

Study Of Determinants That Influence The Sustainability Of A Social Entrepreneurial Venture

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Abstract- The paper presents the major determinants (qualities of entrepreneurs) based on which sustainability of a social entrepreneurial venture could be validated. Owing to the paucity of time and restraint on physical mobility (as an offshoot of the pandemic outbreak) only six social entrepreneurs from West Bengal could be interviewed. A close ended questionnaire based on 19 determinants was designed to extract the opinions of the respondents regarding the weights he/she would place on the influence of each determinant on the sustainability of his/her social venture. Based on the individual points assigned, overall mean ranks were ascertained for each factor. It was observed that two factors persistence of the social entrepreneur with regards to her entrepreneurial objective and community participation played a more important role in the minds the respondents as factors influencing sustainability. Thereafter Friedman Fr test was conducted to understand if the influence of the determinants were same or not on the sustainability of the entrepreneurial venture. The study concludes by dovetailing two propositions- the demographic dividend of India that can be realized with the help of sustainable social entrepreneurial ventures.

key words- Sustainability, Social entrepreneurship, Determinants, Factors, Social Entrepreneurial Ventures.

I. INTRODUCTION

The word sustainable in context of social entrepreneurship connotes the explicit processes of 'Survive, revive and thrive'. The factors affecting sustainability of such a venture are often debatable since they vary from one context to another and from one individual's perspective to another. Nevertheless, there are some common factors that may be identified in separate environments/contexts. In the Indian context the social, economic, and political fabric pose specific challenges that need special attention to integrate the recipient society. It is to be noted in the process of social integration, the machinery of the social enterprise should not be interrupted such that the payoff is sustainable.

Likewise in the global context various other conventions are challenged by social innovations and initiatives. The level of acceptance of these innovations in developed countries often Juxtaposed

with the level of acceptance of developing nations show that the challenges posed by former group are more Generic in nature, lesser in aggregate and sometimes common to the challenges faced by developing nations(because of the generic nature).

As discussed above an empirical study conducted in a developed country (Sweden) emphasised on factors that would have universal implications on the sustainability of social entrepreneurship, notwithstanding the development criterion placed on the nation's economy. The factors addressed in the study were financial sustainability and outcome sustainability. Both factors were assessed on the basis of entry and exit and employment patterns followed by the social ventures (Jamburia et al 2013).

According to Osberg et al the Skoll award for Social Entrepreneurship (SASE) was conferred to innovations that ascribed to two key features of sustainability- first one being economic actors (customers & the government) followed by the enabling technology. The foundation nominated ventures that solicited customers to be responsible buyers, or ventures that would take a fair share in the problem-solving dynamics of the government or ventures that technological recourse to make products and services cost effective and widely available to the targeted beneficiaries.

II. PROPOSED ALGORITHM

Based on the above framework the present study observes the key enablers of a sustainable foundation of a social entrepreneurial venture.

2.1 evidence related to a few eminent drivers (enablers) of sustainability in a social entrepreneurial venture.

A: Evidence related to role of business administration that promotes sustainability of social entrepreneurial ventures

Besides micro finance services provided to the marginalised sections of the society that formed the Bottom of the Pyramid (BOP), Grameen Bank in the first decade of the year 2000, established proactive collaborations with pioneer companies to serve the societal requirements of basic tangibles and services. The prominent partnerships led to social business formations. Some of the eminent and long-lasting partnerships included - Grameen phone- a collaboration between Grameen bank and Norwegian telecom giant 'Telenor'. In this partnership a win-win situation could be facilitated as Grameen bank had no knowledge of wireless phone networks and Telenor had no knowledge of the country's economic environment. This alliance facilitated new, affordable, and innovative network services including services of Grameenphone ladies who lent their phones to the users for a couple of minutes circumventing the need for the latter to purchase costly handsets. Other coalition's

included Grameen Veolia to provide safe drinking water as per World Health Organization (WHO) standards and Grameen Danone to supplement the nutritional needs of the children. All the above complimentary partnerships were born out of 'state of the art' business administrative skills to disseminate the unique ideas and to enforce them on ground (Yunus et al 2010)

Madhukar Shukla in his book "Quarter Realism and Pound of Pragmatism" recognises the first initiatives undertaken by renowned Indian academic institutions- namely: Indian Institute of Management (Bangalore) to include and offer full time course on social entrepreneurship (from the year 2004). Then onwards various other academic institutions not only introduced courses related to Business administration in social entrepreneurship but also offered sponsorship for promoting successful social entrepreneurial programs.

Despite the formal introduction of social entrepreneurship in academics happened post 2004, evidence suggests that the tenets (ideology) of social entrepreneurship were already present in various entrepreneurial works both east and west. In the east examples set by Mahatma Gandhi on promoting the manufacturing of Khadi and strengthening of other cottage industries was itself a manifestation of informal exposure of social entrepreneurship in lines of business administration.

B: Evidence related to role of entrepreneurial skills that promotes sustainability of social entrepreneurial ventures

Singh (2017) highlighted the conventional psyche depicted by most stakeholders of Indian society with regards to Menstrual Health Management (MHM). Wherein it was a taboo to speak or raise awareness in this regard. Lack of toilet security, absence of toilets in schools and sex separated sanitation were all indications of the persistent negative impact it could have on the daily productivity of the women/ adolescent girls. Many social entrepreneurs tried to overcome such circumstances therefore they devised low cost, eco-friendly and indigenously made solutions such as sanitary napkins made from sugarcane straws, water hyacinth stems and porous bamboo pulp. This would act as a sustainable and cost-effective solution not only from the economic standpoint but also from the environmental standpoint.

To name a few entrepreneurial initiatives in this context, Aditi Gupta a student from National Institute of Design created a website called 'Menstrupedia' to raise awareness on menstrual facts. Consequently, efforts were made by social entrepreneurs (Samhita Social venture) to provide gynaecological assistance to resist menstrual taboos.

Two multinational companies TVS electronics (a private body) and Bharat Heavy Electricals limited (a Public sector undertaking) provided social entrepreneurial ventures-Goonj with a sanitary pad vending machine and an incinerator to eradicate the waste generated.

Lastly ministry of Health and Family Welfare took up the initiative of 'Free-day pads' with widespread implications. This scheme was designed to supply 5 pads to each beneficiary before her menstrual cycle at a nominal cost of Rupees five in total. All these out of the box initiatives showed exemplary entrepreneurial skills that may result in being sustainable in the long run.

C: Evidence from Social work and Social Support that they promote sustainability of social entrepreneurial ventures

Kummitha (2016) in her book on social entrepreneurship showcases the ecosystem that grew around the functioning of Barefoot college Tilonia. Barefoot College commenced with its functions in the early 1970s as SWRC (Social Work Research Center). However, the organisation faced immense challenges between 1975 and 1979. This was pertaining to the mismatch between the ideologies of the indigenous population and the externally imposed knowledge of the experts. Issues like restoration of water were handled by external experts through the trial-and-error method of digging wells to tap ground water. Whereas the locals opined the only way to source water was through rainwater harvesting. Since the latter had inhibitions to speak their mind, there grew a difference of opinion between the beneficiaries and the benefactors. To overcome this situation a visit from Robert McNamara the then president of World Bank brought the issue enough global support in favour of Barefoot college.

With time Barefoot college induced the locals to attend night school, while it made crèche provision for their children as they worked during the day. It tapped talent from within the community and trained the youth with sustainable pedagogical skills, so that they remain in Tilonia as teachers. It encouraged sourcing energy from renewable resources so that every household could avail electricity supply in a rationed system. These conditions ensured sustainability of the work done for society and as a result we see it thriving today as well.

Salvado (2011) put forth the example of a community development organization from Bangladesh named BRAC (Building Resources Across Communities) to compare the sustainability of the above organisation in two situations, one when it is sustained through donor grants. Second when it is sustained through the reinvestment of entire profit in the organization once again. The paper concludes sustainability is more likely when revenue is generated through social entrepreneurial initiatives rather than placing reliance on donor grants.

D: Evidence from other sources that promote sustainability of social entrepreneurial ventures

Some research papers have found deviations in the factors affecting sustainability of a social entrepreneurial venture. To mention a few Makiya (2019) conducted a similar study among the

students of Latin America, his study attributed sustainability and the interest to take up a social venture as a function of the average income of the parents. Lower the income of the parents more likely were the children to be involved in such a venture.

Studies in more economically sound cities like Dubai attributed sustainability to the social networking capabilities of the organisations

The study recognises the attempts made by previous literature to detail on the factors that affectsustainability of a social enterprise. The study further attempts to answer if all the factors have same impact or weightage or if the weights levied vary from one factor to another or if it depends on the subject being examined.

2.2 Research Methodology

The paper explores the various constituent elements (determinants) that influence the sustainability of the social entrepreneurial ventures examined. Owing to the paucity of time and physical immobility (as an offshoot of the social distancing norms) only 6 Social Entrepreneurs could be interviewed. Apart from that the locations of the social entrepreneurial ventures were limited to West Bengal. The minimum age of the entrepreneurial concerns chosen were 5 years ranging up to 25 years. The area/discipline of work they specialised in ranged from work related to development of farming and agriculture techniques to welfare of women and children and operations of schools in remote areas to let the underprivileged students attend school. One of the respondentworkers had the privilege to work with mother Teresa in his youth. His organisation imbibed the altruistic ideologies of Missionaries of Charity on entrepreneurial lines of social entrepreneurship. Further the questions of the study were designed to obtain definite answers within the set framework. Thus, these close ended questions marked on a 5-point Likert scale were framed to ascertain a quantitative value to the abstract emotion or quality likely to be associated by each entrepreneur for the factors mentioned.

The Nineteen factors were further sub classified under four broad categories (skills), namely- business administration, entrepreneurial qualities, social work, and support. These skills were likely to facilitate sustainability of the venture and were attributable to the entrepreneur's intrinsic abilities rather than being based on external factors.

The five-pointLikert scale measured the determinant factors for sustainability wherein each point on the 5-point scale corresponded to an exact level of influence. With the increase in the point (1-5) the level of influence increases. Here point/level 1 on the scale denoted "Not at all influential"; point 2 denoted "slightly influential"; point 3 on the scale denoted "somewhat influential"; point 4 denoted "very influential"; point 5 denoted "extremely influential".

Ultimately the average score of each factor (determinant) was ascertained and Friedman’s test was conducted to check the variability of impact among the factors for each of the respondents.

III. EXPERIMENT AND RESULT

Table A: the average score of each factor affecting sustainability

	subj 1	subj 2	subj 3	subj 4	subj 5	subj 6	total	mean score
A: Influence of paramters related to Business Aministration dimension:								
Amiable relationship with key stakeholders/team members	3	4	4	5	5	3	24	4
Staff's dedication towards the cause	3	4	4	5	5	5	26	4.3333333
Ability of the Social entrepreneur to attract talented workers	2	3	2	3	3	3	16	2.6666667
Ability of the social entrepreneur to market the product or service	4	4	4	4	3	4	23	3.8333333
Financial self sufficiency of the social entrepreneur	3	3	3	3	2	4	18	3
B: Influence of paramters related to entrepreneurial skills dimension:								
The persistence of the social entrepreneur towards the cause	4	5	4	5	4	5	27	4.5
The creative thinking capacity of the social entrepreneur.	4	4	3	5	5	4	25	4.1666667
The risk tolerance of the social entrepreneur	3	3	3	4	3	3	19	3.1666667
Adaptability of the social entrepreneur towards existing technology	4	4	4	5	2	4	23	3.8333333
The ability to make optimum use of resources	4	4	4	4	4	2	22	3.6666667
C: Influence of parameters related to previous social work involvement:								
Network/ alliance with other organizations	4	5	4	2	5	3	23	3.8333333
Depth of knowledge on the issues concerned	4	4	4	3	4	4	23	3.8333333
Community participation to address the social problem	4	5	4	4	5	5	27	4.5
Usage of promotion platforms for spreading awareness	4	4	4	3	2	2	19	3.1666667
Harmonious relationship with the recipient community	4	4	4	4	5	3	24	4
D: Influence of parameters related to social support received :								
The support received from the family	2	3	4	3	5	3	20	3.3333333
Support of the beneficiaries at the time of crisis	4	3	3	3	5	4	22	3.6666667
Support received from the government	1	2	1	3	4	3	14	2.3333333
Educational background of the social entrepreneur	4	3	4	3	2	3	19	3.1666667

Source: Authors

From table A it can be understood that among the respondents a high degree of consensus was found in terms of the importance placed for sustainability on two factors namely, community participation and persistence of the social entrepreneur herself towards the cause. Whereas factors such as support from the government or regulated measures to attract outside expertise to their concern had comparatively little impact on sustainability of the venture.

Table B: Ranks ascertained to each determinant on the basis marks allocated by each subject (respondent)

	Factors influencing sustainability	subj (A)	ranks (by A)	Subj (B)	ranks (by B)	Subj (C)	ranks (by C)	Subj (D)	ranks (by D)	Subj (E)	ranks (by E)	Subj(F)	ranks (by F)	total of rank(factorwise)
Classification I	Amiable relationship with key stakeholders/team members	3	14.5	4	8	4	7	5	3	5	4.5	3	13.5	50.5
	Staff's dedication towards the cause	3	14.5	4	8	4	7	5	3	5	4.5	5	2	39
	Ability of the Social entrepreneur to attract talented workers	2	17.5	3	15.5	2	18	3	14.5	3	14	3	13.5	93
	Ability of the social entrepreneur to market the product or service	4	6.5	4	8	4	7	4	8	3	14	4	6.5	50
	Financial self sufficiency of the social entrepreneur	3	14.5	3	15.5	3	15.5	3	14.5	2	17.5	4	6.5	84
Classification II	The persistence of the social entrepreneur towards the cause	4	6.5	5	2	4	7	5	3	4	10.5	5	2	31
	The creative thinking capacity of the social entrepreneur.	4	6.5	4	8	3	15.5	5	3	5	4.5	4	6.5	44
	The risk tolerance of the social entrepreneur	3	14.5	3	15.5	3	15.5	4	8	3	14	3	13.5	81
	Adaptability of the social entrepreneur towards existing technology	4	6.5	4	8	4	7	5	3	2	17.5	4	6.5	48.5
	The ability to make optimum use of resources	4	6.5	4	8	4	7	4	8	4	10.5	2	18.5	58.5
Classification III	Network/ alliance with other organizations	4	6.5	5	2	4	7	2	19	5	4.5	3	13.5	52.5
	Depth of knowledge on the issues concerned	4	6.5	4	8	4	7	3	14.5	4	10.5	4	6.5	53
	Community participation to address the social problem	4	6.5	5	2	4	7	4	8	5	4.5	5	2	30
	Usage of promotion platforms for spreading awareness	4	6.5	4	8	4	7	3	14.5	2	17.5	2	18.5	72
	Harmonious relationship with the recipient community	4	6.5	4	8	4	7	4	8	5	4.5	3	13.5	47.5
Classification IV	The support received from the family	2	17.5	3	15.5	4	7	3	14.5	5	4.5	3	13.5	72.5
	Support of the beneficiaries at the time of crisis	4	6.5	3	15.5	3	15.5	3	14.5	5	4.5	4	6.5	63
	Support received from the government	1	19	2	19	1	19	3	14.5	4	10.5	3	13.5	95.5
	Educational background of the social entrepreneur	4	6.5	3	15.5	4	7	3	14.5	2	17.5	3	13.5	74.5

Source: authors

With the help of the Ranks ascertained for each of the factors(determinant) by each individual respondent Friedman Fr-test was conducted to check if the factors had equal influence on sustainability or not.

Claim: all 19 factors (determinants) have same influence on the sustainability of the Social Enterprise

Null hypotheses: $H_0: d_1=d_2=d_3=..... =d_{19}$

Alternate hypotheses: H_1 : At least 2 determinants have varying influence from each other on the sustainability.

Wherein,

$d_1, d_2, d_3...d_{19}$ are the influence of each factor 1, 2,3...19

$$\text{Test stat: Fr} = \left[12 \sum R^2 \frac{1}{(bk)(k+1)} \right] - [3b(K + 1)]$$

$$=12\{\sum[(50.5)^2 + (39)^2 + (93)^2 + (50)^2 + (84)^2 + (31)^2 + (44)^2 + (81)^2 + (48.5)^2 + (58.5)^2 + (52.5)^2 + (53)^2 + (30)^2 + (72)^2 + (47.5)^2 + (72.5)^2 + (63)^2 + (95.5)^2 + (74.5)^2]\}/(6)(19)(20)-\{(3)(6)(20)\}$$

$$= (75,272.8125/190) -(360)$$

$$= 396.1726-360$$

$$=36.172$$

$$Fr =36.172$$

At 0.05 significance level, $\chi^2_{0.05,18} = 28.86$

Diagram of the critical region corresponding to Friedman test.



Test statistic value: $Fr = 36.172$ in critical region.

Since the value of test statistic exceeds the critical value $\chi^2_{0.05,18} = 28.86$ we reject null hypothesis and support H_1 . So there is a significant difference among the influence of each factor from the other on sustainability of the social entrepreneurial ventures.

IV. CONCLUSION

Social Entrepreneurship (S.E.) has the potential to set an economy in the right direction for growth, more so- because it promotes social equity among the stakeholders in a society. In India, if we observe the demographic statistics, it can be analysed that the maximum concentration of the population rests within the age bracket 16-64. That is, the working age population popularly known as the demographic dividend if, used to its fullest potential.

It is the demographic dividend that will entail the capitalisation of benefits accruing in an economy through social entrepreneurship. That is younger the population age group the more adaptable they will be to social innovations.

Social entrepreneurship is ingrained in Indian society as stalwarts have always approached challenges with a socialistic and nonviolent approach. The idea of 'Bhoodan Movement' by Vinoba Bhave suggests all landholders to voluntarily gift land to a common governing body. The body created in turn would be responsible for the piecemeal distribution of benefits to all stakeholders of the society.

Coming to our civic system, the Directive Principles of state policy of India are guidelines that support similar ideologies as that of outcomes delivered by Social enterprises, but they are not legally enforceable.

We often choose to ignore social entrepreneurial works carried on in society. Many small businesses and craft unknowingly induce practices which are in line with Social Enterprises (S.E.s). Social entrepreneurship in India if strategically implemented can go a long way without compromising the interests of the future generation.

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