Introduction

The success of Bentley University’s first social enterprise serves as a model for how business curricula (P3) can create a continuing stream of opportunities for developing responsible leaders while, at the same time, building win-win partnerships (P5) with 501(c)3 foundations engaged in social causes that the University community supports.

The Mmofra Trom Bead Project (MTBP) is staffed, managed and operated by student volunteers who apply for roles just as one would apply for a paid position. The organisation has a CEO, COO, and CFO as well as several managerial positions that report directly to the 3-person leadership team. The CEO is accountable to and a member of the Advisory Board to the Mmofra Trom Foundation (a US 501(c)3) and accountable to the University through a Bentley faculty supervisor, who is also on the Advisory Board that meets semi-annually. Vulnerable children at The Mmofra Trom Education Center in Ghana string recycled glass beads into bracelets that Bentley students sell, with profits paying for their high school and University fees. A $100 purchase of beads in 2008 led to a $50,000 Education Fund by 2013. Students get the satisfaction of “giving the gift of education, one bracelet at a time.”

Challenges and Actions Taken

Sustainable Opportunities. Two students who met the children of Mmofra Trom when they were freshmen became increasingly committed over four years’ time. Understandably, they wanted to retain their leadership role after they graduated. MTBP had become “their baby,” even though the business was started by a Bentley faculty member. Bentley did not want to lose that commitment but did want the leadership opportunity to be available to other undergraduates. We met this challenge by appointing graduating CEOs as permanent members of the Advisory Board. Alumni leaders are responsible for long-range strategic planning, and each year a new CEO is appointed to the Board. This has had the added benefit of strengthening ties between the University and its Alumni.

Academic Credit adds Incentive. To increase students’ motivation for getting involved with the social enterprise, students can earn academic credit for their work for the social enterprise. The Advisory Board of the Mmofra Trom Foundation became a community partner with Bentley’s Center for Service Learning and can submit specific projects to the Center. Depending on the academic skills that the project requires (International Marketing, Social Media, Sales Management, etc.), the Center contacts faculty members who award students a 4th credit for a 3-credit course if they spend about two hours per week applying course-related skills to a specific community project.

Tax Status & Managing Profits. Students who have started social enterprises of their own face the challenge of paying salaries and taxes. Other Universities have described failures based on not being able to make enough profit once they covered their all of their expenses, and not being able to figure out how to keep the money separate from University-owned bank accounts. Having the umbrella of a US Foundation is a vital component of the success of this model. Profits go into the Foundation’s bank
account, and the Foundation is responsible for wiring funds to Ghana to pay school fees and tuitions. MTBP has a meticulous accounting system which the CFO maintains, and those records are presented to the Foundation’s CFO for auditing. We don’t have to charge taxes for bracelet sales since we have 501(c)3 status, and the Foundation takes care of IRS reporting each year. No complexity for the University’s accounting and banking systems.

**Results/Benefits**

*Responsible Leadership Training.* This opportunity gives students a chance to experience first-hand what it’s like to hold a senior position in a business, and gives them a great deal of experience in managing and motivating their people while moving the business objectives forward. At the same time, they experience the satisfaction of using their business skills to accomplish a social objective—responsible leadership at its best. Similarly, service learning students are using their business skills to make a genuine difference. Analysing case studies cannot compare to the learning value of working for a real business, where your recommendations are reviewed by a Board, and you can actually implement your ideas to see what kind of business results you get.

*Encourages more Social Enterprises.* Other students and faculty see the success of MTBP and are encouraged to start another social enterprise in support of community partners with 501(c)3 status. A local community association is working with Bentley students and faculty to create a business plan for unemployed teenagers to rake leaves and mow lawns to generate funds to support youth programmes. A team of students are writing a business plan to import medicinal herbs from a farmer’s cooperative in a developing country. Bentley’s positive experience with MTBP has opened the University’s doors to social enterprises.

*Low Cost to the University.* The cost to the University is “low to none.” Faculty supervisors offer their time on behalf of the University to provide continuity and sustainability from year to year. Students get committed to causes, but they graduate. It takes the University’s commitment to sponsorship to keep social enterprise opportunities on campus and available as part of the University’s overall approach to developing responsible leaders. For several years the bracelet inventory was spread out in several dorm rooms. Eventually the University offered MTBP space for storing the inventory in one place, giving more visibility to Bentley’s ongoing support of social enterprises at very little cost.

**The role of PRME/sustainability principles**

The Principles for Responsible Management Education can provide the background inspiration for shaping the policies and practices surrounding University-sponsored social enterprises, such that the skill-building opportunities social enterprises represent formally support academic learning and are integrated into the curriculum. At the same time, the University ties to 501(c)3 entities that are working on social issues important to the campus community builds valuable partnerships.