



SOCIAL ENTREPRENEURSHIP CHALLENGES

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Abstract- Social Entrepreneurship's relevance is in the present and is equally a subject of futuristic importance and sustainable social Entrepreneurship is something which has to be and will be the way forward.

For profit business entities & social entrepreneurial ventures differ basically in their objectives. The basic objective of social entrepreneurship is to create social benefits to the society and the enterprise should be driven by a strong social objective / need rather than motive for profit.

Meeting the social aspirations & staying afloat (ie making it commercially viable) and keeping it sustainable is of paramount importance. Emphasis on basic requirements like livelihood, Rural Employment Generation & sustainability are like pillars for this.

This paper examines the concept of social entrepreneurship and its importance with emphasis on their sustainability

Key words-social venture, development goals, sustainability, livelihood, employment generation



INTRODUCTION

Social Entrepreneurship is an often used word & certainly isn't new to our lexicon. Though the origin of it is rooted in social problems it did not escape comparison with a regular business enterprise. In spite of 60's & 70s having witnessed its use it was only in the subsequent decades that it became popular. There seemed to be two water tight compartments called business enterprises & the regulatory mechanism called the Government.

The business entrepreneur essentially judges the success in terms of profits to the firm or enterprise. The social entrepreneur recognises the prevailing social problem & plans a course of action or a set of actions to address them. The Social Entrepreneur then measures up the met objectives vis -a -vis the set – objectives, whereas, the business enterprise solely concentrates on the profit alone.

LITERATURE REVIEW

Social Entrepreneurship for long has been practiced by good Samaritans but the nomenclature would have been different at different ages and times. Its basically a combination of certain socially useful actions, innovations, value creation, adding dignity to life of people at the bottom of the pyramid by integration of economic activity along with sustainability.

The sector of Social Entrepreneurship remains incomplete without the mention of Prof Muhammad Yunus who started the Grameen Bank in 1976 whose single point aim was to provide easy, low cost credit to women firstly to empower themselves and consequently help them to pull themselves out of poverty.

Courtesy, Report “ Global Urban Development, Nov 2008”

Further Paper titled “ Social Entrepreneurship : A Growing trend in Indian Economy” elucidates the aspects .

In this paper the author feels that the rapid growth of economy is post liberalization ie 1991 onwards. However, the social and environmental problems are on the rise necessitating extensive application of multidisciplinary approaches and entrepreneurial energy in the social and environmental sectors. The author stressed on the need for social entrepreneurs to become more dynamic in view of increasing competition and change in technology. There were some suggestion too for curriculum development, consumer education and the need for removing regional disparities. In another report titled “ Social Entrepreneurship in India- Oppurtunities and challenges in the current scenario” it mentions that Social Entrepreneurship is an activity of a Social Entrepreneur. He/she is someone who recognizes a social problem and uses



entrepreneurial principles to organize, create and make social change. It is to evolve responsible effective and efficient social responsibility models.

Social Entrepreneurship way to bring Social Change by some more subject experts opine that In a developing world the MDG's or the Millennium development goals might provide a valid operationalisation of social needs. The MDG's refer to the most pressing social problems to be addressed in the immediate future. They include goals such as eradicating extreme poverty and hunger, achieving universal primary education, promoting gender equality, women's empowerment, reducing child mortality, improving maternal health and combating HIV/AIDS, malaria and other diseases. In the developed world opportunities for social entrepreneurs might arise from the gaps in social welfare system.

Studies which are of comparative nature are required to examine the opportunity for these Entrepreneurs and it is also worthwhile to check how the opportunities affect the entrepreneurial process and also the growth and attention it has got in the recent times.

RESEARCH METHODOLOGY

The adopted Research Methodology for this research study is descriptive.

The method of Data collection employed is secondary Data collection.

The research is being done to meet the objectives set for the study. The information and data provided in the study is sourced from various previous studies on the subject and its peripheral areas.

The major objective of the research is to find the genesis, the current scenario, the way forward and the contribution of social entrepreneurship in acceleration of development landscape.

The Research Methodology and the Data collection methods have been so chosen as to conform to fulfill the set objectives. Some of the sources from where the data collected are listed below:

1. Reports of organisation in social sector like world economic forum, schwab foundation, barefoot college
2. Research papers on related topics have been studied for the purpose.
3. Various governmental agencies like Ministry of Social Welfare, Swach Bharat Abhiyan, Women & Child Welfare, NIRP& PR
4. Published material of various social enterprises and social business bodies.
5. Web sites & web resources on the subject.



HYPOTHESIS EMPLOYED IN THE STUDY

The study is based on the following hypothesis:

- H1 Social Enterpeneruship will accelerate the development process
- H0 Social Entrepreneurship has no accelerating affect / effect on the development process
- H1 Social Entrepreneurship as a process does face a challenge
- H0 Social Entrepreneurship is a smooth process without any challenges

OBJECTIVE OF STUDY

The present study has very clear objectives. The stated objectives are to highlight the importance of social entrepreneurship and its relevance for the current scenarios and future generations.

This research study aims to achieve the following objectives.

- 1) To study the social Entrepreneurship and its genesis
- 2) Study of the existing set up which corresponds to the sector
- 3) To study the characteristics, role of social entrepreneurship and social entrepreneurs.
- 4) The challenges being faced by social entrepreneurship
- 5) The way forward in terms of suggestion and solutions.

The study focuses on the objectives and does provide and explore cursorily the prevailing scenario in the field of study.

DISCUSSION

Social Entrepreneurship and the Developmental Process.

The well-known & popular social entrepreneur & winner of the Nobel Peace prize for 2006 & the founder of the Bangladesh based Grameen Bank had voiced that intercourse of business principles with that of social objectives does without doubt contribute to the betterment & advantage of the field of entrepreneurship.



Table : Poverty ratio and no. of poor persons

Year	Poverty ratio (in %)	No. of Poor (in crore)
1973-74	54.9%	32.1
1977-78	51.3%	32.9
1983-84	44.5%	32.3
1987-88	38.9%	30.7
1993-94	36.0%	32.0
2004-05	27.5%	30.2
2011-12	21.9%	26.9

<https://www.prsindia.org/parliamenttrack/budgets/demand-grants-2020-21-analysis-food-and-public-distribution>

The above table indicates the poverty ratio of our country starting from the early seventies. It also provides the number of poor people in absolute terms. This is a very important parameter requiring dedicated attention for any social development programme. This is traditionally an important parameter of meeting social objectives of the state. The state for its part is an impersonal player and as a result the accruing results are there for everyone to see & of course are far from comforting

1. Clarity of purpose

This forms the basic cornerstone of the field of entrepreneurship. There's a clear understanding required for what is charity, what is Non- Governmental Organisation engaged in social work, what is the role of Govt. in implementing its own social benefits agenda and now what is the space in which a social entrepreneur wants to work keeping the above facts in view.



2. Differentiation

Does the social entrepreneur end up being “ I also” or has a specific agenda

(Rs. in crore)

	2015-16 (AE)	2016-17 (AE)	2017-18 (RE)	2018-19 (BE)
MGNREGA	37335.69	48215.33	55000.00	55000.00
PMAY-G	10116.2	16074.37	23000.00	21000.00
PMGSY	18289.87	17922.87	16900.00	19000.00
DAY-NRLM	2499.16	3158.02	4350.00	5750.00

AE- Actual Expenditure, RE- Revised Estimate, BE- Budget Estimate

3. Existential Problem :

If one does not generate enough money to keep the organisation afloat and the tag of “ not for profit “ is taken very seriously, a situation arises where there is financial instability as well as problem of existence hence making some reasonable profit to see the company through is to be worked out.

4. Funding :

This is a common problem encountered by any venture for profit / not for profit or any other outfit.

They have to find the right funding partner who shares the vision of bringing about a change in the social landscape.

The practice of personal finance pledging & borrowing from family and friends OR borrowing from finances at high rate of interest have badly shaken up the social entrepreneurs and left a bitter taste for them.

5. Entrepreneurial Sensitisation :

In the field of Entrepreneurial education the body of work is in a very nascent stage of development. The entrepreneurial education & start - up ecosystems have finally got the attention they deserve & all education institutes are devoting resources for curriculum development in this area of study.



Source : BRAC, USA

6. Government Support :

The support systems for social sector ventures at the moment are far from satisfactory & inadequate.

The complex & vexatious tax regime coupled with lack of tax incentives & subsidies are also proving detrimental to the growth of social enterprises being headed by forward looking social entrepreneurs.

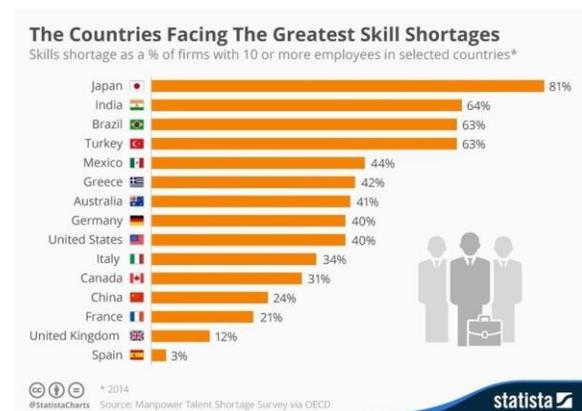


Source : <https://www.pmindia.gov.in/en/governance>

7. Attitudinal Change :

India needs to concentrate on arresting the exodus of youth from rural areas to urban areas.

The problem of migration of unprepared and unskilled youth filling up the cities should be addressed. They need to targeted providing technical skills and thus generate livelihood in rural areas.



Source : world economic forum

Social Entrepreneurship and Challenges

Arresting the exodus from rural areas

Need to establish enterprises in the rural areas to arrest the exodus of illiterate, semi literate villagers primarily the youth to nearby urban centres. Provide them with vocational training.

Curriculum Development

To include social Entrepreneurship as a formal curriculum for better training methodology.

Identification of Right domains and areas

Concentrate on activities which are sustainable and eco friendly.

Concentrate on SDG's and MDG's

Hand holding by the Government

As it is a new and emerging field the Government should provide adequate support to the budding social entrepreneurs.

Fund Facilitation

This remains to be a crucial aspect of the Social Entrepreneurial journey. The Government , Corporates and other NGO's should step in to provide the required funding or arrange for the facilitation.



FINDINGS OF THE STUDY

H1- Social Entrepreneurship will accelerate the development process

Here the alternative hypothesis is proved to be correct. It definitely goes to establish that the Social Entrepreneurship has a huge role to play in the development process. There has been a major transformation in the world order since the cold war period. The free market economy which promised big failed to deliver.

So the social entrepreneurship which aims at addressing the various development activities of the society rightly aligned with a revenue generating activity with reasonable profits to offset the investor expenses and pumping the profits back into the organization can be a game changer.

H1

Social Entrepreneurship as a process does face a challenge

The traditional bent of mind and being averse to risk and innovations was certainly a deterrent to social development as a whole. So, it is surmised here that the process of Social entrepreneurship does face immense challenges.

CONCLUSION

Social Entrepreneurship is a unique combination of meeting social development goals with philanthropy by designing products and services to address the needs of the bottom of the pyramid.

The very important goals of SDG's, MDG's are not to lose sight of and there should be a great emphasis on the Rural development.

Also, Sustainability and less harm to the environment and produce a 'greener' products and solutions should be high on the agenda and there has to be a concerted effort to address this challenge and these results go a long way in addressing the issue at hand. As mentioned earlier there's a clear understanding required for what is charity, what is Non- Governmental Organisation engaged in social work, what is the role of Govt. in implementing its own social benefits agenda etc. The Social Entrepreneur should without any doubt should keep the bottom lines in mind, because if the basic sustenance is in jeopardy as a result of too much of altruism the whole narrative changes, the entrepreneur will be running from pillar to post to make ends meet or to keep the outfit afloat. This will undoubtedly eat into the creative skills of the entrepreneur and he will no more be in a position to concentrate on the core issues. Now, the



space in which a social entrepreneur wants to work keeping the above facts in view also needs to be very clear.

And as discussed starting from funds, sensitization, the prevailing ecosystem, to the old mind-set the challenges facing the Social Entrepreneurship are immense hence coping up with all these one by one is very essential for a social Entrepreneur. The problem arises because it is a very broad area in the absolute sense, more so because of the entities involved and the seamless merging of the activities of one field into the other. But, since it is a bouquet of activities undertaken in the areas of healthcare, sanitation, poverty alleviation, micro financing, urban and rural sanitation, livelihood generation etc and the bottom line being certainly not making huge profits but at the same time not losing track of the fact that they themselves need to be adequately compensated for the activities undertaken is of significance.

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