

***"By defining entrepreneurship in a broader way we can change the character of capitalism radically" - Prof. Yunus***



Within our economic system, there are currently two prevailing approaches to organizations. The first is that of the private sector where companies sell products or services to make money. However, there are important issues in our society which are not addressed by the private sector because they do not offer profit-making opportunities. This usually leads to government interventions to create legal and institutional frameworks to advance the common good and to protect the interests of weaker members of society. Where both governments and the markets reach their limits, charities may fill the gap.

The problem is, of course, that the system does not work well enough. We live in a world of terrible injustice and widespread poverty. Governments and charities have the will to improve it, but they lack the efficiency and innovativeness of the private sector. So why not combine the two sides? Let's bring the methods of business to the task of solving social problems such as poverty and create - **social businesses**!

It will be an entirely new kind of business. Until now running a business has always been self-focused, founded for the purpose of making money. Unlike traditional business, **social business** operates for the benefit of addressing social needs that enable societies to function more efficiently.

### **Social business**

provides a necessary framework for tackling social issues by combining business know-how with the desire to improve quality of life. Therefore instead of being self-focused

**social business**

is all about others.

Prof. Yunus has already shown the effectiveness of this [new type of business](#) : his clear focus on eradicating extreme poverty combined with his condition of economic sustainability has created numerous models with incredible growth potential.

### **The 7 principles of Social Business**

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. Financial and economic sustainability.
3. Investors get back their investment amount only. No dividend is given beyond investment money.
4. When investment amount is paid back, company profit stays with the company for expansion and improvement.
5. Environmentally conscious.
6. Workforce gets market wage with better working conditions.
7. ...do it with joy.

<http://www.grameencreativelab.com/a-concept-to-eradicate-poverty/the-concept.html>