



ROLE OF SOCIAL ENTREPRENEURSHIP IN SOCIO-ECONOMIC DEVELOPMENT OF INDIA

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Abstract:

Economic development primarily refers to an upward process of change whereby the actual per capita income of a nation rises over time. Entrepreneurship is essential for economic growth. Entrepreneurs accelerate the process of industrialization and economic growth. Social entrepreneurship, a rapidly rising field that creates social impact through an entrepreneurial approach, is essential to economic growth and inclusion, especially for developing nations. However, the consolidated role of social entrepreneurship in the socio-economic development of a developing nation like India needs deep and scholarly consideration. Thus, the present paper is an attempt to examine the role of social entrepreneurship in the socio-economic development of India. The study also focuses on identifying the challenges faced by social entrepreneurs in India. The study is based on secondary data, mainly collected from published sources like books, journals, periodicals, articles, etc. The study reveals that social entrepreneurship is one of the best combinations of social service and entrepreneurial skills and is one of the avenues to solving social problems. The study also suggests that effective training and awareness programmes can improve the social entrepreneurship scenario in India and thus contribute towards the socio-economic development of the country.

Keywords: Social entrepreneurship, economic development, importance of social entrepreneurs

INTRODUCTION:

Entrepreneurs are basically termed as the change agent of the economy; they are working as the game changer in the overall development of a nation and towards globalization. In a developing economy business and financial activities are the major aspects, as these are the direct influencers of economy and its proper and smooth functioning in economy leads towards its huge success. Entrepreneurship when it merged with these then it became so relevant in the development. Entrepreneurs are always ready to take new opportunities, face new challenges and try to discover the need of the society and fulfill them with intention to earn something in return, basically they work for the society and brought up within it. After all the entrepreneurship concept can be easily



cope with the society, basically these type of entrepreneurs always think for the society's overall development by providing higher standard of living, new products & services, employment opportunities, technological advancements, new and alternate way of thinking, change in attitude, change in behavior etc. Social entrepreneurs are very vital in developing countries like India, because a sound and healthy society from all aspect is a huge contributor towards the economy. So, social entrepreneurs are those who try to uplift the society and make it stand before country's development scenario. Social entrepreneurship process is a continuous and never ending process, a thorough study regarding its importance for any nation is very helpful to proper understand its importance and roles in the society.

Meaning and Concept of Social Entrepreneurship:

One of the major tributaries of entrepreneurship is social entrepreneurship; it goes beyond philanthropy and has a profound and significant impact on social reforms and uplift in poor countries. Social entrepreneurship is the application of strategies used by startup businesses and other entrepreneurs to innovate, finance, and implement solutions to cultural, social, or environmental problems. In order to address social inequities and create an ideal society, the government has begun to support social entrepreneurship in a big way. Specialized projects that combine social work with economics are what are indicated by the term "social entrepreneurship."

Basic traits/ characteristics of Social entrepreneurs:

The key traits of social entrepreneurship involve recognizing social issues and using local knowledge to address them. The traits of social entrepreneurship that are frequently present include the following:

1. Social entrepreneurship has risk taking capacity like any other branch of entrepreneurship, it takes risks and uncertainties in setting up a social entrepreneur.
2. Social entrepreneurship also possesses vision and foresight; it recognises issues and identifies solutions in ways that no one could have predicted.
3. For the purpose of accomplishing a common objective, social entrepreneurship offers leadership and guidance to those involved in social enterprise.
4. The main and most distinguishing characteristic of entrepreneurship, which also present in social entrepreneurship, is inventiveness. Social entrepreneurship seeks out innovative answers to societal issues.
5. One of the most significant and distinguishing characteristics of social entrepreneurship is the creation of social values. Along with setting it separate from economic entrepreneurship, this quality. Social entrepreneurship, as opposed to economic entrepreneurship, is concerned with producing both social and economic value. Societal value is used to describe societal benefits that are also readily apparent.
6. The main goal of social entrepreneurship is to achieve what are frequently referred to as "social gains." This characteristic distinguishes social entrepreneurship from economic entrepreneurship, which exclusively focuses on making money for oneself by taking advantage of market opportunities.



7. Social entrepreneurship should not be mistaken with social work in any way because it also has financial goals. But unlike economic entrepreneurship, where the profit comes first, the profit comes second.
8. Social entrepreneurship continues to develop social innovations, which are a singular remedy for an issue of social inequity or dilemma. Social innovation, which is unique to social entrepreneurship, is one of its most significant characteristics.

There are several other aspects that distinguish social entrepreneurship from the other fields of entrepreneurship in addition to these characteristics or traits. Social entrepreneurship actually empowers society and individuals to take on the challenge of raising their level of living. Social entrepreneurship is not just charitable work; it also makes money from the tools and goods it provides to society.

OBJECTIVES OF THE STUDY:

1. To understand the concept of social entrepreneurship and its role in socio-economic development of India.
2. To identify the challenges faced by social entrepreneurs in India.
3. To provide suitable recommendations for overcoming the challenges faced by social entrepreneurs in India.

REVIEW OF LITERATURE:

Pratap Singh (2012), “Social entrepreneurs basically the change agent but in the developing country social entrepreneurs facing various problems due to change in dynamic environment. Environmental and social problems are increasing day by day and coping all these is not an easy task. Further, changing in technology also become an obstacle, though it need to be helpful for this but it is not happening. For this proper guidance regarding social entrepreneurship is very helpful, reduction in regional disparities need to be executed”.

Tripda Rawal (2018), “Social entrepreneurship basically in India become the main aspect of the economy from social viewpoint. They contributing towards education & healthcare, employment, changing the society’s faced, utilizing skills in solving social problems etc. They are the real influencer towards the modern society and also economic growth of the country”.

S. Suhashini, S. Narmatha, S. Pavithra (2021), “In a changing society social entrepreneurs are the face of society, they are best describe in country like India, where there is a huge complex social problems exists. Social entrepreneurship provides the services which include quality and philanthropic. Basically, social entrepreneur is the combination relating to social services and skills, and it also results in innovation for society”.

G. Eswari, Beenu Soreng (2022). “Social entrepreneurship is basically changing the society, these social agents are inviting the upcoming generation to execute activities on it and make a valuable society, and eliminate the fear of economy i.e. poverty. Further social entrepreneurs are responsible for various aspects like innovation, employment, promotion etc.”.

Shivananda S Kempaller (2022). “Economic development and social entrepreneurship has appositve relationship. Entrepreneurship is the process in which business is main aspect, providing goods & services and doing overseas business generate scarce foreign exchange for



economic development. Further, these social service providers are also generating goodwill which ensures economic independence and growth”.

RESEARCH METHODOLOGY:

The paper is based on secondary data sources. The information and data for this study were gathered from government publications, published articles, journals, newspapers, reports etc. These data were used to draw the findings and recommendations presented in this paper. Additionally, in order to advance knowledge, a variety of people's perspectives and ideas have been investigated.

ROLE AND OF SOCIAL ENTREPRENEURSHIP IN SOCIO-ECONOMIC DEVELOPMENT OF INDIA:

India's socioeconomic progress has been significantly influenced by social entrepreneurship. It entails using entrepreneurial concepts to address social and environmental issues while also producing long-term financial gains. The following are some ways that social entrepreneurship aids India's socioeconomic development:

1. **Addressing societal Issues:** Social entrepreneurs pinpoint pressing societal issues like poverty, unequal access to clean water, healthcare, education, and the environment. By putting a strong emphasis on long-term, systemic change, they develop creative solutions that go beyond conventional charity and aid approaches.
2. **Innovation & Creativity:** societal entrepreneurs frequently come up with original and imaginative answers to challenging societal issues. These approaches can challenge the current quo and provide new perspectives on resolving long-standing problems. They can also involve technology, business strategies, and other approaches.
3. **Job Creation:** Social enterprises open up employment prospects, particularly in underserved markets and marginalized populations. This not only lowers unemployment but also gives people more social and economic freedom.
4. **Innovation:** New Products and Services Social entrepreneurs create and implement innovations that are crucial to the social and economic development of new products and services. Some of the most pressing societal issues are addressed, including HIV, mental illness, illiteracy, criminality, and drug misuse. Importantly, these issues are tackled in novel ways.
5. **Education and Skill Development:** Many social enterprises concentrate on giving marginalised populations access to education and skill development. By delivering pertinent skills, they improve employability, empower people, and help create a workforce with higher levels of expertise.
6. **Sanitation and healthcare:** Social entrepreneurs create accessible and cheap healthcare solutions to solve healthcare issues. Improved public health outcomes may result from advancements in medical technology, delivery methods, and health awareness initiatives.
7. **Community Development:** In order to understand local communities' concerns and jointly develop solutions, social businesses frequently collaborate closely with them. This strategy improves relationships within the community, promotes responsibility, and makes sure that the appropriate solutions are used in each situation.



8. **Investment and Financing:** Impact investors, who are prepared to put money into businesses that produce both financial returns and favourable social results, are drawn to social entrepreneurship. The expansion and scalability of social enterprises are aided by this capital inflow.
9. **Cultural Change:** By questioning antiquated beliefs and routines that exacerbate societal problems, social entrepreneurs can promote cultural change. They encourage organisations and individuals to be attentive, empathic, and responsible.
10. **Inclusive Growth:** Social entrepreneurship seeks to be inclusive by ensuring that disadvantaged and vulnerable groups have access to necessary resources and opportunities. This supports overall society well-being by promoting a more equitable distribution of resources and rewards.

In India, social entrepreneurship has a significant impact in bringing about constructive socioeconomic change. It blends commercial innovation and efficiency with a commitment to solving societal problems and enhancing the quality of life for neglected groups. Social entrepreneurship supports the nation's overall growth and welfare through a variety of contributions.

SOCIAL ENTREPRENEURS IN INDIA:

The fundamental differences between an economic and social entrepreneur are their areas of specialization and target markets. Although basic characteristics and core functions remain the same. Here are a few instances of social entrepreneurs in India operating in various fields of social entrepreneurship:

1. **Jeroo Billmoria:** Jeroo Billmoria is a successful social entrepreneur and the creator of numerous global NGOs. She has received recognition for her efforts from the Schwab Foundation for Social Entrepreneurship, the Skill Foundation, and Ashoka Innovations for the Public.
2. **Ajaita Shah:** She worked for SKS Microfinance and Ujjivan Financial Services for five years, earning the title of "most influential leader under 30" according to Business Week. Her creation is the organization called Frontier Markets. A 2012 Echoing Green Fellow will benefit 30 million rural families over the course of the following three years.
3. **Harish Hande:** The founder of SELCO, his goal was to make renewable resources the main source of energy in rural India, and he is credited with constructing 120,000 installations throughout Karnataka. He began his career as a keen observer of small things but quickly developed into an inventor and social entrepreneur.
4. **Sushmita Ghosh:** She focuses on rural Indian craft and restoration, which she uses to help Rangasutra (a for-profit business) succeed today and sells in stores like FabIndia. She gathers what she refers to as "priceless" goods from these brilliant and hardworking peasants and aids them in obtaining the livelihood they merit.
5. **Hanumappa Sudarshan:** Hanumappa Sudarshan was named the 2014 Indian Social Entrepreneur of the Year by Finance Minister Arun Jaitley. He is the creator of the Karuna Trust, a company that provides healthcare services. The reputable Schwab Foundation for Social Entrepreneurs sponsors the prize.



These social entrepreneurs' outstanding work in a variety of fields is altering the numerous aspects of social upliftment in India. By spreading innovation and taking advantage of local economic opportunities, these social entrepreneurs are significantly improving the quality of life for people in rural and semi-urban areas.

AREAS WHERE SOCIAL ENTREPRENEURSHIP IS MAKING AN IMPACT:

Around the world, there are several social ventures working in sectors like healthcare, education, human rights, culture, and the environment.

Healthcare: Ensuring people's access to healthcare is one important area where social entrepreneurship is playing a significant role. This can be accomplished by building more hospitals and economical health clinics, offering medication, but also by teaching patients who, in turn, can assist in understaffed clinics. For instance, the social company Mothers2mothers (m2m) discovers moms who are HIV positive and enrolls them in comprehensive training sessions.

Education: Education is another industry where social entrepreneurship excels. The focus is not on making money, and many firms in this industry run as non-profit groups. Many social entrepreneurs set out to address the issue of access to quality education, which is still a problem on a global scale. Social initiatives may significantly improve education around the world by lowering dropout rates, assisting students on their educational pathway, increasing attendance, educating teachers, giving course materials or infrastructure, and more.

Human Rights: In terms of protecting human rights, social ventures work to uphold principles like liberty, the pursuit of happiness, living in a world free from prejudice, the right to practice one's religion openly, freedom of speech, and the right to a fair trial, among others. Social enterprises adopt a variety of techniques, and by doing so, they frequently assist individuals who live in the most precarious situations. These strategies include educating the public, negotiating with governments, offering safe havens, and raising public awareness.

Culture: An organization may use culture to encourage social change and community integration, but it may also support culture for its own purpose. Artscape culture is more of an end than a method for social enterprise. This group, which has its headquarters in Toronto, creates locations that highlight culture and creativity (think of event venues, studios, and residential areas) and offers affordable living options for artists. An advantageous byproduct of this imaginative placemaking is the vitality that artists bring to urban areas. However, this frequently results in the "SoHo effect," a phenomena whereby artists migrate into affordable areas, make them desirable, and then are finally forced to leave because of rising real estate values.

Environment: Social entrepreneurs have a wide range of options for where to focus their attention in terms of the environment, including creating companies that offer sustainable goods or services, allocating resources responsibly, managing waste, reducing emissions, preserving land and wildlife, or even negotiating with businesses, governments, and municipalities to lessen their ecological footprint.

CHALLENGES FACED BY SOCIAL ENTREPRENEURS IN INDIA:

Like all other branches of social entrepreneurship, social entrepreneurship has its problems. All of the difficulties are either manageable or unmanageable. The difficulties faced by social entrepreneurs are somewhat and substantially different from those faced by economic entrepreneurs. Social entrepreneurship has numerous obstacles, particularly in India. In contrast to



other regions and countries that have made social entrepreneurship a goal, these obstacles are hindering the growth and dissemination of social entrepreneurship in India. It's interesting to notice that every difficulty confronted by social entrepreneurship is highly different from one another. All of these are more concerned with thinking than they are with any particular physical quality. In India, people are mentally resistant to social entrepreneurship. The following list includes some of the major difficulties social entrepreneurs in India face:

1. **Lack of creativity:** - is the second issue social entrepreneurs must deal with in order to come up with innovative solutions that will both benefit society and generate revenue. Particularly in India, it is quite difficult to conceptualise and implement this fusion.
2. **Financing-** A persistent problem for Indian entrepreneurs is a lack of funding sources. It is now much more difficult for social entrepreneurs who offer a distinctive good or package of services to obtain funding from reputable financial institutions. This is a really bad scenario and a major factor in India's underdeveloped social entrepreneurship scene.
3. **Shortage of talented/committed personnel** – This is a particularly special difficulty encountered just by social business. People typically enter the workforce in order to receive a good pay and benefits, but with social entrepreneurship, this becomes more challenging. Since obtaining social advantages and gains—as opposed to ones for one—is the main goal of social entrepreneurship. To recruit workers to the company under these circumstances is quite difficult.
4. **Setting and objectively expressing values:** Setting and expressing values in a clear and concise manner is a significant problem for social entrepreneurship. Value can typically vary from society to society depending on their unique needs. However, social entrepreneurs must establish shared principles that are simple to explain.
5. **Lack of Knowledge and Understanding:** Many Indians are still unaware of the idea of social entrepreneurship, which prevents these businesses from receiving the support and funding they need. A big difficulty is bringing stakeholders up to speed on the benefits and possibilities of social entrepreneurship.
6. **Limited Access to Funding:** It can be challenging to raise money for social initiatives since conventional investors may put social effect below financial profits. Scaling operations is difficult since there is a lack of patient capital, impact investing, and grants specifically designed for social entrepreneurs.
7. **Complex Regulatory Environment:** For social entrepreneurs, navigating the regulatory environment can be intimidating. Legal ambiguities, difficult registration procedures, and problems with taxation and compliance can impede the development and expansion of social companies.
8. **Cultural and social barriers:** Working on issues involving gender, caste, or other delicate subjects might be difficult for social entrepreneurs due to certain cultural conventions and practices. It takes skill to overcome these obstacles while yet upholding community trust.
9. **Issues with access and infrastructure:** Social enterprises may have difficulty operating due to inadequate infrastructure, particularly in rural locations. Supply chains and service delivery can be affected by problems such a shortage of electricity, internet connectivity, and transportation.
10. **Talent Acquisition and Retention:** It can be difficult to find people who have the necessary abilities and a passion for the social cause. Social businesses frequently operate



in talent markets that are competitive and where wages may be less than those provided by the corporate sector.

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Despite these difficulties, many social entrepreneurs in India are doing admirably by embracing innovation, teamwork, and tenacity. To address these issues and foster a supportive climate for social entrepreneurship, a multi-stakeholder strategy involving the government, financiers, NGOs, businesses, and the general public is necessary.

FINDINGS AND DISCUSSIONS:

India's social landscape can be changed via social entrepreneurship; numerous initiatives and projects that fall under this category have changed the course of local residents' lives. Particularly in India, where social problems are rife, social entrepreneurship has higher chances. A special fusion of entrepreneurial skills and altruism is social entrepreneurship. In social entrepreneurship, goods and services are created to have the greatest possible social impact while also generating sizable profits for the business. The study found that Social entrepreneurship is a best combination of social service and entrepreneurial skills to look for social problems. Social innovation is possible through social entrepreneurship. These technologies offer a precise and original solution to the societal difficulties and concerns that are now plaguing India. There are numerous instances of social enterprises operating in India that are reshaping the country's society through their distinctive services that draw on local knowledge to foster social values. Giving underprivileged populations access to education and skill development is a major focus of many social enterprises. They increase employability, empower people, and contribute to the development of a workforce with better levels of competence by providing relevant skills. But on the other hand, social entrepreneurs face several challenges like lack of awareness, finance, HR, etc. Social enterprises may have difficulty operating due to inadequate infrastructure, particularly in rural locations. Supply chains and service delivery can be affected by problems such a shortage of electricity, internet connectivity, and transportation. We can say that the social upliftment of those underdeveloped areas has only been made possible by social entrepreneurship projects since they are all located in places where economic entrepreneurship does not wish to operate.

RECOMMENDATIONS:

Social entrepreneurs in India must use a combination of strategic methods, teamwork, and assistance from many stakeholders to overcome their obstacles. Here are some recommendations that can aid in overcoming these difficulties:

1. Promote social entrepreneurship through media campaigns, workshops, and seminars to educate the public, potential financiers, and legislators on its importance and impact.
2. The government and other interested parties must contribute to the foundational infrastructure for social entrepreneurship. These resources may entice others to start their own social enterprises, which will double the growth of the sector.



3. Programmes for social entrepreneurship must occasionally be organized, just like programmes for entrepreneurship development. Such a structure will contribute to boosting social entrepreneurs' overall motivation.
4. Social entrepreneurs ought to help higher education institutions in India create curricula that fosters social entrepreneurship in learners and, as a result, gives social companies access to managers and promoters of high calibre.
5. Social innovation can be accomplished through social entrepreneurship. These technologies provide a precise and original solution to the societal concerns and problems that are now plaguing India.
6. Promote expedited registration, taxation, and compliance procedures for social companies as well as streamlined regulatory frameworks. Develop a regulatory framework in conjunction with governmental organisations that takes into account the special characteristics of social businesses.
7. To encourage cooperation and knowledge sharing, organize networking events, seminars, and online forums that bring together social entrepreneurs, investors, mentors, and other stakeholders.

India can improve the climate for social entrepreneurs by putting these recommendations into practice, allowing them to overcome challenges and maximize their beneficial effects on society and the economy.

CONCLUSION:

The most vital sector for the economy, i.e., society, is served under social entrepreneurship, which is a huge area of entrepreneurship. In this area, entrepreneurs basically try to find the actual needs of society and satisfy those needs by providing services. But the thing is that it also faces several problems in its path, and for this, an appropriate solution is still missing. These change agents are the real face of society, and they are influencing the upcoming generation to get involved in social activities. It includes the proper mixture of entrepreneurial skills and social services, which results in getting something from society. Social entrepreneurs also play a vital role in the uplift of society and the economy; appropriate authorities must take the necessary steps to eliminate the obstacles that they face, and if social entrepreneurship gets full support, it generally influences directly the economic growth and overall development of a country.

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