

Social Entrepreneurship

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Abstract

Social enterprises tend to operate with a purpose of creating value for the society and also generate income (if not wealth). The solutions they offer are innovative, unique, people and environment friendly. Cost effectiveness is also a huge consideration. All of these are challenges to the sustainability of social enterprises, but the ones that are able to scale these are the ones that are able to create a huge impact! They are the enterprises that are advantageous to the society, people and the environment.

Social entrepreneurship has witnessed a boom in the past few years with more and more people getting attracted to it. There is now a healthy trend and world class graduates from IIT's, IIM's are giving up lucrative jobs to work and contribute in meaningful ways towards the betterment of the society.

As Bill Drayton would say it aptly 'Social entrepreneurs are not content just to give a fish or teach how to fish. They will not rest until they have revolutionized the entire fishing industry'. Such is the passion and the commitment required to be called a social entrepreneur that it may not be inappropriate to say that it is much more challenging than traditional entrepreneurship! The paper deals briefly as a case study of successful Social Entrepreneurship with one of the outstanding examples of how a human being with indomitable spirit and undying commitment can turn his personal adversity into an opportunity to serve, heal and extend helping hand to the poor, sick, hungry, homeless and the hopeless in the remote rural and tribal areas of AP and Telangana States.

It is about identifying a social problem and then forming a social venture to bring about a solution. The field of social entrepreneurship is rapidly growing and attracting the attention of numerous volunteers. It has now become a common term in university campuses. The reason behind the increasing popularity of this product is that individuals get to do what they have been thinking for long. The extraordinary people put their brilliant ideas and bring a change in society against all odds. In fact, there

is a new wave of thinking which is all pervading in the Indian society now, paving the way for spiritual capitalism.

Though there is no profit motive in the inception of the venture, there is indeed a great need for profit generation for carrying on the business further and bringing about a positive change in the society. The social entrepreneurs also think and act like any other entrepreneurs but little differently think with empathy for the cause of society to extend their helping hand

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for others. And they generate revenues though profit is not their prime motive. **Doing good without charity is their mission.**

The Founder of Grameen Bank in Bangladesh, Dr. Muhammad Yunus is a contemporary social entrepreneur who has been awarded the Nobel Peace Prize for his venture in the year 2006. The venture has been continuously growing and benefiting a large number of weaker sections of the society in that country.

Rang De is another brilliant example of a non-profit social enterprise. Established in the year 2008 by Shri Ramakrishna and Mrs. Smita Ram, it is an online platform from where rural and urban poor people in India can access micro-credits with an interest rate of as low as 2 percent per annum. Lenders from all across the country can directly lend money to borrowers, track investments and receive regular payments online.

The George Foundation is one more recognized social enterprise. The Women's Empowerment Program creates awareness among women by providing them education, vocational training, cooperative farming, business development and savings planning. By employing the principles of social entrepreneurship, these organizations are addressing the social problems and bringing a positive change in the society without losing economic sense.

Advantages of Social Enterprises

Social enterprises tend to operate with a purpose of creating value for the society and also generate income (if not wealth). As a thumb rule, the solutions they offer are supposed to be innovative, unique, people and environment friendly. Cost effectiveness is also a huge consideration. All of these are challenges to the sustainability of social enterprises, but the ones that are able to scale these are the ones that are able to create a huge impact! They are the

enterprises that are advantageous to the society, people and the environment.

Since social enterprises typically deal with people who live at the bottom of the pyramid, they are the ones who are benefited to take advantage hugely from the former. In other words, social enterprises are beneficial to the poor, generally by providing them with means of livelihood and improvement of their quality of life.

Cost effectiveness is a major advantage of a social enterprise. The solutions offered by these organisations in the form of either products or services are reasonable than compared to the same service provided by a profit making organisation. **No wonder basic amenities like healthcare, education etc have become very affordable to people world over with the help of these institutions. Micro finance, for example, today caters not to the poor but to the poorest!**

Who is a Social Entrepreneur?

A social entrepreneur is somebody who takes up a pressing social problem and meets it with an innovative or path breaking solution. Since profit making is a secondary objective, they are people who are passionate and determined about what they do. They possess a very high level of motivation and are visionaries who aim at bringing about a change in the way things are. Social entrepreneurs are great people recruiters who present their ideas or solutions in a way that many people, who are either part of the problem or surrounding it, recognise a need for change and get onboard the change bandwagon. Thus, **mobilizing the masses for bringing about change is the hallmark of a social entrepreneur.**

Social entrepreneurs operate with an aim of changing the face of society. Be it health,

sanitation, education, environment, human rights, they are present everywhere. There are people even who work on bringing about change in the modern innovations because their impact has been detrimental to human life. They, thus **work towards improving systems, creating new solutions, laying down fair practices.**

The social entrepreneurs with abundant will power, determination, purity of purpose, sense of equity, spirit of selflessness cross all boundaries to mitigate the miseries of millions of people. They ardently believe that the principles of management are useful to achieve a greater common benefit to the needy. The social entrepreneurs are amply clear that poverty is a multi-faceted problem with extreme complexities due to very meagre income, lack of literacy and malnutrition. In developing economies like India lack of empowerment and lack of opportunities force large population particularly in rural and tribal areas to lead a very sub-standard quality of life with less or no self esteem and dignity.

Some of the very eminent people who inspire others and become role models to take up social entrepreneurship are:

Susan B Anthony: was the Co-Founder of the first women's temperance movement and a prominent American civil rights leader for women's rights in the 19th century.

Vinobha Bhave: is a prominent figure in Indian modern history and was the founder and leader of the land gift movement that helped reallocate land to poorer and weaker sections.

Maria Montessori: a pioneer in education. Developed the Montessori approach to early education and personality development of children.

Florence Nightingale: She laid the foundation for the First School of Nurses and worked to improve the hospital conditions providing great relief and solace to the sick.

Margaret Sanger: She was the founder and Leader of the Planned Parenthood Federation of America, championed the family planning system around the world.

These are examples of some people who fought for what they believed in and brought about varying degrees of change in their respective spheres of work. Social entrepreneurship has witnessed a boom in the past few years with more and more people getting attracted to it. There is now a healthy trend and world class graduates including IIT's, IIM's are giving up lucrative jobs to work and contribute in meaningful ways towards the betterment of the society.

As Bill Drayton would say it aptly '**Social entrepreneurs are not content just to give a fish or teach how to fish. They will not rest until they have revolutionized the entire fishing industry**'. Such is the passion and the commitment required to be called a social entrepreneur that it may not be inappropriate to say that it is much more challenging than traditional entrepreneurship!

There is exhaustive list of several successful social entrepreneurs who sensing the need and requirement to meet the basic necessities of common people jump into band wagon of social entrepreneurship thereby meeting their inner urge of social service and sacrifice. Providing RO water at Rupees two, nutritious ice creams at rupees three for mid day meal scheme of school children, canteens for daily wage earners, toilet facility at least price, skill and technical training etc.

Financial Prudence of Social Entrepreneurship

Not Mere Profit Maximization: It is not just profit or share holders wealth maximization but with an objective to overcome poverty or deal with some social problems like primary education, nutrition, healthcare, environment and in the process with the usage of latest technology.

Economic Sustainability: A social business entrepreneur is not expected to take funds from outside like grants etc perennially. The entrepreneur is supposed to invest and sustain and become viable in due course.

No Concern on Return on Investment (ROI): Entrepreneurs of a social business are not expected to take money beyond their investment and are not expected to take dividend on their investment.

Plough back the Dividend: Social Entrepreneurs do like to reinvest any profit proceeds into the same business for further improvement and expansion aimed at increasing the scale of business and quality of services to the expanding segments of population.

Care for Environment: Social Entrepreneurs do take care of the environment and keep it green both directly and indirectly in the form of their operations, marketing, sales etc.

Fair Compensation: Social Entrepreneurs always desire to pay their employees a fair compensation, as per the industry benchmark and provide them with better working conditions and quality of life

Zeal for Society: Social Entrepreneurs are expected to have an unending passion for contributing to the Society Since social business is not with the objective of profit maximization. They are expected to do their business in an

environment of joy and not in an unhealthy competition and acute stress.

Srikiran- A Case Study on Social Entrepreneurship

The following is one of the outstanding brief case studies of how a human being with indomitable spirit and undying commitment can turn his personal adversity into an opportunity to serve, heal and extend helping hand to the poor, sick, hungry, homeless and the hopeless in the remote rural and tribal areas of AP and Telangana States:

Dr. Chandrasekhar Sankurathri, fondly called by his friends and followers as Dr. Chandra has completed his B.Sc.(Hons.) and M.Sc. in Zoology at Andhra University, Visakhapatnam, Andhra Pradesh. Later on he has joined Memorial University of Newfoundland, Canada and obtained his M.S. degree in Biology followed by Ph.D. degree from the University of Alberta, Canada. Dr. Chandra worked as a visiting scientist for the Ministry of Fisheries, in Canada and as an Scientific Evaluator for Canada's Ministry of Health.

Dr. Chandra married Manjari during 1975 at Kakinada, AP. Together they had a son, Srikiran, and a daughter, Sarada. **Manjari, Srikiran and Sarada were killed in the Air India Flight 182 (Kanishk) bombing on 23 June 1985 off the coast of Ireland when they were travelling from Ottawa to Delhi.**

Following this tragic incident, Dr. Chandra resigned from his job in Canada and returned to India in 1988. He established the Manjari Sankurathri Memorial Foundation in 1989 in memory of his late wife, which is a registered Charity in Canada. He established the Sankurathri Foundation in India in memory of

his family in 1989. The Foundations goals are to improve the quality of life of needy people in the rural and remote areas of Andhra Pradesh. Established Sarada Vidyalayam in 1992 in his late daughter's name, which is a High school to provide free education for rural poor children. He also established Srikiran Institute of Ophthalmology, a premier Institute for eye care services in 1993, which is named after his late son.

Sankurathri Foundation was registered as a non-profit organization in India with the purpose of improving the quality of life for the destitute and downtrodden in the society. It is implementing educational programs through Sarada Vidyalayam, health care programs through Srikiran Institute of Ophthalmology and disaster relief programs through Spandana. All the activities are being organized from Kakinada, Andhra Pradesh, serving a population of over five million. Dr. Chandra lives on site and supervises all internal programs and outreach campaigns.

By establishing Srikiran Institute of Ophthalmology in 1993 with a mission to "provide quality eye care which is accessible, affordable and equitable " and provided eye care to 24 lakhs outpatients (65% free for poor) and restored eyesight to more than 2,28,376 through cataract operations (90% free for poor and needy). This is the only eye hospital in India doing this service to the rural poor and downtrodden.

In order to realize the mission of providing accessible eye care to the rural and tribal people, an active community outreach program was initiated in 1993 to take eye care to the doorsteps of the needy. So far 2,307 free eye camps were organized in remote and rural areas and provided

eye care to the rural people. To provide the eye care accessible to the children, it has conducted 1,073 children's eye screening camps.

This is the biggest chain of eye care hospital in Andhra Pradesh and performing about 14,000 surgeries per year. Srikiran is also providing various training programs for Ophthalmologists and Paramedical personnel. By establishing eight Vision Centers (Tuni, Peddapuram, Mandapet, Jagannaickpur, Mummidivaram, Narsipatnam, Draksharama and Juvvalapalem in the State of AP) eye care is being provided closer to home for 10 lakhs population in the rural and remote tribal areas. Srikiran is the only center performing cornea transplantation surgeries and LASIK procedure in Kakinada. Till now successfully performed 1,151 corneal transplantations and 141 LASIK procedures in the area. This is the only hospital providing all specialty eye care services so that common people from the region need not travel long distances for eye care treatments.

When it started 28 years ago, the mission was to improve the quality of life of poor and downtrodden through various interventions. But after commencement of their work with limited resources, lack of support from Governments and lack of support from the public has forced the Foundation to seek the ways to sustain the programs in order to serve the needy people. The donations were not enough to maintain the programs because of annual increases due to inflation coupled with increase in the number of beneficiaries seeking help. This has provoked them to find the solutions for this challenge and the only way for them was to become a social entrepreneur.

Hence the Foundation has **designed the program in such a way to be able to sustain the Projects by generating about 60% of the operating expenses by 2015.** The educational programs and vocational training programs through Sarada Vidyalayam established in 1992 in order to provide quality education to the children of people belonging to below poverty line segment and Srikiran vocational training centre to train rural youth in job oriented skill training are completely free while the eye hospital is able to generate some income due to high quality services provided to the patients who can afford to pay for their treatments or surgeries. **This approach has helped them to stabilize and sustain.** With clear awareness they maintain high quality to attract more paid patients particularly from Companies and Corporates. That itself calls for more investments like, procuring the best medical equipment, competent doctors and decent ambience for the patients. But this investment is essential to generate more income in order to survive and progress to expand their services to many more people in many more areas in these two States.

The above is only half story. The Foundation also established 'Spandana' to help the needy in times of natural disasters and to help the destitute believing that every project need not be profitable provided it offers the most powerful solutions.

Now, the Foundation has a road map for the next five years and during this period they are

not only increasing the capacity of their services but also changing the mixture of the patients to be able to self sustain the programs without depending on any donations or support from NGOs and Government without compromising on its basic vision, mission and values i.e. accessibility, affordability, equity, quality and empathy. These are core values of the Foundation which they want to be preserved forever. The Foundation is determined to be adaptable to change according to the times, to be able to withstand the present conditions and also sustain the programs so that they can always take care of the lower strata of people. Ultimately what the Foundation seeks and drives them is the principle that education, health care, human dignity are fundamental rights of all human beings, but not exclusively for few people and found that social entrepreneurship is the best means to achieve this goal.

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