

Social Entrepreneurs And Enterprises Gain Easy Access To The Government

With new business models focusing on social and sustainable development entering the market, investors and the government gain attraction from social entrepreneurs. The Indian government is now engaging in driving new business models focusing on the greater good of the society

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The Indian market is witnessing a new normal for new businesses especially foraying into sustainable development giving rise to social entrepreneurs and social enterprises. As the top investors dig through new business models, the government is treating sustainable development with high importance. Some of the experts along with government officials delve further into ways in which government can be leveraged for scaling impact.

"We must use the government only when it is really necessary while framing a policy. There must be an understanding between enterprises with respect to their goal and impact that can be created out of their business models. I advise all of them eager to make a social impact to draft their policies on their own before making a recommendation to the government. The ones who will declare a policy would expect them to draft before so as to make changes and guide organizations the right way. If we wait on them to draft our policies, it could take forever. It is always important that first the propositions and principles have to be made to understand the government's perspective. Hence, this is the way we have leveraged so far and it can save time and improve efficiency in terms of business development within the rightful laws of the country," said Nishith Desai, Founder, Nishith Desai Associates while he gave his opening remarks in a panel discussion at the 7th Action For India Annual Forum.

One of the challenges pointed out by the panelists revolved around changing old business ethics and working models. The government is driving easy accessibility to understand various models and the policies along with them. A constant communication drives more understanding of the industry and practices within legal bounds.

Sushil Kumar Jiwrajka, Executive Chairman, OMC Power Pvt Ltd. discussed a few solutions in reaching out to the higher authorities and stressed upon factors like communication. He said, "I agree with **Nishith Desai** and strongly urge everyone out there to not approach the government in the beginning. We have a tendency to seek subsidies for everything but now is the time where we must get away from this culture and understand that we need to work upon our goals more closely and

curate our policies. We need to draft our own framework and policies rather than hoping for the government to do it for us. Communication is very important and our products and services must reach out to all areas of the country. Lastly, taking all areas of society into account would encourage the government to respect the work we carry forward as social entrepreneurs.”

While providing a government perspective on the limitation and challenges of approving business models and policies, Rajeev Gowda, Member of Parliament, Rajya Sabha at the panel discussion said, “The government operates in electro cycles and focus more on optics & timelines. We receive many projects and proposals with a wide range of initiatives and innovations, but we don’t always have the time to work with all of them. According to me, we need to create a portal where business models can be looked at, for example, The Top 100 Social Entrepreneurs. As long as we are not squeezing the public we need to put aside a pot of money for impact investing. There are plenty of industries working towards sustainable development and for the social good but the funding is not organized because most people don’t understand those structures. Entrepreneurs must make their experiments work, probably need to take a clinical pilot and see how it can make a huge difference.”

Entrepreneurs and enterprises who have experience in working with the government can spread more awareness in running new work ethics. A community focusing on social and sustainable development can scale communication and reach out to every part of the country providing goods and services at affordable costs. This provides space for accelerators to assist them in organizing business models along with room for trial and error.

“I work closely in the field of distribution of risks and minimizing capitals. According to my understanding, there is a lack of education on how governments can be accessed as partners. As an ecosystem, we need to enable it and engage with companies that have worked with the government in the past along with understanding the efforts in generating a framework and business model. We in Bengaluru are setting up communities including companies that have worked closely with the government in different sectors to create an operational room. With that, we help entrepreneurs and startups to prepare their business modules and give them room to work on the policies as well as space to rectify errors if any,” said Nruthya Madappa, Managing Partner, The Coworks Foundry at the panel discussion.

An industry that belongs to social entrepreneurship is the not for profit industry. The panelists discussed the issues faced by these organizations and ways of accessing working capital from the government.

Rita Pani, Founder, Antarang Foundation explained how the government could help Not-for-profit organizations in India. “In our country, technology and government both need transformation and we as not-for-profit organizations need both. We have piloted models and their results gave us a green signal from the government. We at Antarang focused on education and counselling. Our models derived numbers like primary education enrolment over 100% whereas enrolments for higher education see a downfall of 21%. We then approached the government with our model and signed a 3-year MoU to run our program across municipal schools in Mumbai. We need to approach the

government when we want to go mainstream. Our journey has not been easy since we are a not for profit organization and working capital becomes a serious issue for us.”

The panel concluded as they highlighted ways to engage with the government and help scale an impact. New industries are encouraged by the government and social & sustainable development faces attraction from investors. The panel discussion took place at the 7th Action For India Annual Forum 2018 as the top 100 social entrepreneurs competed in the ‘Silicon Valley Challenge’ for an experiential learning program in the Silicon Valley (San Fransico, USA).