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Social Entrepreneurship

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Social Inclusion and Social Entrepreneurship Case Study of Mirakle Courier, Mumbai



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Social Inclusion and Social Entrepreneurship Case Study of Mirakle Courier, Mumbai

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1. INTRODUCTION :-

Whenever we see disabled people, we say 'poor fellow', some of us try to help him/her out for the time being, but we can see that these people are socially excluded for one and another reasons. Dr. Lynn Todmann, Director of the Institute on Social Exclusion at the Adler School of Professional Psychology, Chicago suggests that "Social exclusion refers to the process in which individuals and entire community are systematically denied rights, opportunities and resources that are normally available to other members of society and which is key to social integration. Problem of Social exclusion is tied to lack of opportunities as disabled people are more subject to exclusion than others" Most of the time they are not considered to be a part of the mainstream of the society. Many time we assume that disabled people will live their life wandering aimlessly without contributing anything to the society, they depend on abled people to help them every time. Disabled people are also a part of the society, they are not mere laggards created by the Almighty God. They need to be socially included by some positive steps.

Social entrepreneurship is the recognition of a social problem and the uses of entrepreneurial principles to organize create and manage a social venture to achieve a desired social change.

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Present paper will discuss Social Inclusion, Social Entrepreneurship and relationship between these two. It will focus that how social entrepreneurship can bring the change in society. I have taken Mumbai based **Mirakle Courier** as a part of my case study. It is creating job opportunities in its courier company by employing Deaf and Dumb people and helping them to be self-reliant.

Global Scenario of Persons with Disability

Some facts about People with Disabilities highlighted in the International Convention on the Rights of Persons with Disabilities. (UN, New York, 14-25 August, 2006)

Overview

- Around 10 per cent of the world population or 650 million people live with a disability. They are the world's largest minority.
- 80 per cent of persons with disabilities live in developing countries, according to UN Development Programme (UNDP).
- In most OECD countries, women report higher incidents of disability than men.
- The World Bank estimates that 20 percent of world's poorest people are disabled and tend to be regarded in their own communities as the most disadvantaged.
- Women with disabilities are recognized to be multiply disadvantaged, experiencing exclusion account of their gender and disability.
- According to UNICEF, 30 per cent of street youths are disabled.

Education : -

- 90 percent of children with disabilities in developing countries do not attend schools, says UNESCO. The global literacy rate for adults with disabilities is a

low as 3 percent and one percent for women with disabilities to a 1998 UNDP study.

Employment: -

- An estimated 386 million of the world's working age people are disabled, says the International Labour Organization (ILO). Unemployment among the disabled is as high as 80 percent in some countries. Often employers assume that persons with disabilities are unable to work.
- Even though persons with disabilities constitute a significant 5 to 6 percent of India's population, their employment needs remain unmet, says a study by India's National Centre for Promotion of Employment for Disabled People, in spite of the "People With Disabilities Act", which reserves for them 3 percent of government jobs. Of some 70 million people with disabilities in India, only about 1 lakh have been succeeded in obtaining employment in industry.
- A 2004 United States survey found that only 35 percent of working age people with disabilities are in fact working compared to 78 percent of those without disabilities. Two-thirds of the unemployed, disabled respondents said they would like to work but could not find jobs.
- A 2003 study by Rutgers University found that people with physical and mental disabilities continue to be vastly underrepresented in the US workplace. One-third of the employers surveyed said that the people with disabilities cannot effectively perform the required job tasks. The second most common reason given for not hiring the disabled was the fear of costly special facilities.

- A US survey of employers conducted in 2003 found that the cost of accommodation was only \$500 or less; 73 percent of employers reported that their employees did not require special facilities at all.
- Companies reported that employees with disabilities have better retention rates reducing the high cost of turn-over, says a 2002 US study. Other American surveys reveal that after one year of employment, the retention rate of persons with disabilities is 85 percent.

Message by Juan Somavia, Director-General of the ILO on the occasion of *International Day of Persons with Disabilities 3rd December 2011* :-

New global estimates show that the number of disabled persons is higher than previously assumed, making up some one billion or 15% of the world's population, the largest minority in the world. In the lives of persons with disabilities, stigma, discrimination and neglect all too often mean that they experience poorer health, lower educational achievements, lower employment and labour force participation rates and higher rates of poverty than the rest of the population. This evidence, combined with ILO findings indicating the loss to GDP of up to 7 per cent due to the exclusion of persons with disabilities from the labour market, should motivate broad-based action to enable people with disabilities to be actively engaged in development processes which yield benefits for all.

Enterprises, including small and medium-sized enterprises which are the main source of job creation – play a key role in expanding employment opportunities for women and men with disabilities. The ILO has set up a Global Business and Disability Network comprising multinational companies, employers' organizations, business

networks on disability, representatives of disabled persons' organizations and others. This network supports enterprise efforts to take disability into account in the workplace and in strategic business plans. Organization is indispensable to progress on disability issues – trade unions are uniquely positioned in this regard. They can draw attention to disability-related issues in national consultation and negotiation processes and recruit, organize and integrate disabled persons into the movement. And at workplace level they can promote positive action for inclusion including awareness-raising among managers and staff, as well as on required adjustments or adaptations.

Governments must give direction, enshrining the rights and entitlements of disabled citizens to full participation in the labour market and society as a whole, through appropriate legislation, policy and implementation measures. This commitment should translate into resource allocation, particularly in areas such as health, education, training, and employment placement. Promoting opportunities for decent work for people with disabilities is intrinsic to achieving a new era of social justice. Working together we can create a better world for all.

Job Fair for Disable Person

In some part of the country, job fairs are organized specially for disabled persons. Such fairs had been organized in last few years. This year in Bangalore total 225 disable persons and 21 companies took part in such fair. Last year in New Delhi over 350 persons and around 300 in Ahmedabad in year 2009 participated in the job fair. This is also one way by which we can provide jobs to disable persons in the society. According to Shelly Bapana, event co-coordinator at Ahmedabad fair, people with

disability can contribute a lot to the economic and social development of the country, but due to lack of opportunities, disabled people hardly get employed.

2. SOCIAL INCLUSION & SOCIAL ENTREPRENEURSHIP:-

Social Inclusion

Social Exclusion is the state in which some part of society is denied of their rights. Social Inclusion is the opposite of this. By way of social inclusion efforts are made and see that those socially excluded people are socially included or not. Sound policy needs to be developed for social inclusion so that gradually matter of social exclusion can be handled with.

According to Anthony B Atkinson and Erik Marlier (2010), creating a society for all is a moral obligation one that must reflect the commitments to upholding fundamental human rights and principles of equality and equity. There are also strong instrumental reasons for promoting social integration and inclusion. Deep disparities, based on unequal distribution of wealth and/or differences in people's backgrounds, reduce social mobility and ultimately exert a negative impact on growth, productivity and well-being of society as a whole. Promoting social integration and inclusion will create a society that is safer, more stable and more just, which is an essential condition for sustainable economic growth and development.

Lana Ofak, Nenad Starc and Senada (2006) are of the view that Social Exclusion is often perceived as a vicious circle with three components: unemployment, poverty and social isolation. Social exclusion should be understood as the relatively permanent, multiply conditioned and multidimensional state of deprivation of an individual.

Social Entrepreneurship

As per the report prepared by centre of Duke University “Social Entrepreneurship is innovative and resourceful approaches to addressing social issues. These approaches could be pursued through for-profit, nonprofit or hybrid organization.” Social Entrepreneurship is having social objects having commercial ingredients it.

According to J Gregory Dess (2001), Social Entrepreneurs play the role of change agent in the social sector by:

- Adopting a mission to create and sustain social value (not just private value)
- Recognizing and relentlessly pursuing new opportunities to serve that mission.
- Engaging in a process of continuous innovation, adaptation and learning.
- Acting boldly without being limited by resources currently in hand and
- Exhibiting heightened accountability to the constituencies served and for the outcomes created.

Charles Leadbeater (2007) opines that demand for social enterprise solutions will not lessen. They attack fundamental issues of how to create public goods and solutions to social problems in an open market economy.

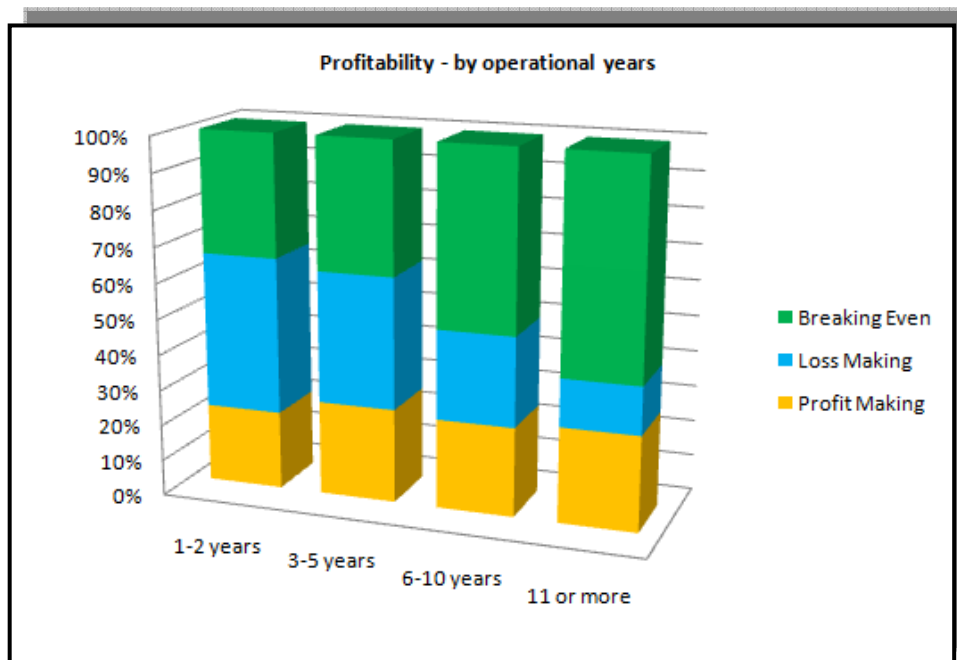
Social Inclusion and Social Entrepreneurship

As we seen in the definition of the Social Entrepreneurship, it addresses the social issues alongwith commercial objectives also. With this we can socially include the excluded persons of the society who have been excluded because of various reasons. SE can bring the change in the society by creating job opportunities for socially excluded persons and help them to be self-reliant rather than depending upon others.

Challenges before Social Enterprise.

Social Enterprise should be self-sustainable else it will not exist for longer period of time. There should be a sound revenue model for its sustainability. Social Enterprise surely will take some time to operate like any other commercial organization established solely for making profit.

Following is the conclusion of research done on feasibility of a Social Enterprise by Asako Matsukawa.



Source :- <http://beyondprofit.com/data-is-social-enterprise-a-financially-viable-venture/>

Through the survey we found that there are more enterprises that are loss-making (34%) than those earning a profit (25%). And 41% percent of enterprises are currently breaking even. If you look at the profitability by measure of years in operation, you can clearly see that making profit through social enterprise is no easy task. It is true that the percentage of loss-making enterprises steadily goes down as the companies get older. But there is virtually no disparity in the number of profit making entities

across age categories. Many enterprises stop making losses as they grow older but do not begin to turn a profit; they merely start breaking even. Surprisingly, even after 11 years or more of operations, the percentage of profit making enterprises is only 27%.

3. MIRAKLE COURIER, MUMBAI

Mirakle Couriers is a courier agency that provides employment for the hearing impaired. Mirakle Courier is the only privately run, for profit organization in India that employs only hearing impaired people. The company hired men and women from underprivileged part of the city train them and deploy them for courier service. Salary given to employees is competing to same industry. For this work company has been awarded the National Award for the Empowerment of People with Disabilities by the Ministry of Social Justice, Government of India in the year 2010. It has also won the Hellen Keller Award, Echoing Green Fellowship in the year 2009. In Jan 2011, U.S. based entrepreneurial online magazine Springwise put Mirakle Couriers 4th in Top 20 business ideas & Opportunities for 2011. The award is given to outstanding employers of person with disabilities as well as the most outstanding employees with disabilities.



Many of us see the person with disabilities a helpless fellow. What they can do in these types of situations? How they can stand their own feet? But these issues can be

resolved by providing better opportunities to them. We can create an inclusive environment for them. Mirakle Courier is exactly doing this by involving person with disabilities. Being a private company it was difficult task for the company to work on this business model but the company proved it.

With the conversation Anupama Katakam (2011), Dhruv Lakra, Founder of Mirakle Courier said that we are not a charity and do not help deaf people, we merely help them help themselves. Most of them have grown up in an over-protected environment or have been badly treated for being physically different. We believe that to overcome this we must help bring out their true inner potential. We do this by employing them in a highly competitive and professionally demanding courier business where we push them to rise up to the occasion. By working with us they gain high levels of confidence while also gaining financial independence. Many of the employees have become bread winner of their family.



“We have maintained a zero-defect record. No packet has been delivered to a wrong address, so far.”

*Dhruv Lakra,
Founder and CEO,
Mirakle Couriers*

Rohan Mehta, Marketing & Media person at Mirakle opines that deafness is invisible disability. People who are deaf can read, write and see so a courier company was a good idea as it does not require much speaking. Besides, the deaf have an excellent visual sense. They are very good at remembering roads, building and even faces, which is a good skill to have in the courier business.

Lakra openly says that his organization is for profit so that they will not be in any need of grant/donations. It can operate independently. He stress upon the need of private sector to come forward to create job opportunities for people with disabilities. If private sectors realize this, then more and more person with disabilities can be hired and make them self-reliant. Lakra also suggest that some benefits should be given to organization who hires disable person as some foreign countries do by giving tax benefits.

Genesis of Mirakle Courier....

Mirakle Couriers was founded in January 2009. Started by Dhruv Lakra who combined his education and experience in both the business and social sectors to come up with a for-profit social enterprise. The idea to help the deaf was triggered by one particular incident he experienced while traveling on a bus in Mumbai.

Once upon a time, Dhruv was sitting on a bus next to a young boy looking eagerly out the window. In fact he was not just eager but actually being very restless. He was looking around anxiously, seeming slightly lost. Dhruv asked him where he was going but the boy did not respond. It took him a few seconds to realize that this boy was unable to hear or speak. He was deaf. Though the bus conductor regularly announced the stops this boy still did not know where he was. Dhruv took out a piece of paper and wrote to him in Hindi asking him where he was going. Through the back and forth pen and paper exchange, it suddenly dawned on Dhruv how difficult life was for the deaf.

It is an invisible disability. You cannot know when someone near you is deaf as there are no obvious physical attributes, and so it is totally ignored. It is also a silent

(voiceless) disability. There is very little public sympathy for the deaf, and by connection, a severe lack of government support for them in India. Particularly when it comes to employment there are no opportunities because no one has the patience or the foresight to learn deaf language and culture. This is how Mirakle Couriers was born.

Over the next few months Dhruv spent time exploring the deaf culture and learning Indian Sign Language. He focused on a courier business because it requires a lot of visual skills but no verbal communication. The deaf are extremely good at maps reading, remembering roads and buildings because they are so visually inclined.

Lakra says it has not been easy convincing companies to give his firm business. “Corporates are reluctant to hire us as they are scared that parcels may not reach the destination or that we do not have adequate capabilities to handle important documents,” he says. “Furthermore, courier services are a ruthless business. However, we are good at what we do and have landed some big clients like Vodafone, Aditya Birla, Godrej and Boyce, and that has been extremely beneficial. As companies begin to realize their corporate social responsibility, they may show more interest in hiring us.”

Mirakle Courier works meticulously to make the system error free. Courier boys are specially trained to handle difficult situations. They work on the text messages on their mobile phones. Company also trains them to reach certain level so that they cannot be treated badly for any mistakes. Company also conducts reading writing workshops for them. Initially Mirakle Courier used to approach the school of hearing impaired to recruit staff but for last couple of years person comes to Mirakle for jobs.

Mirakle Courier road ahead...

In the beginning Mirakle got his first office from Thermax for their operation but now Aditya Birla Group has provided Mirakle 250sq ft of office space in Churchgate free of cost. Currently Mirakle has 4 Management Staff and 64 Deaf Employees where each of them has gained confidence and been empowered with financial independence. Dhruv considered a courier service ideal for the deaf as it requires a lot of visual skills such as map reading, remembering roads and buildings which the deaf are extremely good at. The company employs female who look after data entry, tracking, scanning, sorting etc. at the branch. The male employees who operate as courier agents travelling on public transport, avoiding traffic and remaining aware of their surrounding environment. Communication between field agents and the branch staff is done through text messages. Latha Suresh, Prabhakar K and Sadasivan (2012) mentioned in their case study on Mirakle Courier that Corporate Clients have shown trust in Mirakle's Business and cause by availing their service. The growing corporate list shows that their team members are doing their job well. However it is not sufficient from Lakra's point of view. Company has been making steady growth since its creation and presently it is operating with its two branches in Mumbai. It is delivering around 65,000 shipments per month. They are currently planning to expand their services to other Indian cities.

4. CONCLUDING REMARKS:-

Ministry of Social Justice and Empowerment, Government of India is doing their job for upliftment of the disabled persons in India by framing various policies, laws, establishing different types of autonomous organizations for welfare of disable person. It is not only government's duty to help the disabled but also of the society to

participate in this journey of upliftment. Some of the organizations are the admirable examples by showing their path breaking work in development of disabled individual.

We have to think about the inclusive growth of the disabled person not just by providing them basic facilities like food, shelter etc. but we also have to work upon the overall growth of those people. We have to make them self-reliant and independent. I always remember a quote given by Confucius, a Chinese Philosopher “*Give a man a fish, you feed him for a day. Teach him how to fish, you feed him for a lifetime*”. In our case it means that we have to create job opportunities for these people so that they can be self-made. Government is performing its duty at its own pace but as a citizen of India one should come forward to take care of this segment of the society which is often neglected by us.

Need of Sustainable Social Enterprise

Social Enterprise should be self-sustainable. It should not be dependent on any grant or donations. Enterprise based on grant/donations cannot sustain for longer period of time. As we discussed above that it should have a sound and sustainable revenue model. According to Awasthi Dinesh (2010), Professor & Director of Entrepreneurship Institute Development of India, Gujarat, “In Some cases people set up a business involving physically challenged persons or persons with some disadvantages and evolve a successful business model. In such cases, a social entrepreneur could not be driven primarily by social concern, bordering empathy; he/she is not likely to go ahead unless it makes a serious business sense.”

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