

UNIT: 1 - FUNDAMENTALS OF SOCIAL ENTREPRENEURSHIP

- **Concept of Social entrepreneur & entrepreneurship,**
- **Evolution, Need, Major and Functions,**
- **Difference between Social and Commercial entrepreneurs,**
- **Areas of Social Entrepreneurship.**

INTRODUCTION

India has become fertile ground for breeding new entrepreneurs. Indian economy has shown stability in the recent economic recession as compared to markets of other economies & thus its markets are more liquid and vibrant. It is well established fact that education is a decisive factor which contributes to the development of entrepreneurship. Access to technology, increase in foreign direct investments and other de-regulation policies are presenting new opportunities every day.

An important aspect of entrepreneurship in India is social entrepreneurship. **In India, where high levels of poverty and unemployment still exist, many people have decided to take matters into their own hands, with or without the help of government, to work for a better tomorrow.** There is a greater recognition that social enterprises could have a role in solving social issues. What we need to do is to create an environment where entrepreneurs feel confident that they will not face any obstacles if they develop business models for the benefit of the poor & marginalized.

Social entrepreneurs in India are proving every day that **“You just need big VISION”** rather than big pockets or big business to create impressive changes. In fact, the innovations of our social entrepreneurs are changing the stereotyped perceptions of life in rural India. Where rural India was once viewed as a place of poverty and degradation, today it is increasingly seen as a land of opportunity, only due to the visions of many individuals & social enterprises.

SOCIAL ENTREPRENEURS

Social entrepreneurs are people who have identified a need in their community, society, or somewhere else in the world, and have come up with a way of remedying that issue through the application of market principles. The remedy could be creative, innovative, “out of the box”, divergent, different, unique, etc. In general, social entrepreneurs did not start out with the goal of making money, but in the long run, switch to a for-profit business. Evidences indicate many social entrepreneurs are faced with an issue in their youth that motivates them to do something about the problem in adulthood, such as poverty, sanitation, education, health care, etc.

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. **(Boschee, 1998)**

Social entrepreneurs are people who realize where there is an opportunity to satisfy some 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”. **(Thomson, Alvy, Lees, 2000)**

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. **(Bornstein, 2004)**

Social entrepreneurs are individuals with innovative solutions to society's most addressing social problems. They are ambitious and persistent, tackling major social issues and offering new ideas & solutions for wide-scale change. 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 heights, rather than leaving societal needs to the government or business sectors.

Social entrepreneurs are great people recruiters who present their ideas or solutions in a way that many people, who are either part of the problem or surrounding it, recognize a need for change and get onboard the change bandwagon. Thus mobilizing the masses for bringing about change is a hallmark of a social entrepreneur.

Entrepreneurs are people who venture into new areas primarily with intent of making profit out of the same. They are more socially responsible and have the obligation of contributing to the well being of the society in which they operate; but this obligation is secondary. In social entrepreneurship this obligation of contribution to social well being is primary and in a way profit takes a back seat or is more or less secondary but essential to the survival.

A social entrepreneur takes up a pressing social problem and meets it with an innovative or path breaking solution. Since profit making is a secondary objective, therefore they are people who are passionate and determined about what they do. They possess a very high level of motivation and are visionaries who aim at bringing about a change in the way things are.

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.

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 it. In other words, every leading social entrepreneur is a mass recruiter of local change makers-a role model proving that citizens who channel their passion into action can do almost anything.

A social entrepreneur identifies and solves social problems on a large scale. Business entrepreneurs create and transform whole industries, same way social entrepreneurs act as the change agents for society, seizing opportunities others miss in order to improve systems, invent and disseminate new approaches and advance sustainable solutions that create social value.

Unlike traditional business entrepreneurs, social entrepreneurs primarily seek to generate "social value" rather than profits. And unlike the majority of non-profit organizations, their work is targeted not only towards immediate, small-scale effects, but sweeping, long-term change.

The objective is to deliver the intended social value while remaining financially self-sufficient. This is achieved by blending social and profit-oriented activities to achieve self-

sufficiency, reduce reliance on donations and government funding, and increase the potential of expanding the delivery of proposed social value.

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.

A social entrepreneur is a person who recognizes a social problem and uses entrepreneurial principles to organize, create, and manage a venture to make social change (a social venture).

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.

The job of social entrepreneurs is to recognize when a part of society is stuck and to provide new ways to get it unstuck. They find what is not working and solves the problem by changing the system, spreading the solution and persuading entire societies to take new heights.

Identifying and solving large-scale problems requires a committed person with a vision and determination to persist in the face of daunting odds. In nutshell, social entrepreneurs are driven to produce measurable impact by opening up new pathways for the marginalized and disadvantaged and unlocking society's full potential to effect social change.

SOCIAL ENTREPRENEURSHIP

The idea of “social entrepreneurship” has struck a responsive cord. It is a phrase well suited to our times. It combines the passion of a ‘social mission’ with an ‘image’ of business-like discipline, innovation, and determination commonly associated with, for instance, the high-tech pioneers of Silicon Valley. The time is certainly ripe for entrepreneurial approaches to social problems. Many governmental and philanthropic efforts have fallen far short of our expectations; major social sector institutions are often viewed as inefficient, ineffective, and unresponsive. Thus, Social entrepreneurs are needed to develop new models for a new century.

Social entrepreneurship is the recognition and identification of a social problem and the uses & application of entrepreneurial principles to organize, create and manage a social venture to achieve a desired social change. A business entrepreneur measures performance in personal 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 is a multidimensional construct involving the expression of entrepreneurially virtuous behavior to achieve the social mission, a coherent unity of 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. (Mort, Weerawardena, & Carnegie, 2002)

Social entrepreneurship creates innovative solutions to immediate social problems and mobilizes the ideas, capabilities, resources, and social arrangements required for sustainable social transformation. **(Alvord, Brown, & Letts, 2004)**

Social entrepreneurship may be defined as a professional, innovative, and sustainable approach to systemic change that resolves social market failures and grasps opportunities. **(Said Business School)**

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, social process, environmental deterioration and accompanying loss of human dignity.

Social entrepreneurship is the process of bringing about social change on a large scale. Social entrepreneurs function as the agents of change, questioning the status quo, grabbing the new yet overlooked opportunities, and changing the world for the better. Today, they are making up for the shortcomings of the bureaucracies and government.

Social entrepreneurship is about applying practical, innovative and sustainable approaches to benefit society in general, with an emphasis on those who are marginalized and poor.

EVOLUTION OF SOCIAL ENTREPRENEURSHIP

Though the concept of “social entrepreneurship” is gaining popularity, it means different things to different people. This can be confusing. Many associate social entrepreneurship exclusively with not-for-profit organizations starting for-profit or earned-income ventures. Others use it to describe anyone who starts a not-for-profit organization. Still others use it to refer to business owners who integrate social responsibility into their operations. What does “social entrepreneurship” really mean? What does it take to be a social entrepreneur?

The concept of entrepreneurship has a long history in the business sector. The major themes have been value creation (J B Say), innovation and change agents (Joseph Schumpeter), pursuit of opportunity (Peter Drucker), and resourcefulness (Stevenson). As applied more recently to social concerns, the concept has taken on a variety of meanings. Some 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. 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.

The terms social entrepreneur and social entrepreneurship were used first in the literature on social change in the 1960s and 1970s. The terms came into widespread use in the 1980s and 1990s, promoted by Bill Drayton the founder of Ashoka: Innovators for the Public, and others such as Charles Leadbeater. From the 1950s to the 1990s Michael Young was a leading promoter of social enterprise and in the 1980s was described by Professor Daniel Bell at Harvard as 'the world's most successful entrepreneur of social enterprises' because of his role in creating more than sixty new organizations worldwide, including the School for Social Entrepreneurs(SSE) which exists in the UK, Australia and Canada and which supports

individuals to realise their potential and to establish, scale and sustain, social enterprises and social businesses. Another British social entrepreneur is Lord Mawson OBE. Andrew Mawson was given a peerage in 2007 because of his pioneering regeneration work. This includes the creation of the renowned Bromley by Bow Centre in East London. He has recorded these experiences in his book "The Social Entrepreneur: Making Communities Work" and currently runs Andrew Mawson Partnerships to help promote his regeneration work. The National Center for Social Entrepreneurs was founded in 1985 by Judson Bemis and Robert M. Price; Jerr Boschee served as its president and CEO from 1991 to 1999.

The terms "social entrepreneur" and "social entrepreneurship" are relatively new, can be found throughout history. A list of a few historically noteworthy people whose work exemplifies classic "social entrepreneurship" might include Florence Nightingale (founder of the first nursing school and developer of modern nursing practices), Robert Owen (founder of the cooperative movement), and Vinoba Bhave (founder of India's Land Gift Movement). 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.

Social Entrepreneurship in the 19th Century

Although Bill Drayton's Ashoka (established in 1980) is just 32 years old, while the concept of social entrepreneurship is centuries old. The pioneers of social entrepreneurship in the 19th Century include many renowned personalities in history. Some of them are:

Social Entrepreneurs & Contribution
Robert Owen (1771-1858): A mill owner was a pioneer in improving working conditions at factories. He laid the foundation of the cooperative movement by opening a store for factory workers to buy goods of sound quality at little more than wholesale cost and restricting the sale of alcohol. He was also the founder of infant childcare in Great Britain.
Florence Nightingale (1820-1910): The most famous social entrepreneur in history, she founded the world's first nursing school and developed modern nursing practices.
Henry Durant (1829-1910): A French businessman, who witnessed firsthand the suffering of soldiers in the Austro-Sardinian War of 1859, lobbied for national voluntary relief organizations to help nurse wounded soldiers during war and for development of international treaties to guarantee protection of medicos and those wounded on the battlefield. His efforts led to the establishment of the International Red Cross.
William Booth (1829-1912): William and his wife Catherine established the East London Christian Mission in 1865 to perform evangelical, social, and charitable work and to bring the Christian message to the poor, destitute, and hungry by meeting both their physical and spiritual needs. In 1878, he reorganized the mission along military lines and called it "The Salvation Army," open to all regardless of race, color, or creed.
Frederick Law Olmstead (1822-1903): He espoused the "City Beautiful" movement aimed at transforming cities with open space, and developed many famous urban parks such as Rock Creek Park in Washington D.C. and Boston's Emerald Necklace. His efforts were instrumental in changing the very concept of cities from primary centers of commerce to "nice places to live and work."

Social Entrepreneurship in the Early 20th Century

Social Entrepreneurship in the early 20th Century remained more or less a continuation of the movement that started in the 18th Century. Some of the leading luminaries of social entrepreneurship in the early 20th Century are:

Social Entrepreneurs	Contribution
Dr. Maria Montessori (1870-1952):	Established the “Casa dei Bambini” (Children's House) in Rome to further her idea of education reform based on the premise that children teach themselves, unassisted by adults. Her methods evolved into the famous <u>Montessori Method</u> of early childhood education.
John Muir (1838-1914):	This naturalist, conservationist, inventor, and writer established the Sierra Club and worked with President Roosevelt to establish the U.S. national park system, lobbying against the devastation of the Sierra Nevada caused by ranching. Muir personally involved himself in the establishment of Sequoia, Mount Rainier, Petrified Forest, and Grand Canyon national parks.
Franklin Delano Roosevelt (1882-1945):	This US President passes as a social entrepreneur for his role in establishing the Tennessee Valley Authority to overcome the effects of the Great Depression. The Tennessee Valley Authority revitalized local economy by harnessing the power of the local rivers to create cheaper energy.

Modern Social Entrepreneurship

Trends from the preceding two decades show that social entrepreneurs have moved from their traditional philanthropic and charitable moorings to find more effective and sustainable solutions to social problems using the tools from the world of business.

One of the earliest such modern day social entrepreneurship initiative is Oxfam or Oxford Committee for Famine Relief established in 1942 by a group of social activists, and Oxford academics.

The modern form of corporate based social entrepreneurship, however, starts with Michael Young, who between the 1950s and 1990s created more than sixty new organizations worldwide, including a series of Schools for Social Entrepreneurs in the UK.

Jeff Skoll, a noted philanthropist and eBay's first president established the Skoll Foundation in 1999 to help people continue or expand their work for social change in various parts of the world. The Skoll Centre for Social Entrepreneurship at the Said Business School at Oxford University supports social entrepreneurship.

History of Social Entrepreneurship in India

Early beginnings: The story of the entrepreneurship in India is full of ups and downs. During the British regime, the entrepreneur was seen more as a broker or money lender, bound by caste affiliations, religious, cultural and social forces right from the philosophy of dharma down to the joint family system. Entrepreneurship as we understand it today was not initially developed from this social segment. In addition, a number of political, economic factors too had an inhibiting effect on the spirit of enterprise among Indians during British era. Some of these were a lack of political unity and stability, the absence of effective communication

systems, the existence of regulatory barriers and oppressive tax policies, and the prevalence of varied currency systems – all these combined together to restrict the growth of entrepreneurship until around the third decade of the 19th century. The religious system of education and the low social esteem accorded to business were other potent forces that discouraged the advancement of large scale commercial ventures in pre-independence India.

The growth phase: The first half of 19th century witnessed a gradual change for the better to the prevailing scenario. During this period, there was a growing tendency among the locals to take to business. The spread of secular education, surge in nationalist feelings and social reform movements had given a boost to this phase of the emergence of entrepreneurship in the country. Moreover, the two world wars and the enormous business opportunities they created for the growth of industrial ventures brought about a radical change in the attitudes of the public in favor of industrial entrepreneurship and broadened the vision of Indian businessmen. Independent India had created a conducive climate for the spread of entrepreneurship. It is in this perspective that the later evolution and growth of entrepreneurship in India has to be understood.

Social entrepreneurs have been around since human beings started to form Social Communities, but the concept of social entrepreneurship is part of a more recent and larger story. It emerged at a specific historical juncture around the 1980s as business and society reorganized along entrepreneurial lines.

The recent evolution of social entrepreneurship can be classified into **four phases**:

The **first phase** or period was around 1980 and is best represented by the founding of Ashoka by Bill Drayton in 1980 to develop and legitimize the field of social entrepreneurship. It is due to this initial push, a growing number of social entrepreneurs around the world started to recognize them as such, and a global fellowship started emerging.

The **second phase** occurred soon after the first. In a sense, the two were part of the same wave of the early 80s in which men and women around the world began coming together to respond to the increasingly visible and growing gap between the ‘haves’ and the ‘have-nots’. Social entrepreneurs, like many other people who came together to address public sector shortcomings, respond to these gaps. But the difference between social entrepreneurs and other well meaning people wanting to do good to society is the way they go about it

Unlike the later, social entrepreneurs rather than just offering simple responses to basic needs in addition, provide practical, transformational solutions to change the systems and patterns that keep people poor. They also offer solutions instead of merely joining the throngs of protesters on the streets advocating change. Social entrepreneurs are the new social architects drawing up and testing the blueprint for a different way of ‘**creating a new world**’ – and proving that ‘**it can be done**’.

The **third phase** that fed into the evolution of social entrepreneurship is related to Corporate Social Responsibility – the concept emerging in the early 1990s that holds that the business of business is not just restricted to increasing shareholder value, rather, companies must embody transparency and ethical behavior, respect for stakeholder groups and a commitment to add economic, social and environmental value.

Corporate Social Responsibility, as it is known, was much less the result of an internal decision on the part of companies as it was a response to the popular movement led by the organized citizen sector and consumer groups and empowered by internet technologies that forced business to acknowledge that its shareholder value was tied to its ability to measure and reduce negative environmental and social impacts, and to maximize positive impact.

The remarkable occurrence was observed during this phase as some social entrepreneurs were turning the concept of Corporate Social Responsibility on its head. Rather than setting up a business to generate profit first and then trying to make it socially and environmentally responsible, they felt it would be a great idea to start out with the premise that the bottom line is social and environmental transformation, and then build for-profit activities around making that happen. Quite a number of social entrepreneurs have done exactly that – paving the way for the Social Corporation of the 21st century.

The **fourth phase** began around the same time in the early 1990s. The search to prove that one non-profit was a more effective investment than another was best accomplished by the establishment of clear measurable goals, benchmarks and outcomes so that such comparisons could be made. This occurred among foundations, philanthropists and not-for-profit ventures influenced by business approaches drawn primarily from the world of venture capital. Social entrepreneurs embraced this challenge.

Over the last few decades, social entrepreneurship has continued to evolve – partly influenced by these moments, but more often than not, seizing the opportunities presented by them to further position their initiatives. By the end of the 20th century, the term social entrepreneurship had started to become synonymous with development.

Current Scenario

In India, a social entrepreneur is a person, who is the founder, co-founder or a chief functionary (may be president, secretary, treasurer, chief executive officer (CEO), or chairman) of a social enterprise, or a Non-Profit, which raises funds through some services (often fund raising events and community activities) and occasionally products. Examples of some of the India based social entrepreneurs are Ramji Raghavan, Founder and Chairman, Agastya International Foundation; Harish Hande, Founder Selco India, Rippan Kapur, Child Rights and You and Jyotindra Nath of Youth United and so on.

Social entrepreneurship is quietly revolutionizing the less privileged sections of India. One well-known contemporary social entrepreneur is Muhammad Yunus, from Bangladesh, founder and manager of **Grameen Bank** and its growing family of social venture businesses, who was awarded a Nobel Peace Prize in 2006. The work of Yunus and Grameen echoes a theme among modern day social entrepreneurs that emphasizes the enormous synergies and benefits when business principles are unified with social ventures. In some countries - including Bangladesh and to a lesser extent, the USA - social entrepreneurs have filled the spaces left by a relatively small state.

Today, non-profits and NGOs, foundations, governments, and individuals also play the role to promote, fund, and advise social entrepreneurs around the globe. A growing number of institutes, colleges and universities are establishing programs focused on educating and training social entrepreneurs. Wittenberg University in Springfield, OH recently established a

partnership between the entrepreneurship department and Village Markets of Africa, allowing students hands-on experience with an organization working directly with producers.

Some have created for-profit and for-a-difference organizations. A recent example is Vikram Akula, the McKinsey alumnus who started a micro lending venture, SKS Microfinance, in villages of Andhra Pradesh. It has initiated a sharp social change amongst poor women from villages. Another example is the activity of Brent Freeman, Norma LaRosa, and Nick Reder the co-founders of Roozt.com a new e-commerce site in the United States that connects online shoppers with socially responsible, social entrepreneur vendors through a daily deal format. Each customer's purchase also donates to a monthly cause. This online shopping site aims to empower everyday online shoppers to make a difference in the world through everyday purchases and is committed to providing double bottom line value with every sale.

There are continuing arguments over precisely who counts as a social entrepreneur. The lack of consensus on the definition of social entrepreneurship means that other disciplines are often confused with and mistakenly associated with social entrepreneurship. Philanthropists, social activists, environmentalists, and other socially-oriented practitioners are referred to as social entrepreneurs. It is important to set the function of social entrepreneurship apart from other socially oriented activities and identify the boundaries within which social entrepreneurs operate. Some have advocated restricting the term to founders of organizations that primarily rely on earned income – meaning income earned directly from paying consumers. Others have extended this to include contracted work for public authorities, while still others include grants and donations. This argument is unlikely to be resolved soon.

Organizations such as Ashoka: Innovators for the Public, the Skoll Foundation, the Omidyar Network, the Schwab Foundation for Social Entrepreneurship, Athgo, Root Cause, the Canadian Social Entrepreneurship Foundation, NESsT, New Profit Inc., National Social Entrepreneurship Forum, and Echoing Green among others, focus on highlighting these hidden change-makers who are scattered throughout the world. Ashoka's Changemakers "open sourcing social solutions" initiative Change-makers uses an online platform for what it calls collaborative competitions to build communities of practice around pressing issues.

Youth social entrepreneurship is an increasingly common approach to engaging youth voice in solving social problems. Youth organizations and programs promote these efforts through a variety of incentives to young people. National Social Entrepreneurship Forum, founded by Yashveer Singh is support organisation for promoting social entrepreneurship amongst Indian Universities and youth.

The Internet and Social Networking Websites have been pivotal resources for the success and collaboration of many social entrepreneurs. These media allow ideas to be heard by broader audiences, help networks and investors to develop globally, and achieve their goals with little or no start-up capital.

Along with social problems, social entrepreneurship also focuses on environmental problems. Child Rights foundations, plants for treatment of waste products and women empowerment foundations are few examples of social ventures. Social entrepreneurs can be those individuals who are associated with non-profit and non-government organizations that raise funds through community events and activities. In the modern world, there are several well

known social entrepreneurs, Institutions and Foundations who have contributed a lot towards the society.

Rang De is an example of a non-profit social enterprise, established in the year 2008 by Ramakrishna and Smita Ram, is an online platform from where rural and urban poor people in India can access micro-credits with an interest rate of as low as 2 percent per annum. Lenders from all across the country can directly lend money to borrowers, track investments and receive regular payments online.

The **George Foundation** is one more nationally recognized social enterprise. The Women's Empowerment Program creates awareness among women by providing them education, vocational training, cooperative farming, business development and savings planning. By employing the principles of social entrepreneurship, these organizations are addressing the social problems and bringing a positive change in the society.

Present Day Social Entrepreneurs

- **Muhammud Yunus**, Founder of Microcredit and the **Grameen Bank**, was awarded the 2006 Nobel Peace Prize.
- **Dr. Vergese Kurien**, founder of the **AMUL Dairy Project** which has revolutionized the dairy industry through the production of chain of milk, small producers, consumer products and health benefits.
- **Bill Drayton**, founder of **Ashoka, Youth Venture, and Get America Working**.
- **Sebastien Marot**, Founder of **Friends International**.
- **Jody Williams**, founder of the **Nobel women's Initiative**.
- **Matt & Jessica Flannery**, launched **Kiva**, the online micro-lending venture.
- **Joe Madiath**, founder and executive of **Gram Vikas**.
- **Sam Goldman and Ned Tozun**, co-founders of **D light Design**, a social venture providing high-quality, affordable energy solutions for families living without adequate electricity around the world.
- **Roshaneh Zafar**, founder and managing director of **Kashf Foundation**- Pakistan's third largest microfinance institution.
- **Jordan Kasslov**, founder of **Vision Spring** – a social enterprise, helping women create businesses to sell eye glasses to those at the bottom of the pyramid who need the most.
- **Ann Cotton**, founder and executive director of **CAMFED International**- an international organization dedicated to eradicating poverty in Africa through the education of girls and the empowerment of young women.

WHY SOCIAL ENTREPRENEUR? (BENEFITS / NEED)

What is the reason for this definite shift from merely doing your own thing and making money to doing something for a common cause and running it as a successful venture? Some suggested reasons could be:

- The desire to fulfill a common social need, gain personal satisfaction as well as recognition from society at large.
- A means to serve interests of weaker and unprivileged sections of society and leverage this to existing businesses.
- Today's world order realizes that greed does not pay in the longer run, but goodwill does.
- Whatever the reasons, the writing on the wall is very clear that social entrepreneurship is here to stay and it is in fact the way of the future of entrepreneurship.

Social entrepreneurship brings out the determination and persistence in people. 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.

MAJOR FUNCTIONS OF SOCIAL ENTREPRENEURS

Following are the few functions of social entrepreneurs:

- Create and maintain a stable level of employment;
- Create jobs and provide support to socially vulnerable groups;
- Promote development of entrepreneurial skills;
- Compensate countries “narrow places”;
- Create social innovation and change in various areas, including education, health, environment and business development; and
- Reduces poverty.

DIFFERENCES BETWEEN BUSINESS / COMMERCIAL AND SOCIAL ENTREPRENEURS

The ideas of J B Say, Joseph Schumpeter, Peter Drucker and Stevenson, are attractive as they can be as applied to the social sector as the business sector. They describe a mind-set and a kind of behavior that can be manifest anywhere. In a world in which sector boundaries are blurring, this is an advantage. One should build the understanding of social entrepreneurship on this strong tradition of entrepreneurship theory and research. Social entrepreneurs are one species in the genus entrepreneur. They are entrepreneurs with a social mission.

For social entrepreneurs, the social mission is explicit and central. This obviously affects how social entrepreneurs perceive and assess opportunities. Mission-related impact is the central criterion for social entrepreneurs instead of wealth creation. Wealth is just a means to an end for social entrepreneurs, while for business entrepreneurs it is a way of measuring value creation. This is because business entrepreneurs are subject to market discipline, which determines in large part whether they are creating value. If they do not shift resources to more economically productive uses, they tend to be driven out of business.

Social entrepreneurs operate with an aim of changing the face of society. Be it health, sanitation, education, they are present everywhere. There are people even who work on bringing about change in the modern innovations because their impact has been detrimental to human life. They thus work towards improving systems, creating new solutions, laying down fair practices. Whereas a business entrepreneur typically measures performance in profit and return, a social entrepreneur focuses on creating social capital. Thus, the main aim of social entrepreneurship is to further social and environmental goals.

Certain qualities define the entrepreneurs as a subset of business owner. Theorists refer to entrepreneurs alternatively as individuals who initiate change and individuals who exploit in-process change by identifying and seizing opportunities to later the status-quo, despite the risks of early adoption. Social entrepreneurs are a type of business entrepreneur rather than a separate category. Whereas typical entrepreneurs improve commercial markets, social entrepreneurs improve social conditions. Several other factors further differentiate social entrepreneurs as under:

- Commercial entrepreneurship represents the identification, evaluation, and exploitation of opportunities that result in profits. In contrast, social entrepreneurship refers to the identification, evaluation, and exploitation of opportunities that result in social value.
- A Commercial entrepreneur may create changes in the society, but that is not the primary purpose of starting the venture. Similarly, a Social entrepreneur may generate profits, but it is not the primary reason for starting the venture.
- Another key difference between the social and the commercial entrepreneur is in the meaning of wealth creation. For the commercial entrepreneur, 'wealth' is same as profits, while for the social entrepreneur, however, wealth also encompasses creation/sustenance of the social and environmental capital.
- For business entrepreneurs, value lays in profit. The entrepreneur and investors expect to reap profit as the product establishes itself in a market that can afford to purchase it. The business entrepreneur is accountable to shareholders and other investors for generating these profits. To the social entrepreneur, there is also value in profits, as profits are necessary to support the cause. Thus, value for the social entrepreneur lies in the social benefit to a community or transformation of a community that lacks the resources to fulfill its own needs.

Despite the differences between social and commercial entrepreneurship, some scholars claim that there exists a continuum for which commercial and social entrepreneurship serve as anchors. In other words, organizations can pursue commercial entrepreneurship, social entrepreneurship, or some combination of both. In fact, some scholars even refer to organizations that pursue both commercial and social objectives as hybrid. In a sense, then, these hybrids pursue two bottom lines, one of which deals with profits while the other deals with social value.

AREAS OF SOCIAL ENTREPRENEURSHIP

Social business enterprises are active mainly in the social, environmental, human rights and gender equality areas. Social entrepreneurship addresses issues related to street children; children's health; health insurance for disadvantaged people; housing; educational opportunities; poverty in degraded urban areas; ageing and the elderly; migrants and ethnic minorities; work and employment; climate crisis; pollution problems; clean drinking water; empowerment of women; human rights; gender equality; and digital divides. Following are some of the areas of social entrepreneurship:

- ***Non-Profit and Public Sector Management:*** These organizations extend into many different sectors of domestic and international economies, and business skills are becoming increasingly important in these organizations. Management positions are typically in areas such as finance, development, operations, and administration.
- ***International Development:*** International development / global development is a concept that lacks a universally accepted definition, but it is most used in a holistic and multi-disciplinary context of human development-the development of greater quality of life for humans. It therefore encompasses foreign aid, governance, healthcare, education, poverty reduction, gender-equality, disaster preparedness infrastructure, economics, human rights, environment and issues associated with these.

Organisations working to promote the economic and social well-being of the world's poorest countries, whether through *Corporate Social Responsibility* in multinational corporations, management of international non-governmental organizations, business and enterprise development in emerging economies, or through traditional and non-traditional forms of finance: public finance, private equity, hedge funds, microfinance etc. International development career paths for MBAs span the entire spectrum from corporate finance to nonprofit.

- ***Corporate Social Responsibility / Sustainability:*** Working within companies to ensure socially and environmentally responsible and sustainable business practices on issues such as social audits and accountability, business ethics, environment, and workplace procedures. Although some corporations have a *corporate social responsibility /Sustainability* division, these issues typically arise in management and functional areas such as finance, strategy, operations, and human resources.
- ***Community Development:*** Community development can be both an occupation – such as community development worker in a local authority, and a way of working with communities. Its key purpose is to build communities based on justice, equality and mutual respect. Community development involves changing the relationships between ordinary people and people in positions of power, so that everyone can take part in the issues that affect their lives. It starts with the principle that within any community there is a wealth of knowledge and experience which, if used in creative ways, can be channeled into collective action to achieve the communities' desired goals.

Community development practitioners work along with people in communities to help build relationships with key people and organizations and to identify common concerns. They create opportunities for the community to learn new skills and, by enabling people to act together, community development practitioners help to speed up social inclusion and equality. It embraces a wide range of community based activities and social service provision such as low income housing development, vocational education and counseling, after-school programs, adult literacy programs, financial services, etc. Community development groups also pursue commercial real estate development to bring services and jobs into their catchment areas.

- ***Healthcare:*** Health Care or Healthcare is the diagnosis, treatment, and prevention of disease, illness, injury, and other physical and mental impairments in humans. Health care is delivered by practitioners in medicine, chiropractic, dentistry, nursing, pharmacy, allied health, and other care providers. It refers to the work done in providing primary care, secondary care and tertiary care, as well as in public health.

The Health Care Industry's functions and services includes- biomedical and pharmaceutical research institutions; healthcare delivery systems such as hospitals, clinics, and medical centers; academic and government policy research organizations; consulting firms; and insurance companies. Within the non-profit sector, jobs for MBAs are typically available in the administration of hospitals, medical clinics, and other health care delivery organizations. There is currently a great need for managers in health care administration, planning, organization, policy, finance, economics, and marketing due to the growing number of partnerships and mergers in the industry.

- ***Education:*** MBA careers in education are varied. School business management covers services ranging from educational consulting to working for educational management

organizations, and charter schools (which include for-profit companies and many one-school non-profits). Opportunities include working in marketing, operation, or finance for a charter school or educational management organization, serving as a chief financial officer for a public school system, private school, or university, or working as a consultant to schools. Another area is Venture Capital and entrepreneurship (investing, creating, or working for ventures in areas such as school support services and technology, publishing), credit, and advisory services to educational organizations.

- **Arts Management:** It is related to the management of all aspects of the arts: commercial and not-for-profit; dance, music, visual, museum, literacy, film, video, and the combination of any and all of these in exciting arts centres around the country. It includes working with arts and cultural organizations from small ballet or theatre companies. Managerial positions include: marketing, finance, administration, logistics, and strategic planning. There are numerous small organizations that might require one manager to perform all of the above, and there are also larger organizations with these as separate departments.
- **Renewable Energy / Energy:** Alternative energy refers to energy sources that have no undesired consequences such for example fossil fuels or nuclear energy. Alternative energy sources are renewable and are thought to be "free" energy sources. They all have lower carbon emissions, compared to conventional energy sources. These include Biomass-Energy, Wind-Energy, Solar-Energy, Geothermal-Energy, Hydro-electric energy sources.

Combined with the use of recycling, the use of clean alternative energies such as the home use of solar power systems will help ensure man's survival into the 21st century and beyond. Home security and home independency are the catch cries of the new era in sustainable development and self sufficiency. Working with new ventures or established companies to develop alternative energy sources (wind, water, solar, thermal etc), increase the efficiency of existing energy technologies (e.g. more efficient turbine engines), or more efficiently use energy in existing operations within major corporations. The development of social ventures that combine environmental with financial benefits is an area of increasing interest for venture capitalists, social entrepreneurs, and energy utilities.

- **Lifestyle of Health and Sustainability Sector:** A market segment focused on health and fitness, the environment, personal development, sustainable living, and social justice. Working in for-profit and nonprofit segments related to sustainability and ecological lifestyles such as fair trade products; eco-tourism; sustainable agriculture; sustainable, resource efficient products; green building and industrial goods; alternative transportation; recycling / recycled products; and sustainability consulting.