Social Enterprises in India: Conceptualization and Challenges

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Abstract : There is a huge number of social enterprises operating in India, across all enterprise sizes and forms addressing diverse social issues. Some cases such as such as Aravind eye care, Narayana Hridalaya, SEWA have been studied extensively in management literature and are known cases in social entrepreneurship. But there are several smaller social enterprises in India that are not called so per se due to the lack of understanding of the concept. There is a lack of academic research on social entrepreneurship in India and the term 'social entrepreneurship' is not yet widely known in the country, even by people working in this field as was found by this study. The present study aims to identify the most prominent form of social enterprises in India, the profile of the entrepreneurs, challenges faced, the lessons (theory and practices) emerging from their functioning and finally the factors contributing to the enterprises' success. This is a preliminary exploratory study using primary data from 30 social enterprises in India. The study used snow ball sampling and a qualitative analysis. Data was collected from founders of social enterprises through written structured questionnaires, open-ended interviews and field visits to enterprises. The sample covered enterprises across sectors such as environment, affordable education, children's rights, rain water harvesting, women empowerment etc. The interview questions focused on founder's background and motivation, qualifications, funding, challenges, founder's understanding and perspectives on social entrepreneurship, government support, linkages with other organizations etc. apart from several others. The interviews were conducted across 3 languages - Hindi, Marathi, English and were then translated and transcribed. 50% of founders were women and 65% of the total founders were highly qualified with a MBA, PhD or MBBS. The most important challenge faced by these entrepreneurs is recruiting skilled people. When asked about their understanding of the term, founders had diverse perspectives. Also, their understandings about the term social enterprise and social entrepreneur were extremely varied. Some founders identified the terms with doing something good for the society, some thought that every business can be called a social enterprise. 35% of the founders were not aware of the term social entrepreneur/ social entrepreneurship. They said that they could identify themselves as social entrepreneurs after discussions with the researcher. The general perception in India is that 'NGOs are corrupt'- fighting against this perception to secure funds is also another problem as pointed out by some founders. There are unique challenges that social entrepreneurs in India face, as the political, social, economic environment around them is rapidly changing; and getting adequate support from the government is a problem. The research in its subsequent stages aims to clarify existing, missing and new definitions of the term to provide deeper insights in the terminology and issues relating to Social Entrepreneurship in India.
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