In Investing

In HBS

Social Enterprise Initiative Marks 20th Anniversary

One of the benefits of starting a new initiative within an academic institution is the chance to set transformational ideas into motion. In 1993, when then-Dean John McArthur and John Whitehead (MBA 1947) collaborated to envision and launch the HBS Social Enterprise Initiative (SEI), they did just that. “Even the funding broke new ground,” notes former SEI director Laura Moon. “John Whitehead provided staged investments based on meeting certain milestones. We now call that venture philanthropy.”

The initiative’s name itself represented a creative departure. Faculty cochair V. Kasturi (Kash) Rangan, a newly tenured professor when he became the SEI’s first head, recalls, “We decided on a broad scope of inquiry. For us, understanding managerial challenges within the nonprofit sector was a piece of a bigger puzzle. We wanted to study organizations across sectors that create value for society.”

Today, the SEI and the 97 faculty affiliated with the initiative connect with communities worldwide. Faculty research spans the examination of the needs of the 4.5 billion members of society living on less than $1 a day to the application of entrepreneurial approaches in K–12 education reform. Each year, more than 500 students enroll in SEI elective courses and the Social Enterprise Club is one of the largest student-led clubs on campus. Alumni play a vital role as well. “Many of our alumni are the ones who are driving innovation within the social sector,” notes SEI faculty cochair Herman B. (Dutch) Leonard. “In addition to helping us stay close to practice, alumni provide financial support for initiatives that sharpen the perspectives of social enterprise executives and open paths to social impact careers for young MBAs.”

Activities supported by alumni through class reunion and individual gifts are among a growing portfolio of offerings that further extend the SEI’s impact.

The MBA Class of 1973, for instance, supports activities ranging from summer fellowships for MBAs to Executive Education scholarships for nonprofit leaders, while individual donors like Richard Menschel (MBA 1959) have enabled students to pursue post-graduation nonprofit careers through support of programs such as HBS Leadership Fellows and Nonprofit/Public Sector Loan Repayment Assistance.

“Alumni have been vital to the SEI’s success from the beginning,” underscores Rangan. “Their ideas, financial support, and energy provide much of the wind at our backs as we enter our third decade.”

For more information on the Social Enterprise Initiative and its 20 years of impact, visit www.hbs.edu/socialenterprise.

Participation Guys

John Sternfield and John Davenport (both MBA 1983)

“We were lucky to attend HBS and meet so many wonderful people and make lifelong friends,” notes Davenport. “I want others to have this great experience, and I want HBS to keep getting better and even more relevant in the future.”

Leading the Section C effort for the Class of 1983’s 30th Reunion Campaign, John Davenport and John Sternfield took a simple approach to reach 100 percent section participation for an unprecedented third reunion in a row. “We were the participation guys, and all we wanted was for our sectionmates to play the 100 percent game,” says Sternfield.

“Section C has always been a close section,” he continues. “With close relationships forged from our incredibly intense first year of business school as our base, and many visits with sectionmates during business trips and vacations since, it is easy to see why we have been able to come together as a section over and over again to achieve what we did to support the School.”

www.alumni.hbs.edu/ourbulletin
“It’s nice to seed growth like this. All I’ve really done is to start the plant.”

—Ferdinand Thun (MBA 1960)

BUILDING CAPACITY IN THE SOCIAL SECTOR

Looking back over the two-decade history of the HBS Social Enterprise Initiative (SEI), former director Laura Moon says “alumni have been a mainstay.” Ferdinand (Ferd) Thun (MBA 1960) is a case in point. The retired director of planned giving at Lehigh University and head of his family’s real-estate and investment management firm, Thun first learned about the SEI during an HBS reunion presentation. As his 50th Reunion approached, he decided to contribute to the School in a way that would connect the SEI with his own Pennsylvania community.

Thun’s 2007 gift, an endowed scholarship that helps bring a Lehigh Valley nonprofit executive to the SEI’s Strategic Perspectives in Nonprofit Management (SPNM) program each year, reflects his understanding of leadership needs within the nonprofit sector. SPNM is a week-long program designed to strengthen the capacity of nonprofit CEOs to lead their organizations effectively. “Nonprofit executives often work 24/7 and have little chance to gain a broader management perspective,” observes Thun. “The SPNM experience pushes them to step away from their daily challenges to engage in learning that will help them take their organizations beyond the status quo.”

At Thun’s request, the United Way of the Greater Lehigh Valley plays a key role in recruiting participants who will maximize the impact of their learning. Diane Zanetti describes her participation in SPNM in 2012 as “a timed-release experience that yields lasting benefits.” The executive director of Turning Point, an organization that serves victims of domestic violence, Zanetti says, “SPNM offered a lens that allows me to look more critically at issues that arise every day.”

Zanetti is one of a number of past SPNM participants in the Lehigh Valley who meet periodically in sessions that extend what they learned at HBS. Through those gatherings, many have met Thun and had a chance, in Zanetti’s words, “to let him know the extent to which his gift has been life-changing.”

Scholarship recipient William Vogler, a 2012 SPNM participant and executive director of Family Answers, concurs: “When you consider the number of leaders, organizations, and community members who have benefited from Ferd’s generosity, the multiplier effect of his gift is pretty amazing.”

For more information, visit www.exed.hbs.edu/programs/spnm.

SUPPORTING WOMEN IN LEADERSHIP

Gisel (MBA 2003) and Omid Kordestani

Attending the W50 Summit at Harvard Business School last spring was an eye-opening experience for Gisel Kordestani, who until then hadn’t fully realized that despite the enormous strides women at HBS have made in the past half century, there were still some inequalities while she was there as a student. Much has been accomplished, she acknowledges, but the fact that there’s more work to be done inspired Kordestani and her husband, Omid, to establish the Gisel (MBA 2003) and Omid Kordestani Research Fund. It supports scholarship and activities at HBS directed toward women and leadership.

“Harvard is a global platform—HBS cases are read by so many individuals around the world. We thought, how do we help the leading business school in the world focus on this?” says Kordestani, cofounder and COO of the new venture Crowdpac, and a former senior executive at Google. “The intention of the fund is to look at women in leadership—in business and in civic life. Among other things, we want to help increase the number of cases featuring women protagonists. Currently, women hold 18–20 percent of senior management positions; the HBS case collection should reflect at least that number and I’d like to see it even higher.”

The fund also will enable HBS to deepen its research exploring issues of gender in the workplace. One important issue, says Kordestani, is equal pay. “If more women are graduating from undergraduate institutions and graduate and PhD programs, then why is it that they’re not being paid equal to men?”

In addition to furthering equality in all aspects of business and society, Gisel and her husband are strong supporters of education at their alma maters. “HBS transformed my life, and I felt like I wanted to give back,” she says. “What I got from HBS—besides an incredible education, really close friends, and an amazing network—was confidence, which gave me the ability to take bigger risks.”

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March 2014