

# Understanding Social Enterprises

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## FOREWORD

Throughout the world, the distinctive organizational forms adopted by social enterprises depend on the existing legal frameworks, on the political economy of welfare provision and on the cultural and historical traditions of non-profit development in each country. Consequently, the social enterprise sector globally encompasses both new typologies of organizations and traditional third sector organizations, re-imagined through the lens of sustainable income-generation.

In this thought leadership article (TLA), we consider the landscape of the existing research on social enterprises, early forms of social enterprises in Bangladesh, evolution of the sector in the 1980s and 1990s, and intersections between businesses and social entrepreneurship. We identify key sectoral trends, assess the policy environment and envision a roadmap for future development of the social enterprise space. ■

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## LANDSCAPE OF THE RESEARCH

In the field of social enterprise research, historically, it is the entrepreneurial actor rather than the social enterprise organization itself, which has taken center stage. In the global context, some of the pioneering social entrepreneurship research has focused on John Durand, who began the first “social firm” with disabled employees in 1964; Mimi Silbert who established the “Delancy Street” social enterprises in the 1970s;<sup>1</sup> and Grameen Bank, which popularized microfinance for poor women in 1976. In this research literature, the social entrepreneur is venerated as a “change agent” in society, bringing market-based, Schumpeter-type innovations<sup>2</sup> to solve previously resilient social problems.<sup>3</sup>

More recently, the actions of philanthropist business founders as social entrepreneurs, e.g. Bill Gates, have captured public imagination and gained considerable media attention. Research on social enterprises in universities globally have also accelerated and gained traction with think tanks, policy institutes, development sector organizations and has featured in countless university dissertations. The term itself shows up frequently in the media, is referenced by public officials, and informs the strategy of several prominent social sector organizations, including Ashoka and the Schwab and Skoll Foundations<sup>4</sup>

Leading global business schools have also championed the concept of social entrepreneurship and actively integrated curricula related to social enterprises,<sup>5</sup>

particularly in the wake of the global financial crisis that had many pundits revisit capitalism’s various adaptations. Prominent examples of initiatives undertaken by business schools in this field include the “Social Enterprise Initiative” at the Harvard Business School and the “Center for Advancement of Social Entrepreneurship” at Duke University’s Fuqua School of Business. As business school curriculum in leading western business schools tends to be informed predominantly by economic scholarship, it is unsurprising that the focus of the field has been on the entrepreneurial individual.

## EVOLUTION OF THE SECTOR

Interestingly, the earliest form of social enterprises in Bangladesh, predate counterparts in other countries when different NGOs promoted income-generating small and medium businesses as a means of creating livelihood for war-ravaged communities in post-liberation war Bangladesh. Even the Bengali poet and Nobel Laureate Rabindranath Tagore is credited with developing social enterprises when he started a soft credit program for farmers. It began as a form of cooperative in 1905 and was institutionalized as Patisar Krishi Bank with funds from the Nobel Prize he received in 1913. It is said to have been discontinued in 1925 when a new law prohibited realization of loans from subjects by Zamindars.<sup>6</sup>

Later on, in post-1945 Bangladesh, Christian charities started various initiatives including handicraft training, production and business

with marginalized and disadvantaged communities. Soon, NGOs and individual entrepreneurs began to venture into this field and sell similar products. The largest NGOs and social enterprises were established in 1970s, while the 1980s saw the emergence of different models of social enterprises, which include the major model of micro-credit. Micro-credit giants such as BRAC, Proshika, ASA and numerous local NGOs jumped on to the bandwagon of the new business model, not to mention the hugely publicized Grameen Bank and its affiliated organizations.<sup>7</sup>

In the 1980s and 1990s, the larger NGOs began initiatives to vigorously promote income-generating activities and from these emerged the BRAC brand of Social Enterprises, which began with handicraft and cottage textile products under the name of Aarong. Subsequently, BRAC began large-scale mainstream business ventures such as tea estate, dairy, poultry, a bank, a university, and so on. The objective was to invest the profits of those commercial businesses for funding social development programmes of BRAC. As of 1999, BRAC generated 31% of its income from its commercial ventures.<sup>8</sup> The proportion is likely to be significantly higher fifteen years down, with Brac Bank having experienced exponential growth in its first several years. At any rate, BRAC's model is often referred to as a "hybrid model" of social enterprise.<sup>9</sup> Rume Ali (2013) explained BRAC's rationale for expanding into domains such as banking or private university education. He further argued that since the overall objective was to sustain social impact

through BRAC's development interventions, BRAC Enterprises still adhered to the vision of a social enterprise and not commercial business.<sup>10</sup>

Meanwhile, another model was promoted by the Grameen Bank's former Managing Director Dr. Yunus, who popularized the term "social business." As it transpired, social business models meant independent enterprises, mostly in the form of joint-ventures with Multinational Corporations, with the expressed purpose of catering to the poor. Examples include Grameen-Danone yogurt, Grameen UNIQLO clothing, and the hugely successful story of Grameenphone, which put the Grameen brand on the map. Grameen Danone Foods Ltd, (2010) in a communication material, described its business, its objectives, strategies, future plans and impact on the poor. It also presented findings as a result of their initiative, with regard to positive impact on child nutrition and women's employment.<sup>11</sup>

Grameen's model bases itself on the premise that big business and owners thereof will invest (in addition to their mainstream markets) to businesses that have an objective to overcome poverty or problems associated with poverty; in ventures such as those with curtailed access to education, health, technology and the environment. These investments will not have profit maximization as their motive and the investor will get back only the initial capital outlay and receive no dividends (all earnings will be retained for expansion of business). However, according to this model posited by Grameen, profit-making can occur if the

business benefits the poor and particularly, if it is owned by the poor.

The key feature in Grameen's model is that the big businesses or their owners will invest, besides their usual business, in initiatives which will have an objective "to overcome poverty, or one or more problems (such as education, health, technology access, and environment) which threaten people and society; not profit maximization" and the investor will get back the invested amount only, no dividend will be paid to them; dividends will be used for expansion of the business. It is however unclear if the entrepreneurs or managers will benefit from the dividend or if so, to what extent. He also supports profit making from such business,<sup>12</sup> if it benefits the poor and owned by the poor.<sup>13</sup>

More recently, certain prominent business houses have developed enterprises with specific social and environmental objectives such as Kazi and Kazi and Waste Concern. In the case of Waste Concern, there is also significant involvement of international development agencies and NGOs. A paper by Md. Shafiqul Islam (2012) sheds light on the various economic, social and environmental impact of Kazi & Kazi Tea Estate and concludes that significant benefits along the said dimensions have been engendered by the Tea Estate in the area, especially for poor women. He also offers insights into ways such benefits could be extended to social security initiatives, e.g., pension and medical insurance for workers.<sup>14</sup>

There is also the Jita model of NGO-MNC collaboration to expand the marketing and sales operations of MNCs with an aim to benefit the poor with employment and beneficial products. An important case study was that of the BATA and CARE collaboration for the "Rural Sales Project" which began to sell Bata Shoes in villages using poor women as salespersons, which eventually transformed into an independent social business. A paper by McKague and Tinsley (2012) describes this collaborative initiative between CARE and BATA, and the establishment of the rural sales network. It goes on to explain how it created employment for poor women in rural Bangladesh and made available beneficial goods to villagers.<sup>15</sup>

It also extended the market for MNCs such as BATA well beyond their existing distribution system and increased sales. The paper further highlights the lessons learned from this initiative and provides useful strategies for building such inclusive business models. Lastly, in the previous 10 years, there is also a trend of "self-identifying social enterprises" in Bangladesh. In addition to traditional sectors such as education, skill-development and agriculture, there is emerging interest in the technology for development space, led by social enterprises such as mPower, which has pioneered interventions in the e-health and m-health space.<sup>16</sup>

There are also social enterprises gaining increasing prominence in leadership training and artisanal production such as BYLC and Hathy Bunano. The Jaago Foundation is

also a recent initiative that educates young children in slums across Dhaka, and relies on a team of volunteers for its operations.

## KEY SECTORAL TRENDS

Clearly, there is significant complexity to the social enterprise landscape in Bangladesh, which cannot be readily addressed by the definitions or notions of the existing literature but requires a close adaptation to local realities. It is worth looking at statistics that breakdown the social enterprise ecosystem by the type of organizations, organogram, products and services, beneficiaries, and markets represented.<sup>17</sup>

### *Organizational Structure*

- Most Social Enterprises in Bangladesh (82%) are registered as non-profit organizations. They have to procure a trade license from the authority for doing business.
- About 7% of social enterprises are registered as partnerships or single proprietorships.
- Some NGO-run social enterprises have dual legal forms, one registered under a for-profit trade license and another under a non-profit social welfare registration.
- None of the social enterprises are registered with the stock market.<sup>18</sup>
- Most are primary organizations; more than half (60%) of them are single organizations, while most of the others (32%) are mainly single

organizations with multiple branches or chapters.

- About 5% of social enterprises are multiple organizations or networks.

### *Mission and Vision*

- Most of the social enterprises do not have clearly written mission or vision statements.
- Among those that have a mission and vision statement written, few proclaim their aim to bring about an improvement in the economic condition of women. This is interesting because a large percentage of social enterprises in Bangladesh have the observable impact of improving lives of women and poor people.
- Several work with women although with different segments of women. While some work only with poor or extreme poor, some work with women across socio-economic strata and some work with both men and women.
- The focus of social enterprises varies considerably according to their geographical and demographic distributions. Several are rural-focuses, some urban focused, and few cover both urban and rural areas.

### *Organizational Maturity*

- About 74% of the CEOs of social enterprises think that their organizations are still evolving.

- Only 10% of the CEOs consider their organizations to be developed and stable.
- About 9% think their organizations are developed but still undergoing continuous innovation.
- Only 3% (early-stage enterprises) think they have conceptual clarity with regard to their organization's goals but are undergoing a process of implementation and are yet to mature.

### *Products and Services*

- Almost 50% of the social enterprises produce manufactured non-food goods, e.g. bags, paper weight, toys, cushion covers, Christmas items, bed covers, bamboo products, block and batik prints, candles, terracotta ornaments, greeting cards, purses, jute products and so on.
- About 7% produces manufactured food products.
- About 15% produce agricultural food products, 2% agriculture non-food products.
- Several social enterprises sell products of multinational corporations to poor rural women using poor women as sales persons.
- Primarily, social enterprises engaging in providing services are involved with community-based services (48%) and financial services (42%).
- Other services provided by social enterprises include product

development and marketing and technology-based services (10%).

- A large number of NGO-related social enterprises provided training, skill development and capacity building as their main service.
- Around half the social enterprises have products or services dedicated for women.

### *Buyers and Markets*

- The market for social enterprises in Bangladesh varies significantly, from local community to national and international markets.
- The majority sells products in the local (32%) or national markets (28%).
- Certain NGO-based social enterprises, e.g., Prokritee, sell most of their products overseas (13%).
- Aarong has a huge national market and has many outlets throughout the country.
- Typically, social enterprises that export their products tend to be the largest and most stable.
- Several handicraft-based social enterprises sell their products to overseas markets in the US, UK, Japan, Canada, Italy, Germany, and Australia. Some sell to EU countries as well.
- In terms of variation in international market coverage, some social enterprises sell products to a few countries, while some sell to more than 30 countries internationally.

- Overall, the market for such products, whether it is local, national or international depends on the scale of the social enterprise, external linkages, type of product being manufactured and possession of an export license.

### *Initial Capital Outlay*

- In most cases, CEOs of social enterprises do not maintain accounts of their initial capital outlay.
- However, 10% started with a capital up to BDT 500,000 (US\$ 6250), 31% above US\$ 6250; only 5% with capital of around BDT 1,000,000 (US\$ 12,500).
- Around 3% started with a capital of more than US\$ 12,500.<sup>19</sup>
- The initial capital, in most cases (57%), was a personal investment of the owner.
- In 28% of the cases, social enterprises were started with grants from development agencies and social investors.
- In only 8% of the cases, they were started with public sector grants
- Loans (5%), institutional funds (3%), equity from investors (2%) and other sources also contributed to starting up of social enterprises.
- In 57% of the cases, they were started with investment capital from only the owner. In only 3% of the social enterprises, the owner's contribution was equal to or less than 50%.

### *Access to Finance & Sustainability*

- Social enterprises that provide community services are mostly funded by development sector projects and donors.
- Those that provide financial services, e.g., microcredit, are sometimes by development projects, donors, the organizations themselves or by the clients (increasingly common).
- Those that provide capacity-building services, about 40% are funded by donors and development sector projects, 23% by the enterprises themselves and 4% by entities such as corporations through their CSR programs.
- Interestingly, most social enterprises sustain their operations from profits, sales and revenues (68%).
- Secondly, social enterprises are also funded by private grants (43%).
- For sustaining these enterprises, investment of the owner of founders play a less significant role than in starting them. In 10% of social enterprises, contribution of capital from owners/founders is used for sustaining operations.
- Interestingly, only 3 social enterprises sourced 100% of their capital from profit or revenue and 23 generated less than 50% of their capital from profit or revenue.
- For most social enterprises, private grants from institutions or individuals constituted the major source of capital.

- It is evident that the larger social enterprises are increasingly relying on profits but smaller organizations that are not maintaining significant profits are subsidized by various donations, project funding, etc.<sup>20</sup>

## POLICY ENVIRONMENT

At present, there is still considerable semantic confusion regarding the distinctions between a social enterprise and a small-and-medium enterprise (the latter having received widespread policy attention and support). There are also no clear definitions or a filtering criterion with which to decide if an enterprise is a social enterprise, or “a social business” or simply an SME. However, certain recent initiatives by government and related sectors are likely to play a role in generating interest and promoting the social enterprise sector.

The Bangladesh Bank has provided considerable attention to entrepreneurship, start-ups and SMEs, recognizing their significant contribution to the growth and development of a nation. The Central Bank manages the Equity and Entrepreneurship Fund (EEF) which aims to increase investments in the software, food processing and agro-based industries. The Bangladesh Bank also co-organizes the Entrepreneurship and Innovation Expo in partnership with the Dhaka Chamber of Commerce and Industry, which is an entrepreneurship development project that aims to develop 2000 new entrepreneurs. To this end, the Central Bank recently announced a refinance scheme to enable entrepreneurs to avail of loans from

the refinance fund at a lower interest rate than market rates. The refinance scheme worth around BDT 100 Crore is intended to enable banks and non-banking financial institutions to borrow from the central bank at 5% interest and disburse loans to entrepreneurs at 10 to 11%.

In mid-2013, the Government of Bangladesh has launched the Access to Information (A2i) program in collaboration with USAID and UNDP, to build “a digital nation,” and facilitate a more open innovation-based knowledge economy, while improving access to information through digital channels for all citizens. It is hoped that the delivery of public goods and services will constitute one of the beneficiary sectors of innovation. To encourage this the government has established an innovation center and an innovation fund for pilot projects. This fund is available to all aspiring entrepreneurs seeking to render public service delivery more efficient with new concepts and operational models.

The SME Foundation collaborates with the Ministry of Education, Women Affairs and ICT in order to promote SMEs and Entrepreneurship primarily through SME cluster development approach. It has set up its own fund, through which it is implementing a credit wholesaling program with banks and non-banking financial institutions in order to provide collateral facilities for SMEs. Moreover, the Bangladesh Small, Medium and Cottage Industries Corporation (BSMCIC) promotes the development of small industries by providing technical assistance, credit

services, marketing information and infrastructural facilities.

Meanwhile, a leading policy think tank, the Bangladesh Enterprise Institute (BEI) organizes regular consultations, dialogues, seminars and workshops, and also conducts research and surveys to help formulate policy measures to support the social enterprise sector. The BEI also manages a center for Corporate Social Responsibility, also known as the CSR center, in order to develop guidelines and policies to promote CSR in Bangladesh. While CSR is not widely practiced in the private sector Bangladesh, certain multinationals and large local companies are increasingly connecting with development sector partners to design programs that further their branding and sustain communities in which they operate or sell their products and services.

Certain sections of the corporate and private sector routinely donate funds to charitable projects such as building schools, hospitals and so on. Increasingly, the value of generating market-driven and sustainable outputs with funds previously allocated for charitable initiatives is being realized. Well-recognized corporate and private sector entities undertaking CSR-based initiatives include Walmart, Chevron, Standard Chartered, Dutch-Bangla Bank, the AK Khan Group and Rahimafrooz.

## **A VIEW TO THE FUTURE**

While social enterprises as a sector or a system have also received criticism; sometimes for their operational focus on

making profits, and in other cases, for being ineffective in being able to deliver on their social potential; globally yet, the movement for social enterprise development remains strong. The rationale for development of social enterprise in Africa holds to a lesser or greater degree for the UK, as it does for Bangladesh.

Most social enterprises in Bangladesh focus on providing welfare services to specific groups of people within a geographically-defined community. The geographical focus ensures a participatory approach with which the operations of such social enterprises are conducted. For such enterprises, community engagement is at the heart of their activities, be it with regard to engaging stakeholders in the design and delivery of services, contribution of non-monetary resources, identification of gaps in service provision and/or pioneering new services.

Cumulatively, a unique benefit rendered, among other tangible benefits, is that of service delivery enhancement. Moreover, activities of such social enterprises engender social inclusion. Certain social enterprises are able to take it further; especially those that focus on inclusion more directly, e.g., enterprises serving, catering to, or employing marginalized people such as women, children, ethnic minorities, religious minorities and disabled peoples.

While social inclusion and service delivery remain the dominant rationales for building an enabling regulatory and policy environment for social enterprises, the latter also has the indirect yet desirable effect of

increasing civil society engagement in design and delivery of social services. Over the last decades, despite its critics, the social enterprise space in Bangladesh has experienced a visible uptick in its ability to attract resources, both financial and non-monetary, from quarters of civil society, the educated middle-classes, the elite and even the diaspora of Bangladesh that has been hitherto unavailable. Civil society members have demonstrated increasingly social consciousness and civil responsibilities. Thus, promotion of the social enterprise space can effectively lead to a promotion of active citizenship and social innovation.

At the British Council Social Enterprise Policy Forum organized this year, experts, academics, policy-makers and social entrepreneurs from Bangladesh and overseas concluded that Bangladesh's growing social enterprise sector requires government-backing and supportive policies to be further able to solve the country's most significant social and environmental issues.<sup>21</sup> The two-day forum was intended to increase awareness of Bangladesh's social enterprises so that the public, media and politicians can support them more effectively.

Mark Clayton, erstwhile deputy high commissioner at the British High Commission, said, "Brac and Grameen Bank are household names not only in Bangladesh but across the world... Bangladesh has a really big social enterprise base on which it can build." Meanwhile, Chandra Putul, founder of Prochesta Mobile Veterinary Clinic, said, "There are both legislative and funding barriers. We did not get any seed

funding so we cannot expand our service. More should be done to raise awareness about social enterprise. People think that we are working as an arm of the government and don't pay for our services."

Dan Gregory, head of policy at Social Enterprise UK (SEUK), shared lessons learnt from the UK policy perspective on social enterprise. He said that although a legislated definition of social enterprise was still pending, the UK government introduced a number of policies to support the sector, including a Social Value Act to a tax relief on social investment (SITR) and through initiatives such as Big Society Capital. He also added, "We had social enterprise ambassadors – SEUK's CEO Peter Holbrook and celebrity chef Jamie Oliver being two of them – and this helped explain social enterprise to people. Thirty social entrepreneurs were chosen as ambassadors in 2006."<sup>22</sup>

While these are worthwhile lessons with regard to developing the social enterprise sector in Bangladesh, given the considerable attention and activities generated by the NGO and SME sectors in Bangladesh, it is our observation that a legislated definition of social enterprise may be required in the context of the country. This requirement must materialize sooner than it has, in others. The Global Entrepreneurship Monitor (GEM) offers several guidelines for policy makers, entrepreneurs, and academics to help them build entrepreneurial ecosystems that enable entrepreneurship to flourish in every world economy.<sup>23</sup> Other than developing policies to promote women

entrepreneurs, young entrepreneurs, entrepreneurship education and monitoring of the quality of entrepreneurial entities, the GEM also stresses the importance of developing legal frameworks in which entrepreneurship can thrive. To this end, we envision legislating a framework, if not a definition, for understanding what constitutes a social enterprise is necessary.

## DEFINING SOCIAL ENTERPRISES

Defined in general terms, a social enterprise organization attempts to combine both social and business objectives and/or practices, often with an intention to blend social, environmental and economic value. From a cross-country perspective, it is possible to identify a set of key economic and social elements that help define social enterprises across national differences:<sup>24</sup>

### *Economic Elements:*

- Unlike traditional development sector agencies that have predominantly advisory or grant-giving functions, social enterprises are directly engaged in the production and sale of goods and services.
- Social enterprises are voluntarily developed and managed by citizens and citizen groups. Consequently, even though they may receive grants from donors, social enterprises enjoy a high degree of autonomy and shareholders have the right to participate or exit an organization.

- Their financial viability correlates to the efforts of their members responsible for ensuring adequate financial resources, unlike public institutions. Social enterprises therefore involve a significant level of economic risk.
- Social enterprises usually employ a minimum number of paid workers, and frequently combine voluntary and paid workers.

### *Social Elements:*

- Social enterprises are the outcome of citizen initiatives involving people belonging to a community or to a group that have a specific need or gap in skills or resources. It is essential that social enterprises maintain this dimension.
- Stakeholders of social enterprises have decision making rights, generally through the principle of “one member, one vote.” Even though investors of capital in social enterprises play an important role, decision-making power ought not to be based on capital ownership solely.
- Social enterprises are participatory in nature to the extent that the beneficiaries of their activities are represented and can participate in the management of activities

- Social enterprises include organizations that either entirely prohibit distribution of profits, or curtail organizations that distribute their profit to a limited degree. Therefore, social enterprises avoid profit maximizing behavior, as they involve a limited distribution of profit.
- Explicitly, social enterprises pursue an aim to render benefit to a community or a specific group of people. Thus, they directly and indirectly promote a sense of social responsibility at the local level.
- Trade to fulfill their mission (Where trade is defined as the organized exchange of goods and services )
- Derive a substantial portion of their income from trade (Operationalized as 50% or more for ventures that are more than five years from start-up, 25% or more for ventures that are three to five years from start-up, and demonstrable intention to trade for ventures that are less than two years from start-up) and
- Reinvest the majority of their profit/surplus in the fulfillment of their mission (Never pay more than 50 per cent of profits to owners/shareholders).

The above economic and social elements constitute economic and social values or overarching principles that can guide social entrepreneurship. While these are important principles for social entrepreneurship from the perspective of entrepreneurs or donors, in the context of Bangladesh, as discussed earlier, a framework that is close to a legislated definition of social enterprise, is necessary.

To that end, partially informed by the aforementioned guiding principles as well as by our research, we propose the following filtering criteria for social enterprises (as organizations that):

- Are led by an economic, social, cultural, or environmental mission consistent with a public or community benefit

Definitions, as discussed, are important for delimiting social enterprises and distinguishing them from traditional third sector organizations, public sector organizations and corporations. Different definitions of social enterprises will result in widely differing estimations of the social enterprise activities in Bangladesh. If a rigorous definition can be determined, those that support social entrepreneurship can focus their resources on building and strengthening a clear and identifiable sector. Barring that, cynics can point to an amorphous sector and its motivations, discounting social innovation and the social entrepreneurship impulse. Lastly, definitions are also integral to determining policy changes, funding requirements, the emergence of new organizational forms, and the requirements of research.

## Notes

- <sup>1</sup> Alter, K. (2007), *Social Enterprise Typology*, Virtue Ventures LLC, Page 2.
- <sup>2</sup> Joseph Schumpeter is considered widely to be one of the foremost economic and political thinkers of the 20<sup>th</sup> century, who propounded a theory to explain activities that lead to economic growth in capitalist economies. His theory focuses on entrepreneurial innovations as the key driver of economic growth.
- <sup>3</sup> Dees, J. G. (2001), *The Meaning of "Social Entrepreneurship."* Available at [http://www.caseatduke.org/documents/dees\\_sedef.pdf](http://www.caseatduke.org/documents/dees_sedef.pdf)
- <sup>4</sup> Martin, R. L., & Osberg, S. (2007), *Social Entrepreneurship: The Case for Definition*. Stanford Social Innovation Review, (Spring), Pages 29-39.
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- <sup>6</sup> Naher, A. and Salam, S. A. (2014), *Final Report: Research on Poverty Reduction and Women Economic Leadership in Asia: Roles, Potentials and Challenges of Social Enterprises*, DEW.
- <sup>7</sup> The State, Laws and Non-Governmental Organizations (NGOs) in Bangladesh. Available at [http://www.icnl.org/research/journal/vol3iss3/art\\_1.htm](http://www.icnl.org/research/journal/vol3iss3/art_1.htm)
- <sup>8</sup> White, S. (1999), *NGOs, Civil Society, and the State in Bangladesh: The Politics of Representing the Poor*. Development and Change. Vol. 30, Pages 307-326.
- <sup>9</sup> BSEP Policy Brief. Available at <http://www.bei-bd.org/images/report/whc4f30f4975c4de.pdf>
- <sup>10</sup> Ali, M A (2013), Social Enterprises' Role in Poverty Alleviation & Job Creation: BRAC's Experience and Learning (Online text on a public speech). Available at [http://asef.org/images/docs/Public%20Event\\_Speech%201\\_Rummee%20Ali.pdf](http://asef.org/images/docs/Public%20Event_Speech%201_Rummee%20Ali.pdf)
- <sup>11</sup> *Grameen Danone Foods Ltd, a Social Business in Bangladesh: A Communication Material and Business Profile of Grameen Danone*
- <sup>12</sup> For his seven principles, please see <http://www.muhammadyunus.org/index.php/social-business/seven-principles>
- <sup>13</sup> Yunus, M. (2010), *Building Social Business*, University Press Limited. For a detailed exploration of Dr. Yunus' business philosophy and models, please see Columbia Business School (Spring 2004). *Grameen Bank: Taking Capitalism to the Poor*. Chazen Web Journal of International Business. Available at: [https://www0.gsb.columbia.edu/mygsb/faculty/research/pubfiles/848/Grameen\\_Bank\\_v04.pdf+&cd=3&hl=en&ct=clnk&gl=bd](https://www0.gsb.columbia.edu/mygsb/faculty/research/pubfiles/848/Grameen_Bank_v04.pdf+&cd=3&hl=en&ct=clnk&gl=bd)
- <sup>14</sup> Islam, M. S. (2012), *Measuring Impact of Kazi & Kazi Tea Estate Limited, Panchagarh - An Organic Garden in Bangladesh*, IOSR Journal of Business and Management (IOSRJBM); Volume 3, Issue 3 (Sep-Oct. 2012).
- <sup>15</sup> McKague, K. and Tinsley, S. (2012), *Bangladesh's Rural Sales Program: Towards a scalable rural sales agent model for distributing socially beneficial goods to the poor*, Social Enterprise Journal, Vol. 8 Issue 1, Pages 16 – 30
- <sup>16</sup> Ahmed, T., Bloom, G., Iqbal, M., Lucas, H., Rasheed, S., Waldman, L., Islam, R., and Bhuiya, A. (2014), *E-Health and M-Health in Bangladesh: Opportunities and Challenges*, IDS.
- <sup>17</sup> The data in this section has been gleaned from Naher, A. and Salam, S. A. (2014). *Final Report: Research on Poverty Reduction and Women Economic Leadership in Asia: Roles, Potentials and Challenges of Social Enterprises*. DEW.
- <sup>18</sup> Naher, A. and Salam, S. A. (2014), *Final Report: Research on Poverty Reduction and Women Economic Leadership in Asia: Roles, Potentials and Challenges of Social Enterprises*, DEW.
- <sup>19</sup> Ibid.
- <sup>20</sup> Ibid.
- <sup>21</sup> For more, see <http://www.pioneerspost.com/news-views/20150302/bangladesh-exclusive-social-enterprises-call-support-amid-political-unrest>
- <sup>22</sup> Ibid.
- <sup>23</sup> GEM, 2012, Available at <http://www.esan.edu.pe/sala-de-prensa/2013/01/the-global-entrepreneurship-monitor-gem-2012-global-report/>
- <sup>24</sup> OECD. *The Social Enterprise Sector: A Conceptual Framework*.

## About the Center for Enterprise and Society

ULAB's Center for Enterprise and Society (CES) is Bangladesh's first university-based research center dedicated to conducting research on entrepreneurship and business with a view towards ethical, environmental and social sustainability.

The mission of CES is to produce high-quality research and knowledge in order to bridge the theoretical and empirical interface between enterprises and society. Its vision is to enable an entrepreneurial society in Bangladesh, built on ethical foundations.

CES has a staff of full-time, part-time and affiliated researchers with deep experience in private sector research in industries such as financial services, consumer goods, energy and power, pharmaceuticals, textiles, leather, transportation, infrastructure, real estate, light engineering, information technology, and e-commerce. The Center's research staff are also experienced in development sector research in areas such as skill development, financial inclusion, governance, regulatory reform, human rights, water sanitation and hygiene (WASH), health, and social enterprises.

With regard to capabilities, CES has a strong track record of economic research, policy research, social research, and survey research using both qualitative and quantitative techniques. Our survey research abilities are built on the deep experience of the Center's Staff in this field, many of whom have garnered research experience in leading global and Bangladesh-based universities and research organizations before joining the Center.