they would multiply their income level. Whereas the fund sponsor who is an external entity is expected to get back the funded amount. The scheme design is expected to cater to these objectives.



**Fig. 6 Overall Objectives of the Societal Scheme**

Both the fund sponsor and local buyer are visually shown as external entities as they have no participation in the business venture except for their minimal involvement. The sustenance objectives of community leaders and community members are interpreted mainly in financial terms.

**Business Model Detail:**

Business Model Canvas (Osterwalder, 2010) is the most popular among business firms with regard to detailing its various elements as part of preparedness while go to market. The Fig. 7 shows two Business Models simultaneously, with interaction among all the four entities, namely fund sponsor, community leaders, community members, and the local buyers. One can notice three types of interactions between the entities as described below:

- The interaction between community members and local buyers is typically of business in nature wherein they exchange money in return for an offer from the community members.
- The interaction between community leaders and fund sponsor is mainly about mobilizing the funds for undertaking entrepreneurial ventures and returning the availed funds over a period of time.
- The interaction between community leaders and community members is with regard to availing the funds, facilitation for the business venture, collection of repayments towards the availed funds, and collection of free-will offerings during the weekly gatherings.

The Business Model Canvas elements consists of proposition and segment and the associated activities and resources. These would differ for the business operations by community members and facilitation services by community leaders. The key proposition is sustenance of community centers for which the community

leaders are working forward. The business proposition of community members is incidental as it is part of the overall operations of the societal scheme.

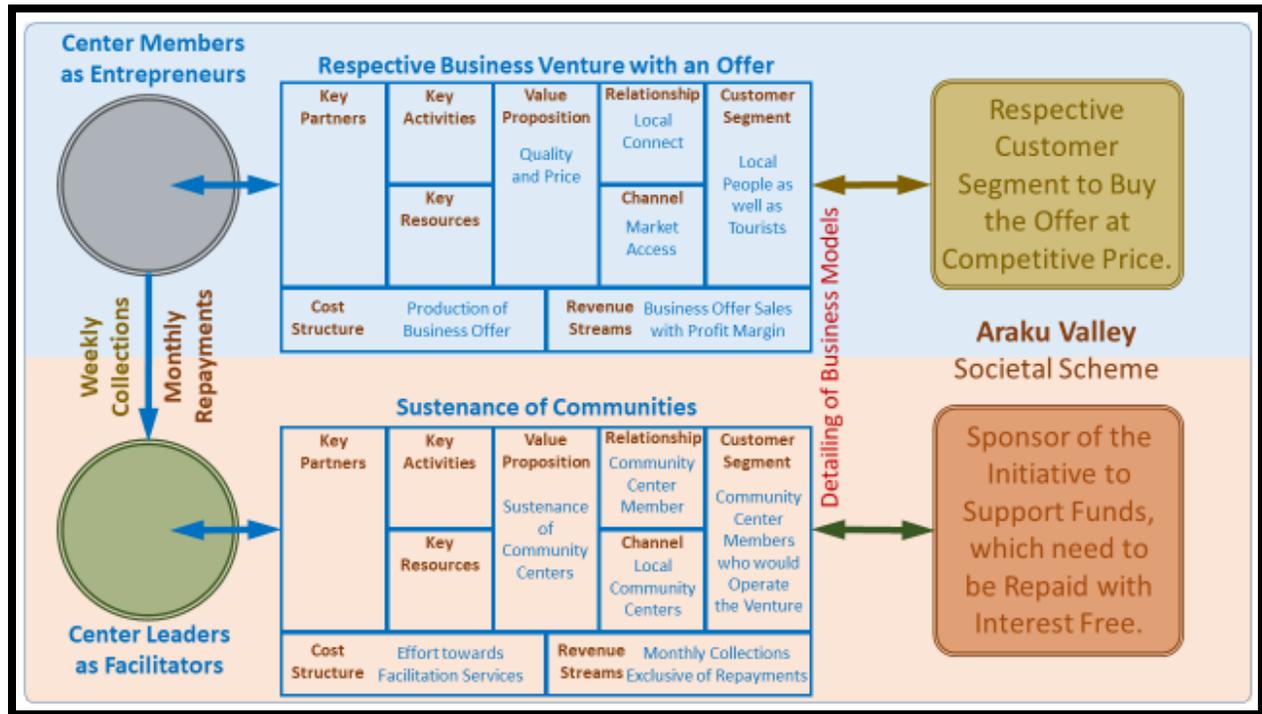


Fig. 7 Business Model Interaction and Linkages between Community Members and Leaders

Since the focus and emphasis in this paper is about repayable funds, the Business Model elements namely Relationship and Channel between the community leaders and community members becomes critical. These elements are exclusively focused upon for further detail in adherence with standard design practice phases.

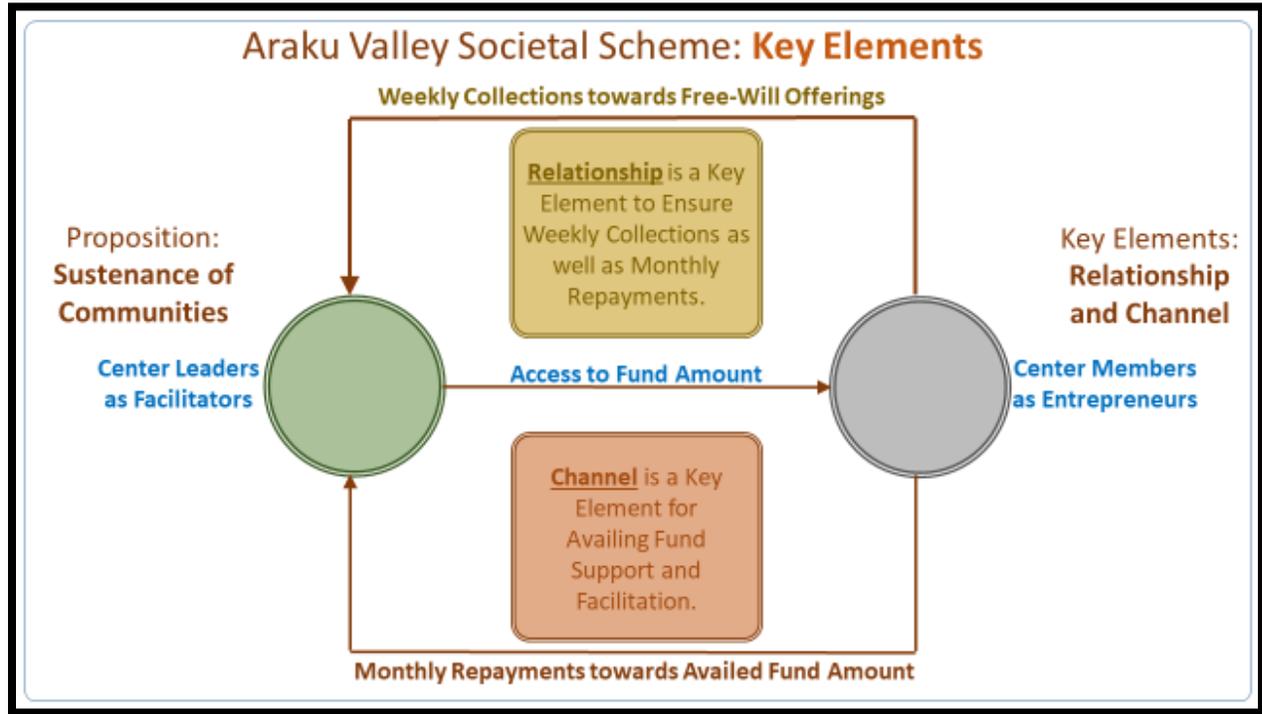
**Key Elements – Relationship and Channel**

Focus on the key elements namely Relationship and Channel is critical for achieving the overall objectives of the scheme that include increase in income level for both community members as well as community leaders. Moreover it is critical for collection of repayments and free-will offering on a weekly basis. This is shown in Fig. 8 wherein subsequent to availing the funds by community members, the facilitation by community leaders for the collection of repayments and free-will offerings begin.

Since the community members and community leaders are part of the community centers, these existing societal structures on the ground facilitate both access to the funds and collection of repayments. These societal structures are essential for the successful operation of the societal scheme.

**Detailing in adherence with Standard Design Phases**

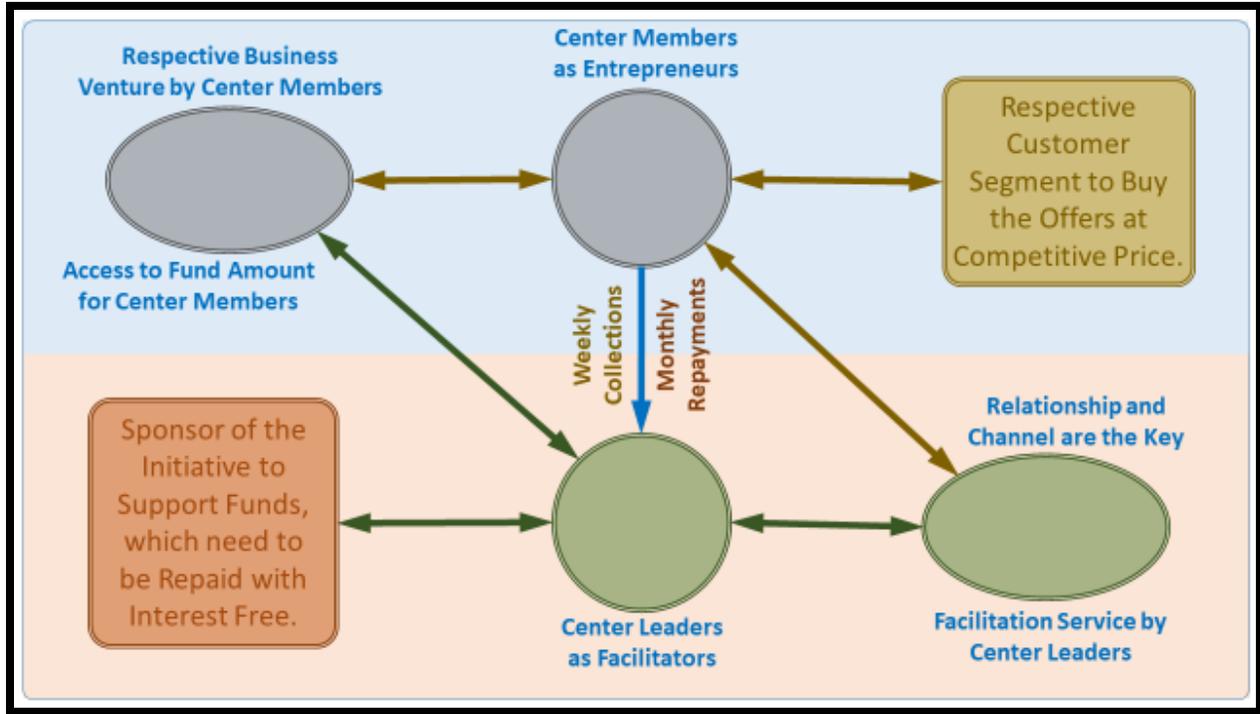
As part of harnessing creativity based design, the standard phases of design practice are made use of to detail the key elements namely Relationship and Channel. The design phases, namely: Understand, Observe, Point of View, Ideate, Prototype, and Test are applied in the tribal context to ascertain the key element characteristics of personal Relationship and access Channel are present among the community members and community leaders.



**Fig. 8 Key Elements – Relationship and Channel between Community Members and Leaders**

**Scheme Operations**

The flow of operations starting with sponsoring of funds and making it available to the community members through the community leaders is shown in Fig. 9. The facilitation service by community leaders to community members in their respective business venture with local buyers is included as part of overall operations of the scheme.



**Fig. 9 Scheme Operations with interactions and flows between Community Members and Leaders**

**Data Analysis and Results**

The data is collected on a weekly basis for the free-will offerings, inclusive of repayments towards availed funds. These are collected for all the 10 centers wherein the total beneficiaries are spread. Only the data for 2019 (shown in Table 3) is taken into account for analysis purpose as the year 2020 was affected with COVID.

Data is also collected for a center (by name Sukurguda), wherein no beneficiary was present, towards control data purpose. The data for 2018 is taken for comparison purpose (shown in Table 4), as there were no business ventures as part of any societal scheme at these locations during this year.

**Results of the Scheme**

The Societal Scheme was executed from January 2019 for 2 years. But unfortunately, the scheme was affected by COVID from April 2020. Hence the data collected from each of the Centers is analyzed for the calendar year 2019 only. The focus is about the impact of the societal scheme on collection of free-will offerings vis-à-vis the same during the year 2018. The numbers are shown in Fig. 10 for each of the Center Locations.

The location by name Sukurguda is for control data purpose wherein there were no entrepreneurial ventures undertaken in 2019. The free-will offerings collected at this location remained at about the same level during 2018 and 2019. Whereas at all other locations, there were a few entrepreneurial ventures undertaken by the center members due to which the collection of free-will offerings have gone up significantly from 2018 to 2019. There were no other schemes that were operational at these locations.

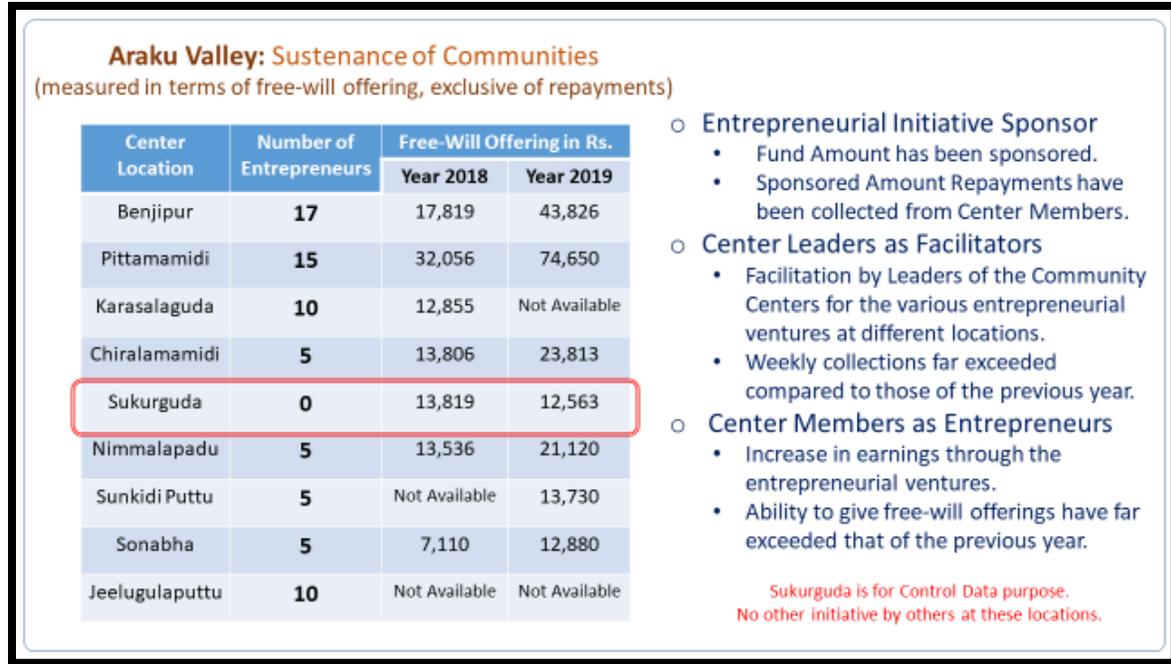


Fig. 10 Comparison of Collection of Total Free-Will Offerings in 2018 and 2019

Data Analysis for 2019 with baseline year as 2018

Table 3: Weekly collection at different centers for the year 2019 - Month-wise weekly collection on Sundays

| Center                            | Jan  | Feb  | Mar  | Apr   | May  | June | July | Aug  | Sep   | Oct  | Nov  | Dec   |
|-----------------------------------|------|------|------|-------|------|------|------|------|-------|------|------|-------|
| <b>1.Benjipur</b>                 | 1075 | 920  | 840  | 2873  | 3034 | 2958 | 2421 | 2762 | 3050  | 2839 | 2747 | 2841  |
| No. of Beneficiaries - 17         | 1240 | 840  | 946  | 1698  | 1570 | 1880 | 1895 | 1926 | 1674  | 1290 | 640  | 1935  |
|                                   | 795  | 935  | 675  | 1147  | 615  | 845  | 1817 | 1743 | 1718  | 1857 | 1725 | 873   |
|                                   | 780  | 550  | 614  | 1683  | 1730 | 1690 | 1550 | 1831 | 1572  | 1632 | 1653 | 832   |
| Expected monthly repayment = 4250 |      |      | 416  |       |      | 1528 |      |      | 1624  |      |      | 1752  |
| Total monthly collection          | 3890 | 3245 | 3491 | 7401  | 6949 | 8901 | 7683 | 8262 | 9638  | 7618 | 6765 | 8233  |
| <b>2.Pittamamidivalasa</b>        | 1478 | 1538 | 1273 | 2958  | 3324 | 2727 | 2836 | 2364 | 2328  | 2179 | 2528 | 3829  |
| No. of Beneficiaries - 15         | 1526 | 1727 | 1185 | 2314  | 1254 | 2142 | 2092 | 2217 | 2262  | 2015 | 1931 | 1682  |
|                                   | 1322 | 1365 | 1437 | 1832  | 983  | 968  | 920  | 931  | 1425  | 927  | 1164 | 1528  |
|                                   | 1629 | 1429 | 1536 | 1526  | 865  | 895  | 1090 | 736  | 1072  | 846  | 1128 | 1835  |
| Expected monthly repayment = 3750 |      |      | 1241 |       |      | 815  |      |      | 895   |      |      | 1463  |
| Total monthly collection          | 7665 | 7590 | 8664 | 10815 | 8290 | 9655 | 8888 | 8079 | 10299 | 7997 | 8837 | 11621 |
| <b>3.Pedalabudu</b>               | 652  | 545  | 696  | 1307  | 1267 | 1219 | 1278 | 1243 | 1218  | 1244 | 1218 | 244   |

|  |      |      |      |      |      |      |      |      |      |      |      |      |
|--|------|------|------|------|------|------|------|------|------|------|------|------|
| (Merged under Pittamamidivalasa - monthly collection added to that of Pittamamidivalasa) | 328  | 321  | 321  | 269  | 213  | 236  | 235  | 227  | 326  | 263  | 326  | 263  |
|  | 374  | 375  | 332  | 322  | 198  | 218  | 241  | 196  | 295  | 252  | 295  | 252  |
|  | 356  | 290  | 286  | 287  | 186  | 187  | 196  | 165  | 247  | 271  | 247  | 271  |
|  |      |      | 357  |      |      | 248  |      |      | 231  |      |      | 254  |
| Total monthly collection   | 1710 | 1531 | 1992 | 2185 | 1864 | 2108 | 1950 | 1831 | 2317 | 2030 | 2086 | 1284 |
| <b>4.Karasalaguda</b>  | 254  | 347  | 317  | 1270 | 1316 | 1292 | 1240 | 1258 | 1244 | 1246 | 1255 | 1289 |
| No. of Beneficiaries - 10  | 227  | 284  | 312  | 237  | 269  | 247  | 227  | 326  | 263  | 298  | 280  | 234  |
|  | 283  | 295  | 272  | 216  | 238  | 185  | 196  | 295  | 252  | 174  | 145  | 196  |
|  | 269  | 263  | 274  | 195  | 187  | 176  | 165  | 247  | 271  | 165  | 123  | 247  |
| Expected monthly repayment = 2500  |      |      | 215  |      |      | 263  |      |      | 213  |      |      | 299  |
| Total monthly collection   | 1033 | 1189 | 1390 | 1918 | 2010 | 2163 | 1828 | 2126 | 2243 | 1883 | 1803 | 2265 |
| <b>5.Chiralamamidi</b>   | 640  | 582  | 437  | 1558 | 1613 | 1538 | 1545 | 1624 | 1538 | 1445 | 1396 | 1357 |
| No. of Beneficiaries - 5   | 728  | 645  | 650  | 454  | 456  | 475  | 494  | 628  | 572  | 321  | 527  | 269  |
|  | 825  | 695  | 580  | 432  | 512  | 368  | 429  | 541  | 483  | 575  | 312  | 421  |
|  | 552  | 748  | 630  | 319  | 426  | 396  | 525  | 421  | 448  | 390  | 386  | 384  |
| Expected monthly repayment = 1250  |      |      | 495  |      | 441  |      |      | 462  |      |      |      | 375  |
| Total monthly collection   | 2745 | 2670 | 2792 | 2763 | 3448 | 2777 | 2993 | 3676 | 3041 | 2731 | 2621 | 2806 |
| <b>6. Sukuruguda</b>   | 213  | 227  | 253  | 264  | 225  | 228  | 230  | 229  | 288  | 248  | 237  | 265  |
| No. of Beneficiaries - 0   | 221  | 242  | 248  | 263  | 272  | 231  | 285  | 268  | 253  | 216  | 242  | 239  |
|  | 254  | 218  | 205  | 228  | 221  | 263  | 239  | 222  | 267  | 283  | 256  | 227  |
|  | 228  | 215  | 232  | 239  | 243  | 252  | 284  | 234  | 240  | 223  | 263  | 208  |
| Expected monthly repayment = 0   |      |      | 203  |      |      | 222  |      | 260  |      |      |      | 247  |
| Total monthly collection   | 916  | 902  | 1141 | 994  | 961  | 1196 | 1038 | 1213 | 1048 | 970  | 998  | 1186 |
| <b>7.Nimmalapadu</b>   | 545  | 515  | 478  | 1486 | 672  | 1436 | 584  | 574  | 575  | 1525 | 1404 | 486  |
| No. of Beneficiaries - 5   | 508  | 605  | 623  | 414  | 1526 | 525  | 1439 | 1428 | 482  | 375  | 562  | 1341 |
|  | 395  | 455  | 427  | 372  | 412  | 392  | 528  | 541  | 523  | 542  | 389  | 429  |
|  | 452  | 528  | 370  | 420  | 526  | 351  | 521  | 421  | 518  | 385  | 430  | 438  |
| Expected monthly repayment = 1250  |      |      | 385  |      | 341  |      |      | 462  |      |      |      | 309  |
| Total monthly collection   | 1900 | 2103 | 2283 | 2692 | 3477 | 2704 | 3072 | 3426 | 2098 | 2827 | 2785 | 3003 |
| <b>8.Sunkidiputtu</b>  | 448  | 296  | 307  | 374  | 1362 | 1391 | 1367 | 1219 | 1378 | 243  | 1298 | 294  |
| No. of Beneficiaries - 5   | 421  | 327  | 269  | 1337 | 389  | 347  | 313  | 236  | 335  | 1227 | 376  | 1283 |

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|                                   |      |      |      |      |      |      |      |      |      |      |      |      |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|
|                                   | 325  | 312  | 321  | 316  | 338  | 385  | 398  | 218  | 281  | 296  | 265  | 272  |
|                                   | 310  | 286  | 284  | 295  | 387  | 276  | 386  | 187  | 296  | 265  | 287  | 241  |
| Expected monthly repayment = 1250 |      |      | 207  |      | 243  |      |      | 241  |      |      |      | 225  |
| Total monthly collection          | 1504 | 1221 | 1388 | 2322 | 2719 | 2399 | 2464 | 2101 | 2290 | 2031 | 2226 | 2315 |
| <b>9.Sonabha</b>                  | 528  | 312  | 339  | 902  | 876  | 947  | 1275 | 1342 | 1334 | 1361 | 1345 | 1275 |
| No. of Beneficiaries - 5          | 438  | 345  | 302  | 297  | 334  | 302  | 296  | 321  | 313  | 287  | 328  | 268  |
|                                   | 451  | 298  | 373  | 352  | 372  | 344  | 323  | 308  | 264  | 269  | 286  | 254  |
|                                   | 386  | 275  | 226  | 262  | 316  | 328  | 321  | 278  | 277  | 252  | 265  | 284  |
| Expected monthly repayment = 1250 |      |      | 264  |      | 255  |      |      | 295  |      |      |      | 285  |
| Total monthly collection          | 1803 | 1230 | 1504 | 1813 | 2153 | 1921 | 2215 | 2544 | 2188 | 2169 | 2224 | 2366 |
| <b>10.Jeelugulaputtu</b>          | 374  | 293  | 328  | 765  | 926  | 885  | 863  | 957  | 1285 | 1289 | 1292 | 1326 |
| No. of Beneficiaries - 10         | 432  | 354  | 296  | 287  | 275  | 292  | 298  | 286  | 273  | 279  | 315  | 285  |
|                                   | 274  | 316  | 318  | 332  | 304  | 313  | 278  | 283  | 292  | 284  | 290  | 341  |
|                                   | 308  | 325  | 271  | 285  | 257  | 288  | 274  | 251  | 288  | 295  | 232  | 283  |
| Expected monthly repayment = 2500 |      |      | 242  |      | 292  |      |      | 268  |      |      |      | 297  |
| Total monthly collection          | 1388 | 1288 | 1455 | 1669 | 2054 | 1778 | 1713 | 2045 | 2138 | 2147 | 2129 | 2532 |

**Note:**

Phase 1 started from January 2019 with 5 beneficiaries each at 8 locations (5x8=40 beneficiaries). The expected monthly repayment for each of the locations is Rs. 1250/- which was deposited separately (not shown in the table), but taken into account while doing the data analysis.

Phase 2 started from April 2019 with an additional 32 beneficiaries and the table shows the total number of beneficiaries in a given location. Both Phases put together there were total 72 beneficiaries. The weekly collections are taken on Sundays and the numbers are in Indian Rupees (Rs.)

**Table 4: Comparative Analysis for 2019 vis-à-vis Collections in 2018 wherein the Societal Scheme was not operational**

|   | Center            | Collection   | Jan-19  | Feb-19  | Mar-19  | Apr-19  | May-19  | Jun-19  | Jul-19  | Aug-19  | Sep-19  | Oct-19  | Nov-19  | Dec-19  |
|---|-------------------|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 1 | Benjipur          | Expected repayment                                     | 1250    | 1250    | 1250    | 4250    | 4250    | 4250    | 4250    | 4250    | 4250    | 4250    | 4250    | 4250    |
|   |                   | center Collection                                      | 5140    | 4495    | 4741    | 7401    | 6949    | 8901    | 7683    | 8262    | 9638    | 7618    | 6765    | 8233    |
|   |                   | Average center collection in 2018 + Expected repayment | 2734.92 | 2734.92 | 2734.92 | 5734.92 | 5734.92 | 5734.92 | 5734.92 | 5734.92 | 5734.92 | 5734.92 | 5734.92 | 5734.92 |
| 2 | Pittamamidivalasa | Expected repayment                                     | 1250    | 1250    | 1250    | 3750    | 3750    | 3750    | 3750    | 3750    | 3750    | 3750    | 3750    | 3750    |
|   |                   | center Collection                                      | 7665    | 7590    | 8664    | 10815   | 8290    | 9655    | 8888    | 8079    | 10299   | 7997    | 8837    | 11621   |
|   |                   | Average center collection in 2018 + Expected repayment | 3921.33 | 3921.33 | 3921.33 | 6421.33 | 6421.33 | 6421.33 | 6421.33 | 6421.33 | 6421.33 | 6421.33 | 6421.33 | 6421.33 |
| 3 | Pedalabudu        | Expected repayment                                     | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
|   |                   | center Collection                                      | 1710    | 1531    | 1992    | 2185    | 1864    | 2108    | 1950    | 1831    | 2317    | 2030    | 2086    | 1284    |
|   |                   | Average center collection in 2018 + Expected repayment | 1076.17 | 1076.17 | 1076.17 | 1076.17 | 1076.17 | 1076.17 | 1076.17 | 1076.17 | 1076.17 | 1076.17 | 1076.17 | 1076.17 |
| 4 | Karasalaguda      | Expected repayment                                     | 1250    | 1250    | 1250    | 2500    | 2500    | 2500    | 2500    | 2500    | 2500    | 2500    | 2500    | 2500    |
|   |                   | center Collection                                      | 2283    | 2439    | 2640    | 1918    | 2010    | 2163    | 1828    | 2126    | 2243    | 1883    | 1803    | 2265    |
|   |                   | Average  | 2321.25 | 2321.25 | 2321.25 | 3571.25 | 3571.25 | 3571.25 | 3571.25 | 3571.25 | 3571.25 | 3571.25 | 3571.25 | 3571.25 |

|   |               |  |         |         |         |         |         |         |         |         |         |         |         |         |
|---|---------------|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
|   |               | center collection in 2018 + Expected repayment         |         |         |         |         |         |         |         |         |         |         |         |         |
| 5 | Chiralamamidi | Expected repayment                                     | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    |
|   |               | center Collection                                      | 3995    | 3920    | 4042    | 2763    | 3448    | 2777    | 2993    | 3676    | 3041    | 2731    | 2621    | 2806    |
|   |               | Average center collection in 2018 + Expected repayment | 2400.5  | 2400.5  | 2400.5  | 2400.5  | 2400.5  | 2400.5  | 2400.5  | 2400.5  | 2400.5  | 2400.5  | 2400.5  | 2400.5  |
| 6 | Sukuruguda    | Expected repayment                                     | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
|   |               | center Collection                                      | 916     | 902     | 1141    | 994     | 961     | 1196    | 1038    | 1213    | 1048    | 970     | 998     | 1186    |
|   |               | Average center collection in 2018                      | 1151.58 | 1151.58 | 1151.58 | 1151.58 | 1151.58 | 1151.58 | 1151.58 | 1151.58 | 1151.58 | 1151.58 | 1151.58 | 1151.58 |
| 7 | Nimmalapadu   | Expected repayment                                     | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    |
|   |               | center Collection                                      | 3150    | 3353    | 3533    | 2692    | 3477    | 2704    | 3072    | 3426    | 2098    | 2827    | 2785    | 3003    |
|   |               | Average center collection in 2018 + Expected repayment | 2378    | 2378    | 2378    | 2378    | 2378    | 2378    | 2378    | 2378    | 2378    | 2378    | 2378    | 2378    |
| 8 | Sunkidiputtu  | Expected repayment                                     | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    | 1250    |
|   |               | center Collection                                      | 2754    | 2471    | 2638    | 2322    | 2719    | 2399    | 2464    | 2101    | 2290    | 2031    | 2226    | 2315    |
|   |               | Average center   |         |         |         |         |         |         |         |         |         |         |         |         |

|    |                |  |        |        |        |        |        |        |        |        |        |        |        |        |
|----|----------------|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
|    |                | collection in 2018                                     |        |        |        |        |        |        |        |        |        |        |        |        |
| 9  | Sonabha        | Expected repayment                                     | 1250   | 1250   | 1250   | 1250   | 1250   | 1250   | 1250   | 1250   | 1250   | 1250   | 1250   | 1250   |
|    |                | center Collection                                      | 3053   | 2480   | 2754   | 1813   | 2153   | 1921   | 2215   | 2544   | 2188   | 2169   | 2224   | 2366   |
|    |                | Average center collection in 2018 + Expected repayment | 1842.5 | 1842.5 | 1842.5 | 1842.5 | 1842.5 | 1842.5 | 1842.5 | 1842.5 | 1842.5 | 1842.5 | 1842.5 | 1842.5 |
| 10 | Jeelugulaputtu | Expected repayment                                     | 1250   | 1250   | 1250   | 2500   | 2500   | 2500   | 2500   | 2500   | 2500   | 2500   | 2500   | 2500   |
|    |                | center Collection                                      | 2638   | 2538   | 2705   | 1669   | 2054   | 1778   | 1713   | 2045   | 2138   | 2147   | 2129   | 2532   |
|    |                | Average center collection in 2018 + Expected repayment |        |        |        |        |        |        |        |        |        |        |        |        |

**Note:**

Average Center Collection is taken from 2018 data sheet by when the entrepreneurial initiative was not yet undertaken. The weekly Collection numbers are in Indian Rupees (Rs.). The Center Collection shown in the Tables is for the year 2019

### **Scale of Operations – Societal Scheme**

The design illustration has catered to 72 beneficiaries through whose entrepreneurial ventures the supported funds have resulted in certain multiplication of wealth to the extent that it augmented for the facilitation services rendered by the community leaders (in the form of free-will offerings) in addition to repaying towards the availed funds that are interest free.

By scaling up the operations further, there exists a possibility to collect a nominal interest on the funds, which needs to be worked out keeping in view of the specific context of societal operations. Since any interest earned can attract tax liability on the part of the fund sponsor, perhaps the benefit can be passed onto the community members without charging them any interest amount. Instead, earning goodwill which is tax free could be a much better option, as long as the sponsor gets back the funds.

### **Group of Sponsors – Societal Scheme**

There is also a possibility for a group of sponsors, who are like-minded, to pool up funds to make up for a larger sum, supporting larger segment of community members in their endeavor to undertake entrepreneurial ventures. Such possibility would give rise to a community of like-minded individuals coming forward to help poorer communities to come out of their poverty in terms of material wealth. Once it is a group of sponsors, even small amounts from individual sponsors will add up to a larger sum. And each of the sponsored amounts can be collected back over a period of time, subject to ensuring the necessary societal structures are existing on the ground.

### **Summary and Conclusion**

A societal initiative wherein a certain entrepreneurial ventures by community center members have been supported through repayable funds. The community center leaders have facilitated the operations of the societal scheme by way of distribution of funds and collection of repayments. The community center leaders and members have a strong bonding and respect among themselves. This has enabled the community center members to continue to give free-will offerings to the community center leaders, which is on-par with their increased earnings due to the entrepreneurial scheme. In addition, the same bonding and respect have helped in repaying the availed funds by the community members to the community leaders. Hence the supported funds have been returned over a period of time whereas the earnings were retained by the community members for themselves while giving a portion of the earnings to the community leaders in the form of free-will offerings. All of this was possible because of the existing societal structures in the form of community centers and community center leaders and community center members. The design of the societal scheme has taken these existing societal structures into account which are a form of customer relationship and access channel of a Business Model. Hence the scheme is possible to replicate wherever such societal structures exist on ground. The designer of scheme should ascertain that such societal structures are already existing on the ground. In the absence of such societal structures, it may not be possible to operate schemes with repayable funds.

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