CRITICAL ANALYSIS OF MUHAMMAD YUNUS’ BUILDING SOCIAL BUSINESS

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Abstract

This paper critical examine the overview of the idea, ongoing process of social business in Bangladesh as well contrast of social institutions paradigm with other existing business paradigms. For decades a world has been overloaded with poverty, environmental deterioration, as well moral foulness, social welfare institution seem to offer a glimmer of hope. Poverty alleviation has been a difficult issue tacked by government support, international aid agencies as well private agencies. With the respect to the fact that, the issue raised about collective obligation, there have been progressively integrated ambitions aiming at decreasing social together with unfriendly environmental impact of a company. A distinguished scholar and Nobel Peace Laureate Muhammad Yunus commenced joint ventures with transcontinental organization in Bangladesh, his social enterprise approach has received global attention. Some seem to be convinced that there might be solutions ahead these deliberate approaches, depending on more visionary projects placing the social issues in the key activities. The study, revealed that social enterprise is among those resourceful approaches, pressurize the company move from its business as usual along with innovation capacity leading to local market establishment while solving poverty issues.

Keywords: Poverty Reduction, Social Accountability, Social Business, Business Analysis, Institution Theory, Hybrid Organization
INTRODUCTION

For centuries, poverty seems to be the major problems around the world. In this backdrop, Yunus, the 2006 Nobel Peace Prize Winner, proposed the rebellious thought to address that challenge by instituting the social business thought which asserts an integrated as well systematic effort of poverty reduction through self-sufficient business procedures. The thought first emerged in his New York Times Chart-buster book “Banker to the poor: Micro-leading and the Battle against World Poverty” by 2007 (Hoque, 2011). The emerging field of social business according to the author of the Grameen Bank hold that poverty can only be dismissed through innovation with abolishing the traditional patronage prescription and classical economics rules. Hence, he formulated the social business, guided by the “no loss, no dividend” convention, and made it well admired. Also, in response for the government and international and local organizations of being failed to address the challenge, Veolia Water with Grameen opted to take up the innovative challenge of inducing an alliance participation grounded on social business basis (Yunus, Sibieude & Lesueur, 2012). Grameen bank, established in 1976, has couple pioneered the enlargement of micro-finance, along with created almost 30 business intended to take the edge off poverty.

Universally, scholars have self-contained on new approaches to economic sustainability in transitional economies. The establishment of the Grameen Bank was considerably a response by Yunus to governmental as well charitable non-success in Bangladesh, (Bright and Godwin, 2010) focus on restoring social innovation in an international organizations categorizes attempts into two different approaches: (i) the arranged approach promotes hierarchically guided innovation and (ii) the urgent procedure promotes bottom-up, self-regulated innovation.

Commentators of state-led advancement versions assert that these tend to strengthen rather than return systems’ poverty generating structures. Corporate-led development as opposed to that would unite encouraging features, for instance greater accessibility to technology, professional development, as well finance. Similarly, the enlargement with replication of successful ambitions is viewed as increasingly common in private ownership initiatives. In opposition to this background, business are progressively considered as sound operators towards sustainable along with human advancement.
For the last decades, an outstanding Nobel Peace Laureate Muhammad Yunus has been emphasizing such a business approach to address poverty: social business—a new model of enterprise as well greatest benefit companies along with goal oriented organizations basing on charity with donations. Enrenched on his own determination in Bangladesh, he admits that self-sustained community outreach companies could address human issues stretching from earnings, poverty as well environment contamination to deficient healthcare with insufficiency of adequate education. Yet, he spent almost three decades with his Grameen Bank took to get full international identification, his model has firmly impacted the way of reasoning in the banking, improvement, as well not-for-profit organizations, as the way to address mass poverty.

METHODS

This study uses a Systematic Literature Review (SLR). This type of research is used to collect as well analyzing research on the particular topic (Triandi, et, 2019). The most objective of SLR is to offer theoretical background for further research, explore abroad research issues, or replay an enquiry of the certain research problem (Nugroho, 2021). In this study, SLR was collected through colleting secondary data on social business authored by Dr. Muhammed Yunus, various articles on community oriented organization, code of conduct in business with social responsibility, as well few related websites. Under SLR, there was three phase in this study, namely planning, conducting as well reporting the findings. The planning phases included the identification together with selection of libraries, then development with evaluation of libraries. Also, the implementation phase involved the searching the main theme, by selecting the main theme, document retrieval, evaluating the quality of the main theme, as well consolidating the data. The reporting phase included of writing findings and publishing research findings (Mulia & Saputra, 2021). Analytical Framework: The analysis was mainly based on description. Statistical with macroeconomics analyses on the contrary to feasible options since the social business is contemporary concept and essential data are an unattainable.
DISCUSSION

The swift of industrial with scientific advancements of the previous century have open on to numerous breakthrough, as well left human race to encounter an unpredictable future. So far, attempts by governments as well institutions have confirmed inadequate to inverse these disastrous trends. The best aspiration for the forthcoming of humanity depends in the power with efficient of political motivation, highly redeemed, individuals to uphold for changes in lifestyle related, think, along with deferential. Thus, social enterprises proceeds to extend with influence to clarify world challenges of poverty, environmental deterioration, and indignity. Adequately as well recognizing these crossbreed organizations based on understanding the tension endeavors. Persuading to establish insight into social business, we classify tightness within social enterprises grounded on Smith and Lewis’s (2011) classification as well recognizing existing theories, embracing four conceptual approach that are specifically appropriate for understanding social-business tensions within social enterprises.

What is Social Entrepreneur?

Regardless social business being a new and emerging field, but it has become a popular buzz word as Yunus first openly coined the term in 2005, but the declaration is neither sole nor brand name. The interpretation is currently applied for all type of hybrid organizations ranging from non-governmental organizations (NGOs) with income earnings to socially accountable businesses that observe to double or triple bottom-line concept. In fact, Yunus is not a Marxist, but absolutely the opposite. He preferably admits in the power of the free enterprise economy with greatest benefits companies as an essential part of it. Yunus’ term for community oriented organization is rather a demands for social entrepreneurship as well a debate for the social entrepreneurship with controversy for the sufficient use of charitable funds in distinction with the accepted charity perspective. (Linda & Kerstin, 2014)

Yunus insists that, a community oriented organization is sketched as well operated as a business firm, with outputs, services, consumers, exchanges, expenses, together with revenues. It is loss nothing, no dividend, self-sufficient firm that sell commodity or services along with payback investments to its possession, on the other hand whose main purpose is to community serve with boosting the majority of the poverty stricken (Yunus and Weber, 2007).
In the free-enterprise economy, two excessively category of cooperate forms can be dignified. On the one hand, firms can be referred as biggest benefit business, whose motive is to generate value for the shareholders. On the other, non-profit-making company exist to achieve social manifesto. In an institutional framework, this current type of business is fundamentally the identical as profit-maximizing firms: it is not a donation, other than a business in absolute sense. The administrative perspective must be the matching as in a business: when you are administering a social enterprise, you view as well work distinctively than if you were administer a charity, after all your purpose, social enterprise require to recover their complete costs hence they can be self-sufficient. Their possessors never plan to generate profit for themselves, however they are empowered to turn their money back if they want. Preferably being endorsed on to investors, extra generated by the social enterprise are reestablished in the business, sooner or later, passed on to the intended audience of recipients in such models as lower prices, good service or broadly available. In this way a social business is sketched as well handled in the same way formal business enterprise, along with outcomes, services, consumers, markets, charges as well revenues. It is loss nothing, no allowance, self-sufficient firm that sells commodities or services as well compensates investments to its possessors, but whose basic objective is to serve the people along with improving the lot of the impoverished.

Here it varies from nongovernmental, principally are not intended to regain their total expenses from their running, as well are obliged to allocate part of their time with energy to raising funds. As it looks self-sufficient, a social business just depend on its shareholders at the first of a plan for the development. Despite the fact that, its basic objective is to serve the people, a social enterprise has outcomes, services, consumers, markets, charges together with revenues such as a normal enterprises. It is lose nothing, no allowance, self-sufficient firm that repay it possessors’ investments.

The basic objective of social enterprise is for social achievements, instead of seeking for super profit. Benefits from business impacts are generally used for common purposes by helping groups beneath the hand to mouth existence. Yunus describes social business as a business designed to meet social needs. In fact, social business does not offer sharing. Funds that has been devoted in social business capital might be taken back within a definite period of time. Yet, the profits of investing are not on condition with a benefit sharing system. In preference, the interest remains in the commercial community, for the costs of expansion, constructing new commodities or services, as well doing more for the society.
(Yunus, 2006). This is closer to the idea of community oriented organization, described by Mair and Marti as a procedure including the innovative with associated facilities to look for opportunities to create societal transformation as well solving social challenges. Social enterprise can be referred as a theme of social community oriented organization which involves both interest and not-for-interest drives, as well which can be differentiated from usual entrepreneurship, social welfare is a result of the financial benefit created.

Both who plan as well run social enterprises are referred as community oriented organization-yet not all social business are bound in social care facilities, such as compensation to profit oriented shareowners. Thus, a community oriented organization is a current type of business as it may be be placed elsewhere between an interest-maximizing with a non-interest institution. Despite this, why might shareowners lay down funds into such activities? Though, investing in a community oriented organization is distinct from humanitarianism in many ways, for instance the social enterprises is self-sufficient with shareowners get their funds back: individuals who contribute to charity do not. The shareholders remains the shareowners of the firm as well can determine its future course of activity along with chance to provide money-the social business offers business people an exciting chance to influence their own business competences and creating to social problems (Moingeon, 2015).

**What makes a Community Oriented Organization “Social”?**

Yunus’ community oriented organization definitely share to the discourse on the role of community oriented organization? A social commitment connected with founders’ together with shareholders’ denial from individual fund gain makes no attempt to guarantee any desired social result. How community oriented organization brings out to be rather preferably on its means of support context with final effect. Its norms along with yardsticks are contextual.

By its nature social business company may reduce target beneficiaries’ vulnerability, for instance by offering good health or improving social capabilities, yet not break the cycle of poverty, apart from the business includes important earning chances for the poor. Generally, the number of struggle with reproduction business models that demonstrate Yunus’s community oriented organization idea is limited. In the playing truant of a favorable administrative groundwork, entrance to seed capital for personal entrepreneurs along with outward management support, it is also a relevant question certainly Yunus’s
conspicuousness joint enterprise promotes a wave of community oriented organization in economically developing nations. Financing in specific project is considered as a most constraint by many investors.

In this regards, community oriented organization endeavor might assist to achieving the a human welfare, yet doesn't solve national or universal causes of poverty, for instance, those associated to national allocation of income or illegitimate, the international trade system, or global heating. They continue circumscribed solutions except they are scaled as well depicted. Likewise, community oriented organization does not repay for charity when rapid catastrophe relief is needed or target recipient are inadequate to involve in a business as long as of their age or health issues.

Nowadays, social entrepreneurship is well known to be effective in addressing the challenges of poverty syndrome around the world. Outlook on the term social entrepreneurship is developing and diverse among policy-makers, practitioners, scholars and international institutions. Although, they concur that the final aim to be implemented should lead to the interests and empowerment of community in general. In a special approach, Yunus has proved the power of social business through maturing the mindset that all people have profitable skills, boundless potential, plus the entrepreneurial attitude. He argues that social business is doing business with the aim of addressing social problem without profit seeking. This is another category of capitalism in which each enterprise generates employment and better working conditions apart from addressing some particular social difficulties. So, a social enterprise is a non-loss, non-allowance, firm that committed exclusively to implement a social goal. The enterprise is finally self-supporting. Profits are re-invested in order to support the enterprise further or start new social enterprise. The stakeholder gets back her/his money over time, but nothing more. Grameen Banks are vivid examples of social enterprise in which stakeholders themselves are borrowers. However, profit is developed, profit maximization in any case is not the primary aim. The business is not rely on charity donations as it is self-support. Normally, money are invested frequently rather than only once.

Clearly, Yunus claims that the poverty is not caused by laziness or scarcity of skills, but the opportunity together with less favorable policy factors placed on them. To set the structure of capitalism real, we require to institute another type of business, one that acknowledge the multidimensional nature of people. If we narrate our existing firms as profit-oriented
business, the new type of enterprise might be referred as community oriented organization. Investors will make social business not to succeed limited personal gain to pursue certain social objectives. We require to accept the authentic human being as well as her/his multidimensional desires. So, to do that, we require a new kind of business that deal with goals other than making individual profit, a business that is absolutely committed to address social and environmental issues. In its organizational set up, this business is principally the same as the profit maximizing businesses. In fact, it vary in its objectives. Like other business, it recruits workers, manufacture commodities or services, and supply these to consumers for a price compatible with its goals.

But its underlying goals as well as basis by which it should be assessed, this is kind of designing social profit for people whose lives it touches directly. The firms itself may get a profit, yet the stakeholders who assist it doesn’t take any interest out of the firm omitting regain an amount equally to their original investment within a certain rang of time. Moreover, community oriented institution is a kind of firm that is cause, this is to say a driven rather than profit-oriented, with the possibility to act as change agent for the globe.

Basically, a social business is differently from a charity. It is a business oriented in nature. It has to recoup its complete costs while implement its social goals. Once you are operating a business, you think and work differently compared when you are running a charity or non-governmental organization. Such situation makes all the differences in explaining social business together with its effects on society.

There are various institutions in the world nowadays that deals with creating social benefits. Many do not recoup their complete costs. Non-profit institutions as well as nongovernmental organizations depends on charitable donations or government support to implement their plans. Many of their managers are committed people engaged in commendable work. Yet they do not recoup their costs from their running, they are required to spend part of their time and power, sometimes a vital part, to increase fund.

Basic question associated with social business in generating profit: How can the commodities or services sold by social business facilitate a social profit? There are many approaches, such as:

1. A social business that produces and supply highly quality, nutritious food outputs as well as minimum prices to a targeted market of lower income earners and underfed children. These outputs can be cheaper since they do not compete in the
luxury market, so do not require costly packaging, and due to the firm that sell them is not forced to maximize its benefit.

2. A social business that planned well and markets health insurance programs that offer reasonable medical care to the lower income earners.

3. A social business that supports renewable-resource systems and sells them affordable prices to rural people that otherwise can’t get energy.

4. A social business engaged in recycling garbage and sewage would otherwise create pollution in poor neighborhoods.

A social goal driven business that charges a price or fee for its commodities or services but cannot recoup its losses, such institution remains in the group of a charity. But when such a business succeed completely cost recoup, on a sustainable level, it graduates into next level, the level which is more advanced. The success of cost recoup is a moment of worth commemorating. When a social goal driven business addresses the gravitational force of economic dependence, it is ready for aerospace. Such a business is self-sustainable and enjoy the possibility for almost boundless development together with expansion. Once the social business develop, consequently the community member benefit.

Thus, a social business is planned and managed as a business venture, with outputs, consumers, services, market, cost, and income, but with the maximum profit principle restored by the social welfare rules. In preference pursuing to a mass the greatest potential level of economic benefit to be liked by the shareholders, the social business seeks to implement a social objective.

A social business is quite different compared to charity or non-governmental organization or nonprofit company is another essential method. Unlike those institutions, but such as classical profit maximizing business, a social business has possessors who are authorized to recover their investments. It may be possessed by one or group, either as a sole proprietor or a collaboration, or by one or more shareholders, who puddle their money to finance the social business employ professional executive to operate it. It may be also possessed by government or a non-profit organization, or any collaboration of different type of holders.

Social business, like any business, cannot sustain losses endlessly. But any profit it get does not go to those who imbue in it. Consequently, a social business might be referred as a non-loss and undivided business. Preferably being on to shareholders, the surplus produced by the social business is renewed in the business. Consequently, it is driven on to
the target people of beneficiaries in such groups as minimum prices, sufficient services, and highest accessibility. Advisability is essential to a social business. If possible, without negotiating the social objective, social businesses should make benefit for two purposes: To pay back its shareholders and to assist the pursuit of long term social objectives.

Yunus claims that social business are more profitable compared to charity organization because charity support dependence among those assisted, while social businesses place those being supported in the position of being an effective stakeholders in the economy (Yunus, 2010). Such method supports entrepreneurship. He argues that poverty is not caused by poor people but it is caused by the system of built institutions (Yunus, 2010). He claims that all human being are offered the opportunity. Classical capitalism is considered as seeing people as one aspect beings that are just through personal profit, which in the global economic ends in creating highest profit possible. Although, human being are multidimensional beings, of which self-interest survive and cannot define one’s total setup. Across a multidimensional global view, capitalism can start to involve space for social business. Social business need to be self-sustainable and its possessors must remain dedicated not to take any allowance by above the return of investment.

Two Category of Social Business:

1. Social business that concentrate on social objectives only. This is considered as a non-loss, non-allowance firm dedicated completely to attaining a social commodity. For instance, the manufacture produced is for the satisfaction of the lower income earners.

2. Social business that can take up profitable business when it is possessed by the lower income earners as well as deprived, who can get through receiving direct allowance or other indirect benefits. In fact, the second category is based on a profit-making firm possessed by lower income earners, either straight or through a trust that is committed to predetermined social cause. For instance, the manufacture could be made by the lower income earners but exported to an international market whilst net earnings would go to employees’ benefits.

Social business broadens the market and presents a new alternative to costumers which places insists on keeping the profit within the firm for future growth but with limits of the amount equal to the investment. This new measurements to the business world creates a new attitude of social consciousness among the entrepreneurs. This is opposite to the orthodox business side which is focused entirely on making interest. It’s practicable to do
both conventional business together with the social business. Basically social business make a big sacrifice of economic reward from the business.

**Yunus’s Seven Principles of Social Business:**

1. The business goals is to address poverty, or one or more issues for instance, education services, technology access, health facilities, and environmental issues that risk people and community to get maximum profit.
2. The firm will achieve financial together with economic sustainability.
3. Shareholders get back their investment fund. No allowance is provided above the return of the initial investment.
4. Once the investment fund is paid back, profit stays with the firm for expansion together with development.
5. The firm will consider environmentally issues.
6. The employees gain market wages with the best than standard working welfare.
7. Do it with delight.

Very amazing, poverty is not distributed equally around the globe, some specific countries suffer its worst impacts. In South Sub-Saharan regions, Latin America, South Asia, hundreds of millions of lower income earners are struggling for survival. In the recent years the gap between third world countries and advanced economy countries has broaden instead of narrowing it. Our basic questions is: What is wrong? In a global where the ideology of free economy has no authentic challenger, why have free economy failed to so many people around the world? And why has many of the globe been left undeveloped?

**Poverty**

Poverty can be referred as the lack of a definite amount of material possessions. Poverty acknowledged to be varied with elements that may involves economic, social and political components. In severe poverty, the severity of the problem is huge and characterized by the total scarcity of the means important to meet basic human needs for instance food, shelter and clothing. Capitalism has caused poverty by attracting exclusively on interest and create a fairly of the report of profitability for all. While free enterprise economy is developing globally, nearly unopposed currently, and bringing unmatched wealth to majority, more than half of the world survive two dollars a day or much less, especial in South Sub-Sahara.
Elimination of poverty remains the huge challenge before the global. Enormous social problems together with deprivations, deficiency related as well as unequally distributed around the world, continue to discourage us day to day. Evidently, the free economy has failed much of globe. Free economy cannot address social difficulty and it’s also troublesome for governments address them, hence the demand for a social business to bridge the gap. Non-profit organization is originated in basic human concern for other humans. Collective social responsibility is another reply to the world social problems that several business have recognized themselves with. Eventually, profit making stand with their primary objectives.

A social business is a communication institution that has particular social goals that serve its primary purpose, and such an institution intend to maximize profit at the same time maximizing benefits to community together with environment. The profit are basically used to support social projects.

**Four Dimensional of Social Business:**

1. The social technological dimension. This type comprises of social networks and platforms, a number of equipment and customers and enterprise applications, forthcoming generation web technologies, cloud based computing, new treaties, new programming language and statistics.

2. The social perspective. This deals with dynamics and underlying principles of occurrence driven by the social as well as moving reality and many of all its effects on how people act, communicate, notify themselves, form societies and generate together.

3. The procedures and management opinions. This type looks at management styles and procedures, making different methods to processes within the company and its ecosystem, new enterprise models, changing approaches of working, building agile teams and make decisions above traditional and low management system. Basically, this equivalent making existing enterprise functions more sufficient, articulate and free from traditional silo models. Data and content play a key role in these procedures and in a reciprocal exchange of value between people and consumers, whereby consumers are also internal consumers.
4. The social and people dimension in social enterprise. This is a type of people insist more human principles in the approach we do business and act as enterprise in the globe surrounding us. People focus is key with a raising centricity on human values, social commodity and even social commitment of social enterprise comparable with what it originally meant.

The Benefit of Social Enterprise:

1. Government who are frequently influenced by specific interests are not anticipated to address the challenges of poverty on their own.
2. Enterprise competition is increased, with more diversity in commodities together with services.
3. Social enterprise are less threaten to market fluctuation compared to other business.
4. Social business presents new chances for people to express their inventiveness as well as entrepreneurial attitudes.
5. Eventually, the existing finance can become revitalized.

Yunus’s Essential Component in Respect with Social Business:

1. Be adjustable, but never lose focus of your central goal.
2. Engage yourself in the lifestyle of people you plan to serve.
3. Use support from allies wherever available.
4. Take opportunity of various advantages in different markets.
5. Question your own hypothesis.

Achievable Social Enterprise Needs the Following Personal Aspect:

1. Creativity
2. Enterprisers spirit
3. The wish to make the world a good place to live.
4. The capability to put you’re your plan into action.
5. A powerful work ethic.
6. An openness to new approaches of performing doing work.
7. Describe the problem you want to spot.
8. Keep it small.
9. Clarify your goals.
10. Anticipate initial failures until you find the appropriate formula, but never give up.
11. Create an enterprise plan.
12. Begin now.

To make it more sufficient and easier to begin a social enterprise, we should consider a partnership. Yunus advises us to consider the following possible partners:

1. An existing social enterprise
3. An investors or shareholders
4. A technology ally
5. A production partner
6. A distribution partner
7. An assessment ally

**Business Plan**

Success of any enterprise rely largely on the decisions made. Uncomplicated business plan is report that can convince the audience that the business can generate enough revenue to make sufficient profit and therefor interested as an investment chance.

Basically a business plan allocates asserts and evaluates the outcomes of those actions, assisting one to make realistic goals and set rational decision. Although, a business plan which is, authentic, well-prepared as well as attractive to shareholders is typically a best business plan. Normally a business plan provides numerous benefits, including the following:

1. A business plan provides you a direction to follow.
2. A plan with objectives and operation steps allows individual to guide his/her business through tempestuous, often unpredicted financial conditions.
3. A plan provides your banker focus into the condition and way of your business therefore your business can be bare favorably considered for a loan.
4. A plan can inform your transaction personnel, suppliers and others about your functions together with goals.

5. A plan can assist you grow as a manager. It can offer you exercise in thinking and assessing the problems about competitive conditions, promotional chances and situations that are better or worse for your enterprise. Such as practice over a period of time can improve a possessor in the process of making rational judgments.

6. A good plan inform you what to perform better together with how to perform it to implement the objectives you have planned for your enterprise.

Systematically, Yunus offer a model on how to convince initial investors with the following helpful approaches:

1. Plan a campaign for increasing seed funding
2. Be inventive and make use of social network, for instance, face book, websites, blogs and twitter.
3. Recruit an experienced management team that will assist bring your dream to reality. It’s better to look for investment with an administration team previously exist. That way you can apply their collaborative experience as a selling point when talking to possible investors.
4. Don’t be scared to request family and friends for help and support.

Limitation and Criticism

Yunus has his share of critics in respect to social business: Other scholars doubts and questions his figures because seem to be exaggerated claims. He is accused of simplifying complex issues in society, for instance his definition of social business is too narrow as well as restrictive. Before publishing his work, there was definition of term as can be traced from the Victorian era. But, Yunus combine social, ethical, and environmental issues together with economic goals. Social enterprise requires to be controlled like other profit making business. Speed, better arrangement, frequent re-evaluation together with flexibility to market are the necessary key components just as any profit making enterprise. Although, the inflexible definition eliminates some of the reputed enterprise which are known as exclusively social enterprise.
Yunus’s Thoughts

His language is similar to those politician rather than an academician. Yunus is not the first scholar to introduce the idea of microcredit, yet he was the first scholar who made it a huge scale success. People at the lowest of the pyramid could be lead into the main stream economic support. The idea of community oriented organization has to date been capable to draw considerable attention of academic community, investigators with practitioners on a global scale, it has been conditional to criticism for part of its implied constraints. A very concise dialogue on its constraints with criticisms is presented. Bylund and Mondelli (2009) assert that community oriented organization is not a broadly observed aspect as a result of weaker incentive to reduce cost with top performance. They phrase social business with respect to extremely complex enterprise.

Incentive Factor

Yunus asserts, that social affection encourages an entrepreneurs to operate a community oriented organization. Regarding the common intrapersonal of entrepreneurs, it would not be absurd to increase a query in the event that the social affection is powerful enough as an incentive factor to remind an entrepreneur to go for community oriented organization. An individual might argue that a person’s enhancing an entrepreneur of community oriented organization out of only social affection can be referred as an accident comparatively a common occurrence.

Assessment Impact Criteria

The main goal of the community oriented organization is to attain corporate purpose. Yet, it is ambiguous how to compute the achievement of a community oriented institution in attaining those goals. No specific instrument has been devised as achievement assessment criteria. Frankly, it is tough to compute such non-monetary performance.

Independent Rider Problem

Community oriented institutions are assumed to contend with everyone in a collaborative manner to bring about social well-being which is of state-owned nature. Yet, it is well accepted that public welfare together with collective effort without personal interest usually involves independent-riding problem. Unique Quality along with Unique Risk: Since the entrepreneurs in community oriented institution require to perform social objectives conditional to no deficit condition, they have to encounter the challenges with the social
issues simultaneously. Hence, they must have unique quality in making decisions with handling with risk as well unpredictable situations. Yet, the query is whether corresponding to highly qualified person will be motivated to operate the business without a doubt of personal profit.

**Misuse of Community Oriented Organization:** An individual can make greatest profit business with community oriented organization social simultaneously. Hence, there is a strong possibility of misuse of the community oriented organization as an advancement tool for commodity market or trial achieving tool for their greatest profit business. Alternatively, as shareholders have no personal interest, there might roll out mismanagement in as much as entrepreneurs.

**Transparence with Reliability**

Such occasion offered Grameen’s management with essential information about deficiency as a result of rigidity in the loan procedures in the process of the classic Grameen Bank representation, defaulters on account of rigidity in the loan refunds were forbidden from the loan procedures until they had refunded comprehensively. This procedure left personal with loans in liability with little choice, as they missed access to credit with savings to meet settled interest with outstanding payment recover the loan approach. Contrary to acting as a disincentive in opposition default, the approach present a morally endangered; women in threat of defaulting took dispensable risks to endure in the Grameen network lest they no longer have all getting credit, in conjunction with any opportunity, in order to lift themselves out of poverty. In consideration of the Grameen Bank’s clients are primarily they are impoverished, these individuals had hardly to lose as well completely to get by abiding in the Grameen scheme.

Critics convicted Grameen Bank of reluctance to completely disclose the result of these deadlock on its financial status. Commentators assert that unwillingness to publicize defeat was described of the other funding organizations very anxiously to observe microfinance get through as well thrive and ceased consistently evaluate the industry’s pros and cons. Inadequate leadership of these disclosures increased the impaired, the troubles did to Grameen Bank’s icon, with the media, which had similarly commended the universal development movement for many years, current broadly criticized Grameen with the micro-credit for their lack of transparency and questionable results (Mainsah,.et, 2004).
Apparently, abundant of the condemnation of Grameen Bank has focused on described specifically the way it tell of its default rates. Pearl with Phillips formed this point strongly in a 2001 Wall Street Journal article, along with the related situation surface every periodically. They assert that Grameen Bank successfully permits borrowers another opportunity by broadening the periods of the loan to a point where it is not important to state them in borrowers. If the Grameen defaulters were handled in similar with commercial banks handle those that fold to meet time frame, the borrowers’ rates would be much greater in comparison with Grameen Bank statements. Hurt refreshed those allegations in the New York Times in recent past, which prompted the following riposte Yunus.

CONCLUSION

Despite the critics, Yunus had huge achievement with social enterprise model in Bangladesh in particular. The particular contexts of the country might have been satisfactory for the first remarkable effect. While the concept is highly valued around the world, the details of how it exactly operates, long term feasibility and extent of effect are not understandable to many. It may be essential to cop the model to more areas around the world and experiment its rationality in the respect to the business idea, outcomes together with long term feasibility.

In fact, it sound more practical to undertake both conventional business as well as social business. In respect to social business, the stakeholders wish do personal gain and so create the investment merely to succeed one or more social goals. The stakeholders and possessors of a social business slowly recover the fund invested and not take and divided. On top of achieving the return on investment, the profit needed is directed to the enlargement of its outreach plans and raise in the social effect. This method support entrepreneurship. A social business is the basic source of a sharing economy which solve social problems and is also known to involve social networking as component of its business strategy where foods with other service are accessible through mob based technologies. Grameen Bank stand as vivid example which has grown as a nationwide bank which serve above 8 million mendicants in Bangladesh.

Moreover, poverty reduction is a part of social business. Achievement in a profit maximizing enterprise is measured by the total of profit accumulated in a given year and
advance the prospect of getting more in future years. Under social business firm, you compute achievement by the success achieved in holding out the social objectives in particular measurements for instance the lower the number of starved children, decreasing infant dying with the bunch of people receiving safe water. Social business have increased in some part of Europe together with other regions of the globe with a primary emphasis that collaborative objectives with an entrepreneurial spirit. These companies insight on succession broad social, environmental issues or community goals.

However, social enterprise together with high hybrid models that combine social effect and business principles are still developing idea, they distinctly have exceedingly potential. In the future, it is imaginable that social enterprise will become an increasingly powerful sector in the globe economy as their advantages and better practices become well known. We anticipate that social enterprise will complement organizations in the private, public together with donation based on social facilities.

The concept of social business is sealed with its early phase of development. Being a most recent idea, it could take some time to assume a complete developed structure in each one of two conceptual with operational aspects. Viewing the immense need of impoverished exists, it must be confessed that overcoming poverty in Bangladesh needs innovative efforts such as encouraging the idea of social enterprise model together with proper accomplishment of them. In fact, Yunus’ concept refers to community outreach companies deliberately designed to generate social protection benefits in a commercially sustainable way through their operating systems. What drives this type of business distinguishable is the conscious abdication from circulating profits to its pioneers as well shareholding investors beyond the restore of their initial investment.

Also, Social Business can be referred as an aggregate of community-wide approaches with companies’ lucrative innovations. However, even though a company has to know much about new together with complex social as well sociological situations, it is not presumed to be a non-governmental entity but certainly to act as an authentic company. Companies have then to solve this contemporary issues as well respond with an entrepreneurial channel leading to a creative tension where social enterprise can emerge. These are current structures of organization, incorporate community institutions with innovative companies looking to address the challenges of poverty by promoting comprehensive approaches at the premise of the pyramid. The great insight gained from experiences in local integral as
well deep conversation with communities in closing with social enterprise indicates that the stakeholders can be the inception of current solutions. Through community-oriented organization, a company learns to identify itself inconsistently.

REFERENCES


