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## Social Entrepreneurship

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### ABSTRACT

*Different countries have different focus areas, different attitude, and different initiatives of Social Entrepreneurship leading to difference its conceptualization. But what it has in common is its objective-Aim to bring social change using sustainable business techniques. Social entrepreneurship is fastest growing sector offering opportunities to young entrepreneurs creating gainful employment globally to create sustainable societal and economic values. It is a young term in social science, lacking in consistent theory to conceptualize itself. More theories on social entrepreneurship are required to evolve for understanding and exploring its potential other than “by charity/for charity, non sustainable and viable entrepreneurship” activity or venture misconception. Though it has marked its footprints in social work, few social work scholars regard it as excessively entrepreneurial. Social Entrepreneurs are the change agents and their strategic tools, techniques and practices are the change factors in Social Entrepreneurship. Our father of Nation-Mahatma Gandhi, Vinoba Bhave, Mother Teresa, Sanjit “Bunker” Roy (founder of Barefoot College) is the best example of Social Entrepreneurship. In this paper efforts are made for elaborating and exploring concept and confines of Social Entrepreneurship.*

**KEYWORDS:** *Young, Entrepreneurship, Charity, Social.*

### INTRODUCTION

In today's competitive world Entrepreneurs are motivated by the potential to earn a profit, the profit motive does not prevent the ordinary entrepreneur from having a positive impact on society. As Adam Smith has explained in "The Wealth of Nations", "It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own self-interest." Smith believed that when individuals pursued their own best interests, they would be guided toward decisions that benefited others. So the concept of Social Entrepreneur has paved the way for it as individual social Entrepreneur.

India is often referred to as the epicenter of impact investing, and the world's laboratory for testing new ideas. Social Entrepreneurship is about being environment friendly, making the best use of local resources, growth of villages, power of cooperatives, promoting local industry and community-driven initiatives. For example Verghese Kurien, a social entrepreneur whose billion-liter idea has made India's largest self sustaining Industry of dairy farming. Kurien revolutionized the milk industry when he produced milk powder from buffalo milk where rest of the world was focusing on cow milk to milk powder. Kurien's contribution to the social entrepreneurship movement in India is monumental for employment.

We need a world of social entrepreneurs to bring about innovative solutions for a better future in the world. I want to see them 'rocking' all over the world  
-Walter Fust

## DEFINITION

Definition of Entrepreneurs and Social Entrepreneurship are abbreviated as follows:-

**Table1. Entrepreneurs**

Sr.No	Source	Definition	Characteristics
1.	Joseph Alois Schumpeter, 1954	Entrepreneurs are not necessarily motivated by profit but regard it as a standard for measuring achievement or success.	Profit, Success
2.	Howard Stevenson's, 1983	Entrepreneurship is the process by which individuals pursue opportunities without regard to the resources they currently control	Opportunities, Resource
3.	Cantillon, 1755	Entrepreneur is a person who purchases a raw material at a known price in order to sell it at an unknown price	Intermediary, Transformation

**Table2.Social Entrepreneurs**

Sr.No	Source	Definition	Characteristics
1.	Bornstein ,1998	A social entrepreneur is a path breaker with a powerful new idea who combines visionary and real-world problem-solving creativity, has a strong ethical fiber, and is totally possessed by his or her vision for change.	Idea, Ethics
2.	J. Gregory Dees,1998	Adopting a social mission; relentlessly pursuing opportunities to further that mission; continuously innovating, adapting, and learning; acting boldly without constraints of limited resources; and consciously being accountable to this target audience of the mission.	Mission, Resources
3.	Paul C. Light, 2006	Social entrepreneurs are not born with certain behavior traits that set them up for success; rather, they have learned skills and create supportive environments that enable innovative problem solving.	Learned Skills, Traits, Environment
4.	Roger L. Martin and Sally R. Osberg, 2007	Social entrepreneurs thrive by identifying an unsatisfactory socio-economic equilibrium and embracing the opportunities that are present to change it.	Equilibrium, opportunities
5.	Ashoka, 2012	Social entrepreneur are individuals with innovative solutions to society's most pressing social problems. They are both visionaries, and ultimate realists, concerned with practical implications of their vision above all else.	Visionary, Committed

**Table3. Social Entrepreneurship**

Sr.No	Source	Definition	Characteristics
1.	Dees, Emerson and Economy, 2002	“Social entrepreneurship is not about starting a business or becoming more commercial. It is about finding new and better ways to create social value.”	Commercial, Society
2.	Cochran, 2007	“Social entrepreneurship is the process of applying the principles of business and entrepreneurship to social problems”	Social Problems
3.	Wei-Skillern, Austin, Leonard and Stevenson, 2007	“We define social entrepreneurship as an innovative, social value creating activity that can occur within or across the nonprofit, business, or government sector.”	Innovation, Non-profit
4.	Zhara, Gedajlovic, Neubaum, Shulman, 2008	“Social entrepreneurship encompasses the activities and processes undertaken to discover, define and exploit opportunities in order to enhance social wealth by creating new ventures or managing existing organizations in an innovative manner.”	Opportunities, Innovation

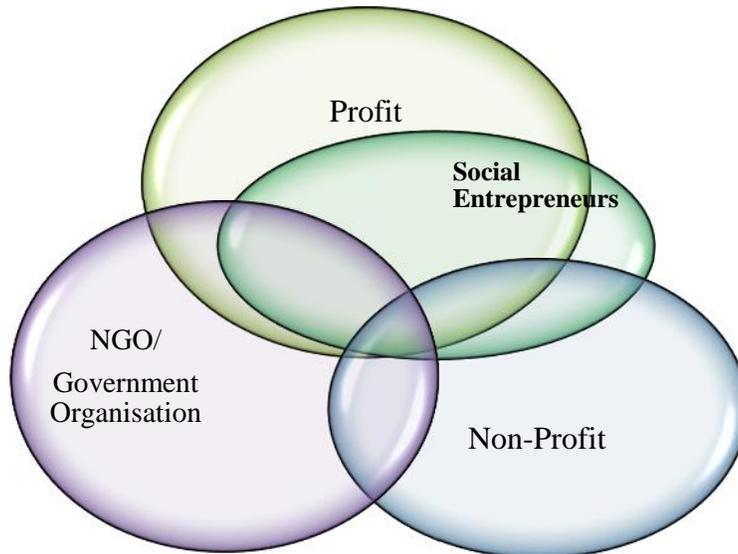
## CONCEPT

Social entrepreneurs or “Agents of Change” are committed to formulate innovative solutions for the most pressing/intractable problems anywhere in the society. These problems can be broadly classified into the areas related to education, health-care, environment and livelihood opportunities. In West, they are often termed as Philanthropreneures, wherein work is combined with philanthropy through sustainable and innovative solutions for gearing up the structural changes in the economy. For example, an organization that aims to provide livelihood opportunities to the victims of acid attack may open up a restaurant for employing them and also raise funds creating awareness about such issues in the society

A Social Entrepreneur drives social change brought about by social challenges using business solutions to solve them. Some of the trends followed by them are: Cross-Compensation is the concept of a group of customers pays for the service. Profits from this group are used to subsidize the service for another, underserved group. Employment and skills training – The core purpose is to provide living wages, skills development, and job training to the beneficiaries: the employees. Market Intermediary – The social enterprise acts as an intermediary, or distributor, to an expanded market. The beneficiaries are the suppliers of the product and/or service that is being distributed to an international market. Cooperative – A for profit or nonprofit business that is owned by its members who also use its services, providing virtually any type of goods or services.

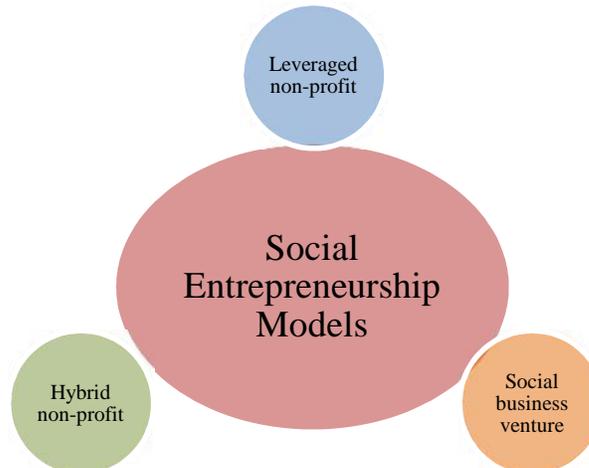
Usually social entrepreneurship is non-profit but profit enterprises work with goal to positively influence society. These enterprises or companies are not dependent upon donation or grants. Social entrepreneurs define their confines with their role and function, activities orienting charity and scope and limit of entrepreneur’s operating. Social entrepreneurship becomes a social endeavor when it transforms social capital in a way that affects society positively. Social entrepreneurs combine their passion with mission (explicit and central), business-like discipline, innovation, and determination.

**Figure1. Social Entrepreneurs in Entrepreneurship**



Social entrepreneurs business falls under three models depending upon business type, objective, environment and climate.

**Figure2. Social Entrepreneurship Models**



1. Leveraged non-profit: Leverages financial and other resources in an innovative way to respond to social needs.
2. Hybrid non-profit:
  - ) It takes a variety of forms.
  - ) Uses profit from some activities to sustain its other operations with a social or community purpose.
  - ) Deal with government failures or market failures.

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) Generate revenue to sustain the operation without requiring loans, grants, and other forms of traditional funding.

3. Social business venture:

) Designed to create change through social means.

) Evolved through a lack of funding.

) Social entrepreneurs are forced to become for-profit ventures, because loans and equity financing are hard to get for social businesses.

## CONCLUSION

It is concluded that Social entrepreneurship is the social reformation which creates sustainable solution for social change. Business and social entrepreneurs shares common traits like Strategic thinking, focused, mission driven, result seeker, perseverance etc. It comprises of less distinct sectors of non-profit organization, hybrid organization mixing non-profit and for profit organization, Social Venture. It is the combination of philanthropy, commerce and hybrid.

“With the growing popularity of social enterprises, it will become easier for the consumers to do good. I would like to see a future where companies are competing on the amount of Good they do, than the actual product itself.”

–Nicholas Dion

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