



Emergence of the social entrepreneurship in India: A theoretical study

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Abstract

There has been much progress in promoting base of the Pyramid (boP) business and a growing number of ventures and initiatives have come forward that reflect the different phases of the business value chain. In the past decade, work on inclusive business development has increased significantly and organizations working today on innovative models range from multinational corporations, co-operatives, small and medium-sized enterprises, governments, public institutions and international organizations, and even not-for-profit organizations that use business principles — or social business approaches — to achieve their mission. The social entrepreneurs would definitely address the issues at the bottom of the pyramid in the economy. The present paper is a theoretical framework in this regard delineating the pragmatism in the social entrepreneurship in Indian context.

Keywords: GDP, enterprises, business, sociopreneurs

Introduction

Social entrepreneurship has caught attention of academicians because of its unique approach for finding solutions to the societal and developmental problems. Although, there is no universally acceptable definition of social entrepreneurship and social enterprises is because different countries use different legal definitions for defining social enterprises. Looking into how it is defined in India, we aim to gain greater clarity about the process of social entrepreneurship. Therefore, we arrive at qualitative and structural features of social enterprises as it appears in India.

The predominance of the qualitative features over the structural features is the key to understand this whole process and arrive at a working definition of social entrepreneurship – a process that is enterprising and sustainable, and is meant to meet the social and the socio-economic needs of the bottom of the pyramid population by using innovative ideas and methods that ensure to create social value.

The greater emphasis on qualitative features of social enterprises hint that the emergence of social entrepreneurship is to fill the developmental gaps which not-for-profit organizations, for-profit organizations and the state have not been able to do ^[1].

Objectives of the Study

1. Review the previous researches on the social entrepreneurship
2. Understand the theoretical framework of Social Entrepreneur
3. Taking account of the Social Entrepreneurs in India

Characteristics of a Social Entrepreneur ^[2] Certain

characteristics that are very unique to a Social Entrepreneur are as follows:

Social Entrepreneurs act as a Change Agent

Social Entrepreneurs innovate by finding a new service, approach or a product to a social problem, by combining innovation, resourcefulness and opportunity. Realizing the problem of avoidable blindness escalating into a major concern in the Indian healthcare scenario, Dr. Venkataswamy in 1976, after his retirement founded the Aravind eye hospital. Twelve million people are blind in India, the vast majority of them from cataracts, which tend to strike people in India before the age of 60 years. Dr. Venkataswamy started an 11 bed hospital, persuading his siblings to join him in mortgaging their hues, pooling their savings and pawning their jewels to build it. Today, the Aravind eye care system is a network of hospitals, clinics, community outreach efforts, factories and research and training institutes in south India that has treated more than 32 million patients and has performed 4 million surgeries. (Aravind Eye Hospital Case Analysis. Anti Essays)

Social Entrepreneurs are willing to Share their Credit

The Social Entrepreneurs are willing to share their credit of work.

This can be best exemplified by the example of Amul, under the able leadership of local farmer leader Tribhuvandas K. Patel started the cooperative society. The co-operative society further developed and nurtured by Dr. Verghese Kurien led the country's first three-tier co-operative structure which was replicated all over the country under the Operation Flood Programme, known as the "Amul Model" or Diary Co-operatives.

Social Entrepreneurs are Determined People

Social Entrepreneurs show strong determination for

¹ Singh, Social Entrepreneurship in India and The Development Question: A Sociological Perspective

² Dr. Hemantkumar P. Bulsara 2Dr. Shailesh Gandhi 3Dr. Jyoti Chandwani; Social Entrepreneurship in India: An Exploratory Study;

accomplishment of work and taking risks. Thinlas Chorol is such an example of social entrepreneur, who displayed her strong determination by working as the first female trekking guide in the heavily male dominated trekking industry in northern India. She also started the first female owned and operated travel company in Ladakh, India.

Social Entrepreneurs Believe in Equality: They have a strong belief in everyone's innate capabilities, regardless of the formal education and thus contributing for the development and economic and social value. They integrate vulnerable groups, immigrants, marginal groups and new groups of the population. Winner of prestigious award Ramon Magsaysay Award Ms. Ela Bhatt started the organization Self Employed Women's Association (SEWA) positively influencing the lives of thousands of poor women, focusing on economic changes and empowering the lives of the vulnerable, marginal groups of the country.

Social Entrepreneurs Work on the Policy of Selflessness:

They intensively work towards the explicitly formulated mission to create and thus sustain the social value and benefits to the society. The George Foundation (TGF) aims to alleviate poverty, promote health and a clean environment and strengthen democratic institutions and values in India, started by the selfless motive of Dr. Abraham George.

Social Entrepreneurs act as Role Model

Empowering people to change their lives. They tap inspiration and creativity in outcasts and misfits. They bring value to the disadvantaged communities. The Social Work and Research Centre (SWRC), widely known as Barefoot College founded by Bunker Roy with the aim of women empowerment and electrification through solar power for the up-liftmen of rural people by providing them proper education, skill development, health and drinking water.

Social Entrepreneurs in India That Are Changing the Face of Urban India

India's gig economy is scaling newer heights thanks to the surge of innovative start-ups and young entrepreneurs who are changing the rules of how businesses functioned. These young achievers do not only dream to achieve big in life, but they also nurture their passion to resolve the social inequities gripping our country. India too is in much need of this new breed of Sociopreneurs to come out with unconventional business models to address the environmental and social issues.

Being an entrepreneur in itself is challenging, and addressing a social cause through it is undoubtedly going to make the journey more difficult. As social entrepreneurs in India, you are on a mission to generate business for a social cause. Their work is to implement a low-cost business solution for socio-causes while dealing with the shortage of funds, manpower, resources and many more. The hurdles in the way are endless but the idea to transform lives for collective good is the driving force that helps such social entrepreneurs in India to navigate the turbulent waters of social entrepreneurship.

List of the most renowned social entrepreneurs in India

1. Urvashi Sahni

Talking about the best of social entrepreneurs in India, Urvashi Sahni definitely tops the list. She is the founder and CEO of SHEF (Study Hall Education Foundation), an

organization dedicated to offering education to the most disadvantaged girls in India. Urvashi Sahni has worked with over 900 schools and changed the life of 150,000 girls (directly) and 270,000 girls (indirectly) with her program. She was rightly felicitated with the 'Social Entrepreneur of the Year' award in 2017 for her selfless act of dedication and passion.

2. Harish Hande

Harish Hande is another pioneering social entrepreneur of India and a remarkable committed one. He is the CEO & Founder of Selco, a company rendering sustainable energy source to rural regions of the country. This project was the first rural solar financing program in India. Till date, Selco has contributed over 120,000 installations and has more than 25 operating retail and service centres in Karnataka alone.

3. Jeroo Billmoria

Jeroo Billmoria is one of the renowned social entrepreneurs of India who is supervising several International NGOs for the betterment of society. She initiated the 'Childline' that aims to provide help in form of healthcare and police assistance, especially to street children. Right from her childhood, she had a vision of giving back to the underprivileged in the society. She also believed in self-empowerment of women in India. Jeroo Billmoria was felicitated with the Skoll Award for Social Entrepreneurship and is a Schwab and Ashoka Fellow as well.

4. Anshu Gupta

Born in a middle-class family in Uttar Pradesh, took media as a profession and while as an intern he witnessed the need of proper clothing for the poor in rural India. Anshu then founded Goonj, a social enterprise that collects used clothing from the urban crowd, sort them, fix and later distribute among the poor and needy. The relief work was done by Goonj during the times of natural calamities in Gujarat, Tamil Nadu and Kerala have been highly acknowledged.

5. Santosh Parulekar

Santosh Parulekar worked to create job opportunities for the unemployed youth in rural India. He started 'Pipal Tree', a company that aims to impart formal training to the youth and provides them with reputable jobs in companies across the country. Operating since 2007, Pipal Tree has trained over 1,500 workers and intends to open training centres pan India in the coming years.

6. Sumita Ghose

Sushmita Ghosh is the founder of Ashoka Changemakers, an open-ended platform for social innovation that was one-of-its-kind in the world. Sushmita aims to revive the craftsmanship and talent that is unharnessed in rural India and aims to provide them with their deserving recognition. She started with 'Rangasutra', a retail chain from FabIndia and it turned out to be a huge success.

7. Ajaita Shah

Ajaita Shah works with a mission to empower rural India. She started at the grass level and aims to provide the best of technological solutions to the remote villages in India at the cheapest price possible. Ajaita Shah is the Founder & CEO of Frontier Markets that supplies solar energy powered

products to rural India at an extremely affordable cost. The company has sold over 10,000 solar solutions until now and there is no stopping them until they light the remotest corners of the country.

8. Trilochan Shastry

Trilochan Shastry proved that nothing is impossible to achieve in this world if you have the zeal and fervour to pursue it. A renowned professor in IIM Bangalore, he was pained to the state of political affairs in the country. What started as a PIL against the politicians led to the foundation of the Association for Democratic Reforms (ADR), an organization that scrutinizes election procedure in India. Besides this Trilochan Shastry also heads NGOs for the upliftment of the farmers. These top 8 social entrepreneurs in India are the 'Knights in the Shining Armour' who have pledged to bring about sustainable change in the society. They indeed are an inspiration to the society and this blog is an acknowledgement of the selfless work they have done!

Review of Literature

Singh study the growing trends of Social Entrepreneurship in India and the new initiatives taken by various Social Entrepreneurs. He also gives a brief idea of different Theories of Social Entrepreneurship. Social Entrepreneurship is an all-encompassing nomenclature, used for depicting the process of, bringing about social change on a major and impactful scale compared to a traditional Non-Governmental Organization (NGO). It is an increasingly important concept in the study of voluntary, non-profit and not-for-profit organizations. Earlier, organizations addressing key social issues were assumed to be idealistic, philanthropic with entrepreneurial skills. Social Entrepreneurship in India is emerging primarily because the government is very keen on its promotion, not necessarily by funding it or by advising on it but by enabling it. The Corporate Social Responsibility (CSR) of the private sector with clearly earmarked funds and full-fledged action teams have played an important role in sprucing up the image of Social Entrepreneurship. Pärenson Tuuli (2011)^[3] determine the criteria for a solid impact evaluation in social entrepreneurship.

The solid impact evaluation method is needed for building the bridge between two separate discourses of social entrepreneurship: the discourses of protectionists of social entrepreneurship, who believe without empirical proof that social enterprises are effective and the opponents or doubters in social entrepreneurship, who need empirical proof of the effectiveness of social enterprises.

The author takes the first step toward a construction of a solid impact evaluation model. Evaluating the social impact of social enterprises with a solid model could bring closer the discourses of social enterprises used by protectionists and opponents of social entrepreneurship. Heike Johansen Pia (2014)^[4] provide a sector-based analysis of the drivers for social entrepreneurship in the agricultural sector. The qualitative data from two studies in the Danish region of

Northern Jutland are used for study. The data include responses from 38 farmers who offered or had considered offering social services. The analytical framework is taken from a review of the limited literature on Green Care and Social Farming and social entrepreneurship theory. The research attempts to study the social entrepreneurship among farmers coupled with a sector-based analytical framework.

Coker Kesha K (2017)^[5] addresses this gap by presenting a conceptual model on the role of national leadership culture on social entrepreneurship. Social entrepreneurship has emerged as an important realm of entrepreneurship during the last decade. Research on what motivates social entrepreneurial activity continues to be of interest in the field. Given the integral role of the social entrepreneur, one area identified as deserving more attention is the leadership traits of the social entrepreneur.

Kannampuzha Merie (2019)^[6] develops scale items to measure the construct of organizational social entrepreneurship (OSE).

The researcher develops a multidimensional construct for OSE. In particular, the authors propose scale items for three central components of social entrepreneurship, namely, social change intentions, commercial activities and inclusive governance.

Ghalwash Seham (2017)^[7] explore the characteristics and backgrounds of social entrepreneurs, particularly in relation to what motivates them to start new social ventures, through an empirical examination of the phenomenon of social entrepreneurship in the specific context of Egypt. Findings confirm the characteristics of social entrepreneurs as compassionate risk-takers with entrepreneurial mindsets who seek to address social issues in innovative ways. They also have the perseverance to face the inefficient institutional frameworks prevalent in developing economies. Social entrepreneurs are motivated by social problems and challenges, inspiration, and previous personal experiences, as well as their social networks.

El Ebrashi Raghda (2013)^[8] introduce a theory for social entrepreneurship based on integrating the entrepreneurship literature with a global empirical research carried out on social entrepreneurs using grounded theory.

The behavioral theory of social entrepreneurship studies the contextual factors that lead to social venture creation, the underlying organization dynamics and structures, and how these typologies measure social impact, mobilize resources, and bring about sustainable social change.

India's Thriving Climate for Social Entrepreneurship

India is one landscape where we're seeing tremendous home-grown private sector investment in entrepreneurial development and agricultural innovation—despite shortcomings in the domestic regulatory environment.

³ Pärenson Tuuli. "The Criteria for a Solid Impact Evaluation in Social Entrepreneurship." *Society and Business Review* 6, no. 1 (January 1, 2011): 39–48.

⁴ Heike Johansen Pia. "Green Care: Social Entrepreneurs in the Agricultural Sector." *Social Enterprise Journal* 10, no. 3 (January 1, 2014): 268–87.

⁵ Coker Kesha K. "Social Entrepreneurship: The Role of National Leadership Culture." Edited by Flight Richard L. *Journal of Research in Marketing and Entrepreneurship* 19, no. 2 (January 1, 2017): 125–39.

⁶ Kannampuzha Merie. "Organizational Social Entrepreneurship: Scale Development and Validation." Edited by Hockerts Kai. *Social Enterprise Journal* 15, no. 3 (January 1, 2019): 290–319.

⁷ Ghalwash Seham. "What Motivates Social Entrepreneurs to Start Social Ventures?" Edited by Tolba Ahmed. *Social Enterprise Journal* 13, no. 3 (January 1, 2017): 268–98.

⁸ El Ebrashi Raghda. "Social Entrepreneurship Theory and Sustainable Social Impact." *Social Responsibility Journal* 9, no. 2 (January 1, 2013): 188–209.

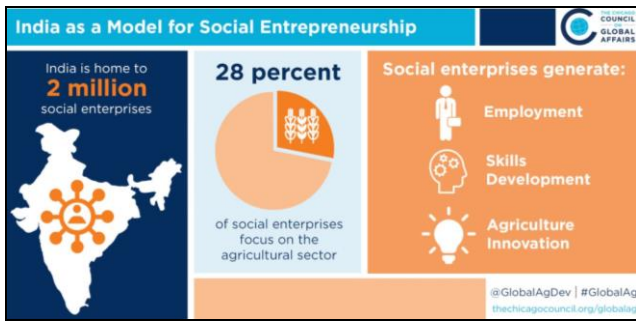


Fig 1

India is home to 2 million social enterprises, 28 percent of which focus on the agricultural sector. Not only do these social enterprises generate employment and skills development among disadvantaged groups, but they are producing innovations that are helping farmers and agricultural SMEs advance their operations. There's Star Agri, which is providing high-quality warehousing infrastructure to over 100,000 farmers throughout India to reduce postharvest loss. Digital Green is a development organization that uses video platforms to share knowledge on agricultural practices, livelihoods, and nutrition, providing farmers and producers across 9 states in India and five countries in sub-Saharan Africa with cost-effective extension services. And Jain Irrigation Systems, an Indian manufacturer of micro irrigation schemes, is now reaching 29 countries with water-saving technologies that increase crop yields.

Efforts like these prove that it's possible to generate profit while at the same providing services geared towards a social good. India's thriving impact investment climate is further evidence of this; between 2010 and 2015, Indian impact investments amounted to \$4.1 billion and generated returns of an average 10-12 percent. There are over 50 investors and impact funds operating throughout the country, and many specifically target agriculture. Omnivore Partners is one such impact fund—operating in 22 states across India, Omnivore is investing in a variety of startups throughout the country that focus on agricultural technology, innovative food, and rural livelihoods. Others, like Lok Capital, fund entrepreneurs that are providing financial services to underserved populations—an essential offering, as smallholder agriculture universally lacks appropriate financing.

Existing Institutional Support to Entrepreneurship Promotion in India^[9]

GOI through various institutions (especially financial e-g; SIDBI, NABARD; capacity building through academic institutions e-g; Entrepreneurship Development Institutions-EDI's) strive to empower entrepreneurship by shaping the enabling policies, programs and attitudes towards MSME's and civil society. However, it has a role although small in supporting the functioning of regional SEs. Further, a certain number of institutions (e-g; Indian industry bodies, CII) have emerged as enabling the SE sector through various activities related to S-ENT.

Further, there is a significant increase in the engagement of

different stakeholders of the social business landscape in India. In this regard, a growing number of new initiatives from the private players have taken shape or on the agenda of several multi-lateral stakeholders of SE ecosystem within India^[10].

As a consequence, there has been an increase in interest of Indian Central and State Governments in engaging the private sector in addressing some of the national developmental issues. For instance, Engagement of the private sector in the delivery of emergency health services in many states under public-private-partnership (PPP) model etc. Moreover, an increasing number of „impact investors“ with an interest in supporting businesses with social and environmental impacts are entering the Indian SE landscape e-g; DFID-SIDBI Partnership, The Millennium Alliance - USAID and FICCI, GIZ Small and Growing Social Businesses support (ADB report, 2012).

As a response, there has been a substantial increase in the interest of not just the Government and impact investors but also donor agencies, business incubators and other S-ENT facilitators as well. While for e-g the financial support has been identified as the major hurdle, the Indian SEs face in the way of their progress^[11], the Government here can play an important role by supplying the “impactful” capital or by encouraging the investment by those interested in SE returns. In this regard, a recent innovative move of Securities and Exchange Board of India (SEBI) in floating a national policy for separately recognizing and regulating the “Social Venture Funds” within India. (In 2013, “InCube Connect Fund” Gujarat, was recently approved by SEBI under SEBI (AIF), Regulations, 2012 as India's first social venture fund). Such policy interventions are hopeful to greatly impact the SE development within the nation.

Conclusion

Indian economy has an advantage of demographic dividend with the world's second largest labour force of 516.3 million people. The economy suffers from anti-social disadvantages of poverty, malnutrition, unemployment and the skill gap. However, with the given issues, the economy has seen few social entrepreneurs emerging alleviating the present situation. The Government has provided support in the direction. There is a long way to cover in the direction.

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