SOCIAL ENTREPRENEURSHIP AS A PATH OF SOCIAL CHANGE - A CASE STUDY ON WCSW

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Keywords
Social Entrepreneurs, Sustainable development, Entrepreneurial Opportunities

Abstract
Social entrepreneurship is considered as an important tool for sustainable development as it represents creativity, innovation and motivation aimed at solving pressing societal problems and creating sustainability. This paper is aimed at highlighting the role played by social entrepreneurs in bringing about social development and social change in the lives of many. The paper brings to light the work carried out by Women’s Council for Socio Economic Welfare and their efforts in creating entrepreneurs while making them self reliant.

1. INTRODUCTION

“A matter or situation regarded as unwelcome or harmful and needing to be dealt with and overcome” is the textbook definition of a problem. Problems are inconveniences; hindrances to the general going of things, a speed bump to the momentum of life. Problems however, are also opportunities, seemingly unfavourable situations that carry within them the potential to improve, enhance or embetter what is; probably they are the missing link to what could be; provided it is viewed in an objective light.

Society is where we live in and our comprehension of the world is more or less influenced by our society. This is where the problems are most conspicuous and apparent. We experience them on a daily basis, and watch their impact on the surroundings. This may lead us to complain of our
misfortune or of the authorities’ incompetence, but how often have we taken the effort to look past the impact of an issue right to the core of it, the root cause? And in there, lies the answer. The answer, is the solution and those to have found it are the ‘Social Entrepreneurs’.

Entrepreneurship itself involves taking risks to create something of value and this particular type of entrepreneur is someone who identifies problems prevailing in the society, divests the lairs to reach the cause and treat it. Entrepreneurship is no profession or vocation, rather a way of living. A simple difference in attitude separates normal people from entrepreneurs. High migration rate may be seen as a challenge to the civic authorities by a layman but if viewed from an entrepreneurial vantage point, one may accredit it as a potent workforce.

A mere objective and logical worldview along with an acute sense of social service, is ‘Social Entrepreneurship’ in a nutshell. It is a relatively new phenomenon but nonetheless a relevant one. It took no time to find a firm footing in the world and has gained traction within the last decade, especially since it came around only in the 1980s. It is akin to any other business organization only its vision is founded on the principal of societal benefit. These businesses utilize resources to mitigate incumbent social issues while also earning profits. At the heart of them all is a social cause. Grameen Bank by Muhammad Yunus, Amul by Verghese Kurien to name a few.

2. REVIEW OF LITERATURE

CSR(Corporate Social Responsibility), the mechanism which ensures every business organization’s payment of it’s social cost (In kind) that it incurred to the society in the course of it’s business. Social responsibility is a moral framework in which an individual is obliged to work and co-operate with other individuals and organizations for the welfare of the community that will inherit the world that individual leaves behind. (Jensen, Derrick (2006)).

It may seem inspired from the Sustainable Development goals enumerated by UN. In context of the aforementioned topic, social responsibility is foundational to it, as opposed to it being an imperative for it. The entire premise of this fledgling entrepreneurial variant screams inspired from the ideology of social responsibility; going a step further as at organizing activities in such a manner that makes this societal debt causal to it’s profitability rather than a charge against it.
Tapsell and Woods (2010) suggest that as opposed to profit or wealth creation, the social enterprise seeks to create something of value that closely resonates with the social cause and the social community. Along the same lines, Chell (2007) says, “The social entrepreneur connects with social and community values to achieve social outcomes; any theoretical development in the field of social entrepreneurship must recognise and acknowledge the social-economic context”. Chell has rightly introduced the possibility of quantitative measurement of a social enterprises’ contribution to the community as up until 2005, Dave Roberts and Christine Woods note that the field of social entrepreneurship is yet to mature, it still is a nascent undertaking, and presently lacks awareness and credibility. What is required is a definition that builds focus and understanding. The practice of defining something on grounds of what it does may prove to be a faulty endeavour in this case as Social Entrepreneurship is a portmanteau, and not a time tested, people accepted practice. Its constituent elements are both polar opposites and hence any effort of making sense of it on the basis of its parents may be an exercise in futility. Entrepreneurship theorists had for a while contemplated on how is this distinct from its older cousin ‘Commercial Entrepreneurship’ as they both result in pecuniary gains, directly or indirectly, while others pondered on it’s similarity to a charity as they both direct their efforts towards mitigating social issues.

“Social entrepreneurs are motivated to address a social need, commercial entrepreneurs a financial need”(Dave Roberts, Christine Woods(2005)). This crude differentiation paved the path for further rumination over the controversy. Social Entrepreneurship is subject to a certain degree of scholarly debate and dispute. As per W.B Gallie (1956), Social entrepreneurship, ‘an essentially contested concept’, can be encapsulated in two questions:

1. Is the social entrepreneurial venture in any way distinct from the ordinary charitable or philanthropic organization?

2. How is the social entrepreneurial venture distinguishable, if at all, from the ordinary entrepreneurial venture?

With these questions one can realize how daunting can be the task of those who seek to define it. Efforts have been made by theorists to define it in several differing ways. All aspects of it (nature, intent, methodology, objective) were separately exploited to formulate a fitting and apt description of it. An approach where social entrepreneurship could be understood and defined by analyzing the personality and identity of the entrepreneur was also pursued, this shall be discussed in greater
detail later on. Common across all definitions of social entrepreneurship is the fact that the underlying drive for social entrepreneurship is to create social value, rather than personal and shareholder wealth. Finally, the global view on it is that ‘Social Entrepreneurship is what Social Entrepreneurs do.’

This begs the question, ‘What do Social Entrepreneurs do?’ Much like an ordinary entrepreneur, Social Entrepreneurs identify consumer needs, generate a profitable idea, build around it a framework and implement it with proper planning. Save for intent and organizational mission, the two aren’t much different. The first step may be interpreted as identifying opportunities in the environment. Stevenson (1983) defined entrepreneurship as “The pursuit of opportunity beyond the tangible resources that you currently control.” This presents entrepreneurs to be great opportunists, observing keenly the ebb and flow of public sentiment. Social entrepreneurship is rapidly gaining recognition globally as an emerging form of organization that relies on innovative methods to exploit opportunities and make profits (Elizabeth Chella, Katerina Nicolopouloua and Mine Karatas-O’zkan(2010)).

Anele Mthembu and Brian Barnard (2019) give an extended version of this by stating that social entrepreneurship views the world differently, and directs its focus on social value creation and social innovation, and has the potential to initiate social revolutionization, change and economic development. Consequently, social entrepreneurs also perceive opportunity differently. Given their particular context, social entrepreneurs implement opportunities differently. This too, is disputed, as experts on the matter clash over the legitimacy of their theories on entrepreneurial action. Entrepreneurial action is based on the teleological theories of human action that assume that actions facilitating the accomplishment of one’s objectives are far more probable to occur than actions that won’t fulfil a person’s decided objectives (Parsons and Shils, 1962). After exhaustive research on the matter, Sharon a. Alvarez and Jay b. Barney (2007) have concluded that entrepreneurs may or may not be at the mercy of the vagaries of consumer need as opportunities may be either identified (Discovery Theory) or self generated (Creation Theory). Competitive imperfections are what the Discovery Theory is entirely based on. They are disruptors of equilibrium in the market that creates opportunities that the entrepreneurs ultimately recognize and later exploit to their benefit. Creation theory, the alternative to discovery theory, is a rather
unrealistically optimistic one in description, as it opines that opportunities are effect of the entrepreneurial action and that they are created by the decisions and actions of entrepreneurs. While the discovery theory perfectly fits into the framework of Social Entrepreneurship, describing the germination of an organization that works to solve problems already existing; the creation theory might prove to be paradoxical to the entire premise of Social Entrepreneurship as it would imply that societal problems may be a ramification of the actions of Social Entrepreneurs, the very people who are devoted to solving these issues. This could be an interesting topic for further debate.

Upon close inspection, it is revealed that Social Entrepreneurship takes on the role of the governing authorities of any country, as their objective is social benefit, which is what governments are formed for. These entrepreneurships are to be found in countries featuring nearly all forms of government, meaning that gaps in governance cut across economic and political differences, as does the need for compassionate and altruistic actions. Although Social Entrepreneurship is a worldwide phenomenon, but its occurrence was not simultaneous in all places, for the same reason. In developed nations, Social Entrepreneurship is in vogue, courtesy, the decline of the welfare state. Vital gaps in the social safety net and changes in the institutional environment have resulted in social entrepreneurial opportunities. In third world, developing and emerging economies, Social Entrepreneurship emerges out of a concoction of distrust of the NGO community, apathy within the private sector, and the ineptitude of the government to provide services to the people (Jeffrey Robinson(2006)).

The social endeavour of an enterprise may prove to be more profitable than an ordinary entrepreneurship if the psyche of the people is accurately judged. A professional repute aligned with social responsibility is causal to more profits, especially when firms and organizations report the positive and negative outcomes of their social responsibility endeavors. (Johnson, Z. (2019))

Social enterprises do serve the purpose of society yet they may differ in the aspects they address in a community. That is a personal decision as entrepreneurs are influenced by their immediate surroundings mostly in their formative years and may choose to respond to that particular challenge. Co-operatives & credit unions, trading charities, community enterprises, development
trusts, fair-trade organizations, green social enterprise, social firms, work integration social enterprise, health & social care enterprises and socially or environmentally oriented small businesses among others according to Roger Spear, Chris Cornforth and Mike Aiken are just a handful of the enterprises that come under this umbrella term.

A Social Entrepreneurship organization can be either a for-profit organization or it can be a not-for-profit organization depending on whether or not the entrepreneurs seek financial sustenance and independence from external sources. This differentiation as per Shalei V. K. Simms and Jeffrey H. Robins may be in the root of the deeply existential question of “Who am I”, one that the entrepreneurs ask themselves, supposedly because have a far deeper sense of self than regular people. Though a conjectural argument in the favour of divergence of social entrepreneurships, there may be some merit to it, knowing that this suggestion was catalytic in initiating research into several other disciplines like psychology and sociology. This led to Social Entrepreneurship being branded as a multi-disciplinary concept.

3. ROLE OF A SOCIAL ENTREPRENEURS

Social Entrepreneurs and Commercial Entrepreneurs are distinguishable by the motive behind their existence. One has sights set on financial gains, the other is determined to do good by the society; in so doing, their roles & responsibilities are visibly demarcated.

With Commercial Entrepreneurship being prevalent since the very advent of economic activity, their responsibilities have concisely been succinctly laid out. Social Entrepreneurship on the other hand, is a more recent emergence and given its lack of a suitable definition, we are still mostly in the dark about its role in the society. However, on scrutiny of the work done by numerous social entrepreneurs, an accurate estimation to the aforementioned can be made. Hereinafter, until the end of this heading, we shall be enumerating the various supposed roles that a Social Entrepreneur is to perform in the society and the business community since it is fast becoming an indispensable member of both.

1. They draw the attention of authorities towards problems that may have eluded them.
2. They act as visionaries for the society as their aim is to enhance the standard of living of the community and create a more habitable environment for the pursuit of greater human ambitions.
3. They are the perfect paradigms in the business circles as they are living proof that public service and economic benefit do go hand in hand.
Also they create a nurturing and conducive forum for like minded people who wish to dedicate their efforts towards a certain cause.

Social entrepreneurs are the catalysts to growth in the social sector by adopting a mission to generate and maintain social value and not private value.

They inspire dynamism among people as they have the capability to function in the scarcity of resources and in the face of grave uncertainty.

They profess the spirit of innovation and change as they relentlessly endeavour to create something new and of social value.

They inculcate among people the values of social service, philanthropy and self sufficiency as these are all ingrained in the very ideal of Social Entrepreneurship.

4. CHALLENGES FACED BY SOCIAL ENTREPRENEURSHIPS

The Social Sector is no stranger to difficulties and impediments. It is positively riven with them, being suffocated by the challenges without which they could have a smooth and effortless functioning. They are as follows:

4.1 Measuring Impact

Social Entrepreneurs work for the benefit of the society. It can be a thankless and undervalued work at times as the efforts put in may go unnoticed and the results unacknowledged. This is mainly because of the different methods of measuring the ROI. In conventional businesses ROI is measured in monetary terms and so the performance analysis of it is tangible and immediate but it is not so with Social Entrepreneurships. It is essentially a value added process because of which its ROI is evaluated on the basis of how much social value has it created by its operations. So far there is no universally accepted metric for measuring this and hence, it faces certain challenges that may lead to a interfered functioning of these organizations.

4.2 Funding

Social Entrepreneurs face trouble in raising adequate financial resources for their operations. This is because their line of work doesn’t guarantee immediate and regular profits and that could be a deterrent to the investors. With an uncertain payback period, Social Entrepreneurs don’t have much to bring to the table except for a social reputation and hence face trouble getting funding. Only the most stoic of investors are willing to inject their funds into the organization.

4.3 Misalignment Of Goals

Social Entrepreneurs may somehow get the funding they need but when investors enter the fray, they more or less try to mould the organization’s structure so as to ensure their money is safe. This happens only because of a conflict of interest. Social Entrepreneurs have aspirations that do not go along well with their investors and this may be another potent cause for resistance.
4.4 Human Resources
Lack of the necessary funds is a challenge for Social Entrepreneurships that has sown the seeds for several other hurdles. Absence of the right HR is one of them. This is in direct violation of the Staffing principle of management. Most Social Entrepreneurships fail to achieve their goals as they can’t afford the right people for the job.

4.5 Government And Laws
The objective may be noble but several deceitful individuals make use of the Social Entrepreneurships’ to meet their own selfish ends, while hiding behind the benefits that these organizations enjoy from the authorities. Lawmakers have thus come up with legal mechanisms to constrict the functioning of these organizations; case in point, FCRA(2010) in the Indian context.

4.6 Mistrust And Backlash
Every new ideal is dealt the harsh blow of mistrust and Social Entrepreneurship is no different. The entrepreneurs are doubted by investors, their intentions questioned by the authorities and are met with a general feeling of disdain by everyone given their conscious choice of serving the society rather than their own interests. A more violent form of this could be backlash by a particular community or religion.

4.7 Social Sector Leaders Struggle With Burnout
The social sector is very demanding in order for results to be achieved. Long office hours, constant travelling, incessant burden of problems are permanent fixtures of this sector. It is not for the impatient, only those who are in for the long haul have a chance of surviving without falling prey to depression and burnout which is a staple mental issue that most entrepreneurs are currently wrestling with.

4.8 The Sector Does Not Value Originality
An aggregate of several factors has lead to the social sector being conservative in their approach and hesitant to experiment with new and potentially effective methods. Experimentation is deemed as a fail fast and fail often exercise in the corporate world. The social sector simply brands it as failure.

4.9 Lack Of Public Knowledge
For Social Entrepreneurships to bear the desired fruit, it is necessary that they rally public support and the acceptance of the community. This proves to be difficult as the people don’t have a clue as to what exactly is it.

4.10 Marketing
A serious issue for the Social Entrepreneurships is lack of right kind of marketing. They don’t have the correct kind of promoting strategies either because they don’t recognize the importance
of maintaining a good image in the market or because their funds don’t stretch far enough for
them to afford it. Also, reputed media houses and people in general don’t understand their
significance and consider charities to be worthwhile coverage of their efforts as compared to
them.

4.11 Not Many Success Cases
A surefire way of judging the efficacy of a trend is by looking at the number of favourable results
that it yields and sadly, Social Entrepreneurships haven’t been all that successful in the business
sphere. There aren’t many notable examples that come to mind when discussing Social
Entrepreneurships. This is the consequence of difference in measuring metrics for impact on
society.

4.12 Confusion With Social Work
A Social Entrepreneurship isn’t the same as a charity. They may have a certain semblance in their
objectives but their functioning and manner of operations are vastly different. This
misunderstanding is what is another one of the several challenges that a Social Entrepreneurship
encounters in its work.

4.13 Lack Of A Support Structure
Commercial Entrepreneurship thrives not on its profitable ventures but because it has an adequate
support structure around it, a luxury that Social Entrepreneurships don’t yet enjoy. Having a
reliable edifice to depend on in times of need can prove to be the difference between success and
failure.

4.14 Implementation Hurdles
An idea for social benefit may sound good on paper but only when its actual implementation is to
be done, does the real problem arise. The social sector is dynamic in nature and hence to make it
big, the idea must be adaptive to change and impromptu alterations to keep up with the times,
failing which, failure is certain. Every other challenge faced by a Social Entrepreneur is inherently
an implementation hurdle.

Something noteworthy here is that each individual hurdle manages to overlap with the other to
create a complication that is abundantly more difficult to overcome than an isolated challenge.
This is a downward spiral of obstacles that makes it immensely difficult to carry out their
purpose.

5. WOMENS’ COUNCIL FOR SOCIO- ECONOMIC WELFARE - A CASE STUDY

Womens’ Council for Socio-Economic Welfare(WCSW) is a not for profit NGO registered under
the Societies Registration Act, 1860. Established in 1999, this organization has been working
towards women empowerment and child safety in the state of Odisha in India. They provide skill development training to underprivileged women and then organize them in entrepreneurial groups that aim towards their self-sufficiency by presenting their work either through self-organized exhibitions or in an appropriate forum. They have also been instrumental in changing the lives of several destitute families by helping the women of the house earn and maintain a steady flow of monthly income amounting to as much as Rs. 25,000. WCSW understands the hardships that women of a particular class have to go through, so they readily offer legal aid at no charge to help them face these domestic challenges that otherwise might snowball into an insurmountable complication. Those at the helm of affairs are mostly women and so they very well understand the psychological condition of their target group and they empathize with them. It is why they are insistent on providing regular counselling to the women, youth and children of a particular social class. They believe help in whatever form would prove beneficial to them.

‘Masti Ki Pathshala’ is a program conducted by this NGO wherein children of slum areas are provided education that is at par with that of any private education institution. Teachers are either hired from outside or they volunteer to teach the children under the care of WCSW. The organization has undertaken the task of educating. Mrs. Nivedita Sathpathy, a teacher by profession, is the incumbent Secretary of WCSW and also volunteers for the educational endeavors of the NGO. They heavily stress upon providing education as it is the organization’s belief that an educated person is an asset to the society. Several of the children whose education was sponsored by the NGO are now successful in life and themselves volunteer regularly at the enterprise to pay their debt to the society.

WCSW sustains financially on the personal contributions of its board members, it does not believe in seeking outside financial aid and has not yet received any voluntary financial assistance. The organization doesn’t even partake in the profits made by it’s members, the underprivileged women. The enterprise experiences financial constraints while undertaking any kind of venture for the aforementioned causes. Hiring skilled personnel for their skill training drive and slum children education program can be a challenge given their fund crunch. The necessary HR isn’t easily available if there isn’t any visible cash inflow as guarantee for their remuneration. Right now, WCSW is severely short on both skilled and unskilled manpower for
volunteer work that they need to do on a periodic basis.

WCSW began in 1999 and it has been relentlessly working in its field to abet the challenge of unequal treatment of women and child abuse, but the journey has been rough. The board members themselves, mostly women, have had to face the mistrust of society and the very people they wish to help. Many a times their progress has been stalled by bigotry and a gender biased mindset. They face the challenge of working in a heavily prejudiced society and for a cause stigmatized by the illiteracy & ignorance of the people. The very idea of educating the women is anathema to the poor and this constitutes the mistrust towards this NGO. Also, several of those being helped by WCSW have already been duped by other flimsy NGOs and this too, is a legitimate cause for their evident diffidence in coming forward to seek help.

The NGO isn’t widely publicized as word of mouth is their only mode of advertisement. They have made a name for themselves and for the work they do, but it still leaves a lot to be desired. TV interviews and columns in newspapers are scarce as the lion’s share of publicity goes to the charities and philanthropic organizations. Its hard for the NGO to elicit solidarity for their cause from the people with the lack of promotion of their cause and it results in them facing resistance, backlash and difficulties in their operations. This NGO belongs to the social sector and in the absence of a proper support structure, it struggles to stay afloat. With the conscious decision of not making any profit, WCSW happens to have a tough time in conducting its duty for the society and the lack of like minded individuals and organizations willing to ally with them towards a common cause further aggravates the problem. Less than limited resources require them to stick to the tried and tested methods, an orthodox approach which may not always be fruitful given the dynamic nature of the industry. The board can’t experiment as they must spend responsibly and has to hold back on several of their socially benefiting plans, owing to this obstacle.

WCSW though not widely publicized, is a well respected and reputed organization in its area of operation. Through 23 years of selfless social service, the organization has garnered the goodwill of the people that they work with. Many of them now hold the board members in high regard. The NGO gets most of its new members now through the contacts that it has developed with the
people that they had worked with earlier. This also proves as a useful indicator in judging:

The impact that they are having on the social group that they seek to help.
The quantum of social problem that runs deep & rampant in their target social groups.

So far, WCSW has been able to successfully equip several deprived females with skills and the confidence to make them independent. They all now work with their newly acquired skill-set and earn enough to sustain themselves as well as their family while also being able to set aside some part of their income as savings. The success of even a single woman is the success of the entire enterprise as they have proved that they can not only make women empowered through the right guidance but can also the change the entire destiny of a family by simply adding value and quality to their life through sheer will, determination and efforts of a few good-willed individuals. WCSW is the paragon of a Social Entrepreneurship, given its perfect depiction of the union between a socially problematic issue and a working model to arrive upon a viable remedy for it that works not only on paper but also on ground, yielding satisfactory results.

6. CONCLUSION

Social Entrepreneurship has been solely responsible for the professionalization of the task of societal problem solving, instead of resorting to protests as was the norm. Social Entrepreneurs have succeeded in making the powers that be realize the potency of the resolve of responsible citizens, because that is what a Social Entrepreneurship is; the corrective actions of a responsible citizen pertaining to a societal malady. This paper began with the very definition of a problem since it is foundational to every Social Entrepreneurship. A definitive understanding of this concept hasn’t been achieved since it still is a maturing field, yet a functional understanding of it is readily available for all forms of scholarly activities. This was the subject matter of this paper; to summarize the various theories relating to Social Entrepreneurship to arrive on a unifying explanation of it, to catalogue the dominant roles it plays in the society and how exactly it proves as an essential aid to the governing authorities and to enumerate all the challenges that it has to face in order to succeed in its mission of societal upliftment.
The analysis of the working of a real life Social Entrepreneurial organization, “Women’s Council for Socio-Economic Welfare” gave evidential proof of the theoretical hypothesis formed above. The organization worked along the same lines, faced the same challenges and overcame them in ways no different than the ones explained earlier. Their entire existence centre’s around a social problem, the solution of which is the objective of their activities. It may seem similar to a charity but the lean difference lies in its functioning. It empowers its target members and directs its attention and resources towards continuously achieving similar results, improving on their methods of operation and subscripting profit as an optional priority; all the defining characteristics of a Social Entrepreneurship. Though WCSW conforms to all of the presently available patterns on Social Entrepreneurships, it is in no way definitive of it, as it still is an unfinished science and requires several more years of research, exploration and experimentation to reach that stage. Human behaviour, in isolation and in society is instrumental in understanding the complete truth behind the objectives of Social Entrepreneurships, and thus making a detailed study of that while integrating the two fields to compare and contrast results will only expedite the process.

7. CONFLICT OF INTEREST: Nil

8. SOURCES OF FUNDING: This research work is not funded by any national and international government body or organization.

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