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15.6%

of directors in FTSE 100 companies are women



60%

of Indian women say wealth rather than health is their top priority

SOURCES: CRANFIELD SCHOOL OF MANAGEMENT/GLAXOSMITHKLINE

Healthy change

ENTREPRENEURSHIP

How one social entrepreneur creates progress and profits

Kiran Mazumdar-Shaw is something of a modern business folk hero. She started her own life-sciences firm in a garage at the age of 25 on a shoestring of 10,000 Indian rupees (about £128). At that time, the idea of a woman CEO in India was as remote as the idea of a competitor to Pfizer coming from the country.

Today, her venture, Biocon, is a multinational publicly listed pharmaceutical provider in Bangalore. The firm employs more than 5,500 people, offers more than a dozen therapies in areas from cardiology to oncology, and is hot on the trail of breakthrough oral insulin. Mazumdar-Shaw has won just about every entrepreneurial award on the planet and is recognised as the wealthiest (self-made) woman in India.

BUSINESS CHANGE

But that's not what this story is about. It is about what happens next. It is easy to script romantic endings for business legends. She might retire to a private island. She might fancy art or theatre and create a charity with her enormous wealth. Or she might do something as surprising as creating another successful firm. Indeed, she did start again, taking what she had learnt about business – and what she had learnt about wellness – and applying them to one of the most pressing social problems facing India today: the lack of availability of health care for the 40 per cent of the population (nearly



half a billion souls) that fall below the poverty line, earning less than 80p a day.

BUSINESS CLARITY

It would be easy for someone like Mazumdar-Shaw to simply throw money at the problem. With shares in Biocon currently trading around £175, she has plenty to throw. But she is a self-titled 'compassionate capitalist', who spent the last 30 years learning that profit can be a solid foundation of impact, sustainability and progress. And so when she turned her sights to social purpose, she meant business.

"Innovation and commerce are as powerful tools for creating social progress as they are for driving technological advancement," she says. "The only difference is that when they are put to use for social progress, the implementation is a lot cheaper, a lot more

people benefit, and the effect is more lasting."

BUSINESS IMPACT

Mazumdar-Shaw created two platforms to enable caring capitalism. The first is a foundation called Arogya Raksha Yojana (translated as 'Health Help'). Its mission is to run small rural clinics that serve a local radius of the population. The second is the Mazumdar-Shaw Cancer Center, a state-of-the-art facility in Bangalore. Each delivers quality health care using a uniquely social business model.

MICRO INSURANCE

India has neither socialised medicine nor government-backed health insurance. Without those mechanisms, any significant treatment of injury or illness for a member of a poor family would mean financial ruin or, more likely,

foregoing of treatment. But for 150 rupees a year (about £1.90), an individual can buy health insurance from Arogya Raksha Yojana and secure a year's worth of health care.

SOCIAL PRICING

At Mazumdar-Shaw's high tech cancer centre in Bangalore, fixed costs are substantial, and micro insurance would not cover them. So she created a 'subsidised convenience' pricing plan, enabling her to serve (wealthy) patients at full price between the hours of 8am and 5pm, (middle income) patients with more flexibility than money between the hours of 6pm and 10pm at half price, and offer the services of the centre to the poor for free in the middle of the night.

BUSINESS HEALTH

By creating healthy patients and healthy profit, Mazumdar-Shaw also shows us the path to healthy change. For her, business is not good or evil; it is merely a means that can be applied to many purposes – and even at the same time. She shows us the cycle of the entrepreneur, continually creating with everything and anything available at hand. And she challenges us to improve the health and purpose of our own work. ●

Health of the nation

Kiran Mazumdar-Shaw uses social enterprise to improve the lot of millions of Indians

details

By Stuart Read, professor of marketing at IMD, and Robert Wiltbank, associate professor of strategic management at Willamette University, Oregon; co-authors of *Effectual Entrepreneurship* (Routledge, £35)



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