

# Social Entrepreneurship

**Social entrepreneurship is all about recognizing the social problems and achieving a social change by employing entrepreneurial principles, processes and operations.**

Like regular business entrepreneurs change the face of business, social entrepreneurs work as agents of change for the society. They look for opportunities that include improving the systems, inventing new approaches, and also to create solutions that can change society for the better. Now, a business entrepreneur can create an entirely new industry. Similarly, a social entrepreneur can come up with new solutions to the problems of society, implement them on a large scale, and change the face of society. Social entrepreneurs build a social enterprise which is nothing but a business with social objectives that seek benefits for the society.

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 who have contributed a lot towards the society. The founder and manager of Grameen Bank, Muhammad Yunus is a contemporary social entrepreneur who has been awarded a Nobel Peace Prize for his venture in the year 2006. The venture has been continuously growing and benefiting a large section of the society.

According to Greg Dees, co-founder of the Center for the Advancement of Social Entrepreneurship at Duke University and a member of the Impact Entrepreneurs advisory board –

*Social entrepreneurs are individuals with innovative solutions to society's most pressing social problems. They are persistent and ambitious, tackle major social issues and offer new ideas for a wide-scale change.*

**J.George Dees** – Social entrepreneurship is which combines the passion of a social mission with an image of business like discipline, innovation and determination.

**Martin & 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.

Social entrepreneurship programs targets at underserved, neglected or highly disadvantage population that lacks the financial means or political clout to achieve the transformative benefit on its own.

**Example** - Muhammad Yunus – Microcredit - \$27 loan to women.

**Amul** – Dr Varghese Kurien – Father of White Revolution in India – National Dairy Development Board (NDDB) Operation flood – 0.1 million cooperatives and 5 million milk producers saved India from being Milk Importer like Srilanka.

Both approaches fulfill a need in the market and aim to earn a sustainable profit. The main difference is that social entrepreneurship focuses beyond simply generating a profit, and measures its performance on the positive impact the business makes on society – whether social, cultural or environmental.

	Social entrepreneurship	Commercial Entrepreneurship
Goal	It's performance measure is social impact	It's performance measure is profit
Main Characteristics	Identifying Opportunities ,Taking Risks ,Innovation, Creativity, It's collective	Identifying Opportunities ,Taking Risks ,Innovation, Creativity, It's Individual
Mission	Seeks to respect people at social risk and promote their betterment	Seeks to satisfy the needs of customers and expand the potential of the business
	Produces goods and services for the community	Produces goods and services
	It's focused on finding solutions for social problems	It's focused on the market

## History of Social Entrepreneurship

An understanding of Social Entrepreneurship history reveals that the social Entrepreneur is usually a creative individual who questions established norms and harness entrepreneurial spirit and dynamism to enrich and help the society rather than themselves rich. 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 Whitemore<sup>50</sup> 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.’ 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<sup>52</sup> 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,<sup>53</sup> described Social Entrepreneurs as innovators for social change and took the subject to a higher platform with his work, “The Rise of Social Entrepreneur.”

## **Social Entrepreneurship in the 19<sup>th</sup> Century:**

1. Robert Owen (1771-1858)
2. Florence Nightingale (1820-1910)
3. Henry Durant (1829-1910)
4. William Booth (1829-1912)
5. Frederick Law Olmstead (1822- 1903)

1. Dr. Maria Montessori (1870-1952)
2. John Muir (1838-1914)
3. Franklin Delano (1882-1945)

1. ***Vinoba Bhave (India)*** – He was the founder and leader of the Land Gift Movement. Under this movement, he caused the redistribution of more than 7,000,000 acres of land to help India's untouchables and landless.
2. ***Ela Bhatt (India)*** :- Founder of “Self-Employed Women’s Association” (SEWA) and the SEWA Cooperative Bank in Gujarat.
3. ***Susan B. Anthony (U.S.)*** – She fought for Women’s Rights in the United States of America. Her fight included the right to control property and helped spearhead the adoption of the 19th Amendment to the [Constitution](#).
4. ***Dr. Maria Montessori (Italy)*** – She developed the Montessori approach to early childhood education.
5. ***Florence Nightingale (U.K.)*** – She was the founder of modern nursing. Further, she established the first school for nurses and fought to improve hospital conditions.
6. ***Margaret Sanger (U.S.)*** – She was the founder of the Planned Parenthood Federation of America. Under this federation, she led the movement for family planning efforts around the world.
7. ***Dr. Abraham M. George (India)*** :- Founder of the George Foundation (TGF).
8. ***Bill Drayton (U.S)*** :- Founded Ashoka, Youth Venture, and Get America Working!
9. ***Dr. Verghese Kurien (India)*** :- Founder of the AMUL Dairy Project.
10. ***Muhammad Yunus (Bangladesh)*** :- Founder of Microcredit and the Grameen Bank. He was awarded the 2006 Nobel Peace Prize.

**Thank you....**