

Relevance of Social Entrepreneurship in India

Dr. Mona Sharma

Assistant Professor, DAV College, Sec. 10, Chandigarh

ARTICLE DETAILS

Article History

Published Online: 10 December 2018

Keywords

Social Entrepreneurship, innovative, social issues.

ABSTRACT

Social entrepreneurs are individuals with innovative solutions to society's most pressing social problems. They are ambitious and persistent, tackling major social issues and offering new ideas for wide-scale change.

Rather than leaving societal needs to the government or business sectors, social entrepreneurs find what is not working and solve the problem by changing the system, spreading the solution, and persuading entire societies to move in different directions.

Social entrepreneurs often seem to be possessed by their ideas, committing their lives to changing the direction of their field. They are visionaries, but also realists, and are ultimately concerned with the practical implementation of their vision above all else.

Social entrepreneurs present user-friendly, understandable, and ethical ideas that engage widespread support in order to maximize the number of citizens that will stand up, seize their idea, and implement it. Leading social entrepreneurs are mass recruiters of local change makers—role models proving that citizens who channel their ideas into action can do almost anything.

1. Introduction

Social entrepreneurship in India has progressed significantly over the last decade. More and more people are using entrepreneurial skills in building sustainable enterprises for profit and non-profit to effect change in India. Social entrepreneurship bridges the gap between those investing in social change and those spearheading the changes.

Social entrepreneurship in India is emerging primarily because of what the government has not been able to do. The government is very keen on promoting social entrepreneurship - not necessarily by funding it or by advising on it or enabling it. What they do is not disable it.

For example, in Mumbai alone, non-profit organisations educate more than 250,000 children on a daily basis. The government has not told these organisations not to do it, he says. Whereas in some countries, when someone takes it into their own hands to start a facility for education or healthcare or empowerment, the government often puts in place barriers to prevent this from happening. "In India, there is this drive and commitment to take change upon yourself. There are no inherent barriers to begin with in India."

Huge social issues exist in India, from health to poverty to illiteracy. New ideas and socially-conscious leaders are desperately needed to develop these ideas into sustainable solutions. Social entrepreneurs – those who bring an entrepreneurial approach to solving social problems – are a growing breed in India. Often they need help during the first few years of inception which would speed up the progress of their project, and ultimately the social impact they want to make.

2. Social Entrepreneurship - A new phenomenon in India

Although social entrepreneurship has been practised in India for some time now, social business is a comparatively new phenomenon in the country. Social entrepreneurs in the country, however, have had substantive success in addressing social problems. The reason for their success, and that of

social businesses, is the fact that the solutions are realistic. They address existing gaps in society which are in need of practical solutions, and more importantly, the solution initiatives are driven by visionary, tenacious and ambitious persons who are ready to strive to ensure their dreams do come true.

Impacting society but so much more to be done

Social enterprises are definitely making an impact on Indian society, but with a population of 1.2 billion, it is very difficult to see that impact on a macro level. However, in various organisations, we have seen growth 15 to 100 times in their beneficiary base in a five- to seven-year period. Clearly growth is possible. They are at numbers of tens of thousands and realise they need to get to hundreds of thousands, if not hundreds of millions. But that is taking time. It is the mindset more now than ever of the need to scale and the ability of the organisation to do so. The impact is significant enough to be meaningful. Our country does not have a homogenous people or geography, so the impact largely remains regional.

3. Why India needs Social Entrepreneurship?

Just as entrepreneurs change the face of business, social entrepreneurs act as the change agents for society, seizing opportunities others miss to improve systems, invent new approaches, and create solutions to change society for the better. While a business entrepreneur might create entirely new industries, a social entrepreneur develops innovative solutions to social problems and then implements them on a large scale.

Social Entrepreneurship as the concept was coined long ago but has been in the corporate parlance in just the recent past. Traditionally, entrepreneurship has been associated with profit making individuals who aim high and achieve a lot for themselves in the world of tough competition. And the success of enterprise was and is being judged on parameters like ROI and Net Income margins. But, with the empowerment and awareness of the citizens of the developing world, a new revolution has started, particularly among the youth of the

world. This revolution is the growth of Social Entrepreneurship – the form of entrepreneurship where profits are not the end result, but just the means to achieve the end result of social upliftment and further empowerment.

Initially, the concept of social entrepreneurship used to be associated with the Corporate Social Responsibility of the corporate houses that provided funds to the charitable institutions to run the philanthropic organizations at a small scale. These institutions or organizations did not have any business model of their own and largely operated with the funds from government or donations from the donors.

As we have seen all through the last decade that there was a boom of start-ups to solve a range of problems to innovate across industries. Technology was the focus and continues to be the same, creating a large enthusiastic customer base, thereby attracting adequate funding from investors.

Among all these, one sector remained neglected the social sector. Even though healthcare and energy have done their part in attracting investors' interest and gathered funding, many other sectors struggle to get attention and support.

Waste management is one particular sector. Each one of us deals with this problem inadvertently, regardless of our economic status. Today, India generates over 2 lakh tons of solid waste per day. Not only this, we also generate bio-medical waste, hazardous waste, textile waste, tyre waste etc.

Over 90% of these wastes end up either being burnt on roadsides, dumped in water bodies or in landfills. There is either no or very poor recycling technology available for many types of materials that is consumed.

One such example is the healthcare waste from hospitals.

Healthcare waste includes infectious, chemical, expired pharmaceutical and radioactive items and sharps. They end up getting burnt in the open or land filled. During the rainy season, all these waste gets carried away to the nearby water bodies, which is ultimately consumed by us, directly or indirectly. This has an adverse impact not only on the health of living beings, but also on the environment.

4. What could be the solution?

India needs a new breed of social entrepreneurs to address this growing problem. There are many start-ups in the area of waste management that are now providing alternative careers. It is sought after among the individuals who are looking for opportunities to make a difference to the environment and society. There is a need to get into a circular economy where all waste can be converted into resources.

With the Swachh Bharat Mission's popularity across the country, it is a high time that the new breed emerged as social entrepreneurs. Innovative business models are required in order to solve these intricate social and environmental issues.

As always, the journey to become an entrepreneur and solve the problem would be difficult. We need to attract the right talent, which would be a challenging task, due to the inability to pay higher salaries. Above all, immense commitment and perseverance is required. The entrepreneurs should get the red carpet welcome by the society and the community.

5. The elements necessary for social entrepreneurship to flourish in India

First there needs to be an awareness of and concern about the social problems and issues to be addressed and committed entrepreneurs interested in addressing them. A policy and regulatory framework within which social entrepreneurs can obtain status without compromising their objectives is also very important.

It would be good to have a collaborative network to be used among social entrepreneurs that enables them to share ideas and spread innovations, ideally linked to an academic institution interested in, and committed to, promoting awareness and creating knowledge and insight into the best functioning of social enterprises.

On the ground, financial assistance, social legitimacy and acknowledgement are the most important factors necessary to enhance the growth of social entrepreneurship in India. The process has begun, but a lot more needs to be developed, especially by social, educational and government institutions.

6. The landscape in five to ten years' time

With the current economic climate, it is very likely that social needs will increase and, consequently, the number of people committed to addressing them will increase. It is seen that the innovations increasing, especially in the field of examining and applying technology to social needs.

The work in the field of human rights will continue since violations are unlikely to go away. Natural resource management and alternate energy initiatives will gain prominence, as will livelihood and migration. Social entrepreneurship and social businesses will be mainstreamed substantially, so we will have many opting to follow the course of one or the other which will hopefully impact society positively.

There is a gap in the market for support for start-up social entrepreneurs, particularly in the first three to four years of their project lifecycle. This is the stage when entrepreneurs are moving from idea, to proof of concept, to registered organisation, to early-stage viable organisation, and prior to a stage when most other funders or investors would get involved.

The start-up social entrepreneurs require financial support for expenses such as running a pilot, registration of the organisation, initial materials and event planning.

7. Challenges and outcomes

One of the challenges in selecting social entrepreneurs is to ensure they are able and willing to learn and change, as is the challenge for entrepreneurs in general. One may have this great vision, idea and passion but if that person is not able or willing to change that, then the idea will stay with the person and will not be able to grow. The cases of failed investments are due to this reason. The idea was great but the person who was running it did not want to bring about change when implementing that idea.

Some degree of failure is important for both the entrepreneur and the organisation that is supporting the entrepreneur. For the social entrepreneur, there is often no better way to learn than to fail. For the organisation, if some of the projects do not fail, that means it is not taking enough risk. There is a constant challenge for them in balancing a structured support process that is more practical and cost-efficient from their side, with a more responsive, on-demand support process which is more costly, less easily managed but

that is often what the social entrepreneur most needs. Although it's often the financial support that is initially most

attractive to the social entrepreneurs, it's the non-financial support they end up valuing the most.

References

1. Ashritha, T, Neelima & T. Nikhil. P. Empowering Women Through Social Entrepreneurship : Proposed Strategy, Department of ECE, JNTUH College of Engineering, Karimnagar, A.P., India, source: academia.edu.
2. Henry, Colette (2012). Doing Well by Doing Good? Opportunity, Recognition and the Social Enterprise Partnership, www.isbe.org.uk/content/assets/1.ColetteHenryBP.pdf.
3. Santhi, Dr. N & Kumar, S. Rajesh (2011). Entrepreneurship Challenges and Opportunities in India, Bonfring International Journal of Industrial Engineering and Management Science, Vol. 1, Special Issue, December 2011.
4. <http://www.isbe.org.uk/Redefining-social-enterprise-The-benefit-of-collaboration>
5. http://www.ssireview.org/articles/entry/social_entrepreneurship_the_case_for_definition