

RURAL DEVELOPMENT THROUGH SOCIAL ENTREPRENEURSHIP

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Abstract: The improvement and progression of the rural environment is the end goal of a collection of rural development activities, practices, and actions that are carried out by multiple brokers, including individuals, organizations, and groups. Recent theoretical discussions as well as actual evidence have indicated that entrepreneurship possesses substantial potential for aiding sustainable rural development. As a result of the rise of entrepreneurial development talents and capabilities, developers in a variety of fields, including the field of sustainable rural development, have begun to act to encourage entrepreneurship development. There have been many different types of entrepreneurship proposed up to this point, including individual, corporate, organizational, group, collective, collaborative, and social entrepreneurship. Each form has its own criteria, features, and accomplishments that come with it. In the meanwhile, social entrepreneurship might be understood as a social approach to business. In the context of the conversation about societal shifts that took place in the 1960s and 1970s, the phrase "social entrepreneurship" was coined for the first time.

Keywords: social entrepreneurship, Women empowerment, rural development, SHG, innovative strategies, empowering policies, Grameen Banks

1. Introduction: The majority of problems that arise in rural communities are of a social character; as a result, finding effective answers to these problems demands creative new approaches to social concerns. From this point of view, social entrepreneurship has the potential to assist in resolving challenges that are prevalent in rural communities, most notably poverty and inequality. An example of achieving social objectives through the construction of innovative ways to mobilize the ideas, capabilities, resources, and social institutions needed for a balanced social transition is social entrepreneurship in rural areas. Social entrepreneurs have the potential to contribute to the growth of an entrepreneurial ecosystem as well as a model for the long-term development of sustainable businesses in rural areas. This can be accomplished by capitalizing on the unique opportunities that social entrepreneurs present in order to fulfil the essential requirements of rural communities. Over the course of human history, the globe has been witnessing a great number of instances of successful social entrepreneurship. The empowerment of low-income populations in the surrounding area has been significantly advanced by a good number of these social entrepreneurs, which have enjoyed remarkable success. Awareness of these experiences can inspire policymakers the development empowering policies that are appropriate for the poor as well as entrepreneurs and investors in the development of social businesses in deprived areas. This can happen when these

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experiences are shared with the public. This article, which is the result of a review study, introduces the concept of social entrepreneurship in order to promote the development of rural communities. It also provides a brief description of the experience of the Grameen Bank, which is one of the most successful examples of social entrepreneurship in the world.

Countries can make significant headway in addressing challenges such as poverty, illiteracy, unemployment, and inequality in a variety of regions by putting into practice techniques that are both well-planned and forward-thinking. The activities that are carried out by social entrepreneurs contribute to the production and distribution of profits within society, an increase in employment levels, an improvement in people's means of subsistence in rural areas of the nation, and the promotion of sustainable development in rural areas. The potential of social entrepreneurs to make positive contributions to the development of rural communities is being used in a very limited way. Social entrepreneurs are able to seek for possibilities that are individually customized to the requirements of the community while also contributing to the long-term growth of rural areas by utilizing the business model. This allows social entrepreneurs to fulfill both of their goals simultaneously. This not only helps the country concentrate more on innovations in the rural sector, but it also helps the country invest in rural infrastructure and produce the resources that are necessary for rural expansion. It is not a new idea that social entrepreneurs could play a part in transforming rural economies in some way. In 2013, Neelima Mishra, a social entrepreneur from India, was presented with the Ramon Magsaysay Award for Emerging Leadership. In addition to this honour, she was presented with the Padma Shri award in 2013 for the work that she has done in the field of social entrepreneurship. She altered the look of a little town in the Jalgaon District of the state of Maharashtra which is called Badarpur. This district is in the state of Maharashtra. She became an official organization in 2005 by registering Bhagini Nivedita Gramin Vigyan Niketan as a business.

Neelima Mishra – Founder of Bhagini Nivedita Gramin Vigyan Niketan

Neelima Mishra is a social worker from Bahadarpur. She was born in the year 1972 in a lower-middle-class family. She is a Post-Graduate in Psychology from the University of Pune. Since her early childhood, Nileema had made a name for herself in the neighborhoods through her sociable and helpful nature. She had a passion for helping people, sometimes by sacrificing her own time and resources. It was her helpful nature that made her instantly popular and recognized her efforts for sustainable rural development through entrepreneurial activities. At the age of 13, she decided not to get married and to devote herself to rural social work.

After education, she worked under the guidance of Dr Kalbagh in Vigyan Ashram, Pabal. Vigyan Ashram is a center of Indian Institute of Education, Pune works in the rural technology. An individual associated with Vigyan Ashram expresses their interest to become social entrepreneur. Vigyan Ashram incubates individual to provide hands on skills with technical expertise. Vigyan Ashram is open for those who see things differently and have potential for dare, to transform their ideas into reality for serving human welfare and create sustainable business opportunity for livelihood of villagers. The knowledge and experiences that she gained

from Vigyan Ashram and domestic travels encouraged her to set up the Bhagini Nivedita Grameen Vigyan Niketan, which is today a force to reckon from local to global.

Neelima Mishra registered Bhagini Nivedita Gramin Vigyan Niketan formally in the year 2005. Bhagini Nivedita Gramin Vigyan Niketan is the organization which helps poor women through micro-financing. Mishra has association with Let's Dream Foundation, New Delhi and Caring Friends, Mumbai. Mishra received the Ramon Magsaysay Award and she has donated her award money to Bhagini Nivedita Gramin Vigyan Niketan. The award carries an amount of \$ 50000 (Approx. 22 Lakhs). The family and the entire town of Bahadarpur with a population of around 10,000 are "proud that Neelima's selfless social service has been accorded international recognition.

Don't despair, we shall find a way....

BNVGN started with a strong conviction that society's problems must be addressed from within the village itself. BNVGN was inspired by Gandhi's values of self-sufficiency and prosperity. The most significant change has taken place in the villagers' sense of themselves, their newfound self-assurance that they need not despair, that, working together, they will find a way. Sometimes, Mishra has faced frustration and failure in selecting the best possible approach for the village. During a critical phase, she remains determined and passionate about her helping and responsible social work. Creating impact in the lives of the people, with their own contribution and efforts BNGVN believes that the way out to all the economic and social problems of the society have to be found within the society. The main crucial task of BNGVN has been the formation of Self Help Groups through Small Savings Groups. Poor and financially disadvantaged people are trapped in the vicious circle of debt with high-interest rates. Droughts and pandemics make the situation worse. To solve these economical problems, 'microfinance' was offered to the villagers. While society was getting empowered through microfinance, it was also necessary to inculcate some values and discipline. This led BNGVN to initiate the concepts like "Gram Nidhi" and "Aadarsh Gaon". The "Gram Nidhi" means Village Fund which is used to make loans to the needy on the recommendation and approval of the village assembly, which verifies that the beneficiary fulfils the eligibility criteria. At the same time, social pressure inspires the people to abide by the terms set by the village assembly.

BNVGN Activities

BNVGN has formed more than 1800 Self Help Groups in 200 villages across the state of Maharashtra in just 10 years. The journey of BNVGN started in the village of Bahadarpur. The success of Bahadarpur inspired Mishra to expand her work to another region. BNVGN microcredit program has crossed more than Rs. 40 Cr. transactions with a 100 % loan recovery rate.

The activities of BNVGN started at Mishra's native place at Bahadarpur with the manufacturing of cotton "GODHADI's" from various coloured cotton strips with attractive designs. They have sold these products in India and abroad. It was not the year activity due to limited market opening; Mishra started manufacturing ladies' Kurtis, petticoats and dress material with the

Self-Help Groups. With the involvement of Indians for collective achievers from the USA, an eco-friendly sanitary napkin was developed. This product not only saved the huge cost of production but also utilize scarce resources at optimum levels. The product manufactured by BNVGN was very durable for use for longer periods with rewashing. All the above activities were in different small self-help groups of women from rural areas.

The orders for dress material and sanitary napkins are continuing and from various countries like India, South Africa etc. There is good export demand for products manufactured at BNVGN. To satisfy a higher level of production demand, Mishra ventured into forming a public limited manufacturing company, a financial intermediation limited non-govt. the company, with permission for accepting deposits and giving loans to individuals, and a trading firm for marketing. Mishra was a common source and planner for all these activities. Her most reliable associates are directors in this company.

Mishra has started manufacturing eatable consumer products such as Chilli Powder, Haldi Powder, Dhane Powder and Masala mixture as items of production, with the help of self-help groups and well-wishers. The working of FMG and major production companies was studied carefully and it was decided to enter in to this line before last two years. First year trial was very successful. The self-help group, funded by banks or well-wishers purchased all raw material in sizeable quantities , got the work done from the company registered on job work basis and tried to sale it through their registered trading firm and through ladies attached with them. The products, due to good quality and competitive price, got a good market and could be sold in Maharashtra, Gujarat, UP Bihar, and Odisha.

It was noteworthy that women from rural areas were trained for marketing and encouraged to go out of their homes to unknown territories to develop the market. The sales were effected in one kg packing and small pouches of 10/12 gms usually sold in rural areas. As the purchase was centralized and in large quantity, the quality was supervised well, the product immediately got acceptance in the market.

During the Covid-19 pandemic, Mishra started with the new scheme. She utilized this recession to work out a beautiful operation scheme named “Mirch Masala unit for Ti” (Her).

Assets of BNVGN

Neelima Mishra has created the following assets and resources in the process of rural development and women empowerment through social entrepreneurship:

1. *Registered financial intermediation company*, for handling individual accounts of ladies and managing financial transactions.
2. *Registered manufacturing company* with a daily capacity of manufacturing 3 MTs
3. Well-trained *skilled personnel* to manage factories, banks and self-help groups.
4. A very *sincerely developed brand image* for the unit and vast connectivity in India for initiating this activity with local support.
5. *Working experience with NGOs* like Rotary, Lions, and other organizations under national and international grant programs.
6. *Exposure to CSR companies* for doing projects for women in health and economic areas.

7. Honorary positions at various levels for policy-making *and schematic developments of the rural sector.*
8. *Very rich experience of handling women folk at any level and capacity of motivating them for joining her moment of self-help for women.*
9. She has *avenues open for involvement of urban or rural women, poor or middle class or rich women* in her preposition which aims at up *lifting poor women through enterprising skills and marketing promotions.*
10. *Encourage people with surplus money to invest with her bank, help her to fund poor women and earn interest and respect from society.*
11. Those NGOs who are well connected with the masses can help as *catalysts to marketing women by purchasing their products of consumption and promoting their sales to known people.*

2. Social Entrepreneurship as a Development Strategy

The idea of social entrepreneurship: the phrase "social entrepreneurship" is prevalent in establishing organizations whose mission is to address the basic requirements of humans when these needs cannot be met through corporate organizations and the private sector. Because of this, any definition of social entrepreneurship ought to replace the strictly commercial strategy pursued by corporate entrepreneurs.

The idea of going into business for oneself has a long and illustrious history that includes the establishment, growth, and administration of businesses. The process of social entrepreneurship is, to some extent, compatible with various types of creative expression. The business development approach is connected to a number of activities, including the creation of a brand-new idea or the revitalization of an existing one, the investigation of ideas, the formulation of a business plan or a marketing plan, and the investigation of the opportunities presented by the process of social entrepreneurship. Additionally, the introduction of an understanding of and an insight into the needs and opportunities, the reconciliation of ideas and ideas with opportunities, the acquisition of the required resources, and, ultimately, the implementation of the goals is essential to the practice of social entrepreneurship.

Some people believe that social entrepreneurship is something that can only be practiced by non-profit organizations that engage in activities that are both profitable and productive in order to further their missions. Others, on the other hand, consider social entrepreneurship to be limited to the activities of for-profit organizations that have public-service missions.

3. Achievements and Consequences of Social Entrepreneurship:

In recent years, social entrepreneurship has been recognized as a substantial contributor to societal, economic, cultural, and environmental richness. [Citation needed] [Citation needed] [Citation needed] [Citation needed] The concept that social entrepreneurs are crucial to the growth of both the economy and society is the driving force behind much of the research and policymaking that is carried out today. In point of fact, social entrepreneurship is beneficial in tackling current social problems within the framework of existing institutions, as well as many

of those social problems that continue to be unresolved despite the efforts of traditional methods. The alleviation of poverty and expansion of economic opportunity are two of the many positive outcomes that can be attributed, in large part, to the influence of social mechanisms and entrepreneurial endeavours on the expansion of communities and economies. One feature of social institutions that is now being examined is their capacity to place an emphasis on the satisfaction of social demands and the development of social values as a result of social innovations that result in social transformation.

Entrepreneurs in the social sector are the ones who recognize problems in society and put the concepts of business to use in planning, directing, and managing initiatives designed to bring about positive social change. While traditional business owners define their success based on factors such as profit and return on investment, social entrepreneurs evaluate their performance based on factors such as their effect and their reach within the community. As a consequence of this, social challenges are clarified by referring to the fundamentals of entrepreneurship. According to the authors of the study, the following formula should be used to determine whether or not social entrepreneurship was successful:

Human benefits + Innovation + Leader + Change factor + Social impact = Social entrepreneurship success.

In terms of performance and effects, the difference between economic entrepreneurship and social entrepreneurship can be attributed to four main variables:

- a) Market deficiencies: market inadequacies are different for entrepreneurial entrepreneurs and other entrepreneurs. They contribute to the expansion of the economy.
- b) An opportunity to be a social entrepreneur may present itself in the midst of a crisis in the form of a challenge for an economic entrepreneur.
- c) The development of a social value is the primary objective of a social entrepreneur, whereas the generation of economic profit is the primary objective of a business entrepreneur.
- d) The mission demonstrates the basic differences between corporate entrepreneurship and social entrepreneurship. These differences are obvious in a variety of management domains, particularly in terms of personal motivation.
- e) Mobilization of resources: the social entrepreneur faces challenges in terms of the availability of market finance as a result of the inseparable nature of the surplus generated by the social business and the social purpose of the mission of that business.
- f) It might be challenging for a social enterprise to provide the same kinds of benefits and compensation to its workers that a traditional for-profit company does.
- g) The people who work for businesses that engage in social entrepreneurship bring a lot of value to their organizations, and many of them benefit in ways other than monetarily from their employment there. As a result, business entrepreneurship and social entrepreneurship take quite different managerial approaches to the process of mobilizing both financial and human resources.
- h) When assessing the level of productivity in social entrepreneurship, it is important to include not only the financial profit but also the impact on the community. Evaluating a

company's productivity is made simple by the existence of quantifiable factors such as financial indicators, market share, and the level of happiness experienced by customers.

i) The social aim of the social entrepreneur makes it challenging to quantify the social entrepreneur's productivity. In addition, the different financial and non-financial stakeholders that depend on the social entrepreneurship organization are becoming increasingly diversified, and the difficulty of social transformation' ultimately contributes to the complexity of managing these interactions. As a direct result of this, the evaluation of the efficacy of various social influences constitutes an essential distinction.

4. Evidence and Lessons of Social Entrepreneurship in Rural Development and Poverty Reduction

"Entrepreneurship" has inspired a great number of people throughout the centuries to engage in a variety of altruistic endeavours with the goal of bringing about transformations in society, and these individuals have found a great number of organizations as a result of their efforts. It is necessary that a new title be given to this old concept because this practical field has established its scientific identity, and even though the borders of this field are uncertain, they have been defined. At the moment, individuals such as Muhammad Yunus (founder of the Grameen Bank), Pierre Omidyar (founder of a virtual store), José Veronica (inventor of the homecare and nursing system), and Robert Redford (founder of a foundation for independent filmmakers) are named as the most successful social entrepreneurs in the world.

Entrepreneurs are the ones who bring about changes in the conditions of businesses, and social entrepreneurs are the ones who bring about changes in society. They do this by seizing opportunities that others pass up in order to develop a fresh perspective on society and develop solutions to problems that plague it. Bill Drayton, the man who established the Ashoka Foundation, is of the opinion that social entrepreneurs are not content with merely providing a person who is hungry with some fish, and they are not even persuaded by the instruction of fishers. They are looking for a paradigm shift that will completely transform the fishing sector as a whole. There have been instances of social entrepreneurship in many different regions of the world. These instances involve people in entrepreneurial roles making changes in their society that are for the betterment of their societies. The experience of the Grameen Bank, which serves the underprivileged, is described in a condensed form below as an illustration of social entrepreneurship.

Conclusions and Suggestions

In view of approaches that are focused on groups, the most successful rural development programs are those that organize local communities and contact groups, provide coverage for those communities, and provide support that is specifically directed toward those groups. This characteristic is applicable to the Grameen Bank as well as other other efforts. When these strategies are pursued, it inevitably results in the formation of group entrepreneurial endeavors in order to successfully carry out the functions associated with entrepreneurship. This method or function can be used to do additional activities, such as social entrepreneurship, which is

considered by the Grameen Bank and other rural development projects, as well as other purposes and objectives.

From the perspective of regional development, the notion of social entrepreneurship to promote sustainable rural development can be found at two levels:

- a) Organizing and carrying out the steps necessary to implement a social entrepreneurship strategy to foster growth and improvement in a region (social entrepreneurship as a strategy for rural development).
- b) The planning and execution of a strategy for sustainable regional development that incorporates social entrepreneurship (social entrepreneurship as an approach or component of a strategy for sustainable rural development).

In the pursuit of his idea, Muhammad Yunus, a social entrepreneur and founder of the Grameen Bank who was awarded the Nobel Peace Prize in 2006, believed that capital was a friend of the poor person, and that the accumulation and use of capital by the poor person was the best way to escape the cycle of poverty and prosperity. In addition, Muhammad Yunus believed that capital was a friend of the poor person. The foundation of Yunus's approach consists of providing poor communities with financial assistance in the form of loans and assisting those communities in making productive use of credit in their investment endeavours. His viewpoint was predicated on a form of insolvency and the payment of unsecured credit, which did not necessitate the use of collateral.

In the face of such uncertainties, some have the potential for income generation, some have the opportunity to access resources and provide inputs, some have the opportunity to sell products in the market, and others have pointed to the efficiency of financial flows. In any case, regardless of the amount of certainty or doubt behind the assessments made by the Grameen Bank, one can say that given the unfavourable economic context, over the period of its advancement it managed to undermine the disadvantageous norms governing women's social and economic activity as well as bridge some gaps in terms economic and value inequalities, all this despite various problems faced on the way caused by corruption, or the government's corruption.

Regarding the discussion, it has been suggested that support from state authorities, the welfare system, banks, and funds provided by lenders, and other rural development agencies should concentrate on identifying and assisting social entrepreneurs in rural areas in order to give local people more power. Other important considerations include the identification and introduction of entrepreneurial opportunities based on local capacities in underdeveloped areas, as well as the provision of institutional support in the form of the formulation of supportive policies, tax exemptions, and the facilitation of administrative affairs and payment. The most important thing is for there to be entrepreneurial programs that have flexible repayment circumstances, training for human resources, and extension services that have a general and entrepreneurial approach to job creation. It is possible to view as a viable long-term strategy the encouragement of initiatives based on teamwork and collective entrepreneurship that provide assistance in

economically disadvantaged areas through the formation of collective organizations such as funds, cooperatives, and other types of endeavours.

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