

**DRAFT**

**Not to be quoted**

**Essay on Social Enterprises (SEs) and Social Entrepreneurs (S-ENTs)**

**Review of global, Indian and *Bharat* landscape**

**by**

**Ajit Kanitkar, VikasAnvesh Foundation**

**Abstract**

The last decade has seen voluminous research publications in the field of Social Enterprises and Social Entrepreneurs (SEs and SE-ENTs) probably only next to the topic of climate change. Moreover, still, the field and its important stakeholders do not have agreement on ONE agreed definition of what is a social enterprise! One of the possible reasons for this ambiguity is that the field of SE draws its principles and concepts from diverse yet intertwined fields of economics, psychology, business management, innovation, startups, small and medium enterprises, strategy, rural development and philanthropy, to name a few.

In this essay, we have made a modest attempt to trace the origin of the idea of SEs, the global dialogue on role of markets in addressing issues of inequality and poverty that in our opinion has also impacted the emergence of the SE ecosystem, the dynamism this field has seen in the last twenty plus years, the USA and the European contributions to the idea of the SE, the Indian contributions in this nascent field, salient writings of a few thinkers and practitioners and finally the research questions that we attempt to explore the working of social enterprises in the specific sector of agriculture in India in the last ten years.

The essay is presented in four parts focusing on the theory, the philosophy behind emergence of SEs, landscape of S-ENTs, our working definition of SEs for the purpose of the proposed study and the motivation for conducting this research. We present an outline of the proposed research project on studying management challenges of SEs in the agricultural sector. We propose that while SE is an idea whose time seems to have come, there is a need for a critical and clinical analysis of the work and the working of the SEs on ground as against the espoused economic and even moral expectations about their role in ushering in transformative and virtuous development processes for the citizens of the world.

Key words: Social enterprises, Social entrepreneurship

## **Introduction**

The last decade has seen voluminous research publications in the field of Social Enterprises and Social Entrepreneurs (SEs and SE-ENTs) probably only next to the topic of climate change. Moreover, still, the field and its important stakeholders do not have agreement on ONE agreed definition of what is a social enterprise! One of the possible reasons for this ambiguity is that the field of SE draws its principles and concepts from diverse yet intertwined fields of economics, psychology, business management, innovation, startups, small and medium enterprises, strategy, rural development, philanthropy, moral sciences, finance and law to name a few.

A Lexis-Nexis search for the term “social entrepreneur” produced six stories in 1991 and 433 in 2001 (page 283, Bornstein 2004). Lundstrom, and Zhou (2014) list 68 books that they found on Amazon and Google. This was in 2014, so one might expect to see an addition of 20-30 more on the same source. Aygoren (2014) reviewed 42 definitions of social entrepreneurship beginning 1991 up to 2010. (page 14-19), starting with the 1991 definition “are private sector citizens who play critical roles in bringing about ‘catalytic changes’ in the public agenda and the perception of certain social issues” (Waddock, S.A. and Post J. E, 1991:393) to 2010 definition “Social entrepreneurship is about innovative, market-oriented approaches underpinned by a passion for social equity and environmental sustainability” Skoll center for social entrepreneurship, Said Business (2010 online).

As in mainstream management discipline, the majority of the academic literature on SEs and S-ENTs is Europe-UK and USA centric. There are two research papers published by Indian researchers in the early 1980s and 1990s. Dholakia, Nikhilesh and Ruby R. Dholakia, (1975) wrote about the marketing approaches of social enterprises as distinctly different from those of purely commercial entities. Though the focus of that paper is on marketing functions, the paper begins with an admission-‘The term social enterprise is necessarily ambivalent. Several forms of social enterprise exist. In fact, the term is generally used in contradistinction to private enterprise.’ Prabhu (1999) published on the emerging theme and articulated, “social entrepreneurial leaders are persons who create and manage innovative entrepreneurial organisations or ventures whose primary mission is the social change and development of their client groups.” (quoted in Aygoren (2014 page 14).

## **The purpose and structure of this essay**

- This essay is *NOT a review paper* that is traditionally a part of the doctoral dissertation and or a literature review preceding an academic paper published in refereed journals of international repute.
- We have been *selective and purposive* in reviewing only selected books and research papers to depict a complex reality of the emerging concept of SEs and S-ENTs.
- We were selective in our review because our dominant concern is the *applicability of this research for practitioners*. The ‘So What’ question is more critical for us than a long winding theoretical discussion of hundreds of references that are cited in an otherwise rigorous academic paper that might have limited practical relevance. So our choice of literature for this essay has been contributions by academicians, public thinkers (such as Prof Yunus) and practitioners active in the ecosystem. We have attempted to build from the insights of these three diverse yet mutually reinforcing actors and the learnings emanating from the three. Therefore, we do not claim to be *exhaustive and inclusive* in reading and referring to all the published information on this theme.
- Another choice that we have exercised is that unlike in an academic paper, we have *extensively quoted* from the publications that we have used to develop this essay. The aim was not to summarise the arguments but give a flavour of the full argument made by the contributor. Therefore, at places, the essay might look like a book review, but we thought it important to provide almost verbatim text from the publications that we used for this essay.
- Since the lens that we have chosen is that of a *practitioner researcher* interested in not just understanding the theoretical underpinnings but also its future possible relevance to the promotion of a better practice, we remain responsible for possible errors or omissions that might have crept in the essay. Our submission is to focus on the evolving arguments rather than the omissions of facts and information. We, of course, welcome critical comments and feedback on this essay.

## **Beginning of our research**

In early 2018, when we began initial discussions on research on Social Enterprises, we interacted with several individuals. We reproduce below four conversations that we had in the initial months. We have changed the names and gender of the persons, but the fidelity of the contents of the four conversations remains.

## **Conversations: with an academic, an investor, an entrepreneur and an NGO leader**

### **An acclaimed academic and faculty in a leading teaching institution**

“According to me, ABCD Ltd (name changed, listed on the Bombay Stock Exchange (BSE) and one of the top five markets capitalised company on the BSE is a Social Enterprise. They have created millions of jobs for all sections of the society, they have created huge wealth for their shareholders and have contributed to the national exchequer by paying taxes year after year.”

*So what is a Social Enterprise?*

### **An early stage Social Entrepreneur**

“I *do not call* myself as a social entrepreneur. I am running a company, and I am clear about this. Yes, I was writing cheques as a grant maker for a number of years in an international organisation. I know what is it to be a grant-maker and also a grant recipient NGO is. Here, we are registered as a for-profit company. I have no qualms about it. The business that we have identified may be furthering a social cause, but we want to be a profit making company!” Interestingly, the website of his enterprise claims that they are a social enterprise.

So, do social enterprises that are making profits have two faces, one that of a profit-making entity (seen with suspicion) and another one that is the public face, of someone who is a seer (revered by many) for making social contributions at a tremendous personal loss of fame and money?

*So who is a social entrepreneur?*

### **A Leading Investor**

We interacted on the telephone with one of the leading and probably the earliest impact investors. This particular individual and her group of organisations are a very prominent member of the SE ecosystem. They have created and invested in over 60 companies, not necessarily social enterprises, but those with innovative ideas. To tap on her expertise on the definitional aspects – What is a Social Enterprise - as also role of investors and other actors in the ecosystem, I asked her about the definition.

In her view, “Social Enterprise is a misnomer! Enterprise *is never social*; the investor might have a social orientation. We have seen a large number of organisations in the microfinance sector. Some of them who tried to consciously work with the poorest of the poor managed to reach Rs 1000 crore portfolio whereas others who ran their businesses on ‘enterprise’ principles achieved outreach as well as loan portfolio that is significantly large, almost have a multiplier factor of 20 or 30. One should see the impact on the lives of people whom the SE decides to serve. Has the SE successful in bringing about a change in the lives of its people? According to me, this change comes from scale, an

example of microfinance institutions I quoted is one such example. It is also important to distinguish between investing in a company (sitting in metros and urban offices) versus creating enterprises in regions and geographies where infrastructure, human capacities, the supportive environment does not exist. In such geographies, one needs a long-term approach, patience to go and invest in those companies and a dispassionate attachment to scale. We as an investor in such situations take extraordinary risks because returns on our investments are entirely unpredictable. We had to have a long time horizon.”

*So, SE is a misnomer?*

### **An NGO activist and leader**

I have been initiating several activities in Bihar and other parts of the country as a part of the agenda of the NGO that I formed. Recently, someone invited me to a conference on Social Entrepreneurship, and my work was introduced as a social enterprise. Till that time, I did not know that I was a social entrepreneur! Now I am called, and hence I am a social entrepreneur!

*So, what is in the name?*

.....

In this essay, we have made a modest attempt to trace the origin of the idea of Social Enterprises, the global dialogue on role of markets in addressing issues of inequality and poverty that in our opinion has also impacted the emergence of the SE ecosystem, the dynamism this field has seen in the last twenty plus years, the USA and the European contributions to the idea of the SE, the Indian contributions in this nascent field, salient writings of a few thinkers and practitioners and finally the research questions that we attempt to explore the working of social enterprises in the specific sector of agriculture in India in the last ten years.

The essay is presented in **four parts**.

### **PART I The Philosophy behind an Enterprise: 1970 to 2018**

**“The Social responsibility of business is to increase its profits.”**

This caption sums up the dominant logic maybe, a few years ago. This position is succinctly argued in often a widely quoted piece of Milton Friedman (1970) in the New York Times. The title of that article is, “The Social responsibility of business is to increase its profits.”

Friedman in that write up comes down heavily on proponents of social responsibility. These discussions, according to him are, ‘notable for their analytical looseness and lack of rigour’. An enterprise or a business being an ‘artificial’ person, created by individuals, can’t be asked to assume responsibilities, only individuals or business executives, can be as per Friedman’s argument. On a more fundamental disagreement, he argues that by propagating

social responsibility means accepting the socialist view that political mechanisms and not market mechanisms are an appropriate way to determine the allocation of scarce of sources to alternative use.

Elaborating further on the duplicity of such efforts, Friedman writes, “Of course, in practice, the doctrine of social responsibility is frequently a cloak for actions that are justified on other grounds rather than a reason for those actions.... There is a strong temptation to rationalise these actions as an exercise of ‘social responsibility’. In the present climate of opinion, with its widespread aversion to ‘capitalism’, ‘profits’, ‘soulless corporation’ and so on, this is one way for a corporation to generate goodwill as a by-product of expenditure that is entirely justified on its own self-interest.”

Moreover, in the same article, Friedman concludes citing his book *Capitalism and Freedom*, “there is one and only one social responsibility of business-to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, engages in open and free competition without deception or fraud.”

### **Far-reaching Global changes after 1970**

However, in the last fifty years, there is a clear departure from this position of - The Business of Business is Business- to a new paradigm that has encompassed almost a geometrically opposite viewpoint of the earlier logic. In the following paragraphs, we trace the beginning of the discourse on SEs and S-ENTs. It is also necessary to quickly review the global economic trends that have undoubtedly influenced a wider discourse on economic and political development. The following is *not an exhaustive* listing but presents some glimpses of the events that shaped the economies of the world in the years after Friedman wrote about the role of businesses.

- November 9, 1989 Fall of the Berlin wall
- The disintegration of Russia and the emergence of a multipolar world and not just USA and USSR
- 1989 Birth of the World Wide Web at CERN in Switzerland (the European Organization for Nuclear Research)
- 1990 onwards the emergence of China as the dominant economic player in the world economy
- 1991 Initiation of major economic policy reforms in India popularly labelled as Liberalisation, Privatisation and Globalisation (LPG)
- Discussion on the World Trade Organisation leading to the formation of the WTO
- 2000 Y2K scare, opportunities for Indian IT companies to provide solutions to global companies

- 2000 onwards emergence of the ASEAN, South Asian and non-USA, non-Europe economies as dominant players in the global trade, India being one of the emerging economies along with slowing down of the USA, Japan and European economies
- European Union as a global economic forum, its strengthening and later weakening with BREXIT
- Emergence, prospering and later busting of dot-com companies
- The bankruptcy of Lehman Brothers and the market crisis in the USA economy
- The announcement of MDGs and later expanded to SDGs by the UN system
- Discussions on the looming risk of climate change at the international for a
- The emergence of new actors in the digital work such as Apple, Facebook, Google and the era of the silicon valley startups
- Digital Information as a new source of power

## **Markets and Poor: Arch enemies or facilitating friends? Depends on the eye of the beholder**

### **Making markets work for the poor- M4P approach**

‘Poverty alleviation as a business: the market creation approach to development A study’ by Urs Heierli (2000) with support and contribution from Paul Polak was one of the first few publications from the donor agency professionals arguing need to look at the market, not as adversaries of the poor but something that can facilitate the movement of poor out of poverty. (<https://core.ac.uk/download/pdf/20661438.pdf>) There were many follow up studies after this publication broadly titled as making markets work for the poor the M4P approach. In 2008, the same author staff published an extensive publication on making markets work for the poor (<https://www.enterprise-development.org/wp-content/uploads/PSContributeHeierli2008.pdf>). It drew upon her experience with the Swiss Agency for Development Cooperation (SDC) of working in Bangladesh, Central America and all around the world. The publication presented case studies that supported the argument that was clustered around the positive power of the market forces for the poor. It described in detail how the million-plus treddle pumps brought about significant changes in Bangladesh. The treddle pumps were ‘sold’ through a well organised supply-chain and not offered as a charity to the poor. There are several publications on this theme around that time by other donor agencies including the DFID of the

British and the apex organisations such as OECD network. The SDC and DFID studies were followed later by many donors including the World Bank. For instance, a google search with key phrase M4P approach for development showed 59000 plus listings!

In 2016, the Stanford Social Innovation Review with support from Gates Foundation, one of the largest philanthropies, had a special issue on this theme [https://www.omidyar.com/sites/default/files/file\\_archive/Pdfs/MakingMarketsWorkforthePoor.pdf](https://www.omidyar.com/sites/default/files/file_archive/Pdfs/MakingMarketsWorkforthePoor.pdf).

Another synthesis paper jointly by DFID and SDC in 2008 in its foreword summed up the growing interest in this approach among researchers and donors. “The last few years have seen an upsurge of interest in market development approaches amongst aid agencies. Alongside M4P there is UNDP’s Growing Inclusive Markets, the IADB’s Opportunities for the Majority and the IFC’s Next Four Billion. Amongst businesses, there is growing interest in social investment, sustainable business practices, fair trade and engaging with the Base of the (Economic) Pyramid. Although terminology and emphasis may differ, all of these approaches see a market-based economic engagement with the poor as essential for sustainable development. In order to improve the understanding and uptake of market development approaches and to consolidate existing experience, DFID and SDC have commissioned a series of three documents on M4P. Aimed at the agency and government officials, consultants, researchers and practitioners, these together provide a comprehensive overview of the approach in theory and practice.” ([http://www.value-chains.org/dyn/bds/docs/681/Synthesis\\_2008.pdf](http://www.value-chains.org/dyn/bds/docs/681/Synthesis_2008.pdf))

We referred above since M4P approach is also an important milestone in the discussion on a Social enterprise, the enterprise approach to poverty alleviation.

### **A Counterpoint: Markets (and large private corporations) promote inequity**

It is also important to consider the diametrically opposite view taken by critics of policies ushered in after LPG. Their position is in stark contrast to the facilitative role of the market forces that the proponents of the M4P approach argue. One example of the critical stand is illustrated in a donor agency publication of 2017 [https://www.oxfam.org/sites/www.oxfam.org/files/file\\_attachments/bp-economy-for-99-percent-160117-en.pdf](https://www.oxfam.org/sites/www.oxfam.org/files/file_attachments/bp-economy-for-99-percent-160117-en.pdf) markets represented by large corporations are seen as *THE* reason for perpetuating inequity, injustice and the rising gap between the wealthy and the poor citizens all across the globe. The OXFAM report states, “New estimates show that just eight men own the same wealth as the poorest half of the world. As growth benefits the richest, the rest of society – especially the poorest – suffers. The very design of our economies and the principles of our economics have taken us to this extreme, unsustainable and unjust point. Our economy must stop excessively rewarding those at the top and start working for all people. Accountable and visionary governments, businesses that work in the interests of workers and producers, a valued environment,



women's rights and a strong system of fair taxation, are central to this more human economy.”

Arguments have been made how corporations have directly or indirectly contributed to the large-scale destruction of natural resources, have turned public goods into commodities exchanged for profit (drinking water as an example), displaced indigenous communities. Some have gone to the extent of suggesting how global corporate interests have overtly and covertly influenced global and regional politics (oil and natural gas in the middle east as one example). The word Crony capitalism is also much discussed by this group of thinkers.

We have cited both the positions of the power of the market. This essay is *NOT* offering arguments either pro or against liberalisation or privatisation or the role of the market. That discussion has occupied centre stage for many decades consuming the attention of stalwarts in the fields of economics and politics. This writer is under no illusion of being in the company of those thinkers. We limit our discussion on suggesting that over the last twenty years there is a growing body of literature arguing for a benevolent role of the market in poverty alleviation efforts. And Social enterprises and discussion on social enterprise led entrepreneurship can be seen in the context of the discourse on the role of the market.

### **The Beginning of the discourse on SEs: The Microfinance sector**

Did the discourse on SE accelerate with the much acclaimed and quoted publication of the late Prof. C. K. Prahalad?

Prahalad (2004) in his book ‘The fortune at the bottom of the pyramid: Eradicating Poverty through profits’ argued extensively for providing products and services that suit the needs of the poor. By doing so, he contended that MNCs could earn significant profits and (as a byproduct) also assist in overcoming poverty. Interestingly, to be noted is the fact that Prof. Prahalad started his academic career in the Indian Institute of Management, Ahmedabad before moving to the USA. Before this book made waves, his article authored with Stuart L. Hart appeared in the *strategy + business*, 26<sup>th</sup> issue of January 2002 (Prahalad and Hart, 2002) under the same title. That article quotes Indian examples of AMUL in dairy, Arvind Mills in Textiles and Sam Pitroda’s innovations in Indian communication sector namely the C-DOT, RAX what is commonly known as the PCO revolution making telephone accessible to urban and rural population alike. It also mentions of the micro-credit movement pioneered by Prof. Yunus in Bangladesh. Essentially, Prahalad and Hart (2002) emphasise the enormous “business” potential to work with the poor, what they classified as Tier 4 market.

We quote two paragraphs from that article.

“Creating buying power, shaping aspirations, improving access, and tailoring local solutions - the four elements for the bottom of the pyramid are

intertwined. Innovation in one leverages innovation in others. Corporations are only one of the actors; MNC's must work together with NGOs, local and state governments and communities."

"The emergence of the 4 billion people who make up the Tier 4 market is a great opportunity for MNCs. It also represents a chance for business, government and civil society to join together in a common cause. Indeed, we believe that pursuing strategies for the bottom of the pyramid **dissolves the conflict** (*emphasis of this author*) between proponents of free trade and global capitalism on one hand and environmental and social sustainability on the other."

In the concluding part of that article, the authors argued for a new form of 'inclusive capitalism' that presents, "a huge opportunity in breaking the code... "Western capitalism" of that 'rich will be served by the corporate sector, while governments and NGOs will protect the poor and the environment." It is possible according to them to 'link the poor and the rich across the world in a seamless market organised around the concept of sustainable growth and development'.

In a way, this paper introduced the logic of social enterprise without mention of the word social enterprise! The publication of that article and later his book opened a new horizon in the discussion on viewing the poor as a 'customer' and not a perpetual beneficiary or recipient of welfare doles. At the political level, it also might be construed as a mechanism to blunt criticism against the evils of global capital and forces of globalisation.

### **Why is there huge interest in SEs and S-ENTs?**

Why did no one talk about SEs and S-ENTs in 1950 and 1960? What is the reason is that there is a massive interest in the theory and practice of SEs in the last twenty or thirty years?

Bornstein (2004) says, "More people today have the freedom, time, wealth, health, exposure, social mobility, and confidence to address social problems in bold new ways. (page 7) He continues to state that this is an indication of a rise of 'citizen sector', where 'supply is up; so is demand.' The citizen sector is also a response to 'reform the free market and political system', 'to take back some of the power their governments have ceded to corporations' (page 9)

Is, therefore, SEs and S-ENTs a voice of the active citizens, ethically more conscious, to come forward acknowledging the failure of both the forces of globalisation and increased power of private corporation on the one hand and the governments willfully or otherwise abandoning its responsibilities towards its citizens to a great extent? Are they attempting to fill in the so-called middle ground, a vacant space, left by cash-rich, profit-maximising corporations and resource-poor governments? If this is so, it can probably explain the sudden spurt of interest of everyone in SEs and S-ENTs.

## **Capitalism that is conscious (and therefore not exploitative), coming straight from the *Mecca* of capitalism**

Mackey and Sisodia (2013) in their book **Conscious Capitalism** propagate a different version of capitalism (and therefore entrepreneurial activities) that is conscious. One of the authors, John Mackey, is a confounder of Whole Foods Market and his collaborating author is a faculty in the Harvard Business School, the *mecca* of capitalism that trains managers for leadership positions in global businesses.

The narrations in the book are interesting and provide insights into the personal journey of the authors, a movement from a political position that “both business and capitalism were fundamentally based on greed, selfishness, and exploitation: the exploitation of consumers, workers, society and the environment for the goal of maximizing profits (page 2) to a discovery of “business isn’t based on exploitation or coercion at all..... is based on cooperation and voluntary exchange. People trade voluntarily for a mutual gain. (page 3)”

The first author then elaborates, “While free-enterprise capitalism is inherently virtuous and vitally necessary for democracy and prosperity, crony capitalism is intrinsically unethical and poses a grave threat to our freedom and well-being.” (page 21)

### **Higher Purpose as the driving force of a business**

In Conscious Capitalism, the purpose of the business determines the *raison d'être* for it to function. It is a higher purpose that goes beyond generating profits and creating shareholder value. The authors quote Buddha to highlight their point, “Conscious business has a simple but powerful belief: the right actions undertaken for the right reasons generally lead to good outcomes over time. If we allow ourselves to become too attached to what the Buddha called a ‘cherished outcome’, we become more likely to engage in activities that seem to work in the short term, but may have harmful long-term consequences. Conscious business does what is right because they believe it is right”. (page 36)

The authors dream of a situation where, “a business that exists in a virtuous cycle of multifaceted value creation, generating social, intellectual, emotional, spiritual, cultural, physical, and ecological wealth and wellbeing for everyone it touches, while also delivering superior financial results year after year, decade after decade.” (page 32)

Note the emphasis on keywords such as superior financial results (year after year so thereby meaning sustainable) as also abstract and intangible notions of cultural, spiritual and social well-being! Moreover, this too, emanating from the hardcore Harvard Business educated academicians!

The authors base their arguments on four pillars that define the core of a conscious enterprise. These are i) the higher purpose and core values (of a

business), ii) stakeholder integration, iii) conscious leadership and iv) conscious culture and management. According to them, the four tenets are interconnected, mutually reinforcing and foundational aspects. These are not just tactical and or strategic postures.

The book also takes into account similar concepts such as Natural Capitalism (Paul Hawke, Amory Loins and Hinder Loins 1999), Triple Bottom Line propounded by the British Company Sustain Ability (1994), Shared-value capitalism of Michael Porter and Mark Kramer (2011), Creative Capitalism, a phrase used by Bill Gates in his speech at the World Economic Forum in Davos in 2008 and B corporations or Benefit Corporations, companies certified by a non-profit organization in the USA called B Lab, that ensures that B corporations are legally accountable for meeting defined social and environmental performance standards.

The triple bottom line approach, according to them is “an improvement over CSR model” but “lacks emphasis on a vision about purpose, leadership management, and culture.”

Mackey and Sisodia (2013) argue that while other alternative concepts as summarised above are useful, they have some inherent limitations. B Corporation according to them “have a legitimate niche between ordinary ownership controlled corporations and nonprofit organisations but will probably not become mainstream.” (page 297) “These fall far short of being revolutionary because they will likely be only relatively small niche in the greater capitalistic universe.”

Mackey and Sisodia (2013) spend considerable time to critically examine the prevailing concept of Corporate Social Responsibility (CSR) and in fact come heavily on the CSR concept, “Firms that are primarily profit-driven tend to graft social and environmental programs onto a traditional business profit-maximization model, usually to enhance the firm’s reputation or as defensive measures to ward off criticism. Many such efforts are really about public relations and have rightly been dismissed as “greenwashing” (page 38). According to them, the difference is as under

---

**How Conscious Capitalism differs from Corporate Social Responsibility**

<b>Corporate Social Responsibility</b>	<b>Conscious Capitalism</b>
Shareholders must sacrifice for society	Integrates the interests of all stakeholders
Independent of corporate purpose or culture	Incorporates higher purpose and a caring culture
Adds an ethical burden to business goals	Reconciles caring and profitability through higher synergies

Reflects a mechanistic view of business	Views business as a complex, adaptive system
Often grafted onto the traditional business model, usually as a separate department or part of public relations	Social responsibility is at the core of the business through the higher purpose and viewing the community and environment as key stakeholders
Sees limited overlap between business and society, and between business and the planet	Recognizes that business is a subset of society and that society is a subset of the planet
Easy to meet as a charitable gesture; often seen as “green-washing.”	Requires genuine transformation through a commitment to the four tenets
Assumes all good deeds are desirable	Requires that good deeds also advance the company’s core purpose and create value for the whole system
Implications for business performance unclear	Significantly outperforms the traditional business model on financial and other criteria
Compatible with traditional leadership	Requires conscious leadership

---

Source: Mackey and Sisodia (2013) Page 38

**SEs ensure access, affordability and assurance**

In his forward to the book of Elkington and Hartigan (2008), Professor Klaus Schwab, founder and Executive Chairman, World Economic forum mentions the early years of Social Enterprise Practice and Theory. “In 1998, the notion of “social entrepreneurship was almost unheard of in Europe and little known in the rest of the world, despite Ashoka’s pioneering efforts. Indeed, when we registered the Schwab Foundation in Switzerland, we faced the challenge of translating the term social entrepreneurship, not then in the French and German lexicons” (page ix) He adds, “When we first introduced a session titled ‘Meet the social entrepreneurs’ at the World Economic Forum’s Annual Meeting in 2002, “Scarcely anyone turned up...” (page x)

The above authors mention their earlier two publications Elkington (1997) and Hartigan (2001) as a part of the trilogy that advanced the discourse from a triple bottom line approach in 1997 to offering blended value, where better-off customers sometimes subsidise less well-off customers, and the business creates multiple values in dimensions.

Elkington and Hartigan (2008) provide the context where social enterprises can pitch in their activities. So while on one hand, there are many ‘social deficits’ or ‘inequalities’ what they refer as “opportunities” (Demographic, Financial, Nutritional, Resource, Environmental, Health, Gender, Educational, Digital and Security-total ten of them, the social enterprise and the ‘unreasonable’ person with a mission tries to bridge this divide or builds on these opportunities by providing one of the three or all three remedial measures.

The three responses are *Access (reach)*, *Affordability (price)* and *Assurance (quality)*. The three As are to meet rising and raising expectations of the Bonsai Community, the world used by Prof. Yunus in his speech while accepting the Nobel Prize. “Poor people are bonsai people. There is nothing wrong with their seeds. Simply, society never gave them the base to grow on”. (page 118) Social enterprises provide offerings in these three critical determinants. In the process, they create and grow new markets where none existed. This is very close to the arguments of C. K. Prahalad discussed in his bottom of the pyramid approach.

### **SE discourse in India: IDE India, Arvind Eye Care and BASIX as early pioneers and practitioners**

**IDE India** and its work on treddle pumps for small farmers were probably one of the first examples of an Indian institution working with the poor as viable customers. IDE while receiving grants from donor agencies, ‘sold’ treddle pumps and other irrigation technologies to small farmers at a price and simultaneously created a network of service providers in the supply chain to ensure that the customers received not only a product but also aftersales service. Its business-like approach is clearly stated in its website, “IDE India works with the mission to improve equitably the social, economic and environmental conditions of families in needs with special emphasis on the rural poor by identifying, developing and disseminating affordable, appropriate and environmentally sustainable solutions through the market forces.

The story of **Arvind Eye Care** has been written about by as many as thirty business schools across the globe besides numerous stories that have appeared in popular media before the social media came into existence. An inspiring document of the journey of Arvind Eye Care is by Mehta and Shenoy (2011). Hence we do not want to repeat here what has Arvind Eye Care system achieved

as it is hailed as an icon for all those who want to accomplish social change and transformation in their individual and institutional lives. It is written about and talked about as *THE* Social enterprise worth emulating. Its work is a benchmark for all those who look up to learn the process of institution building in modern India. Mehta and Shenoy dwell extensively on the value foundation of the Arvind system. In their words, it is the greatest business case for compassion! This book is a must read for all those who want to take the path of starting a SE.

We want to state an important fact here. The journey of Arvind Eye Care began with the 11-bed hospital in 1976! It has been close to 40 plus years now that it has taken to reach this accomplished state. The time frame has many lessons for some of us who are in haste and are believing in quick-fix solutions to abiding social challenges by projectivised timeframes, illustrated on excel sheets and dashboards of some virtual world. The ground reality seems something different at least as learnt from the experience of Arvind Eye Care system. (<http://www.ide-india.org/>; <https://www.youtube.com/watch?v=Jr70IrWM-n8&t=50s>; <https://www.arvind.org/>)

**BASIX Social Enterprise Group** ([www.basix.com](http://www.basix.com)) was probably one of the first efforts in India in the late 1990s that began working on translating the ‘enterprise principles’ in the development sector for first, providing access to financial services (micro-finance, micro-insurance and other services) and later expanded this to promoting livelihood services by provision of livelihood services or business development services (BDS) as was called in those years. In the functioning of BASIX, there was a clear departure in articulating not only just the vision of the organisation but also efforts to propagate a new ‘vocabulary’ in practice that was prevalent among the traditional NGO sector professionals at that time. For instance, BASIX and its affiliated organisations called their ‘borrowers’ of micro-credit and farmers to whom livelihood services were provided as ‘customers’. Gone were the days when ‘beneficiaries’ was in the lexicon. Stakeholders were too a general term. In calling a poor ‘customer’ for a loan or training services conveyed a sense of enterprise, where someone provided a service against fee or interest. BASIX’s tagline at that time was, and even now is, ‘Equity for Equity’. It demonstrated the ambition of its promoters Vijay Mahajan, Deep Joshi et al. to attract the best of mainstream (equity, debt, human resources, technology) in service of promoting equity for the so-called bottom of the pyramid.

BASIX’s vision statement says, “To use capital (natural, human, social, physical and financial) for bringing equality of opportunity and social justice in society sustainably.” In the discussions with BASIX promoters, similar to the arguments of Prahalad et al., it was argued that the poor was not a single uniform class. Instead, there were middle poor and ‘entrepreneurial poor’ in their

diamond-shaped poverty analysis. These people, comprising a considerable number in the society, did not need alms or welfare doles. What they needed was reliable, affordable and efficient services (be it credit, savings services or crop advisory) and the existing mainstream systems - both the market and the government institutions- had failed to deliver those. And the space created by the failure of market and state were filled in by BASIX and similar NBFC-MFIs in the microfinance sector. More concretely, while nationalized banks apparently offered loans at less than 10%, in reality, given the hidden transaction costs and accounting for rent-seeking behavior of officials, those loans were just not accessible at a time, place and cost for a large number of rural citizens. On the other hand, private sector money lenders offered loan products with efficiency but at an exorbitant price. MFIs and the self-help group SHG promoting institutions found a niche to operate.

The purpose of this essay is not to debate on the pros-and-cons of NBFCs or MFIs or the SHG-Federation model of providing financial services. We present that example as the beginning of application of ‘for-profit’ enterprise principles in the arena of providing financial services to the poor and yet generating surplus.

Incidentally, BASIX, when founded in 1996, did not call itself a social enterprise. The word social enterprise was added to its website later in 2003. (A personal communication by Vijay Mahajan to this author)

### **Micro-finance as SE: Contested terrain**

Akula (2011) wrote in details about his journey that led to the formation of SKS, a leading MFI-NBFC in India that raised money from the first ever public issue of shares. Its name later became Bharat Financial Inclusion Ltd and in late 2017 IndusInd Bank announced the takeover of Bharat Financial Inclusion Ltd. In his book Akula (2011) ‘A Fistful of rice: my unexpected quest to end poverty through profitability’, the founder of SKS narrates the beginning years of SKS. Akula acknowledges the influence of writing of Prahalad (2004) on the formation and expansion of his organisation. To mention once again, we are not debating or glorifying the work of SKS and many fledging MFIs. A few others have gone the SKS way in raising equity from the Indian stock market. These are now public limited companies like any other corporate in the mainstream economy. Some of them like Bandhan and Equitas are now RBI licensed full-fledged small finance bank.

We quote a few paragraphs from Vikram Akula (2011) that clearly articulates a ‘different’ worldview of working with the poor.

“... The fact is, some people will never feel comfortable discussing poor people and profit in the same sentence, no matter how much sense it makes. However, I believe that a commercial approach is the best way to give the poorest



people access to finance.... the poor are really no different from you or me. They are not stupid or slow, and they aren't looking for us to rescue them or teach them anything.... The notion that it is somehow unethical to enter into a profitable business working with the poor is insulting to the poor. They are not children who need our protection. They are working women and men who are thriving under a system that allows them to take their economic lives into their own hands. Treating them as anything less is unjust." (pages 152-153)

In the same publication, Akula highlights the need for mainstream capital and of investors who provide that capital. There is also a clear indication of inherent tension when an enterprise invites investors. "...the only place where MFIs can get enough capital to meet their lending needs is through commercial markets. Moreover, the only way to get commercial capital is by offering high profits in return. Investors will not invest unless they see a very large upside potential... (page 150)"

### **Social Entrepreneurs dream of changing the world!**

Bornstein (2004) is probably one of the early authors who wrote extensively about social enterprises (SMEs) and social entrepreneurs (S-ENTs). In his book, 'How to change the world: social entrepreneurs and the power of new idea', Bornstein reviewed the work of several Ashoka fellows around the world including the founder of the Ashoka fellowship movement Bill Drayton.

Bornstein sees S-ENTs engaged in a 'transformative' process clearly thereby distinguishing themselves from non-profits (NGOs) organising for-profit ventures to generate revenues. "(S-ENTs are persons)...with new ideas to address major problems who are relentless in the pursuit of their visions, ...who will not give up until they have spread their ideas as far as they possibly can."

He goes on describing the qualities of S-ENTs. These are i) willingness to self-correct, ii) willingness to share credit, iii) willingness to break free of established structures, iv) willingness to cross disciplinary boundaries, v) willingness to work quietly and vi) strong ethical impetus.

While one may argue that the above six qualities are essential for any individual or organization to be and to remain effective and performing and are, therefore 'generic' qualities to be successful in all fields of life, irrespective of the sector she belongs to, Bornstein's emphasis on 'strong ethical values' needs some elaboration.

He describes ethics as the bedrock of social entrepreneurship. To quote from Bornstein (2004), "It is meaningless to talk about social entrepreneurs without considering the ethical quality of their motivation the why. In the end, business and social entrepreneurs are very much the same animals. They think about problems the same way. They ask the same type of questions. The difference is not in temperament or ability but like their visions. In a question: Does the

entrepreneur dream of building the world's greatest running-shoe company or vaccinating all the world's children?"

### **SEs as panacea to address global challenges: A Grand Vision or Utopia?**

While Akula (2011) defends the logic for enterprises working with the poor and need to be profitable and be in a position to offer higher returns to investors, Prof. Yunus visualises a world that works on a completely alternate paradigm. According to him, social enterprises would be the harbinger of that changed paradigm.

Yunus and Weber (2017) in their latest book, 'A World of Three Zeros: the new economies of zero poverty, zero unemployment, and zero net carbon emissions' articulate this dream of a brave new world that addresses the failure of capitalism. In this journey to a 'new civilisation', as they point out Social Businesses are going to be playing a critical role. In the introductory pages of their book, they extensively argue the 'rising trend of wealth concentration', 'how capitalism breeds inequality', how the capitalist system views human being as a person interested only in 'gain-seeking-being' and ignores 'the real person who is a composite of many qualities' not just selfish but 'caring, trusting and selfless.' (pages 2 to 11)

Drawing on his extensive experience of the Grameen Bank in Bangladesh and later its expansion in all parts of the world, Prof. Yunus advocates for a 'redesigned economic engine' (page 15) and that engine is Social Business. "***A social business is, "a no dividend company dedicated to solving human problems."***" (page 27). (emphasis of this writer) His explanation is based on both the practice (of Grameen Bank) and a theoretical position that is also philosophical. It is that assumption about individuals whose higher values govern their behaviours, not just the triggers of monetary incentives and reward-punishment mechanism. "Human beings are not money-making robots. They are multidimensional beings with both selfishness and selflessness. When I create a social business, I am allowing the selfless side of my personality to be expressed through business, .... Selflessness is only to be expressed in the world of charity. However, why? Why shouldn't the business world be an unbiased playground offering scope for both selfishness and selflessness?" (page 27-28) argues Prof. Yunus.

### **Social Business as in between actor**

Prof. Yunus quotes a number of examples from across the world to support his optimism for social business as a new engine for economic development. Danone, a French company, figures prominently in his description like Unilever (now Hindustan Lever) figured in Prof. Prahalad's arguments in his publications.

His quote on the nature of social business makes it abundantly clear the definitional confusion or rather lack of clarity that is prevalent in the sector.

“...Social business occupies a unique in-between status. They do not fit into either of the two main categories of organisations: for-profit business and nonprofit organisations. Like for-profit business, they are registered under the business law, have owners, are financially sustainable, have customers who buy goods or services, and return investment capital to investors over time. However, like nonprofit organisations, they are solely dedicated to the welfare of people and the planet; they do not seek to maximise profits, nor do they serve the purpose of generating *wealth for their owners* (emphasis by this author). They resemble nonprofits in that they seek to serve the greater good- but they do so in a businesslike manner. That creates a big difference between charity and social business. A charity dollar can be used only once, while a social business investment dollar is recycled indefinitely.” (page 240)

### **Capital for SE will not be a constraint!**

Prof. Yunus believes that there is sufficient capital to fund social businesses. The funds for promoting SEs would come from philanthropies and billionaires. There is no dearth of such individual and institutions. ‘People live in an ocean of money. Only poor people cannot get a sip of it’ – he writes! What is needed according to him is a mechanism that channelises wealth to create and support social business. He continues, “Imagine if all the retirement funds, pension funds, family funds, college endowments, and every other fund made it a policy to invest 1 per cent of its assets in a social business trust! Think what that could mean to the world.” (page 246). He has established Yunus Social Business Fund in Bengaluru in 2016. The fund plans to make four to five investments around us \$75,000. According to him, other creative and more innovative funding mechanisms are emerging. He discusses Social Success Notes, a variation of the finance mechanism known as results-based financing, (page 255).

Prof. Yunus is philosophical in his optimism. “People often ask me, what is the incentive for an individual to put money into a social business or a social business trust? The answer is simple. Making money is happiness, but making other people happy is supper happiness!” (page 245-246) “Social business is not just an essential tool for resolving the crisis that humankind faces. It also represents a wonderful expression of human creativity perhaps the highest form of creativity that humans are capable of. ... We can create a new civilisation based not on greed but the full range of human values” – he concludes his last chapter in this book on this note. (page 266)

### **SEs in 2050**

Ridley-Duff and Bull (2011) predict a scenario though largely in the context of UK and Europe where there will be, “groundswell for social change towards more ethical and democratically controlled business models... this has been provoked in response to numerous catastrophes within the capitalist system.... People are rightly questioning the ethics and morals of mainstream business practices” (page

249). They go to imagine a future in their book in a chapter ‘social enterprise in 2050’, where there will be renewable energy market-based solutions to the challenges of the environment, alternative market-based solutions to the challenges of healthcare needs and alternative solutions to the private ownership of football clubs! (page 249-257)

### **Prof. Yunus’s optimism and evidence on ground**

Why is that we have reviewed this publication in detail? There are several reasons that we cite below. The first and foremost is the stature of the author, Prof. Yunus and the influence he carries in shaping the global dialogue and thought processes of the community of donors, philanthropists, policy advisors and political leaders. So when Prof. Yunus strongly propagates the idea of social businesses as an alternative to the capitalist way of functioning, it is necessary to examine this vision with ground realities, though the evidence might be limited as of now. There are also implicit assumptions in his vision. For instance, the belief that human beings value the pursuit of happiness and financial rewards in equal measure seems contrary to other established theories of individual behaviour of profit maximisation.

Similarly, ‘Fund is No Constraint at all for social businesses,’ might not be a true reflection of field-based realities. We had a few interactions with some social entrepreneurs and found that all of them were struggling to raise resources. Also, the contention that investors are ‘patient’ and are willing to let go ‘returns’ for longer-term, non-financial gains is a serious proposition that needs evidence based on a large, cross-section of enterprises. There are not many examples except off-repeated stories of micro-finance institutions and Grameen Bank in Bangladesh. Even the investors in the MFI sector have come in for harsh criticisms for their not so social behaviour when it comes to their returns and the unrealistic timeframes they set for their investee companies. Whether such a vision of the social business is practicable in other sectors such as health, education, agriculture etc. also needs to be examined in detail. So while the vision articulated by stalwarts like him is a compelling one, it is necessary to study how that vision can or cannot be translated into action when SEs are promoted across diverse sectors.

## **PART II**

### **The Practice: Evidence from practitioners in the ecosystem of S-ENTs**

#### **The Practitioners’ landscape**

There are a large number of research reports, studies, conference proceedings, manuals and training literature on SE and S-ENTs contributed by non-academic stakeholders. When we say non-academic stakeholders, these stakeholders are largely practitioners in the SE ecosystem consisting of Indian

donors, Indian and global investors' networks, industry associations, think tanks and consulting companies, bilateral and multilateral agencies to mention a few. Most of these reports and studies are also in the public domain and hence available to other researchers.

We attempt to present salient findings of some of the latest publications contributed by practitioners mentioned above. We have covered some of the major publications below, and we elaborate the contents in subsequent paragraphs.

1. Social Value Economy: A survey of the Social Enterprise Landscape in India, December 2016, British Council, Aspen Network of Development Entrepreneurs and ennovent

This was a desk-based review of all the SEs in the country. The survey tool was sent to 2400 organisations of whom 498 completed the survey. Based on the analysis of the responses, the report presented an analysis of 258 SEs. In addition to the survey questionnaire, the report built further on telephonic interactions and personal discussions. The British Council study did not distinguish between SEs by their legal structure and instead focused on three criteria. These were impact, use of profit and surplus and the last one was the revenue model. Those reporting 'profit first' were not classified as SE.

Similarly, those who were reporting less than 25% revenue in the preceding year were not considered as SE, the assumption being that a SE has to have a defined revenue stream. The organisations that reported sharing of profit with owners and shareholders only were also not considered to be an SE and did not qualify themselves to be an SE. To be noted is the fact that all the responses were self-reported and the desk review relied completely on these responses of the respondents. As a result, of the 498 respondents, only 258 qualified as SEs, that too covering diverse fields ranging from skilling to agriculture to craft.

The British Council report compares the SE landscape in India and the UK. It also lists in the Annexures more than 100 names of individuals and institutions active in India who were consulted in the preparation of the report. The salient findings of this report were on two dimensions, economic value creation and employment creation by the SEs. As per the self-reported data and its analysis, the SEs reported average annual turnover of 7.8 Million INR (Rs 78 lakhs), 43% reported earning profit and 22% breaking even, 85% faced financial constraints, had an average employee strength of 19.

24% were women-led and more than 50% experienced a shortage of adequate managerial and technical personnel.

Thus the overall picture that emerges from this report is that SEs in India are at an early stage, yet to overcome the startup pangs and make a mark as a successful

and impact making enterprise both in the financial and social dimensions of their business. The challenges that they face are no different from any other small and medium enterprise in the mainstream economic activity.

Another report in the same series has been The State of Social Enterprise in Bangladesh, Ghana, India and Pakistan. This four country study is based on similar methodology adopted for the India study.

2. Is Social Enterprise the Inclusive Business of Tomorrow? Development Banks' Perspective, Technical Assistance Consultant's report for Asian Development Bank (ADB) prepared by Dalberg Global Development Advisors, September 2017

The ADB study covered ten selected countries in Asia and Latin America, India is one of the countries from Asia. It reviewed the definitions of the SE, mapped the landscape of SEs in the ten countries, discussed the challenges to scaling up of social enterprises in the study countries and made recommendations to developing banks for providing support to SEs. The ADB report drew from the G20 framework of Inclusive Businesses (IB) developed in 2015 and observed that the development banks of the G20 countries such as the WB, KfW and the ADB were still not so forthcoming in financing the SEs as they had their apprehensions in terms of the capacity of the SEs to achieve scale as also generate sufficient return for the investors.

This report is important as it recommended various policy measure focusing on investment options for the SEs. To be noted is that even as late as in 2017, the ADB report *did not define* what is SE and instead summarised in the Annexure (page 40) nine definitions provided by different entities! However, it did suggest a common minimum definition based on **Mission and Profit Use** as **the two defining criteria** for an SE that distinguishes it from other organisations. According to this report, SEs are focused on the social and environmental mission. Regarding the use of profit, the SEs partially to completely reinvest the profits to further the mission objectives rather than maximising profits for its shareholders.

Intelicap and Villgro have researched the space of SEs very extensively and have published several reports in the last ten years. The noteworthy among these are mentioned below.

3. On the Path to Sustainability: A study of India's social enterprise landscape, Intelicap, April 2012

4. Pathways to Progress: A sectoral study of Indian Social Enterprises, Intellectap
5. Understanding Human Resource Challenges in the Indian Social Enterprise Sector, Intellectap, April 2012
6. Regional Social Enterprise Ecosystem in India: A conceptual framework by Lina Sonne, Okapi research supported by Villgro foundation and IDRC, Canada
7. Villgro Innovations Foundations Case study Series-Under the Mango Tree April 2013, Villgro and Intellectap
8. Thinking through Social Innovation and Social Entrepreneurship In India, Shambu Prasad Xavier Institute of Management, Bhubaneswar, IDRC and Villgro
9. Rural Technology and Business Incubator “Leveraging the Indian Institute of technology, Madras Ecosystem for the Social enterprise, Joseph Thomas, Villgro and IDRC

We do not intend to summarise the above reports but attempt to suggest some pointers that are emerging from these reports and many other similar publications increasingly available.

- The Indian ecosystem has become dynamic in the last ten years with activities of a diverse set of stakeholders in the ecosystem.
- Regarding sectors, there is a multitude of activities virtually in all sectors encompassing education, health, nutrition, livelihood, skilling, education, urban sanitation, water, energy and other fields.
- There are many organisations who are now scouting emerging SEs by offering awards, start-up grants and challenge fund to the aspiring S-ENTs in many parts of the country.
- In addition to practitioners, considerable activities are happening in established educational institutions of higher learning such as IITs and IIMs, regional engineering colleges and other educational institutions. These institutions are offering specialised courses and elective modules on SEs, are opening up their space for incubating new SEs and leading research programmes.
- As a result of these efforts as also emphasis of donors such as IDRC and the British Council, with specialising lead institutions such as Villgro and Intellectap, there is a growing body of literature, case studies, investor conferences, roundtables happening round the year in the country.
- The government of the present and the past are spearheading their efforts on building and accelerating the ecosystem. Many government departments such as Department of Science and Technology as an example are at the forefront of these efforts.

- A glance at the annexures of some of the above reports gives a comprehensive picture of the active stakeholders that were consulted in the preparation of those reports.
- In addition to knowledge building efforts, there are specialised and dedicated funds being set up by leading philanthropist such as the TATA TRUSTS (<http://www.tatatrusters.org/article/inside/foundation-for-innovation-and-social-entrepreneurship>) and Yunus Social Business Fund (<http://www.yunusfb.com/>) as two notable examples.

### **Dynamic ecosystem but abiding challenges**

While there is a diverse and dynamic ecosystem emerging in the country, there are probably some abiding challenges. For instance, as early as 2012, the Intelicap study reports finance as a major constraint for budding SEs. Accessing capital both for startup and expansion was observed as a big constraint in that study in addition to hiring and retaining talent. Thus, both the human and the financial resources that are the foundation of any enterprise were the *weakest links* as per the findings of that study. Building value chains that are sustainable for the poor segment of the society was seen as a huge challenge thus directly challenging the arguments of the corporate thinkers such as C K Prahalad and the donor community that advocated market-led approach for development.

A case study of one social enterprise, Under the Mango Tree (UTMT) magnified the above challenge for an individual enterprise. The Villgro case study of April 2013 referred above pointed towards the same challenges. To quote from that study, “UTMT continues to face challenges with human resources....The for-profit arm faces more mainstream challenges-accessibility to customers and building a pan-India presence (for marketing)” (page 16).

### **Absence of *Bharat* in the SEs and S-ENTs discourse?**

Shambu Prasad and Joseph in their paper ‘Embedding Diversity in Social Entrepreneurship Research: India’s Learning laboratories’ have argued a need to have a clear and distinct India lens to view the entire landscape of the so-called dynamic SE landscape. According to them, the current discourse on SE is skewed towards the western world view of interactions between economy and society and does not take into account the complex socio-political-economic landscape of the third world such as India. The absence of appreciation and understanding of this reality reflects in the dominating discourse that is based on the wish of the benevolent power of the market. Shambu Prasad and Joseph argue for a pluralistic understanding of the ground realities, moving the SE discourse from English speaking, urban elite to the hinterland where there are significant social transformation actions unfolding that go unnoticed and even partly ignored. They also advocate a need for looking at wider socio-political landscape of movements of activists and social change processes that can be closely aligned to the goals of



SE. They suggest not to limit the thinking on a narrower ‘business’ case for SE. They elaborate further saying that SE can actually be considered as an active space for citizens in the broader goal of social transformation that is much needed in the countries like India that has multiple complexities. To quote, “Social Entrepreneurship researchers and practitioners should avoid seeking a quick fix for deep and wicked problems such as poverty, inequality and climate change and might be better off following recent thinking in social innovation that has sought to enhance conversations and dialogues among diverse actors, especially those rejected by dominant players in the free market economy.”

Continuing this discussion, Shambu Prasad in another paper, argues for moving the centre of gravity of social innovations. This would also mean the need to rethink mental models for change. Acknowledging the inherent dilemma that ‘social enterprises deliberately adopt an uncomfortable position: they are in the market and yet against it at the same time, there is a space for dissenting and transformative role of social innovations challenging existing systems’, he argues.

Vijay Mahajan (2018) in his two unpublished papers has reviewed over 150 years of social action in India beginning 1817, the end of Maratha rule and the beginning of Brahma Samaj in 1830 in Bengal. He conceptualises three roles of actors in the social action space: those of sensors (sensing social issues that were obstacles to social progress), actuators (triggering responses for social change) and balance maintainers (those raising voice anything that became extreme and dominant). He argues that the social actors need to mediate between the extreme positions of either this or that end of a particular political economy posture and instead need to focus on the optimum balance rather than taking a rigid position on issues such as Growth Vs Equity.

In his second paper, looking ahead, he strongly contends need for emergence and strengthening of new institutions that he christens as ‘Eco-Social Institutions’. These according to him will be necessary for the coming thirty years to maintain an extent of sanity and balance where individuals are experiencing a big void regarding ‘helplessness, loneliness and normlessness’. Only vibrant Eco-Social institutions can act as a voice of citizens and thereby have an influence on both the State and the market.

To sum up, for SEs and S-ENTs, India in 2018 is a happening place not just for the country but all those globally interested in this field.

### **PART III**

#### **Social Enterprises: An idea whose time has come**

In the earlier pages of this essay, we attempted to present a scan of a large canvass of ideas, literature and publications on the theme of Social Enterprises. We also

tried to cover a time frame of almost 60 years beginning with Friedman and ending it to the latest publication of Prof Yunus. While we made this attempt, we were selective and purposive in our scan. As we commence to implement our research on SEs, what are the learnings that we draw from the broad canvas of ideas? In the following paragraphs, we summarise our understanding of the state of social enterprises and also our plan to research the SEs and the S-ENTs in the coming year.

- Researching SEs is almost like a story of an elephant and seven blind men in a room except that there is indeed the elephant in the room and we try not to remain blind! Defining SEs in precise words might block us in unproductive semantics so it might be desirable to proceed with a ‘working definition’ rather than a precise agreed upon definition by one and all. We have proposed defining characteristics of SEs later and using that as a base; we propose the research design.
- Study of SEs is an amalgamation of several disciplines such as innovation and creativity, management, strategy, entrepreneurship, start-up finance and sociology to list a few. Even there is some literature now on sports and social businesses where apparently there is no connection. As a result, there are researchers, academicians as also practitioners writing about SEs. We have chosen to take a position of a reflective practitioner rather than an academic. While *theory building* is necessary and important for the development of this nascent field, we have chosen to focus on the *practice of social entrepreneurship*, as it is unfolding in several parts of India, on a real time basis. By doing so we thought that we would be able to find some patterns and commonalities, decipher broad trends and directions of the growth of the sector and then draw lessons that can feed simultaneously to both the academic space as also the policy discussions. We hope that our research would also be useful for other stakeholders such as investors, philanthropists and most importantly, individuals aspiring to be social entrepreneurs.
- The literature seems to be polarised in a way depending on the lens one chooses to write and read about. For instance, if you are a hardcore OXFAM supporter or one who believes in Rights based development discourse of “state needs to do everything approach”, it is logical that one will take a stand on the emergence of SEs as a political conspiracy to blunt the negative consequences of power of the market forces accelerated as a result of the global forces of Liberalisation, globalisation and privatisation (LPG). This lens would see corporates as profit-making monsters and irresponsible citizens engaged in greed maximisation. The market is an evil that perpetuates inequity and injustice and thus needs to be strongly regulated if not eliminated, would be their argument.

- The contrary position to the above argument is the power of the market and harnessing that for the betterment of the poor. This is evident in many publications that we have extensively quoted earlier. *Social Enterprises seem to be an extension of that line of argument where enterprise as an institutional form is seen as the best form to meet the social goals.* Moreover, this form is perceived to be useful for all sectors, health, education, water and sanitation, skilling, agriculture and so on.
- The extension of the above line of thought is the belief that SEs are *THE* way to proceed for a just and equal society. Eternal optimists like Prof Yunus, then believe that SEs are the panacea for the future. Quite a few authors claim that SEs are in the business of changing the world around. SEs alone can bring more enlightenment and happiness to the world. The proponents of this line of argument also pronounce that SEs as an idea is 'superior' to the existing prevailing concepts of responsible businesses, triple bottom line, sustainable businesses, B Corporations, conscious capitalism and so on.
- This optimism is also reflected in the abundance of critical resources available to SEs. They trust that there is a sufficiently large number of people who will fund SEs. Money for SEs is not at all a constraint, according to their counsel. They also think that many individuals will value association with noble causes championed by SEs and therefore human resources for SEs will be available in abundance.
- We take a middle ground position and try to assess what is the ground reality. We attempt to study the functioning of the Social enterprises with a critical lens without an ideological blinker. By doing that we are more into a reality checking rather than positioning SEs on a high moral pedestal.
- However, it is also our humble stance that we are not evaluating or assessing the impact of the SEs on our own nor do we have a mandate of anyone to do so. Impact assessment is a separate exercise and might be even premature to attempt that exercise when the SE sector is at a take-off stage. Our effort is probably the first step in knowing what the state of the sector is and hence the title of the session is also *whither social enterprises?*
- Are the SEs that we study are 'social' regarding their work and working? Whom do they serve and how do they do that? The immediate following question is- 'Are they really "an enterprise?" Does their business model help them to generate sufficient revenues while serving the customers they want to serve?
- Thus, for the study of SEs in our research, we plan to focus on both the enterprise dimension of the SE by looking at the financial statements (balance sheets) but also assessing the social contributions through appropriate measurement matrices.

## SEs in *Bharat* (SEs in Agriculture)

In our research on SEs, we are adding the *Bharat* dimension. Sharad Joshi, a farmer leader from Maharashtra in the early 1980s conceptualised the dichotomy between India and *Bharat*, the farmers and agriculture on the one hand and rest of the country on the other. Our focus of this study is on SEs in *Bharat*, SEs promoted for the benefits of a considerable number of people engaged in agriculture. We believe that the topic is extremely contemporary but also assumes critical importance judging the unfolding of events around us every day. That agriculture in India is in distress is a cliché. Farmer agitations at several places in the country in the last few years, depressing farm prices across farm commodities in Indian and global markets, the country moving from a regime of penury to that of surpluses in most of the agricultural crops, lack of rural employment in hinterland forcing many youths to abandon agriculture as an occupation resulting in migration, those perusing that vocation as a last resort, scenes of suicides and hopelessness pervading across the country- all these are now part of the national concern.

Given the above scenario, are the SEs new hope for *Bharat* agriculture?

We want to examine the ground reality in the light of the enormous expectations and moral responsibility that is on the SEs.

## Part IV

### Research project on Management Challenges of Social Enterprises (SEs) in Agriculture

#### **Locating the SEs for this research: Their work and working**

After extensive review of literature both by leading thinkers and practitioners, following broad generalisations can be made about the work and working of the SEs. The statements discussed below are not the final ‘one single’ definition of SEs but are an attempt to offer some description that will be used as a guidance for the scope of the study discussed later.

- SEs are “**Mission First**” organisations. In SEs, **Purpose precedes Profits**. The compelling reason to begin an SE is to address a ‘social cause’, bridge a social deficit and therefore to create a public good. In a private, for-profit venture, the enterprise is conceived to respond to an unmet need/demand. If responded well, it will generate profit for the entrepreneur creating a ‘private good’. Social and or other impacts are not necessarily a concern at the beginning though those benefits might also arise as consequences. The goal of India’s most trusted corporate in early 1990s was, for instance, to set up a steel factory as the country needed steel for industrial development,

having a planned city for the employees to reside was a follow up action and not vice versa .

- SEs are trying to occupy **a space that is left by the government, the NGO sector and or the market actors**. The commercial, for-profit ventures, would attempt to address a ‘deficit’ where they see a clear opportunity to make revenues. A government and or an NGO will attempt to address that deficit through provisioning of services mostly in a welfare and charity orientation. Wherever, such provisioning is not possible; experience shows that the governments tend to abdicate its responsibility. NGOs would stay as long as grant support is available and market-based actors will choose to focus on low hanging fruits. SEs take on the challenge of occupying this space with the ambition of serving a cause and that too in an efficient manner. SEs thus occupy a middle ground in the continuum of philanthropy/charity on one end of the spectrum and commerce and world of profit on the other. As a principle, SE denies continuous dependence on grants which is so much assumed in a typical charity and welfare model of NGO functioning. They embrace the notions of profitability and efficiency associated with the enterprise way of functioning without compromising their mission. Thus typically, they seem to be a **Hybrid organisation**, based on the foundation of values but practising the principles of business and profitability.
- SEs work and working can be summed in the **Trinity of Access, Affordability and Assurance**. The SEs attempt to provide products and or services to who are excluded, at a price that their customers can afford, and guaranteeing same quality of performance of their product and or service. The trinity poses onerous expectations from SEs! And the fulfilment of the above three tasks is expected to be done with the efficiency of an enterprise!
- If one agrees with the above propositions, the enterprise is seen as a **means to achieve an end**. The end objective is to achieve a social impact, and the enterprise way of functioning is seen as the best way to attain that objective. Thus, ‘social’ is the primary goal and enterprise objectives are secondary. It is about prioritising the ‘end and means’. Profit is a means to furthering a social cause.
- **The performance measure for an SE** is the social impact that it creates. SE aspire to create Social value. For a commercial enterprise, the sole measure is profitability and return to the equity investors. It might be argued that even a for-profit enterprise generates a social impact such as creation of employment and payment of taxes for the government. However, the primary motive is NOT employment creation but profit maximisation. Other benefits are unintended positive consequences and not by design

The following table summarises the definition of SE for this research and contrasts it with the for-profit business enterprises.

<b>Defining characteristics</b>	<b>Social Enterprise (SE)</b>	<b>Business Enterprise (BE)</b>
<ul style="list-style-type: none"> <li>• The trigger</li> </ul>	Identification of a social cause/problem that needs to be addressed	Identification of a business opportunity to offer product and or service at a price
<ul style="list-style-type: none"> <li>• Vision and objectives</li> </ul>	Respond to social problems	Profit maximisation
<ul style="list-style-type: none"> <li>• For Whom</li> </ul>	Underserved population, typically bottom of the pyramid and excluded by market, inability to pay (affordability) or sheer lack of accessibility (exclusion) are some of the criteria SEs choose to work for their mission	Any and every customer who has the ability to pay (thus those who are not potential ‘consumers’ are excluded)
<ul style="list-style-type: none"> <li>• Lead by</li> </ul>	Social Entrepreneur/s and supporting team	Entrepreneur/s and promoters
<ul style="list-style-type: none"> <li>• Early Resource mobilisation</li> </ul>	Own sweat equity, interested stakeholders in the vision, philanthropy capital mostly as grant and or subsidised loan	Own capital and later mainstream capital through mainstream banking and other financial institutions
<ul style="list-style-type: none"> <li>• Finance structure</li> </ul>	Start-up grants, low-cost capital, patient capital (also now referred to as blended	Mainstream financial instruments such as loans, bank borrowings, equity from shareholders etc.

	finance) both grant and loans	
<ul style="list-style-type: none"> <li>• Revenue stream</li> </ul>	At least 25% to 50% revenue from fees/income (criterion as per British Council study) with an aim to become operationally self-sufficient over a longer term	Full-scale commercial operations with break-even analysis and goals of profitability
<ul style="list-style-type: none"> <li>• Management capacities</li> </ul>	Mostly own vision driven and later expanded, often not necessarily present in the initial stages but acquired later	Hired through professional sources and from the market at competitive remuneration
<ul style="list-style-type: none"> <li>• Sharing of Benefits and rewards</li> </ul>	Social returns and impact on the community, profits pooled back for furthering social objectives and appropriately pooled in for growth and expansion	Measured as return on investment and equity (ROI and ROE) market capitalisation, share value appreciation, profits distributed as a dividend to shareholders and promoters as also capitalised
<ul style="list-style-type: none"> <li>• Measure of success</li> </ul>	Social Impact is the key measure. Triple bottom line with equal emphasis on sustainability of solutions to problems being attended to	Double bottom line sometimes might also be at the cost of long term sustainability

### **Study of management challenges faced by SEs in the growth phase**

This research aims to study the growth challenges faced by SEs. There are many initiatives in the country targeting the start-up phases of the SEs. These include

incubation, provision of start-up capital, recognition regarding awards and linking SEs with many promotional schemes of the government such as Make in India and Startup India.

We propose to **focus our research on the management challenges** that SEs face in their journey from an idea to scalable enterprise activity. There is an emerging Theory of Social Enterprises; our *emphasis* is to research the *practice* of Social Enterprises. In the process of understanding this practice, we aim to research three facets of SEs.

- First is mapping the current status of SEs in the country. This would be attempted both at the macro level (understanding and mapping the ecosystem) as also several individual case studies focusing on a particular sector. We have chosen agriculture as the sector for our study.
- The second is undertaking a comprehensive clinical analysis of the SEs that are operational for at least more than three to four years. With the help of balance sheets of these SEs and analysis based on that information, we propose to test several hypotheses regarding the espoused claims of forming a SE and their actual performance. While doing so, we derive learning in incubating, promoting and managing SEs as also the challenges in creating a dynamic ecosystem of SEs in the country.
- The third part of the research is to explore the prospects for the SEs and what are the possible interventions that can further facilitate the emergence of the SEs and energise the whole ecosystem. This section will draw on the findings of the first two parts and could lead to some policy recommendations.

### **The research sample: Criteria**

- The sample for the proposed study will be purposive.
- Our goal is to study about 15 to 20 SEs in depth.
- We propose to study SEs preferably functioning in rural and semi-urban settings and or for communities residing in rural India. Our preference will be *SEs in rural space*.
- For this study, we propose to include SEs registered, and functional between say **2004-05 till 2014-15**. This will enable us to study their organisational and enterprise performance over at least three to four years of their functioning. Recently incubated SEs will be excluded.
- We also propose to limit our study of **SEs operating specifically in the agro and agri allied sectors** thereby **excluding** other sectors such as Education, Health, Energy, Sanitation, Digital learning etc.
- It is proposed to include SEs across the value chain. A useful recent publication is of the World Bank, March 2018



<http://documents.worldbank.org/curated/en/851711521095180329/pdf/124304-WP-PUBLIC-AgriBookMar.pdf>

- We propose to include SEs that have *reached scale*. While it is difficult to objectively define scale, if there is a choice of studying an SE that has reached 100 farmers in 2 villages in one block in five years vs another SE that covers 5000 farmers in 50 villages in two districts, we will prefer to choose the later. In other words, we might need to exclude SEs that are organised on a smaller scale within limited geography and outreach.
- The study does not distinguish between SEs on the basis of their legal structure and, instead, will look at whether the organisation has a revenue model. This is borrowed from the methodology of a survey of SEs in India. (British Council 2016, [https://www.britishcouncil.in/sites/default/files/british\\_council\\_se\\_landsc\\_ape\\_in\\_india\\_-\\_report.pdf](https://www.britishcouncil.in/sites/default/files/british_council_se_landsc_ape_in_india_-_report.pdf))
- We are also *excluding* the study of Microfinance institutions (MFIS), SHG/federation (SEs broadly formed for financial inclusion purposes) since there is already sufficient literature on MFIs and SHGs. Similarly, we exclude researching on many acclaimed SEs (examples AMUL, Fab India) about whom there exists abundant literature in the public domain.
- We do **not plan to include** Farmer Producer Companies (FPCs) and or Cooperatives as these are member-owned organisations promoted to serve the interests of the members rather than addressing a social cause. While the FPC may address a cause for their members such as absence of market linkage for the milk produced by its members, it is strictly not a ‘social’ deficit. Also, there is a growing body of research on FPCs. Also, strictly speaking, these are not SEs as we have characterised in the above table.

## Case study method

We propose to follow a case study methodology. Each researcher might spend about 3 to 5 days with the chosen SE. Based on the documents of the SE and the interactions with the key personnel in the SE, an elaborate case will be prepared. The case study will focus on the growth challenges of the SE and how the SE responded to those challenges.

A focused analysis on how the SE attempted **the balance in achieving the social and commercial objectives** will be explored through the case study. To understand the dilemmas and the challenges in balancing the social and commercial objectives, it will be necessary to discuss both the social and the business impacts of the enterprise. We expect both qualitative and quantitative analysis at the end of the interactions with the SE. So while the case study will

narrate processes in managing the growth of the SE, a detailed analysis of the financial statements of the SE and associated institutions will enable to understand the enterprise dimension of the SE.

### **Collaborators and contributors**

We envisage having a group of about 10 to 12 researchers who will be associated in this year-long research at VAF. The membership of the group would be diverse consisting of academics, researchers, consultants, practitioners, grantmakers from philanthropy institutions and social investors.

### **Research questions to be explored during the year-long research**

At the end of this year-long research, when we interact and finalise writing of 15 to 20 case studies on SEs in agriculture, we hope to have better understanding of some the key management challenges that SEs face.

More concretely, we aim to gain deeper insights into the following questions:

### **Social and Economic Value/Impact of SEs**

- What is the social and economic value the SEs are creating?
- How does this compare with what is professed by them?
- Is it too early to assess the impact of SEs? What is the right time to ask the 'right' questions?
- What are the 'right' questions to be asked?
- What are changes at the level of the primary intended 'customers' of the SEs?
- How are the SEs performing on the trilogy of Access, Affordability and Assurance?
- What is the perceived and real value added by the SEs in furthering of the social cause that they aspire to address?
- Are SEs profitable? How are the profits accrued? What are the returns to investors and promoters? Are they below or above market rate?
- If the SEs are not profitable, how are the losses made up?

### **Management challenges**

- What are the management challenges that the SEs face?
- Are they typically the same or different from other commercial enterprises?
- Where and how are the human resources to manage SEs coming from?
- What are the overall HR challenges in recruitment, training, placement, compensation, motivation, promotion and attrition etc?
- What are the experiences of the SEs in mobilising capital both working and long-term?

- What kind of investments has the SE received? What are the terms and conditions and are they different from the commercial sector?
- Is there a blended capital? How has it or not helped the SEs?

### **Governance**

- What are the disclosure practices of SEs studied/
- Are there sufficient disclosures?
- How are SEs governed? Whom are they accountable to in practice?
- What is the dynamics between investors and SE promoters?
- How do the S-ENTs negotiate this dynamics?

### **Promoting Institutions/Ecosystem**

- What are the major gaps/blind spots in the policy space?
- Are there too many promoting institutions chasing too few SEs and S-ENTs?
- Should there be an SE policy at all? Alternatively, is ‘leave them alone’ policy is a better option for the next few years till the ecosystem matures?
- How does one consider the federal structure of the State and promote state-specific SE policies?
- Are there any state specific policies needed for promotion of SEs, for instance for north eastern states and hilly regions?
- How does one converge on diverse schemes of different government departments to build momentum in the SE ecosystem?

### **Knowledge Building: Interactions between Practice – Research – Funding**

- Is the research lagging behind practice?
- What are the key research questions relevant for the Indian Social Entrepreneurship sector?
- What can we learn from the global discourse on SE and what should we neglect for our benefit (not an isolationist policy or fundamentalist Swadeshi approach)
- Is there a need for a longitudinal study of SEs?
- Are there any sector specific issues that need to be studied? for instance SEs in health, SEs in education, SEs in skilling and so on.
- Given our context and unique challenges and limited resources, where should we focus our energies?
- Where are the heroes and new icons for young India?
- How do we share the learning lessons and inspiring stories? (“I too have a dream” by late Dr Kurien and “Arvind Eye-Care” as two illustrative examples)

### **Compliance Reporting/Data/Impact measurement**

- Should there be a National database of all SEs?
- Should there be a rating mechanism for all SEs?

- Should there be a one-stop National Information Exchange on the lines of MIX of CGAP for MF sector a few years ago (proposed as SIX)?
- Should somebody monitor award-winning SEs?
- What is the mortality of SEs in India? How does it compare with the global experience?

## **References (cited in this essay)**

Akula, V. (2011). *A fistful of rice: My unexpected quest to end poverty through profitability*. Boston, Mass: Harvard Business Review Press.

Allen, S., Bhatt, A., Ganesh, U., & Kulkarni, N. (2012). *On the Path to Sustainability: A study of India's social enterprise landscape*. Intellectcap.

Aygören, H. (2014). *Research in social entrepreneurship: from historical roots to future routes*. In P. Phan, S. Bacq, & M. Nordqvist, *Theory and Empirical Research in Social Entrepreneurship* (pp. 11 - 72). Edward Elgar Publishing.

Bornstein, D. (2004). *How to Change the World: Social Entrepreneurs and the Power of New Ideas*. New York: Oxford University Press.

Dholakia, Nikhilesh and Ruby R. Dholakia, (1975). *Marketing Planning in a Social Enterprise: A Conceptual Approach*. *European Journal of Marketing* 9, 3

Elkington, J. (1997). *Cannibals with forks: The triple bottom line of 21st century business*. Oxford: Capstone.

Elkington, John (2001) *The Chrysalis Economy: How citizen CEOs and Corporations can Fuse Values and value creation* (Oxford: Capstone/ John Wiley)

Elkington, J., & Hartigan, P. (2008). *The power of unreasonable people: How social entrepreneurs create markets that change the world*. Boston, Mass: Harvard Business Press.

Friedman, M. (1962). *Capitalism and freedom*. Chicago: University of Chicago Press.

Friedman, Milton (1970) "The Social Responsibility of Business is to increase its profits" September 13, 1970 page 12, The New York Times.

Hawken, P., Lovins, A. B., & Lovins, L. H. (1999). *Natural capitalism: Creating the next industrial revolution*. London: Earthscan

Heierli, U. and Polak, P. (2000). *Poverty alleviation as a business: The market creation approach to development: a study*. Bern: Swiss Agency for Development and Cooperation.

Lundström, A., & Zhou, C. (2014). *Social Entrepreneurship: Leveraging Economic, Political, and Cultural Dimensions*. London: Springer Science & Business Media.

Mackey, John and Sisodia, Raj (2013), *Conscious Capitalism: Liberating the heroic spirit of Business*. Harvard Business School Publishing Corporation.

Mahajan, Vijay (Unpublished 2018) *A Retrospective overview of Social Action in India: 1817- 2017*, personal communication with this author

Mahajan, Vijay (Unpublished 2018) “*The future of the Social Action in India: 2018 - 2047*”, personal communication with this author

Mehta, Pavithra K. and Suchitra Shenoy (2011) “*Infinite Vision: How Arvind Became the World’s greatest business case for compassion*”, Berret-Koehler Publishers Inc. Oakland, CA.

Porter, M. E., & Kramer, M. R. (2011). *Creating shared value: How to reinvent capitalism - and unleash a wave of innovation and growth*. Boston, MA: Harvard University, Graduate School of Business Administration.

Prabhu, G. N. (1999) *Social Entrepreneurial Leadership*. Career Development International, 4(3) 140-45.

Prahalad C.K. and Stuart L. Hart (2002) ‘*The fortune at the Bottom of the Pyramid*’, *strategy + business*, issue 26, first Quarter 2002.

Prahalad C. K. (2004). *The fortune at the bottom of the pyramid: eradicating poverty through profits*. Wharton School.

Prasad, Shambu C and Joseph Satish V (2018), *Embedding Diversity in Social Entrepreneurship Research: India’s Learning laboratories*’ Centre for Knowledge, Culture and Innovation Studies, University of Hyderabad

Ridley-Duff, R., & Bull, M. (2011). *Understanding social enterprise: Theory and practice*. Los Angeles: Sage Publications.

Waddock, S. A., & Post, J. E. (1991). *Social Entrepreneurs and Catalytic Change*. Public Administration Review, v51 n5.

Yunus, M., & Weber, K. (2007). *Creating a world without poverty: Social business and the future of capitalism*. New York: PublicAffairs.

Yunus, M., & Weber, K. (2010). *Building social business: The new kind of capitalism that serves humanity's most pressing needs*. New York: Public Affairs.

Yunus, M., & Weber, K. (2017). *A world of three zeros: The new economics of zero poverty, zero unemployment, and zero net carbon emissions* (First edition.). New York: Public Affairs.

## **Other References and resources**

Dees, J.G. (1998). *'The meanings of social entrepreneurship'*, working paper, Stanford University, Stanford, CA.

Diamandis, P. H., & Kotler, S. (2015). *Bold: How to Go Big, Create Wealth and Impact the World*. New York: Simon and Schuster.

Fayolle, A., & Matlay, H. (2012). *Handbook of research on social entrepreneurship*. Cheltenham: Edward Elgar.

Gelobter, M. (2015). *Lean Startups for Social Change: The Revolutionary Path to Big Impact*. California: Berrett-Koehler Publishers.

Haber, J. (2016). *The Business of Good: Social Entrepreneurship and the New Bottom Line*. California: Entrepreneur Press.

Hurst, A. (2014). *The Purpose Economy: How Your Desire for Impact, Personal Growth and Community Is Changing the World*. Idaho: Elevate Publishing.

Krige, K., & Silber, G. (2016). *The Disruptors: Social Entrepreneurs Reinventing Business and Society*. Johannesburg: Bookstorm.

Lubetzky, D. (2015). *Do the KIND Thing: Think Boundlessly, Work Purposefully, Live Passionately*. New York: Ballantine Books.

Parish, B., & Aujla, D. (2012). *Making Good: Finding Meaning, Money, and Community in a Changing World*. New York: Rodale.

Phan, P., Kickul, J., Bacq, S., Nordqvist, M., Maas, J., Seferiadis, A. A., Bunders, J. F. G., ... Zweekhorst, M. B. M. (2014). *Theory and Empirical Research in Social Entrepreneurship*. Edward Elgar Publishing.

Praszkier, R., & Nowak, A. (2012). *Social entrepreneurship: Theory and practice*. Cambridge: Cambridge University Press.

Shapiro, R. A. (2013). *The real problem solvers: Social entrepreneurs in America*. Stanford: Stanford Business Books.

Singh, A. (2016). *The process of social value creation: A multiple-case study on social entrepreneurship in India*. Springer India Ltd.

Wood, J. (2007). *Leaving Microsoft to change the world: An entrepreneur's odyssey to educate the world's children*. New York: Collins.