

SOCIAL ENTREPRENEURSHIP: SCOPES AND CHALLENGES

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Abstract

Entrepreneurship is a loan word from French. First used in 1723. The word literally means the ability and willingness to start or to develop, organize and manage a business venture with self-risk in order to make a profit.

In economics it is combined with land, labour, and natural resources and capital in order to convert a new idea or invention into an innovation. Today the term entrepreneur implies qualities of leadership, initiative and innovation in new venture design.

SOCIAL ENTREPRENEURSHIP – MEANING

If we add the word social to the word entrepreneurship it means that the ability to start a new venture or a new idea to find solution to social problems in our society.

Actually many controversies are going on the subject that who can be called as a social entrepreneur. For example a philanthropist, social activist and environmentalist is referred to as a social entrepreneur. Since it falls into different categories of careers, it is difficult to determine who is truly a social entrepreneur.

CHALLENGES FACED BY SOCIAL ENTREPRENEUR

- **Lack of resources**
- **Governmental approval for starting new venture**
- **Promoting awareness related to service provided**
- **Technological challenges**
- **Sustaining employees**
- **Policy of non profit**
- **Getting skilled employees**
- **Competition from others**
- **Legal barriers**

SCOPES OF SOCIAL ENTREPRENEURSHIP

- **Rural and urban development**
- **Making health care affordable**
- **To reduce social problems in our society**
- **Nutrition and health care for poor**

In essence, social entrepreneurship is an attempt to find solution to the social problems.

SOCIAL ENTREPRENEURSHIP

Social entrepreneurs play the role of change agents in social sector by adopting a mission, recognising new opportunities and engaging in a process of continuous innovation.

Social entrepreneurship falls into two categories. First, in the for profit sector it encompasses activities emphasizing the importance of a socially engaged private sector and the benefits that acquire to those who do well by doing well. Second, it refers to activities encouraging more entrepreneurial approaches in the non-profit sector in-order to increase organizational effectiveness and foster long term sustainability.

Social entrepreneurs can be called as private sector citizens who play critical roles in bringing about catalytic changes in the public sector agenda and the perception of certain social issues.

In India, a social entrepreneur can be a person who is a founder, co founder or chief functionary president secretary, treasurer, chief executive officer of a social enterprise or a non profit which raises funds through some services and occasionally products. Today, non-profit and non-governmental organizations, foundations, governments and individuals also play the role to promote, fund and advise social entrepreneurs around the planet.

SCOPE

The scope of social work is no longer limited to activism. Today, there are many opportunities in the child welfare, community development, health care, counselling, in not only NGO'S but also national and international bodies as well as social enterprises.

- Rural and urban development

Rural and urban development implies to improve the quality of life for individuals, families and communities to sustain a healthy economy and environment. Improvise small scale agriculture, technology and innovation, institutional and pricing policies, supportive social institution.

Conditions for rural development are land reforms, supportive policies, integrated development objectives. Providing microfinance for poor farmers to start a new venture.

Microfinance is a source of financial services for entrepreneur and small business taking access to banking and related services.

- Making health care affordable

The primary reason for high expenditure by the poor is due to inadequate public health infrastructure and poor access to existing facilities, so there is an immense need for health care enterprises that provide affordable medical services.

Health is a sector with large growth potential. Although the sector currently produces a very small number of profit making entities, it has the lowest percentage of loss making enterprises. Most importantly the health sector has the largest segment of break-even businesses. If or when these enterprises begin to turn a profit; the health sector could sustain a multitude of successful, profit-making enterprises.

There are more enterprises that are losing money than those earning a profit. And 41% present of enterprises are currently breaking even. The analysis of profitability by measure of years in operation, states that making profit through social enterprise is no easy task.

The percentage of enterprises running at a loss steadily goes down as the companies get older. But there is virtually no disparity in the number of profit making entities across age categories. Many enterprises stop running at losses as they grow older but they do not begin to turn a profit; they merely start breaking even.

- Services for differently abled

The differently-abled frequently experience discrimination and face barriers to participate in all aspects of society, for example in accessing education, employment, health care and transportation.

Ventures to empower persons with disabilities by providing training in special education, vocational training and entrepreneurship training with the ultimate objective of making differently abled persons self reliant and economically independent. To create a platform for the differently abled to express their needs exhibit their potentials. In India, person's disabilities, more often than other groups, lack access to basic services, employment, credit, land and other resources that could reduce poverty.

- Services for socially disabled children

Residential institution for the care of children like orphans, children of unmarried women. Services include day care centres, cultural and recreational centre, holiday homes. Providing educational facilities, special training in public speaking, vocabulary development.

To create a platform for the differently abled to express their needs and exhibit their potential. Children of tribal community always face difficulties in completing their education. They can be motivated by providing hostel facilities, study materials and providing counselling services.

- Women Empowerment

There are many women in our society who are victims of or survivors of violence and or abuse. Women facing barriers to employment. Social entrepreneurs can start ventures for the betterment of these women who wants to make positive changes in their lives.

Services like:

- Workshops specialising in life and employment skills.
- Personal development services in areas such as assertiveness and communication.
- Referrals to other community services
- Access to computer labs.

- Counselling services

There is a growing need for pupil personal service providers to collaborate within the school system. Pupil personnel services constitute a unit that brings together a range of educational professionals from school system, including the school counsellor and school psychologist.

The approach of the social entrepreneur is of value to those pupil personal service providers that interact with the community and attempt to change existing services based on its needs.

The different pupil personal services roles vary in their scope for social entrepreneurship. School psychologists are required to focus on individual assessments and other forms of evaluation.

CHALLENGES

The problems that social entrepreneurs face can be similar to the problems that they encounter in the business world like challenges of starting, running and sustaining a business. Before entering a market with a new business idea, a social entrepreneur should have clear understanding of the problems and issues they may face.

- Policy of non-profit

Social enterprises can be run as for profit and sit somewhere in the middle of the traditional corporation and purely charitable organization. Some organization is able to generate sufficient income through the sale of socially beneficial goods or services, but many are not.

- Governmental approval

A lack of social enterprises accessing publicly funded business support. On the other side it is difficult to come up with the proposition that will appeal to corporate and funders where your objective as an organisation is not to maximise shareholder values. Lack of government support is a major hindrance for social business development in India. Currently government

is not providing any kind of support. The government's policies and regulations for social entrepreneurs are very strict and complex, with no tax incentives or subsidies being for social enterprises, combinations of which act as a major process to the growth of social ventures in our countries.

- Legal barriers

In some countries, just the process of starting up business can be cumbersome enough to discourage even the bravest innovator. Joining a social entrepreneurial organisation will be a great opportunity to learn from experts in an organisation and structure that is already established.

- Getting skilled employees

This is a real problem when social enterprise moves past its founders, it is difficult to find employees who are talented, who share the vision and who are willing to generally take less money.

Social enterprises have to get competent man power from a variety of sources; professionals, volunteers, labourers and community participants.

To align the motives of all these groups with the long term growth of the organization is a challenge for the founders. In order for social enterprises to full-fill their mission in a holistic manner they must typically employ man power from the underprivileged sector of the society, leading to increased developmental cost as these people are typically uneducated and unskilled. The organisations have to attempt to full-fill the aspirations of all these divergent groups and still come out with the best result

- Technological Challenges

Social entrepreneurs need to understand the deep value that can bring to social changes when it is offered in context, with appropriate training, and with the intent of empowering the user. Technology can empower social entrepreneurship initiatives by democratizing access to information, creating business value, and enabling new capabilities. Major problem faced are poor digital literacy

- Lack of capital

It is the major challenge for the Indian entrepreneur. Generally, the social entrepreneurs run their business with their own funds or by raising funds from the local money lenders at a high rate of interest, which sometimes become a financial burden on them. The reason behind this is the banks avoidance to providing loan facilities for them. Hence the social enterprises had to deal with challenge of facing a holistic reaction from financial institution and governments as far as funding is concerned. This forces social entrepreneurs to take, what can be, a more difficult path of approaching venture capitalist and philanthropic organisation

Some suggestions for social entrepreneurs in achieving their objectives can be:

- Social entrepreneurs in our country should help higher education institutions in developing curriculum that create social entrepreneurship habits in students.
- Social ventures should educate the consumer and set market standards by following network approach.
- Regional disparities or imbalance should be removed by the growth of social entrepreneurship in the country, which can solve the social problem of large population and health of the country.

CONCLUSIONS

The economy has been witnessing rapid growth since the onset of liberalisation. Unfortunately social and environmental problems are increasing year after year which necessitates the extensive application of multidisciplinary approaches and entrepreneurial energy in the social and environmental sectors. As discussed earlier India is experiencing an increase in social entrepreneurship and attempts by social entrepreneurs to find affordable solutions to various social problems of society. With changes in technology and increasing competition, social entrepreneurs have to become more dynamic.

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