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CONCEPTUAL ANALYSIS ON COMMUNITY-BASED ENTREPRENEURIAL ACTIVITIES

Dr.C.Paramasivan

Assistant Professor & Research Advisor

J.Premadas

Ph.D. Full Time Research Scholar

Department of Commerce, Periyar E.V.R.College (Autonomous), Tiruchirappalli

Abstract

Entrepreneurial activities are the backbone to the industrial and socio-economic development of the country which concentrates to promote employment, productivity and flow of capital from one hand to another. Community-based entrepreneurial activities are the indigenous business model in the country which resulted that each community or caste has a unique entrepreneurial talent which shows their convention and commitment in a particular employment activity. With this aspects, community based entrepreneurial activities are the best model to explore their conventional entrepreneurial competence in to a sustainable livelihood.

Key Words: *Community-based entrepreneurial activities, Business model, Entrepreneurial competence, Sustainable livelihood.*

Introduction

Entrepreneurship is the only option which helps to promote socio-economic conditions of the marginalized people who are depressed and suppressed by the dominant group of people in the society by the name of caste and community. Mere education and political participation will not provide a platform to empower there people. **Jonathan (2010)** observed, community-based entrepreneurship has given way to mobilization and empowerment of the poor, who can now manage their own well-being and be benefited from economic activities. The expansion of entrepreneurial activities is an important tactic for the overall strategy of economic development. Therefore, there is a need of

special kind of entrepreneurial activities which is suitable, affordable and accessible to their background financial strength and availability of raw materials. With this aspects, community based entrepreneurial activities are the best model to explore their conventional entrepreneurial competence in to a sustainable livelihood.

Entrepreneurial activities are the backbone to the industrial and socio-economic development of the country which concentrates to promote employment, productivity and flow of capital from one hand to another. To encourage the entrepreneurship activates crosswise the country government has been taken various efforts in the form of schemes and programme over a period of time. Growth of

economy significant depends on the entrepreneurial activities engaged by the human being results in a big change in the socio economic conditions. Community based enterprises are defined are entrepreneurial initiatives which enhance the quality of life and economic development of a particular region. Community-based entrepreneurial activities could be a helpful respond to the structural and functional division between indigenous, informal, and formal institutions.” A small number of policy initiatives need to be engaged for nurturing an optimistic outlook towards entrepreneurship among members of frail communities and encouraging the catalytic role towards advance development.

Concept of Community - Based Entrepreneurial Activities

Community-based enterprises use business to improve the life of a community in general. They are different from private enterprises; their business activity is undertaken as a means of achieving the benefit for the community, not for private gain. The key characteristic of community-based enterprises is that assets belong or dedicated to the community. It ensures that the enterprise is accountable to the community and that the profits or a surplus created are to be reinvested or distributed for the benefit of the community. However, for the sustainability of the enterprise, it needs to be profitable while serving the community.

Review of Literature

Community-based entrepreneurial activities are the indigenous business model in the country which resulted that each community or caste has a unique entrepreneurial talent which shows their convention and commitment in a particular employment activity. The following reviews help to understand the conceptual background and impact of Community-based entrepreneurial activities. A community-based entrepreneurship should reflect on the multiplicity of local needs; however, this factor is missing in this case which needs to be explored further. The empowerment promoted by community enterprises suggests a shift towards the strengthening of existing capacities at an individual level and groups in a community. The major limitation of this phenomenon is the lack of community orientation in a modern

society, capacity, and generalization of a model elsewhere.

Peredo and Chrisman (2006) considering the community as a main actor rather than a contextual element in the start-up and development of new enterprise mean that the community is endogenous to the enterprise and the entrepreneurial process. In addition to assigning the community with an active role the authors assume that it acts corporately and collaboratively, thus arguing that the community is both the entrepreneur and the enterprise. It means that the enterprise exists because of the initiative and participation of community members. This suggests a need for further examination of the concept of community.

Sazzad parwez (2017), community-based entrepreneurship is considered to be an important instrument for the realization of potential among marginal and deprived communities isolated from the mainstream economy and is important in bringing social upliftment. Cultural values, shared resources, linkages, and mutual trust work for the community, nurtured through close personal relations for the functioning of economic activities.

Vanessa ratten & isabell m. welp (2011) community-based social and societal entrepreneurship have increased in importance in the past decade as globally more people and organizations are interested in issues related to how to encourage a sustainable world for future generations. The aim of this special issue is to discuss the importance of the community-based, social and societal entrepreneurship by focusing on the most cutting edge research in the field.

Suresh, and saravanan (2013), the community based entrepreneurial venture is facing problems in every step from societal barriers to the market. This form of entrepreneurship takes place among the marginalized group because of socio-economic constraints. Studies have shown that they can lift themselves from the morass of poverty stagnation through entrepreneurial activities based on collective action.

Sukmamurni Abdul Manaf et al. (2015) observed that religious mission is the core of business activity or embedded in the business operations of a religious based enterprise. This mission will guide the creation

of a social impact that will most probably be able to attract followers, customers and also investors. Religious-based entrepreneurship offers a business opportunity for economic improvement while motivating and guiding the society to improve their religious beliefs and practices which may perhaps lead to the generation of a better society.

Matthias Fink (2013) investigated that community-based aspect of entrepreneurship in rural municipalities of central Europe one of the clearest findings is that community activities and business activities function within separate spheres of life. Furthermore, evidence suggests that municipalities struggle to provide support to local SMEs as finding a balance between liberal market approaches and public intervention is challenging.

Paula Linna (2010) suggested that community entrepreneurship/community-level entrepreneurial models might be appropriate to changing community livelihoods at least in two-fold situations: For investment requiring high capital especially relating to providing access to essentials such as electricity and water delivery, by which it also need collaborative efforts of maintenance.

Handy et al. (2011) suggest that multiple goals are not a key characteristic of community-based enterprises. In their empirical example from India they identify the presence of economic goals only. However, the enterprise that is the focus of the study tackles poverty, which is a social as well as an economic problem and overcoming it can be a social as well as economic goal. The next section discusses poverty alleviation as an inherent characteristic of community-based enterprises.

Vanessa Rattenand Isabell M. Welpé (2011) focused that Community-based, social and societal entrepreneurship have increased in importance in the past decade as globally more people and organizations are interested in issues related to how to encourage a sustainable world for future generations. Policy makers will also gain from the exploration of new ways of thinking about community-based and social entrepreneurship that are addressed in this special issue.

Sodhia and Tang (2011) argue that rural community enterprises aim to overcome income poverty of individual members within the community by giving them access to an

otherwise unavailable economic opportunity. This research suggests opportunity creation is a useful characteristic of community enterprises that is applicable beyond the severe income poverty context. In this case, the creation of the community-based enterprise facilitates the access to the particular economic opportunity provided by the cooperative ownership of a large amount of real estate property.

Ramesh Sardar (2015) delivered that dalits have been at the bottom of the income and social ladders, despised and exploited. Most of the Dalit entrepreneurs face problems varying from difficulties in getting enough supplies on credit, lack of social networks, and absence of kin groups in the business and control of traditionally dominate business caste groups.

Trends in Community - Based Entrepreneurial Activities

A community is the small or large social unit who has something in common, such as norms, religion, values, or identity. Community-based enterprises relate to a range of areas including social entrepreneurship, economic development, empowerment zones, grass roots enterprises, and collective entrepreneurship. It is on the alternative social enterprise model geared towards the pursuit of a community's economic and social goals. Community based entrepreneurship development programme have the potential to provide local entrepreneurs the required skills and network to grow their businesses. Focusing on community-based entrepreneurship is a change from the traditional economic development approach of wooing manufacturers and industries into a community. In India, entrepreneurial activities are mostly belongs to community based which are depends on their traditional competence in a particular activities. As per the Veda, caste or community were classified on the basis of their traditional occupation, therefore they are the master in a particular entrepreneurial activities. When the community based entrepreneurial activities are going to be strengthen and modernized with latest technology, it would be a competitable entrepreneurial activities.

Conclusion

In India, community based entrepreneurial activities are the age old concept which associated with our tradition and convention based on the caste system.

Community-based entrepreneurial activities could be an successful response to the “structural and functional disconnection between indigenous, informal, and formal institutions.” Few policy initiatives need to be taken for fostering a positive attitude towards entrepreneurship among members of weak communities and encouraging the catalytic role towards further development. Community-based enterprise offers a promising approach towards poverty reduction in deprived communities to the limited extent. However, economic and non-economic goals can enhance the realization of social and material resources of the communities as suggest by the case. It also touches upon the role of cultural values, institutional arrangements, and structures in the formation of the enterprise. Promotion of Community-based entrepreneurial activities through proper training and guidance, it would be a successful business model in the world like Tabba Wala in Mumbai.

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