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THE IMPORTANCE OF SOCIAL ENTREPRENEURSHIP FOR DEVELOPMENT

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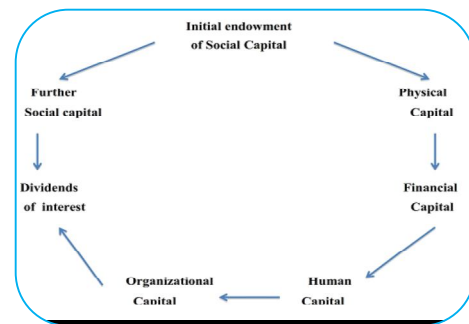
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ABSTRACT:

Social entrepreneurship is an approach by start-up companies and entrepreneurs, in which they develop, fund and implement solutions to social, cultural, or environmental issues. This concept may be applied to a wide range of organizations, which vary in size, aims, and beliefs. Social Entrepreneurship in India is emerging primarily because the government is very keen on its promotion, not necessarily by funding it or by advising on it but by enabling it. The Corporate Social Responsibility (CSR) of the private sector with clearly earmarked funds and full-fledged action teams have played an important role in sprucing up the image of Social Entrepreneurship. The focus of the paper

is to study the growing trends of Social Entrepreneurship in India and the new initiatives taken by various Social Entrepreneurs. It also gives a brief idea of different Theories of Social Entrepreneurship. Efforts are made to provide information and an exploratory study, related to the support activities of Social Entrepreneurship and Social Entrepreneurial ventures in India. This may be beneficial in future empirical studies of the subject. This article deals in detail about the importance of social Entrepreneurship for nation's development.



KEYWORDS: Social Entrepreneurship , Corporate Social Responsibility, Environmental Issues, Venture Capital.

INTRODUCTION

Business visionaries are every now and again thought of as national advantages for be developed, inspired, and compensated to the best conceivable degree. Incredible business people can change the manner in which we live and work. On the off chance that effective, their

advancements may improve ways of life, and notwithstanding making riches with pioneering adventures, they likewise make employments and add to a developing economy. Business enterprise is along these lines significant for various reasons, from elevating social change to driving advancement.

New items and administrations made by business people can deliver a falling impact, where it invigorates related organizations or parts that need to help the new pursuit, assisting monetary improvement. For instance, a couple of data innovation organizations made up the IT business in India during the 1990s. The business immediately

extended and numerous different areas profited by it. Organizations in related enterprises, for example, call focus tasks, arrange upkeep organizations, and equipment suppliers prospered.

Instruction and preparing organizations sustained another class of IT laborers who were offered better, lucrative employments. Framework improvement associations and even land organizations benefited from this development as laborers moved to urban communities where work was developing. Essentially, future advancement endeavors in immature nations require powerful coordinations support, capital ventures, and a certified workforce. From the very qualified software engineer to the development specialist, business benefits a huge piece of the economy.

Innovative endeavors help produce new riches. Existing organizations may stay limited to existing markets and may hit the unfair limitation as far as pay. As good as ever items, administrations or innovation from business visionaries empower new markets to be created and new riches to be made.

Further more, expanded business and higher profit add to better national salary as higher expense income and higher government spending. This income can be utilized by the legislature to put resources into other, battling areas and human capital. Despite the fact that it might make a couple of existing players excess, the legislature can mollify the pass up diverting surplus riches to retrain workers.[1]

OBJECTIVES OF THE STUDY

- To study the origin and growth of social entrepreneurship.
- To describe the contribution to social entrepreneurship to the nation's development.
- To offer conclusion based on the study undertaken.

METHODOLOGY

- Data Used : Secondary Data Collected through Journals, E- Magazines and the like
- Research Type : This study is "aimed at casting light on current issues or problems through a process of data collection that enables them to describe the situation more completely than was possible without employing this method." In this essence, **Descriptive Studies** are used to describe various aspects of the phenomenon.
- Analysis : Qualitative

DISCUSSIONS

ORIGIN AND GROWTH

Social Entrepreneurs and Social Entrepreneurship are found throughout history, with individuals who adopted strategies to tackle social issues with a passion and force becoming of the entrepreneurial spirit as described by Schumpeter. Thomas Clarkson, who happened to become one of the social entrepreneurs at the core of the first and most important human rights movement in the 18th century, the abolition of slave trade, was featured by Whittemore⁵⁰ in his blog post, 'profiling the social entrepreneurs and their contribution.' Clarkson, while researching for his essay on slave trade, came to realize the enormity of the sufferings almost 11 million slaves were subjected to, during the era of transatlantic slave trade. He won the top prize for his essay and realized that his life was irrevocably changed. It was clear for him that something had to be done to 'shatter the status-quo.'⁵¹ He decided to "see these calamities to their end." His and other like-minded persons' efforts were fruitful, in getting the British Parliament to sign the Slaves Trade Act into law, which banned the British from trading in human beings forever. Great Britain's Infant Childcare founder Robert Owen, who pioneered the movement for the improvement of working conditions for the employees in the factories and founded a cooperative movement to ensure the supply of provisions at a fair price to the employees, is considered a social entrepreneur, almost at the same time with Clarkson.

Florence Nightingale (1820-1910), founder of the first nursing school, is named as one who practised social entrepreneurship, in initiating the development of modern nursing practices. Henry

Durant (1829-1910) is credited with the establishment of the International Red Cross. William Booth (1829-1912) founded 'The Salvation Army' in 1878 to care for the poor, destitute and hungry, regardless of race, color or creed. Frederick Law Olmstead (1822-1903) undertook to change the very concept of cities from primary centers of commerce to "nice places to live and work" and developed many urban parks in Washington DC and Boston. People of this caliber were found in the beginning of the twentieth century, with their contributions to seeing an unjust or unsustainable equilibrium to its end by creating a new and sustainable one. Dr. Maria Montessori (1870-1952) established 'Case dei Bambini' (Children's Homes) and spearheaded reforms in the education of children, based on the premise that children can learn themselves. Her "Montessori method" of child education is accepted world-wide as a great and potential method of learning for children. Franklin D. Roosevelt (1882-1945) established the Tennessee Valley Authority, which helped revitalize the local economy by harnessing the river resources to produce cheaper energy. This came as a boon and a relief to many during the Great Depression of the 1930s.

It was in the 1960s and 1970s that the two terms, Social Entrepreneur and Social Entrepreneurship first appeared in management literature. Michael Young promoted the concept of social enterprise by creating more than sixty organizations world-wide and a series of schools for Social Entrepreneurs in the UK during the period between 1950 and 1990. The terms got widespread publicity in the 1980s, promoted first by Ashoka Foundation, followed by others such as Schwab Foundation, Skoll Foundation and others. The founder of Ashoka Foundation, Bill Dreyton, is credited with coining the term Social Entrepreneurship. Others, like Charles Leadbeater,⁵³ described Social Entrepreneurs as innovators for social change and took the subject to a higher platform with his work, "The Rise of Social Entrepreneur."

CONTRIBUTION OF SOCIAL ENTREPRENEURSHIP

The following are the contribution to social entrepreneurship to the nation's development.

1. Employment Development

The principal major financial worth that social enterprise makes is the most clear one since it is imparted to business people and organizations alike: occupation and work creation. Appraisals ranges from one to seven percent of individuals utilized in the social enterprise part. Furthermore, social endeavors give business openings and occupation preparing to portions of society at a work impediment (long haul jobless, impaired, destitute, in danger youth and sex segregated ladies). On account of Grameen the monetary circumstance of 6,000,000 impeded ladies smaller scale business visionaries were improved.

2. Innovation / New Goods and Services

Social endeavors create and apply advancement essential to social and monetary improvement and grow new merchandise and ventures. Issues tended to incorporate probably the greatest societal issues, for example, HIV, mental sick wellbeing, lack of education, wrongdoing and medication misuse which, significantly, are defied in creative ways. A model demonstrating that these new methodologies sometimes are transferable to the open division is the Brazilian social business person Veronica Khosa, who built up a locally established consideration model for AIDS patients which later changed government wellbeing approach.

3. Social Capital

By financial capital one of the most significant qualities made by social business enterprise is social capital (typically comprehended as "the assets which are connected to ownership of a strong system of ... connections of shared colleague and acknowledgment"). Models are the accomplishment of the German and Japanese economies, which have their underlying foundations in long haul connections and the morals of participation, in both basic advancement and modern improvement. The World Bank

likewise considers social to be as basic for neediness mitigation and maintainable human and financial improvement. Interests in social capital a begin an ethical cycle

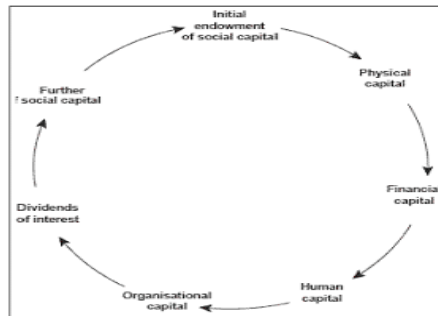


Figure 4: The virtuous cycle of social capital (Leadbeater, 1997, p.68)

4. Equity Promotion

Social enterprise encourages a progressively fair society by tending to social issues and attempting to accomplish continuous reasonable effect through their social mission instead of absolutely benefit amplification. In Yunus' model, the Grameen Bank supports impeded ladies. Another case is the American social business visionary J.B. Schramm who has helped a great many low-salary secondary school understudies to get into tertiary instruction.

To aggregate up, social undertakings ought to be viewed as a positive power, as change specialists giving driving edge advancement to neglected social needs. Social business isn't a panacea since it works inside the general social and monetary structure, yet as it begins at the grassroots level it is frequently ignored and merits substantially more consideration from scholarly scholars just as approach creators. This is particularly significant in creating nations and welfare states confronting expanding monetary stress.

5. Others

Historically, the main operational areas in which social entrepreneurs create change have been (Bornstein 2004):

- Poverty alleviation through empowerment, for example the microfinance movement
- Health care, ranging from small-scale support for the mentally ill 'in the community' to larger scale ventures tackling the HIV/AIDS pandemic
- Education and training, such as widening participation and the democratization of knowledge transfer.
- Environmental preservation and sustainable development, such as 'green' energy projects.
- Community regeneration, such as housing associations.
- Welfare projects, such as employment for the unemployed or homeless and drug and alcohol abuse projects.
- Advocacy and campaigning, such as Fair Trade and human rights promotion.[3]

CONCLUSION

There are innumerable examples of people who have blended profitability with social cause and made a difference. They are spread across different sectors-education, energy, healthcare and technology to name a few. But is it enough? Maybe we need many more dreamers and people who can turn this dream into reality. With the Indian entrepreneurial energy, there seem to be a lot to look forward to. Sustained efforts, not only by the financial, business, multilateral and public sectors but also the academic sector, will be the critical to maintaining the current momentum for social entrepreneurship.

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