

Indian Social Entrepreneurship

Posted at: 11/11/2023

Introduction:

Social entrepreneurship is gaining importance as it helps firms and governments make informed decisions about global socioeconomic and environmental challenges.

Indian Social Entrepreneurship:

Social entrepreneurs: Who are they?

1. It is a structure that combines the notion of a business with the principles of a philanthropic nonprofit organisation.
2. In order to address social injustices, business models centred on affordable goods and services must be developed.
3. The entire investment is focused on the social and environmental mission, which aids in the success of economic efforts.
4. As change agents who use novel ideas to produce major change, social entrepreneurs are often referred to as social innovators.
5. They identify the issues and use their approach to create change.
6. Along with socially responsible investing (SRI) and ESG (Environmental, Social, and Governance) investing, social entrepreneurship is a developing trend.

Why are Social Entrepreneurs Important?

Social entrepreneurs mostly concentrate on addressing social issues. They start innovation by utilising the resources at their disposal to create social structures in response to societal issues.

1. **Social Entrepreneurs as Change Agents:** Social entrepreneurs act as change agents in society, influencing others to advance humankind.
2. They serve as social change agents as well as powerful catalysts in society.
3. **Change the Situation:** They take on the job of generating and maintaining societal value, actively seeking out new opportunities while continuously innovating, adapting, and learning.
4. **Increased Accountability:** They take risks without being constrained by available resources and show increased accountability to their constituents.
5. **Improve People's Lives:** For many of the same reasons that people find business entrepreneurs like Steve Jobs so compelling, people are drawn to social entrepreneurs like Nobel Peace Prize winner Muhammad Yunus. These extraordinary individuals come up with brilliant ideas and against all odds succeed in creating new products and services that dramatically improve people's lives.
6. They are also playing a crucial part in the **inclusive recovery and community reconstruction** at the local level, which is helping to create an inclusive society.

What role may social entrepreneurs play in India's success story?

1. No longer Without Profit:

- The development sector in India has experienced a rapid shift, leading to the emergence of social enterprises that are wholly for-profit businesses and are no longer limited to "no-profit" or "low-profit" endeavours.
- Without donations or subsidies, these for-profit social companies can make enough money to support their operations.

2. Investing in social impact:

- The nation's social entrepreneurs are being supported, praised, and cultivated for their capacity to satisfy India's most difficult developmental requirements.
- The Impact Investors Council (IIC) estimates that more than USD 9 billion has been invested in over 600 impact firms that have a positive impact on 500 million lives in India.
- Its mission is to encourage private capital to bridge the social investment gap in the country while developing an impact investment asset class.

3. Deepening Social Innovation Movement:

- To contributing to India's development. Today's social entrepreneurs have become elemental innovators and dynamic problem-solvers
- These enterprises are looking for strategic collaborations, both domestic and international, to innovatively solve unique problems.
- Extensive use of technology and rapid digitalisation initiatives by the government have further facilitated their innovation streak.

4. Support of Government:

- Government support for startups along with the announcement and impending launch of the Social Stock Exchange has paved the way for a more positive atmosphere for social entrepreneurship in India..
- With the recent announcement of the framework for a social stock exchange by the Securities and Exchange Board of India, social
- Entrepreneurs would be able to raise more money and exponentially increase their impact and reach.

5. Sustainability and a Multi-Dimensional Approach:

- Governments and corporations alike are realising the significance of sustainability.
- The business models of social entrepreneurs have traditionally focused on the sustainability framework.
- The government and corporate entities are not only prepared to borrow ideas from their business models and use those lessons, but also to assist these businesses in growing.
- In addition, a multifaceted strategy must be used to close the socioeconomic gaps that exist in society.

Way ahead:

- These supporters of social issues may be trusted to take on more responsibility and be granted a major portion of the economy in the Amrit Kaal (the 25-year period from 2047). They are motivated by purpose, vision, value, and ethos to have a significant socioeconomic impact.

- Through their annual Social Entrepreneur of the Year (SEOY) India Award, the Schwab Foundation for Social Entrepreneurship, a sister organisation of the World Economic Forum, and the Jubilant Bhartia Foundation have fostered social entrepreneurship in India for more than ten years. The 13th iteration of the prize is called the SEOY Award India-2022.

Dr. Shivakumar's



AKKA IAS ACADEMY
www.akkaias.com