

## SOCIAL ENTREPRENEURSHIP IN INDIA WITH SPECIAL REFERENCE TO SEWA

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### ABSTRACT

*Social entrepreneurs makes available the services, products that furnish the basic needs of the masses, the needs of communities/society as well as the needs of future generations i.e. fresh air as well as biodiversity. Social entrepreneurship is a means to attain conceptual objectives like development which can be sustained. Even more so, it is an observable fact that inculcates these vital though abstract concept and designs with a sense of realism. One approach to understand social entrepreneurship is to connect it directly to the concept of sustainable development. The paper presents a theoretical frame for social entrepreneurial opportunities. The researcher presents a case of **Self Employed Women's Association (SEWA)** existing in India. The rare evident in the working of SEWA is drawn from rich customs of political and social activism in India. This paper provides an analysis of SEWA as social entrepreneurship that have been extensively acknowledged as flourishing. The research concludes with a fact that practice of social entrepreneurship is essential for the continued and sustainable development. The academicians have a key role to play in cheering social entrepreneurship and advancing knowledge about it. Vital strides have been made, particularly at university level, but we have hardly begun to instill entrepreneurial thinking in students. And while we all agree that entrepreneurship is not somewhat to be learned out of a book, it must be cultivated.*

**KEYWORDS:** SEWA, Social Innovation, Transformation, Social Mission, Benefit to Society.

### Introduction

We find in India a strong social and value system as well as cultural issues which hold their significance in our society. Any invention or innovation to thrive in our Indian society needs to be acknowledged by our cultural issues as well as value systems. The aspiration of human being is to build a good society that will be achieved by developing good institutes; these institutes are reflected in good businesses, which will be developed by dynamic entrepreneurs and these entrepreneurs are those, which bring in social innovation. On one hand the welfare innovation is a new creative and realistic idea or project, which leads to good quality of life. On the other hand social innovation can just be the acceptance of any change in the society. The changes may be due to progress in technology, introduction of new religion or change in the social value system. We find social innovators in another form also such as NGOs, which are endlessly involved in establishing new social ventures and their motive is not to accumulate wealth. They are endlessly trying to change the mindset of the masses which results in social innovation and enhancement of good quality of life. Entrepreneurs are innovative, highly-motivated, and critical thinkers and they try to combine these attributes in order to solve problems which are socially present in our society. Social entrepreneurs bring social innovation and renovation in diverse fields which includes education (primary, secondary, higher), health & sanitation, green environment and business development. They work for the eradication of poverty with innovative business models and methods, entrepreneurial zeal, and the guts to surmount traditional practices. Like an ordinary business

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entrepreneur, a social entrepreneur builds organizations, which are either set up non-profit or for-profit ventures. Social entrepreneurs and social enterprises share a commitment to furthering a social mission and improving society. The definitional issue that remain includes the choice of for-profit or non-profit structure, the necessity of earned-income strategies among nonprofits, and the degree to which social entrepreneurs/enterprises can manage the toughest social and environmental issues.

### **Social Entrepreneurship**

- All about applying innovative approaches for the benefit of the society especially the poor and marginalized persons.
- Identify a social or economic problem and try to resolve it.
- An approach which sets an entrepreneur apart from other well meaning people/organizations.
- Dedication of whole life for the social improvement.

### **Review of the Literature**

A report launched at the Skoll World Forum for Social Entrepreneurship states that how partnership with “social entrepreneurs” brings benefits to both organizations and society at large. Entitled “Growing Opportunity: Entrepreneurial Solutions to Insoluble Problems”, the report analyses the present state of social entrepreneurship in its findings of a survey of one hundred social entrepreneurs the world around. The report states that social entrepreneurship is a building thrust and that business organizations can be an essential part of solutions to many of the world’s challenges which may be socio-economic, environmental, or related to governance. Though the term “social entrepreneur” has only a short history, the practice of social entrepreneurship is far from new. Florence Nightingale, who in the late 1800s revolutionized the theory of conditions of hospital (Bornstein, 2007), and John Durand, who in the early 1960s started working with mentally retarded people (Alter, 2007), are just two instances of extraordinary or exceptional persons bringing about social change whom we may term today as social entrepreneurs. The term “social entrepreneur” was first introduced by Banks in 1972 who stated that social problems could also be removed by managerial practices (Nicholls 2006)

J. Gregory Dees from Stanford University’s Graduate School of Business presents a concise and intuitive review of the development and recent meaning of social entrepreneurship (Dees 1998). He traces the origin of the term “entrepreneur” back to French economics literature of the 17th century, where “it came to be used to discover venturesome individuals who motivated economic progress by finding new and better ways of doing things” and quotes French economist Jean Baptise Say’s famous depiction of an entrepreneur as one who “shifts financial and economic resources from an area of lower productivity and yield to an area of higher productivity and yield” (Say 1830).

### **Objectives of the Study**

The objectives of the present study are:

- To find out the emerging opportunities in social entrepreneurship;
- To analyze the case of Self Employed Women’s Association that have been commonly acknowledged as successful
- To present suggestions for promoting social entrepreneurship in the country

### **Area of the Study**

The paper is not confined to any particular area; on the other hand it is applicable to whole world. However, views of executives of various social enterprises in Moradabad district Uttar Pradesh, has been taken about the emerging trends of social entrepreneurs. Their views have been incorporated in this paper. The paper also takes the references of various articles written by various experts on social entrepreneurship. The present study provides a analysis of SEWA as a case of social entrepreneurship because it has been widely regarded as successful.

### **Social Enterprises**

While social enterprise is not new to the World, it has yet to enter mainstream acceptance. Social enterprise is best understood as a hybrid commercial model that blends economic and social value creation. Social enterprise has two basic characteristics:

- It does not measure the performance on the basis of profit alone, unlike traditional business
- Operates for the purpose relating to social or environmental concern.

Social enterprise is best understood as a hybrid commercial model that blends economic and social value creation. Social enterprises are often started by social entrepreneurs who will often exploit a range of organizational forms, often unique hybrids, from charity to non-profit to commercial venture to maximize social venture creation. Social entrepreneurs also move easily across sectors, often diversifying from their core mission to expand the overall social impact and increase resource flows.

#### **Criteria for Social Enterprise**

Profit oriented enterprise that claims to be a social enterprise reducing poverty must meet the following criteria:

- Employ and/or train poor people in its main business activity such as making nets or processing vegetables or other non-machine products, etc rather than using them as cheap manual labor such as sweepers or porters.
- Produce or sell or provide essential and necessary products or services (for example education, health and sanitation, housing, food, clean water and other facilities) at affordable and reasonable prices to people who are living below the poverty line.
- Make credit available to poor people at reasonable rates (no higher than twice the rate charged by banks to their creditworthy clients) for personal or business uses without unfair or unethical lending practices.
- Offer financial, material or technical help poor workmen in order to enable them to engage in family-owned businesses, with profits generated from products produced from the activities (producing dairy products from cows and buffalos, making designer quilts and cushions sold at attractive prices to affluent consumers and so on).

#### **SEWA as a Social Entrepreneurship in India**

The present study provides an analysis of SEWA as a social entrepreneurship that have been extensively regarded as successful. The researcher has compiled information and facts about SEWA from various published and unpublished articles, internet and other sources. The case was chosen because:

- It is widely recognized as successful case of social entrepreneurship for the benefit of poor, marginalized and weaker sections of the society.
- It has been described in available literature sufficiently to answer our key questions.
- It has depicted some form of potential for catalyzing transformations in the society within which it has been implemented.

#### **Self Employed Women's Association (SEWA)**

Created in 1972, the Self Employed Women's Association which is commonly known as SEWA is an organization which is a basically a member based entity consisting of the women, labour, and cooperative movements in order to organize women who are self employed in the unorganised sector of the country and assist their struggle in collective form for equality, social justice as well as fair treatment. This was the first union of its kind for self employed women in our country which has expanded so large as to include more than 130 cooperatives and 181 rural producer groups along with many social security organizations within its ambit. Having a large network of institutions created and managed by the members, SEWA is not only an organization, but has become a "movement" present actively in 50 districts of 12 Indian states with a membership above 1.75 million. Though started in urban areas, SEWA since the late 1980s has been effectively expands its operation in rural areas of India using innovative structures, such as:

- self-help groups
- the Rural Distribution Network
- crafts and producers' groups,
- SEWA Village Resource Centres and that processes and market the agricultural products produced by rural members of SEWA.

Lots of challenges were faced by SEWA to attain its goals, ranging from the formation of a union for "self-employed" women that countered both traditional and patriarchal trade union norms to convincing underprivileged and less empowered women in the furthest areas of the country to improve their working and living conditions. It is also carrying out path-breaking projects for its members who

include the SEWA Cooperative Bank which grants financial help to poor women, the SEWA Academy which allows women members to acquire education, training and skills. This has broadened and deepened its impact on the society at large.

### An Overview of SEWA as a Social Entrepreneurship

Table 1 provides a brief overview of the case and its background.

**Table 1**

Social Enterprises		Year of Establishment	Founder	Overview about the Organization
SEWA	The Self-Employed Women's Association	1972	Ela Bhatt	SEWA is a trade union consists of women who work and earn from 3 wide-ranging occupational categories that, traditionally, have been impossible to organize, firstly vendors and hawkers home-based production, and service providers or manual labourers. Initially they were focusing on improving the working conditions of the union members. This is done by influencing the local police and policy makers. Later on, the association provided a number of services that were otherwise not available to their women members. SEWA is considered as the first and largest trade union of workers of informal sector. In addition to its activities relating to union, SEWA has several allied and linked institutions such as bank for providing financial assistance, an academy for providing coaching, training along with research, and a housing trust that coordinates housing activities for its members. SEWA has become an international force which is working with movements relating to women and labor worldwide.

### Innovation and Scope of SEWA as a Social Entrepreneurship

The innovation and scope of these social enterprises are given in the table 2 below:

**Table 2**

	Innovation	Scope
<b>SEWA</b>	The researcher found that SEWA organizes groups of women that are atomized and were least interested to bring for political change, or otherwise interested in social, economic, health issues and other social problems. It builds local leadership capacity to scale up organization and movement.	It added around 315000 women who are self-employed as union members. This helps in improving the working conditions, financial condition, and living standards of more than 90% of India's self T employed/unorganized, female laborers. Influenced the creation of self-employment labor division in the Indian government. It influenced the ILO to develop the standards for workers who are working from home which includes minimum wage as well as working conditions. In order to support the work of women in the informal sector WIEGO - Women in Informal Employment Globalizing and Organizing, it co-founded international network.

### Innovation Pattern of Cases of Social Entrepreneurship

The innovations described in Table 3 are very diverse.

**Building Local Capacity:** This involves working together with poor and marginalized persons to assess the capacities needed for helping to develop those capacities. It assumes that, given increases in local capacities, local players may resolve their problems of their own.

**Table 3**

	Innovation Pattern	
<b>SEWA</b>	Build Local Movement	It mobilizes self-employed women to campaign for policies to support work activities and to develop services adapted to their work and overall welfare needs.

### Characteristics of Leader of SEWA as a Social Entrepreneurship

Table 4 presents review data on 2 dimensions of leadership quality that seem typical of thriving social entrepreneurs in this case:

- **Bridging Capacity:** It enables leaders to work effectively across many diverse constituencies; &
- **Adaptive Skills:** It enables leaders to recognize and respond to changing contextual demands over a long period.

**Table 4**

<b>Characteristics of Social Entrepreneurs</b>	
	<b>Bridging Capacity</b>
<b>SEWA</b>	<p>Founder born into high caste and trained as a lawyer in social activist family (e.g., India's independence movement). Relationship maintenance with elite officials, professionals, and social activists while convening disparate groups of very poor, self-employed women around common issues.</p>

	<b>Adaptive Leadership Capacity</b>
	<p>Founder led organization for twenty five years to be successful local and national movement. Facilitated rise of new leaders and international association. Utilized relationships with key political leaders and government officials to support campaigns and to overcome challenges from opposing constituencies.</p>

### Priorities of Social Entrepreneurship

Table 5 shows that the priorities assigned to this form of innovation.

**Table 5**

	<b>Priority</b>		
	<b>High</b>	<b>Medium</b>	<b>Low</b>
<b>SEWA</b>	<ul style="list-style-type: none"> <li>• Potential members (self-employed women).</li> <li>• Associates in policy campaigns.</li> <li>• Target players: policy makers, etc.</li> </ul>	Resource providers outside movement.	--

### Transformation Leverage

Transformation leverage refers to different areas of experience of primary stakeholder that can be impacted by socially entrepreneurial businesses.

- In initiatives characterized by economic leverage, the first impacts of social transformation are likely to be visible in changing incomes and economic status of primary stakeholders.
- With initiatives that utilize political leverage, critical initial impacts may involve changes in policy formulation and implementation.
- Initiative for Cultural change can rearrange the awareness and usefulness of marginalized groups in a way that can alter their problem-solving efficiency and the quality of their living.

**Table 6**

	<b>Transformation Leverage</b>		
	<b>Economic</b>	<b>Cultural</b>	<b>Political</b>
<b>SEWA</b>	Improve business climate for self-employed women.	Lawful new roles and choices for poor women	Empower underprivileged women to raise voice against harassment.

### Findings from the Analysis of the Above Case of Social Entrepreneurship (SEWA)

After going through the above study, the researchers present the following findings:

- The characteristics of the three forms we identified-building local capacity, disseminating a package, and building a movement-are quite different. Identifying other forms and clarifying the differences among these three are important avenues for further exploration. The more we know about the range of varieties that social entrepreneurship may take form and the parameters within which such varieties are successful, the more it will be feasible to design initiatives to fit circumstances in the future.
- Capacity building initiatives were associated with attention to local groups and resource providers. Package dissemination initiatives paid attention to user and disseminator stakeholders. Movement-building initiatives emphasized external relations with allies and political targets. The differences and other attributes of innovations in various forms of social entrepreneurship can figure out the results and successes in different parameters can be clarified through further research.
- The initiative sought to mobilize and build upon the assets of the poor constituencies it served.
- The bridging and adaptive leadership capacity appeared to be present in successful management team in this form of innovation. Leaders must identify the key stakeholders that will both assist them and challenge them in creating the kind of transformational change they envision. They must develop strategies for overcoming challenges and strengthening allies-whether they lead capacity building innovations, package delivery programs, or build larger movements.

We believe that these results suggest interesting avenues for further exploration by social entrepreneurship researchers and practitioners. The aim of this analysis is to provoke further exploration of the emerging phenomenon of social entrepreneurship, which we believe can make a great difference in the coming years of human and societal development.

### **Suggestions for Promoting Social Entrepreneurship**

After going through the above study as well as literature review and discussion with various persons associated with social entrepreneurship, we present the following suggestions:

- As social entrepreneurs often face scenarios which are unpredictable and constantly changing, they have little time to work out what might be of use to them, if social entrepreneurs look for the causes when calculating the challenges, rather than just setting up the symptoms, fifty percent of the battle is already fought.
- There are abundant opportunities in small businesses in India and such opportunities will transform India in the coming future. For such transformation to happen there, needs to be support at the government as well as societal level. For the government it is important to realize that the goal of small businessmen will be to remain self-employed. Such people may not need financial assistance but they will need marketing and legal assistance in order to sustain themselves. Cost effective and relevant programs are the need of an hour to address their needs because self-employed people are an important segment of the society.
- Social entrepreneurship can create both private financial profits and social value added. India has an opportunity to adopt its own regulation of a 'social benefit organization' to reflect the changing nature of organizations supporting community wellbeing.
- Government should provide various infrastructure facilities and financial assistance to carry out the social activities.
- As a unique type of leadership, social entrepreneurship can flourish only if its significance is acknowledged by a considerable section of Indian society, especially the policy makers, media and the other important regulators. If this happens, it can create new strings of opportunities, approaches and effects towards sustainable development.
- By their point of reference of thinking and temperament, the efficient social entrepreneurs are likely to be independent-minded, self-driven, and visionary persons who may not be anxious about documenting their experiences, approaches, methods and strategies. Yet, this is what we need for developing this as knowledge based practice, so that the quality of practice improves and more people are able to practice it successfully. Keeping this in view, linking and connections of like-minded people in this area is urgently needed.

### **Conclusion**

SEWA's development in more than 4 decades provides important lessons on the significance and viability of organizing self-employed workers, including in rural areas, and on the importance of maintaining a flexible structure, as well as consistent values and effective leadership. Its revolutionary efforts to:

- Provide work and maintain income generation,
- Self-dependence for women who are self-employed,
- Social security,
- Food security,
- Recruitment and empowerment of around nine lakhs self-employed Indian rural women make it a key agent of change especially in rural areas.

To conclude we can say that a social entrepreneur is someone who finds or come across a social problem and uses entrepreneurial attributes to plan, organize, develop, and manage a undertaking to make social change in the society. On one hand, business entrepreneurs usually measure the performance of their organization in terms of profit and return on investment, while on the other hand social entrepreneurs measure their performance in terms of the impact they have on the masses or society.

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