

# SHAREHOLDERS

SEATTLE PACIFIC UNIVERSITY / SCHOOL OF BUSINESS AND ECONOMICS / NEWSLETTER FOR ALUMNI AND FRIENDS / SUMMER 2011

## BEYOND THE BOTTOM LINE

By Laura Franz, *Shareholders* Editor, and Donovan Richards, Graduate Student

Is it possible for businesses to be financially successful and promote social good? Can enormous issues such as global poverty or our carbon footprint be solved by business? These were just two of the questions presenters raised at the Bottom Billions/Bottom Line conference held at Seattle Pacific University in April.

Hosted by SPU's Center for Integrity in Business and the School of Business and Economics, the conference welcomed more than 375 business practitioners, executives, social entrepreneurs, students, and faculty to explore the role of business in ending global poverty — especially for two-thirds of the world's population who live on less than \$4 a day, known as the "bottom billions."

In his opening remarks, SBE Dean Jeff Van Duzer urged those attending the conference to "look up from the balance sheet and observe the surrounding world."

Profitability is no longer the only measure of success in business. In a time of global interconnectivity and awareness, consumers realize that what they buy has a direct impact on the standard of living and the environment of those around the world.

In fact, living wages, humane working conditions, no child or slave labor, and environmentally sustainable methods are some of the business practices expected by increasing numbers of consumers when they are choosing products.

And so, as consumers look for busi-

nesses that consider sustainability and poverty issues when sourcing materials and labor, and as the demand for accountability on issues such as environmental and social impact increases, business is in a powerful position to address multiple bottom lines.

Which is something Van Duzer told the audience he hoped they would consider coming out of the conference: that business is more than a way to pursue profit, but an institution capable of effecting social change.

How might business bring about this change? Through very practical means, suggested opening plenary speaker Collin Timms, who is the founder and chairman of Guardian Bank, and has, as a managing trustee for The Bridge Foundation, helped promote more than 130,000 businesses among rural women living below the poverty line in India.

"Morality and ethics are concepts for a full stomach," said Timms. "Before the poor find opportunities to interact on an ideological level, it is imperative for them to receive opportunities to provide shelter and food for their families."

In other words, through business. At its simplest, business is the exchange of goods and services — and the means by which each of us gets what we want and need to live each day. Beyond charity, it's empowerment through business that enables people to move from abject poverty to living in a sustaining community.

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DIRECT FROM  
THE DEAN

JEFF VAN DUZER



## DOING GOOD BUSINESS

When we talk to our students, we consistently emphasize the importance of being good and doing good.

It's critical for our mission of "preparing students for service and leadership in business and society" that we equip them with the skills and knowledge they need to be good at business. They need to master the nuts and bolts of reading financial statements, negotiating contracts, managing changes in organizational cultures, implementing new software systems, hiring and firing employees, and building brands, among countless other basic business activities.

It does us — and them — no good if we graduate students with high ethical character but low competence. Yet the converse is also true.

## "WE WANT OUR STUDENTS ALSO TO BE EFFECTIVE AT DOING THE RIGHT THINGS."

Our mission goes well beyond sending competent technocrats out into the world. We want our students also to be effective at doing the right things. We want them to understand that business exists as a tool for serving the common good, and to use what they've learned at SBE to run businesses that will serve our world. We expect competence and character; being good and doing good.

To this end, we look for ways to highlight business leaders who marry high levels of business acumen with exciting business goals. We seek opportunities to have our students roll up their sleeves and get involved in creative work that serves their communities. And we always want to showcase the good work that many of you, our alumni, are doing.

I hope you enjoy this edition of *Shareholders*, in which we share a few of the many ways that SBE and its students have celebrated good business doing good.



## ANOTHER WAY OF DOING JUSTICE

By James Pedrick, Contributing Writer

Seven years ago, while I was a student at Seattle Pacific, justice seemed relegated to letter-writing clubs, mission trips, or service projects. I had friends go on trips halfway around the world and return impassioned about many injustice issues, only to find it nearly impossible to get anyone else to care.

I have to admit, I was one of the apathetic students who felt issues of poverty and injustice were important for some but not meant for me. That all changed during an internship with World Vision, where two stats altered my life forever: that one in 20 children in sub-Saharan Africa were being orphaned by AIDS, and that only 3 percent of evangelical Christians in America cared enough to do something about it.

I decided to act. Some friends and I created a grassroots initiative called Acting on AIDS — which soon moved beyond SPU and turned into a national campus activism effort for World Vision.

### ACTING ON AIDS WAS BUILT ON THE PRINCIPLES I LEARNED AT SPU.

Just like SPU's mission "to engage the culture and change the world," our group believed this issue was so big we needed to challenge our entire generation to affect it.

As a business student, I wondered what SBE's "Another Way of Doing Business" could look like for justice activism — and how to reach students as ignorant and oblivious as I was. The solution, we decided, was to recruit one in 20 students to wear a bright orange "ORPHAN" shirt to represent the proportion of children orphaned by AIDS in sub-Saharan Africa. We educated those who volunteered to wear the shirt, shared our heart for justice, and then unleashed them all at once on the campus.

It made the issue tangible, visible, and pervasive throughout the campus. We helped students realize just how big the threat of AIDS was on children around the world and, more importantly, our campaign moved from three lone student leaders to 300. And as Acting on AIDS moved to other campuses, we exported SPU's unique form of student leadership — often to Christian colleges that had seldom empowered students to be leaders and change agents.

### CAMPUSES ARE OVERCROWDED WITH JUSTICE ACTIVISM

The challenge today is not in introducing our generation to issues of poverty and injustice. Acting on AIDS, along with larger efforts such as the ONE Campaign and Invisible Children, has helped make activism movements the norm. Today's colleges are bombarded and overloaded with causes-of-the-week. As a result, it's easy for students to become disillusioned: cynical toward do-nothing awareness campaigns and skeptical of quick-fix humanitarian start-ups.

The challenge is that most people of my generation are ill equipped to connect their faith with their passion for justice. Many young people feel they must choose between faith or justice — with a growing number of young people seeing the church as irrelevant to the world's critical problems. Rich Stearns says in his book *The Hole in Our Gospel*, "Ouch! This is serious business. If we are trying to reach out with the positive message of the gospel — the good news — to those who have not accepted the Christian faith, then we either have a major problem with our message or with our methodology — or both!"

### OUR GENERATION'S CHALLENGE

Over the last several years, I've had the privilege of helping to grow our vision for campus activism, Acting on AIDS, into World Vision ACT:S, a network of more than 26,000 college students and young people who are joined by our commitment to explore what our faith says about justice. We believe our generation is hungry for an authentic and contagious faith, as demonstrated in the book of Acts. We also believe our peers are looking for a common language to connect faith and justice.

These are audacious goals — but they spring from the principles I learned at SPU. And the ripple effects might just change the world.

James Pedrick, a 2004 SBE graduate, works as an advocacy associate at World Vision, where he promotes college activism and social networking.



SBE's 2011 Social Venture Plan Competition Challenges Students to Take Action

## WORKING THE CROWD AND SAVING THE WORLD

By Don Summers, SBE Clinical Instructor

**What do you get when you combine student passion for making the world better and business planning? The answer: the School of Business and Economics' Social Venture Plan Competition.**

One of SBE's signature programs, the Social Venture Plan Competition was started in 2007 as a way to teach students about entrepreneurship by challenging them to develop business ventures that can be profitable and address social needs at the same time.

On April 13, a record-breaking 34 teams, comprised of 120 students representing 20 academic disciplines, gathered on Seattle Pacific's campus to present their various business strategies in the fifth annual Social Venture Plan Competition Showcase. Teams came from SPU, the University of Washington, Seattle University, Northwest Nazarene University, Youth Ventures, Pacific Lutheran University, and Northwest University.

In addition, a partnership with Duy Tan University in Da Nang, Vietnam, added a first-ever international presence to this year's event when DTU sent three teams more than 7,000 miles to compete in the showcase.

Most of the student competitors started their projects from scratch a few months earlier, with only a vague idea of how their business idea would make the world better. From there, the teams learned basic business concepts, built their plans, tested them, sanded off the rough edges, and finally submitted the plans. Along the way, faculty members and guest teachers provided instruction, and a corps of 30 SBE community partners coached the teams.

All of which culminated in the actual competition. And with the arrival of 75 SVPC Showcase judges — representing the Seattle-area business, non-profit, academic, and professional communities — the student competitors jumped into action. Many teams stationed members in strategic locations, whether at the door to Weter Hall or in nearby Martin Square, to pitch to judges the value of their respective projects and to send the judges to booths for more details.

To win in this trade show, competitors need to wrest points from the judges — half the points come from the readers of their plans and half from the students' performance at the showcase. While the students show

their "wares" in the hope of receiving some of the \$7,500 in prize money, the judges ascertain the quality of projects and offer advice.

To do that, the judges probe deeply: Who is your target market? How did you decide that this service is needed? Did you account for all the "real" costs? What challenges will your start-up face? "I'm glad we worked so hard on prepping for their questions," remarked one student.

Eventually the judges decide on the winners, and the prizes are announced. It's the only time during the four-hour showcase that a modicum of quiet overtakes the event as anticipation fills the faces of the competitors.

This year, among the many worthy entries, the Pterofin team won the \$2,500 grand prize for its innovative design of a small wind turbine for homes and commercial buildings that generates power at lower wind speeds than traditional turbines. Another innovative engineering product, an ultraviolet hydroelectric water purifier from the Spektrum team, took the \$1,500 Pioneer Prize for the purifier's ability to clean water from contaminated rivers and streams while pumping it to local villages.

There were also three \$1,000 Honorable Mention prizes: Fideos de Mutti, which would sell fresh pasta to support an orphanage in Uruguay; Static Flow Analytics, which developed an instrument to produce fuel from algae; and SwiftCycles, a bicycle-sharing system. And Nourish, which designed healthy food and nutritional programs for an isolated neighborhood in Seattle, received the \$500 People's Choice Award, determined by nearly 500 student, faculty, and staff votes.

The teams from Duy Tan University were also acknowledged with special certificates of commendation for their dedication in bringing their ideas to the U.S. and working through significant language barriers. One of the DTU students summed up the event well. "We learned so much from the judges, and had so much fun with the other students."



notes from around SBE

## BRIEFCASE

### New Master's Degree Targets Non-Business Graduates

Beginning in summer 2011, SBE will offer a new master's degree program in social and sustainable management. This intensive, 11-month program is aimed at recent college graduates with non-business degrees, such as liberal arts, sci-

ence, and engineering. The cohort of students will learn the basics of business and a Christian understanding of business in a series of five integrated modules. The program will use problem-based learning and features a study abroad trip to China and India; a leadership boot camp; a substantial, in-company internship project; and extensive focus on developing the professional skills needed to succeed in meaningful jobs. It will help students translate their passion for service and stewardship into action.

### Lessons From Local Business Leaders

During Winter and Spring quarters, SBE students heard from two prominent, Seattle-area business leaders as part of the SBE Dean's Speaker Series. In February, Karen Turner Lee, CEO of Pioneer Human Services, shared from her experi-

ences working in the private, public, and not-for-profit sectors, and discussed how management practices differ among the three. In May, Bill Chapin, director of marketing and partnership development for the Seattle Seahawks and Seattle Sounders FC, spoke about the branding of the Sounders soccer franchise from the ground up.

### Van Duzer Interviewed in Christianity Today

"Christians in the marketplace are not second-class citizens of the kingdom," says Jeff Van Duzer, dean of the School of Business and Economics. Serving Christ wholeheartedly while pursuing a vocation in the secular business world may be God's best intention for you. Learn more in the article, "The Meaning of Business," in the January 2011 issue of *Christianity Today* (searchable on CT's website). The interview

was prompted by Van Duzer's book, *Why Business Matters to God* (IVP Academic, 2010).

### Terrill Co-Convenes Lausanne-Affiliated Meeting

We spend half of our waking hours at work. So why is there still little recognition in much of the church of how vital the workplace is as a venue for Christian service and witness? John Terrill, director of SPU's Center for Integrity in Business, explored this question as the co-convenor of the "Marketplace/Theology of Work" affinity consultation in early April at the Mission America Coalition/U.S. Lausanne Annual Meeting in Orlando, Florida. The event examined ways to shape the direction of outreach and missions in America over the next decade.

## Continued from front

Cutting-edge businesses are recognizing this, and they're finding ways to use commerce to reduce environmental costs and increase standards of living in many areas where they operate by partnering with peoples around the globe to grow and manufacture goods.

Two such companies, Costco and Krotchet Kids, gave conference attendees insights into some of the ways the companies work to provide jobs, create products for, and deliver services to those at the bottom of the economic pyramid.

For Costco, one of the world's largest corporations, working toward such positive global outcomes has involved crafting innovative solutions that enable more direct control over its supply chain.

For instance, by sourcing 50 percent of the raw vanilla Costco uses in its private-label Kirkland Signature Pure Vanilla from Uganda, the company gains a higher-quality resource at a fair price with secured access to future supplies. And in turn, it uses 33 percent of the African nation's annual vanilla crop, which over the last six years has enabled 9,500 Ugandan farming families to improve their quality of life.

Krotchet Kids also discovered the global benefit of sourcing from Uganda. The company, whose distinctive stocking caps are a staple in the youth skateboard and surf scene, began when three friends traveled

through war-torn Uganda. While there, they taught some of the women to crochet hats, and then decided to sell the handmade merchandise for the women back in the U.S.

The hats proved popular. So much so, that in order to meet the demand from such corporate customers as Nordstrom, Krotchet Kids employs more than 100 women in Uganda and is expanding into Peru. All of which makes a sustainable impact on the women and their local communities, says co-founder Kohl Crecelius.

Learning from those already succeeding in improving both business profitability and the lives of our global neighbors was a priority for SBE with the Bottom Billions/Bottom Line conference. And so was encouraging interaction among those concerned with the good that business does.

"We were trying to encourage a conversation, and inspire action," says Kenman Wong, professor of business ethics at SPU and one of the conference leaders.

After all, finding ways to maximize the resources of business for the betterment of our world is an imperative challenge for long-term success.

You can learn more at [spu.edu/bottombillions](http://spu.edu/bottombillions).

## FACULTY NOTES

### Awards & Recognition For Outstanding Work in Their Field

#### GARY KARNS

*Journal of Marketing Education*  
Reviewer of the Year 2010.

#### REGINA SCHLEE

2011 MEA Marketing Educator of the Year  
by the Marketing Educators Association.

"Knowledge and Skill Requirements for Marketing Jobs in the 21st Century," an article Schlee co-authored with Katrin R. Harich, was chosen as the "Outstanding Article of the Year for 2010" by *The Journal of Marketing Education*.

### Presentations

#### AL ERISMAN

Gave several presentations at Boston College's Irish Institute 2010 program on Corporate Responsibility & Sustainability in Ireland and Northern Ireland.

#### RANDAL FRANZ

"Poly-Capitalism: Expanding Capitalism to Embrace Multiple Types of Capital," at the Academy of Management Annual Meetings in Montreal, Canada.

#### GARY KARNS

"A New Vision for the Purpose of Business: Pursuing Human Flourishing in Emerging Economies Through the Stewardship Model," at the European Academy of Business & Society in St. Petersburg, Russia.

"Alternate Views on the Purpose of Business: A Resource for Business & Economics," at the Global Conference on Business & Economics in Rome, Italy.

#### DON SUMMERS

Taught a version of SBE's social venture planning course to 60 students at Duy Tan University in Da Nang, Vietnam.

#### JOHN TERRILL

"Corruption and Bribery: Shortcut to Success?" presented at the American Corner in Subotica, Serbia, where Terrill was the featured speaker.

### Publications

#### KIMBERLY SAWERS

"Does Greater Risk-Bearing in Stock Option Compensation Reduce the Influence of Problem Framing on Managerial Risk-Taking Behavior?" published in *Behavioral Research in Accounting*.

#### GERHARD STEINKE

"Integrating Failure Mode Effect Analysis into the Medical Device Approval Process," published in *Communications of the IIMA*.

#### JOHN TERRILL

"Snack Chips and Lessons in Environmental Consciousness," published in *Comment Magazine*.

#### BUSINESS FOR THE COMMON GOOD: A CHRISTIAN VISION FOR THE MARKETPLACE

By Kenman L. Wong and Scott B. Rae (IVP Academic, 2011)



Is business just a way to make money? Or can the marketplace be a venue for service to others? In his new book, SBE Professor Kenman Wong and his co-author explore these and other critical business questions and issues from a uniquely Christian perspective. While the book affirms both the value of business as a calling and the good that it already does, the authors argue that business must be re-envisioned to contribute in a more comprehensive way to human flourishing. Read the book, and catch a vision of work as a means toward serving the common good.

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