



Review Paper

Role of social entrepreneurs as social change agents: an insight

Smita Gupta Banodia^{1*} and Nishith Dubey²

¹40 C Type, A-Sector, Berkhera, BHEL, Bhopal, MP, India

²National Institute of Technical Teacher Training and Research Bhopal, India
smitabanodia123@gmail.com

Available online at: www.isca.in, www.isca.me

Received 14th September 2016, revised 21st January 2017, accepted 30th January 2017

Abstract

The role of social entrepreneurs in sustainable economic development is being gradually recognized and various steps are being taken by government, state, NGOs, SHGs and social enterprises to promote social entrepreneurship to bring a balanced social change in the society. The field of Social entrepreneurship is growing fast, which addresses and recognizes a social problem. It adopts the principles of the enterprises to plan and execute a social venture so that desired social change is acquired. Different sectors such as government, financial institutions, social enterprises and individual social entrepreneurs are coming forward for an integrated and coordinated approach for the development of social entrepreneurship. Social entrepreneurs are essential and important factors of quick social transformation. Social enterprises act as a vital catalyst for bringing social change and innovation and to raise the current status of people towards progress. Social enterprises can address various important issues of education, health, sanitation, nutrition, and safe drinking water. Emerging role of these social enterprises help to transform the status of the society from secondary to primary and make it's people self-respecting, self-leaders, self-reliant and enterprising part of the society.

Keywords: Social entrepreneurs, Social entrepreneurship, Socio economic development, Social change.

Introduction

The performance of a business entrepreneur is measured in profit generated and other financial terms, whereas the performance of a social entrepreneur is measured in the form of social change and good done to the society. They may or may not earn profit, may be voluntary and working for the empowerment of the weaker section of the society. There is a need for multidimensional approach for development of social entrepreneurship. Social entrepreneurs are the people who have innovative solution for the various social problems present in the society which have been neglected by different agencies. They are highly ambitious, solving social problems or effecting social change. Social entrepreneurs try to solve the problems of the society by planning and implementing the change in the system, executing these solutions, and spreading these improved solutions in the societies. Social entrepreneurs are committed for the change they want to bring in the society for the welfare of the people on a wider scale. They are visionary but at the same time realist, trying to implement the innovative solutions for the societal problems. They are the local change makers. They are the role models for others by doing well to the society and in turn influence them to implement their ideas for welfare of the society. They encourage citizens to channelize their resources to bring the social change. A commercial entrepreneur helps the nation by building the economy by earning profit whereas the social entrepreneurs bring changes for the uplifting the society and improve the standard of living of local people mostly. They try to improve the system with their innovative

ideas and approaches and create better solutions for the society acute and compelling problems. They are committed to find solutions for the social, cultural and environmental problems of the society.

Objective of the study: i. To identify various dimensions of social entrepreneurship. ii. To understand and explore the traits of Indian social entrepreneurs.

Pioneers in Social Entrepreneurship

Various influential organizations, such as Ashoka and Skoll are consistently promoting the individuals who initiate their social missions to create impactful change. Founded in 1981, Ashoka established by Bill Drayton is one of the world's biggest associations of leading social entrepreneurs. As of 2007, Ashoka has elected 2,000 social entrepreneurs across 63 countries. As an organization their staffs works to identify emerging social entrepreneurs all over the world to invest in and support them¹. Values and beliefs have an important role in driving the social entrepreneurship in an individual. Their decision making is influenced by the value system of their culture and their personality. Thus personality traits play an important role in the social entrepreneurial intentions of the social entrepreneurs. These personality traits depend on the social, cultural and environmental and other demographic factors. Ashoka stresses that social entrepreneur are the individuals who produce impact as system change, that is the result of a social entrepreneur's idea and initiatives to face social challenges and needs.

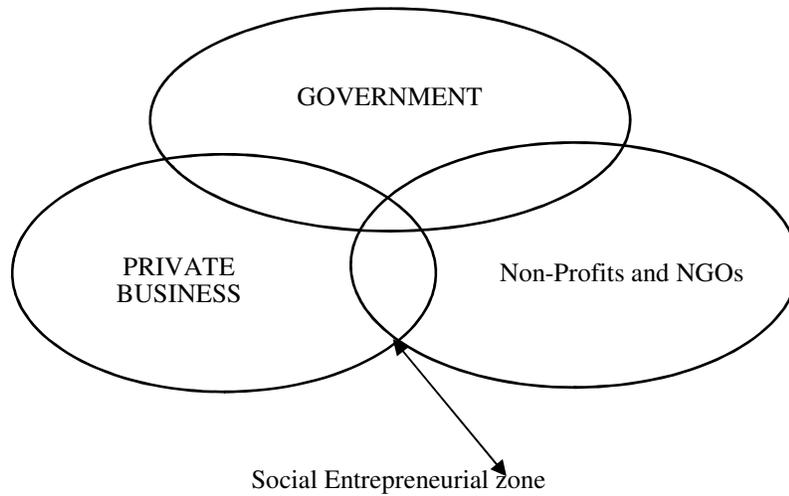


Figure-1: Entrepreneurial zone in different aspect of business

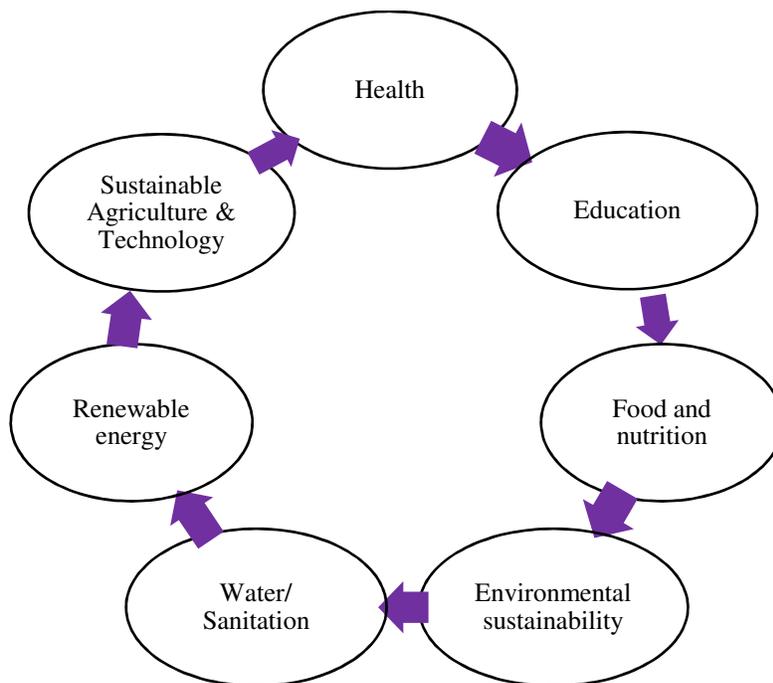
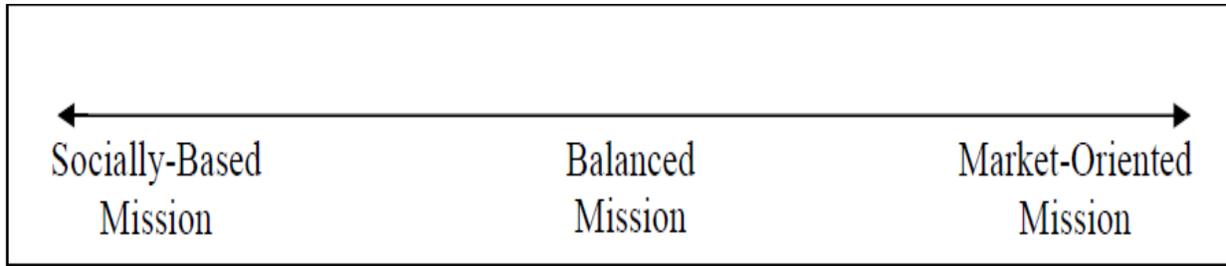


Figure-2: Areas of opportunity for a social enterprise

J. Gregory Dees, defines social entrepreneurship as “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”². According to J. G. Dees, “Fewer people will receive adequate health care. Because of the financial burden that formal education can place on parents, fewer children will attend school. Tensions and violence may increase as the poor compete for jobs and income opportunities...Progress will be lost, as families that have been successful in moving out of poverty fall back into it...As government, business, and household budgets tighten, costly environmental protection and clean-up efforts are

in jeopardy...Because many social and environmental issues are time sensitive, failure to recognize the importance of social entrepreneurship and provide adequate support for such efforts during this downturn would be a serious mistake”³.

According to Martin and Osberg, “the Social Entrepreneur aims for value in the form of large-scale, transformational benefit that accrues either to a significant segment of society or to society at large”. Furthermore, a social entrepreneur focuses his/her activities at “underserved, neglected, or highly disadvantaged population that lacks the financial means or political clout to achieve the transformative benefit on its own”⁴.



Source: Massetti⁵

Figure-3: A Continuum of the concept of Social Entrepreneur

In 2006 Muhammad Yunus received the Nobel Peace Prize for establishing the Grameen Bank for helping clients overcome poverty in Bangladesh by establishing creditworthiness and financial self-sufficiency through the process of micro-credit. Micro-credit had been around in various forms for centuries, but Yunus was the first to challenge its theory by showing how it could be used as a strategy to alleviate poverty by extending collateral-free loans to poor villagers in cost-efficient, sustainable manner. As the founder of Grameen Bank, Yunus has 7.1 million borrowers in 77,000 villages. Yunus belongs to a defined group of individuals called social entrepreneurs, who are recognized as transformative forces: Bornstein says “people with new ideas to address major problems who are relentless in their pursuit of their visions, people who will not take ‘no’ for an answer and who will not give up until they have spread their ideas as far as they possibly can”⁶.

The explicit Characteristics of Social Entrepreneurs

Social entrepreneurship is a fast growing phenomenon in theory, practice and also gaining importance in scientific community. Social entrepreneurs work for the upliftment of any society through their Here societal transformation is absolutely essential, which has been neglected for many years and the emphasis was only on monitory/ health/ wealth and material parameters. In past few decades some entrepreneurs have taken initiatives of being social change agents and a catalyst for social transformation, benefit and welfare. A systematic investigation is required for identifying the needs/ characteristics of such entrepreneurs who are also called as social entrepreneurs. The efforts from multi lateral dimensions will be helpful in scaling up of such social transformation process for bringing change in the society which must be harnessed at all fronts. India is gradually recognizing that social entrepreneurs are not just contributing to the society but are vital agents of direct social transformation. At global front too, societies are facing multiple problems and long-awaiting issues and challenges which remains unresolved by the institutions and the state and government sector. The role of social entrepreneurs is to accept the challenge, question and rethink concepts and assumptions and practices. They work on the existing social problems, plugging the gaps, providing time and innovative solutions to alleviate problems that exist at the basic level. In the current

scenario, social entrepreneurs are equal participants in bringing about a direct impact in the society and thus acquiring the equilibrium in the society in terms of socio economic development.



Figure-4: Dimensions of characteristics of a social entrepreneur⁷

The world over, a growing number of social entrepreneurs are starting or running businesses. They have, for long, been proactively contributing towards diverse sectors such as health and care, renewable energy, waste management, housing problems and development of slum area, problem of safe drinking water and sanitation, domestic violence against women and other issues of grave concern related to women, girls, children and elderly people. The trend clearly reflects that social entrepreneurs have been involved in not only creating jobs for themselves and others, but are also employing less trained and fostering the underprivileged section of the society. Talking of India, more than 22% of its population are still below poverty line and don't have access to basic education, nutrition and health services. These people need better education, healthcare and other basic infrastructure. And this is where social entrepreneurs are now working to provide innovative, practical and sustainable solutions. India too is gradually recognizing that social entrepreneurs are not just transforming force in the society but are vital agents of direct social transformation. This is evident from various government initiatives and new policies taken up by the corporate sector identifying social entrepreneurs as agents of sustained socio-economic growth and change.

A social entrepreneur play the role of a change agent in the “social sector”. Social entrepreneur create sustainable solutions that change society for the betterment. The important areas of opportunities for social entrepreneur are health, education, food and nutrition, drinking water, sanitation, environmental stability, renewable energy, sustainable agriculture and technology. The evident and enormous steps taken by the policy makers of any developing country create immense opportunities for social entrepreneurs to bring upon the systematic change and bridging the ever widening gap between very rich and very poor. It is an attempt to bring the social equilibrium to avoid economic disparity in society.

The Social enterprises are predominantly not for profit organization, like Chennai flood support initiatives taken by Social entrepreneur network (SEN) to provided free medicines, diapers, milk powder and biscuits to the victims, however some of the social enterprises adopt for profit structure to sustain financial sustainability and reinvest the profit for future developmental activities. Social enterprises have to balance between the social, composite and financial return on investments. The approach and role of a social entrepreneur seeks a blended return on investment which includes “social” return on investment and “financial” return on investment.

Conclusion

Social enterprise sector may gain its due recognition by 2020 and may fall in mainstream. It is spreading rapidly and catching attention of market, society and government. It will no longer be marginalized and would shape future market and create new boundaries to help build a new nation. The social enterprises today are directed by a strong social mission and have all the potential and possibilities to ensure public welfare on a wide and large scale. The social entrepreneurship sector is undergoing a sea change and social enterprises need to play a dominant role in the same. A social enterprises while designing its missions and strategies should consider various inferences for reinventing derived in the paper for successful achievement of their goals. Indian social entrepreneurs have come up with innovative ideas which have impacted the lives of thousands of people in terms of their sustainability and scalability. They may be profit making in order to support the social mission they lead but it is only a mean and not an end in itself.

References

1. Moore Colleen C. (2012). Exploring the Social Entrepreneur: Individual and Organizational Identity Construction. Master's Theses. http://epublications.marquette.edu/theses_open/148
2. Dees J.G. (1998). The meaning of social entrepreneurship. 31, 1-6. http://www.caseatduke.org/documents/dees_sedef.pdf
3. Dees J.G. (2011). Social Ventures as Learning Laboratories. *Tennessee's Business*, 20(1), 3-5.
4. Case (2009). Duke The Fuqua School of Business. http://www.caseatduke.org/documents/Articles-Research/INNOVATIONS-Davos-2009_Dees.pdf, 12.
5. Roger Martin L. and Sally Osberg (2007). Social Entrepreneurship: The Case for Definition. *Stanford Social Innovation Review*, 5(2), 28-39.
6. Massetti Brenda L. (2008). The Social Entrepreneurship Matrix as a “Tipping Point” for Economic Change. *Emergence: Complexity and Organization*, 10(3), 1-8.
7. Discover, Share, Present (2016). Dimensions of characteristics of a social entrepreneur. <http://www.slideshare.net/>
8. Bland Jonathan (2009). Setting the scene and vision for the sector. *Social enterprise for public service: how does the third sector deliver* by Smith Institute, ISBN 1 905370 44 X.
9. Lyon Fergus (2009). Measuring the value of social and community impact. *Social enterprise for public service: how does the third sector deliver* by Smith Institute, ISBN 1 905370 44 X., 30-38.
10. Wilson Alastair (2009) Social entrepreneurs and public service delivery. published in *Social enterprise for public service: how does the third sector deliver* by Smith Institute, ISBN 1 905370 44 X.
11. Mukherjee Arpita (2013). The Service Sector in India. ADB Economics Working Paper Series No. 352, ISSN 1655-5252, Publication Stock No. WPS13578.