

**BY THE PEOPLE AND FOR THE PEOPLE: HYPERLOCAL
APPROACHES TO COMMUNITY-FOCUSED SOCIAL
ENTREPRENEURSHIP**

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ABSTRACT

Social enterprise and consequently social entrepreneurs have emerged as an identifiable sector in the Indian and global. Social entrepreneurship has seen rapid growth in India in the past few decades, especially among the youth which seek to balance economic outcomes with social good in both urban and rural spaces. With the devastation caused by the Covid-19 pandemic, social entrepreneurs in India have achieved great strides in providing relief which is participatory and community driven. This paper draws upon literature examining the nature of social enterprise and examples of successful enterprises working with local communities, to examine hyperlocal approaches to social entrepreneurship. This paper argues that providing support for hyperlocal approaches is crucial to sustainable economic recovery after the pandemic and supporting tailored impact over scalability can achieve results which truly involve the communities towards which they are targeted. Moreover, focusing on hyperlocal approaches can enable women and marginalized social entrepreneurs to achieve independence in a historically male dominated arena. This paper concludes by enumerating avenues for potential research in the field.

Keywords: communities, social entrepreneurship, NGO, pandemic, SEWA

Introduction

India has long been a hub for social entrepreneurship and has developed rapidly in the space in the last few decades. The emergence of social entrepreneurship as an identifiable sector and as a discipline/field of study has become a social phenomenon (Shukla, 2020). Cooperatives like Amul and Fabindia, as well as initiatives by philanthropists such as Azim Premji and the Tatas have inspired social entrepreneurship in India. Particularly with the advent of Covid-19, several

social entrepreneurs as well as Non-Governmental Organizations have recognized the opportunities and challenges towards social entrepreneurship, to tackle the challenges of a declining economy as well as provide aid to marginalized communities and others adversely affected by the pandemic.

Based on a report from the World Economic Forum, Goonj, an NGO based in New Delhi distributed more than 8,800 tons of rations and other essential items, provided more than 362,000 meals, sourced 2,25,000 kgs of vegetables from farmers, reached out to more than 380,000 families and produced more than 800,000 face masks and more than 12,00,000 cloth sanitary pads (Verma, 2021). The Self-Employed Women's Association (SEWA), an organization that provides support to self-employed women, on behalf of its 1.7 million women workers in 18 states of India, urged the government to declare income support to all the families of the informal economy workers to assist them during the Covid-19 crisis, issue a circular to all the states to declare a compensatory package of ₹5,000/- per month to all registered workers, provide a free public distribution system for ration supply as long as the crisis lasts, and offer six months amortization on repayment of all loans (Verma, 2021). Glocal Healthcare launched a free telemedicine consultation for COVID-19 screenings. These efforts exemplify what the new-age social innovation can accomplish. The non-profit GiveIndia also emerged as a source of significant charitable work and crowdfunding for Covid-19 related relief (Verma, 2021).

While social entrepreneurship has historically sought to bring about a balance between economic and public interest driven incentives, the Covid-19 pandemic has brought about new dimensions and hyperlocal approaches to social enterprises which are also highly participatory in nature (Chakraborty and Parida, 2021). In this context, this paper seeks to explore the emerging dynamics of social entrepreneurship in India, drawing from its history and examining hyperlocal models. This paper critically examines the challenges with respect to social enterprise development, and suggest avenues for further scholarship and research in the field.

Background

Social entrepreneurship as a category and concept has existed in India even before the advent of a formalized definition. The liberalization of the Indian economy in the 1990s brought in significant foreign investment into the Indian economy, leading to the development of both the urban and rural economies (Swissnext India, 2015). India has been regularly receiving global philanthropic money. Recently there has been a rise in local contributions from wealthy individuals with short and long-term vision. A new breed of high-net-worth individuals from the

corporate sector is looking at investing philanthropic money in the form of grants and impact investments (Swissnext India, 2015).

Key social enterprises in India have been cooperatives such as Amul, which have historically set the stage for creating profit based revenue models while doing good and creating opportunities in the formal sector for marginalized, poor and rural communities. The introduction of the Corporate Social Responsibility (CSR) regime in India was amongst the first instances globally wherein giving back to society through profits was encoded into legislation. Literature on the development of social entrepreneurship on a global scale suggests that the model is moving from one that was largely focused on creating goodwill as a part of profit motive, to one that is moving away from neoliberal institutional ideas to a more community driven, participatory and inequality focused model (Oberoi et al, 2021). It is widely agreed that the neo-liberal model of social entrepreneurship requires critical re-thinking to ensure a more egalitarian distribution of resources that is focused at a grassroots and community level. Social enterprise is now perceived not only as another dimension to the corporate world, rather as a transformationalist practice which requires re-evaluation of the very concepts of leadership and mentorship in a post-COVID world (Oberoi et al, 2021).

The success of social enterprises during the Covid-19 pandemic, is hinged on such a transformationalist approach. Increasingly, collaboration is governing the sector rather than an individualist approach to CSR. Increasingly social enterprises and entrepreneurs are coming together to coordinate their work and come up with creative financing solutions (Cheney, 2021). For example, Dasra, a strategic philanthropy organization based in Mumbai, has launched a campaign called #BacktheFrontline, which is raising \$10 million to provide more than 100 NGOs across India with flexible and unrestricted support. The fund is being co-facilitated by social entrepreneurs from the Catalyst 2030 community (Cheney, 2021). This model of social enterprises funding one another, is moving the focus away from investors who may not have awareness of needs at a grassroots level, to a hyperlocal and approaches which create community based synergies at multiple levels (Cheney, 2021; Oberoi et al, 2021).

However, significant challenges have historically been faced by social entrepreneurs, which have only been exacerbated by the effects of the pandemic. The following sections of this paper analyze these challenges and pose recommendations for exploration of more inclusive models of economic development through hyperlocal and sensitive models of social entrepreneurship.

Discussion

As stated above, there are several types of social enterprises which have emerged with a community based model, both in India and globally. For example, Jan Sahas, with its experience working with migrant workers, construction labourers and daily wage workers for over five years, proactively formulated a multipronged approach to support the workers in meeting their immediate needs as well as to prevent them from the long-term implications of the economic crisis (Raja, 2021). Mann Deshi Foundation which is India's first bank by and for rural women, worked through the pandemic to provide relief at the grassroots levels by collaborating with district governments (Raja, 2021). Both in India and globally, increased partnerships between social enterprises as well as between social enterprises and governments as well as community based organisations, have demonstrated desirable results in relation to change at a local level (Shahidullah and Haque, 2016). Research shows that partnerships of this nature generate a wide array of processes and components that enable the community members to learn in numerous ways—from actions, interactions, and examples. Such institutional and community support enables social enterprises not only to innovate, but to respond to social problems and create a platform for social learning (Shahidullah and Haque, 2016).

However, structural challenges must be addressed to ensure that social enterprises in India are able to foster more democratic, diverse, and inclusive modes of economic development and financial independence. The impact of the pandemic has been adverse for social entrepreneurs such as the youth, women and the LGBTQ+ community. According to reports by the NITI Aayog, grassroots innovation is a key area for improvement in the social impact landscape (UNDP India, 2021). It will be crucial for policy makers to increase capabilities to provide institutional support, especially in the form of funding and incubators to leverage the capabilities of community based and hyperlocal models of social enterprise which have seen success (UNDP India 2021).

Another key challenge to hyperlocal models of social enterprise development is the competition provided by multinational corporations and barriers to entry faced due to the systemic biases that continue to permeate the industry. As per available data, the percentage of women social entrepreneurs remains far lesser than male social entrepreneurs. Female social entrepreneurs consistently reported a lack of access to funding and barriers such as prejudice, discrimination and family pressure (Salovaara and Wade, 2018). Community based social entrepreneurship as well as hyperlocal approaches are most often run by women, who are far more attuned to the needs at the grassroots level given the social context of India (Salovaara and Wade, 2018; Swissnext India, 2015). Typically, investors and social enterprise and support organizations posit scalability as desirable, and even essential, for a social enterprise to maximize its impact. The

call for scale arises from the breadth of social need, and substantial growth projections are often a prerequisite for gaining investor interest (Salovaara and Wade, 2018). However, this approach requires a fundamental shift especially in the post COVID-19 economy.

Hyperlocal approaches which focus positive, tailored impact on a local area are statistically more likely to be run by women and marginalized groups, and therefore, it is crucial for the landscape of funding, institutional support and investor support to recognize this key aspect especially in the context of Covid-19 (Salovaara and Wade, 2018; UNDP India, 2021). Scaling social impact in a community- based, participatory, consultative and culturally sensitive manner is the need of the hour, not only to increase grassroots impact but to ensure that women and marginalized groups are represented adequately in the landscape of social enterprise. Fundamentally re-evaluating the paradigm from “scaling” a single venture to creating networks of support and knowledge-sharing among smaller ventures might more effectively serve diverse women’s, and other social entrepreneurs’ needs through more localized frameworks (Salovaara and Wade, 2018; Chakraborty and Parida, 2021). Moreover, making funds easily accessible for early-stage or small-scale ventures can increase the number of women and social entrepreneurs who can serve as resources for each other and for society, which has demonstrably beneficial effects as can be seen from the examples of social enterprises discussed above (Salovaara and Wade, 2018; Cheney, 2021).

Conclusion

Locating the ‘social’ alongside the ‘economic’ in social entrepreneurship has historically posed a challenge. With the largest number of youth and several opportunities for intervention, India provides social entrepreneurs with unparalleled opportunities in the fields of education, agriculture, healthcare, renewable energy, manufacturing and skills development (Swissnext India, 2015). After the Covid-19 pandemic, social enterprises will have a key role to play both in India and globally, to ensure economic recovery in a more equitable and sustainable manner.

Future avenues for research in the field must necessarily account for the changes to the global economic order which has been challenged by the effects of Covid-19. Globalization must be made more inclusive, and to ensure that local communities are not disregarded (Oberoi et al, 2021). Recent work by the UNDP notes that countries will experience different economic, demographic, and governance problems, which will impact local communities. The most successful examples of social enterprise as detailed above, are those which have taken a hyperlocal approach to address targeted issues facing the community.

Policy makers and researchers must evaluate opportunities to support community partnerships, knowledge sharing networks and support from the government which can be provided to enable hyperlocal approaches (UNDP India, 2021). In addition, networks for funding must move away from investor focused traditional sources which often elude social entrepreneurs such as women, youth and LGBTQ entrepreneurs. Prioritizing an approach of ‘social learning’ as a normative goal for social enterprise rather than scalability, is crucial in a post Covid-19 economic scenario which requires achieving concerted action in complex and uncertain scenarios (Shahidullah and Haque, 2016). The examples of social enterprise as detailed in this paper demonstrate social learning as a process of social change in which people learn from each other in ways that can benefit wider socioecological systems.

Further avenues for policy research include exploring alternative models and sources of funding for hyperlocal and community based social enterprises. For example, the COVID Action collaborative has been developing a framework called ‘postpaid financing’ which enables NGOs which have already delivered relief to make a claim to a funding marketplace that identifies, vets, and onboards nonprofits. A third-party agency would verify the work, and then donors would pay for it after the fact (Cheney, 2021). Hybrid legal forms which are explicitly designed to enable organizations to pursue both social and commercial objectives is also a potential way in which institutional support can be provided. Moreover, social entrepreneurship must be encouraged from the school and university levels to enable thinking at a grassroots level and create pockets of social impact in local communities (Chakraborty and Parida, 2021).

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