



## A STUDY OF SOCIAL ENTREPRENEURSHIP IN INDIA – OPPORTUNITIES AND CHALLENGES

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**ABSTRACT:** Social enterprises, while sharing similarities with traditional for-profit businesses, have a distinct focus on social and environmental improvement rather than solely maximizing financial return. They are considered somewhat rebellious in the corporate world due to their emphasis on innovation and change within society. As a social entrepreneur, your market is society itself, and the product you offer is aimed at creating positive societal impact. Social entrepreneurs combine business and social issues to improve the lives of people involved, measuring success not only by profit but also by the positive change they bring to the world. They tackle society's most pressing problems and promote social innovation in various areas such as health, agriculture, education, environment, and human rights. What sets them apart is their unique approach in pursuing these goals, utilizing entrepreneurial determination and business methods to establish financially sustainable organizations. In essence, social entrepreneurship is business with a social purpose, often referred to as altruistic entrepreneurship.

**keywords suitable for social entrepreneurs are: innovation, sustainable development, scale and social impact.**

### 1. INTRODUCTION

In the income model, social entrepreneurs generate revenue by selling products or services. The customers of these companies are aware that their purchases contribute to a specific cause, such as providing soap to children in need or promoting peace in the Congo through the sale of whistles. Many people are attracted to social enterprises because they can address social issues while fulfilling their own needs or desires.

The economic progress of a country relies on its industrial development, which in turn depends on the entrepreneurial abilities of its people. Entrepreneurs possess qualities such as innovation, motivation, and critical thinking, and when these traits are combined with a desire to solve social problems, a social entrepreneur emerges. Social enterprises are organizations that focus on improving the overall well-being of society and employ market-based strategies to achieve their social objectives. The shared mission of social entrepreneurs and social enterprises is to enhance society.

There is a significant distinction between social entrepreneurs and non-profit organizations in terms of their goals and objectives. Social entrepreneurs are motivated by both social and economic goals, whereas non-profits solely pursue social objectives. It is important to understand how social entrepreneurship differs from the processes and activities of political actors or social activists who also aim to bring about social change or alleviate social problems. The concept of social entrepreneurship is still not clearly defined, and its boundaries with other fields of study remain uncertain. While this may be seen as a challenge by some, we view it as an opportunity for researchers from various disciplines, such as business, sociology, and organizational theory, to critically examine and redefine key concepts and assumptions.

### 2. WHO IS A SOCIAL ENTREPRENEUR?

Social entrepreneurs are individuals who actively participate in social business ventures. They possess all the qualities of traditional entrepreneurs, with the exception of being motivated by addressing social inequality and deprivation. Social entrepreneurs are individuals who identify a social issue and transform it into a viable solution. Their primary objective is to create a positive impact on society rather than solely focusing on financial gain. Additionally, they are known for their innovative approaches, often referred to as "social innovation". Social entrepreneurs go beyond simply providing short-term solutions or teaching others how to fish; their ultimate aim is to bring about a revolutionary transformation in the fishing industry.

## II.OBJECTIVES OF THE STUDY

This research has justified the specific goals it does. The objectives were chosen in such a way as to keep in mind the importance and rationality of the research title. This study aims to achieve the following objectives:

- Research of social entrepreneurship with its basic framework.
- Highlight the roles and responsibilities of social entrepreneurs in Indian society.
- List the challenges of social entrepreneurship in India.
- To provide suggestions to solve the challenges of social entrepreneurship in India

## LITERATURE REVIEW

According to a report titled "Social Entrepreneurship - Emerging Business Opportunities" (2014) by Earnest and Young, the role of government in the socio-economic sphere is shifting towards privatization of public responsibilities, resulting in reduced public funding for charities and the rise of social enterprise worldwide. European studies on social enterprise sectors reveal that social entrepreneurs primarily focus on social services, employment, education, environment (including clean technologies and bio-systems), and community development.

In the report "Young Social Entrepreneurs in Canada" (2003) by the Canadian Centre for Social Enterprise, social entrepreneurship is characterized by an emphasis on "social innovation through entrepreneurial solutions." It blurs the traditional boundaries between the public, private, and non-profit sectors, promoting hybrid models that combine for-profit and non-profit activities. This approach involves multidisciplinary collaboration and the development of radical new approaches to address long-term and complex social and economic problems.

Dr. Partap Singh, in his research "Social Entrepreneurship - A Growing Trend in the Indian Economy" (2012), highlights that social entrepreneurship involves recognizing a social problem and utilizing entrepreneurial principles to organize and manage a non-social enterprise in order to bring about the desired social change. While business entrepreneurs typically measure performance based on profit and output, social entrepreneurs also consider the positive impact on society as a measure of success.

The Swisse India report titled "Social Entrepreneurship in India - Unlocking Unlimited Opportunities" (2015) emphasizes that social entrepreneurship can be applied to both non-profit and for-profit social enterprises, although the business models and legal entities differ between them.

## THREE TYPES OF SOCIAL ENTREPRENEURS

### Non-profit projects

The organization operates as a non-profit entity. The entrepreneur actively promotes the adoption of a specific social innovation among various sectors of society, including both private and public organizations. Leveraged nonprofits depend on external philanthropic funding, yet their long-term sustainability is often enhanced due to the vested interest of their partners in their continued operations.

### Non-profit hybrid companies

Also, a non-profit organization, but this model involves covering some expenses through the sale of goods and services. To continue their activities, entrepreneurs must obtain other sources of financing besides public or charity. Grants or loans offer a solution to the lack of money. However, these loans must be repaid within a certain time.

### Social enterprise

Social enterprises are profit-making organizations that offer products or services with a social or ecological purpose. While financial gain is not the main objective, accumulating wealth is not the primary focus. The company's main goal is to expand as a social project and make a positive impact on one or more aspects of society, reaching a larger audience. Consequently, a significant portion of the profits is reinvested in the company to support its growth. Such entrepreneurs seek investors who are keen on combining financial returns with social benefits through their investments.

## AREAS IN WHICH SOCIAL ENTREPRENEURSHIP HAS INFLUENCED

Social projects are spread all over the world and work in the fields of health, education, human rights, culture and environment, among others.

### Health Care

One of the main areas where social entrepreneurship plays a big role is ensuring that people have access to healthcare. This can be done by building new hospitals and affordable health clinics, providing medicines, as well as educating patients, who in turn can help lacking clinics. For example, the social enterprise Mothers2mothers (m2m) identifies HIV-positive mothers and engages them in intensive training programs. In this way, they learn to take care of themselves and are trained to work with doctors and nurses as paid mentor mothers. As mentors, they support and educate their peers and empower other mothers to access life-saving care for their babies and themselves.

### Training

Another field of work where social entrepreneurship is successful is education. The focus here is not revenue generation, and many organizations in this field operate as some form of non-profit organization. As access to decent education remains a global problem, many social

entrepreneurs have set out to solve it. Reduce dropout rates, assist students in their education, increase attendance, train teachers, provide learning materials or infrastructure; social projects can do a lot to improve education around the world.

### Human Rights

When it comes to human rights, social enterprises work to ensure freedom, the pursuit of happiness, life without discrimination, freedom of religion, freedom of speech, fair trial and more. Educate people, negotiate with governments, provide safe havens, raise public awareness; All these strategies are used by social enterprises, and in doing so they often help people living in the most distressing circumstances.

### Culture

A company can use culture to promote social change and community integration, but it can also promote culture for culture's sake. The culture of the social enterprise arts cape is an end rather than a means to an end. This Toronto-based organization creates spaces that highlight culture and creativity (think event spaces, studios and residential areas) and provides viable living spaces for artists. A nice side effect of this creative place making is the vibrancy that artists bring to neighborhoods. This, however, often triggers the so-called "So Ho effect," a phenomenon in which artists move into affordable neighborhoods, make them desirable, but ultimately force them out of rising property values. To avoid this, Arts cape builds relationships of trust between developers, government housing authorities, the arts and culture community and local community groups.

### The neighborhood

Social entrepreneurs have many opportunities to focus on environmental issues: developing companies offering sustainable products or services, responsible distribution of resources, waste management, reducing emissions, protecting land and nature, or even negotiating with municipalities, companies and governments. Reduce your ecological footprint.

## THE FUTURE OF THE SOCIAL ENTREPRENEUR

In the face of significant social and environmental challenges, there has been a notable rise in the number of social enterprises worldwide. While these companies may not currently dominate the business sector, social entrepreneurship has become a prominent topic in various management courses, and some experts even predict a potential shift in the near future.

Of particular importance in this context is Generation Y, also known as Millennials, who are widely regarded as a generation with a strong social conscience. This is evident in their purchasing choices and their preference for working with companies that align with their values. The industry provides them with the opportunity for independence, experimentation, and the ability to incorporate their personal beliefs into their future careers.

## ROLES AND RESPONSIBILITIES OF SOCIAL ENTREPRENEURS IN INDIAN SOCIETY

- Social entrepreneurs have the ability to impact society through their unique product/service aimed at social upliftment. Their role begins with identifying a social problem that affects everyone more than certain groups in society. So, identifying appropriate social issues/problems is very important.
- Social entrepreneurs in India face some problems related to the mindset of people who do not want to change their ways of doing things. The biggest role of social entrepreneurs is to get them to make fundamental changes that will be reflected in the whole society.
- Social entrepreneurship depends on social innovation; The challenge is to create innovations that can fully solve a social problem using minimal resources. →
- Social entrepreneurs have the opportunity to reach the remotest corners of the country to target social areas deprived of basic services. It is the responsibility of social entrepreneurs to reach such people and serve them positively.
- Social entrepreneurs should also use their own unique approach. The biggest responsibility of social entrepreneurs is to employ local people with minimal skills and qualifications. One of the most important roles that social entrepreneurs play in Indian society is to bring about visible change in societies with a social rebalancing approach.
- Social entrepreneurs must use positive means to eliminate the social inequality. This can be done by proper and sufficient research on the section of the society where the product/service is to be introduced.

## CHALLENGES OF SOCIAL ENTERPRISE IN INDIA

Social entrepreneurship also faces challenges, just like all other areas of social entrepreneurship. All challenges are either manageable or unmanageable, but all challenges are manageable. Social entrepreneurship is somewhat and somehow basic Economic entrepreneurship is characterized by the challenges of social entrepreneurship. In India, social entrepreneurship in particular faces many challenges. These challenges hinder the growth and spread of social entrepreneurship in India to other regions and countries that have adopted social entrepreneurship as their mission. The interesting thing is; the challenges facing social entrepreneurship are all very different in nature. They are all about mindset rather than any physical attribute. In India, people are mentally blocked from social entrepreneurship. Below are some of the major challenges facing social entrepreneurship in India.

- **Confusion with social work**  
Social entrepreneurship is mostly in India and it is confused with social work, so it cannot make its mark as a single entity in India. This is where the challenge for social entrepreneurship begins.
- **The problem of creativity**  
The next problem that social entrepreneurship faces is the lack of creativity to come up with great ideas for the betterment of society and also to make a profit. This merger is very difficult to think and implement, especially in India. arrange financing one of the challenges of doing business in India is still lack of funding sources. Social entrepreneurs who offer a unique package of products and services find it even more difficult to get financial support from established financial institutions. This is a very important situation and an important reason for the development of social entrepreneurship in India.
- **Lack of talented/committed workforce**  
This is a very unique challenge that only social entrepreneurship faces. Generally, you come to work to get a nice salary and benefits, but with social entrepreneurship, it gets a little more complicated. Because the main objective of social entrepreneurship is to gain social benefits/benefits rather than personal benefits/profits. Under these conditions, it is very difficult to get people to work in the company.
- **Objective setting and communication of value**  
A major challenge of social entrepreneurship is the clear setting and communication of values. In general, the value can vary from society to society based on their exclusive needs. But social entrepreneurs must establish shared values that are easy to communicate.
- **Believe Individuals**  
The most visible and visible challenge facing social entrepreneurship is to elevate people from their current position by providing positive and meaningful opportunities. In this process, each individual must consider his individual requirements, not the society as a whole. This presents a different challenge for social entrepreneurs.
- **Lack of an ethical framework**  
Because social entrepreneurs care deeply about social change and uplifting people, they sometimes adopt less ethical business practices. This challenge is very rarely observed, but in India it happens in some extreme cases. The ethical parameter changes from society to society.

### MEASURES TO EFFECTIVELY ACHIEVE THE CHALLENGES

Undoubtedly, there are many challenges associated with social entrepreneurship, and these challenges grow with time and social dynamics. Social entrepreneurs must take care and remember the small things to meet the overriding (above) challenges. Although the list of challenges facing social entrepreneurship is not yet complete, there are a few more in addition to the listed challenges. An important preface is how to overcome the challenges facing social entrepreneurship in India. There are few steps/initiatives to address the challenges of social entrepreneurship in India.

- **Appropriate training and development institutions**  
The government must open special commissions and institutions for the systematic development of social entrepreneurship. Some institutions operate in the field of economic entrepreneurship; part must also be open to social entrepreneurship.
- **Create mass awareness**  
Measures should be taken to raise awareness of social entrepreneurship so that people do not get confused between social entrepreneurship and social work. Mass media, social media and other vehicles can be used for the same purpose.
- **Provision of infrastructure and basic services**  
The state and other interest groups must work in the basic conditions of social entrepreneurship. These spaces can attract people to become social entrepreneurs, thus multiplying the spread of social entrepreneurship.
- **Programs for the development of social entrepreneurship**  
Similar to business development programs, social entrepreneurship programs should be organized from time to time to support social entrepreneurship. Such an organization helps to increase the general motivation of social entrepreneurs.

### III.SUGGESTIONS

Some actionable recommendations can help social entrepreneurs in India achieve their goals:

- A social enterprise should use a network approach with other social enterprises to exploit market opportunities. This helps them educate consumers and set market standards.
- Social enterprises should work together to educate customers about the differences between their product and (possibly cheaper) products from other companies. This would lead to increased demand for these products among people who support their cause.
- Social entrepreneurs should help higher education institutions in India develop curricula that embed social entrepreneurship in their students, thereby providing access to quality leaders and facilitators for social enterprises.
- Most of the social enterprises operate mainly in South and West India. This is mainly due to the emphasis on the jurisdiction of many of these companies and leads to a regional imbalance in the growth of social entrepreneurship in the country.
- Social entrepreneurship is the best combination of social services and entrepreneurial skills to solve social problems.

- Social entrepreneurship has the capacity for social innovation. These inventions are a precise and creative response to the prevailing social issues/problems in India.
- There are many examples of social enterprises operating in India and changing the face of Indian society with their unique offerings combined with local knowledge to create social value.
- The growth of social entrepreneurship has been reflected in the employment and skills of people at the lowest level. The best example in this regard is the Barefoot University of Rajasthan.

#### IV.CONCLUSION

Social entrepreneurship involves the efforts of a social entrepreneur, who identifies a social issue and utilizes entrepreneurial principles to organize, establish, and lead initiatives for social change. The objective of social entrepreneurship is to facilitate the development of more advanced and effective forms of social responsibility within companies.

In India, social entrepreneurship has the potential to significantly impact society, as there are numerous examples of projects operating under this umbrella that have positively transformed the lives of individuals in local communities. Social entrepreneurship represents a distinctive blend of business and philanthropy, where products and services are designed to generate significant social impact while also yielding substantial profits for the company. Typically, social entrepreneurship focuses on areas or territories that are often overlooked by larger, financially-driven entrepreneurial ventures. The products and services offered by social entrepreneurship are unique in their ability to address societal needs more effectively than purely economic requirements. In essence, social entrepreneurship applies entrepreneurial characteristics to address social causes or problems, while still encompassing the fundamental elements of traditional business practices.

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