

Send your letters to
Letters Editor,

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email letters@nst.com.my (Tel: 03-2056 9411).

A letter must have a writer's name, signature, home address, phone
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The editor reserves the right to edit a letter for clarity and length.

LETTERS

RETHINKING BUSINESS

FUELLING SOCIAL ENTREPRENEURSHIP

THE Malaysian Global Innovation and Creativity Centre (MaGIC) has announced recently that individuals, corporate or business donors could receive tax incentives up to 10 per cent of their aggregate income for cash contributions made between Aug 1 this year and July 31 next year by contributing towards social enterprises' crowdfunding activities that address social and environmental challenges.

Social enterprise is still new to Malaysians that to some people, the terms "charities" or "welfare associations" will pop up in their mind if they were to be asked about social enterprises.

While the social wellbeing of a citizen of a country is the responsibility of the government, social entrepreneurs are helping to fill in the gaps by undertaking the effort in ensuring the social wellbeing of the people and the protection of the environment.

A lot of us know about the great service that is done by the charities, welfare organisations and NGOs in alleviating the suffering of the marginalised and mitigating destruction to the environment. These entities are, mostly, non-profit organisations and fill their coffers by donations from the public, contributions from benevolent parties and perhaps grants from the government.

Social enterprises have the same noble goals as these organisations while operating as bona fide businesses. Promising social enterprises that can sustain and grow, like other profitable businesses, requires sound business models to ensure the sustainability of their endeavours.

Profit-making is just one of the main components. For social enterprises, their ventures are tailored to



Social entrepreneurs help fill the gaps by ensuring the social wellbeing of the people is taken care of.
BERNAMA PIC

the causes that they champion. If and when they make their profit, a large chunk of it would be ploughed back as their business capital investment.

This is where the social enterprises differ from other traditional businesses in the capitalist system. The corporate social responsibility (CSR) programmes that many companies carry on have their costs deducted from corporate tax. CSR is also sometimes used as a marketing tool to make their products or services more visible.

The *raison d'être* for these companies are still maximising profit for

their investors. Nevertheless, we do not discount those companies that are earnestly embracing the "Triple Bottom Line" approach towards sustainability by taking into account their impact on the people, the planet and the profit.

Like many new ventures, social enterprises have their issues. The main is capital investments. As many social enterprise ventures are relatively novel in the products and services that they offer, potential investments are quite challenging to obtain.

In the initial inception of the ventures, social entrepreneurs might

need grants and contributions; this is where the boost is needed. Crowdfunding is a method that many social entrepreneurs like to choose. With many platforms online, the crowdfunding pitch is made easier for the entrepreneurs who are usually young and full of ideas.

Having a large number of successful and thriving social enterprises would be a win-win situation for the government. Social entrepreneurship can be a new source of wealth to create a more prosperous Malaysia as well as a tool to be used to help us achieve the 17 Sustainable Develop-

ment Goals (SDGs).

A good infrastructure in terms of ease of granting funding and impactful training in various skillsets for the entrepreneurs as well as creating multiple platforms to support the accelerated growth of social enterprise development is a requisite. It is akin to giving a fishing rod and a net to a man so his family and society can eat for a lifetime.

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