

Social Entrepreneurship (SE) Development in Bangladesh

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Abstract

The paper presents the results of a survey during the period of 2012-2013 that has been carried out by us in order to examine the potentiality of the social entrepreneurship development. The samples covered in this study were social entrepreneurs. The total numbers of social entrepreneurs are 50 by taking 10 from each village of Sitakunda Thana in Chittagong on the basis of purposive sampling. Empirical survey portrays the prevalence of potentialities for social entrepreneurship development in the study areas. Many problems in implementation of the social entrepreneurship development programme have been identified such as lack of support for social entrepreneurs, inadequate motivational training, absence of capacity building programme of social entrepreneurship, ineffective campaign programmes, absence of network among government, Philanthropist other stakeholders, absence of effective management information system and lack of research on social entrepreneurship in study areas. The study, in conclusion, has attempted to find out implications and offering strategies towards the goal of successful implication of the social entrepreneurship development programme in Bangladesh in general in study areas in particular.

Index terms—

1 Introduction

Social business has its origins in the 18th and 19th centuries when philanthropic business owners and industrialists demonstrated a concern for the welfare of employees by improving their working, education and cultural lives. Since then, social business has been associated with community enterprise and development, education, churches, charities, and so on. Social entrepreneurs in the United States are those who find new and exciting ways to attract contributions and government support to their programs. Social entrepreneurship combines the resourcefulness of Traditional entrepreneurship with a mission to change society (Seelos & Mair, 2004). Thus, the term social entrepreneurship has emerged as a new label for describing the work of community, voluntary and public organizations, as well as private firms working for social welfare rather than for profit objectives (Shaw and Carler, 2010). As such, social entrepreneur is any person, in any sector, who uses earned income strategies to pursue social objectives. Therefore, social entrepreneurs are driven by a double bottom line, a virtual blend of financial and social returns, profitability is still a goal but it is not the only goal, profit are reinvested in the mission rather than being distributed to shareholders (Boschee & McClung, 2003)

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anecdotes, people with new ideas to address major problems, who are relentless in the pursuit of their vision, people who simply will not take on for an answer and who will not give up until they spread their ideas as far as they possibly can. Sullivan Mort et.al (2003) rightly identified that the dimensions of social entrepreneurship are four such as i) virtuousness of mission to create better social value ii) unity of purpose and action in the face of complexity iii) an ability to recognize opportunities to create better social value for their clients and iv) propensity for risk taking, pro-activeness and innovativeness in decisionmaking. Table -1 shows the guidelines

and perspective of social entrepreneurship. In the light of this perspective, social entrepreneurship may be defined as the persuasion of opportunities for social change in order to build up better future of the target group.

II.

The Research Problem

According to the study of the International Labor Organization (ILO) the number of unemployed in Bangladesh is estimated at 30 million in the year 2010. The way the rate of unemployment is increasing, it is feared that at this rate unemployment would soar to some 60 million by 2015.(www.cyberessays.com). According to another estimate, every year some 2.7 million young persons are becoming eligible for jobs whereas only about 0.7 million of them are getting employment. (www.blogtopsites.com).

Bangladesh is predominantly rural in economic context and 50 percent of the total population are women, majority of them illiterate, poor and suffers from malnutrition .The labour force survey states that women constitute about 50 percent of the employed labour force which 80 percent work in the rural areas. Female participation in the labour force indicates that women are gradually emerging as significant earners of family income for a growing number of families particularly in rural areas of the country. From the dawn of the civilization women played a complementary role with men to achieve all success of mankind. Further, equal opportunity to all citizens is a fundamental state policy of Bangladesh. Article 27 of the constitution lay down that all citizens are equal before law. In article 28 (1), it is stated that the state shall not discriminate against any citizen on ground of sex. Article 28 (2) emphasizes that women shall have equal rights in all spheres of state and of public life.

Existing literature evidences that contribution of social entrepreneurs in a market economy is increasing day by day. Social business will create new model of business enterprises for creating business as well as employment opportunities for socially, economically and culturally backward and unprivileged group of people. This paper intends to introduce concepts that will lead to greater opportunities for unprivileged groups in an underdeveloped country like

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Volume XV Issue I Version I Year () Bangladesh. It is hoped that the target unprivileged group will be benefited by being involved as an entrepreneur or an employee through the process of social entrepreneurship. Thus, the destitute people especially women will emerge as self sufficient economically and socially.

There is no denying the fact that both social business and social entrepreneurs play an important role in creating social, economic, cultural and environmental wealth of a country like Bangladesh. This recognition, in turn, emphasizes the need for social entrepreneurship for creating social business enterprises as well as employment opportunities for under-privileged people. But so far our knowledge goes, no in-depth study has yet been done on this area of research in Bangladesh. The present paper is an attempt to fill in this gap.

III.

Objectives of the Study

The objectives of the present research work are to bring to focus prospects, challenges and strategies of social entrepreneurship development in Bangladesh.

IV.

Methodology of the Study

The paper presents the results of a survey during the period of 2012-2013 that has been carried out by us in order to examine the potentiality of the social entrepreneurship development. All data presented in this paper are based on that survey. Both primary and secondary data have been used in this study. The primary data have been collected from five villages of Bangladesh. The samples covered in this study were social entrepreneurs. The total numbers of social entrepreneurs are 50 by taking 10 from each village. A purposive sampling approach was used in this study and in-depth interview were conducted in order to collect necessary data and information for research purpose. A panel of expert was appointed to help research design and conduct depth interview with sample social entrepreneurs. Further, necessary data were collected through day to day observation, participation and group discussion to have got valid information about the social entrepreneurship, operational activities and other relevant environment of the target group. Again, the socio-economic backgrounds of the samples were studied through participatory method.

V.

Research Findings and Discussions

The findings of the present research work have been examined and analyzed under the following captions: a) Demographics of social entrepreneurs In a socio -economic inheritance process some benefits, resources and

privileges are passed on from the father and other family members to the next generations. It is said that socio-economic characteristics help shape preferences, determine attitude and mold values (Robey, 1984). In such a context, socio-economic characteristics, i.e. age, education, annual income, family size, and occupation have been considered more relevant for the purpose of sample respondents of present study. Data, thus, collected have been shown in Table -2 (Appendix)

Table ?? shows the variables, which were used as indicators of socio-economic characteristics of sample respondents. It has been reported that 48 percent of the sample respondent have education background at under graduate level. The formal education is expected to increase skill which is necessary to social entrepreneurial endeavors. Table ?? shows that out of 50 sample social entrepreneurs interviewed, 75 percent have average monthly income less than taka 50 lacs, followed by 25 percent with income distribution of taka 50lacs to 60 lacs. It is also true that economic gains are always conceived as a means to or as an indicator of social status. Family size has definite bearing on the level of investment and therefore on the emergence and development of social entrepreneurs. Table-2 reveals that out of 50 respondents, 50 percent have family size between 5-to 10, followed by 30 percent with family size above 10 members. It is, thus, asserted that the smaller family size of sample social entrepreneurs perhaps causes higher rate of savings and investment, which, in turn, may lead to positive impact on the flourishing of social entrepreneurship. The survey result shows that out of 50 sample entrepreneurs interviewed, 70 percent have social entrepreneurs training and 30 percent have no social entrepreneurial training. However a minimum level of social entrepreneurial training seems to be needed to evaluate social opportunities structure and attain the skill to exploit the available in the opportunity in the study areas. It has been observed that the socio-economic of the father as indicated by his occupation helps the social entrepreneurs financially in building their occupational carrier as social entrepreneurs. Table -2 portrays that out of 50 social business entrepreneurs interviewed, 53 percent and 47 percent of the sample respondent pointed out business and non-business respectively as their parental occupation. The parental occupation is an enabling factors since the bundle of skills experience and training necessary to sense, view, evaluate and exploit given opportunity that can be obtain from parental circle free of cost , easily and quickly.

11 b) Knowledge of social business

Social business is an important instrumental device through which protection is given to people against the consequence of loss of life and property ??Ahmed,1987). In such a context, we were interest to

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Volume XV Issue I Version I Year () know from the sample respondents whether they know about social entrepreneurship. The results of the empirical survey have been shown in table -3 in Appendix.

Table-3 portrays that 70 percent of the sample respondents have no knowledge about the social entrepreneurship. It appears that they have no clear concept about the social entrepreneurial spirit as well as its impact on poverty alleviation and income generating activities. Reportedly, the social entrepreneurship concept is new in the study areas. Further, Schulyer (1998) describes social entrepreneurs as "individuals who have a vision for social change and who have the financial resources to support their ideas who exhibit all the skills of successful business people as well as a powerful desire for social change". c) Latent Demand Social Entrepreneurship concept Social entrepreneurship is emerging as an innovative approach for dealing with complex social needs. With its emphasis on problem solving and social innovation, socially entrepreneurial activities blur the traditional boundaries between the public, private and non-profit sector, and emphasize hybrid models of forprofit and non-profit activities. ??Sherrill Johnson).Peter Drucker argues that social entrepreneurs "change the performance capacity of society" ??Gendron,1996) .Data in this regard have been shown in Table-4 (Appendix).

Table-4 shows that 63 percent of the sample respondents are ready to undertake social entrepreneurship if they get any opportunity for starting this type of innovative venture and 37 percent of them respondents negatively. The reason behind negative responses are identified as new concept, lack of awareness and credibility , absence of fair idea about the social entrepreneurship, high illiteracy rate, nonconversance with economic concept and the likes.

13 VI. Factor Indicating Potentiality of Social Entrepreneurship in Study Areas

Social entrepreneurship is a relatively new concept compare to its cousin 'conventional' or 'commercial' entrepreneurship.(Roberts ??ave & Woods Christine,2000). Many define it as bringing business expertise and market-based skills to the non-profit sector in order to help this sector become more efficient in providing and delivering these services ??Reis,1999). Social entrepreneurship and occur within the public, private or non-profit sectors, and is in essence a hybrid model involving both for-profit and non-profit activities as well as cross-sectoral collaboration. These definitions tend to put more emphasis on the 'entrepreneurial nature of these activities and the creativity and innovation that entrepreneurs bring to solving social problems in unique ways rather than focusing on the social benefits such services can provide ??Johnson,2000). In such a context the factors indicating potentiality of social business in study areas have been shown in table 5 in Appendix.

Table-5 reveals that 24.73 percent respondents pointed out solving social problems as a factor of potentiality and its position is the first in view of overall ranking. Again, 14 of them ranked it first, 11 ranked second and 6 of the sample respondent ranked it third. In rating, second position goes to creating employment opportunity in the study areas and 11 sample respondents ranked it as number one variable, 9 as number two variable and 8 as the third variable. From above facts the potentiality of social entrepreneurship development is very bright in study areas.

VII. Problems of Social Entrepreneurship Development

Social Entrepreneurship development is essential to meet the unemployment problem of the country, on one hand and improvement of socioeconomic status of mass people, i.e. overall economic development of Bangladesh, on the other. Against this background, our investigation as to problems of entrepreneurship development and the responses of the interviewees in this regard revealed a number of problems of social entrepreneurship development in the study areas which are shown in table-6 in order of magnitude.

Table-6 reveals that the most important problems are lack of support for social entrepreneurship and inadequate motivational training which, in fact, are utmost essential for social entrepreneurship development in study areas. It has been reported that the next two important constraints are absences of capacity building programme of social entrepreneurship and ineffective campaign program. These problems affect the social entrepreneurship development process adversely and which ultimately frustrate the sample social entrepreneurs in taking right decision for the purpose. It appears from the observation that management information system and research on entrepreneurship problem and prospects are absent in study areas. As a result, it is informed that the sample social entrepreneurs are deprived to receive right information in right time, on one hand and their attitudes towards integrated package assistant, i.e. stimulatory, supportive and sustaining activities etc. do not corroborate in the formulation of policies/programmes of social entrepreneurship development of the country, on the other.

VIII.

Policy Implications

Social entrepreneurship is essential to meet the unmet social needs and improvement of socio-

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Volume XV Issue I Version I Year () economic status of mass people i.e. overall economic development of the country. But it is reported that poverty, illiteracy, unemployment are the common phenomenon.

Against, this background, our investigation as problems to social entrepreneurship development and the responses of the interviewees in this regard revealed a number of challenges of social entrepreneurship development in the study areas. Since social entrepreneurship development is the first of its kind in Bangladesh, the following policy-strategy can be made for its successful implementation and smooth operation.

Conclusion

The survey evidences that there is an urgent need to start social entrepreneurship to a greater extend and there is a bright future for social entrepreneurship development in Bangladesh in general and in sample areas in particular. Social entrepreneurship development is an area, which is yet to receive adequate attention from relevance interest group in the country. Thus proper education, publicity and other marketing programme may be taken to popularize the programme to the target groups. ^{1 2}

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Figure 1: (

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Constrains	Frequency in percentage
Lack of support for social entrepreneurs	100
Inadequate motivational training	100
Absence of capacity building programme of social entrepreneurship	88.88
Ineffective campaign programmes	88.88
Absence of network among government, Philanthropist other stake- holders Absence of	66.60
effective management information system	55.55
Lack of research on social entrepreneurship	44.34
(Source: Field Survey)	
(N.	

[Note: B]

Figure 2: Table 6 :

.1 Appendix

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