SOCIAL ENTREPRENEURSHIP - A WAY TO BRING SOCIAL CHANGE

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ABSTRACT

This paper is related with emerging trends of social entrepreneurship in developing countries like Indian and its future prospects and challenges. This paper shows lights on how development of social entrepreneurship can solve the problems of society which is ignored by commercial and Government enterprises. Social entrepreneur like is Muhammad Yunus, founder and manager of Grameen Bank has lead a new path in the development of social entrepreneurship in developing counties. He was awarded a Nobel Peace Prize in 2006 for his valuable contribution in social entrepreneurship. Work of Yunus and Grameen become motivating factor for modern day social entrepreneurs that emphasize the enormous synergies and benefits when business principles are unified with social ventures. In countries like India, Pakistan Bangladesh and others countries still there are many challenges for the development of social entrepreneurs. Today, nonprofits and non-governmental organizations, foundations, governments, and individuals also play the role to promote, fund, and advise social entrepreneurs around the countries. A growing number of colleges and universities are establishing programs focused on educating and training social entrepreneurs.

INTRODUCTION

"Social entrepreneurs are not content just to give a fish or teach how to fish. They will not rest until they have revolutionized the fishing industry."— Bill Drayton.

Social entrepreneurship—the practice of responding to market failures with transformative, financially sustainable innovations aimed at solving social problems—has emerged at the nexus of the public, private, and nonprofit sectors. It is a new breed of entrepreneurship that exhibits characteristics of nonprofits, government, and businesses—including applying to social problem-solving traditional, private-sector entrepreneurship’s focus on innovation, risk-taking, and large-scale transformation. While social entrepreneurship is not a new phenomenon, the field has experienced enormous growth over the past 15 years, receiving increasing recognition from journalists, philanthropists, researchers, and policymakers as an important and distinctive part of the nation’s social, economic, and political landscape.

The terms social entrepreneur and social entrepreneurship were used first in the literature on social change in the 1960s and 1970s. Social entrepreneurship as a practice that integrates economic and social value creation has a long heritage and a global presence. The global efforts of Ashoka, founded by Bill Drayton in 1980, to provide seed funding for entrepreneurs with a social vision (http://www.ashoka.org); the multiple activities of Grameen Bank, established by Professor Muhammad Yunus in 1976 to eradicate poverty and empower women in Bangladesh (http://www.grameen-info.org); or the use of arts to develop community programs in Pittsburgh by the Manchester Craftsmen’s Guild, founded by Bill Strickland in 1968 (http://www.manchesterguild.org): these are contemporary manifestations of a phenomenon that finds its historical precedents in, among other things, the values of Victorian Liberalism. The conviction of “enlightened entrepreneurs”, as some Victorian industrialists are referred to, that there was a need to combine commercial success with social progress gave birth to industrial groups that used economic wealth for the good of the community (Bradley, 1987; Thompson, Alvy, & Lees, 2000).

Vinoba Bhave (founder of India’s Land Gift Movement) is well-known personality in the are of social entrepreneurship in India. During the nineteenth and twentieth century's some of the most successful social entrepreneurs successfully straddled the civic, governmental, and business worlds - promoting ideas that were taken up by mainstream public services in welfare, schools, and health care, may require many of the ingredients associated with successful innovation in business creation.

Over the last few years, a number of successful business entrepreneurs have dedicated substantial
resources to supporting social entrepreneurship. For example, Jeff Skoll, co-founder of eBay, created a foundation and donated 4.4 million pounds to establish a research center for social entrepreneurship (http://www.skollfoundation.org). Jeff Bezos, founder of Amazon, recently announced a one million US dollar award for innovative approaches and breakthrough solutions to effectively improve communities or the world at large (http://www.amazon.com). Finally, social entrepreneurs join the leaders of nations and corporations in panel discussions at the World Economic Forum in Davos (http://www.weforum.org).

The concept of entrepreneurship has a long history in the business sector. A major theme has been the creation of value through innovation (Schumpeter, 1951; Drucker, 1985). As applied more recently to social concerns, the concept has taken on a variety of meanings. Some, for example, have focused on social entrepreneurship as combining commercial enterprises with social impacts. In this perspective, entrepreneurs have used business skills and knowledge to create enterprises that accomplish social purposes, in addition to being commercially viable (Emerson & Twersky, 1996). Not-for-profit organizations may create commercial subsidiaries and use them to generate employment or revenue that serves their social purposes; for-profit organizations may donate some of their profits or organize their activities to serve social goals. These initiatives use resources generated from successful commercial activities to advance and sustain their social activities. Social entrepreneurs are focused on social problems. They create innovative initiatives, build new social arrangements, and mobilize resources in response to those problems, rather than in response to the dictates of the market or commercial criteria.

Still others see social entrepreneurship as a way to catalyze social transformation well beyond the solutions of the social problems that are the initial focus of concern. From this perspective, social entrepreneurship at its best produces small changes in the short term that reverberate through existing systems to catalyze large changes in the longer term (Ashoka Foundation, 2000).

**Social entrepreneurship** is the recognition of a social problem and the uses of entrepreneurial principles to organize create and manage a social venture to achieve a desired social change. While a business entrepreneur typically measures performance in profit and return, a social entrepreneur also measures positive returns to society. Thus, the main aim of social entrepreneurship is to further broaden social, cultural, and environmental goals. Social entrepreneurs are commonly associated with the voluntary and not-for-profit sectors but this need not preclude making a profit. Social entrepreneurship practiced with a world view or international context is called international social entrepreneurship.

The concept of social entrepreneurship means different things to different people and researchers (Dees, 1998). One group of researchers refers to social entrepreneurship as not-for-profit initiatives in search of alternative funding strategies, or management schemes to create social value (Austin, Stevenson, & Wei-Skinner, 2003; Boschee, 1998). A second group of researchers understands it as the socially responsible practice of commercial businesses engaged in cross-sector partnerships (Sagawa & Segal, 2000; Waddock, 1988). And a third group views social entrepreneurship as a means to alleviate social problems and catalyze social transformation (Alvord et al., 2004; Ashoka Innovators, 2000).

**Social Entrepreneurship**

Alvord, Brown, & Social entrepreneurship creates innovative solutions to immediate social problems and Letts (2004) mobilizes the ideas, capacities, resources, and social arrangements required for sustainable social transformations. Said Business Social entrepreneurship may be defined as a professional, innovative, and sustainable School (2005) approach to systemic change that resolves social market failures and grasps opportunities. Mort, Social entrepreneurship is a multidimensional construct involving the expression of Weerawardena, entrepreneurially virtuous behavior to achieve the social mission, a coherent unity of & Carnegie (2002) purpose and action in the face of moral complexity, the ability to recognize social value-creating opportunities and key decision-making characteristics of innovativeness, proactiveness and risk-taking.

**Social entrepreneurs**

Bornstein (2004) Social entrepreneurs are people with new ideas to address major problems who are relentless in the pursuit of their visions, people who simply will not take "no" for an answer, who will not give up until they have spread their ideas as far as they possibly can. Boschee (1998) Social entrepreneurs are not-for-profit executives who pay increasing attention to market forces without losing sight of their underlying missions, to somehow balance moral imperatives and the profit motives – and that balancing act is the heart and soul of the movement. Dees (1998) Social entrepreneurs play the role of change agents in the social sector, by:

- Adopting a mission to create and sustain social value (not just private value)
- Recognizing and relentlessly pursuing new opportunities to serve that mission,
- Engaging in a process of continuous innovation, adaptation, and learning,
- Acting boldly without being limited by resources currently in hand, and
- Exhibiting a heightened sense of accountability to the constituencies served and for the outcomes created.

Thompson, Alv, Social entrepreneurs are people who realize where there is an opportunity to satisfy some & Lees (2000) unmet need that the state welfare system will not or cannot meet, and who gather together the necessary resources (generally people, often volunteers, money and premises) and use these "to make a difference".

**SOCIAL ENTERPRISE**

Dees (1994) Social enterprises are private organizations dedicated to solving social problems, serving the disadvantaged, and providing socially important goods that were not, in their judgment, adequately provided by public agencies or private markets. These organizations have pursued goals that could not be measured simply by profit generation, market penetration, or voter support. Haugh & Tracey Social enterprise[s] are business[es] that trade for a social purpose. They combine (2004) innovation, entrepreneurship and social purpose and seek to be financially sustainable by generating revenue from trading. Their social mission prioritizes social benefit above financial profit, and if and when a surplus is made, this is used to further the social aims of the beneficiary group or
community, and not distributed to those with a controlling
interest in the enterprise.

In this way 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 take new leaps. Social entrepreneurs often
seem to be possessed by their ideas, committing their lives
to changing the direction of their field. They are both
visionaries and ultimate realists, concerned with the
practical implementation of their vision above all else. Each
social entrepreneur presents ideas that are user-friendly,
understandable, ethical, and engage widespread support in
order to maximize the number of local people that will
stand up, seize their idea, and implement with it. In other
words, every leading social entrepreneur is a mass
recruiter of local changemakers—a role model proving that
citizens who channel their passion into action can do
almost anything. Just as entrepreneurs change the face of
business, social entrepreneurs act as the change agents for
society, seizing opportunities others miss and improving
systems, inventing new approaches, and creating solutions
to change society for the better. While a business
entrepreneur might create entirely new industries, a social
entrepreneur comes up with new solutions to social
problems and then implements them on a large scale.

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.
they must know how to address social and environmental problems while operating sustainably, according to a model that can be replicated for significant regional, national and even international impact.

**CHALLENGES OF SOCIAL ENTREPRENEURSHIP**

Behind every social entrepreneur there is a team doing some serious heavy lifting to implement the entrepreneur's vision. To solve tough social problems, we need collective action that can be sustained by communities (and supported by governments) over the long haul. Too often aspiring (and usually young) social entrepreneurs assume they need to start their own organization vs. partner with an existing one. This results in the need to raise unrestricted revenue to build infrastructure – bookkeeping/accounting, program evaluation, information systems, etc. Energy and resources get diverted from problem solving to organization building.

There is no shortage of nonprofits doing very innovative things that nonetheless fail to be recognized, perhaps because they lack a charismatic leader and/or partners who champion and market the innovations. Many social entrepreneurial ideas are largely untested. It's great that these ideas represent new approaches to tackling social problems, but promotion of these ideas tends to be far out in advance of sufficient evidence that they merit promotion as “the next big thing”. A strong bias exists in favor of commercial approaches to addressing social problems. It's great to exploit market opportunities to make innovations more financially sustainable and/or create new economic opportunities for the poor, but often public or private subsidies are needed to catalyze change. It's hard to imagine any social entrepreneur who would say that social and economic justice and human rights are unimportant. However, in addition to elevating the individual, the attention given to social entrepreneurship celebrates the ideas (i.e. the means) and not the commitments (i.e. the ends). As such, the focus is on entrepreneurship as a desired activity or way of being, not as a tool (among other tools such as political advocacy and grassroots organizing) to be used to advance human rights.

**CONCLUSION**

In the developing world, the Millennium Development Goals (MDG) might provide a valid operationalization of social needs. The MDG 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 and empowering women, reducing child mortality, improving maternal health, and combating HIV/AIDS, malaria and other diseases (http://www.developmentgoals.org). In the developed world, opportunities for social entrepreneurs might arise, for example, from gaps in the social welfare system. More empirical studies are needed to map the opportunity space for social entrepreneurs and to examine whether and how the nature of social opportunities affects the entrepreneurial process.

Research on social entrepreneurship has grown rapidly in recent years. Given its importance for society and today's economy, the subject has received considerable attention in different streams of research.

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