# Serving Society Through Community Enterprises : A Case Study on ARSU Knit Project, Nepal

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#### **Abstract**

The paradigm change in entrepreneurship has made real sense by taking societal problems seriously. Today, social entrepreneurship is playing a key role as the sense of eco friendliness and environmental consciousness is growing in the market. The economic imbalance in the society doesn't make much difference to some extent as poverty has been justified as a necessity. In the time of modernization, the diversion towards societal issues have been targeted greatly, and because of these efforts, social enterprises are budding up. However, with the wide ideas behind the knowledge, still the struggle continues to define social entrepreneurship. To make it simpler, a similar objective is termed here as community enterprise, which aims at societal good. In this context an attempt has been made in this paper to discuss the role of community enterprises in sustainable development.

In this paper, a case study on ARSU Knit Project of Nepal was presented which made the difference in the lives of people through entrepreneurial activity. In the year 2015, Nepal was hit by earthquake ad most of the affected area people lost hopes. Arya K. C., who is from Nepal but graduated from India, came up with idea of bringing sunshine back in their eyes, with the help of Community Network Without Border (CWB), an organization in which participants are independent but mutually cooperate and support each other without having barriers of border. Arya started contacting people, sheltered them under an umbrella,and served them by engaging them in knit work. As a charitable organization, CWB started collecting woollen rolls from households of Japan and supplied the same to people of affected area as a support, and today their products are reaching the market. It has made them self sufficient through entrepreneurial activity. The data were collected primarily through interview and mail conversations with the objective to understand community activity undertaken by ARSU Knit project of Nepal and the same has been discussed in detail in the paper.

Keywords: Community, knit project, Nepal, service social entrepreneur

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Research in social entrepreneurship has gained momentum in recent decades as major academic work is still on track for exposing new dimensions of entrepreneurship. The popularity gained by social entrepreneurship towards addressing the societal problems has caught the attention of academicians and social scientists, but still there is no consensus among scholars and practitioners regarding the actual meaning of social entrepreneurship. It also seems that researchers from different geographical origins have followed different approaches to define the concepts. These have resulted in different schools of thought and there seems to be a transatlantic divide in the way social entrepreneurship is approached due to different conceptions of capitalism and the government's role (Bacq & Janssen, 2011). Social entrepreneurs are a 'sub-species' of the entrepreneur family. However, there is a lot of overlap between social entrepreneurs and their commercial counterparts. Even to draw a line between commercial and social entrepreneurship, scholars worked and contributed their own findings in this regard because of the way in which resources must be mobilized and because of the ambiguities associated with performance measurement, the terms of

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the deals are fundamentally different for commercial and social entrepreneurs (Austin, Stevenson, Jane, & Wei-Skillern, 2006). Assuming the vast role of modern social mechanism in strengthening societal bonds, these enterprises started working on the lines of non-government organizations and moving further somewhere, the dilemma emerged as a part of working style. In this spectrum, social enterprises are not to be confused with non governmental organizations (NGOs). While there could be social enterprises that could be NGOs, not all NGOs can be classified as social enterprises (Sriram, 2011). Society is an ocean which consists of problems, and most of the time it is associated with the poor and marginalized people who are in the lower strata of pyramid. In the US, the first root regarding the debate on social entrepreneurship and social enterprises refers to the use of commercial activities by non-profit organizations in support of their mission as summarized by Kerlin (2006).

Social entrepreneurship, which still continues with the similar path of entrepreneurial activity and serving the society is termed as a vast concept and most of the entrepreneurs are not ready to attach to it. The NGOs which are serving the society without the intention of profit and entrepreneurs who aim for profit through innovative activity fill up the vacuum of discussions in this regard. Society at large is also served through innovations of the entrepreneurs through their economic role.

As coined by E.F. Schumacher, "small is beautiful" is the way of vastness to serve the small segment of society, that is, the community in particular. There are entrepreneurs who target this. Social entrepreneurs are players of vastness whereas, in a particular community entrepreneurs choose a part of it and try to serve better. Society at large might be having severe problems to solve, but at the same time it may not be easy to target the problem as a whole. So, there are people who consider a segment of it which might be easy to serve better. Community enterprise differs from social enterprise as it has a much smaller and more geographically defined focus. However, the ethos behind the two, as well as their main aims, are the same (Belotti, 2016). Having similar aim to serve, that is betterment of society, serving with different scale makes them community enterprises. By taking social capital into consideration, running an enterprise actually makes real sense when it works on it.

### **Objectives of the Study**

This paper presents a case study from Nepal and it has the following objectives:

- 1. To discuss the meaning and dimension of social entrepreneurship.
- 2. To understand the role of social capital in establishing community enterprise in general.
- **3.** To analyze the case of ARSU knit work in building community enterprise.
- **4.** To study the ARSU knit work project as a case of community enterprise.
- **5.** To analyze sustainability of social entrepreneurship in the future.

## Methodology

This study was done on the basis of primary and secondary sources of information. The paper is focusing on a case study on ARSU knit work project of Nepal. The data were collected primarily through interview and mail conversations with the objective to understand the community activity undertaken by ARSU Kit Project of Nepal and the same has been discussed in detail in this paper. Secondary information was gathered through journals, government records, and Annual report of the ARSU knit project of Nepal.

# **Backdrop of the Study**

In the year 2015, Nepal was hit by an earthquake and most of the affected people lost their hopes too. Arya K. C. who is from Nepal but graduated from India came up with idea of bringing sunshine back into their eyes with the help of Community Network Without Border, (CWB), an organization where participants are basically independent, but mutually cooperate and support each other without having barriers of border. During the earthquake, people lost their hopes. Unemployment, poverty, and hunger were rampant in Nepal during this time. Looking at their hardships, Arya K. C. thought of doing something for the victims of the earthquake. He created a circle of knitters to achieve his goal. At the time when Arya made up his mind to serve the society, and when he visited Nepal, he came in contact with Mr. Masaru Kataoka who is a Professor and is also the founder of Community Network Without Border (CWB).

Professor Masaru Kataoka firmly believed that community networks can facilitate sharing of information between organizations, and thereby, encourage co-operation and collaboration between them. In this context, both of them discussed and shared details about the scenario and plans to work for the community. Accordingly, training was conducted in the capital for three days in association with Japanese designers and other experts. The Japanese also donated yarn and other raw materials for future also.

Once this movement started, it gathered momentum. The same happened in Nepal also. Communities comprising of individuals, families, groups, organizations, and institutions, individually, and collectively contributed to, and carried out the development of the whole project. Often, they are sources of untapped skills, expertise, and knowledge which if encouraged and stimulated, can contribute not only to the development of an individual community, but to the society in general.

We can see that involvement in societal act makes a human realize his true nature that makes him different from other species. On one side there are struggles of work and on the other side, there is society which faced earthquake in 2015 and almost lost everything. This made Kataoka respond to and serve the community which was nearby. As it was understood that the people were good at knitting, he gathered all strength to get them to work on knitting project.

At the same time, the guidance from Mr. Kataoka and helping hands all the way from Japan helped the idea of Mr. Arya. People trained the community members and they started building it step by step. They trained 100 women from different communities, and they slowly started learning about knit work professionally. As they learnt and became experts, they turned into teachers for other people. At present they are working on knitting and felting. Figure 1 shows pictures of ARSU Knit project.

## **Challenges Faced**

People had reached and hiked peaks but to mobilize them for long was difficult, so they are moving to different new ways of working the system. Production will be on the basis of regular work but the quality check of finished products will be done thrice in a month. Currently 100 women are working in group at the same time. They have group inactive in the corner, based on requirement the products will be collected. He also added that today the demand for handicrafts in the world is very large, so they are reaching out to customers who can buy the products and know their true value. At the same time, they faced hurdles and moved ahead with decisions on ideas, management, costing, and pricing.

# Future of Business/ Sustainability

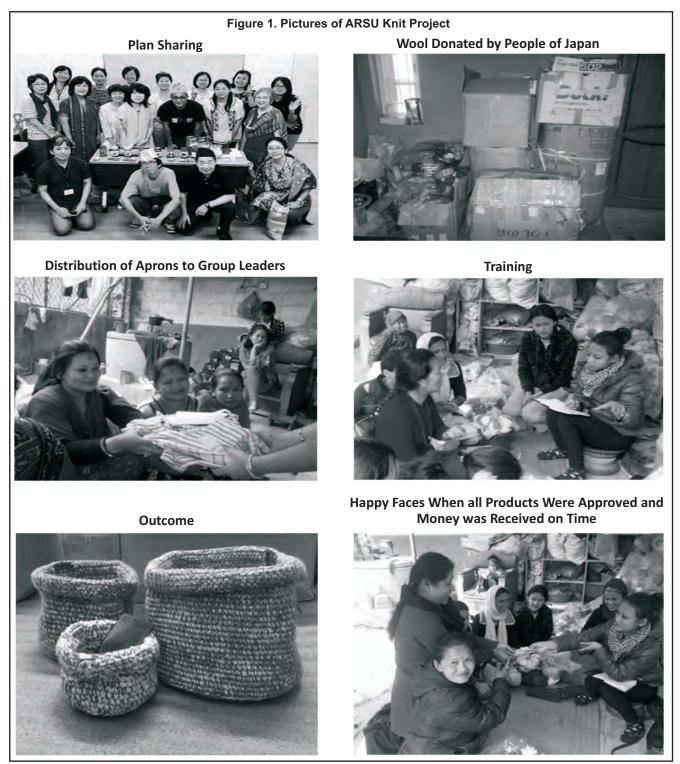
Arya believes that sustainability is a process of change. They built up confidence and belief in themselves and from scratch women have now turned into successful producers or artisans. The biggest achievement was when Arya introduced his sister Sujana to the knit project. It became easier for the women group to communicate with, to share, and to understand. Sujana also helped them, taught them, and checked products together; it was like a complete family.

Somewhere, the Eastern management thoughts are practiced when you consider a whole unit as a part of family by introducing your family to the unit.

## **Findings**

From the case of ARSU knit work project of Nepal it is clear that the community which is a part of society can come together for establishing an enterprise. An urge to serve the society can be brought under the umbrella of enterprise through which all the members can equally take benefit of the wealth. The same model can be implemented in rural

areas and small communities which are very good at handicraft. India is home to large tribal communities who are gifted naturally with the skills of producing such handicrafts. They can also come together to form a group and produce products at a large scale and benefits can be shared by all of them. Here, from the observation it is clear that being an employee taking up certain activity where there is involvement of the whole community is engaging and it results in establishing the community enterprise. At the same time, an organization such as CWB too played its role in connecting



with the society, where they provided training to the needy and impacted people. An organization can be a medium to boost the serving urge in human beings and it can have great impact on the whole community.

#### Conclusion

In South African philosophy there is the concept of UBUNTU, which means humanity. It is often translated as 'I am because we are' and also 'Humanity towards others' truly worked in this sense. Modern society is self centred, at the same time the greater responsibility of societal welfare needs to be addressed by the people who work for it. Social entrepreneurs at large and community entrepreneurs who can serve better are the hope of people. The belief of UBUNTU really makes sense in the matter of taking community responsibility; by taking into consideration the sustainability of the enterprise, the people who are involved in it will also make better impact/positive impact on the society. This case can be taken as a model and different products which can be prepared out of minimum skill need to be prepared by small community groups which will surely ensure welfare of the society.

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