

**THE PRAXIS OF ACTION LEARNING WITH BUSINESS STUDENTS**

**IN THE TRENCHES AMONG THE POOR**

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**My paper is intended to inspire, motivate and show the pragmatics of how MBAs and other students can address global problems as social entrepreneurs even while still in school by engaging in action learning methodologies. The influence I hope to have will lead professors and MBAs to become revolutionary change agents, using their business skills to reduce human suffering. In brief, I will demonstrate that management schools can become effective incubators for improving the world. This paper will describe how faculty, students and business schools may partner with corporations in using social responsibility tools to improve the quality of life for the Third World poor.**

For some 25 years I have been engaged in action research as a Professor of Organizational Leadership and Strategy. I operate as a practitioner, a social entrepreneur, based at the Marriott School of Management of Brigham Young University. I have labored to collaborate in mobilizing students, alumni, faculty, and the business community in empowering the poor around the world. We use business models and concepts such as entrepreneurship, finance, cross cultural management, development economics, and organizational change tools to design projects that are sustainable over the long term.

For purposes of this paper, I will take both a descriptive and normative approach, which summarizes several social entrepreneurship applications, primarily in the Third World. The flavor will be one of advocacy and passion, not theory and conceptual reasoning. My hope is to explicate the potential power business school faculty and students possess in improving society beyond the traditional corporate paradigm.

### **SOCIAL ENTREPRENEURSHIP, PASSION AND COMPASSION**

Management and organizational behavior today are in flux. One of the exciting developments for me recently was the fact that the Academy of Management held its latest annual meetings in August with a startling theme: “Dare to Care: Passion and Compassion in Management Practice and Research” (AOM 2010). The academy’s leaders articulated their vision of the conference as

an opportunity to “consider whether our research and the knowledge we produce contribute to the wellbeing of the larger society in which we live and work.”

The event’s goal was “to dare managers and management scholars to care more deeply about our roles – to have passion about what we do and compassion for the people for whom we do our work. “Dare to care” orients managers to a focus on enabling others to create, produce, and deliver goods and services that enhance the wellbeing of, and generate value for, all the stakeholders involved (notably customers, employees, investors, and the public). Daring to care encourages management scholars to expand their focus toward an understanding of how solving organizational problems might ensure a sustainable future” (AOM). I believe this to be an exciting and path-breaking new agenda for management scholars and practitioners.

A number of sessions and papers at the conference emphasized using business schools and research to understand and practice the values of caring in our disciplines. Titles included phrases like “Navigating the Tensions in Poverty Alleviation Research: Scholarly Rigor vs. Practical Relevance;” “Social Capital and Social Exchange;” “Ten Years of Daring to Care: The UN Global Compact (2000-2010) - What Has Been Achieved;” “Daring to Measure Social Impact: Performance Management in the Social Sector;” “Sustainable Global Enterprise: Building Research on Caring and Daring MNEs;” and “Social Repair Through Micro-Business” (AOM). My paper attempts to build off the mission and agenda of that AOM event, doing so by describing and capturing the spirit of my labors with students and colleagues in advancing the wellbeing of society.

In this paper I will describe several cases that have become a sort of platform for action from a university base. They are programs in which I worked with students in my social entrepreneurship courses to design classroom projects to fight poverty, implemented them in the Third World, and eventually spun them off as social enterprises. They include *Sustain Haiti*, which is the design and implementation of a social entrepreneurial strategy to mobilize, train and send MBA students and others to help in the rebuilding of Haiti after the earthquake in January 2010. Another case is the launching of *Unitus*, a major microfinance institution (MFI) which I co-founded and served as the first board chair. I will show that students and action-minded business executives can come together and share how their best practices can be integrated in

assisting small MFIs around the world to rapidly scale up with our financial backing. A further example highlighted is that of local college students and me establishing *MicroBusiness Mentors*, using the university as an incubator to recruit, train, mentor and give microloans to Latino immigrants in Utah Valley since 2003. Finally, we will explore the case of *HELP International*, launched by my class in 1999 and which labors among the poor from Fiji to Uganda doing social entrepreneurship, sustainable development, literacy and computer skills, and microentrepreneurship training.

Let me clarify that when I discuss social entrepreneurship, I seek to take a broad perspective. Essentially, I mean the mix of individuals who see social problems that may not be addressed by either government or business. Thus, such individuals question why and begin to take action. At times they are referred to as change agents, “movers and shakers,” radicals, social innovators, positive deviants, the “crazy ones,” and so on. Often, they see a need, collect some initial data, try to understand the causes of social problems, and then design new institutions to take action. Such new entities may be referred to as non-government organizations (NGOs), private voluntary organizations (PVOs), social enterprises, non-profit organizations, and other terms depending on the country or culture. In some instances such entities may seek a financial return, as well as having not-for-profit characteristics which seek to do good. For purposes of this paper, I will generally use the term NGO to characterize my cases which have grown out of an academic context.

This emerging field of social entrepreneurship has evolved in the management literature gradually over the years, but is currently accelerating dramatically. William Foote Whyte (1982) called for the creation of new “social inventions” to address societal problems, perhaps one of the earliest articulations of the need for social innovation. By the mid-1990s, no less a figure than Peter Drucker argued in the *Harvard Business Review* that social entrepreneurship would become the second careers of masses of professional or knowledge workers (1999). During the past decade, the literature has exploded Dees (2007) and Woodworth (2008).

At times it is suggested that real insights about social innovations come from one’s own experience. This certainly seems to be the case when one talks of trying to change the world. Thus, I will speak from my own life, my personal practice, rather than abstract theories and/or the observations of others. But I do so while realizing my many limitations and the awareness

that we must all continue to learn, to question, and to critique our life's work. Hopefully, these personal illustrations will show the tremendous possibilities of generating action-based learning and research, not only for academic purposes, but for engaging professors, students, and alumni in reducing human suffering and building civil society around the globe. Let us turn to cases of action learning and the practice of social entrepreneurship.

## **Sustain Haiti**

Just 2 months ago I was with a team of college students and others in Haiti where we were rolling out a new project in response to the devastating earthquake that hit the country at the first of this year. My notes from August 22, 2010 record that clouds were beginning to cluster above the silhouettes of banana trees, palms, and huge mango trees. Below, where I sat in the growing darkness was a beehive of activity: All kinds of Caribbean music blasting out of every conceivable technology, huge trucks laden with tons of earthquake debris rumbling down the street, small motorcycles with multiple passengers crowded on a one-person vehicle. People were sauntering along through the intersection where our house was located, not only city dwellers but peasants herding a cow or two along the "roads." These streets had actually become jumbles of dirt, rock, and potholes. The temperature was around 95 degrees, accompanied by approximately 94 percent humidity.

I was there in the sweltering heat with a number of young social entrepreneurs out to change the world. We had formed a project called Sustain Haiti (2010) in which we had mobilized volunteers, trained them, and raised money to assist the people of the impoverished nation. Haiti was already the poorest nation in the Western Hemisphere. Then, on January 12, 2010, a horrific 7.0 earthquake destroyed much of the country. When the quake struck, I wondered as a professor at the Marriott School, what could I or should I do about this tragedy of such epic proportions. The idea came deep in my heart that my friends and I should take action.

Over the next several days, I began to talk with university associates, neighbors, church members, and professional colleagues about the growing crisis. Port-au-Prince, Haiti and its surrounding cities were largely demolished. More than three million people were affected by the disaster. The Haitian government reported that an estimated 230,000 people died, 300,000 had been injured, and one million made homeless. The Haitian people needed help from lots of

sources. We knew the “Big Boys” (The Red Cross, large churches, USAID, The World Bank, and governments around the globe) would rush in money, food, water and medical care. We began to consider what would happen after they dropped off their supplies, spent a few weeks on the ground, and then left. I realized, as I have so many times before in crises like this, that the hard work really begins after the initial shock wears off and the initial aid is delivered.

In our case, we looked at the crisis and determined that our model for helping Haiti would be different. There are several phases that tend to occur after disasters:

- Rescue, in which the goal is to find those who survived the earthquake and get them out of the rubble.
- Relief, in which food, water and medical attention is given to everyone in need.
- Recovery, in which the bodies of the dead are located and buried or disposed of.
- Rebuilding, in which the process is carried out of reconstructing homes, businesses, schools, and other institutions in order to re-establish society.

Within a week after January 12, a group of friends, colleagues, and neighbors had begun meeting together to explore how we might proceed. We decided to call ourselves Sustain Haiti because we wanted to generate a long-term commitment to those who were suffering. We identified key tasks and formed teams around those tasks: a needs assessment of the Haiti situation, logistics for how to get people to Haiti, fund-raising, recruiting of volunteers, Haitian culture and Creole language lessons, where to labor in Haiti, and what skills we could offer the survivors. We knew that large aid organizations could give billions of dollars, but they would not solve the problems of Haiti after the quake. Only the Haitians themselves would be able to solve their problems.

Thus, our focus was going to be on capacity-building. To do that, we decided to emphasize four primary areas of intervention: 1) Provide hands-on education in square-foot-gardening which would give a family fresh produce for its own nutrition, plus generate a surplus to sell in the street markets; 2) Provide sanitation, hygiene and health education for survivors to cope with the danger of the new diseases after the earthquake; 3) Provide clean water technology for families and neighbors so as to avoid water-borne illnesses; 4) Provide through our own efforts,

as well as existing Haitian micro-finance institutions, training opportunities, loans, and other services for income generation activities.

Some individuals at BYU and beyond laughed at our vision. They said we were too optimistic and naïve. Others were down-right critical, warning us that Haiti was too dangerous, that the poverty was too great, and the destruction was overwhelming. Furthermore, they claimed that Haiti would never recover, so our efforts were futile. I wondered what they were thinking. Were they just willing to cross Haiti off the list as a failed state? Should we just wait for the Big Boys to work some kind of miracle? Would it be best to just change the TV channel whenever coverage of Haiti's tragedy appeared?

My feeling was that while we were just a group of average people, we had opportunities and social responsibilities to try and make a difference. We realized we could not do everything, but we could each do something. And this is what inspired Sustain Haiti. We became committed to improving the lives of the Haitian people, whether others agree or support us or not.

What is Sustain Haiti? We are a non-denominational, independent group of Haitians, Americans, and people of other nations as well, development specialists, students, social entrepreneurs and concerned citizens from across America. Beginning in late April 2010, we have been sending teams of 5-7 volunteers almost every Monday to the Haiti headquarters (i.e. empty house) we had rented in Leogane. We chose to labor in that town, which had about 140,000 people before the earthquake. It was the hardest hit community, being at the epicenter, which resulted in some 90 percent of the buildings being either severely damaged or destroyed.

Some estimates were that some 30,000 individuals were killed in the earthquake and aftershocks. If true, this would be one of the worst community disasters in human history since it would mean roughly a quarter of the citizenry had died. The assumption still today is that there are many bodies disintegrating under the rubble.

Haiti was already the poorest country in the western hemisphere and had been so for decades. Now with the grinding poverty of this new crisis, everything was far worse. The gap between America and Haiti has never been greater. For instance, in the United States during 2009, New York City alone gained 105,400 new millionaires. That made a total of 667,200 throughout just the Big Apple itself. In contrast, the few lucky Haitians who actually have jobs make only about

\$5 a day. That means they try to care for themselves and their families with a mere \$1,200 a year. To me there is something about this that is just not right.

For Sustain Haiti, there were several core values that inspired our efforts. One was the notion of giving of our own means in behalf of the people of Leogane. Virtually every one of our volunteers had to offer their time, money and energy to the cause. They each spent at least two weeks in-country and a number of them spent a month or two, even up to four months on the ground in Haiti. Some left their wives or husbands or children to labor down here in the trenches with the poor. Every volunteer had to come up with \$2,000 in order to serve. For many, that sum would have paid for tuition at college, a better car, or covered the cost of doing an internship with corporate America.

Another value of Sustain Haiti has been that of job creation through microenterprise. Basically, this consisted of giving tiny loans to poor Haitians to lift themselves out of poverty. An MBA student who had taken my Social Entrepreneurship course from January to April right during the time of the earthquake took the initiative to explore NGOs in Haiti offering microcredit services. Our volunteers worked to prepare to offer microcredit for a small, very poor community up in the mountains, which had received no aid. I had the privilege of conducting a final training session with two groups of men and one group of women whom we have organized into solidarity groups. We then gave each member of each group the equivalent of a U.S. \$70 microloan that they are to pay back in full with 5 percent interest after four months. They will use these monies for various family income-generating efforts, and when the first loan is paid off, they will qualify for another loan that is double the first, \$140. Ultimately, we anticipate that these peasants will be able to literally work themselves out of the poorest of the poor class and up into the Haitian middle-class in the coming years. In doing so, they will be able to educate their children as the first of their generation to go to school. They will also have the funds they need to get medical care when a child is sick or breaks an arm.

A related thrust of Sustain Haiti was to train young budding entrepreneurs who already had businesses going as to how they could increase revenues, market their products and services, and use other management tools to enhance their enterprises. For some of them and their friends, we even held a business plan competition activity and gave prizes to those with the best ideas for how to start or accelerate their firms.



Sustainability and stewardship were other core elements of our program. We and our partners taught classes on community development and social support. In a coastal fishing village called Destra, we collaborated with an NGO called G.O.A.L.S. Together, we are sought to enhance the quality of life for some 1,500 rural villagers now living in tents because virtually all of their homes have been destroyed. The young people are being trained in ecological principles and the need to not deforest their environment more than has already been done, using soccer as a motivation tool. We also have sought to be good stewards of the earth and nature in Leogane. We worked with Haitians to establish innovative and highly sustainable square-foot gardens. The results are the creation of some 300 garden plots with produce already beginning to appear: Tomatoes, peppers, squash, beans, onions, carrots, etc. Many families will be able to draw on fresh, nutritious produce, not only in the harvest season this fall, but in the cooler winter growing season yet to come.

This summer there were 50 or so volunteers in Haiti including a Haitian going to college in the U.S. He willingly gave up his studies and visa status to return to Haiti as our in-country leader for the entire four months. He coordinated all our projects with NGO partners, as well as managed up to 21 volunteers on the ground at one time. In addition, there were another 20-plus individuals who volunteered back home in the United States. They assisted us with recruiting, funding-raising, teaching Haitian culture to all of us and so forth. More individuals donated money including some who could only afford to give five dollars. In the end, we raised over \$100,000.

Since returning home to our jobs and studies, we continue to move Sustain Haiti forward. While in Haiti we had trained several Haitian leaders in Leogane who will keep our efforts at microenterprise, water purification, and square-foot-gardens going and growing in the months to come. Currently we are reviewing the various project reports, assess our strengths and weaknesses, and beginning to plan for the future. We are beginning to strategize and recruit for 2011. Our ultimate commitment is to help rebuild Haiti for the next decade!

## **Unitus**

Another case is that of Unitus. In 1999 a handful of my BYU graduate students had taken my social entrepreneurship or Third World Development MBA courses and began to consider

shifting their field of study. Several had been wondering how they might alter career plans from assumed future human resource managers or Wall Street finance positions. At about the same time, some executive friends of mine who had been reading a new book I wrote, and had many questions they wanted to discuss. They were experiencing a number of inner debates regarding their professional and personal lives as they moved from their middle ages around 40 toward their later years. Different ones had MBAs from places like Stanford, Harvard, as well as BYU. They were rich and successful. They had wonderful spouses, good kids, and successful careers. Yet they wondered what more life ought to be about. For a while they would call to talk or fly to Utah to discuss their reflections. They realized they wanted something more than mansions, fancy cars, and corporate power. Ultimately after a year of debate, strategy-formation and planning, we incorporated as an NGO or microfinance institution (MFI) called Unitus, meaning “unite us.” I brought in several graduate students who were having similar thoughts while still in school, and together we all began to consider approaches to social entrepreneurship as a group (Unitus, 2010).

We decided that we would do something unique—help small microfinance organizations grow solidly and rapidly. The work of Unitus as an MFI accelerator grew to have a huge impact. As the first chairman of the board, I proposed we begin in Mexico, so we set up a new organization in Tula called *Pro Mujer*. Since then we have established 489 Mexican communal banks and dispersed \$8 million in that country alone. From there we went to India and found a wonderful little NGO called SKS whose potential for growth looked promising. We provided capital, training, expertise and new technologies to the NGO and it has now grown to be a huge success.

Other new, small MFIs in India were being established, each responding to the rising demand for financial services to the unbanked poor. At Unitus, we gradually developed a model to accelerate the growth rate of the most promising, many of which had become stuck because they lacked sufficient capital to expand. Therefore, instead of their reaching a plateau of a few thousand microentrepreneurs, and not being able to grow further, we raised significant sums of new money to heighten and deepen their impacts. Later we expanded to East Africa where we facilitated growth to more than 200,000 borrowers, Argentina where we have 20,000 or so, Indonesia, Cambodia, and Brazil.

In a few short years, Unitus has become a major global microfinance accelerator. The perceptions in the media from *Fortune* magazine to *Forbes*, *Business Week*, *The Wall Street Journal*, and the *Financial Times of London*, about this group of friends has been significant. We were able to show how students, entrepreneurs, managers, and academics can collaborate in the design and launch of radically innovative strategies from the business world to address human suffering. Accumulating capital and making major loans to small NGOs so they grow rapidly has become a powerful story.

In the past decade, Unitus has received awards from *Fast Company* magazine, recognition that is called an annual social capital award. It has also been honored by President Bill Clinton's Global Initiative. Unitus' MFI partners have also enjoyed awards for their management excellence. Some of the staff and board members have been honored in their own right, and significant new funding has been received by such prominent individuals as the founder of e-Bay, Pierre Omidyar, Microsoft's Bill Gates, and former U.S. President Jimmy Carter.

Another impressive aspect of these Unitus founders is that almost each individual has also created one's own personal or family foundation. Besides being a major funder of Unitus, one person also gives to other NGOs operating in the islands of the South Pacific. Another funds local United Way programs for children in his local community. One individual also established what is now among the largest MFIs in Kenya, while another works to support microentrepreneurs in Ghana.

While at times in recent years, their firms have assisted Unitus, nearly all the \$11 million generated during the start up of Unitus came from the founders' own pockets, not their businesses, and never from government grants. These founders not only developed an innovative new strategy to combat human suffering. They also became movers and shakers far beyond their corporate walls, applying successful business models in fighting inequality around the globe. Perhaps most significant, they each have developed their own unique lifelong mission "to be remembered" for something more than a corporate bottom line.

In summer 2010 Unitus announced it was restructuring. The board determined to begin exploring new strategies and go in new directions, although the precise nature of the new vision is not yet clear or implemented. While I left the board several years ago to help launch still other

social enterprises, I still serve as an advisor and consult with some of the key players from time to time. From my vantage point, it seems a majority of the current board began to feel the world of microfinance had taken off to become a huge and successful global movement. For some, the feeling was Unitus ought to turn its energy and considerable leverage from generating large amounts of capital for microlending alone, to broader issues such as social entrepreneurship. No matter what happens, the new strategies of the future will certainly be another significant social innovation.

### **MicroBusiness Mentors**

This next case of social enterprise emerging out of a business school setting is that of MicroBusiness Mentors (2009). In part it was derived from dialogues with my graduate students in a Romney Institute of Management course at BYU I taught as I sought to get that program moving beyond its historic focus on government administration and into nonprofit education. The MPA course I designed and taught led to a number of students beginning to consider alternative career tracks. During the section of my course about microfinance, we discussed a number of NGOs I had launched around the globe. I expressed the curious contradiction I felt at times because while a number of successful NGOs my colleagues and I had started were yielding significant results in the Third World, I had never done much domestically. By mid-semester, a group of 7 students decided their class project would be to design a microenterprise program in our own community of Provo, Utah.

It was a perfect answer to this contradiction, and it could be done right in our own backyard. It would not require major fundraising for volunteers to go abroad. Furthermore, it helped address the emerging problems of immigration from Latin America because we decided specifically market our services to unemployed immigrants. As is widely known, a major debate in the United States during the past decade has been over what to do about the considerable growth of poor Hispanic immigrants from Latin America. In my home state, Utah, which is quite close to Mexico, the migration of such people is huge. Many Anglos in the U.S. are frustrated by their presence. They are especially upset about the drain on government resources such as the providing of healthcare, education for their children, unemployment rates, and criticisms that they do not have regular jobs or pay taxes.

Valid or not, public opinion is divided. Thus, my MPA students and I decided to experiment with creating microcredit resources that could help such immigrants survive by creating their own jobs, learning how to become entrepreneurs, how to register their microenterprises, and pay taxes. The goal was to assist them in eventually moving out of the informal economy into the regular, formal system so they would become more self-reliant. The mechanism for doing this locally was through the creation of a student-based microcredit and training enterprise we called MicroBusiness Mentors (MBM), or in Spanish, *Mentores para la Microempresa*.

Our work began as a university laboratory for service learning in 2003, and we began by doing a needs analysis to ascertain if microcredit could be of use to the Hispanic population. What we found were a number of problems facing immigrant residents in the area, in contrast to other neighborhoods. So we conducted a survey to explore if they would be interested in receiving business training and have an interest in obtaining a small business loan. Based on these data, MicroBusiness Mentors was created to begin marketing our services for empowering the poor near the university campus.

We designed a four-pillar system for operating our program: Spanish language training, group support, mentors, and loans. Briefly put, training seemed to be of interest to 78 percent of Latino adults in our survey. So we designed eight modules, one to be taught each week for 8 weeks. During these weeks, the participants learn about each other, work on training cases as a team, share ideas and experiences, all culminating in the creation of one's microenterprise business plan. This system of mutual support builds solidarity and trust, which becomes very important due the following reality.

If group members go on to complete the eight sessions of training and qualify for \$500 loans, an MBM graduation ceremony is held, and certificates of completion are given, as well as the loans. Each member of the group signs a commitment to repay each others' loans, in addition to one's own, the group thereby acting as social collateral. This technique is sometimes referred to as "peer-lending" or "solidarity group loans." Group commitment and peer pressure serve to minimize borrower default rates. Also, members are taught responsibility and the importance of repayment on time and in full for the amount due.

After graduating and obtaining their first loans, MBM microentrepreneurs next turn to launching their tiny businesses, and each is assigned a volunteer mentor who agrees to coach them in Spanish at least monthly over the next year. Upon repaying the first loan, clients may qualify for a second loan at double the amount of the first. This continues until the individual qualifies for a larger loan, at which point, we take them to a regular bank to help them secure more capital to expand their businesses.

Up until now, MBM seems to be yielding quite promising results for facilitating self-employment. Hundreds of Utah Latinos have received orientation and/or training. Fortunately, we have attracted the interest and financial support of a number of community banks and credit unions that want to help fund this effort. They seem to realize that for-profit businesses may not only do good, but enjoy financial benefits in the future as microentrepreneurs “graduate” from the informal sector to needing greater financial services that larger, traditional banks can provide. In this process, MBM will be able to expand its services and loan capital to greater numbers of poor families. At the same time, as a practical university-based incubator providing microenterprise experience for students considering a career in social enterprise and nonprofit management, MBM serves useful educational purposes.

### **HELP International**

HELP International (2010) arose as an organization after Hurricane Mitch decimated Central America at the end of 1998. There were 20,000 dead, 20,000 missing, and a million people homeless. In Honduras, 90 percent of the country’s crops were lost; 70 percent of its infrastructure was damaged. Huge bridges and highways like the Pan American Highway were devastated or destroyed. The experts declared that the country of Honduras was set back 50 years.

The question that occurred to me as I saw the devastation on the television day after day was this: Can business schools address a socio-economic disaster like this? Do we have anything to offer? Are we even relevant to the problems of global suffering?

I began to think about my challenge as a professor to find answers, to determine whether or not

we could design some innovative strategies that would transform the Marriott School into a pro-poor institution. So during Christmas break of 1998 I began the arduous task of planning a whole new course, in addition to my regular instruction load for the Winter Semester, to begin January 4, 1999.

I started recruiting a few students and launched an elective course on social entrepreneurship. I gave it a “modest” name: “How to Change the World.” At the first class session we decided to prepare a game plan to go to Honduras at the end of the semester because it was Mitch’s hardest hit country. Our plan was that together, my students and I as faculty, would collaborate as colleagues in designing new social innovations, which we would carry out during and following that semester. Some 80-plus students eventually participated in the course, although half did not receive credit because they only heard about it after the deadline to register had passed. Teams were organized to assess where we should go, what the needs were we could address, as well as groups formed for a number of issues such as safety, travel options, cost structures, public relations, and so forth. Training in simple Spanish language phrases was offered, along with an understanding of the Honduran culture. Specific skills were developed in how to set up a village bank, teach training modules, engage in needs analysis, community problem-solving, and other kinds of community service we could offer where appropriate.

We called the project HELP Honduras for Help Eliminate Poverty. The results of our venture were fairly incredible. We ended up with 46 volunteers in Honduras that summer. They came from BYU, the University of Utah, as well as students from Stanford, and other institutions. We were able to raise \$116,000. With those monies we started 47 communal banks, mostly consisting of groups of women. We gathered them together and trained them in how to become self-reliant, how to be social entrepreneurs, and how to be microentrepreneurs. Many of them had lost husbands and jobs. Roughly speaking we helped to create about 800 new microenterprises. Those hundreds of jobs benefited an average of 5 people per family. This means that about 4,000 family members were empowered through the loans we were able to provide as we started these communal banks.

In addition to microcredit, our volunteers throughout the summer of 1999 provided about

20,000 hours of on-the-ground community service. They delivered babies out in rural medical facilities. They shoveled mud from schools and rebuilt them, plastered the walls, disinfected the damaged structures, sanded and painted the walls. Others rebuilt houses or mentored street children. Still others started small gardens and trained families on how to become square-foot garden experts so they could grow enough produce to feed themselves nutritious vegetables throughout the year.

Some BYU volunteers taught in schools, after we got them reopened. Others provided computer training skills. We took down supplies from six different U.S. states, donated by families and church congregations who gave materials for newborn kits for babies and their mothers, hygiene kits for refugee families that had lost everything, school kit supplies and basic materials for children's education. We also bought extra supplies with cash we took to the country, which also benefited the Honduran economy. And all this was just the beginning.

As time has progressed, this little organization that we started out as HELP Honduras became HELP International. Later, after the devastating destruction of two huge earthquakes in El Salvador in 2001, HELP began to work there with Habitat for Humanity. It has gradually expanded between 1999 to 2010, from Honduras to Guatemala, Peru, Venezuela, Bolivia, El Salvador, Brazil, Fiji, Belize, Thailand, and now India. We also work in Uganda where this year, 2010, we doubled our efforts, having two teams of approximately 25 each in different parts of that nation.

We have had over 1,600 students from BYU and other universities engaged in the work of HELP serving the poor, training microentrepreneurs, aiding farmers, volunteering in orphanages, doing health care in rural and medical clinics, teaching square-foot gardening, building homes, and so forth. A unique feature is that after volunteers have spent some time in these countries and see particular needs they have been trained to address, they can take action. They can go above and beyond the traditional work of HELP by drafting their own proposal for a new innovation. They collect data showing a need, outline an action plan, estimate the costs of money and time. HELP's managers then review and often give the approval and funds to go ahead with implementation. These outreach efforts have become a major student and faculty strategy for



doing good and for lifting the have-nots.

In the past decade a number of socially responsible companies have facilitated HELP's success: Starbucks, U.S. Synthetic, Decision Wise, Marriott Corporation, RBL Consulting, Wal-Mart, Jet Blue, and so forth. A number of consultants and business executives have been HELP advisors, served on task forces, provided pro bono consulting, and assisted with tax, legal services, and financial programs, as well as offered cash donations. Over time HELP and the private sector have learned core lessons of how to collaborate effectively by creating win-win partnerships.

Public perceptions of the university and Utah businesses have been strengthened by the work of HELP International. This building of a reputation for University outreach also occurred in Honduras. There the UN, Red Cross, and U.S. government officials were all amazed by the initiative of these young students who simply sought to improve the world. Among the various countries HELP has labored in, there have been dozens of positive news articles in the press, as well as at home in the U.S. Currently, we are beginning to plan for summer 2011 and expanding our work to Tanzania.

HELP's mission has consisted of giving its volunteers "a life-changing experience through service to the poor" (HELP 2010). What we are now beginning to see emerging from this NGO is that after these young social entrepreneurs finish their service and graduate from college, a number of them establish their own small projects which, over time, formally become new programs to address social problems which neither the private sector nor government are fully addressing.

## **UNIVERSITY AND EDUCATIONAL OUTCOMES**

The work of these social entrepreneurial programs has not only impacted the Third World poor in times of poverty or crisis, but universities and student academic learning, as well. They have spread beyond the four cases described above and include many other new NGOs and other groups for change. There are a number of additional NGOs that my students and I have

collaborated in establishing as BYU service learning or class action research projects, although there is not time or space to describe them in detail. A few include Enterprise Mentors International, the first project 3 students and I designed and launched beginning in the Philippines in 1989 and spreading to Mexico, Guatemala, and other parts of Latin America. Others which suggest the global range of our work include Eagle Condor Humanitarian in Peru, Empowering Nations/Wave of Hope in Thailand, Ghana, and Panama, Yehu Microfinance in Kenya, and the Academy for Creating Enterprise in the Philippines. All such organizations and more flow from the work of these young college-based social entrepreneurs, at least at the beginning before they were spun off and became independent NGOs.

The application of social entrepreneurship visions and methods has hopefully been illustrated by several NGO cases highlighted as action research projects which mobilized executives and their firms, along with management students, faculty, alumni, consultants, and entrepreneurs in addressing human suffering. They suggest that business models can address worldwide unemployment and alleviate poverty, especially as today's global economic crisis wrecks havoc with marginalized people.

In several instances our spin-offs from BYU have led to collaboration and involvement with students from other universities who joined our on-the-ground summers of volunteering in the field. For example, 5 students from Portland State University joined us in Thailand after the horrific Asian tsunami, in an NGO we formed called Empowering Nations. HELP International projects around the Third World have included young social entrepreneurs we trained from Stanford, VA Tech, University of Utah, Colorado State, University of Washington, and so forth. We also had the recent experience of establishing a partnership between University of North Carolina MBA students and BYU's spin-off, HELP International in which Professor Lisa Jones Christensen of the Kenan-Flagler Business School mobilized a team that we trained to carry out microfinance work in Peru for a summer, raising their own funding, training the poor, giving loans, and documenting their impacts.

## **CONCLUSION**

As I end this paper, I want to add a caveat regarding these four social ventures, and the additional ones not included in any depth here. Lest these cases appear to all be “sweetness and light,” I should acknowledge we have faced many problems. Some of them came down from “above,” as university administrators tried to block, or at least diminish our efforts. Another has to do with physical dangers of this kind of work. Though safety abroad has always been priority No. 1, we have had several incidents that resulted in robbery, forcing us to pull out of Guatemala for 2010 since that country has become increasingly beset by crime and *narcotraficante* violence.

Other facets of our “dark side” regarding social entrepreneurship include the difficult struggles to raise donations in the context of the current U.S. economic recession. Also, at times we may have been our own worst enemy since most of these university-age social entrepreneurs are young, at times naïve, and may lack management skills that only come with years of experience. In addition, the realities of sometimes initiating social innovations as a response to a crisis such as Hurricane Mitch or the Haitian earthquake always have their own difficulties.

I have always sought to try and create a climate of experimentation in these NGO start ups. The basic idea has been to begin by generating multiple tactics and solutions. Next, they can be attempted and tested, one at a time, little by little. But we do not become too invested in any single tool or method. Thus, if the first thing does not work, fine. We just toss it aside and try the next one.

Another weakness is that at times our strategizing may have overlooked a vital point, led to groupthink, interfered with our ability to manage our time effectively, or ignored subtle data we should have seen. Indeed, the practice of social entrepreneurship needs a good deal of critical analysis so that practitioners will be able to achieve better results in the future than we have in the past.

However, I hope that our brief cases indicate actions that can succeed and have genuine impacts. I think they suggest mechanisms for taking leading-edge managerial principles and concepts from business school environments and applying them to current societal ills. Yet these social entrepreneurial models need to be integrated with new visions, radical interventions and best practices from the corporate sector so as to generate innovative methodologies for fighting poverty and building sustainable communities.

Through more such processes, pro-poor applications of social entrepreneurship may transform academia, especially business schools, into more relevant and real world approaches to education. By cooperating with private sector companies we will see more ethical and socially-responsible firms as they serve society's have-nots. At the same time NGOs can benefit by more rapidly achieving scale, collaborating with other organizations to accelerate their efforts, and developing enterprise cultures of problem-solving. The resulting synergies from such innovations and partnerships will produce transformative processes for organizational design and strategic implementation of social enterprises.

From the innovations of my students and myself, some 26 NGOs have grown out of over fifty class projects, raised a total of nearly \$80 million since 1989, given microloans to empower ten million impoverished families in more than thirty countries, trained a million impoverished individuals in education, literacy, health, high tech (computer skills), and low tech (appropriate tech methods for farming), as well as provided additional skills to ensure sustainability. None of these social ventures has ever received government funding of any kind. Rather, we seek to use the contributions of individuals who pay out of their own pockets to participate in our work, volunteer their own time, along with getting support from a few private foundations.

Lastly, my hope is that this paper has practical impacts as a sort of invitation or call to action for management professors and students to accelerate the social entrepreneurship movement across higher education. "Daring to Care with Passion and Compassion" captures well the emphasis of my work, indeed my life. I hope this becomes an inspiring story of how for 20-plus years MBAs, as well as students from other disciplines, along with faculty, managers and their corporations, have designed and launched social enterprises primarily utilizing the university as an incubator that has spread around the Third World. If we can do this at BYU, I imagine a number of other schools with larger numbers, more money, and greater global perspectives, can do even more. My ultimate objective is that readers may be able to see new possibilities for launching their own unique approaches to the growing social entrepreneurship movement across the globe.

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