

## **Marathi Business Club: A model for promoting Entrepreneurship through Community Networking.**

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**CASE SUMMARY:** *Marathi Business Club is the platform which enrolls Maharashtra entrepreneurs, (both established and budding) to promote entrepreneurship among Marathi community.*

*The club deals in creating entrepreneurial environment in Maharashtra by embracing without hierarchy or formal association- what they call it as Entrepreneur Friends. The association includes teens to women as well as established to new entrants in business community.*

*The case also highlights the working of club without any monetary considerations and resulting in to the growth of business of club members through sharing- this concept is called Contact to Contract and Giver is Achiever.*

*This paper is an attempt to understand how community networking has created a business and entrepreneurial growth in Mumbai and other parts of Maharashtra. The paper has drawn data from interviews taken of the members of the club and it highlights that how such groups can contribute to entrepreneurial growth. It is also important to note that there exists many such networks but what makes Marathi Business Club different is Community based Entrepreneurship which has been the topic of discussion for years.*

### **I. INTRODUCTION TO ENTREPRENEURSHIP AND COMMUNITY NETWORKING:**

Entrepreneurship is an economic activity undertaken to establish an enterprise and hence entrepreneurship is what entrepreneurs do. Entrepreneurship is not just a way to increase the level of innovation and productivity of organizations it is also a way of initiating vast business so that work becomes one's contribution to society. In India family business account for about 70 per cent of the total sales and net profits of the biggest 250 private sector companies which should not be a limiting factor in entrepreneurial growth. Hence such networking will facilitate the growth beyond family business.

With growing academic interest in entrepreneurship, a lot of recent research has concentrated on the reasons for the apparent spurt in entrepreneurship. The Global Entrepreneurship Monitor (GEM) report observed a very high incidence of entrepreneurship throughout the world, particularly in Asia, with Thailand and India leading the way.

Encouraging entrepreneurship has been a topic of discussion for those interested in development for many years. Despite this interest, the approach has generally failed to capture substantial resources from mainstream policymakers. Michigan State University launched capacity building program entitled 'Creating Entrepreneurial Communities' It involved main three broad categories: Community System and Networks, Finance and Regulation and Training and Mentoring Systems. Although it was with regard to Rural Development but the categories can be applied to wider areas of promoting entrepreneurship and two categories have been observed in Marathi Business Club, viz.: Community System and Networks and Training and Mentoring Systems.

### **II. ABOUT MARATHI BUSINESS CLUB:**

Marathi Business Club (MBC) is a club purely with an economic objective of promoting entrepreneurship through networking and is different from the concept of Business Networking International as it focuses more on community network. It is based on business orientation rather than any political or religious identity.

MBC is an Association of Persons (AOP) established in 2011 in Mumbai working informally with the sole objective of promoting entrepreneurial development. It is not registered under Trust, Society or Company. It is an informal setup.

### **III. WORKING OF MARATHI BUSINESS CLUB:**

Marathi Business Club now operating in several pockets of Maharashtra like, Mumbai, Pune, Sangli, Satara, Nanded, Kolhapur etc. where they conduct weekly meetings at zero utility period i.e. timings from 7.30 am to 9.30 am at the clusters or branches. Club sees to the commitment of the members who join the group and hence attendance is compulsory. Maximum absenteeism allowed is not more than three and

additional three can be through proxies. Moreover days of meetings are by rotation from Monday to Friday, this is done keeping in mind the zonal holidays of different members in different areas of business.

Meeting is with the objective of sharing business and training. Each meeting is conducted with members and the VIP speaker who may be a successful entrepreneur, who shares his experiences or a banker who gives guidance on raising short and long term finance or an academician who guides on research, strategies and current economic developments or a planner who helps them in designing business plans. This covers the training part of each meeting and then is followed by business creation or sharing contacts and converting it in to contracts, either B2B or B2C. Interestingly in each cluster or branch only one member is given membership based on type of business. In other words there will be only one entrepreneur in each cluster for a type of business. This is with an objective to maximize the business of the member and to avoid competition. MBC creates a platform for these member entrepreneurs to share their businesses or contacts which can be further shared by the members in their fraternity. It is notable that MBC does not charge any margins or commissions on the business created. It only records business to keep track of its performance. As mentioned it works only on one objective that of promoting entrepreneurship.

MBC over the years have now developed several verticals to reach out to different segments such as:

1. Superwomen,
2. Super Team,
3. Biz-Star
4. Rise- Up

**1. Superwomen:** Women empowerment and entrepreneurship is too on an agenda of MBC. This vertical focuses on promoting home-makers to take up businesses in the areas of their interest such as catering, garments designing, papads and pickles making, designing recipes etc and turn them into organized profit making centers. It helps them to open up avenues through sharing contacts and guiding and motivating them to set up a venture.

**2. Super- Team:** Setting up businesses and establishing is not all what MBC looks at. It also wants its members or entrepreneur friends to excel by growing leaps and bounds which are done through its training program specially designed for the entrepreneurs who are established but now need to take a frog leap in their businesses.

**3. Biz-Star:** To promote entrepreneurship amongst youth who have just finished with their education and have willingness to become an entrepreneur, MBC works through this category to promote entrepreneurship. It can be either a full-fledged business or secondary occupation. It helps young fresher's to learn business practices and interact with established entrepreneurs who share their experiences and vision which can be of great help to these budding entrepreneurs.

**4. Rise-up:** Finally converting entrepreneurs into industry leaders is also what MBC wants which helps MBC as these risen up members again share their experiences and achievements with the other club members who can take them as role models.

#### Achievements of MBC:

Year	Branches	Members	Business Shared(INR)
2011	01	09	50,00,000
2012	01	30	1,00,00,000
2013	04	82	1,17,34,302
2014	18	1000	7,00,00,000
2015 (Estimated)	40	1500	15,00,00,000

Source: MBC

MBC has experienced a phenomenal growth in last one year where it has branched out from one cluster to eighteen with the numbers of member which they call entrepreneur friends from 09 in 2011 to 1000 and business shared has increased 14 times which clearly fulfills their mission of that Networking and Giver is Achiever principle will help each member to grow in all spheres. The values of MBC i.e. Trust, Giver Achiever and Networking are the foundations of the business shared.

#### **IV. CONCLUSIONS**

It has been discussed in several works that the support network of informal contacts, mainly business contacts are seen overall to be the most helpful in assembling the elements of business. In fact, the most dominant communities in business in India viz. Gujaratis, Marwaris, Kutchis, Sindhis etc have grown and flourished primarily due to their social networks. The model of MBC can be used by several communities to mushroom their businesses which can later be integrated. Apart from the activities conducted by MBC in terms of training and sharing businesses several EDPs (Entrepreneurship Development Programs) can be conducted to remove the limitation of one member one category.

Finally more and more such informal set ups can be more effective to promote and encourage entrepreneurship in several regions.

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