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AN ANALYTICAL STUDY OF SOCIAL ENTREPRENEURSHIP WITH SPECIAL REFERENCE TO INDIA

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ABSTRACT

India certainly is a complex matter, with a great number of different religions, languages, scripts, ethnic variety, and a scattered political landscape of India. Even today, for most people in the Western world, India represents still a mystical country full of fairy tales to be told whereas Independent India inherited five main problems, that is, poverty, unemployment & Underemployment, wide disparities in personal incomes, wrong philosophy of life & the long spell of foreign rule/Minority rule and corruption in every form. This article focuses on the development of the welfare state system in India through social entrepreneurship. Social entrepreneurs are the driving force of any nation. Their role has evolved over time. In developing country like India, we need to identify social entrepreneurs and showcase their impact on the growth and development of the nation. Today, social entrepreneurs have both a name and a recognized place in society. In many ways, the field of social entrepreneurship has "tipped." A growing number of influencers from the public and private sectors see investing in social entrepreneurs as a credible avenue for driving systems change through innovation. This paper focused on the basic concept and meaning of social entrepreneurship along with the constraints which the social entrepreneurs have to face while dealing with the society.

Keywords: *Social Entrepreneurship, Social Entrepreneurs, Cultural Constraints, Unemployment & Underemployment, Social Institutions, Socio-cultural Evolution*

INTRODUCTION

Social change refers to an alteration in the social order of a society. It may include changes in nature, social institutions, social behaviours or social relations. In country like India, it is required to the great extent. Social change may refer to the notion of social progress or socio-cultural evolution, the philosophical idea that society moves forward by dialectical or evolutionary means. It may refer to a paradigmatic change in the socio-economic structure. This can bring out with the help of social entrepreneurs. Social entrepreneurship can initiate social changes by bringing about a change in outlook and attitude of man. It can bring about a change in the pattern of

social relationships and thereby it may cause social changes. Earlier the phenomenon of entrepreneurship was only associated with the idea generation, innovation and profit making. It aims at imparting knowledge, creativity and innovation for contributing in the welfare of the society while making profits too. It is an independent and emerging trend now days. This concept helps in bringing about changes in the behaviour of the people living in the society. It enables every individual to effectively participate in the activities of society and to make positive contribution to the progress of society.

Social entrepreneurship refers to the practice of combining innovation, resourcefulness and opportunity to address critical social and environmental challenges. Social entrepreneurs focus on transforming systems and practices that are the root causes of poverty, marginalization, environmental deterioration and accompanying loss of human dignity. In so doing, they may set up for-profit or not-for-profit organizations, and in either case, their primary objective is to create sustainable systems change. The key concepts of social entrepreneurship are innovation, market orientation and systems change.

Social entrepreneurs are the society's change agent, that is, pioneer of innovations that benefit humanity. Social entrepreneurs are drivers of change. Together with institutions, networks, and communities, social entrepreneurs create solutions that are efficient, sustainable, transparent, and have measurable impact.

OBJECTIVES OF THE STUDY

- To discuss the key constraints on social change in India.
- To discuss why we call the social entrepreneurs, a leader or pragmatic visionary.
- To discuss the contribution of social entrepreneurs in India.

RESEARCH METHODOLOGY

The study was explorative cum descriptive in nature. It is an empirical research based upon the secondary data. The secondary data was collected through study of various academic works in the relevant field.

KEY CONSTRAINTS ON SOCIAL CHANGE IN INDIA:

- **Cultural Inertia:** It means adherence to age old customs, traditions and beliefs. Conservative and orthodox people resist change.
- **Mindset:** Some people are very skeptical and apprehensive, they are scared of change. Some are biased against people from different castes, religions, regions and communities.
- **Vested Interest:** The privileged sections of society like religious leaders, politicians, businessmen etc. sometimes resist change because it may mean a loss of power.
- **Cultural Lag:** Post globalization, the material culture of India has changed significantly but not the non-material culture. As a result of cultural lag and its social consequences a lot of people are scared of change.
- **Fear of a New Way of Life:** When people are used to a particular way of life, they find it very hard to adjust to changes in society. For example, Modernization is often accompanied by urbanization and westernization, so a lot of people are confused whether they should stick to old values or accept new ones.
- **Racial Discrimination:** It has prevailed in India since time immemorial. However, its existence hasn't been widely accepted or understood for that matter. The new social order does not recognize disparities of this sort. The so called racially superior category is going to resist any change that removes them from their position of superiority.
- **Class Discrimination:** If you are wealthy, you can be of any colour, caste, region or religion-people are going to respect you in India. However, if you are not, your movement up the social ladder will not be easy. The wealthy are likely to find ways and means of preventing it. They will resist social change to maintain their position in society.
- **Gender Discrimination:** Women are accepted to be inferior beings in India. A majority of women are not allowed to do the things that they want to. This means underutilization available human resources. People with a patriarchal mindset are going to resist any change that treats women as equal to men.
- **Discrimination based on Caste and Religion:** Only upper caste Hindus are not discriminated against based on their caste and religion. Rest all are, in some way or the other. People from the Scheduled Castes and Tribes, Other Backward Castes (OBC) and people from minority communities/religions are hated not only because they were born into these castes but also because they enjoy certain benefits which people from the General category are deprived of. However, reservation has helped in their upliftment in a big way. The fact remains that these people are not even treated like human beings in most regions of India.

How can there be progress if people are biased against each other and can't work together? The upper caste people will resist any change that will bring them down from their superior positions.

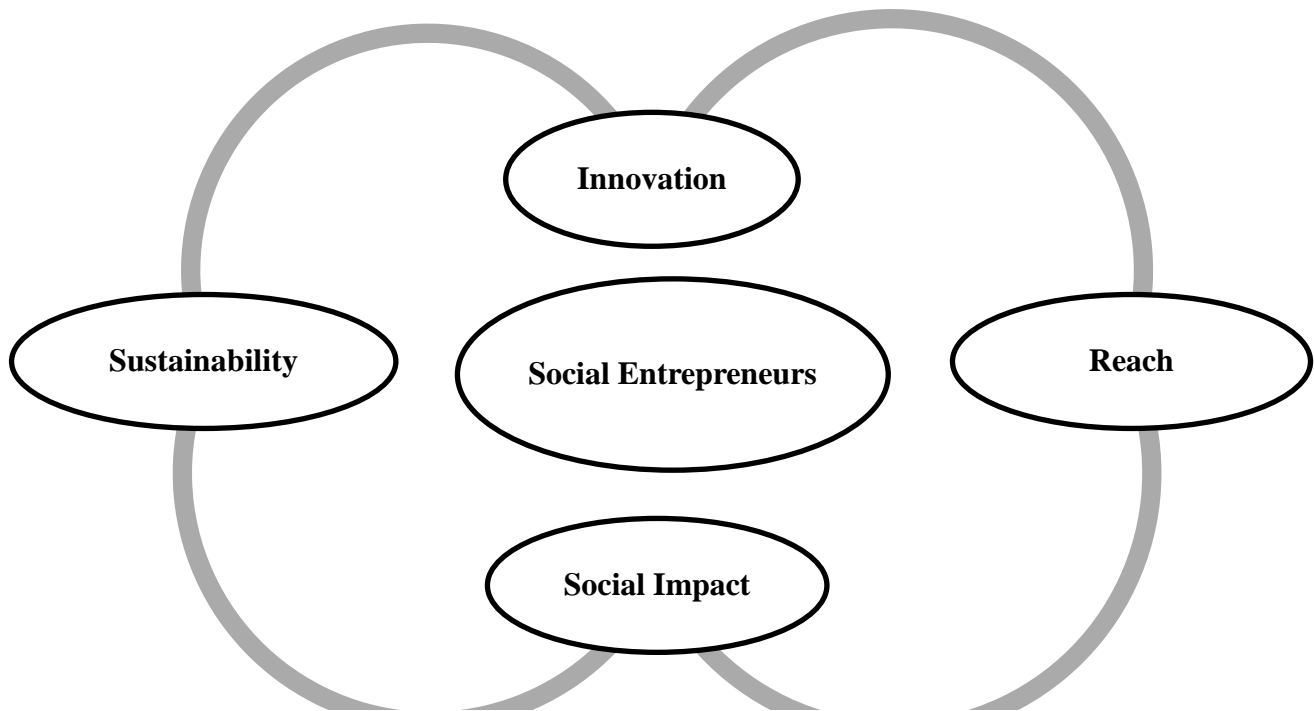
- **Regional Discrimination:** It says that people from the different states of India are biased against each other. Prejudice of this sort prevents people from collaborating. People who cannot give up their age old beliefs resist change.

SOCIAL ENTREPRENEUR: A LEADER OR PRAGMATIC VISIONARY

Social entrepreneurs drive social innovation and transformation in various fields including education, health, environment and enterprise development. They pursue poverty alleviation goals with entrepreneurial zeal, business methods and the courage to innovate and overcome traditional practices. A social entrepreneur, similar to a business entrepreneur, builds strong and sustainable organizations, which are either set up as not-for-profits or companies.

This is the term that captures a unique approach to economic and social problems, an approach that cuts across sectors and disciplines grounded in certain values and processes that are common to each social entrepreneur, independent of whether his/ her area of focus has been education, health, welfare reform, human rights, workers' rights, environment, economic development, agriculture, etc., or whether the organizations they set up are non-profit or for-profit entities. It is this approach that sets the social entrepreneur apart from the rest of the crowd of well-meaning people and organizations who dedicate their lives to social improvement.

- Achieves large scale, systemic and sustainable social change through a new invention, a different approach, a more rigorous application of known technologies or strategies, or a combination of these.
- Focuses first and foremost on the social and/or ecological value creation and tries to optimize the financial value creation.
- Innovates by finding a new product, a new service, or a new approach to a social problem.
- Continuously refines and adapts approach in response to feedback.
- Combines the characteristics represented by Richard Branson and Mother Teresa.



The common traits of the Social Entrepreneurs include:

- An unwavering belief in the innate capacity of all people to contribute meaningfully to economic and social development
- A driving passion to make that happen.
- A practical but innovative stance to a social problem, often using market principles and forces, coupled with dogged determination that allows them to break away from constraints imposed by ideology or field of discipline, and pushes them to take risks that others wouldn't dare.
- A zeal to measure and monitor their impact. Entrepreneurs have high standards, particularly in relation to their own organization's efforts and in response to the communities with which they engage. Data, both quantitative and qualitative, are their key tools, guiding continuous feedback and improvement.
- A healthy impatience. Social Entrepreneurs cannot sit back and wait for change to happen – they are the change drivers.
- About applying practical, innovative and sustainable approaches to benefit society in general, with an emphasis on those who are marginalized and poor.

INDIA'S SOCIAL ENTREPRENEURSHIP HEROES

- **MAHATMA GANDHI**

Why Gandhi? The Mahatma was a man obsessed with sustainability, being environment friendly, making the best use of local resources, growth of villages, power of cooperatives, promoting local industry and community-driven initiatives. If social entrepreneurs can be described as visionaries who solve old problems with new ways of thinking Gandhi certainly fits the bill. He always spoke of growing local cottage industry, like Khadi, being self-reliant and having the community own enterprises. The best example of his insistence of leveraging local resources and not being depending on imports is his 'Salt March' to Dandi, where he called for local production of salt, after there was salt tax levied by the British. Gandhi's love for Panchayat Raj, empowerment of women and ban of imports can be looked at as seeds of social transformation, sustainability and self-sustaining local communities.

- **DR VERGHESE KURIEN (Father of the India's Milk Revolution)**

Tribhuvandas Kishibhai Patel might have founded The Kaira District Co-operative Milk Producers' Union (now better known as Amul) in 1946. But if it wasn't for Varghese Kurien- who had just arrived from the US after pursuing a Master's Degree- the co-operative would never have become a household name. Kurien's contribution to the social entrepreneurship movement in India is monumental. Thanks to Kurien's foresight, planning and execution, India through the 'white revolution', went from a milk importing country to the world's largest producer. In a career spanning close to 60 years, Kurien founded around 30 institutions of excellence like Gujarat Co-operative Milk Marketing Federation (GCMMF), Institute of Rural Management, Anand (IRMA) and The National Dairy Development Board's (NDDB).

- **SANJIT "BUNKER" ROY (Founder of Barefoot College)**

In 1965, Roy was a young post graduate student from St Stephen's College, Delhi, when he volunteered to spend the summer mapping 100 drought prone areas in famine-affected Palamu District, of Jharkhand (earlier part of Bihar). Roy was never the same following this experience and he made it his life's mission to fight poverty and inequality thereon. He founded Social Works and Research Centre (SWRC) in 1972 to find ways to address rural poverty by using new models and strategies. His first initiative was to address the water situation by making the villagers self-sustainable by setting up water pumps that were maintained by the villagers. These efforts through

SWRC morphed into Barefoot College. Roy through Barefoot College trains villagers to adopt solutions in solar energy, water, education, health care, rural handicrafts, people's action, communication, women's empowerment and wasteland development. In 2010 Roy was recognized by TIME magazine in 2010 as one of the world's 100 most influential people for training 3 million rural folk to be self-sufficient by providing them training, life skills and making them literate. Roy, incidentally is married to Aruna Roy- the woman who made the Right to Information Act a reality.

- **ANIL KUMAR GUPTA (IIM-A Professor and Founder of Honeybee Network)**

Gupta, a professor at Indian Institute of Management, Ahmedabad since 1981, is a true advocate of the grassroots revolution. He's famous for recognizing rural innovators, helping commercializing their inventions, protecting the intellectual property rights of inventors by filing patents and creating a knowledge network at different levels for augmenting grassroots innovations and inventions. He is the founder of Honey Bee Network, fellow at the Science and is the executive vice chair of the National Innovation Foundation. Through the Honey Bee Network, and with the help of Society for Research and Initiatives for Sustainable Technologies and Institutions (SRISTI) and Grassroots Innovation Augmentation Network(GIAN) Gupta converts grassroots innovations into viable commercial products. To date, his endeavors document more than 1,00,000 ideas, innovations and traditional knowledge practices. Gupta organizes a biannual 'Shodh Yatra' that takes participants into different villages to learn more about 'knowledge, creativity and inventions' at the grassroots.

- **HARISH HANDE (Co-Founder Selco Solar)**

Hande, co-founded Selco in 1995, to bring renewable energy solutions to India's poor. When he first started he had problems with creating awareness about solar and had to install the first lighting solutions free of cost to demonstrate its value. Selco's impact since then? In the past 18 years more than 1.35 lakh solar home lighting systems have been installed. His stellar efforts has won him Asia's 'Nobel' prize, the Ramon Magsaysay Award in 2011, for "his pragmatic efforts to put solar power technology in the hands of the poor, through his social enterprise SELCO India." Hande's genius has been his efforts to not just sell solar lighting solutions, but creating an entire ecosystem around it, including tie-ups with banks, NGOs and farmer co-operatives for innovative financing, creation of income generation activities using solar, high-quality products and superior after sales service. Hande has adopted an open platform for growth, and has created the Selco Incubation Centre, where he mentors other social entrepreneurs to empower them to do exactly what he's done. To date the centre has mentored four social entrepreneurs, with another six currently going through the mentoring process. Hande has

also started Selco Foundation, the philanthropic arm of Selco, which seeks to provide the rural poor with renewable energy services that can be leveraged for income generating activities.

- **DR. G. VENKATASWAMY, (Founder of Aravind Eye Hospital)**

Dr. Venakataswamy (also known as Dr V) founded Aravind Eye Hospital in 1976 as a way to provide affordable eye-care to the millions who had no access to quality healthcare. From its humble origins of a 11-bed clinic manned by 4 medical officers, it has grown into one of the world's largest facilities for quality eye-care. The story goes that Dr. Venkataswamy very nearly did not become a doctor because he developed rheumatoid arthritis when he had enrolled in the Indian Army Medical Corps, which was so severe that he was unable to hold a pen. He returned to medical school, earned his degree and ended up doing 100 surgeries a day at his peak. Aravind Eye Hospital demonstrated that you could provide quality eye-care at prices that couldn't be imagined in the past through innovation. "Intelligence and capability are not enough. There must also be the joy of doing something beautiful. Being of service to God and humanity means going well beyond the sophistication of the best technology, to the humble demonstration of courtesy and compassion to each patient," said Dr Venkataswamy of his work. To date, his hospital has attended to 32 million patients and performed nearly 4 million eye surgeries, majority of them being low-cost or free.

- **SUNIL BHARTI MITTAL (Founder of Airtel)**

Mittal's company Bharti Airtel is being considered as India's largest social enterprise for putting the power of telecom in the hands of the poor. Mittal is the secret social entrepreneur in this top 10 list. His ingenuity lay in driving down costs of mobile telephony that allowed for the poor to use mobiles for news, information, entertainment and keeping in touch. Farmers can now receive crop and weather related information over the phone, blue-collar workers can search for new, higher paying jobs and fishermen can get a better price for their catch. Currently Mittal's Airtel is involved in a huge push into rural areas, this will lead to more rural folk becoming part of the information revolution. His company has more than 188 million subscribers who enjoy voice and data services, out of which 84 million are based in the hinterland. Besides his work with Airtel, Mittal also set up the Bharti Foundation in 2000, to do philanthropic work in the area of education and empowering youth from low-income communities through entrepreneurship.

- **VINEET RAI (Founder of Aavishkaar)**

Rai could be the most important man in the world of Indian social entrepreneurship at present. He is founder and the CEO of India's first social venture firm Aavishkaar Venture Management Service and also co-founder and chairman of Intellectap, a provider of business solutions for social enterprises. His inspiration to start Aavishkaar came when he was the CEO of Grassroots Innovation Augmentation Network (GIAN), an incubator for rural innovations and ventures.

Rai was a visionary, because when he started Aavishkaar in 2001 with a seed capital of Rs 1 lakh, there wasn't any precedent to investing in social enterprises. He has nurtured plenty of social enterprises by investing in them including rangSutra (art and craft producer), Vaatsalya Healthcare (an affordable hospital chain based in semi-urban and rural areas) and Waterlife (affordable water solutions for the poor). Besides making good investments, Rai had taken it upon himself to boost India's social entrepreneurship ecosystem through a series of initiatives. Through Intellectap, Rai is instrumental in organizing Sankalp-Unconvention Summit, Asia's largest conference on social entrepreneurship. In recent years he helped kickstart India's first angel network of high net worth individuals and institutional investors- Intellectap Impact Investment Network (I³N) and India Impact Investor Council (IIIC) that is seeking to lay down the standards for impact investing in India so that it doesn't befall the same fate of the microfinance industry during the 'Andhra crisis' in 2010.

- **VIKRAM AKULA (Founder of SKS Microfinance)**

Akula founded SKS Microfinance in 1998 to provide micro-loans and insurance, and within a period of 12 years (does not include a brief hiatus to McKinsey), had taken the company to a blockbuster IPO of \$347 million in 2010. His roots in microfinance went back to the time when as a Fulbright Scholar in India in 1994-95, Akula led a government-funded action-research project that provided micro-credit to poor farmers for food security. Prior to which he was named in Time's list of 100 most influential people in 2006. Since the microfinance controversy that involved his company SKS Microfinance, and his acrimonious exit from the very company he founded, Akula has made very few public appearances and largely stayed away from making public appearances. The reason why Akula makes this list is very simple. He showed India and the world that social enterprises can achieve enormous scale. We won't go into debating the methods that were used by SKS Microfinance in gunning for growth or the ethics of profiting from the poor. Akula, for all criticism, had his heart in the right place when he started the company.

- **SATYANARAYAN GANGARAM PITRODA (Chairman, National Innovation Council)**

Sam Pitroda is not your topical social entrepreneur hero, but he makes the cut for the work that he put in for more than 4 decades, in areas like telecom and information technology leading to him being commonly referred to as the ‘Father of India’s communication revolution.’ He was the technology advisor in the 1980s, to the then Prime Minister Rajiv Gandhi, during which he heralded the telecom revolution in India. Having enjoyed an illustrious career, in the past, he has been an advisor to the Prime Minister on public information infrastructure and innovations and chairman of the National Knowledge Commission. Currently he is the driving force behind the National Innovation Council, the council tasked with driving innovation in the country, by adopting the principles of inclusive growth. Some of the interesting initiatives that Pitroda is driving through the council is the setting up of a Rs 5,000 crore venture fund for social ventures, the open government data drive and the Planning Commission organized hackathons. The Rs 5,000 crore India Inclusive Innovation Fund plans to invest in social enterprises that are driving innovation at addressing problems at the bottom of the pyramid (BoP). Pitroda believes that the data.gov.in (open government data) initiative will help tap the power of the developer community to build apps that will be helpful in different sectors like education, healthcare and government social welfare schemes. “Today we have over 3,500 sets of data but in next six months we would like to see that this goes up to 10,000 data sets and we would like to challenge developer community to make at least 100 applications in next month to use this data,” remarked Pitroda at the launch of data.gov.in

CONCLUSION

As social entrepreneurs are united by their ability to adopt a mission to create and sustain social value (not just commercial value), recognise and relentlessly pursue new opportunities to serve that mission, engage in a process of continuous innovation, adaptation, and learning, act boldly without being limited by resources currently in hand and exhibit a heightened sense of accountability to the constituencies served and for the outcomes created. When it comes to social entrepreneurship, India is often referred to as the epicenter of impact investing, and the world’s laboratory for testing new ideas. With a billion dollars waiting to be invested in social enterprises and success stories like Husk Power Systems, Rangсутra, delight, Water life and Vaatsalya Healthcare regularly making the rounds in global social entrepreneurship circles, the country is clearly a very important market. Social entrepreneurship in India has gained tremendous ground over the last decade. In essence, it merges the business acumen and skills of an entrepreneur to help the social causes and leads to the change in our society for the betterment. Any social entrepreneur is immediately set apart from his peers by the work that he does, often

measuring his success not only by the profits or the revenues but also by the number of people in the society whose lives have been transformed due to his efforts. Such organisations have to work in collaboration with both the government and the private sector. Social entrepreneurship basically leads to the ultimate growth and progress of the society.

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