



A STUDY OF CHALLENGES FACED BY STARTUP'S BASED ON SOCIAL ENTREPRENEURSHIP IN COIMBATORE

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Abstract:

Social entrepreneurship is the process of pursuing innovative solutions to social problems. More specifically, social entrepreneurs adopt a mission to create and sustain social value. They draw upon appropriate thinking in both the business and nonprofit worlds and operate in a variety of organizations: large and small; new and old; religious and secular; nonprofit, for-profit, and hybrid. The problem is to find out why is it important, what is the scale, what are the contributing factors and what are the root causes. The main objective of the study is about analyzing the social entrepreneurs in Coimbatore city to know about the effects of social entrepreneurs in society and to identify patterns and regularities in the behavior of successful social entrepreneurs. For this purpose primary data will be collected from the respondents and the sample size will be of 125 who are working as social entrepreneurs in Coimbatore. Percentage analysis, chi-square and factor analysis will be used as statistical tool for analyzing the data. Based on the tools the data will be analyzed and the research will be concluded based on the result.

Key Words: Social Entrepreneurship, Social Value, Identify Patterns & Regularities

Introduction:

Social entrepreneurship is the process of pursuing innovative solutions to social problems. More specifically, social entrepreneurs adopt a mission to create and sustain social value. They draw upon appropriate thinking in both the business and nonprofit worlds and operate in a variety of organizations: large and small; new and old; religious and secular; nonprofit, for-profit, and hybrid. The purpose of this chapter is to frame the entire study regarding social entrepreneurship and about social entrepreneurs. A social entrepreneur is an entrepreneur who works to increase social capital, often by founding humanitarian organizations.

Statement of the Problem:

Social entrepreneurship is the process of pursuing innovative solutions to social problems. More specifically, social entrepreneurs adopt a mission to create and sustain social value. The problem is to find out why is it important, what is the scale, what are the contributing factors and what are the root causes.

Objectives of the Study:

- To analyze the social entrepreneurs in Coimbatore city to know about the effects of social entrepreneurs in society.
- To identify patterns and regularities in the behavior of successful social entrepreneurs.
- To suggest about the perception of social entrepreneurship among entrepreneurs.

Literature Review:

Kyle Turner, T. Russell Crook, Alex Miller (2014), "Construct Measurement in Social Entrepreneurship" The purpose is to assess current construct measurement in social entrepreneurship and provide recommendations for future construct measurement on the topic. The conclusion is that while initial quantitative research has provided a useful start for empirical analysis of social entrepreneurship, future research can be improved by developing and applying stronger measures of key constructs, such as social value, mission consistency, and performance of social enterprises.

Research Methodology:

The research methodology explains the research design being implemented in the study

- **Type of Study:** The study is descriptive in nature as the characteristics of the respondents in terms of acceptance and importance level.
- **Sample Design:** Convenience sampling method is adopted to identify the respondents. It was identified that in an average 125 respondents who are social entrepreneurs in Coimbatore city.
- **Data Collection:** The study is based on primary data collected from respondents through questionnaire. Questionnaire consists of two sections. Section one deals with demographic profile of the respondents. Section two deals acceptance and importance level based on five scale.
- **Tools Used for Analysis:** The data collected is analyzed using SPSS package. The tools used in the study for analysis of data Percentage analysis, Chi-Square test and Factor analysis.

Analysis and Interpretation:
Percentage Analysis:

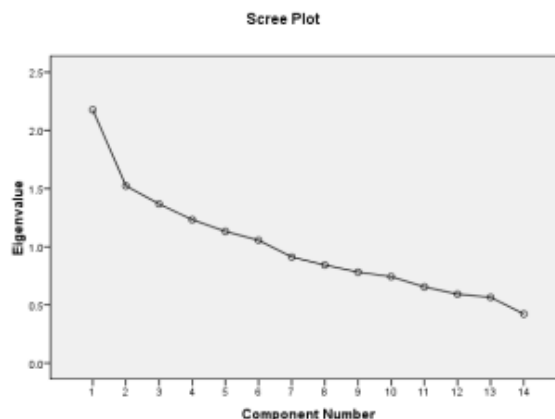
		Frequency	Percent
Gender	Male	113	90.4
	Female	12	9.6
Age	18-25	2	1.6
	25-35	19	15.2
	Above 35	104	83.2
Income Level	Below Rs.1,00,000	42	33.6
	Rs.1,00,000-2,00,000	18	14.4
	Rs 2,00,000-3,00,000	32	25.6
	Above Rs.3,00,000	33	26.4
Independency of the Organisation	Yes	42	33.6
	Probably Yes	18	14.4
	Probably No	32	25.6
	No	33	26.4
Part of Non Independent Organization	Profit-making	15	12
	Non-Profit and Non-Government	14	11.2
	Mixed (Public-Private Mix)	4	3.2

Interpretation: The above table shows about the gender of the respondents were out of 125 respondents 90.4% are male and 9.6% are female. 1.6% are from the age group of 18-25, 15.2% are from the age group of 25-35, 83.2% are from the age group of above 35. 33.6% are earning below Rs.1,00,000, 14.4% are earning from Rs.1,00,000-2,00,000, 25.6% are earning from Rs.2,00,000 -3,00,000 and 26.4% are earning above Rs.3,00,000. 33.6% are saying that they having independency for their organization, 14.4% said that organization is independent but exists on informal basis without the establishment of legal entity, 25.6% said that organization is formally independent but in fact is subordinate to another organization, 26.4% said that the organization is not independent. 12% are from profit making organization, 11.2% are from non-profit and non government organization, 3.2% are mixed up with both public and private entities.

Factor Analysis:

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.569
Bartlett's Test of Sphericity	Approx. Chi-Square	152.871
	df	91
	Sig.	0

KMO of sampling adequacy value for the service quality measures is 0.569 and it indicates that the sample is adequate to consider the data as normally distributed. The number of factors as identified by performing the screen plot. The results are shown below,



Rotated component matrix is used to identify the factors after data reduction. The results are shown below,

Rotated Component Matrix ^a						
	Component					
	1	2	3	4	5	6
Acceptance on social results prevail over economy	0.225	0.084	0.483	0.292	-0.428	-0.253

Acceptance on social enterprise is first of all business	-0.056	0.234	0.012	0.149	0.579	0.167
Acceptance on social enterprise and non-profit organization	0.036	0.665	0.075	-0.025	-0.131	-0.39
Acceptance on social enterprise and socially-responsible business	0.561	0.183	-0.494	-0.082	0.172	0.018
Acceptance on occupancy of social enterprise	-0.245	0.003	-0.188	0.512	-0.01	0.193
Acceptance on social enterprise is neither business nor non-profit organization,	0.842	-0.075	0.044	-0.052	-0.047	0.01
Acceptance on operation based on the commission from the government	0.432	0.102	-0.046	-0.544	-0.197	0.236
Acceptance on funds from charity	0.048	-0.197	0.144	0.125	0.735	-0.231
Acceptance on generation of income	-0.05	-0.767	-0.025	-0.062	-0.044	-0.136
Acceptance on conversion of business	-0.448	0.552	0.109	0.038	0.211	0.204
Acceptance on mass form of organization	0.125	0.108	0.036	0.812	0.131	0.092
Acceptance on accountable to the local community	-0.07	0.133	0.573	-0.046	0.365	0.147
Acceptance on social change	0.027	-0.059	-0.774	0.111	-0.046	-0.107
Acceptance on helping people	0.028	0.033	0.168	0.13	-0.005	0.823
Extraction Method: Principal Component Analysis						
Rotation Method: Varimax with Kaiser Normalization						
a. Rotation converged in 10 iterations						

Interpretation: The common factors above 0.5 are filtered and taken for the decision making process. The factors are acceptance on social enterprise is first of all business, acceptance on social enterprise and socially-responsible business, acceptance on occupancy of social enterprise, acceptance on conversion of business and acceptance on accountable to the local community.

Chi Square Analysis:

H₀: There is no significance relationship between gender and level of acceptance

H₁: There is a significance relationship between gender and level of acceptance

Particulars	P Value	Significance Level	Hypothesis
Acceptance on social enterprise is first of all business	9.163	0.057	Accepted
Acceptance on social enterprise and socially responsible business	5.367	0.252	Accepted
Acceptance on occupancy of social enterprise	4.698	0.320	Accepted
Acceptance on conversion of business	2.486	0.6547	Accepted

Interpretation: The above table shows about the relationship between gender and level of acceptance were there is a significance relation between gender and all the factors as the significance level is greater than 0.05 and these factors need not be taken for the decision making process.

H₀: There is no significance relationship between age and level of acceptance

H₁: There is a significance relationship between age and level of acceptance

Particulars	P Value	Significance Level	Hypothesis
Acceptance on social enterprise is first of all business	7.249	0.510	Accepted
Acceptance on social enterprise and socially responsible business	13.856	0.086	Accepted
Acceptance on occupancy of social enterprise	10.044	0.262	Accepted
Acceptance on conversion of business	4.954	0.762	Accepted

Interpretation: The above table shows about the relationship between age and level of acceptance were there is a significant relation between gender and all the factors as the significance level is greater than 0.05 and these factors need not be taken for the decision making process.

Findings:

- Maximum of the respondents are male in our study.

- Most of the respondents are from the age group of above 35.
- Between social enterprise and socially-responsible business.
- Maximum of the respondents disagree about the social enterprises occupy an intermediate position between business and non-profit organizations.
- Most of the respondents disagree about the statement most part of businesses will soon turn into social enterprises.
- Based on chi square analysis while comparing with income level acceptance on conversion of business can be taken in to consideration for the decision making process.
- While analysis importance level in comparison with demographic profile gender the factors importance on partnership with non-profit organizations , importance on support of informal social groups interested, and importance on support of celebrities can be taken for the decision making process. When comparing with income level the factors importance on partnership with profit-making organizations and importance on support of celebrities can be taken for decision making process.

Suggestions:

- The factors acceptance on social enterprise is first of all business, acceptance on social enterprise and socially-responsible business, acceptance on occupancy of social enterprise, acceptance on conversion of business, acceptance on accountable to the local community, importance on partnership with profit-making organizations, importance on partnership with non-profit organizations, importance on support of informal social groups interested, and importance on support of celebrities can be taken for decision making process of the company.
- The results and findings of this study offer many opportunities for continued research and exploration of the concept of social entrepreneurship. Nonprofit practitioners need tools to implement social entrepreneurial models into the field one of the primary reasons why social entrepreneurship and venture philanthropy have become important is related to the above-described challenge of achieving financial sustainability. Voluntary organizations can no longer afford to rely on government grants and contributions from the business sector. Non-profit organizations can only achieve sustainability by accumulating capital either from revenue-generating projects, or relationships with investors that generate value for both sides more investment in the development and transfer of successful social enterprise management models tailored to the needs of social enterprises is also needed.

Conclusion:

The main objective of the study is about analyzing the social entrepreneurs in Coimbatore city to know about the effects of social entrepreneurs in society and to identify patterns and regularities in the behavior of successful social entrepreneurs. The study was analyzed with 125 samples with convenience sample as type of sampling technique and the conclusion is that nonprofit practitioners need tools to implement social entrepreneurial models into the field one of the primary reasons why social entrepreneurship and venture philanthropy have become important is related to the above-described challenge of achieving financial sustainability. Voluntary organizations can no longer afford to rely on government grants and contributions from the business sector. And if proper community is framed then the establishment of social entrepreneurship can be driven to another extent were awareness can also be created in future period of time.

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