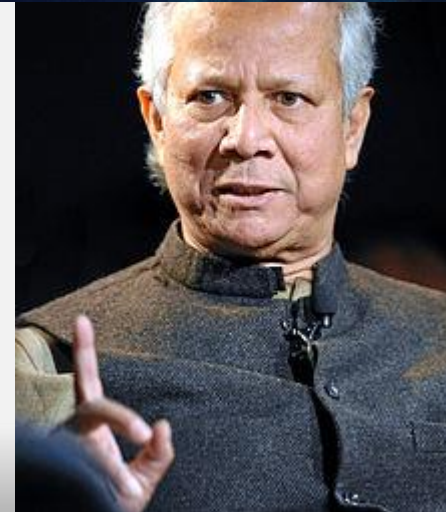


Social Entrepreneurship

Dr. Jack M. Wilson, Distinguished Professor of Higher Education, Emerging Technologies, and Innovation



Michelle Valentin // Maui Raw



Social Entrepreneurs -"No margin? No mission!"

- Social Entrepreneurs use many of the same techniques as the other forms.
- The key difference is that their primary goal is to meet social needs rather than financial profit.
- However, they do need to make the enterprise financially sustainable and thus they have to attend to revenues, expenses and profits like anyone else.
 - If there is no margin (profit or surplus), then there is no mission.
- They can organize as a non-profit and support the enterprise, at least in part, through charitable donations to the mission. Mother Teresa organized her enterprise in this way.
- They can also organize as a for-profit as did Harish Hande, Muhammad Yunas, and d-Light.

Large Corporations

- Large Corporations will often become involved in some kinds of Social Enterprise.
- They often do this through a sense of corporate responsibility toward the communities in which they operate.
- Corporate Social Responsibility (CSR) has become an important part of their operation and is often required by communities as part of their license to operate.
- The **triple bottom line** encourages companies to focus on more than the bottom line of profits. It includes
 - 1. Social,
 - 2. Environmental, and
 - 3) Financial results.
- Engaging with the community can sometimes be challenging. In many cases the company may be engaging with individuals who are leading bitter protests towards the company.
- All of this is a part of creating sustainable enterprises and sustainable communities. They are linked.

Public Sector

- There is also a need for entrepreneurship in the public sector.
- How can the government deliver better services and do so economically.
- Each year the University Of Massachusetts Lowell sponsors the [Deshpande Symposium on Innovation & Entrepreneurship in Higher Ed.](#)
 - The goal is to
 - 1. teach many US (and international) universities to be more entrepreneurial, and
 - 2. provide educational opportunities for the students to encourage them to be more entrepreneurial.

Motivations

- The primary motivation for most entrepreneurs is “to change the world” or to “make a difference.” Even entrepreneurs who are motivated financially demonstrate strong desires to do these things.
- People feel more satisfied when they are “making a difference.”
- Some research has shown that motivations can be organized in three categories:
 - Darwinians –focused on competition and business success.
 - Communitarians focused on social identity and the community, and
 - Missionaries –who have the strongest desire to change the world.
 - http://www.bsl-lausanne.ch/wp-content/uploads/FauchartGruberAMJ_Oct2011.pdf
- Organizational Motivations –social innovation as
 - Securing a license to operate
 - Community and government pressure to be socially responsible
 - Aligning values
 - Creates an esprit d ’corps and excitement around the mission.
 - Creating a learning laboratory.
 - Involvement in social challenges can yield insights into innovative ways of doing things in difficult conditions.

Mother Theresa

Mother Theresa was born as Agnes Gonxha Bojaxhiu. She was an Albanian who was born in Macedonia. Her father was an entrepreneur in construction and trading. She went to India and founded the Order of the Missionaries of Charity



Jim O'Keefe, a veteran of GE, Image systems, and the second ILINC President, visited her during GE period and called Jack Welch to tell him how she had created an incredible charitable enterprise with amazing entrepreneurial skill. She was a social entrepreneur.

- “As the ranks of her congregation swelled and donations poured in from around India and across the globe, the scope of Mother Teresa's charitable activities expanded exponentially. Over the course of the 1950s and 1960s, she established a leper colony, an orphanage, a nursing home, a family clinic and a string of mobile health clinics.”
- “By the time of her death in 1997, the Missionaries of Charity numbered over 4,000 -- in addition to thousands more lay volunteers -- with 610 foundations in 123 countries on all seven continents.” -<http://www.biography.com/people/mother-teresa-9504160>
- (Photo: © 1986 Túrelío (via Wikimedia-Commons), 1986 / Lizenz: [Creative Commons CC-BY-SA-2.0 de](https://creativecommons.org/licenses/by-sa/2.0/de/))

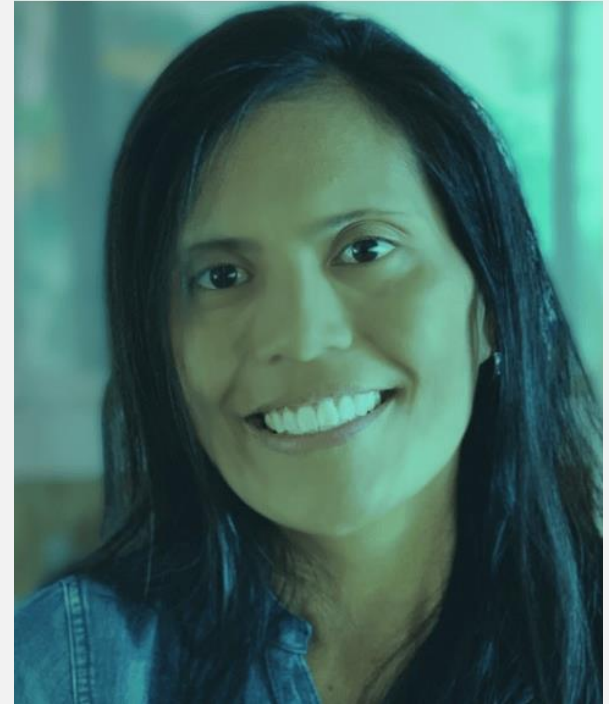
Andrew Carnegie

- Born in Scotland
- Moved to Pittsburgh, PA
- Worked for what became the Pennsylvania Railroad.
- Carnegie Steel Corporation -> US Steel
- Made his wife sign a pre-nuptial agreement in which she acknowledged that he intended to give away his fortune rather than keep it in the family.
- Carnegie Libraries
- Carnegie Institute of Technology ->Carnegie Mellon University
- Carnegie Endowment for International Peace.



Michelle Valentin –Maui Raw

- <https://www.causeartist.com/social-entrepreneurs-to-watch-for-2019/>
- Health food alchemist, collector of experiences, and mother, Michelle Valentin also encompasses the role as the creative founder of Maui Raw. Over four and a half years ago she was inspired to start Maui Raw because she saw the need to make healthy foods crave-able. Michelle continuously strives to innovate products with the mission to grow and create positive impact in the world especially through food and nutrition.
- Maui Raw is a vegan, non-GMO, raw-foods producer that making health foods delicious. Their vegan spreads do not make you choose between healthy and tasty. They use all natural and organic ingredients, coupled with probiotics, to create a versatile part of any meal. Customers use their products as dips, sauces, condiments, and even desserts. With vegan, non-GMO, non-dairy and raw products becoming mainstream, Maui Raw is positioned to become a major player in the market. Capital is being deployed to expand our volume and reach. They are investing in a larger processing facility and innovative packaging technologies that will allow their products to ship to all domestic and international markets. Best of all, they source their ingredients locally to guarantee quality and to keep Hawaii farming strong.



Harish Hande '98 '00

- UML MS '98 renewable energy engineering
- UML PhD '00 in mechanical engineering (energy)
- co-founded Solar Electric Light Co. India in 1995.
 - As SELCO's managing director, he has pioneered access to solar electricity for more than half a million people in India, where more than half the population does not have electricity, through customized home-lighting systems and innovative financing.
- Hande received the 2011 Magsaysay Award, widely considered Asia's equivalent of the Nobel Prize,
- One of 21 Young Leaders for India's 21st Century by Business Today
- Social Entrepreneur of the Year for 2007 by the Schwab Foundation for Social Entrepreneurship and the Nand and Jeep Khemkha Foundation.
- Case: SELCO and Harish Hande
 - <http://www.jackmwilson.net/Entrepreneurship/Cases/Case-SolarElectricLight-HarishHand.pdf>



The Problem

- An estimated 1.2 billion people – 17% of the global population – did not have access to electricity in 2013, 84 million fewer than in the previous year.
 - Many more suffer from supply that is of poor quality.
 - More than 95% of those living without electricity are in countries in sub-Saharan Africa and developing Asia, and they are predominantly in rural areas (around 80% of the world total).
 - While still far from complete, progress in providing electrification in urban areas has outpaced that in rural areas two to one since 2000.
 - International Energy Agency
 - <http://www.worldenergyoutlook.org/resources/energydevelopment/energyaccessdatabase/>
- Of those about 400 million are in India alone.

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SELCO

SELCO Solar Pvt. Ltd, a social enterprise established in 1995, provides sustainable energy solutions and services to under-served households and businesses. It was conceived in an effort to dispel three myths associated with sustainable technology and the rural sector as a target customer base:

- 1) Poor people cannot afford sustainable technologies;
- 2) Poor people cannot maintain sustainable technologies;
- 3) Social ventures cannot be run as commercial entities.

SELCO aims to empower its customer by providing a complete package of product, service and consumer financing through grameena banks, cooperative societies, commercial banks and micro-finance institutions.

SELCO's key features:

- Creating products based on end user needs: going beyond just being a technology supplier but customizing our products based on individual needs.
- Installation and after-sales service: dedicating regional energy service centers to ensure prompt maintenance and service.
- Standardized financing packages: creating channels for end users to afford systems based on their cash flow.

SELCO currently employs about 375 employees in in Karnataka, Gujarat, Maharashtra, Bihar and Tamil Nadu spread across 45 energy service centers. Since 1995, we have sold, serviced and financed over 2,00,000 solar systems to our customers.

http://www.selco-india.com/about_us.html

SELCO

*“Our team is uniquely qualified to operate and grow a company focused on providing **sustainable technologies** and energy services to rural markets in India and other developing countries. Our leadership has the skills demanded of their positions, significant experience working as a team together, and the blend of passion and commitment required for this business.”*

<http://www.selco-india.com/management.html>

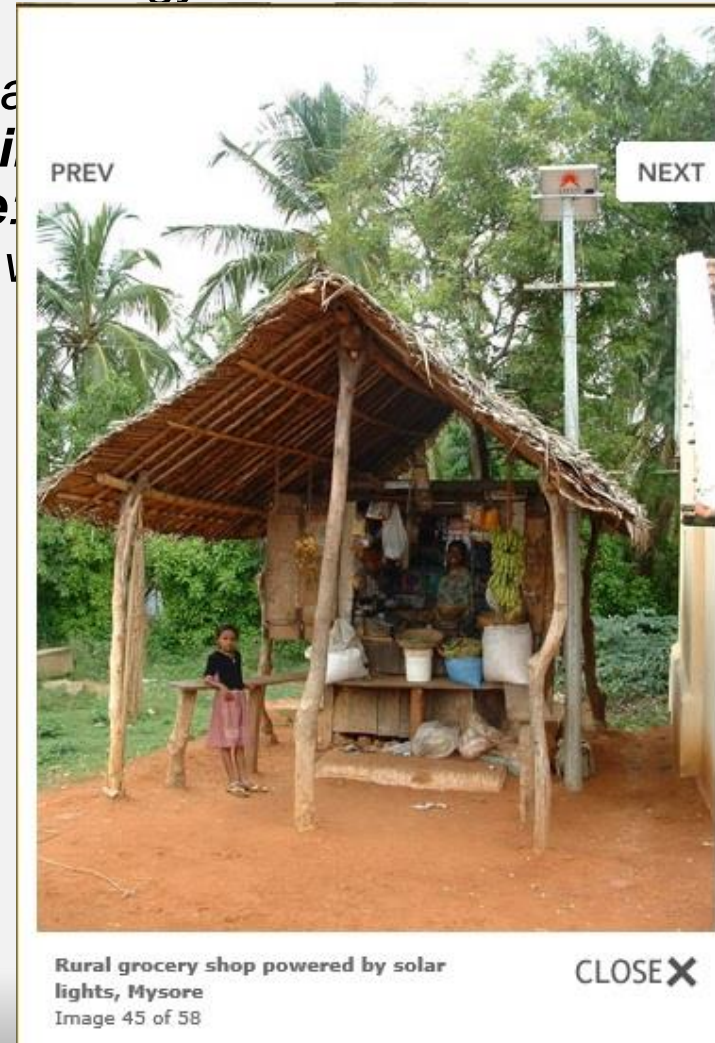
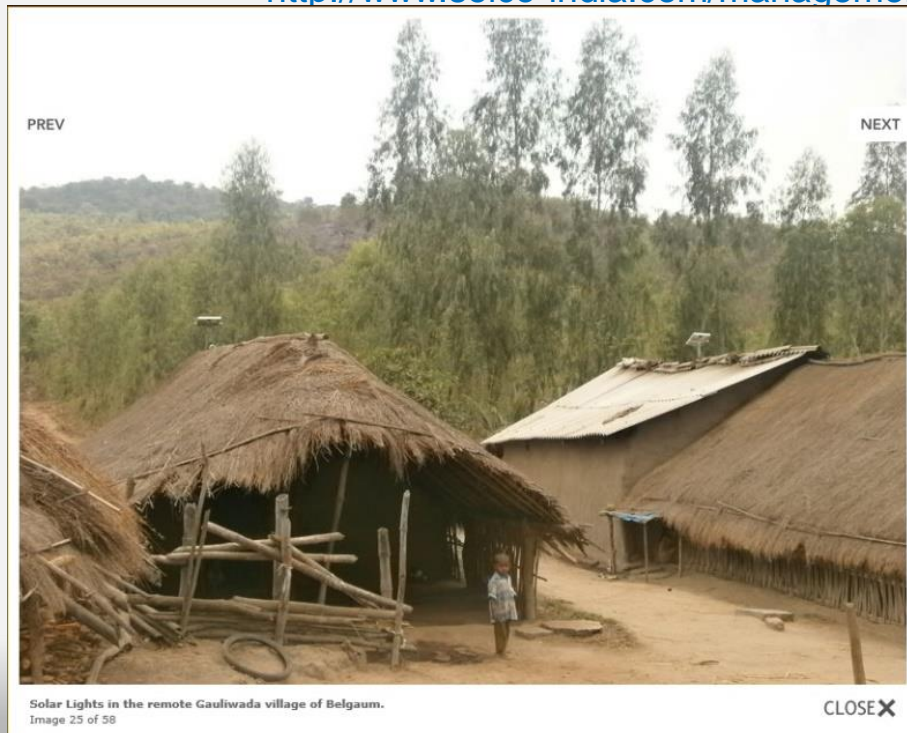


Light for Education_Inauguration at Haniya, Shimoga.
Image 19 of 58

SELCO

*“Collectively, our management has over 44 years of grassroots experience in the field of providing sustainable energy services to the under-served. The team along with other staff has proven the fact that there are linkages between **poverty alleviation, sustainable energy, social business and micro-finance** that are not easily proven to be commercially viable.”*

- <http://www.selco-india.com/management.html>



How can this be financed?

- *“Hande sees the poor as asset creators, and not as a bottom of the pyramid sales opportunity. “Don’t sell to the poor. That’s our fundamental rule. And if you’re selling to the poor, make sure that the value you’re giving to the poor is much more than the monetary value they give you back,” he says. “*
- *“So when Selco representatives found that 32 Sidi families in rural Karnataka spent more money annually on candles, kerosene and to charge their mobile phones than it would cost to set up a simple solar system, they had to fix this. No bank was willing to lend the money to these families, so Selco offered a 100% guarantee on their behalf. Six months later, the bank reduced this guarantee to 20% as the payments were regular. “The best response was from the Sidis,” says Hande. “They said, light is great but once the solar loan is done, I will take a loan for a sewing machine.” They had become bankable.”*
<http://www.venturist.com/venture/fund/PdbJengXt0z5Qo2g0N/Hande%20Hande%20Here%20comes%20Sun.html>
- In many ways Harish Hande adapted the Grameen Bank Model of the Nobel Prize winning Muhammad Yunus.
 - <http://www.jackmwilson.net/Entrepreneurship/Cases/Case-MuhammadYunas.pdf>