

Entrepreneurship Development and Social Business in Bangladesh

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Abstract

The paper presents the results of a survey during the study period that has been carried out by us in order to examine the potentiality of the social entrepreneurship development. The samples covered in this study were social entrepreneurs. Empirical survey portrays the prevalence of potentialities for social entrepreneurship development in the study areas. Many problems in implementation of the social entrepreneurship development programme have been identified such as lack of support for social entrepreneurs, inadequate motivational training, absence of capacity building programme of social entrepreneurship, ineffective campaign programmes, absence of network among government, Philanthropist other stakeholders, absence of effective management information system and lack of research on social entrepreneurship in study areas.

Keywords: *Entrepreneurship, Development, Social Business, Social Innovations, Social Value*

INTRODUCTION

Entrepreneurial spirit is characterized by innovation and risk-taking. While entrepreneurship is often associated with new, small, for-profit start-ups, entrepreneurial behavior can be seen in small-, medium- and large-sized firms, new and established firms and in for-profit and not-for-profit organizations, including voluntary sector groups, charitable organizations and government.

For example, in the 2000s, the field of social entrepreneurship has been identified; in which entrepreneurs combine business activities with humanitarian, environmental or community goals. According to World Bank, 1.4 billion people or one in four in the developing world were living on less than US \$1.25 a day in 2005. In 1981, 1.9 billion people or one in two were living on less than US \$1.25 a day.

The social business idea borrows some concepts from the capitalist economy, and therefore the implementation of social businesses can likewise borrow some concepts from conventional business literature. As an illustration, the notion of business model, which is currently attracting much attention from researchers, can be revisited so as to enable the building of social businesses. Social business models are needed alongside conventional ones.

OBJECTIVES

The objectives of the present research work are to bring to focus prospects, challenges and strategies of social entrepreneurship development in Bangladesh.

DEFINITION OF CONCEPTS

Definition of Social Business

Social business was defined by Nobel Peace Prize laureate Professor Muhammad Yunus and is described in his books. In his books, Yunus defined a social business as a business:

- Created and designed to address a social problem.
- A non-loss, non-dividend company, i.e.
- It is financially self-sustainable and

Profits realized by the business are reinvested in the business itself (or used to start other social businesses), with the aim of increasing social impact, for example expanding the company's reach, improving the products or services or in other ways subsidizing the social mission.

Furthermore, unlike a non-profit, where funds are spent only once on the field, funds in a social business are invested to increase and improve the business' operations on the field on an indefinite basis. Professor

Yunus' quote: "A charity dollar has only one life; a social business dollar can be invested over and over again".

In the capitalist system, two types of corporate bodies can be distinguished. On the one hand, companies can be seen as profit-maximizing businesses, whose purpose is to create shareholder value. On the other hand, non-profit organizations exist to fulfill a social objective.

A social business borrows from both these entities. It has to recover its full costs from its operations, and owners are entitled to recover their invested money. However, the social business is more cause-driven than profit-driven, with the potential to act as a change agent for the world.

Seven Principles of Social Business

These were developed by Professor Muhammad Yunus and Hans Reitz, the co-founder of Grameen Creative Lab:

1. Business objective will be to overcome poverty, or one or more problems (such as education, health, technology access, and environment) which threaten people and society; not profit maximization.
2. Financial and economic sustainability.
3. Investors get back their investment amount only. No dividend is given beyond investment money.
4. When investment amount is paid back, company profit stays with the company for expansion and improvement.
5. Gender sensitive and environmentally conscious.
6. Workforce gets market wage with better working conditions.
7. ...Do it with joy.

METHODOLOGY

Study area: The study was conducted in Dhaka District of Bangladesh.

Study design: The study was survey type.

Sampling method: Purposive sampling method was used for the study.

Sample size: The respondents of the study were 100 People who are involved in social business and 100 People who know about social business and 100 People who are interested to do social business. So total sample size of the study were 300.

Sources of data: Data were collected from primary and secondary sources.

Sources of primary data: Primary data were collected from the respondents of the study area.

Sources of secondary data: Secondary data were collected from books, journals, research report, internet etc.

Unit of analysis: People who are involved in social business and who know about social business and interested to do social business.

Tools for data collection: Questionnaire was used for data collection.

Method of data collection: Data were collected by face to face interview with the respondents.

Analysis of data: Collected data were analyzed by using computer program Microsoft Excel.

Interpretation of data: Analyzed data were interpreted with the help of graphs and tables.

RESULTS AND DISCUSSION

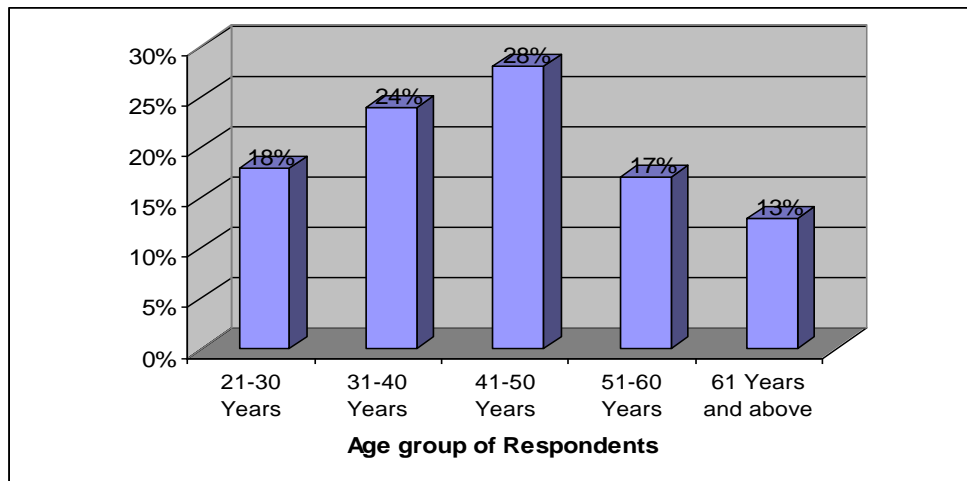


Figure 1: Age group of the respondents

From the result it was found that Age group 41-50 was 28% which was maximum, Age group 31-40 was 24% which was second position, Age group 21-30 was 18% which was third position, Age group 51-60 was 17% which was fourth position and age group 61 and above was 13% which was the minimum.

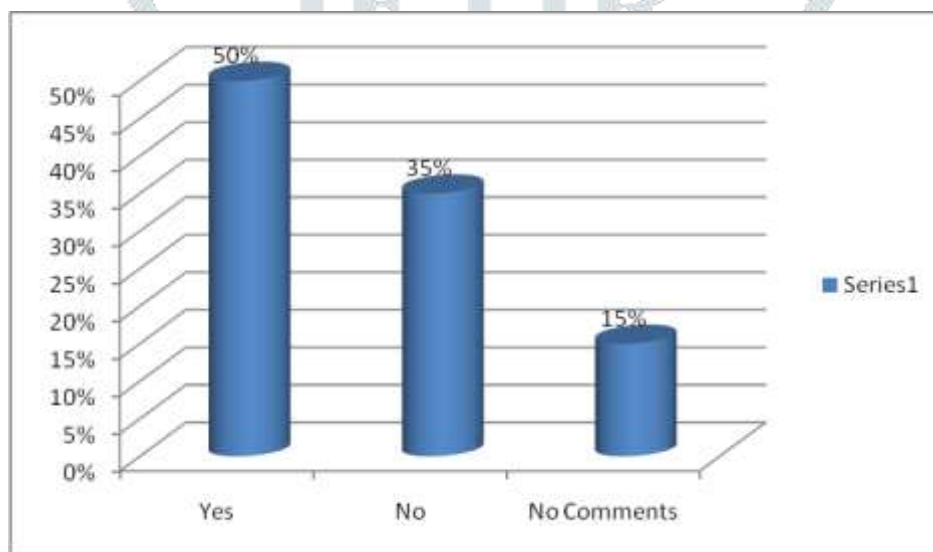


Figure 2: Respondents' Ideas about social business

From the result was found that 50% respondents express positive about social business in Bangladesh, 35% respondents express negative about social business, and 15% respondents express nothing social business.

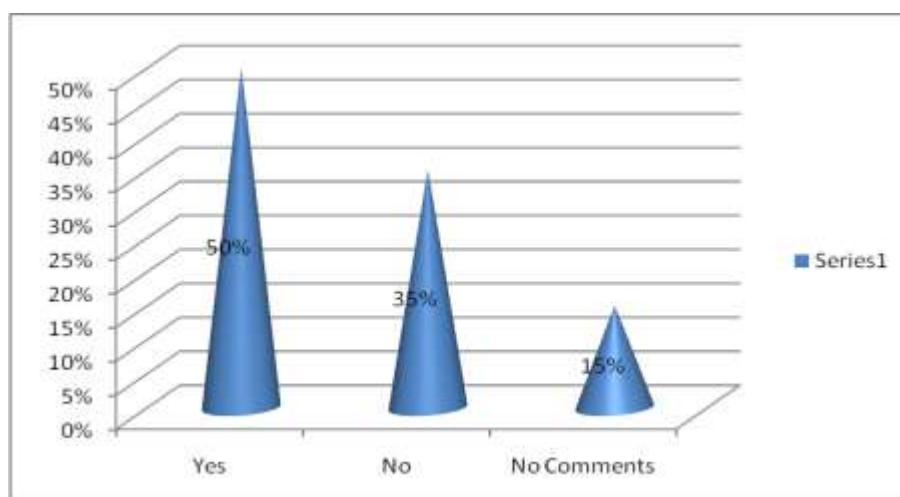


Figure 3: Respondents' knowledge about social business to face the Challenges of Globalization

From the result was found that 50% respondents express positive about proper knowledge social business, 35% respondents express negative about proper knowledge of social business and 15% respondents express nothing about proper knowledge of social business.

Table 1: Whether social business is well known to all over the country

Respondents' opinion	Frequency	Percentage
Yes	180	65%
No	100	30%
No Comments	20	5%
Total	300	100%

From the result was found that 65% respondents express positive that social business is well known to all over area of the country, 30% respondents express that social business is not well known to all over area of the country and 5% respondents express nothing that social business is well known to all over area of the Bangladesh.

Table 2: Importance of social business for economic developments

Respondents' opinion	Frequency	Percentage
Yes	220	80%
No	40	10%
No Comments	40	10%
Total	300	100%

From the result was found that 80% respondents express positive about social business that it is very much important for economic development of Bangladesh, 10% respondents express negative that social business is not very much important for our economic development and 10% respondents express nothing about social business is not very much important for economic development of Bangladesh.

Table 3: Whether social business in Bangladesh should be changed its main theme with the modern civilization

Respondents' opinion	Frequency	Percentage
Yes	180	70%
No	80	20%
No Comments	40	10%
Total	300	100%

From the result was found that 70% respondents express positive that social business is changing its main theme with the modern civilization, 20% respondents express negative that social business is not changing its main theme with the modern civilization and 10% respondents express nothing about social business.

Table 4: Whether respondents have enough faith about social business

Respondents' opinion	Frequency	Percentage
Yes	250	70%
No	25	15%
No Comments	25	15%
Total	300	100%

From the result was found that 70% respondents express positive about enough faith of social business in Bangladesh, 15% respondents express negative about enough faith of social business in Bangladesh and 15% respondents express nothing about enough faith social business in Bangladesh.

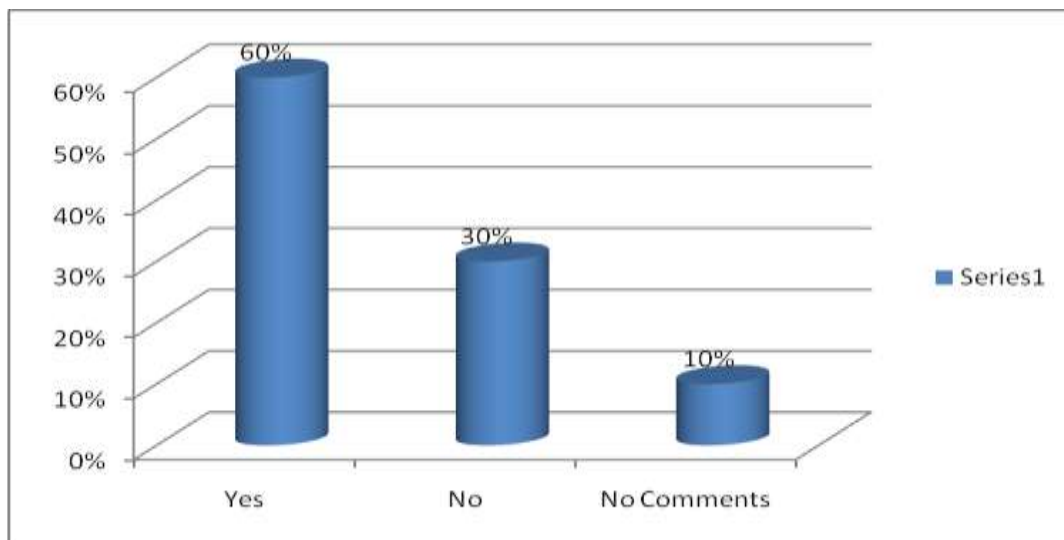


Figure 4: Respondents' involvement with social business

From the result was found that 60% respondents express positive about any involvement with social business in Bangladesh, 30% respondents express negative about any involvement with social business in Bangladesh and 10% respondents express nothing about any involvement with social business in Bangladesh.

CONCLUSION

The survey evidences that there is an urgent need to start social entrepreneurship to a greater extend and there is a bright future for social entrepreneurship development in Bangladesh in general and in sample areas in particular. Social entrepreneurship development is an area, which is yet to receive adequate attention from relevance interest group in the country. Thus proper education, publicity and other marketing programme may be taken to popularize the programme to the target groups.

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