

# Social Entrepreneurship

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## ABSTRACT

Social entrepreneurship is the process by which individuals, startups and entrepreneurs develop and fund solutions that directly address social issues, A social entrepreneur, therefore, is a person who explores business opportunities that have a positive impact on their community, in society or the world. Individuals who start their own business are motivated by many different things. Some people want the freedom of being their own boss or want to pursue their true passion. Other have dreams of making a lot of money and building an empire. However, in the past several years, a new type of entrepreneur has emerged: the social entrepreneur. While sometimes confused with nonprofit organizations, social entrepreneurship is a for-profit endeavor, even though a greater emphasis is placed on creating social or environmental changes. Social entrepreneurship sees the widespread use of ethical practices such as impact investing, conscious consumerism, and corporate social responsibility programs. Social entrepreneurs are often willing to take on the risk and effort to create positive change in society through their initiatives. A social entrepreneur is interested in starting a business for the greater social good and not just the pursuit for profits. Social entrepreneurs may seek to produce environmentally – friendly products, serve an underserved community, or focus on philanthropic activities.

This paper puts forward a view of social entrepreneurship as a process that catalyzes social change and address important social needs in a way that is not dominated by direct financial benefits for the entrepreneurs. Social entrepreneurship is seen as differing from other forms of entrepreneurship in the relatively higher priority given to promoting social value and development versus capturing economic value. To stimulate future research, the authors, introduce the concept of embeddedness as a nexus between theoretical perspectives for the study of social entrepreneurship.

## INTRODUCTION

Social Entrepreneurship Is the activity of establishing new business ventures to achieve social change. The business utilizes creativity and innovation to bring social, financial, service, educational or other community benefits.

Social Enterprises are not charities or welfare agencies. They are private business established by entrepreneurs with an emphasis on human values rather than just profit. These businesses focus on working with and enhancing participation, inclusion and utilizing a bottom-up approach to achieve social change.

Social Entrepreneurship is when an individual or a group of people take up the responsibility to solve the prevailing problems of society. It could be a low-key affair or a large-scale drive that involves the masses. What matters is that the activity or initiative solves a problem and brings about a positive change in someone's life.

But who can be a social entrepreneur?

Anyone and everyone can come up with a solution to a problem and become a social entrepreneur, be they

organizations or individuals. Strong willpower, the intention to do good and a suitable approach are the driving forces.

Read on to know more about the definition of social entrepreneurship, Role and the types of social entrepreneurship, backed by a few examples of social entrepreneurship, challenges.

#### Definition

“Innovator with unusual will and energy clarity of vision and ability to act”. Ax Weber

“Entrepreneurship is any kind of innovative function that could have a bearing on the welfare of an entrepreneur.”-Joseph A. Schumpeter (1934).

“Entrepreneurship is the purposeful activity of an individual or a group of associated individuals, undertaken to initiate, maintain or aggrandize profit by production or distribution of economic goods and services.” – A.H.Cole (1959).

### EXAMPLES OF SOCIAL ENTREPRENEURSHIP

Here are some great examples of social entrepreneurs who have brought about tremendous change in India:

1. Anshu Gupta, Founder of Goonj: Anshu, a media professional, wanted to provide proper clothing to the underprivileged. He started collecting old clothes to upcycle them and distribute them among the poor.
2. SantoshParulekar, Founder of Pipal Tree: Focusing on one of the most underrated segments, jobs in rural India, this organization is the best example of social entrepreneurship. Pipal Tree was established to help youth from rural India find suitable jobs.
3. UrvashiSahni, Founder and CEO of SHEF (Study Hall Education Foundation): Set up to educate girls in rural India, SHEF has transformed more than 1,000 schools, trained tens of thousands of teachers and impacted nearly 5 million students' lives in UP and Rajasthan.
4. Harish Hande, CEO and Founder, Selco: India's first solar funding program, Selco aims to provide sustainable energy in the country's rural areas.
5. TrilochanSastry, Founder of ADR (Association for Democratic Reforms): Trilochan, a professor at the Indian Institute of Management, Bangalore, began his journey as a social entrepreneur by filing a PIL against some political leaders in Delhi High Court.

He formed ADR in 1999, which now reviews election procedures to strengthen democracy in India.

These were just a few well-known examples of social entrepreneurship in India. Not all attain the same levels of popularity, but they still have considerable impact on society. These examples prove that you don't need a degree to be a social entrepreneur. An idea and the drive to see it through are what make you a social entrepreneur.

Many people have ideas. But how do they execute them? To understand this, let's review the different types of social entrepreneurship.

#### Role of Social entrepreneurs

Identification of the social problems is the initial role of Social Entrepreneurs.

Their innovative products have the ability to influence the society and the social problems can resolve by using the resources depending upon social innovations.

Reaching out each and every section of the society and serving them positively is one of the main roles of Social Entrepreneurs.

Their unique approaches are supposed to provide employment. The biggest accountability of a Social Entrepreneur is to offer services to a local resident possessing optimum skills and credentials.

Making evident changes in Indian society with the approach of social balance is an important role of Social Entrepreneurs.

### **CHARACTERISTICS OF A SOCIAL ENTREPRENEUR**

Social Entrepreneurship requires people to have the following traits:

**Leadership:** You can't meet your goals without a highly motivated team assisting you. A good, inspirational leader is a must for every cause. They can influence opinions as well as physical outputs.

**Emotional Balance:** Social work requires both empathy and a practical approach at the same time. A highly emotional person might get overwhelmed, but an emotionally balanced person will handle difficult situations better.

**Vision:** Visionaries come up with the best solutions to social problems. Why? Because they're thinking of long-term, permanent resolutions.

**Ability to Multitask:** Entrepreneurship and multitasking go hand-in-hand. Only an exceptional manager can juggle meetings, pitches, on-site activities, sourcing, production and whatnot.

**Decision-making:** Social entrepreneurs must prioritize and make sound decisions as they affect the lives of people in need. They need to think of a situation holistically and make a sound and rational decision.

**Open to Collaboration:** Social entrepreneurship cannot be done in isolation. Entrepreneurs need to be open to collaboration and partnerships. Every project needs people with a different expertise and skill set. A social entrepreneur needs to work with a wide range of people to achieve their vision.

There are many social entrepreneurs in the world today and millions of problems that need to be heard and solved. From educating children to providing them with nutrition, from environmental issues to women's safety, from unemployment to mental well-being, the list goes on.

### **TYPES OF SOCIAL ENTREPRENEURSHIP**

There are various types of social entrepreneurship. Here we'll look into four types of social entrepreneurship:

**Community Social Entrepreneur:** Community social entrepreneurs are small-scale change makers. A community social entrepreneur can be a young individual teaching underprivileged kids in a town, a group of college students running sanitation and plantation drives in a city or one or more organizations working for social good.

Community social entrepreneurs work in specific geographies and communities but for a wide variety of causes. From hygiene and sanitation to employment and food distribution services and from plantation and environment safety to providing employment to deserving ones, they do it all.

These types of social entrepreneurs are the ones who bring about instant change and strive for more.

**Non-Profit Social Entrepreneur:** These social entrepreneurs believe in reinvesting profits. So, along with the initial cost, they put their profits into the cause.

For instance, if the initial project was to educate kids from underprivileged backgrounds and they received more funds than required to facilitate the initiative, they will utilize the surplus to educate women and expand their portfolio.

People who have a business-oriented mindset prefer this type of social entrepreneurship. Not just that, but companies and organizations chose non-profit social entrepreneurship to utilize their social goodwill for

the cause.

**Transformational Social Entrepreneur:** These entrepreneurs focus on establishing a business that can solve a purpose that government initiatives and other businesses can't.

Transformational social entrepreneurship is more like running an organization where you hire skilled people, think of newer ways to stay relevant in the market, follow the guidelines issued by governments and do everything that an enterprise does.

The larger picture for transformational social entrepreneurs includes a collaborative set-up of multiple businesses serving society collectively and individually.

Some examples of transformational social entrepreneurship are CRY (Child Rights and You), Goonj and JusTea.

**Global Social Entrepreneur:** Global social entrepreneurs think on a larger scale and focus on changes required at the global level. They put social responsibility above profits.

They usually collaborate with organizations working on similar causes in specific regions/countries. One of the most relevant examples of this type of social entrepreneurship is the Make A Wish Foundation. Headquartered in Phoenix, Arizona, it actively works in around 50 countries, fulfilling the wishes of critically ill children.

## CHALLENGES FACED BY SOCIAL ENTREPRENEURS

Conveying the Business Idea Business People support Attracting Donors Government Approval Working remotely Maintaining product quality Hiring Sustaining employees Finding Time Competition from others Getting Fund Promoting Awareness Raising Money Acquiring Technologies

## CONCLUSION

The social entrepreneur needs to be innovative, socially aware and ready to take risk. There are many challenges faced by the social entrepreneurs like conveying the business idea, working remotely, getting fund, government approval, competition from others, acquiring technologies, promoting awareness and getting skilled workers. Though these challenges exist there are many successful examples of social entrepreneurial ventures like Lijjat Pappad, Amul & Gramin Bank. There is lot of scope for social entrepreneurs in India.

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