

SOCIAL ENTREPRENEURSHIP :

CHANGE THE WORLD THROUGH SOCIAL ENTREPRENEURSHIP

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Abstract. Social entrepreneurship is an approach by individuals, groups, start-up companies or entrepreneurs, in which they develop, fund and implement solutions to social, cultural, or environmental issues. In this way, in social entrepreneurship, profit is no longer the ultimate goal of business but a means to achieve broader goals connected to improving society and the environment. Social entrepreneurship in modern society offers an altruistic form of entrepreneurship that focuses on the benefits that society may reap. Simply put, entrepreneurship becomes a social endeavor when it transforms social capital in a way that affects society positively. It is viewed as advantageous because the success of social entrepreneurship depends on many factors related to social impact that traditional corporate businesses do not prioritize. Social entrepreneurs recognize immediate social problems, but also seek to understand the broader context of an issue that crosses disciplines, fields, and theories. Can social entrepreneur change the world?

Keywords : social entrepreneurs, society, environment, social enterprise.

I. INTRODUCTION

Entrepreneurship is defined as an activity that involves the discovery, evaluation and exploitation of opportunities to introduce new goods and services, ways of organising, markets, processes and raw materials through organising efforts that previously had not existed. Other definitions subscribe to the notion of innovation as a key attribute of entrepreneurship. From the perspective of Kirzner (1997), the entrepreneur is an individual who is alert to opportunities for trade. The factors that distinguish entrepreneurs most strongly are innovation, opportunity recognition, process, and growth in a business and employment of strategic management practices in the business (Carland, Boulton & Carland, 1984; Watson, 2001). 'Innovation involves finding new and better ways of doing things that are commercialised whilst scientific invention entails the creation of a new product or concept almost for its own sake or to serve a purpose other than commerce' (Rwigema & Venter, 2005:113).

Entrepreneurship is the creation or extraction of value. With this definition, entrepreneurship is viewed as change, which may include other values than simply economic ones [1]. More narrow definitions have described entrepreneurship as the process of designing, launching and running a new business, which is often initially a small business, or as the "capacity and willingness to develop, organize and manage a business venture along with any of its risks to make a profit." The people who create these businesses are often referred to as entrepreneurs. While definitions of entrepreneurship typically focus on the launching and running of businesses, due to the high risks involved in launching a start up, a significant proportion of start-up businesses have to close due to "lack of funding, bad business decisions, an economic crisis, lack of market demand, or a combination of all of these." There are many types of entrepreneurship, one of which is social entrepreneurship. As we know, we currently face many

social issues such as social inequality, poverty, unemployment, and many things that have happened which have resulted in more and more social communities suffering. With the constant anxiety regarding social issues, social entrepreneurs are becoming a way for entrepreneurs who not only think about profit but also think about social welfare.

Some people start businesses to improve the quality of their life. Others seek to work for themselves. And some see an opportunity in the market they can't resist. But sometimes the desire to use business as a means of creating positive change ignites the entrepreneurial spirit in you. This is called "social entrepreneurship". Social entrepreneurship involves starting mission-based enterprises that dedicate some or even all of their profits toward furthering a cause-giving their customers a purpose behind every purchase

Currently, many social entrepreneurs have sprung up. they have their respective goals in building social enterprises. there are many kinds of social entrepreneurship, this article will discuss about social entrepreneurship. The term social entrepreneurship itself has been put forward since several centuries ago, but its current existence is still foreign to the public. With the existence of social issues of concern in this world, will social entrepreneurship be able to overcome them, can social entrepreneurship be able to change the world for the better?. If more entrepreneurs are concerned with social issues and are not only concerned with profits but also sharing with others, perhaps social entrepreneurship can change the world.

II. BASIC THEORY

A. Social Entrepreneurship

Social entrepreneurs are defined as individuals or private organizations, who have vision for society, and the ability to develop innovative ways of dealing with and alleviating social problems in their communities (Alvord et al., 2004;

Korosec and Berman,2006). Social entrepreneurship uses business to offer new ideas for wide-scale social and environmental impact. Social entrepreneurship unites the passion of a social mission with an image of business-like discipline, innovation, and determination. Many social entrepreneurs launch whole new ventures applying innovative and often risk-taking approaches to create scalable solutions, which includes inventing new products and services. Others join existing social enterprises aligned with their interests and passions. For-profit entrepreneurs typically measure performance using business metrics like profit, revenues and increases in stock prices. Social entrepreneurs, however, are either non-profit, or they blend for-profit goals with generating a positive "return to society". Therefore, they use different metrics. Social entrepreneurship typically attempts to further broad social, cultural, and environmental goals often associated with the voluntary sector in areas such as poverty alleviation, health care and community development. [2]. Social entrepreneurs business structures as falling under three different models, applicable in different situations and economic climates: [3]

1. *Leveraged non-profit*: This business model leverages financial and other resources in an innovative way to respond to social needs.
2. *Hybrid non-profit*: This organizational structure can take a variety of forms, but is distinctive because the hybrid non-profit is willing to use profit from some activities to sustain its other operations which have a social or community purpose. Hybrid non-profits are often created to deal with government failures or market failures, as they generate revenue to sustain the operation without requiring loans, grants, and other forms of traditional funding.
3. *Social business venture*: These models are set up as businesses that are designed to create change through social means. Social business ventures evolved through a lack of funding. Social entrepreneurs in this situation were forced to become for-profit ventures, because loans and equity financing are hard to get for social businesses.

4. Social entrepreneurs challenges

Because the world of social entrepreneurship is relatively new, there are many challenges facing those who delve into the field. First, social entrepreneurs are trying to predict, address, and creatively respond to future problems. Unlike most business entrepreneurs, who address current market deficiencies, social entrepreneurs tackle hypothetical, unseen or often less-researched issues, such as overpopulation, unsustainable energy sources, food shortages. Founding successful social businesses on merely potential solutions can be nearly impossible as investors are much less willing to support risky ventures.[4].

The relevance of social entrepreneurship very much depends on the economic conditions in the respective countries. However, the challenges faced by the social entrepreneurs' world over revolve around conveying their business ideas, attracting donors, working conditions, hiring staff, financing, support from family and business,

government policies, maintaining quality, competitive forces and acquiring technology.

Efforts to overcome challenges can be done by choosing technology that is in accordance with the times, observing the socio-cultural developments of the community which are the focus of marketing, following political developments both at home and abroad, especially those that have an impact. in business, and trying to meet established environmental requirements. such as ISO 9000, ISO 14000 and Eco Label.

C. Opportunities for Social Entrepreneurship

Typically, opportunities in social entrepreneurship are based on the need to create social value which benefits the local community. A social enterprise usually does this by solving a problem or providing assistance in an area of need or disadvantage. Therefore, creating social value and not wealth is the main driver for social entrepreneurs. Additionally, they need to achieve financial stability to maintain value. Market that has many social enterprises:

1. Social enterprises which serve the financially poor population. In these markets, the profit margins are very low and the risks are high. Further, in certain sectors like microfinance, there is a constant debate as to whether a commercial operation can fulfil the needs of the poorest client groups more effectively than modified NGO models. In this niche, some examples of social entrepreneurship organizations are micro-clinics in low-income zones, affordable irrigation tools to poor farmers, etc.
2. New and challenging markets where the entrepreneur is required to incur heavy expenses to stimulate demand and create opportunities. This is due to the prevalent stigma and the challenges faced in acclimatizing people to newer and more complex technologies as well as challenging perceptions about certain services which need to be provided by the state. Some examples are offering counselling services to people living with HIV/AIDS or other socially marginalized groups, microinsurance products for farmers, etc.
3. Markets for products which offer environmental benefits but are not fully commercially competitive. Many environment-friendly business lines are completely commercially viable. However, there are many others which are suitable for hybrid social entrepreneurship.

III. METHOD

Literature study conducted by the author is by searching various written sources, whether in the form of books, archives, magazines, articles and journals, or documents that are relevant to the problem being studied. So that the information obtained from this literature study is used as a reference to strengthen existing arguments.

This literature study is carried out by researchers after determining the research topic and determining the formulation of the problem, before going to the field to collect the necessary data. The following is an explanation of the understanding of the Literature Study.

IV. DISCUSS

A. Development of social entrepreneurship for a better world

Some people start businesses to improve the quality of their life. Others seek to work for themselves. And some see an opportunity in the market they can't resist. But sometimes the desire to use business as a means of creating positive change ignites the entrepreneurial spirit in you. This is called "social entrepreneurship". Social entrepreneurship involves starting mission-based enterprises that dedicate some or even all of their profits toward furthering a cause-giving their customers a purpose behind every purchase.

1. The Importance of Social Entrepreneurship and initiatives

The social entrepreneurship is quite new and complex phenomena. Various authors provide different definitions of social entrepreneurship. In them components range from social justice, social value, viable socio-economic structures, forging a new equilibrium, employing innovation, entrepreneurial skills, market gaps, solving social problems, to social entrepreneur as a change agent. Michael Porter in his interview even associated social entrepreneurship with new, future order, so called transformational capitalism, as social entrepreneurship creates shared value Driver, 2011. Social entrepreneurship is beneficial for society as it is as one kind of social innovation and might bring benefits to various stakeholders: for business - rise in incomes and profits, customer's volume, loyalty and satisfaction, business reputation; for the social targeted groups: reduction of unemployment and social exclusion of social targeted groups; for the state: favourable public opinion, reduced pollution and the state's image"[5]

2. Benefits of Building Social Enterprise

For today's consumers and businesses, social responsibility is a growing priority as concerns about climate change, international development, and supply chain ethics become a more prominent topic of international discussion. In a CSR survey by cone communications 87% said they will purchase a product because a company supports an issue they care about. This reflects a shift in consumer awareness about the impact of their purchase decisions. Not only are businesses held to a higher standard, but many consumers are holding themselves to a higher standard as well. So while social enterprises, by definition, must dedicate a portion of their profits to the impact they want to make, they do enjoy the following benefits that help them succeed:

1. Mission-based branding. A company story with a cause at its core makes consumers feel good about every purchase they make from you.
2. Partnership opportunities. A social enterprise, because of its mission-based motivations, can partner with other non-profit organizations and for-profit companies to leverage existing audiences and established reputations to create a presence in their market. "In kind" resources and discounts are not uncommon for social enterprises.
3. Press coverage Publications and blogs love to cover social innovation and change makers and their impact,

helping social enterprises evangelize their efforts and share their impact.

Certifications and support systems. Social enterprises can be eligible for grants, "impact investing" opportunities that focus on job creation and sustainability, and special certifications such as a Benefit corporation Status that make it easier to establish credibility, commit to transparency, and attract customers, employees, volunteers, and investors.

3. Role of Technology

The Internet, social networking websites and social media have been pivotal resources for the success and collaboration of many social entrepreneurs [6] In the 2000s, the Internet has become especially useful in disseminating information to a wide range of like-minded supporters in short amounts of time, even if these individuals are geographically dispersed. In addition, the Internet allows for the pooling of design resources using open source principles. Using wiki models or crowdsourcing approaches, for example, a social entrepreneur organization can get hundreds of people from across a country (or from multiple countries) to collaborate on joint online projects (e.g., developing a business plan or a marketing strategy for a social entrepreneurship venture). These websites help social entrepreneurs to disseminate their ideas to broader audiences, help with the formation and maintenance of networks of like-minded people and help to link up potential investors, donors or volunteers with the organization. This enables social entrepreneurs to achieve their goals with little or no start-up. For example, the rise of open-source appropriate technology as a sustainable development paradigm enables people all over the world to collaborate on solving local problems, just as open source software development leverages collaboration from software experts from around the world.

4. Social Enterprise

A social enterprise is a type of business where the bottom line and success metrics are measured in more than just profits. Instead, social enterprises typically measure success based on a triple bottom line:

1. People. The human impact of business, and the ability to affect social change, improve lives, and develops a community in a sustainable way.
2. Planet. The environmental impact—how contribute to a sustainable planet or reduce the carbon footprint (CO2 emissions) of your business and customers.
3. Profit. Like traditional businesses, social enterprises need to make money in order to sustain themselves, pay workers, and grow as an enterprise.

5. Characteristic of social entrepreneurs

According to the Schwab Foundation for Social Entrepreneurship, social entrepreneurs share several characteristics. There are:

1. Achieve large scale social change.
2. Focus on the social or ecological change they want to make while earning money to support the change.
3. Innovate when looking for a solution to a social problem.

4. Use feedback to adapt and refine. social entrepreneurs have long existed in history. 19th century innovators Florence Nightingale and landscape architect Frederick Law Olmsted are considered social entrepreneurs.

C. Social Entrepreneurs in Indonesia

There are many problems in Indonesia that need to be resolved. In Indonesia itself, social entrepreneurship activities take the form of a business that does not seek profit, but only requires operational support. The purpose of such efforts is solely for the benefit of the community. So in other words, the business is not oriented to looking for profit only. Indonesia currently needs many new actors in the field of social entrepreneurship so that problems of poverty, education, health and employment can be solved through entrepreneurship. In this way, a more prosperous, prosperous and just and equitable country will be created.

One of the best roles in Indonesian social entrepreneurship is to have the goal of advancing microeconomic opportunities. Indonesian social entrepreneurship plays an important role for the government in Indonesia so that people avoid hunger, malnutrition, poverty and so on. Of course there are unemployment figures in the areas where a business will be established. However, the existence of the establishment of a business by Indonesian social entrepreneurs is very useful to reduce unemployment in Indonesia. Where people who have expertise in this field of business can find it easier to participate in working at the company.

IV. CONCLUSION

Some people start businesses to improve the quality of their life. Others seek to work for themselves. And some see an opportunity in the market they can't resist. But sometimes the desire to use business as a means of creating positive change ignites the entrepreneurial spirit in you. This is called "social entrepreneurship". Social entrepreneurship involves starting mission-based enterprises that dedicate some or even all of their profits toward furthering a cause-giving their customers a purpose behind every purchase.

In many cases, social entrepreneurs do make money. They're living proof that you can be successful as a business owner and do good at the same time. However, in some cases, the entrepreneurs elect not to take a profit for themselves.

One of the challenges to succeeding in social entrepreneurship is that it's easy to measure profit (did you make money or did you not make money?), but it's not as easy to measure your impact on people or the planet and communicate that to others.

Social entrepreneurs adopt a business model that puts their mission at the center of their business and are held accountable to their customers and stakeholders based on their proposed impact.

Social entrepreneurship can change the world, this opinion can be said to be true if there is more people realize that many people in this world need help. if people are aware of the social conditions around them, it is certain that the world will be better. wouldn't it be better if we not only get

material benefits but also get happiness by sharing with others. .

Through this article the author hopes there will be more people who are interested in becoming social entrepreneurs. hopefully there will be more people motivated to become entrepreneurs who not only benefit themselves but also help others.

The author apologizes if there is an error or inaccurate information and shortcomings in writing this article if it can be corrected by giving criticism and suggestions to the author.

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