

A Study on Social Entrepreneurship and Rural Development

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Abstract

Social entrepreneurship is a way to solve social and economic problems. It helps make the world a better place by making sure everyone has what they need to live a life. Unlike businesses that just want to make money, social entrepreneurship tries to make a difference in peoples lives. It helps people who're poor do not have jobs and do not have access to good education and healthcare. Rural development is very important because it helps people who live in the country have lives. It gives them jobs, nice roads, good schools, hospitals and helps the local economy grow. Social entrepreneurship plays a role in making all these things happen. It comes up with creative solutions to problems that people face every day in their communities.

This study, called "A Study on Social Entrepreneurship and Rural Development " looks at how social entrepreneurship can help areas. It wants to see if social entrepreneurship can make life better for people who live in the country. The study used a method to collect information from 100 people who live in rural areas. It also used information from books, research papers and government reports. The information that was collected was looked at carefully. The study found out that social entrepreneurship is very good for areas. It helps create jobs increases the amount of money people have and makes it easier for people to start their businesses. It also helps people get the things they need to live a life. Social entrepreneurship makes communities stronger by encouraging ideas making sure everyone is included and taking care of the environment. The study says that social entrepreneurship is a way to make sure rural areas develop in a way that is good, for everyone.

Keywords: Social Entrepreneurship, Rural Development, Women Empowerment, Social Innovation, Community Development.

INTRODUCTION

There has been a rise in the concept of social entrepreneurship as a way of solving social, economic, and environmental issues that have been encountered by the community in the world. Social entrepreneurship entails the use of innovative ideas of entrepreneurship along with making sure that social value is created. Social entrepreneurs do not only focus on maximizing profits like the conventional entrepreneurs but rather seek ways of solving social problems and improving the quality of lives of disadvantaged populations.

Rural development is a process of enhancing the quality of lives of individuals who live in rural areas. It encompasses activities that aim at increasing job opportunities, improvement of agriculture productivity, provision of infrastructure facilities, education, health facilities, and social welfare among others. The people who stay in rural areas experience some challenges which include poverty, unemployment, poor infrastructures, unavailability of essential facilities among others. These challenges prevent development and

increase disparities between rural and urban areas. Sustainable rural development has become the key issue for governments and policymakers.

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Social entrepreneurship has become popular in recent times as an instrument for rural development. They collaborate with locals, use available resources, and establish sustainable projects which lead to socioeconomic gains.

LITERATURE REVIEW

Osei and Zhuang (2020) Rural Poverty Alleviation Strategies and Social Capital Link: The Mediating Role of Women Entrepreneurship and Social Innovation Osei and Zhuang (2020) examined the role of social capital, women entrepreneurship, and social innovation in reducing rural poverty. The study found that women entrepreneurs using social networks and innovative approaches significantly contribute to poverty reduction and community development. The research highlighted that social entrepreneurship creates employment opportunities and improves the economic conditions of rural households. The study concluded that strengthening social innovation and entrepreneurship among rural communities can support sustainable rural development.

Bayraktaroğlu (2020) Bridging Roles of Social Innovations in Rural Development: Craft Initiatives from Kutch, India Bayraktaroğlu (2020) studied social innovation initiatives among rural craft organizations in Kutch, India. The study focused on how rural enterprises preserve traditional skills while creating economic opportunities for local communities. The findings revealed that social innovation helps improve rural resilience, strengthens local resources, and promotes sustainable livelihoods. The study concluded that socially responsible business models contribute to inclusive rural development.

Abreu, Mesias and Ramajo (2021) Measuring Rural Development through Stakeholder Participation The researchers developed an approach to measure rural development using economic, social, and environmental indicators. The study emphasized the importance of community participation in achieving effective rural development. The findings suggested that development initiatives become more successful when local people actively participate in planning and implementation. The study supports the role of social entrepreneurship in involving communities and creating sustainable solutions.

Datta and Gailey (2021) Social Entrepreneurship and Women Empowerment in Rural Communities The study examined how social enterprises support women's economic and social empowerment. The researchers found that entrepreneurship programs provide women with income opportunities, skills, and decision-making abilities. The study concluded that social entrepreneurship plays an important role in improving the socio-economic status of rural women and promoting inclusive growth.

Gupta and Bansal (2022) Role of Social Entrepreneurship in Sustainable Rural Development Gupta and Bansal (2022) analyzed the contribution of social enterprises toward sustainable rural development. The study found that social enterprises create employment, encourage

innovation, and improve access to essential services in rural areas. The researchers concluded that social entrepreneurship acts as an effective mechanism for addressing rural challenges such as unemployment and poverty. **Singh and Kumar (2023) Social Entrepreneurship as a Tool for Rural Employment Generation** Singh and

Kumar (2023) studied the relationship between social entrepreneurship and employment creation in rural regions. The findings showed that social enterprises encourage self-employment, skill development, and income generation among rural populations. The study highlighted that entrepreneurship-based development models can reduce migration and strengthen local economies. **Shao, Jiang, Li and Xie (2024) Influencing Factors of Sustainable Rural Entrepreneurship: Economic, Social and Environmental Dimensions** Shao et al. (2024) examined factors influencing sustainable rural entrepreneurship. The study identified entrepreneur capabilities, economic conditions, social support, and environmental responsibility as important factors for successful rural entrepreneurship. The research concluded that sustainable entrepreneurship requires a balance between economic growth, social benefits, and environmental protection. **Pandhare, Bellampalli and Yadava (2024) Transforming Rural Women's Lives in India: The Impact of Microfinance and Entrepreneurship on Empowerment in Self-Help Groups** The study investigated the impact of microfinance and entrepreneurship activities on rural women's empowerment in India. The findings showed that entrepreneurial involvement improved women's economic independence, social status, and confidence. The study concluded that entrepreneurship initiatives through self-help groups contribute significantly to rural development. **Ranguwal and Kaur (2025) Social Entrepreneurship for Sustainable Rural Development in India** Ranguwal and Kaur (2025) studied the opportunities and challenges of social entrepreneurship in India. The research highlighted that social enterprises help address social problems while creating economic value. The study identified employment generation, innovation, and community participation as major contributions of social entrepreneurship toward sustainable rural development. **Suresha, Joshi and Joisa (2025) Agri Social Entrepreneurship and Rural Transformation in Karnataka, India** The study examined agricultural social entrepreneurship and its impact on rural transformation in Karnataka. The researchers found that agri-social enterprises contribute to rural employment generation, women's income improvement, and sustainable agricultural practices. The study concluded that social entrepreneurship can strengthen rural economies and support inclusive growth.

OBJECTIVES

- 1.The analysis of the extent of tackling socio-economic problems by means of social entrepreneurship programmes in rural communities.
- 2.The assessment of influence of social enterprises on the development of infrastructure, creation of jobs and earnings of the rural communities.
- 3.The analysis of key problems and barriers to functioning of social entrepreneurs in rural areas.

STATEMENT OF THE PROBLEM

There are many problems existing in the rural areas such as poverty, unemployment, absence of possibilities for skill formation, insufficient funding and social services. Conventional development approaches sometimes fail to solve these problems. Social entrepreneurship is a modern approach that involves both economic activity and social aims and helps to generate jobs.

Though the concept of social entrepreneurship is gaining significance recently, there is a need for research into the exact contribution that social entrepreneurship makes to rural development. The role of social enterprises in terms of employment creation, poverty alleviation, women empowerment, skill formation and overall socio-economic development needs to be understood. Hence, this research is proposed to explore the role of social entrepreneurship in rural development.

NEED FOR THE STUDY

Rural development is vital for ensuring balanced economic development and socio-economic development. Nevertheless, rural areas still face a number of issues like unemployment, poverty, shortage of resources and lack of education, healthcare facilities and financial support. Social entrepreneurship offers an innovative and sustainable solution to the problems faced by rural communities through job creation and inclusive growth. This research is necessary in order to know the role played by social entrepreneurship in ensuring socio-economic development and solving socio-economic problems. This research will help us to understand the role that social enterprises play in terms of employment creation, poverty alleviation, women empowerment, skill formation and rural development.

HYPOTHESIS

Null Hypothesis - There is no significant relationship between social entrepreneurship and rural development.

Alternative Hypothesis - There is a significant relationship between social entrepreneurship and rural development.

RESEARCH METHODOLOGY

Research Design – The researcher applies descriptive research design in the study. Descriptive research assists in describing the present conditions, views, and experience of the respondents in relation to social entrepreneurship and rural development. In the study, the researcher wants to understand how social entrepreneurial practices help in creating employment opportunities,

poverty alleviation, empowerment of women, skill development, and sustainable development.

The research design helps the researcher to collect, analyze, and interpret the data in a systematic manner in order to identify the relationship between social entrepreneurship and rural development.

SAMPLING DESIGN –

1.Sampling Method- Non probability sampling : In this study, the researcher uses non probability sampling in which not all the members of the population have equal chances of being selected. The respondents are selected depending on their availability and relevance to the research study. The non probability sampling method is appropriate since it enables the researcher to obtain information from rural people and entrepreneurs.

2.Sampling techniques – convenience sampling : The study makes use of convenience sampling technique. In this technique, respondents are chosen based on their availability and participation in the study. The researcher gathers responses from readily available respondents like rural entrepreneurs, self-help group members, farmers, local businessmen and other rural dwellers. This technique aids in gathering data quickly and efficiently.

3.Sampling unit or population : Rural dwellers, entrepreneurs, self-help group members and participants of social enterprise.

4.Sample size – For this particular study, a sample size of 50 respondents is chosen. The chosen respondents belong to various age groups, occupations, educational levels and income groups. The gathered data enables the researcher to know the role of social entrepreneurship in bringing about economic and social improvement in rural areas.

Source of data :

Primary data : Primary data is gathered through a structured questionnaire from respondents in rural areas.

Secondary data : Secondary data is gathered from research papers, journal articles, books, government publications and online sources about social entrepreneurship and rural development.

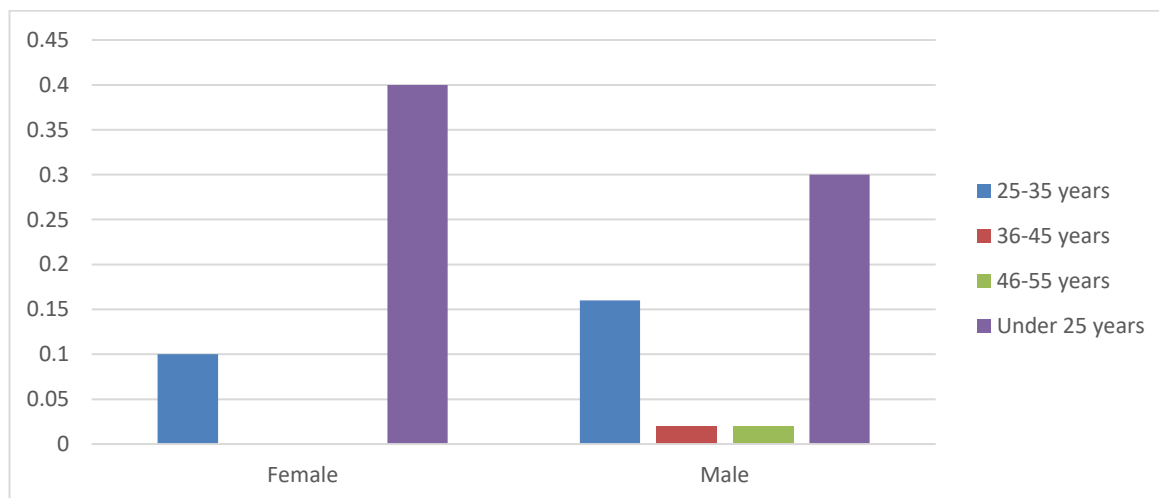
Plan of Analysis : The gathered data is analyzed through proper classification and application of appropriate statistical techniques.

LIMITATION OF THE STUDY (CONSTRAINTS)

- This study will be conducted in selected rural areas only.
- Sample size may not reflect the whole rural population.
- Findings will be based on perceptions of the respondents.
- There may be time and resource constraints on the extent of the study.

DATA ANALYSIS

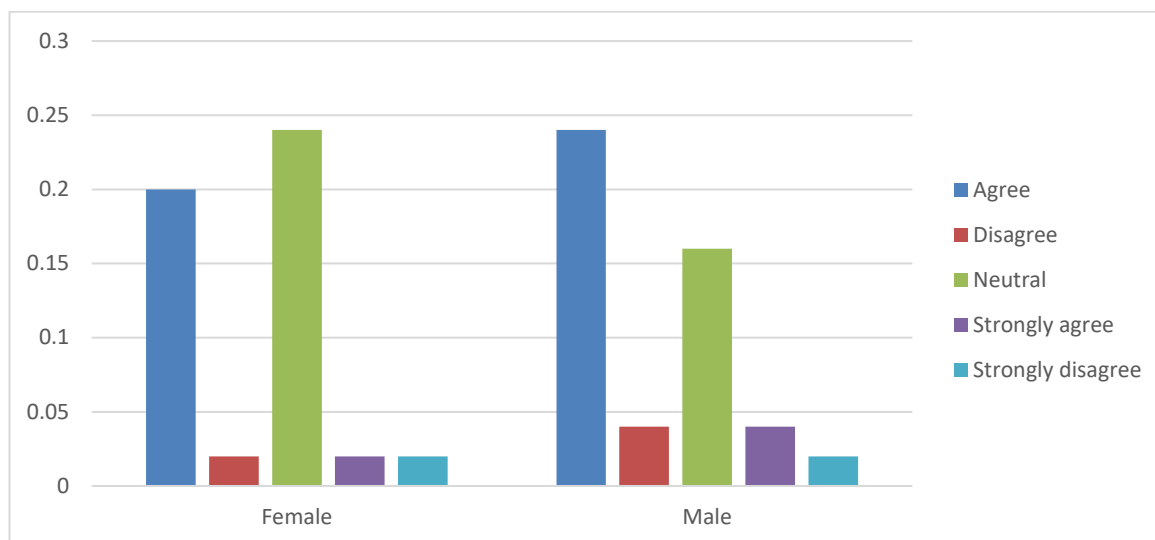
1. Age Group					
1.Gender	25-35 years	36-45 years	46-55 years	Under 25 years	Grand Total
Female	10.00%	0.00%	0.00%	40.00%	50.00%
Male	16.00%	2.00%	2.00%	30.00%	50.00%
Grand Total	26.00%	2.00%	2.00%	70.00%	100.00%



Analysis: The respondents are equally divided by gender, with 50% male and 50% female participants. The majority of respondents belong to the Under 25 years age group (70%), while only a few respondents are from older age groups.

Interpretation: The study has a balanced gender representation. The higher number of young respondents indicates that the data mainly reflects the opinions and views of younger individuals.

2.Social enterprises in our region successfully prioritize community welfare over pure financial profit.						
1.Gender	Agree	Disagree	Neutral	Strongly agree	Strongly disagree	Grand Total
Female	20.00%	2.00%	24.00%	2.00%	2.00%	50.00%
Male	24.00%	4.00%	16.00%	4.00%	2.00%	50.00%
Grand Total	44.00%	6.00%	40.00%	6.00%	4.00%	100.00%

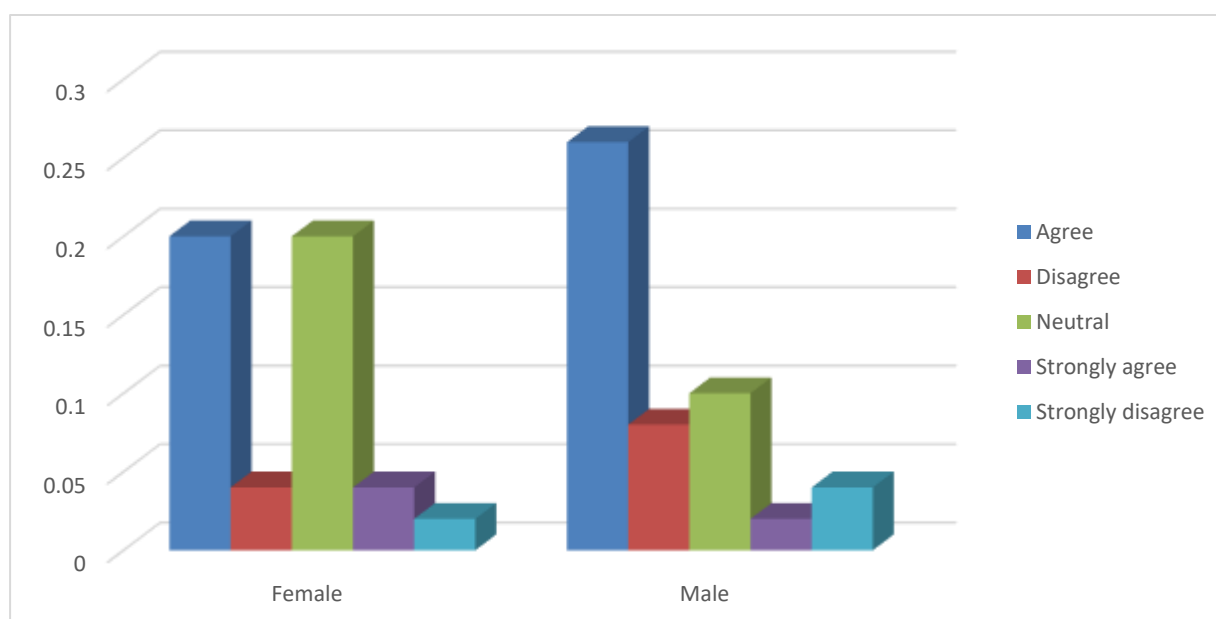


Analysis: The data shows that 44% of respondents agree that social enterprises prioritize community welfare over financial profit. About 40% are neutral, while only 10% disagree and 6% strongly agree. Both male and female respondents show a positive response towards social enterprises.

Interpretation: The findings indicate that most respondents believe social enterprises focus on community welfare along with financial objectives. The neutral responses suggest that some respondents have limited awareness about the role of social enterprises

3. Local social entrepreneurs actively introduce innovative solutions to traditional rural problems.

1. Gender	Agree	Disagree	Neutral	Strongly agree	Strongly disagree	Grand Total
Female	20.00%	4.00%	20.00%	4.00%	2.00%	50.00%
Male	26.00%	8.00%	10.00%	2.00%	4.00%	50.00%
Grand Total	46.00%	12.00%	30.00%	6.00%	6.00%	100.00%



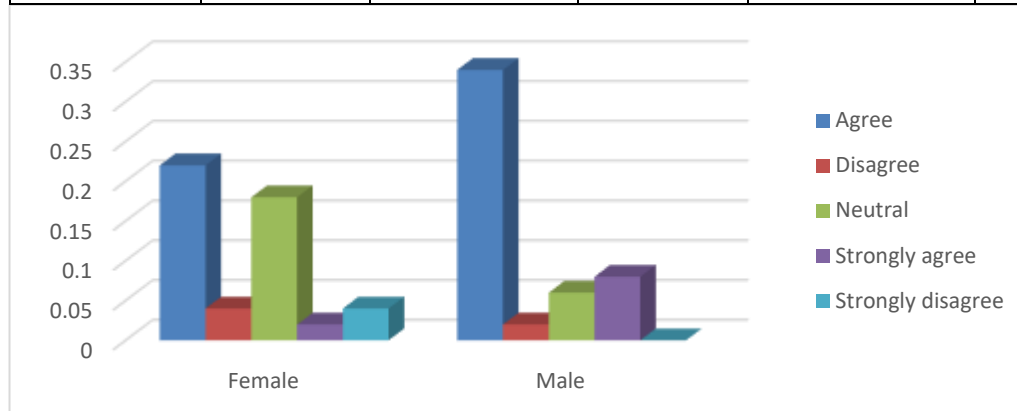
Analysis: The data shows that 46% of respondents agree that local social entrepreneurs introduce innovative

solutions to traditional rural problems. Around 30% are neutral, while 12% disagree and 6% strongly agree. Male respondents show a slightly higher agreement (26%) compared to female respondents (20%).

Interpretation: The findings indicate that most respondents believe local social entrepreneurs contribute to solving rural problems through innovation. However, the neutral responses suggest that some people may have limited awareness about these initiatives.

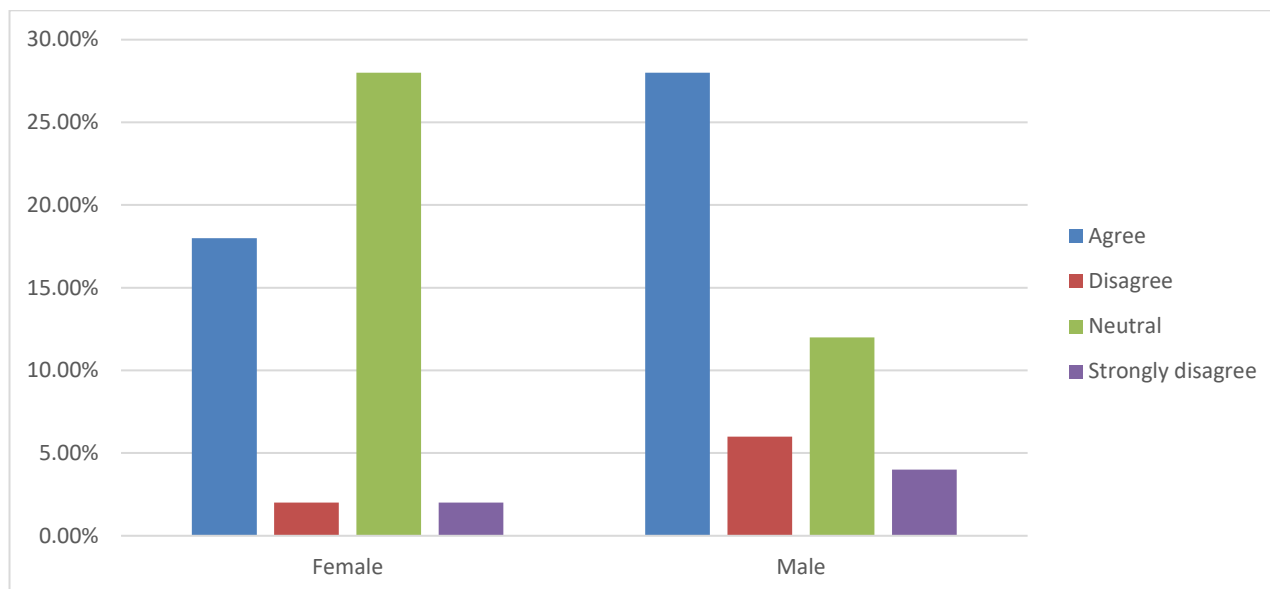
4. Marginalized and low-income groups in our area now have better access to basic services like health and education.

1.Gender	Agree	Disagree	Neutral	Strongly agree	Strongly disagree	Grand Total
Female	22.00%	4.00%	18.00%	2.00%	4.00%	50.00%
Male	34.00%	2.00%	6.00%	8.00%	0.00%	50.00%
Grand Total	56.00%	6.00%	24.00%	10.00%	4.00%	100.00%



Analysis: The data shows that 56% of respondents agree that marginalized and low-income groups have better access to basic services like health and education. About 24% are neutral, while 10% strongly agree and only 10% disagree. Male respondents (34%) show higher agreement compared to female respondents (22%).

Interpretation: The findings indicate that most respondents believe access to basic services has improved for marginalized and low-income groups. However, some respondents remain neutral, showing that further awareness and development efforts are needed.



Analysis: The data shows that 46% of respondents agree that the community has become more self-reliant and less dependent on government aid. Around 40% are neutral, while 8% disagree and 6% strongly disagree. Male respondents (28%) show higher agreement compared to female respondents (18%).

Interpretation: The findings indicate that most respondents feel communities are becoming more self-reliant.

5. The community has become more self-reliant and less dependent on external government aid alone.

1.Gender	Agree	Disagree	Neutral	Strongly disagree	Grand Total
Female	18.00%	2.00%	28.00%	2.00%	50.00%
Male	28.00%	6.00%	12.00%	4.00%	50.00%
Grand Total	46.00%	8.00%	40.00%	6.00%	100.00%

However, the high neutral response suggests that some people are uncertain about the extent of this change.

SPSS DATA

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
11	The categories of 11. Over the past few years, there has been a noticeable increase in employment opportunities within our village. occur with equal probabilities.	One-Sample Chi-Square Test	.001	Reject the null hypothesis.
12	The categories of 12. The average household income and standard of living in this rural community have steadily improved. occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
13	The categories of 13. Local infrastructure (e.g., roads, clean water, digital connectivity, waste management) has visibly advanced. occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
14	The categories of 14. Marginalized and low-income groups in our area now have better access to basic services like health and education. occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
15	The categories of 15. The community has become more self-reliant and less dependent on external government aid alone. occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

Descriptive Statistics

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
7.Local social entrepreneurs actively introduce innovative solutions to traditional rural problems.	50	1	5	3.34	.982
8.Social enterprises effectively utilize locally available resources and raw materials for their operations."	50	1	5	3.38	.878
9.Social entrepreneurs frequently engage and collaborate with community members when planning initiatives.	50	1	5	3.46	.994
Valid N (listwise)	50				

Chi-Square Test

Frequencies

7.Local social entrepreneurs actively introduce innovative solutions to traditional rural problems.			
	Observed N	Expected N	Residual
1	3	10.0	-7.0
2	6	10.0	-4.0
3	15	10.0	5.0
4	23	10.0	13.0
5	3	10.0	-7.0
Total	50		

15. The community has become more self-reliant and less dependent on external government aid alone.

	Observed N	Expected N	Residual
1	3	12.5	-9.5
2	4	12.5	-8.5
3	20	12.5	7.5
4	23	12.5	10.5
Total	50		

Test Statistics

	7.Local social entrepreneurs actively introduce innovative solutions to traditional rural problems.	8.Social enterprises effectively utilize locally available resources and raw materials for their operations."	9.Social entrepreneurs frequently engage and collaborate with community members when planning initiatives.	15. The community has become more self-reliant and less dependent on external government aid alone.
Chi-Square	30.800 ^a	39.000 ^a	46.200 ^a	26.320 ^b
Df	4	4	4	3
Asymp. Sig.	.000	.000	.000	.000

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 10.0.

b. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 12.5.

ANOVA with Friedman's Test

		Sum of Squares	Df	Mean Square	Friedman's Chi-Square	Sig
Between People		137.938	49	2.815		
Within People	Between Items	7.018 ^a	9	.780	9.805	.367
	Residual	315.082	441	.714		
	Total	322.100	450	.716		
Total		460.038	499	.922		

Grand Mean = 3.38

a. Kendall's coefficient of concordance W = .015.

FINDINGS

The study found that social entrepreneurship is really important for development. Social entrepreneurship creates jobs for people helps them earn money and reduces poverty in rural areas.

Social entrepreneurship also helps people work for themselves supports women and teaches people in rural areas new skills.

Social enterprises make it easier for people to get an education see a doctor. Get money when they need it. They also help people in the community work together and feel like they are part of something. The study shows that the new ways social entrepreneurs do business help rural areas grow in a way both economically and socially.

Social entrepreneurship is good, for development because it helps people and makes their lives better.

SUGGESTIONS

The government needs to help entrepreneurs with money. They should give them assistance and low-interest loans. The government should also organize training programs for people and women who live in rural areas. This will help them learn skills.

We need to tell people about entrepreneurship. We can do this through schools and non-government organizations.

Rural entrepreneurs need roads and internet. They also need to be able to sell their products in markets. The government and other organizations need to work to help social entrepreneurs.

We need to make policies that help people come up with ideas and take care of the environment. This will help rural areas grow and develop over time. Social entrepreneurs and social entrepreneurship are very important, for this.

CONCLUSION

The study shows that social entrepreneurship is a way to help rural areas develop in a sustainable way. Social entrepreneurship does a lot of things for rural areas. It helps people get jobs. Improves their lives. It also deals with problems like poverty not having a job and women not being treated equally. Social enterprises come up with ideas help local people take charge of their communities and make sure resources are used wisely. The research proves that social entrepreneurship is good for development. It really helps improve the lives of people living in areas. So we should support entrepreneurship with helpful government policies, money teaching people new skills and getting the community involved. This will help everyone grow and develop in a way. If we make social entrepreneurship stronger it will be good for areas for a long time and will help the whole country do better economically. Social entrepreneurship is very important, for development and we should keep supporting it to make sure rural areas do well.

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