



SOCIAL ENTREPRENEURSHIP AND ITS ROLE ON RESHAPING INDIAN SOCIETY

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Abstract

Social entrepreneurship has gained significant attention globally, including in India, where it has become a prominent and intriguing concept. The fusion of social service and entrepreneurial principles makes it a unique and attractive venture. Traditionally, entrepreneurship has been associated with profit-driven activities, often sidelining societal well-being. However, in the current era of rapid industrialization and economic growth, the concept of social entrepreneurship has emerged as a meaningful way to contribute to society while embodying the spirit of entrepreneurship. The core idea of social entrepreneurship aligns with the combination of entrepreneurship and societal benefits. As corporations increasingly recognize their greater roles in contributing to society in both economic and social aspects, social entrepreneurship has taken on new forms and identities. Prominent organizations in India have embraced this approach, contributing positively to society. This research paper delves into various aspects of social entrepreneurship, providing an in-depth examination of its conceptual framework, processes, challenges faced by social entrepreneurs, and recommendations to enhance the landscape of social entrepreneurship in India. The paper explores the similarities and differences between social and economic entrepreneurship, highlighting the traits essential for a social entrepreneur. Concepts such as social needs and social innovations are explained from the perspective of entrepreneurship. The paper also underscores the expanding scope and significance of social entrepreneurship in recent years. Additionally, it explores how social entrepreneurship can impact the social fabric, particularly at the bottom of the pyramid level, in India and other developed nations.

Keywords: Social entrepreneurship, social entrepreneurs, economic entrepreneurs



Entrepreneurship is the fundamental driver of economic progress; the economic development that occurs is solely attributable to the dominant force of entrepreneurship. The presence of entrepreneurship is a shared characteristic among all industrialized nations worldwide. The increase of entrepreneurship is crucial for economic development, since it directly impacts the expansion of infrastructure and all other indices of progress. Within a brief timeframe, governments of numerous states worldwide have recognized and emphasized the significance of entrepreneurship. Consequently, governments have initiated efforts to establish the fundamental infrastructure necessary for the organized advancement of entrepreneurship in their different nations. India recognized the significance of entrepreneurship and made significant efforts towards its holistic advancement. Entrepreneurship plays a crucial role in fostering comprehensive growth, encompassing social aspects. In the 18th century, the term "entrepreneurship" was initially employed in a commercial and economic context by Richard Cantillon, a French economist. Cantillon linked entrepreneurship with assuming risks and dealing with uncertainty in company ventures (Rahim & Mohtar, 2015). Entrepreneurship encompasses various varieties, which are classified based on distinct characteristics and criteria. One such criterion is the social aspect. This form of entrepreneurship is quite distinctive and comprises many combinations of elements.

The primary goal of social entrepreneurship differs from the typical goals of entrepreneurship; in this case, social advantages are combined with economic rewards. Oftentimes, social entrepreneurship is employed interchangeably with social service or job. While there are some similarities, the most significant distinction is in the presence of profits. The citation comes from Alegre, Kislenco, and Berbegal-Mirabent's work in 2017. In the field of social work, non-governmental organizations (NGOs) and social workers exclusively dedicate their efforts to serving the impoverished or marginalized population. Their primary objective is to provide assistance rather than generate profits. In contrast, social entrepreneurship combines financial gains with social service and prioritizes non-personal advantages. The Indian diasporas would greatly benefit from an initiative like this, which maximizes the advantages of entrepreneurial characteristics within society (Rawal, 2018). Social entrepreneurship is a highly advantageous phenomena that targets the lower end of the market by providing creative and affordable products and services. Providing access to items for the underprivileged segment of the market and generating money from their sale. The target market for



social businesses consists of those with low income, who own minimal financial resources but have significant needs. Social entrepreneurs develop products or services that cater to the specific requirements of this market segment, sometimes known as the bottom of the pyramid market. Social entrepreneurship addresses the void that is overlooked by traditional economic enterprise. It generates revenues by offering a distinctive and inventive product or service to an underserved group of clients, so assisting them in improving their quality of life. In contrast, social entrepreneurs earn money from this endeavor.

Objective of the study

1. To underline the roles and responsibilities of social entrepreneurs in India society.
2. to list out the challenges faced by social entrepreneurship in India.

Social entrepreneurship is a significant branch of entrepreneurship that goes beyond mere philanthropy and has a profound and extensive influence on social transformation and improvement in underdeveloped countries (Kannampuzha, 2017). The government has implemented extensive measures to promote social entrepreneurship in order to address social inequities and strive towards an ideal society. Social entrepreneurship refers to a distinct type of projects that combine social work with business aspects. According to Wikipedia, social entrepreneurship is described as “Social entrepreneurship is the work of a social entrepreneur. A social entrepreneur is someone who recognizes a social problem and uses entrepreneurial principles to organize, create, and manage a venture to make social change. Whereas a business entrepreneur typically measures performance in profit and return, a social entrepreneur assesses success in terms of the impact she/he has on society. (Canestrino, et al 2020)

Contribution of Social Entrepreneurship / Entrepreneurs in India

Social entrepreneurship emerges as a powerful catalyst for addressing the pressing needs of the deprived and vulnerable sections of society in India, where over 27 crore people live under challenging conditions. By prioritizing social benefits over profits, social entrepreneurship becomes a crucial force in uplifting this demographic. One of its notable strengths lies in facilitating the delivery of high-quality products and services at affordable prices, ensuring accessibility for a broader segment of the population. Tackling a myriad of social problems such as illiteracy, girl child abuse,



financial inclusion, healthcare, and access to clean water, social entrepreneurship leverages local resources and entrepreneurial principles to play a pivotal role in mitigating the impact of these challenges. Beyond the inherent innovation in all forms of entrepreneurship, social entrepreneurship introduces a unique concept known as social innovation, focusing on creative and distinctive solutions to social problems. The emphasis on catering to the bottom of the pyramid, comprising individuals with minimal income but high receptiveness to social innovations, underscores the essential role of social entrepreneurship. Many social enterprises tailor their products and services to meet the specific needs of this demographic, contributing not only to social impact but also to economic activities and employment generation, particularly for individuals with basic skills. In the context of India's significant unemployment rate, social entrepreneurship emerges as an effective and holistic solution to address multifaceted challenges and drive positive change in society.

Social Entrepreneurship in India

1. D.light: A company providing solar energy solutions to rural communities, addressing energy poverty in India.
2. Goonj: Focused on channeling unused urban material as a resource for rural development, emphasizing clothing and other essentials.
3. Akshaya Patra: Aiming to eliminate classroom hunger, this organization provides mid-day meals to school children across India.
4. SELCO Foundation: Committed to sustainable energy solutions, focusing on providing solar power to underserved communities.
5. Rang De: An online platform facilitating peer-to-peer micro-lending for individuals in rural and remote areas.
6. Chakr Innovation: Specializing in converting diesel generators into carbon capture devices, contributing to environmental sustainability.
7. Sarvajal: Aiming to provide clean drinking water through a network of water ATMs, especially in rural and remote areas.
8. Katha: Integrating education, creativity, and community engagement to empower underprivileged children and adults.



9. Greenway Grameen Infra: Dedicated to producing and distributing clean cooking solutions in rural areas, reducing indoor air pollution.
10. Barefoot College: Empowering rural communities by training individuals, especially women, in skills like solar engineering and water management

Characteristics of social entrepreneurship

Social entrepreneurship, akin to its counterparts, embraces the inherent capacity for risk-taking, navigating uncertainties in the establishment of social enterprises. Fueled by vision and foresight, social entrepreneurship excels in identifying societal problems and devising innovative solutions that transcend conventional imagination. Acting as a unifying force, social entrepreneurship provides leadership and direction, rallying individuals within a social enterprise toward the achievement of collective goals.

A hallmark of social entrepreneurship is its creativity, seeking imaginative solutions to complex societal challenges. This continuous pursuit of social innovation distinguishes it, offering unique approaches to address prevailing social inequalities or problems. Importantly, social entrepreneurship goes beyond the creation of economic value; it stands out by prioritizing the generation of social values, setting it apart from economic entrepreneurship.

Unlike social work, social entrepreneurship incorporates profit motives, with financial gains playing a secondary role compared to economic entrepreneurship. However, the primary focus remains on non-personal gains, emphasizing social benefits as a distinguishing feature. This dual commitment to economic and social objectives underscores the nuanced nature of social entrepreneurship, which contributes to holistic and sustainable solutions for societal advancement.

Challenges faced by social entrepreneurship in India

In the realm of social entrepreneurship in India, several formidable challenges impede its progress. The scarcity of financial resources stands out as a significant hurdle, particularly for those offering unique products and services. Accessing financial support from established institutions becomes a daunting task, hindering the development of social entrepreneurship in the country. Another distinctive challenge lies in the shortage of a dedicated workforce. The focus on social gains over



personal benefits makes attracting individuals, often drawn to lucrative salaries and perks, a complex endeavor.

Establishing and communicating objective values poses a critical challenge. While societal needs vary, social entrepreneurs must define common values that are easily communicable, adding layers of complexity to their mission. Elevating individuals from their current standing by creating positive opportunities presents a prominent hurdle, with efforts needing tailored approaches for individual requirements rather than broad societal impact.

Ethical considerations also come to the fore, as social entrepreneurs, driven by a concern for societal changes, may occasionally grapple with adopting less ethical business practices. Instances of this challenge, though rare, exist in extreme cases in India, with ethical parameters varying across societies. Additionally, social entrepreneurship places less emphasis on commercial viability, creating a significant dilemma when aligning socially accepted concepts with financial or commercial practicality. This dilemma diminishes motivation for engaging in socially beneficial projects.

Moreover, the lack of evidence showcasing the impact of social entrepreneurship initiatives poses a unique obstacle. Unlike economic entrepreneurship, social entrepreneurship struggles with fewer tangible markers of the societal changes they pioneer. This challenge is exacerbated by the frequent relocations of individuals, making it difficult to track and demonstrate the lasting effects of these initiatives. Addressing these multifaceted challenges is essential for fostering the growth and success of social entrepreneurship in India.

Findings of the study

Social entrepreneurship in India represents a dynamic fusion of social service and entrepreneurial acumen, effectively addressing prevalent social problems. This innovative approach not only combines the ethos of social service but also incorporates strategic business practices to create sustainable solutions. A distinguishing feature of social entrepreneurship is its inherent capacity for social innovation, offering creative and adaptive solutions to the complex social issues facing India today.

The landscape of social entrepreneurship in India is marked by impactful enterprises actively contributing to societal transformation. These enterprises leverage local expertise, emphasizing the



creation of social value as a core objective. Notable examples, such as the Barefoot College in Rajasthan, exemplify the positive impact of social entrepreneurship on employment and skill development, particularly at the grassroots level. This growth is a testament to the potential of social entrepreneurship to empower communities and foster economic resilience.

Furthermore, social enterprises have played a vital role in enhancing education and healthcare levels in India. By addressing gaps in access and quality, these initiatives contribute to positive developments in these crucial sectors. The holistic approach of social entrepreneurship, combining business strategies with a commitment to social welfare, positions it as a powerful force for positive change in the Indian societal landscape.

Conclusion

Social entrepreneurship possesses the transformative potential to reshape Indian society, as evidenced by numerous impactful examples and projects. India, with its prevalent social issues, offers promising prospects for social entrepreneurship. This unique approach combines entrepreneurial traits with philanthropy, designing products and services to maximize social impact while generating substantial profits. The working areas of social entrepreneurship often focus on regions typically overlooked by traditional economic enterprises, addressing societal needs more effectively than economic ones. Despite this, social entrepreneurship shares fundamental elements with its economic counterpart. Addressing the challenges effectively could position social entrepreneurship as a powerful tool capable of significantly altering Indian society.

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