

# SOCIAL REHABILITATION THROUGH STREET ENTREPRENEURSHIP: AN INTEGRATED MODEL AND RESEARCH AGENDA

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## **ABSTRACT**

**Purpose** –Entrepreneurship plays a vital role in generating employment opportunities and poverty eradication in developing countries across the globe. But the interaction of the entrepreneurship domain and sociology domain is limited. The purpose of this paper is to develop an integrated model of entrepreneurial intention and social rehabilitation and to propose the theoretical base for such interactions.

**Design/methodology/approach** – The study explores various manifestations of informal(street) entrepreneurship by incorporating differentclassical andemerging theories. The economic well-being and psychological well-being dimensions of social rehabilitation are considered for conceptualisation. The data has been collected through field visits and face to face interviews from 68 street vendors in southern India.

**Findings** – The present study opens a vast arena for future researchers to empirically test the proposed research model within the informal entrepreneurial contexts.The study clearly states the significance of developmental policies towards subsistent entrepreneurs who belong to the lower sections of the society.

**Research limitations/implications** – This paper shows the need to move beyond considering entrepreneurship as an endeavour at the corporate level.

**Practical implications** – By unraveling the interaction of informal entrepreneurship with social rehabilitation, the present study aims at employment generation and poverty eradication. Also, the study gives foundations for the government’s policy-level interventions in enhancing the skills of street vendors for attaining social rehabilitation.

**Originality/value** – The present research paper is a pioneer attempt to study the interactions of street entrepreneurship and social rehabilitation.

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## **I. STREET ENTREPRENEURS: AN OVERVIEW**

The informal sector plays a momentous role in providing livelihoods for a broader population in all developing countries worldwide. It cordially opens a large platform where people get employment who are neglected by the formal economy due to lack of education, other qualifications and the negative attitudes among employers. The informal sector welcomes people in need irrespective of their gender, caste, financial background, physical capabilities, educational qualification, and other socio-demographic characteristics. The International Labour Organisation (ILO) estimates that 90 percent of India's workforce is in the informal sector, and more than half of the contribution to GDP is coming from this sector. Within the informal sector, street trading is a popular means of micro-level self-employment which is gaining more attention under the title of '*subsistence entrepreneurship*' in the contemporary social setting. According to the Ministry of Housing and Urban Poverty Alleviation, there are 10 million street vendors in India, with Mumbai accounting for 2,50,000, Delhi has 4,50,000, Kolkata, more than 1,50,000, and Ahmedabad, 1,00,000. Street vendors or street entrepreneurs usually denote those who sell merchandise or provide services to the public without a permanent structure, but with a temporary static structure or a mobile stand (or head-load). They typically occupy space on the pavements, other public/private places, or maybe mobile, traveling from one location to another, holding their products. Many of them use trolleys, bicycles or baskets on their heads, or might sell their goods in moving buses. The street entrepreneurship is proved to be an effective income generation option for the local people in urban and rural market places around the world. But unfortunately, they are not getting much attention from the local authorities and planning bodies. The street vending business has the potential to be the trump card in an era where the unemployment rate is boosting. Gradually, its negligence will practically end up in the rising unemployment rate and also poverty in the country. Therefore, the neglect of the informal sector should be abandoned shortly. The success of the vendors entirely depends upon how they perform in the market. Most of the vendors possess the necessary marketing skills and sales techniques to impress customers. If such skills are professionally shaped and up-graded, the sales volume will hike exponentially. This will ultimately help in promoting the well-being of vendors and social rehabilitation in all respects.

## **II. BRIEF REVIEW OF LITERATURE AND RESEARCH GAP**

Social rehabilitation is a process that helps to achieve the capacity to work. This capacity means the ability of a person to work in different social circumstances to fulfill his or her needs and the right to attain the most excellent possible richness in his or her involvement in society. Entrepreneurship is fundamentally the pursuit of opportunity; then, such opportunity is a necessary condition for entrepreneurship; the individual is key to the

operationalization of opportunity (Shane & Venkatataman, 2000). Street trading can represent an entrepreneurial training ground or a development platform that can enable enterprise development, a structural path to potential formal ventures (Brixiová & Kangoye, 2019). This sector might therefore have a societal developmental role to play (Lecturer, 2014). Research on entrepreneurship typically revolves around one or more of the three broad factors: (i) the institutional environment, (ii) sociological factors, and (iii) entrepreneurs' personal characteristics (Djankov et al., 2005). Many micro-enterprises operate at the lower end of the spectrum of economic activities, the income derived is crucial for the satisfaction of basic household needs. Micro- and small enterprises offer the best potential for creating and strengthening a solid base of dynamic indigenous entrepreneurs. For micro-entrepreneurs to fully develop their economic potential, the initiative of individual entrepreneurs must be boosted (Marcucci, 2001). The integration of social entrepreneurship with social rehabilitation is the generator of socially oriented economic developments that stabilises social unrest and problems (Kostetska & Berezyak, 2014).

Street entrepreneurship has received little attention to date from the academic community for several decades. But, the recent entrepreneurship literature started to consider this micro-level self-employment job as an entrepreneurial occupation since they possess the personality traits of the mainstream entrepreneurs. The era of informal entrepreneurship became a matter of discussion among academic researchers when Professor Colin C. Williams propounded the 'theories of informal entrepreneurship' in his seminal paper (Williams, Nadin & Rodgers, 2012). By following the insights from this classical theorisation, many other researchers contributed towards the knowledge domain of the street entrepreneurship. But studies which theoretically explains the interaction of street entrepreneurship and social rehabilitation is missing. Therefore the present study discusses a comprehensive research agenda for establishing the linkage between street entrepreneurship and social rehabilitation by explicitly concentrating on street vendors in tourism destinations. The tourism industry is selected for the study since it is one of the largest generators of employment for millions of people in almost all countries. The results can be easily generalised in other urban and rural market contexts as well.

### **III. RESEARCH DESIGN**

An integrated model of street entrepreneurship and social rehabilitation can be developed only with the substantial theoretical underpinnings of the constructs and related variables. Also, the understanding of the studies in the tourism domain are essential so that the proposed model can be explained and established in a tourism industry context. Therefore, an extensive review of the past literature in the areas mentioned above is carried out in the initial phase of this research work itself. In the second phase, a two-month field visit is undertaken by the researcher in Munnar tourism destination, a world-famous hill tourism destination in the Western Ghats mountain region in southern India. During the field visits, the researcher carefully and closely observed the real-life situations of street vendors, their day to day activities, their selling skills and marketing potential, bargaining talents with tourists, negotiations with local authorities, day to day struggles, family background, education details and other socio-demographic characteristics. Informal conversations with 68 street vendors were conducted and significant themes were derived out of the data collected. As part of the triangulation, the data was collected from street vendors,

tourists and local authorities. Based on the data collected, further theorisations and model development is done accordingly.

#### **IV. THEORETICAL PERSPECTIVES OF SUBSISTENCE ENTREPRENEURSHIP**

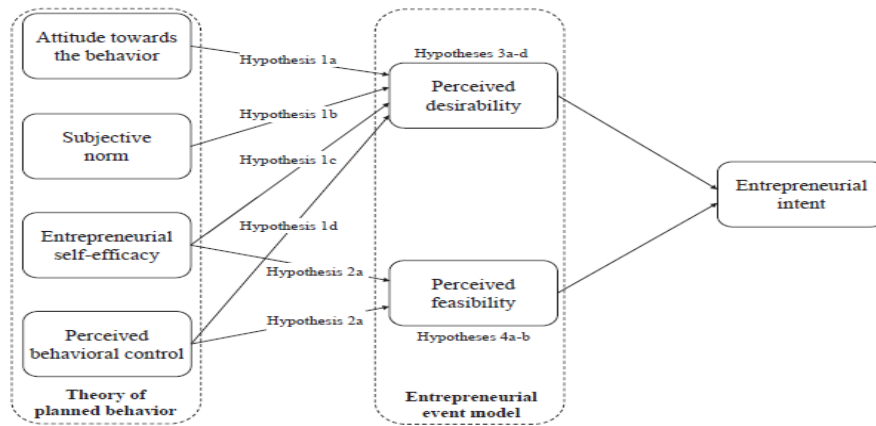
Professor Colin C. Williams and his fellow researchers propounded the underlying theorisations of street (informal) entrepreneurship (Williams, Nadin & Rodgers, 2012). As per this grounded theory approach, there are four perspectives for informal entrepreneurship. The '*Modernisation perspective*' depicts that street vending is a pre-modern traditional economic activity where these street hawkers and peddlers were a residue or leftover from an earlier pre-modern era and their persistence taken as a signal of 'under-development', 'traditionalism' and 'backwardness'. As per the '*Structuralist perspective*', the informal entrepreneurship is a mostly unregulated, low paid and insecure kind of survival (necessity) driven self-employment conducted under "sweatshop-like" conditions by marginalised populations excluded from the formal labour market (Castells and Portes, 1989; Davis, Gallin, 2001). Informal entrepreneurs are thus seen as necessity driven, pushed into this realm by their inability to find formal employment (e.g., Castells and Portes, 1989; Gallin, 2001; ILO, 2002). The '*Neo-liberal perspective*' treats street trading as a rational economic choice where such entrepreneurs are making a sound financial decision to enter street vending to escape over-regulation in the formal realm (Becker 2004; De Soto, 2001). The '*Post-modern perspective*' considers entrepreneurs as cultural/social actors. This perspective again depicts such entrepreneurship as voluntarily chosen but rather than view it as a rational economic decision; it is seen more as a cultural endeavour. The literature depicts that each of these theorisations is valid for different segments of the street entrepreneur workforce. There is no universally applicable single theory. As the indigenous and exogenous antecedents vary, the explaining theory also varies.

##### **4.1 Integrated model of entrepreneurial intent**

The Schlaegel & Koenig in 2014 introduced an 'integrated model of entrepreneurial intent' by combining the *Theory of Planned Behaviour (TPB)* and *Entrepreneurial Event Model (EEM)*. Previous research argued that the TPB and EEM overlap as in both models, Entrepreneurial Intention (EI) is explained by the willingness and capability of a person (Guerrero, Rialp, & Urbano, 2008; Krueger & Brazeal, 1994). In comparison, other researchers have stressed that the determinants of the TPB and EEM are distinct constructs and conceptual models proposed and empirically tested can be interpreted as partially integrated models of the EEM and the TPB (Krueger & Kickul, 2006). In the TPB, it is believed that the intention to conduct an action is defined by attitude towards behaviour, subjective norms, and perceived behaviour control and that each of these determinants provide the motivational basis for the creation of an intention. The TPB does not explain the motivational mechanism and how these predictors behave when the intention is created, since the TPB does not provide an explicit motivational component (Bagozzi, 1992). In addition, Bagozzi suggested that the willingness of a person to perform a behaviour could function as a factor mediating the relationship between attitudes and purpose. Prior EI research used this argument to

integrate the TPB and the EEM (Iakovleva&Kolvereid, 2009).In the context of EI, one potentially useful theory that extends the views byBagozzi (1992) is the *Model of Goal-directed Behavior*(Perugini&Bagozzi, 2001), which proposes that the intentionto perform a specific behavior is mainly motivated by the desire to perform this behaviorand to achieve a particular goal. In turn, the desire mediates the influence ofATB, subjectivenorm, PBC, and anticipated emotions on intentions.

Figure 1: Integrated Model of Entrepreneurial Intent

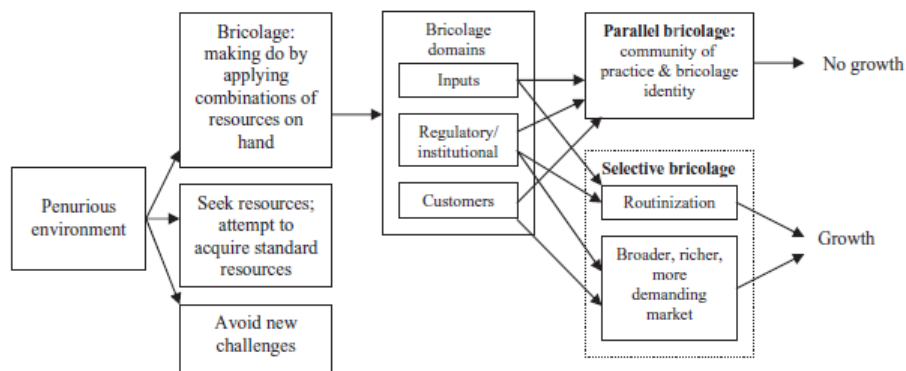


Source: (Schlaegel& Koenig, 2014)

#### 4.2 Entrepreneurial Bricolage

One of the emerging entrepreneurship theory that has come to the fore in the recent past is the theory of entrepreneurial bricolage (Baker & Nelson, 2005). The term “bricolage” can be defined as “making do by applying combinations of resources at hand to new problems and opportunities” (Baker & Nelson, 2005). The term was initially developed by anthropologist Levi-Strauss (1966) to differentiate between an engineer's behaviour and those of a "bricoleur" or handyman. While the engineer focuses on acquiring instruments and materials for an intended design, instead, the bricoleur prefers to do with whatever material is available.

Figure 2: Theory of Entrepreneurial Bricolage

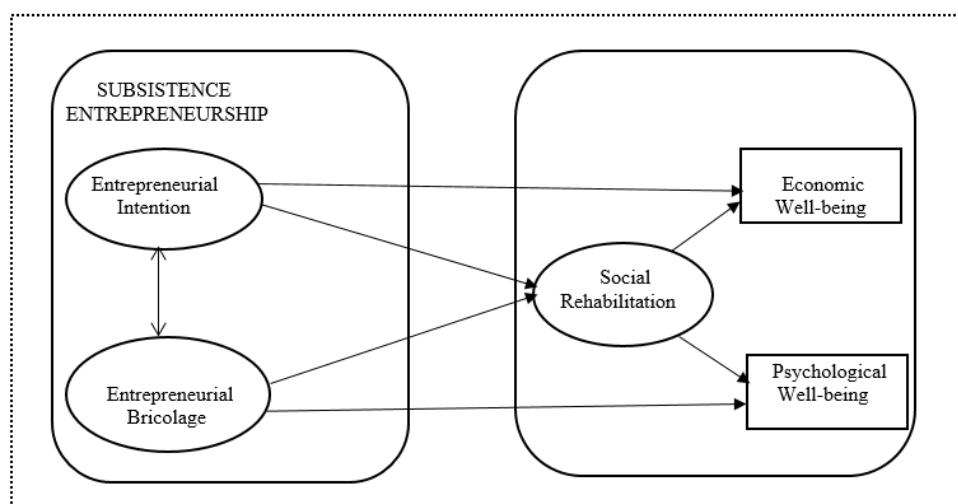


Source: (Baker & Nelson, 2005)

## V. CONCEPTUAL FRAMEWORK

Based on the critical review of the above theorisations, the present study proposes an integrated framework of subsistence entrepreneurship and social rehabilitation. People are joining in the street vending business with multiple reasons. However, the common motive of the majority of vendors seems like survival and livelihood generation. This business drive of the vendors can be portrayed with the help of the 'Integrated entrepreneurial intent model' where the past researchers already established the linkage of attitude, subjective norms, perceived behavioral control, perceived desirability, propensity to act, perceived feasibility, entrepreneurial self- efficacy and entrepreneurial intention. After that, the emerging theory of entrepreneurial bricolage is considered where we argue that each subsistent entrepreneurs (street vendors) are bricoleur. These vendors try to maximise their sales volume and profit by using their inherent skills and potentials and other available resources at hand. The following Fig.3 depicts the conceptualization of above mentioned interactions;

**Figure3: Conceptual Model**



Through this study, it is argued that, when entrepreneurial intent and bricolage in a subsistent context comes, it will lead to social rehabilitation through economic well-being and psychological well-being.

## VI. CONCLUSION AND SCOPE FOR FURTHER RESEARCH

This study purported to conceptualise a research model by integrating entrepreneurial intention and social rehabilitation constructs. The proposed model has been introduced after a thorough understanding of the existing theorisations of informal entrepreneurship in detail. In the real sense, this research work is an inter-domain study where the researchers are combining both entrepreneurship domain constructs, sociology domain constructs and psychology domain constructs. In the contemporary social setting, these kinds of interdisciplinary studies are of enormous relevance since it covers different dimensions that can have a possible impact on the life of an individual.

As the study denotes, the entrepreneurial intention and appropriate usage of own resources will influence the social rehabilitation through economic well-being and psychological well-being; there is massive scope for poverty eradication in the subsistence settings. The study also tries to open up huge implications not only at the policy level but also at the theoretical level. The upcoming researchers are appreciated to empirically test the proposed model in urban and rural market places. Also, additions of more psychosocial variables are also saluted.

### **Declaration of Conflicting Interests**

The author(s) declared no potential conflicts of interest with respect to this research work and publication of this article.

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