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Publication details:
Australia and New Zealand Journal of Social Business, Environment and Sustainability
v. 2
Chapter No. 2
pp. 153 - 173
2206-4346 (ISSN)

Publication Date:
2016-10-12

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Australia and New Zealand Journal of Social Business, Environment and Sustainability
Volume 2● Issue 2● October 2016, ISSN 2206-4346

www.anjsbes.net.au

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The Role of Social Business towards Development: Case Study of Bangladesh

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Abstract

Either making the poor people owner of the business or enjoying the business by serving poor people instead sharing profit, we can put the so called new concept of Social Business in practice as suggested by Noble Laureate in Peace, Professor Dr. Muhammad Yunus. *Social Business* - a new dimension of business has become a buzzword in the arena of 21st century's economy, which stands on seven principles. This paper attempts to explore the issues of Social Business from different perspectives from the existing literatures. Through a desk research, this paper highlights the concept and importance of Social Business along with the contrast of such business against traditional businesses. The paper also focuses on the current applications of Social Business through case study in a particular context of Bangladesh.

Keywords: Social Business, Principles, Case, Bangladesh, Yunus

1. Introduction:

Social Business – The concept starts with the argument whether the selfish motto of being the sole profit maker in traditional capitalist economic system is enough to create a society without poverty. As opposed to this traditional view of economic wealth creation, the concept of

Social Business gives priority to a selfless cause of social wealth creation where the objective of earning the profit is only for the sustainability of the firm rather sharing with its owners other than poor.

The concept of Social Business was first introduced and shaped by the Nobel laureate professor Dr. Muhammad Yunus in 2007 and since then the idea has started to spark among academician and researchers. Despite the increasing interest in Social Business model there is still lacks of a good conceptual understanding on this issue. The paper attempts to fulfil the gap by conceptualizing the issue on a broader scale.

2. Defining Social Business:

Though the concept of Social Business has recently emerged as a field of academic interest and inquiry, but the lack of a proper definition of social business impedes research in this field. The definition and notion on Social Business primarily comes from Muhammad Yunus himself through his books, speeches, papers and also from other relevant research articles.

We like to start with the summarized definition of Muhammad Yunus: "Social Business -a financially sustainable organisation created solely to solve a social problem. Whereas original investments may be recouped, all potential profits are reinvested to further increase the organisation's social impact."(Yunus, 2008 and Yunus Centre Website).

Due to the failure of money-centric capitalism to give the permanent solution of basic problems of poverty of today's world and insignificant role of charitable work towards fixing the problem, Muhammed Yunus realized the missing piece of concept of Social Business in the framework of the business world as quoted by "So whenever I wanted to solve a human problem, I tried to think of how to use a business approach to address it. These were new kinds of companies, to help others rather than to make money for ourselves. Whatever profit we made from the companies, we reinvested to make them grow and solve even more problems. I started calling this type of company a social business." (YUNUS SOCIAL BUSINESS Investment Report, 2013).

He argues that social businesses should be set up not to achieve limited personal gain rather to pursue specific social goals. He differentiates the social business from traditional profit making business by clarifying the objective of such business-"The criterion by which it should

be evaluated—is to create social benefits for those whose lives it touches. The company itself may earn a profit, but the investors who support it do not take any profits out of the company except recouping an amount equivalent to their original investment over a period of time. A social business is a company that is cause-driven rather than profit-driven, with the potential to act as a change agent for the world". (Yunus, 2007 and 2008). Thus Social Business is a business entity which is run on the basis of "non-loss-non-dividend" motive and the ultimate goal of which is to solve social problems especially those related to poverty (Hoque, 2011). In fact, Social Business promotes social objectives primary, while also making a profit but such profit is not shared by management or investor rather reinvested to expand the company and its positive social impact. Stakeholders receive a dividend on their investment in the form of social change (Grove and Berg, 2014).

The distinction between social business and conventional business, that is, money-making business, is social business is totally de-linked from the very idea of making personal profit (Kickul et al. 2012, p. 457.). Unlike profit maximizing enterprises, however the core focus that drives the social business entrepreneurs is that of addressing a social problem and thus a social business is created for the collective benefit of others. (Grove and Berg, 2014). Thus the role and contribution of social business is crucial towards sustainable development as social business contributes to human development by enlarging people's choice in an economically, environmentally and socially sustainable way (Humberg and Kleemann, 2014).

In fact, Yunus sees social businesses as allowing owners to express their selflessness, and to attract investors—a feature unavailable to non-profits (Peterson, 2015). In sum, the social business is run like a business with long-term planning. It generates income from business activities and focuses on long-term impact—rather than chasing donations year to year (Wimmer, 2012, p. 195).

From above discussion we like to roughly characterized Social Business by the following main Characteristics:

-The objective of the business is to overcome poverty by addressing social needs.

- It is a competitive business where profit making is only for the sustainability of the firm rather sharing with its owners other than poor.

- Owners get back their investment amount only and no dividend is given beyond the investment money.

- And most importantly, it aims maximizing social benefits instead of profit.

It is also relevant to discuss the formation of social business. In social business poor can be benefited in ether way by being the owner of the company or being served by products and services. According to this concept, social business is divided into two categories-the product produced is for the benefit of the poor or one can take up any profitable business so long as it is owned by the poor (Yunus 2007, 2010). By fulfilling social needs, in both ways one can contribute to the poor, which is the main aim of the Social Business.

Box-1: Types of Social Business

Type I: A "non-loss, non-dividend company" that creates social benefits through the nature of its products, services and/or operating systems.

Type II: A profit-maximizing company owned by its poor or otherwise disadvantaged target beneficiaries, or by a dedicated trust.

Extracted from: Development Co-operation Report 2014, OECD

The following diagram will provide the whole concept on Social Business model:

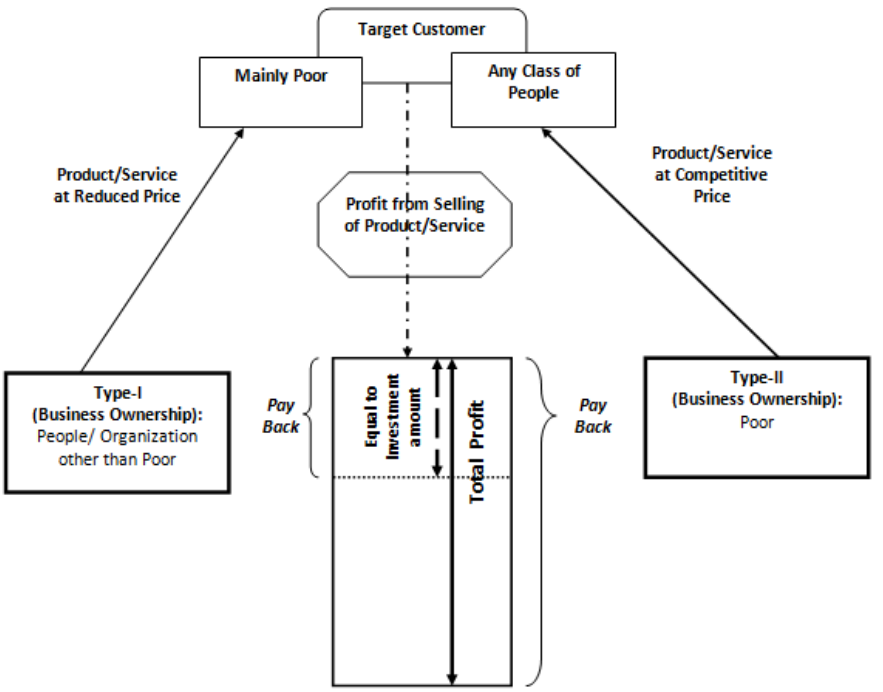


Figure 1: Social Business Model (Authors' creation)

3. Social Entrepreneurship and Social Business:

The discussion on this part is relevant as many people consider Social Business as synonymous to Social Entrepreneurship. The debate starts from the beginning of introducing the concept of Social Business by Yunus. First we like to focus defining social entrepreneurship and later we will try to refute the debate.

However, confusion and uncertainty are constantly noted about what exactly a social entrepreneur is and does (Abu-Saifan, 2012) as the concept is ill-defined with no coherent theoretical framework (Barendsen and Gardner, 2004; Weerawardena and Mort, 2006). Social entrepreneurship, commonly defined as entrepreneurial activity with an embedded social purpose (Austin et al., 2006) and social mission (Martin and Osberg, 2007), which involves the deployment of new business models that address basic human needs (Seelos and Mair, 2005). The OECD (2000) was the first international organisation to conceptualize social entrepreneurship using the definition that: "Any private activity conducted in the public interest, organised with an entrepreneurial strategy but whose main purpose is not the maximization of profit but the attainment of certain economic and social goals, and which has a capacity of bringing innovative solutions to the problems of social exclusion and unemployment." Mair and Marti (2006) defined social entrepreneurship as a process involving the innovative use and combination of resources to pursue opportunities to catalyse social change and/or address social needs. Social entrepreneurship has also been called the simultaneous pursuit of economic, social, and environmental goals by enterprising ventures (Haugh, 2007) as the interest in social entrepreneurs stems from their role in addressing critical social problems and the dedication they show in improving the well-being of society (Zahra et al., 2008).

A more concrete idea on Social Entrepreneurship was given by Professor Jose Santos (2009) in his paper 'A Positive Theory of Social Entrepreneurship' where he not only provides a conceptual framework on the phenomenon of social entrepreneurship but also places social entrepreneurship in the context of economic organisation and the functioning of modern economies. He argues that social entrepreneurship is a process of addressing positive externalities neglected by the self-interested private sectors due to low potentiality toward value appropriation and also by government sectors due to localized externalities benefiting groups which lack power. Thus social entrepreneurs are entrepreneurs with a social mission toward creating social value as opposed to a profit seeking motivation. He further shows how social

entrepreneurship is different from main stream business approach by arguing that the key differences between social entrepreneurs and commercial entrepreneurs is that they seek opportunities for value creation without regard for the potential of value appropriation. Social entrepreneurs aim to achieve as sustainable solution to the problem they address rather to achieve a sustainable advantage like others organisation concerned with pursuing opportunities for profit or value appropriation and social entrepreneurs also adopt logic of empowerment of others, both inside and outside their organisation, as opposed to the more traditional logic of control (Santos, 2009).

Table-1: Institutional actors in modern capitalist economies and Social Entrepreneurship

Characteristics	Governments	Business	Charity	Commercial Entrepreneurship	Social Activism	Social Entrepreneurship
Distinct Role in Economic System	Centralized mechanism through which the infrastructure of the economic system is created and enforced (and public goods provisioned)	Distributed mechanism through which society's resources and skills are allocated to the most valued activities	Distributed mechanism through which economic outcomes are made more equitable despite uneven resource endowments	Distributed mechanism through which neglected opportunities for profit are explored	Distributed mechanism through which behaviors that bring negative externalities are selected out	Distributed mechanism through which neglected positive externalities are internalized in the economic system
Dominant Institutional Goal	Defend Public interest	Create sustainable advantage	Support disadvantaged populations	Appropriate value for stakeholders	Change social system	Deliver sustainable solution
Dominant Logic of Action	Regulation	Control	Goodwill	Innovation	Political action	Empowerment

Extracted from: The INSEAD Social Innovation Centre Working paper- Working paper No-2009/23/EFE/ISIC, Pg-50

To define Social entrepreneurship Abu-Saifan (2012) proposes boundaries to properly position social entrepreneurs in the field of entrepreneurship. One boundary is 'Non-profit with earned income strategies' where a social entrepreneur operates an organisation that is both social and commercial; revenues and profits generated are used only to further improve the delivery of social values. And other boundary is 'For-profit with mission-driven strategies' where a social entrepreneur operates an organisation that is both social and commercial; the organisation is financially independent and the founders and investors can benefit from personal monetary gain.

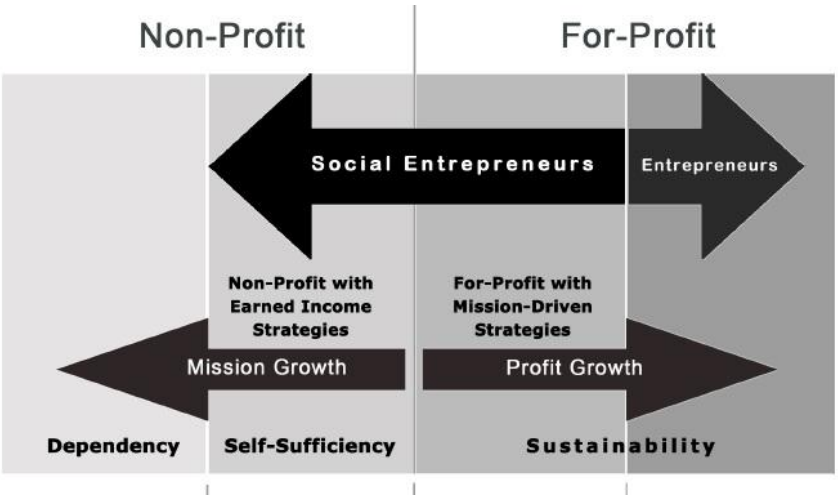


Figure 2: The boundaries of social entrepreneurship (Extracted from: Technology Innovation Management Review. Feb-2012, p.26)

Considering the above discussion we like to focus on the issue whether we can consider Social business equivalent to Social entrepreneurship. The answer was given by Yunus (2008) himself as, "But social business and social entrepreneurship are not the same thing….. Social business is a subset of social entrepreneurship". While a social enterprise in its broad sense may be for-profit or non-profit, commercially viable or subsidized, a social business complying with Yunus' concept is based on a commercially viable business model, while at the same time adhering to the non-distribution constraint of non-profit organisations unless ownership is given to the company's target beneficiaries (Humberg and Kleemann, 2014). In other word, all those who design and run social businesses are social entrepreneurs, but not all social entrepreneurs are engaged in social businesses (Yunus, 2008) as social enterprises may depend on donations or include conventional dividend payments to shareholders (Humberg and Kleemann, 2014). Arguing on his concept Yunus provides an example that the social entrepreneur may not be involved in a business at all, he or she may be helping to solve a problem from a distance, but a social business leader will pick a problem, design a business to solve that problem, and take it from there—he or she will not just give the money and sit for the results to come (Kickul et al., 2012). Yunus later provides seven principles (Discussion on these seven principles has been provided in later part) based on which social business will be run and based on these principles, he attempts to distinguish a social business from social entrepreneurship. Among these principles the third one provides a completely new idea where investors are limited to a return of

invested capital only, as any dividend above the original investment would trump social objectives. From these principles Michelini (2012, p-28) extracts four components of a social business model which can be referred for distinguishing it from social entrepreneurship: the value proposition (the stakeholders and the product/service), the social profit equation (the social profit and the environmental profit), the value constellation (the internal value chain and the external value chain), and the economic profit equation (the sales revenues, the cost structure, and the capital employed). Huybrechts and Nicholls (2012) differentiated social entrepreneurship from social business by arguing that the concept is much more restrictive than social entrepreneurship. They argue that while social enterprise considers mission-aligned profit distribution then such profit distribution is prohibited in Social business. They also pointed that the possible hybridization of social and business logic was ignored in the Social business concept, which lies at the heart of many social enterprises.

However, in many contexts there are similarities between these two concepts but if we look closely then there are some basic differences exits. The social business is a subset of social entrepreneurship where it has created own identity by some unique characteristics. It solves the social problem with the business model where a social entrepreneur may not be involved in a business at all. It focuses to make the multiple social impacts, as all profits have to be reinvested into the business or used to start new social business to increase the impact. Social businesses must be able to financially sustain themselves through their own earnings potential which may not be true for all social entrepreneurship. And most importantly the "non-dividend" feature is completely a new idea where investors are paid back only their initial investment as any profit beyond that will be utilized toward sustainability of the firm or invested for new social business. Thus, while in traditional social entrepreneurship model the returns goes back to owner and to business entity (some cases) then in case of Social business whole return (Other than initial investment portion) goes back to business entity for sustainability and towards investment in new social business.

4. The Seven Principles of Social Business and Contrast to Traditional Business:

Actually Social business aims to deal with social problems creating business model following some specific principles, the 7 (seven) principles of Social Business. These principles were developed by Muhammad Yunus at the World Economic Forum in Davos, January 2009.

These principles make the business separate from other traditional business. The following discussion will address the issue of 7 principles of social business along with contrast of such principles against traditional business.

1) Objective of the Business:Traditional business focuses on profit/wealth maximization as their first objective and second objective is fulfilling public expectations of well being by providing increasing needs and desire for goods and services. But in Social business the first objective is to overcome poverty by addressing social needs in its operation while the second objective focuses on profit maximization. The objective of traditional business of profit/wealth maximization aims to reward the investors for their capital investment while Social business has such objective of profit maximization for the sustainability purpose.

Principle-1: Business objective will be to overcome poverty, or one or more problems (such as education, health, technology access, and environment) which threaten people and society; not profit maximization.

2) Sustainability: While most of the traditional businesses focus only on financial sustainability then Social business focuses on both financial and economic sustainability.

Financial sustainability depicts the commercial viability of the project and shows its strength from financial angle. On the other hand, Economic sustainability concerns on the effect of business on the society/economy as a whole. In other word, financial sustainability focuses on benefits and costs to the enterprise only, while the economic sustainability considers the benefits and costs to the whole economy.

Principle-2: Financial and economic sustainability

3) Investment: The nature of social business is assumed to be company organisation as in the 3rd and 4th principles of Social business; the issues of "Dividend" and "Company profit and retained earnings" have been addressed. Moreover, Yunus (2008) expressed his expectation to form a separate stock exchange for social business. This indicates that the nature of the business will be Public Ltd company rather private company.

In the traditional company business the owner/investor gets dividend on continuous basis and without ceiling amount. But in Social business, investors get back their investment amount only and no dividend is given beyond the investment money.

Principle-3: Investors get back their investment amount only. No dividend is given beyond investment money.

4) Retained Earnings: When a company makes profit, some part of it goes out to the shareholders in the form of dividend and the rest of the money is kept by the firm which is called retained earnings. What can be done by these retained earnings? In a broad sense it can be used for several purposes like paying debt, stock repurchasing (buy back own shares from market) or new investment for expansion purpose. Social business requires retained earning for the use of last purpose mentioned here. This means retained earning of social business firm will be utilized for expansion and development purpose or sustainability of the firm. In addition, it can be utilized for financing new social business also.

Principle-4: When investment amount is paid back, company profit stays with the company for expansion and improvement.

5) Environmental Issue: In a company, environmental issue can be addressed in several ways. Environmental issue can be incorporated in a business by refraining environment from degradation through industrial wastage management, ensuring proper allocation of natural resources, developing environment-friendly production process or by adopting appropriate technology protecting the environment from deterioration. But very few companies consider environmental issue spontaneously by themselves rather they consider it obliging by the legislation of law. They give priority on profit over environmental issue. Traditional businesses would harm the environment to whatever extent was profitable. Contrast to traditional business, the social business has incorporated environmental issue in its core principles of operation.

Principle-5: Environmentally conscious

6) Employee Affair: The present capitalist system is driven by policy of pursuing profits rather than human needs. In exchange of wageworkers have to sell their labour to the profit makers of the company. But now the working class is continuously being threatened to be layoff. Even workers have to work more without extra benefit. For the success of company by the hard working and labour of workers, very few companies recognize their dignity as human beings rather their performance is appraised by only in terms of monetary value. But social business is

beyond traditional capitalism view of wage and working condition rather it ensures that worker will get appropriate wage while ensuring a congenial working environment where workers will be treated as human being, not work machine.

Principle-6: Workforce gets market wage with better working conditions

7) Happiness: The happiness of owners of traditional business comes from the success of the business in the form of increasing of profit. Most of the cases employees and workers of these firms cannot work with joy, as there are little incentives for that. In contrast, social business gives owners the platform of happiness by the feelings of satisfaction by serving the society to overcome poverty. Thus owners of the social business work with joy which comes from the intension of reduction poverty from the society rather profit making. Workers and employees of social business also work with joy because they get fair wage with better working condition while they can feel their importance as a part of the objective of the business towards reduction of the poverty.

Principle-7: ...do it with joy

5. Marketing and Financial Aspects of Social Business:

These are two important segments for any business and it is also true for this business model. However, there has been not much discussion on these issues so far. But these parts are crucial for this business model as it has some unique characteristics apart from traditional business. First, we will focus on marketing issue and then financial issue for this type of business in brief.

A social business is designed and operated as a business enterprise, with products, services, customers, markets, expenses, and revenues—but with the profit-maximization principle replaced by the social-benefit principle (Yunus, 2008). So, it is a competitive business, which will strengthen the forces of free market. So, to be a competitive one it must have a proper guideline for marketing side. Here, two different types of marketing policy need to be followed based on the type of Social business. In case of Type-II Social business where customers are any group of people, present marketing policy needs to be applied there as followed by others traditional business. A competitive price with strong distribution channel and qualitative product/services can ensure the success of this type of social business. On the other hand,

Special marketing policy is needed for Type-I Social business. Here special attention has to given on the innovative product/service. It needs to develop the products, services that create the social benefit. It might provide food, housing, health care, education, or other worthwhile goods to help the poor (Yunus, 2008). So, three important issues need to be addressed here:

- Innovative Product/Service that solely for poor people [Product/Service idea]
- Effective ways to reach the poor people class [Distribution]
- Cheaper Price but enough to generate revenue [Pricing]

On the other hand, the Financial Aspect is also very much crucial for this type of business. But this is the most challenging part as it has separate nature of financial dimension. The following financial points have been mentioned by Yunus in his different concept note papers. These are the extraction and accumulation of those points regarding financial aspect (See, Yunus 2008; Yunus et al., 2010):

5.1 Marketing and distribution strategy:

In Social Business, like other business, it is important to bring the final products to the target customer in fast accessible way. Selecting appropriate strategies are crucial to ensure the sustainability of the project.

- Effective distribution of a product ensures fast access of the product by the customers. The strategy varies for local, national and international markets. For example, Grameen Danone distributes their products through selected salespersons everyday.
- Entrepreneurs have to predict the prospective sales volume. Accordingly, they set the sales target for the sales representatives.
- Social business entrepreneurs usually target a specific group of customers affected by a specific social problem. This allows the entrepreneurs to be free of searching new markets for their products, unlike products of traditional business.

5.2 Financing Decision:

- As it seeks self-sustainability, a social business only relies on its investors at the beginning of a development project.
- Investing in a social business is different from philanthropy in several ways: the social business is self-sustaining and investors get their money back, people who donate to charity do not. The

investor also remains the owner of the company and can thus decide its future course of action, so that - as well as a chance to provide money - the social business offers businesspeople an exciting opportunity to leverage their own business skills and creativity to solve social problems.
- Existing companies of all shapes and sizes choose to devote part of their annual profit to Social business.
-Foundations may create social-business investment funds.
- International and bilateral development donors may choose to create dedicated funds to support social-business.
- Governments may create social-business development funds
- Retired persons with wealth to spare will find social businesses an attractive investment opportunity to pursue.
- Social Business Design Lab creates linkage between investors and entrepreneurs of social business (Yunus Centre website).

5.3 Profitability issue:

- An inherent and ongoing conflicts between the demands of economic and social profit objectives are 'facts of life' for social businesses.
- When the objective is to build a social business, its business model must be shifted from traditional financial profit generation towards social profit generation. This is possible where only social profit-oriented shareholders are involved in the project, but it makes the design of the business model more difficult, since it must focus not only on financial profit, but on profit for all stakeholders. Hence, while financial profit is implicit in conventional business model innovation, social business models need to define their objectives clearly.
- Profitability is important to a social business. Wherever possible, without compromising the social objective, social businesses should make.
-It has to recover its full costs while achieving its social objective.

However, the bottom line for the social business is to operate without incurring losses while serving the people and the planet—and in particular those among us who are most disadvantaged—in the best possible manner.

5.4 Return on Investment and Retained Earnings:

- The company itself may earn a profit, but the investors who support it do not take any profits

out of the company except recouping an amount equivalent to their original investment over a period of time.

- Like any business, a social business cannot incur losses indefinitely. But any profit it earns does not go to those who invest in it. Thus, a social business might be defined as a non-loss, non-dividend business.
- Once the initial investment funds are recouped, investors can decide what to do with those funds. The surplus generated by the social business is reinvested in the business. They might reinvest in the same social business, invest in another social business.

5.5 Stock Market:

- To attract investors, a separate stock market will be created, which could be called the social stock market. Only social businesses will be listed there.
- Although theoretically, a social business should provide no annual return, this mutual fund is an acceptable and innovative way of financing social businesses through the existing stock market as referred to the publicly-trade mutual fund created by the Grameen Danone (See, Yunus et al., 2010, pg-317).

In addition to these points there are some another issues, which need to be addressed in financial decision of social business. One important issue is measurement of social impact. As the interests of the principals do not lie in making personal profit but rather in social good, then different measures of performance are needed. In the world of social business, this has led to the recognition of the importance of measuring social impact and "impact investing." (Kickul et al., 2010). While return on capital employed is an accepted measure for conventional business models, social profit is difficult to measure with such standard ratios (Yunus et al., 2010). Obviously, along with traditional financial ratios we need to focus on the development on the new ones, which will address these measurement issues.

6. Importance of Social Business / Role of Social Business towards Development:

Social Business is at its early stage and only future will be able to tell us about its impact on the society. May be it is not far when we will be able to measure such impact and how the society is benefiting out of it. However, Social Business has at least made a little shake to the business world and helped rethink the stakeholders that there are ways to do businesses

differently. A recent survey conducted a few years ago revealed that the 18% respondents believed that Social Business is important to their organisations and 63% considered that it would become important in following three years (Kiron et al., 2012). In fact, it has almost become an industry nowadays. Entrepreneurs are increasingly investing in Social Businesses, there are growing number of seminars/workshops/conference on this issue, scholars are doing research in this area, publishers are bring out books, journals and magazines, TV/Radio channels are organising discussion and talk shows, and universities are offering various courses on Social Business including PhD degrees. So it is very much apparent that the importance of Social Business is increasing in a rapid pace.

7. CASE on Social Business:

Grameen Green Children (GC) Eye Hospital (Bogra Branch)

Grameen GC Eye Hospital is a social business organisation works to prevent Cataract Blindness. It was established on 1st November 2007 at Bogra, a northern district of Bangladesh. It is operated by Grameen Health Care Service Ltd (GHS), a Foundation where the investors invested fund following the principle that they will only take their investment back not the profit made by GHS.The hospital provides quality eye care treatment and surgery especially to the poor. There are several options for treatment and surgery for all class of people of low income, middle class and wealthy patients, which they can choose according to their affordability.

Grameen GC Eye Hospital is considered as an example of Social business, which fulfilled the principles of Social Business in the following ways:

1) Principle of Addressing Social Problems: There are an estimated 180 million people worldwide who have a visual impairment. Out of that number, nearly 45 million are blind and four out of five of them live in developing countries. One-third of the world's blind people (15 million) and 50% of the world's blind children (0.7 million) live in the South-East Asia Region (Avachat et al., 2011). According to Bangladesh National Blindness and Low Vision Survey Report (2003), there are 0.75 million visually impaired people across the country, of them 80 percent are due to cataract, which is curable. In a developing country like Bangladesh prevalence of blindness as a critical social and health problem which puts an additional burden to our socioeconomic conditions. Poverty prevents the poor people of Bangladesh from appropriate and

quality eye treatment. Grameen GC Eye Hospital has addressed this social problem in its business operation.

2) Principle of Financial and Economic Sustainability: Grameen GC Eye Hospital, Bogra is providing eye care services in two ways- at hospital and at the satellite camp (in the remotest areas). At hospital, it provides services of eye examination, consultation and surgery. At the camp besides eye examination and treatment patients identified for surgery is brought to hospital and performed surgery. Hospital charges patients based on their ability to pay, with wealthier clients charged at a slightly higher rate and the poor a little less while ensuring the equal high-quality treatment regardless income group.

At the hospital, patients get eye examination and treatment by paying the registration fee of only Bangladesh currency Taka of 100 ($ 1.28). There are various types of Cataract Surgery packages, which starts from Taka 4000 ($ 51.28) to Taka 32000($410.26) while eye surgeries are provided at BDT 1000 ($12.82) to Taka 5500 ($70.51).

At the camp, patients are getting eye examination and treatment free of cost. The rate of cataract surgery for the camp patients is BDT 1500($19.23) but who cannot afford the cost are being subsidized. Earnings from the rich patients are used for subsidy to these poor and destitute patients. (Source: www.grameenhealthcareservices.org; $1=Taka78)

The following data shows that Grameen GC Eye Hospital of Bogra branch has reached the break-even point only after one year of operation.

(Amount in Taka, $1=78 Taka)

Year	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**
Total Hospital Revenue	37546448	32685555	27,958,870	21,056,658	19,655,442	14,578,028	7,384,853
Total Hospital Expenditure	33472281	26969845	23,878,849	17,166,056	13,768,456	12,751,075	9,781,961
Operating Profit/(Loss)	4074167	5715710	4,080,021	3,890,602	5,886,986	1,826,953	(2,397,108)

Source: www.grameenhealthcareservices.org

In case of economic sustainability, it provided of employment for 127 where 4, 29,365 people treated to date (up to December, 2014). Besides creating of employment opportunity and

hospital based economic activities, it helps to avoid average cumulative loss for Bangladesh's GDP over the lifetime of treated patient of Taka 450 billion (BGC report, 2013)

3) Principle of Investment: The hospital is operated by Grameen Health Care Service Ltd, a Foundation where the investors are Grameen Kalyan (GK), Grameen Shakti (GS) and Grameen Telecom Trust (GTT). The foundation has been established with an authorized capital of BDT 500 million of which the paid up capital is BDT 300 million. The investors took only their investment back not the profit made by Foundation.

4) Principle of Retention of Profit by the Business: Following the principle the hospital keeps the profit for the improvement and expansion purpose. In the expansion program, it later established two more branches where one is in Barisal in 2009 and another one is in Thakurgaon in 2013.

5) Principle of Environmental Consciousness: The hospitals are being followed the proper waste management system.

6) Principle of Employee Affair: So far, the hospital has created employment of 127 as workforce. The workforce are getting competitive market salary and better working environment. The following table shows administrative overhead only over the periods 2008 to 2014.

Amount in Taka, $1=78 Taka

Year	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**
Administrative Overhead	3388015	2558112	1963189	1320064	1163308	1453019	4141256

Source: www.grameenhealthcareservices.org

Not only that, all the staffs of GHS Hospitals has got training from Aravind Eye Care System in India.

7) Principle of Working with Joy: The 'World Happiness Report-2013' published by United Nations Sustainable Development Solutions Network shows the researchers' attempts to measure happiness in 150 countries around the world which raises the question: "As more thought leaders pay attention to happiness, should companies also consider happiness as one measure of their social impact?" Addressing the question The Guardian (2013) published a feature where it quoted the statement of Mark Williamson, founder and director of 'the London-based Action for

Happiness Project' as: "All businesses should care about happiness. The happiness of a company's people is vital to their business success." According to the report, it argues policy makers to make happiness a key measure and target of development.

In reality, the essential fact about human beings is that they are multi-dimensional beings. Their happiness comes from many sources, not just from making money through traditional economic framework (Yunus, 2007). Regarding this happiness issue Yunus expressed his thought in 'the Second annual Forbes 400 Summit on Philanthropy-2013' in New York as "Making money is a happiness and that's a great incentive, but making other people happy is a super-happiness." Till 2014, the hospital provided treatment to the total 429365 patients where 1, 04,725 was free of cost. Besides, among total 17815 Cataract Surgery 2,909 were performed free of cost and 4,672 with subsidy (*Source:grameenhealthcareservices.org*).

Obviously the joy of owner of the hospital comes from achieving social objective by serving the poor people. And according to the hospital authority, "Staffs are also working with joy".

8. Conclusion

A Social Business is a new form of Business Company which runs in a financially self-sustainable way addressing social problem. In Social business poor can be benefited in either way by being the owner of the company or being served by products and services. According to this concept, the product produced is for the benefit of the poor or one can take up any profitable business so long as it is owned by the poor (Yunus, 2007). By fulfilling social needs, in both ways anyone can contribute to the poor and hence reduction of poverty which is the main aim of the Social business. The concept is now being considered as an instrumental tool towards economic development through eradication of poverty.

However, Social business is a new concept which has flourished significantly yet neither at the practical level not at the theoretical level rather whose implication is now at experimental stage only. No doubt, with the pace of times, this business will face new challenges and questions. But without conducting this business how can we get the solutions? So let's start thinking and convert those ideas of Social business into practice. Time has come to eradicate the poverty permanently as Prof Muhammad Yunus quoted: "Poverty does not belong in civilized human society. Its proper place is in a museum. That's where it will be."

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