

## WEBINAR

### SOCIAL ENTERPRISE: CREATING CONDUCTIVE ECO-SYSTEM

APRIL 6<sup>th</sup>, 2021 | 03:30 PM – 05:00 PM (IST)



## WEBINAR ON SOCIAL ENTERPRISE: CREATING CONDUCTIVE ECO-SYSTEM



DAY: APRIL 06TH 2021 | TIME: 03:30 PM - 05:00 PM

### SPEAKERS



**Vijaya Balaji**  
CEO, Social Lens



**Anisha Ramakrishnan**  
Director, Transworld  
Group



**Yashveer Singh**  
Executive Director,  
Ashoka Young  
Changemakers



**Prabhir Correa**  
Manager- Philanthropy,  
Waterfield Advisors



**Nityanand Singh**  
Sr. Manager,  
Incubation, UnLtd  
India

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**Introduction by:** *By Jyoti Vij, Dy. Secretary General, FICCI*

**Context Setting:** *By Vidya Shah, Chair, FICCI Committee on Social Enterprises and Chairperson and CEO, EdelGive Foundation*

**Moderated by:** *Vijaya Balaji, CEO, Social Lens*

*Please find the summary of the key points and recommendations discussed below.*

### Jyoti Vij

*Dy. Secretary General, FICCI*

Social entrepreneurs (SE) around the world have been unparalleled catalysts for social change. They have demonstrated how innovative new models can address our most significant social problems while creating jobs and sustainable growth.

The India Social Enterprise ecosystem is active across all major sectors of the economy and teeming with opportunity. SEs have the potential to make India's spectacular growth story work better for its poor citizens. But being an entrepreneur is challenging, and addressing a social cause through it is undoubtedly going to make the journey more difficult. SE is now at a crossroads, and enterprises are not growing sufficiently to meet the escalating problems.

There is a risk of backsliding on ground-breaking social accomplishments achieved, losing experienced social entrepreneurs' expertise when it is needed most.

There is a need to search for a common ground to capitalise upon these unique market-driven mechanisms with technological, managerial, social knowledge and skills to affect social change.

## **Context Setting by Vidya Shah**

*Chair, FICCI Committee on Social Enterprises*

*Chairperson and CEO, EdelGive Foundation*

As governments concentrate on mitigating the highest level of health and economic crisis the country has seen over the last twelve months, Social Entrepreneurs, have mobilised themselves to develop ground-up solutions – with the goal of flattening the disproportionate impact that we have seen on economically and socially disadvantaged communities.

In the face of COVID-19, Social Entrepreneurs have emerged as essential partners to champion innovative breakthroughs to serve the most vulnerable populations, which the market and government are unable to account for.

However, these frontline Social Enterprises continue to face barriers like quality collaborations, equal representation, access to funding and infrastructure, and transparency and talent that has affected their work. With that in view, **FICCI Committee on Social Enterprises** aims to play a critical role in addressing some of these structural issues in the Social Enterprise ecosystem that have been further amplified due to the pandemic by focusing on people, processes and technology for Social Enterprises.

Today, we have regrouped to understand the opportunities, challenges, gaps and access for Social Enterprises in these unusual times and the role that the academicians, corporates and incubators can play in creating these conducive ecosystems.

## **Key points made**

### **Anisha Ramakrishnan**

*Director, Transworld Group*

- **Restructuring CSR in the company:** The first step was to pivot our CSR department in a manner that initiates stakeholder collaboration. We engaged our internal stakeholders and initiated conversations to understand which causes our employees found themselves closest to. We also reached out to our external stakeholders by initiating discussions and handing out surveys to understand how collaborations and conversations can occur.
- **Key requirement of the Social Entrepreneur:** When we look at the projects, we try to ensure that we leave them better than the state they arrived in. We try to make them a little bit more financially stable, i.e., less dependent on funding, in some form or

way. During COVID-19, we were just determined to be on our feet and discussed the same with our NGOs openly, and this transparency helped.

- **Market linkages for the enterprise:** For a Social Enterprise, word of mouth still plays a significant role. Market linkages do come by when you connect – the rural areas need a push, and connecting them to the urban market for buying and selling in terms of logistics and getting that price point would be critical.

### ***A message to aspiring Social Entrepreneurs***

“The crazier the idea, the better. Do not second guess, have the confidence and shoot.”

## **Yashveer Singh**

*Executive Director, Ashoka Young Changemakers*

- **Challenges an entrepreneur currently face:** Due to COVID-19, various ongoing plans, systems, processes, cashflows have changed. In this uncertain fast-paced, changing environment, how does a Social Entrepreneur deal with personal as well as organisational challenges like raising capital, building a team, and more importantly, how does one build an organisation that can sustain and solve the problem that one sets out to solve..
- **The most essential requirement for an entrepreneur:** A lot of these entrepreneurs who could adapt to this world quickly and are on the fast road to recovery are the ones who have a good team by their side, with the right skillsets, right entrepreneurial drive.
- **On resilience and mental health of the Social Entrepreneurs:** Since last year, the journey has become lonelier. The first step is always to talk to them and identify how we can come in and help. Secondly, if we cannot provide help directly, I feel that the network of support is crucial – so how can we connect them with the right network.
- **Entrepreneur’s expectations from the Funders:** Today, Social Entrepreneurs also want funding to build an organisational culture, which means having the right team and continuously investing in them and supporting them, and initiating a culture where each team member can lead.
- **Partnership between Funder and Entrepreneur:** Although the conversation is evolving from both sides, Funder and Social Entrepreneur's role is becoming more like a partner now, where it is not a one-time conversation in the beginning and then seeing the impact numbers and returns towards the end. It is a continuous evolution where you are reporting on your new learnings on how the sector and the whole ecosystem has been evolving and your contribution to not just what you committed but also around aspects like innovation and excellence.
- **Importance of Networks:** Even though different people are at various points on their journey, the ***Team of Teams*** concept, where each entrepreneur learns something from the other, which in turn, makes collaboration and cross learning possible is much needed. For the real collaboration to happen seamlessly there is a need for designing a ***network of networks*** in the ecosystem.
- **To establish market linkages:** Technology seems to be at its centre, with a lot of innovation around the supply chain mechanism – how you reach your end consumer, the kind of choices available, and how they are making those choices.

- **To unlock the hidden rural potential of India:** The answer lies in accelerating the speed at which we can get our rural youth to understand and believe that they can change things. Training in terms of language, skill development and some immersions can help them start believing in the fact that they can be entrepreneurs. Media can play an active role in encouraging them by highlighting existing success stories.

### ***On your message to aspiring Social Entrepreneurs***

“If you believe and have a belief, after conducting the required research and due diligence, build skills and permit yourself to go for it. There’s no single entrepreneur who has built a venture and has not heard that this is not possible or feasible.”

## **Prabhir Correa**

*Manager – Philanthropy, Waterfield Advisors*

- **Perspective of philanthropic advisory:** The philanthropists ask tough questions to social enterprises – we know that you are giving us an impact data, but are you measuring your impact efficiently? Do you have systems and processes in place? Are you working on your baseline, evaluation, CSR reports? The question remains - do we put the same set of expectations on a Social Enterprise that is expected to provide social impact on the ground.
- **Patient meter of Impact Investing:** We look at the families, understand if they possess a social investment angle, and then put them in the same bracket with the Social Enterprises. This is important because these are investors at the end of the day; they keep the pressure on and ask tough questions. But they are more likely to understand ground realities as they are philanthropists at heart. When they are putting in patient capital, they know that it might not always be patient in terms of time or the mistakes that happen on the ground, with ups and downs that sometimes occur. We are trying to change lives at the end of the day, so even if it is about making a return, it is making the return in an ethical manner and in a way that is empowering to the local community and environment. These are not easy answers – they take time, and therefore, it is imperative to find the right fit.
- **Mentorship for Social Enterprises:** It is particularly important to bring in more women mentors because, in a patriarchal society, the problems faced by women far outweigh those than what men have to face. Having strong women leaders mentor these women in this space is extremely crucial and a win-win.
- **On the kind of investment that should go into the Social Enterprises:** Once a deal is signed, the venture capitalist's role then expands from just being an investor to that of a collaborator, having an interest in the newly formed organisation. Building a team is crucial, and therefore, we help them in being an active investor, and extend more than just capital – proper network support, right connections and the right advice.
- **To achieve scalability:** Social Entrepreneurs should communicate with their investors their need and request them to connect with their networks – the **right kind of investors**. Secondly, there is a need for the Social Enterprise to build a great **second line of leadership**. At the end of the day, while you are driven by a passionate

leader/founder who has a great idea, what happens when that leader steps down for whatever reasons?

- **Measuring impact and returns:** If one wants philanthropic capital with big names to come in, one needs to answer tough questions. The focus will still be on trying to put a little bit of robustness into the impact funds. It mostly depends on what the investor is trying to accomplish – their risk appetite and expectations also differ, and we need to position the right fund to the right family.

### ***On your message to aspiring Social Entrepreneurs***

“Leverage your existing network and speak to your investors. They have a vested interest in seeing your business succeed. Leverage them for good.”

## **Nityanand Singh**

*Sr. Manager – Incubation, UnLtd India.*

- **Current situation of the Social Entrepreneurs:** We have seen teams in the ‘build’ stage roll back to the ‘test’ stage because they have pivoted so much, and now they are beginning from scratch. We have seen people who had models, which involved many public/beneficiaries interactions being scaled back. For people beyond the test stage, as they have already seen their idea germination at the ground level, this is a moment to reflect upon if this is the same pathway they will continue their journey on or whether they need to change their course to incorporate the recent changes.
- **On resilience and mental health of the Social Entrepreneurs:** The first thing that we should focus on is understanding that many people are looking for somebody they can trust, not necessarily for the business knowledge but just if they can trust with their thoughts. Peer networks can help them feel less alone – when others share their problems that are similar to you, and you understand their issues. Conscious effort should be put into helping Social Entrepreneurs focus on the ‘self’ and the leadership, which are interconnected.
- **On the kind of investment that should go into the Social Enterprises:** While there is a ‘patient’ capital wanting returns in a certain number of years, there has to be an impact element. Besides the core business side of things, building an organisation that does not just focus on products/solutions but also compliance is equally important. While entrepreneurs need to have their eyes on impact, raise funds, and look at financial returns, we need to build both sides.
- **Importance of Networks:** Mapping the Social Entrepreneurs to senior entrepreneur, those who have seen many ups and down and failures; how have they navigated through them and how these failures have led to some key learnings is key.
- **To achieve scalability:** It is essential first to understand what is it that we are looking to scale. Social Enterprises make a common mistake because they feel that they have done something with good intention, people should buy/invest. However, the world is not so generous. While there is an impact element, they also need to be mindful that they are also competing with other products in the market. Therefore, it is essential first to understand the business model and then think about funding and scaling.

- **On establishing market linkages:** Many entrepreneurs today are trying to attempt D2C, i.e., direct to consumer model. What is happening is that, people are trying to figure out, how and which product will reach the consumer faster. It is essential to **know and understand your target audience** and their requirements and then **craft the communication** accordingly.
- **To unlock the rural potential of India:** Geographically, there's an urban and rural India, but the virtual world has become more seamless. Access to information is almost equal, and exciting business models have started evolving even in the rural segment, like that in the agri and the healthcare segment.

***On your message to aspiring Social Entrepreneurs***

“Whatever you are trying to build, are there enough people who can pay you for this?”