

## **SOCIAL ENTREPRENEURSHIP IN RURAL INDIA: A SMALL STEP APPROACH TOWARDS INSTITUTIONAL CHANGE**

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## Abstract

As change agents, social entrepreneurs tackle persistent social problems that often require innovative solutions in resource-scarce environments (Mair and Marti, 2006; Seelos and Mair, 2005). While much research to date has focused on the 'entrepreneurship' side of the equation, there have been few studies examining the processes of 'social' change that these entrepreneurs and organizations aim to set in motion (Vasi, 2009). One way to conceptualize the role of social entrepreneurs in social change processes is to view them as institutional entrepreneurs (Mair and Marti, 2009), i.e., as entrepreneurial actors who introduce and push through alternative conceptions of social, political or cultural order. This paper draws upon a broader research project based on an in-depth case study of one such entrepreneurial actor in Eastern India addressing issues of institutionalized inequality and social exclusion through community development work.

**Keywords:** Social Entrepreneurship, Institutional change, Water.

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# SOCIAL ENTREPRENEURSHIP IN RURAL INDIA: A SMALL STEP APPROACH TOWARDS INSTITUTIONAL CHANGE

## Introduction

As change agents, social entrepreneurs tackle persistent social problems that often require innovative solutions in resource-scarce environments (Mair and Marti, 2006; Seelos and Mair, 2005). While much research to date has focused on the 'entrepreneurship' side of the equation, there have been few studies examining the processes of 'social' change that these entrepreneurs and organizations aim to set in motion (Vasi, 2009). One way to conceptualize the role of social entrepreneurs in social change processes is to view them as institutional entrepreneurs (Mair and Marti, 2009), i.e., as entrepreneurial actors who introduce and push through alternative conceptions of social, political or cultural order. This paper draws upon a broader research project based on an in-depth case study of one such entrepreneurial actor in Eastern India addressing issues of institutionalized inequality and social exclusion through community development work. The focus of our analysis is on the constitutive effect of the entrepreneurial actor (organization) on its target group (community) as well as society at large. In this paper we specifically ask: What are the mechanisms and processes through which social entrepreneurs alter institutional arrangements and thereby trigger the social change that enables sustainable development? We view the production of collective meaning as an important factor in influencing the enabling conditions for institutional change.

## Case Study and Contextual Background

Gram Vikas is a development NGO that has been working with poor and disadvantaged communities in rural Orissa, since 1971. Orissa has been acknowledged as India's poorest state (De Haan, 2004; Council for Social Development, 2006) and is home to the highest proportion of the most marginalized groups in India.<sup>1</sup> Both Gram Vikas and its founder, Joe Madiath, have received many awards for social entrepreneurship: from the Schwab Foundation, Skoll Foundation and Ashoka among others. This paper conceptualizes the organization as the social,

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<sup>1</sup> Officially termed 'scheduled castes' (SCs), also known as 'Untouchables' and 'scheduled tribes' (STs), these groups make up significant proportions of Orissa's population. Based on national poverty statistics from 2000, 72 per cent of STs and 55 per cent of SCs in Orissa were living below the national poverty line, compared with 33 per cent among all other groups (De Haan, 2004).

and at the same time, institutional entrepreneur but also views the communities it works with as crucial actors contributing to the processes of social change.

While poverty levels are extremely high, women in Orissa are doubly disadvantaged. For example, almost half of the female population suffers from nutritional deficiency, at least two in seven married women have experienced domestic violence since the age of 15, and literacy levels among women in Orissa's poorest districts can be as low as 21 per cent (Government of Orissa, 2004). To address these disparities, Gram Vikas has developed an innovative approach that begins to break down longstanding traditional and cultural assumptions about the social position of women and other disadvantaged groups in Indian society. In this paper we narrow our focus to the strategies and tactics Gram Vikas uses to bring social change, as well as 'development' to the women in rural Orissa by introducing a new norm of inclusion and creating collective meaning around this norm.

After observing that high mortality rates and persistent ill health could be traced to waterborne diseases resulting from the practice of open defecation, Gram Vikas initiated the Rural Health and Environment Program (RHEP) in 1991. Its aim is to provide every household in a village, regardless of caste or tribal status, with piped drinking water and a separate toilet and bathing room; and it requires 100 per cent inclusion, that is, both men and women from every family and every caste in the village are required to participate. Gram Vikas believes that the sanitation aspect can only be addressed if everybody changes their behavior: even one family still practicing open defecation will continue to pollute the water table. In this way the organization has found an intervention method that allows it to insist on its underlying social mission of equality and inclusion for reasons that do not appear to directly challenge social norms.

## Institutional Change Processes

In our case study, Gram Vikas promotes inclusion in rural Indian village life where exclusion of women, lower castes and tribal people is the accepted norm dictated by social custom. Despite a national constitution which guarantees equality under the law to all castes, tribes and genders, cultural practices that make women and some caste groups second class citizens are still dominant in rural India. More than 30 years of experience has taught Gram Vikas that this is not an issue which can be tackled directly. Our data show that inclusion as a norm becomes institutionalized over time, in stages and with the active involvement of the villagers themselves. We also found that various organizational structures were created to support this institutionalization process and observed how, over time, the new norm becomes embodied in the practices and structures of everyday life. Whilst we do not have the space to elaborate here on the specific tactics and strategies involved, what follows is a very brief description of the four stages we observed.

*Stage one – building consensus:* Resistance to the idea of 100 per cent inclusion as a norm guiding thinking and acting at the local level is inevitable. Resistance to the participation of lower castes or 'Untouchables' is especially strong from higher castes in the village. While this presents an initial obstacle, it is usually more easily overcome than resistance to the idea of women's participation. In a strongly patriarchal society, which continues to practice restrictive

customs such as purdah,<sup>2</sup> dowry payments<sup>3</sup> and the early marriage of young girls, the idea that women should participate in decision-making does not even cross people's minds, least of all the women themselves. However, Gram Vikas insists that women should make up 50 per cent of the 'General Body' (represented by one male and one female member of every household), which is created to oversee the implementation of the RHEP. Many meetings are held to discuss this non-negotiable issue and, while the 'consensus' on women's participation is reached only by the men, it is a necessary step to 'unlocking' the social position of women.

*Stage two – maintaining commitment:* In the second stage the village must work towards satisfying the conditions they have agreed to with Gram Vikas in order to embark on the program. This includes collecting a village corpus fund of Rs 1,000 per household. The norm of inclusion is strategically included in the processes that Gram Vikas sets up. The village must actively endorse the ideal of inclusion by working together to raise sufficient funds. Some families will not be able to afford this amount and in effect, the richer families end up subsidizing the poorer ones. By the end of this period the Village Executive Committee (five men and five women elected by the General Body) is registered as a society under Indian law. This enables it to deal with external agencies and to access government development funding in the future. The corpus fund is banked in a term deposit with the designated purpose of providing future funding for the extension of toilets, bathing rooms and piped water supply to new households in the village. These social-organizational, economic and legal structures embody the norm of inclusion in concrete entities, which in turn facilitates the collective adoption of meaning and accelerates the institutionalization process of the new norm.

*Stage three – establishing infrastructure:* This phase sees the actual construction of the toilets, bathing rooms and water tanks but it is not merely physical infrastructure that is being developed. By now meetings of the General Body, the Executive Committee, Women's 'Self Help Groups' (SHGs)<sup>4</sup> and various sub-committees of the RHEP, have become routine. These social-organizational structures, committed to establishing equality of access to water and sanitation in the village, are important sources of mediation and moderation during a precarious stage in the process. The villagers are required to provide some of the materials and all of the unskilled labor in building their own toilets and the village water tank, well and pipeline. A long term commitment of this kind will often provoke conflicts and arguments among political factions in the village. Interestingly, it is in this stage that the women begin to collectively exercise political power: when work is derailed by men's quarrels, there are many instances of women going on 'kitchen strike' and refusing to cook until the work is resumed. Completion of the facilities is a groundbreaking moment for the village, which now has its own 24 hour piped water supply – something that does not even exist in large rural towns. Both the economic and the social commitment to the norm of inclusion are realized in a very tangible and powerful way.

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<sup>2</sup> Purdah refers to the custom of seclusion of women within the home and restriction of contact with men who are not kin. It is widely practiced in rural India.

<sup>3</sup> Even though the practice has been illegal in India since 1961, payment of a dowry to a girl's in-laws upon marriage is still very much the norm and contributes in large part to the structural inequality of women in society. Girl children cost the family a great deal upon marriage while boys bring in wealth. The most common form of gender discrimination in poor families is malnutrition through neglect. Dowry violence and dowry-related deaths of women are also a problem when dowries are not perceived to be sufficient, and in-laws are often the perpetrators.

<sup>4</sup> Self Help Groups are extensively promoted and encouraged by the Indian Government as a way of organizing women into savings solidarity groups that can access formal credit through a national bank linkage scheme. NGOs throughout India are instrumental in forming and supporting SHGs.

*Stage four – ongoing development:* By this stage Gram Vikas has generally been working with a village for around 3-4 years. During the implementation of RHEP many other activities will have been initiated besides those directed towards water and sanitation: the women will have formed SHGs and begun to access bank credit; Gram Vikas has probably helped the village to access further loans for local income generation and development projects; and many education sessions will have been conducted. The key for Gram Vikas at this point is to maintain the momentum for social development that has been created in the village and to widely diffuse the norm of inclusion by transposing it from the domain of water and sanitation to other areas of village life.

## How Inclusion is Encoded in Practice and Structure

We see the creation of the General Body and the Executive Committee as vital structures in a progressive institutionalization of the new norm of inclusion. These community organizations open up spaces in which women and marginalized individuals can legitimately participate in the official concerns of the village. Women, in particular, represent latent resources that have been locked in social structure and unable to play a role in the community at the level of decision-making or indeed any contribution to village affairs. Throughout the progression of RHEP, women gain increasing levels of autonomy and agency, especially in the political and economic spheres.

As Gram Vikas comments in a report, the visibility of women in community-level decision-making and in the public arena increases through a gradual process (Jayapadma and Johnson, 2003). First they step out of their homes and participate in group meetings; then they form SHGs and travel outside the village to access bank loans or to negotiate with officials; as a result of the confidence gained, they may begin to take responsibility for other projects in the village until eventually they may even be elected to local government posts. For these women, the practice they have had in their daily lives of both participating and being included enables them to take up government positions and fulfill them in their own right, rather than the far more common practice of just occupying positions that have been reserved for women candidates but actually fronting for men who hold the real power.

Institutional change happens slowly. However, even the occurrence of men and women meeting together in the same space to discuss the same topics is a significant change in rural Orissa. Such events reflect a 'subtle transformation' but they are powerful indicators of institutional change. The alternative structures based on inclusion, such as the general body and executive committee, provide alternative templates that point to unimagined solutions for some of the villages' biggest problems (e.g., health, access to safe water). In turn, these structural models provide the spaces and the means to unlock and redeploy resources such as the social and political capital of the women and other marginalized actors.

## Conclusion

We study how institutional change is possible in an 'extreme' context where actors are affected by lack of autonomy and where social exclusion is the dominant norm guiding thinking and acting. Unfortunately such extreme contexts are still the reality in too many places. The focus of our investigation lies in how an entrepreneurial actor introduces a new norm – inclusion –

and, together with the target group – the rural community – creates collective meaning around that norm. The dissemination and institutionalization of the new norm across different domains and its penetration of daily practices, creates a shared collective understanding around the new norm that not only produces a sense of ‘taking it for granted’ but also significantly alters the conditions for acting and thinking. Our research indicates that this process involves several stages and requires time.

Insights from our research for making sense of, and scholarship on, social entrepreneurship, especially in developing countries, point to a localized approach, employing ‘small steps’ and involving the target group. In this paper, we conceptualize ‘development’ as a process of institutional change and we view the creation of alternative meaning structures as an enabler of this process, but more importantly as a necessary condition for development that is actually sustainable.

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