CHAPTER 13.
EVOLVING A FRAMEWORK FOR SOCIAL ENTERPRISE DEVELOPMENT.

13.1 Introduction.
According to Leadbeater (1997) the social entrepreneurs represent a modern form of active welfare as they mobilise a diverse network of people and private-sector companies in order to tackle social problems. Social entrepreneurship is an emerging area of investigation within the entrepreneurship and not-for-profit marketing literatures. For the purpose of this research report, the area of focus was on the social entrepreneurial ventures, as defined within the voluntary sector. During the course of analysis of social entrepreneurial sector in the city of Mumbai, the researcher came across instances of growing partnership between the sectors. Therefore the present framework presents a holistic view of social enterprise development in India.

Based on the above analysis and the scenario in India as identified during the process of field work the concept of social entrepreneurship and social enterprise development can be illustrated by adopting a holistic approach to enterprise development. As it involves multiple stakeholders including the State as an important participant, the researcher proposes to highlight a framework for social enterprise development as an outcome of this thesis.

13.2 Evolving a framework based on Grounded Research.

The present framework is an attempt to study & explain the concept of social enterprise development as a tool to aid sustainable development with the help of Grounded research. Grounded theory is a form of field-studies that systematically applies procedural steps to develop an exploration about a particular phenomenon. What is pertinent to social research, through grounded theory, is that it seeks to approximate to the context of that being studied, that is (as illustrated in the paper) the
enterprise, its actors, their interactions and interrelationships; thus conveying a conceptual understanding of issues that make up their naturalistic worlds (Van Maanen, 1979). The emergence of meaning from data, but not data themselves, predicates grounded theory as a systematic research approach to understanding a particular social phenomenon. Strauss and Corbin (1990) claim that grounded theory can be used to understand any chosen phenomenon about which little is yet known. They further explain: “A grounded theory is one that is inductively derived from the study of the phenomenon it represents. That is, it is discovered, developed, and provisionally verified through systematic data. Collection and analysis of data pertaining to that phenomenon. Therefore, data collection, analysis, and theory stand in reciprocal relationship with each other. One does not begin with a theory, then prove it. Rather, one begins with an area of study and what is relevant to that area is allowed to emerge”.

Objective(s)

1. To create a framework based on grounded research by adopting a holistic approach to social enterprise development

13.3 Background analysis

The following section covers social enterprise development initiatives of NGO and GO in the city of Mumbai based on information collected during the data collection process in the city of Mumbai.
13.3.1. **Social entrepreneurship and social enterprise in mix spheres.**

Figure 13.1 Model of Social entrepreneurship and social enterprise in mix sphere

Source: Lars Hulgard (2006)

In this thesis contrasting views of social entrepreneurship namely:

- is social entrepreneurship restricted to adding social value (by innovative ways of handling a problem) or
- does it have a double\(^1\) or triple bottom line\(^3\),

has been dealt with to understand whether these are distinct areas of social entrepreneurship or are they entwined in the broader concept of social entrepreneurship.

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1. Detailed explanation of these models have been covered in this research work.
2. Double bottom line (blend economic and social values)
3. Triple bottom line
13.3.2. Micro-enterprise Development by various organizations in Mumbai

13.3.2.1 Model of Stree Mukti Sanghatan.

Figure 13.2: Model of Stree Mukti Sanghatana

Source based on field survey

Key
SMS - (NGO - formation of women co-operatives- collaboration with GOI, Corporates, RI, BDS providers)
NPOs local bodies and Ngos in local, regional national and International level.
IN- UN-ECOSOC, War on Want
Donors

459
GOI National, state, MCGM, Mumbai police, BMC schools.
AI – SIESCOMS, TISS

13.3.2.2 Model of Creative Handicraft.
(NGO – formation of women co-operatives - Fair Trade organization –
International network of Fair trade movement)

Figure 13.3: Model of Creative Handicrafts.

Source based on field survey
Key
AI - Institute of Design from Spain
13.3.2.3. Implementation of Government scheme in Mumbai.

Figure 13.4: Model of implementation of SJSRY scheme.

Source based on field survey
13.2.3.4 Model of Sterlite foundation (CSR-Micro enterprise training)

Figure 13.5: Model of Sterlite Foundation.

Source based on field survey

13.3 Process of social enterprise development based on grounded research

Based on the research undertaken the researcher proposes to evolve a model for social enterprise development in India.

1. Establishment of social enterprise by NGO
2. It leads to social good of beneficiaries as illustrated in the research undertaken.
3. It further leads to beneficiary empowerment, good will and image building for the various constituents involved in the process, it leads to greater public good.
4. Thus involvement of multiple stakeholders leads to greater good of the beneficiaries.
5. The efforts put by the NGOs can be supplemented and complemented by institutions at National and International level
It is often asked whether NGOs are willing to enter into collaborative agreements, this research highlights that that majority (84.2%) of Ngos are willing to collaborate because of the availability of skilled personnel, 78.9% find the availability of infrastructure and 21.1% feel the ability to further the mission and reach out to larger section of the population as a deciding factor for collaboration. The case of select social entrepreneurial organizations in Mumbai like AMM, SMS, APNALYA, YUVA, CH, SHARE and Sterlite foundation who have been in a position to increase the impact and scale of the programme by collaborating with stakeholders at both National and International level.

13.3.1 Social Enterprise Development in India.

The researcher is of the opinion that social enterprises (studied in the city of Mumbai) are a blend of profit-making ventures undertaken by nonprofit organizations with or without the co-operative model. For example, AMM has adopted a social enterprise model to provide Micro-insurance and micro finance to the socially excluded and also provides training to the marginalized to undertake micro-enterprises development either individually or within the structure created by the NGO and in their endeavor to create an impact have collaborated with Corporate houses and Research Institutions. Thus the AMM model is a blend of the American and European model. On the contrary Creative Handicrafts another NGO studied by the researcher has adopted the co-operative model of the European countries and through formation of women co-operatives the socially excluded are trained and involved in group entrepreneurship model and the proceeds realized is partly shared with the members and balance is ploughed back in the organization. This organization has adopted the Fair trade mode by collaborating with the International Network of Fair Trade organizations.

Based on the above analysis and the scenario in the city of Mumbai (India), as identified during the field work, the concept of social enterprise development can be illustrated with the help of the following diagram.

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4 BARC to manufacture spices
From the illustration we can make out that social enterprise development in India involves the participation of multiple stakeholders namely the State (GOI), Cooperatives (Co-op), Research Institutes (RI), NGOs, BDS providers, SEROs (Social entrepreneurial organisations) Academic Institutions (AI), Corporate houses (CSR) and International Networks (IN). The researcher proposes to highlight a framework for social enterprise development as an outcome of this thesis by showing the collaborative model involving the above stakeholders.
SED social enterprise development
SERO- SMS collaborated with PRATHAM, Ashoka foundation.
# GOI – National policy for empowering women, Ministry of Housing & urban poverty alleviation, state government, Urban local Bodies, MCGM, NGO, beneficiaries.
13.3.2 Process of social enterprise development based on grounded research

Based on the research undertaken the researcher proposes to evolve a model for social enterprise development in India.

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- It leads to social good of beneficiaries as illustrated in the research undertaken.
- It further leads to beneficiary empowerment, good will and image building for the various constituents involved in the process, it leads to greater public good
- Thus involvement of multiple stakeholders leads to greater good of the beneficiaries.
- The efforts put by the NGOs can be supplemented and complemented by institutions at National and International level

It is often asked whether NGOs are willing to enter into collaborative agreements, this research highlights that that majority (84.2%) of NGOs are willing to collaborate because of the availability of skilled personnel, 78.9% find the availability of infrastructure and 21.1% feel the ability to further the mission and reach out to larger section of the population as a deciding factor for collaboration. The case of select social entrepreneurial organizations in Mumbai like AMM, SMS, APNALYA, YUVA, CH, SHARE and Sterlite foundation who have been in a position to increase the impact and scale of the programme by collaborating with stakeholders at both National and International level.

Thus, Social enterprise development and its resultant impact on beneficiary empowerment can be a reality if a Holistic approach is adopted by involving multiple stakeholders and partners in the process of enterprise development.