

Revisiting Social Entrepreneurship in India

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ABSTRACT

Many economic and social issues present challenges to governments and policy-makers, including unemployment, poverty, education, livelihood promotion, financial inclusion, etc. Providing instant relief is not the answer to solving these issues. Instead, the only hope for addressing such issues is to offer dignity. For example, rather than handing them donations, which are only temporary solutions, employment may be addressed by providing work. Jobs are tools that individuals need to raise themselves out of poverty. With their business ideas and inventive solutions, social entrepreneurs may address these issues and provide individuals with options for dignified survival.

Social entrepreneurship, as an academic and social phenomenon, is an ethical motivation for viable and sustainable solutions for the people, or it may mean handling and solving social problems that have not been solved yet and trying to figure out innovative ways to do it. They aim to effect social change while also being socially responsible. Social entrepreneurship is the application of business concepts and innovative company ideas to a social good or cause. Social Entrepreneurs are morally motivated business owners who work as problem solvers and innovators. Social businesses that use commercial concepts and earnings to make a long-term social effect to address critical global grass-roots issues are a win-win situation for everyone.

As India tries to strike a balance between increasing GDP growth, guaranteeing inclusive growth, and addressing concerns such as education, energy efficiency, and climate change, social entrepreneurship is likely to be the next big thing. Against this background, this paper seeks to examine social entrepreneurship in India in an analytical, critical, and synthetic manner.

Keywords : Social entrepreneurship, inclusive growth, and social problems.

1. INTRODUCTION

"Empowering women and attaining gender equality are not just moral imperatives, but also crucial for developing inclusive, open, and affluent communities." (Christic and Honig 2006) We concentrated on Social Entrepreneurship to eliminate inequities among the Indian people. Entrepreneurship implies starting your firm to make money and contribute to the country's GDP. However, social entrepreneurship is a mix of "social" and "entrepreneurship," as the name suggests. As a result, social entrepreneurship entails founding a business with a different goal. The major goal of social entrepreneurship is to deliver creative answers to society's problems rather than to make a profit.

Entrepreneurship is the professional application of knowledge, skills, and competencies, as well as the monetization of a new concept, by an individual or a group of people, via the establishment of a business to seek development while creating money, employment, and social good. Social

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entrepreneurship is about the awareness of a social problem and using entrepreneurial concepts to organize, construct, and manage a social enterprise to accomplish a desired social change. While a commercial entrepreneur's performance is usually measured in terms of profit and return, a social entrepreneur's performance is also measured in terms of positive societal returns. As a result, the primary purpose of social entrepreneurship is to widen social, cultural, and environmental objectives. The volunteer and not-for-profit sectors are frequently linked with social entrepreneurs. However, this does not mean that they cannot make a profit. International social entrepreneurship is social entrepreneurship that is performed from a global perspective or in an international environment.

Non-profits and nongovernmental organizations, foundations, governments, and individuals all play essential roles in establishing, promoting, funding, and advising social entrepreneurs all over the globe today. In India, a social entrepreneur is a person who is the founder, co-founder, or principal functionary of a social company or a non-profit organization that raises cash via a combination of services (typically fundraising events and community activities) and goods. Many educational institutions are launching social entrepreneur education and training programs.

2. LITERATURE REVIEW

To various people, the term "**social entrepreneurship**" signifies different things. Social entrepreneurship has a long history and a global presence as a practice that mixes commercial and social value creation. According to Gregory Dees, the "Father" of social entrepreneurship, social entrepreneurs are analogous to agents of change in society. Dees & Anderson (2006).

Bulsara et al (2014) proposed several variables related to social entrepreneurship that would assist society's impoverished and

bottom-of-the-pyramid people. It envisioned social entrepreneurial ideas and leadership that would result in a comprehensive societal revolution.

Lehner and Kansikas (2013) investigated the relevance of social entrepreneurship and the problems entrepreneurs confront in developing nations such as India, Pakistan, and Bangladesh. According to McClelland, entrepreneurial activity is ultimately determined by the enabling environment and one's ability. He had studied the example of an outstanding social entrepreneur, Muhammad Yunus, founder and CEO of Grameen Bank, who has blazed a new trail in the development of social entrepreneurship and has been a source of inspiration for other like-minded entrepreneurs to drive the country's overall progress.

A report by Swissnex India titled "Social Entrepreneurship in India- Unveiling the unlimited opportunities" (2015) underlines that in terms of operation and leadership, non-profit organizations may benefit from social entrepreneurship just as much as for-profit social enterprises, even though their activities and legal entities are different.

In his book "Innovation and Entrepreneurship," Peter F Drucker conveyed his view on the importance of innovation and entrepreneurship in the entrepreneurial economy of the United States. He says, "An entrepreneur seeks and seizes opportunities." He has divided his discussion on innovation and entrepreneurship into three categories:

- Innovation as a practice
- Entrepreneurship is a way of life.
- Entrepreneurial approaches

3. SOCIAL ENTREPRENEURSHIP IN INDIA

The Indian ethos is heavily anchored in social impact and business. Social entrepreneurship has progressed significantly

in India over the last decade, and a growing number of people are using entrepreneurial skills to build sustainable enterprises for profit and non-profit purposes with each passing day. Amul and Fabindia, for example, have been cooperative and community-owned businesses in India since the 1950s, while Ashoka, a worldwide social entrepreneur support organization, coined the phrase "social entrepreneur" in 1981.

In India, Social Entrepreneurship is gaining traction in numerous areas of the economy, with an increasing number of young people, including those from famous Indian institutions of Management (IIM) and Indian Institutes of Technology (IITs), expressing interest in the topic (IIT). The notion of 'giving,' or the obligation to fulfill one's responsibility to society (rather than one's wants), is deeply established in Indian social norms. (Khanapuri and Khandelwal, 2011).

India is the world's seventh-largest country by geographical area and has 17.5 percent of the global population, making it the world's second-most populated country after China. After China and the United States, it is the world's third-largest economy in terms of GDP. It is also the world's youngest country in demographics, with almost two-thirds of the population under 35.

Despite having the world's second-fastest-growing economy behind China, India is home to over 40% of the world's poor, with just under 30% of the population living in poverty. It is ranked 130th out of 188 nations on the Human Development Index. The country struggles with socioeconomic difficulties such as illiteracy, starvation, and inadequate healthcare.

Since humans first formed social communities, social entrepreneurs have existed. Social enterprises influence social needs directly through their products and services rather than indirectly through socially

responsible business practices like corporate philanthropy, equitable wages, environmentally friendly operations, or unrelated business activities initiated by non-profit organizations. India has a significant role to play in the development of social entrepreneurs.

In the social economy, social entrepreneurs serve a similar role, filling gaps in societal demands that enterprises and governments have failed to meet. (Mar and Marti, 2006) Their low finances do not prevent them from realizing their life's aspirations and missions.

Various success stories of various social entrepreneurs were discussed in this paper using secondary data sources. The following are some of the social entrepreneurship enterprises in India:

- Ashwin Mahawadi, a social entrepreneur, uses his technical ability and experience to assist India's farmers. He graduated from IIT Guwahati with a bachelor's degree in civil engineering and went to UC Berkeley to get a master's degree in structural engineering. He was also a member of the Association for India's Development (AID), where he gained an understanding of the demography of India's numerous cultural, social, and economic sectors, as well as the Indian economy's potential for growth. In 2016, he founded the social entrepreneurship business "Advaita Organics," which aimed to improve the agricultural sector's supply chain management to raise farmers' income and, as a result, promote organic farming, which entails the adoption of pesticide-free agricultural practices. As a result, this initiative assisted the rural people in raising social values within the farmer's category of society, which would eventually contribute to the country's general growth.

- Kshitij Mehra, the creator of Yuvshaala, noticed that students in rural India were unaware of the professional choices accessible to them. He wanted to help them by providing counseling services. As a result of this social concern, he founded Yuvshaala in 2010 to offer educational opportunities to rural Indian youngsters. To make the activity financially sustainable, he set a minimum cost of Rs. 10 per kid, which was non-mandatory but necessary to keep the activities going. He used the "MARG" technique, which consisted of four steps: aptitude training, personality development, behavior understanding, and ethical development. The main goal was to get the kids thinking about new ideas and occupations to help them be more marketable when they finish high school or college.
- Dr. G Venkataswamy launched Aravind Eye Care Systems in Madurai in 1976 with an 11-bed clinic to offer affordable eye care to everyone and provide eye care services to those who could not otherwise afford the pricey eye care facilities offered by other institutions. Aravind now has 3500 beds in 12 locations across India. Aravind Eye Care Systems is one of India's largest/largest social enterprises that is self-sustaining and does not rely on external financial support such as charity or donations. So, all of these success stories revealed the goal of social entrepreneurship and its role in the overall sustainable development of a country, as well as in providing equal opportunities/facilities for all individuals and creating parity among all sections of society in a country.

4. SCOPE AND OPPORTUNITIES OF SOCIAL ENTREPRENEURSHIP

Social entrepreneurship is a rapidly expanding global movement. Social work is

no longer just concerned with activism. Today, NGOs, national and international authorities, and social companies provide numerous chances in child welfare, community policing, healthcare, counseling, and other fields. There is also much room for social entrepreneurship and launching your social enterprises. By offering the populace distinctive and cutting-edge goods and services at reasonable costs, social entrepreneurs may bring about the visible societal changes portrayed in the success stories listed above.

Instead of wealthy nations, developing countries provide the most significant potential for social entrepreneurship since there are greater differences in wealth, level of education, and other factors that social entrepreneurs may take advantage of for long-term economic success. Since social entrepreneurship aims to address societal issues, it primarily serves the population's low-income segment.

Innovative approaches and distinctive goods or services that address societal problems and foster social and economic value among the populace may enhance society. They may take advantage of the volume by offering their goods and services at low costs so that the most significant number of people can benefit from them.

Because social entrepreneurship will play a significant role in delivering growth to India's rural people, it is critical to research the aspects that will create the social entrepreneurship ideology, such as fair trade—providing jobs and establishing employment prospects for the whole public, resulting in the nation's overall growth.

5. CHALLENGES FACED BY SOCIAL ENTREPRENEURSHIP IN INDIA

When it comes to a firm's beginning, operating, and maintenance, social

entrepreneurs' problems may be comparable to those of their corporate counterparts. Social entrepreneurs should be comprehensively aware of their concerns and obstacles before entering a market with a new company concept to make well-informed decisions.

The following paragraph lists some of the principal difficulties:

5.1 Availability of the Finance:

Lack of funding continues to be one of the obstacles for Indian businesses. The Indian entrepreneur has significant difficulties due to a lack of cash. It is much more challenging to obtain financial assistance from reputable financial institutions due to the social entrepreneurs who provide distinctive goods and services. Typically, social entrepreneurs operate their businesses with their own money or borrow money from local lenders at a high rate of interest, which can occasionally strain their finances. (Frumkin, 2002) Due to the numerous social issues associated with social entrepreneurs, the bank avoids offering credit facilities to them, which is the cause of this. As a result, social companies must contend with the difficulty of dealing with a negative response from financial institutions and governments regarding funding. This encourages social entrepreneurs to seek venture capitalists and charitable groups, which might be a more challenging road.

5.2 Shortage of Talented/Dedicated Workforce

Another difficulty that social entrepreneurs encounter is the lack of a talented and dedicated workforce. Because a talented and dedicated worker will demand a high salary, which is only feasible for economic entrepreneurs, social entrepreneurs cannot recruit a talented workforce to work with them (Giddens, 1979). For instance, a charitable hospital operating under social entrepreneurship must hire excellent

physicians who demand high compensation; this might be the second problem facing social entrepreneurship since they cannot afford to engage high-salaried workers in their entire employment picture.

The skilled labor needed for social businesses must come from various sources, including professionals, volunteers, workers, and community members. The founders have a problem getting all of these organizations' goals aligned with the organization's long-term growth. Social companies often need to hire individuals from the impoverished segment to carry out its goal holistically. However, because these people are frequently illiterate and inexperienced, training and development costs are raised. Organizations must make an effort to meet the goals of all these diverse groups while still producing the most significant outcomes.

5.3 Lack of Government Support

In India, the growth of social businesses is significantly hampered by a lack of government assistance. (Chakraborty, 1987). A significant barrier to expanding social enterprises in India is the government's rigid and complicated norms and regulations for social entrepreneurs. The government currently does not offer any support for supporting these social purpose endeavors. Additionally, there are no tax breaks or subsidies offered for social firms.

6. CONCLUSIONS AND RECOMMENDATIONS

Without a doubt, social entrepreneurship has several difficulties, and these difficulties are escalating with time and societal dynamics. To overcome the current (above-mentioned) problems, social entrepreneurs must be careful and pay attention to even the most minor things. Even if the list of difficulties experienced by social entrepreneurs is incomplete, there are still some

more difficulties. How to overcome the difficulties social entrepreneurship has in India is a key topic. The following are some recommendations for Indian social entrepreneurs to help them achieve their goals:

- In order to prevent the seed money needed for the establishment of the business from becoming a barrier to the development of social entrepreneurship, the government should increase financial assistance to promote social entrepreneurship in India through government funding to the projects or by making it easier to obtain loans from financial institutions.
- By inspiring entrepreneurs to address social concerns and making them feel thrilled to assist the needy professionally, it is possible to raise awareness of the value of social entrepreneurship, especially among young people.
- In order to general managers and promoters of the highest caliber, higher education institutions in India should work with social entrepreneurs to build curricula that instill social entrepreneurial practices in their students.
- The personnel involved in social entrepreneurship should be inspired and happy to help the community. They should enjoy helping the less fortunate and develop a sense of self-worth that inspires them to participate in a social company as an employee or business owner. They must consider social goals to be more significant than economic considerations.

So overall, Social entrepreneurship has become more prevalent and well-liked in India. Social entrepreneurs encounter various difficulties, such as communicating the company idea, operating from a distance, obtaining funding, obtaining government approval, competing with others, acquiring technology, raising awareness, and finding

qualified staff. Despite these difficulties, several examples of socially conscious businesses have succeeded. In India, social entrepreneurs have many opportunities.

India is seeing a rise in social entrepreneurship and initiatives taken by social entrepreneurs to discover feasible solutions to a range of societal issues. Social entrepreneurs must adapt quickly to changing technologies and heightened competition.

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