

Recent Trends and Challenges of Social Entrepreneurship : A Glance

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***Abstract---** Social Enterprises are the organizations which aim their efforts toward improving the general welfare of society and they apply market-based strategies to achieve a social purpose. The movement includes both non-profit and for-profit organizations with non-profit organizations using business models to pursue their mission and for-profit organizations incorporating a social agenda into their business model. The focus of the article is to address the growing trends of social entrepreneurship in Indian business including the history of social entrepreneurs in India and the new initiatives taken by various social entrepreneurs. However, many of India's social entrepreneurs continue to struggle as the social venturing landscape lacks appropriate sources of financing, proper regulations, societal recognition and suitable information systems. Therefore, it's the right time for various non-governmental organizations (NGOs), governmental organizations and social entrepreneurs to come forward to encourage further development of social entrepreneurship in India.*

I. INTRODUCTION

Social entrepreneurship is a practice that integrates economic and social value creation which 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; the multiple activities of the Grameen Bank, established by Professor Muhammad Yunus in 1976 to eradicate poverty and empower women in Bangladesh and the use of art to develop community programs in Pittsburgh by Manchester Craftsmen's Guild, founded by Bill Strickland in 1968; these are all contemporary manifestations of a phenomenon that finds its historical precedents in the values of Victorian liberalism.

The objectives of this paper are :

- To study the differences between social enterprises and non-profit organizations.
- To study and examine the role of social entrepreneurs in various sector.
- To study various challenges faced by social entrepreneurs in India.

II SOCIAL ENTREPRENEURSHIP

The concept of social entrepreneurship means different things to different researchers. 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. Another group of researchers understands it as the socially responsible practice of commercial business engaged in cross-sector partnerships. A third group views social entrepreneurship as a means to alleviate social problems and catalyze social transformation.

It is important to note that the definitions of social entrepreneurship typically refer to a process or behavior; the definitions of social entrepreneur focus instead on the founder of the

initiative; and the definitions of social enterprise refer to the tangible outcome of social entrepreneurship. Despite this large number of definitions; systematic attempts to map initiatives and definitions have been rare. While complementary definitions, each focusing on different aspect of the phenomenon, are not necessarily an impediment in the search for theory, we still do not have a comprehensive picture of the phenomenon and lack a clear understanding of how social entrepreneurship should be studied.

Building on established research in entrepreneurship and recent studies on social entrepreneurship, this paper attempts to elucidate the meaning of social entrepreneurship in order to facilitate further research.

Social entrepreneurship views as a process of creating value by combining resources in new ways. Secondly, these resource combinations are intended primarily to explore and exploit opportunities to create social value by stimulating social change or meeting social needs. And thirdly, when viewed as a process, social entrepreneurship involves the offering of services and products but can also refer to the creation of new organizations. Importantly, social entrepreneurship, as viewed in this paper, can occur equally well in a new organization or in an established organization, where it may be labeled as “social entrepreneurship”. Hence, the organizational context in which social entrepreneurship occurs, i.e., newly created or established organizations, sets it apart from other more loosely structured initiatives aimed at social change, such as activist movements.

This approach aims to capture the essence of social entrepreneurship and explore potential differences between social entrepreneurship and entrepreneurship in the business sector.

III. SOCIAL ELEMENT IN THE DEFINITION

Possibly, the greatest challenge in understanding social entrepreneurship lies in defining the boundaries of what we mean by the term “social”. At the first glance, social entrepreneurship might be thought to differ from entrepreneurship in the business sector in the sense that the latter is associated with profit motive, whereas social entrepreneurship is an expression of altruism. The distinctive social domain of social entrepreneurship is as follows.

Social entrepreneurship catalyzes social transformation by meeting social needs. Value creation in all three cases embraces both social and economic aspects. The main focus, however, is on social value, while economic value creation is seen as necessary condition to ensure financial viability.

It is important that while the above examples of social entrepreneurship in developing countries have been deliberately chosen to illustrate the global dimension of the phenomenon, social entrepreneurship also occurs and has been studied in the developed world.

IV SOCIAL ENTREPRENEURS VS. NON-PROFIT ORGANIZATIONS

Social enterprises traditionally lean towards to non-profit business model, as they are society-oriented social organizations. For the social enterprise, their social mission is an explicit and central objective. This obviously affects their perception and assessments of opportunities. Growth and Initiatives of Social Entrepreneurs in India Initially, the concept of social entrepreneurship used to be associated with corporate social responsibility and the provision of funds to charitable institutions to run philanthropic organizations on a small scale. Of late this concept has undergone transformation and has given birth to a large number of social enterprises. Similarly, the growth of some of the social entrepreneurs in the fields of health and power generation and their contribution to the welfare of society is briefly discussed in the following text. Here health sector and power sectors are considered.

V. SOCIAL ENTREPRENEUR INITIATIVES

Despite of maximum contribution by various social entrepreneurs to fulfill the basic of the society at an affordable cost, the demand still exceeds availability. The various social entrepreneurs, corporations and Governments sometime collectively pursue social initiatives to improve the “It is clear that social entrepreneurs are making a valuable contribution to Indian Society by fulfilling their basic needs” status of the people living in rural and under-serviced areas of the society.

VI ROLE OF SOCIAL ENTREPRENEURSHIP IN INDIA

In recent years, ‘not for profit’ has been pushed to the back partly because social enterprises are being run more like business today. With the current economic climate, it is very likely that social needs will increase and consequently the number of people committed to addressing them will increase. Definition of social entrepreneurship has changed over time. From corporate philanthropy to non-profit and now to self-sustainability, social entrepreneurship has evolved and will keep evolving with time and needs of the world.

Social entrepreneurs play the role of change agents in the social sector by adopting a mission to create and sustain social value, by recognizing and relentlessly pursuing new opportunities to serve that mission, by engaging in a process of continuous innovation, adaptation and learning, by action boldly without being limited by resources currently in hand and by exhibiting heightened accountability to the constituencies served and for the outcomes created. Social entrepreneurs are reformers and revolutionaries, as described by Schumpeter, but with a social mission. Peter Drucker considered the social entrepreneur as somebody, who seeks social change, reacts and replies to it, exploits it as an opportunity, and therefore changes the performance capacity of society.

Generally, there are many different definitions of Social Entrepreneurship and this renaissance of the social entrepreneurship phenomenon has definitely not reached a mature state of development. Although Alex Nicholls defines it as representation of an exciting and emergent set of new models offering hope for systematic, positive, social and environmental

change. What business entrepreneurs are to the economy, social entrepreneurs are to social change? Social Entrepreneurship is neither about charities, nor about exploiting the down trodden, it is an innovative business model where business flourishes along with the society.

Social entrepreneurship wants to make the world a better place and have a driving passion to make that happen. Social entrepreneurship uses creativity and ingenuity to solve problems. For example, Give India foundation was set up to match those who wished to give money to credible organizations. Give India has reviewed over 1,000 nonprofit organizations from all over India to identify nearly 100 organizations that work for causes ranging from child welfare and education to disability, poverty and women's empowerment that have met with the Credibility Alliance's norms.

VII. OPPORTUNITIES FOR SOCIAL ENTREPRENEURSHIP

Social entrepreneurship is a new form of entrepreneurship that exhibits characteristics of nonprofits, Governments and business. It applies traditional (private-sector) entrepreneurship's focus on innovations, risk taking and large-scale transformation to social problem solving. The social entrepreneurship process begins with a perceived social opportunity is translated into an enterprise concept, resources are then ascertained and acquired to execute the enterprise's goals. Social entrepreneurs sometimes are referred to as "public entrepreneurs," "civic entrepreneurs" or "social innovators". They are change agents; they create large-scale change using pattern-breaking ideas, they address the root causes of social problems and they possess the ambition to create systemic change by introducing a new idea and persuading others to adopt it. These types of transformative changes can be national or global. They can also be highly localized in their impact. Social entrepreneurs who create transformative changes combine innovative practices and deep knowledge of their social issue area and research to achieve their goals. For entrepreneurs working in the social realm, innovation is not a one-time event; rather it is a lifetime pursuit.

In India, entrepreneurship among women is very limited in the formal sector. Mostly women undertake self-employment activities in the informal sector as home-based work. Women entrepreneurs in India own only less than five percent of all businesses. These activities are not accounted in official statistics and remain invisible in the national economic contributions of women entrepreneurs. Today women are working hard in every field of India and achieving mountains of successes. The list of successful women entrepreneurs is quite long. Among some accomplished women entrepreneurs.

VIII. CHALLENGES OF SOCIAL ENTREPRENEUR IN INDIA

Social entrepreneurs endeavor to bring about a social change they are confronted with tremendous problems. To begin with, they collect vast amount of information, synthesize them, and then develop an action plan, focusing on the causes of the problem. Communication and leadership skills are essential to acquire basic entrepreneurial qualities, which are, per se, linked to character and personality. Successful entrepreneurs are opportunity-seekers, value-creators and resource-allocators. They are basically bold, patient, resourceful people. Social entrepreneurs are tied to a goal fostered by a personal history and feeling that improving society is part of one's personal fulfillment and potential, but they need to equip themselves with a disciplined way of thinking and of approaching problems without forgetting that this training is not enough. The complexities of the reality

demand that the social entrepreneurs deal promptly and diligently with problems. Social entrepreneurs need to know that to succeed in their social mission, lifelong learning is essential. Continuous update in their field is the most important challenge they face, to be relevant in the field.

Social entrepreneurs adopt new approaches to many social ills and new models to create wealth, promote social well-being and restore equity and justice within the society. They may encounter extraordinary political, social, cultural and economical resistance but the challenge is that they have to identify structural supports to turn to, for financing, for obtaining information and advice. They listen carefully to people from different backgrounds and gain a detailed understanding of their ideas and life histories, without announcing their presence and putting their ideas into their minds. They do not impose their plans and programmes because they believe in unraveling people's potentials, idea, plan, knowledge and resources. They do not start with the perfect plan; they just have complete commitment to solving a problem. They flow around obstacles of status quo, regulations, lack of funding, program design flaws and changing needs, always adjusting and maneuvering to reach their goals. No matter whatever the learning and obstacles, they should continue their committed service, striking a balance between positions of power and authority. These profiles demonstrate that there is no stopping.

Social entrepreneurs are eager to identify more resources and channelize them systematically to the community for optimum utilization and resource conversion. Hence the society appreciates ethically motivated social entrepreneurs to break out of the negative patterns and to initiate new orders of things. It means to take concentrated, persisting effort to achieve the goal. The degree to which a social goal has been fulfilled depends on the patterns, which stem from an understanding to allocate the resources to the target population. Thus, they need to be equipped with business skills. This understanding should be confronted with the constraints and opportunities of the local reality. They prepare individual and group to attack large scale problems with very little resources. They do not believe in developing human resources, but consider people as their asset, capital and resource. They concentrate on abilities rather than pondering over the disabilities and helplessness. There are vision bound social entrepreneur who present their goals with fixed determination of an indomitable will and even quit their other jobs to concentrate on their ideas. They prefer action instead of stagnancy, good solutions instead of persisting problems, justice and opportunity instead of poverty and neglect. They dream of solving a problem of making a positive change in the environment. They are opportunity seekers so they try to win optimum excellence in all that they do and advocate. They help small producers to capture greater profits. They promote the concept of production of the mass based on labour intensive as against the "mass production" based on capital intensive.

Social workers as social entrepreneur are not happy just with an idea, but they are happy when they solve the problem in the most indigenous way. To solve a problem and cause fundamental social change trustworthiness and integrity are their most important assets. Social entrepreneurs need to be prepared for unexpected demands and challenges to build community based organizations to expedite the social change. They can empower the youth, women, children, artisans, craftsmen and farmers to develop skills and confidence to solve a major resource problem. Some Social entrepreneurs focus on adding value of productive processes by linking excellence to economic development and environmental protection. They have a greater attachment to finding solutions than to being right, rich or recognized. It is the very basic of social mission. Therefore the social entrepreneurs have the duty to import

sound values, professional ethics, value based spirituality through their commitment and service. The New Economic Policy poses a threat to our country's development and sovereignty. The policy is creating more disparity and a new poor. It is the challenge to the social entrepreneur to prepare people to face such problems with creative and collective strategy. The social entrepreneur can provide or help people to arrive at a creative solution, to look for new ways to unleash and redirect the creative energies of people within the present scenario and to reduce the burden of an employment problem through various income generation activities and by setting up small and medium size enterprises.

Social enterprise has emerged as a major issue among entrepreneurial thinkers. Social enterprises consist of obligations a business has to society. The diversity of Social enterprise opens the door to questions concerning the extent to which corporations should be involved. A researcher in Social enterprise has established a framework that classifies the social actions of corporations into three distinct categories: social obligation, Social enterprise and social responsiveness. Some firms simply react to social issues through obedience to the laws others respond more actively, accepting responsibility for various programs, still others are highly proactive and are even willing to be evaluated by the public for various activities (social responsiveness).

The environment stands out as one of the major challenges of Social enterprise. The reawakening of the need to preserve and protect our natural resource motivated businesses toward a stronger environmental awareness. Our recent "throwaway" culture has endangered our natural resources, from soil to water to air. They confront enormous challenges as they attempt to build socially responsible organization for the future. They are beginning the arduous task of addressing social-environmental problems. Entrepreneurs need to take the lead in designing the arduous task of addressing social-environmental problems. Entrepreneurs need to take the lead in designing a new approach to business in which every day acts of work and life accumulate into a better world. One theorist has developed the term Eco vision to describe a possible leadership style for innovative organization. Eco vision encourages open and flexible structures that encompass the employees, the organization and the environment, with attention to evolving social demands. It will be critical to maintain an elevated social status for social entrepreneurs. The challenge in the coming years will be to find a good balance between attributing 'social hero' stories to social entrepreneurs and creating a solid role associated with status in our societies the biggest task, that of sustaining the role social entrepreneurs in economic and social life, is faced by the Governments.

IX. CONCLUSION

The Indian scene is full of possibilities and challenges. The country possesses capable human resources, and has made good progress in achieving scientific and technological capabilities. The economy has been witnessing rapid growth since the onset of liberalizations from 1991 onwards. As discussed earlier, India is experiencing an increase in Social entrepreneurship and attempts by Social entrepreneurs to find affordable solutions to various social problems of society. There are innumerable examples of people who have blended profitability with social cause and made a difference. They are spread across different sectors-education, energy, healthcare and technology to name a few. We need many more dreams and people who can turn this dream into reality. With the Indian entrepreneurial energy, there seem to be a lot to look forward to. Sustained efforts, not only by the financial, business, multilateral and public sectors but also the academic sector, will be the critical to maintaining the current momentum for social entrepreneurship.

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