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Interim Report

Phase Two Interim Report
(October 2010 to December 2011)



TRANSFORMING BUSINESS
enterprise • excellence • social capital • ethics • elimination of poverty

christianity &
wealth creation

enterprise
against poverty

faith in
entrepreneurship



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Section One: Executive summary

When Transforming Business was launched in October 2005, it was conceived of as a five-year project. But by the end of its term the impact of the project and the demand for its output had reached such a level that donors came forward to support the launch of a second five-year phase in October 2010, providing funding to cover the first two years.

The aims of the project are summarized on the website's '[Home](#)' and '[About](#)' pages, and a [Report & Proposal](#), written at the end of its first term is available via a link on the '[Resources](#)' page. To minimize overlap, this interim report assumes the reader is familiar with those aims and that report. Covering only the period October 2010 to December 2011, this interim report provides an overview of what we've done during that period, what we plan to do, and why it's important.

Support for the potential of Christian faith when it converges with business practice in increasing well-being and in fighting poverty is clearly growing. But the paucity of resources to stimulate and sustain this means Transforming Business seeks, with your backing, to extend and develop its pioneering role during its second phase.

Section Two: Overview

Below you can find a list of Transforming Business' output between October 2010 and December 2011. At the end of this interim report, some responses to this output are cited from leaders in the spheres of business, academia and policy-making across four continents.

From the thousands of fuller responses we have received, the most frequently cited reasons for enthusiasm and support for Transforming

Business are noted in the *Report and Proposal* covering the first phase of the project.

While many people have expressed amazement at the sheer volume of the project's output, even more have highlighted its strategic nature and witness to its impact well beyond the academy. We are particularly grateful to our illustrious Patrons and Advisers (see Appendix) for helping us achieve this.

The most strategic initiative in which we've been involved in the period under review is [Belief in Enterprise](#). This is a nine-month international research initiative co-directed by Transforming Business and the Graduate School of Business at the University of Cape Town. It is based on two key research findings. First, the creation of small and medium sized enterprises is crucial to economic development. Second, Christianity helps create the social capital necessary for successful enterprise.

These two findings suggest that the rapid growth of Christianity and of entrepreneurship in low- and middle-income countries have important development consequences. Against this background, **Belief in Enterprise** focuses on the convergence of the rise of Christianity and the rise of entrepreneurship, in order to advance understanding of how this confluence helps address what is increasingly regarded as one of the greatest moral and practical challenges of the 21st century – the elimination of poverty.

Despite burgeoning interest in development, entrepreneurship, and religion, the nexus between these three fields is largely ignored. We believe this is to the detriment of finding people-centred, culturally-embedded and sustainable solutions to poverty. **Belief in Enterprise** takes, therefore, a multi-disciplinary approach based on grounded theory that uses qualitative research methodology to focus on the grass-roots of wealth and value creation in developing contexts.

This means focusing on real-life Christian entrepreneurs in developing and emerging economies. After developing rigorous case study protocols to ensure reliable data collection, we have sought to explore how their faith influences their sense of vocation, the way they run their companies and the social and environmental impact of their core business activities, especially when faced with risk and uncertainty.

We aim to present at least forty case studies to the foundation supporting **Belief in Enterprise**, the S.E.VEN Fund, by the time its funding completes on 31st December 2011. After that comes an even bigger challenge – disseminating our findings in ways that maximize their impact. This will involve targeting our outputs to a variety of audiences that mirror our multi-disciplinary approach and our wider engagement with practitioners and academics. In this effort, we plan to showcase our findings at high profile events (including conferences and workshops); in academic peer-reviewed journals, in the mainstream media; and in a book.

The overall aim of **Belief in Enterprise** reflects that of Transforming Business as a whole - to analyse and catalyse enterprise solutions to poverty that promote human and environmental flourishing, for the good of all.

Section Three: Output

Lists generally don't make riveting reading. But as the following list covers only fourteen months, it's much shorter than the list of output during the five years of Phase One, which is cited in our *Report & Proposal* document.

Published articles, book chapters, and booklets

'Eradicating Poverty', *Connecting with Culture*, 8 Oct 2010.

Transforming Capitalism: Entrepreneurship and the Renewal of Thrift (Grove Books, 2010). Second edition, Nov 2010 (first edition Jan 2010).

'Boss Christians: Entrepreneurs in Asia's Spiritual and Economic Awakening', *Faith in Business Quarterly*, 13.3 (2010).

'The Genius of Savings Banks', *Connecting with Culture*, 7 Dec 2010.

'Savings on a Passage to India: From Debt to Equity in a Subprime World', *Faith in Business Quarterly*, 13.4 (2010).

'Happiness in Practical Wisdom', *Connecting with Culture*, 7 Jan 2011.

'Business for the Common Good'. A talk given to the Christian Association of Business Executives, 9 March 2011. A summary report, written by Michael Smith (posted [here](#)).

'The Winter's Tale and an Arab Spring: Observations on the Middle East / North Africa (MENA) Uprisings', *Faith in Business Quarterly*, 14.1 (2011).

'People, Principles and Profits', *Connecting with Culture*, 10 June 2011.

Letter to *The Times* newspaper in response to the anti-capitalist 'Occupy London' protests against outside St Paul's Cathedral, 8 Nov 2011 (posted [here](#)).

'Spiritual Check: The Economics of Good and Evil', *Faith in Business Quarterly*, 14.2 (2011).

'Leadership by Example: John Stott and the Integrated Life', *Faith in Business Quarterly*, 14.3 (2011).

'Happiness through Thrift: The Contribution of Business to Human Wellbeing', *The Practices of Happiness: Political Economy, Religion and Wellbeing* (London: Routledge, 2011).

Electronic and broadcast media

Regular 'thought pieces' linking faith, business and poverty on Premier Radio.

Development of Transforming Business' [website](#) to provide resources, including articles, events, reviews, quotes, and case studies on the role of faith and enterprise in human development.

Lectures, seminars, and consultations

Entrepreneurial leaders

The Centre for Entrepreneurial Leaders, directed by Transforming Business' Dr Rick Goossen, held its annual Entrepreneur Forum in Vancouver in Canada from 19-20 October 2010. It was one of the largest gatherings of faith-based entrepreneurs in the world.

Theology and business

Trying to mix theology and business is often likened to trying to mix oil and water. But some of the world's top thinkers and practioners in these spheres attempted to do just this at the Laity Lodge Retreat Center in Texas from 14-17 October 2010. Dr Peter Heslam (Director of Transforming Business) was amongst them. Organized by the Center for Integrity in Business, School of Business and Economics, Seattle Pacific University, 14-17 October 2010.

Business for the Common Good

Peter Heslam spoke on this theme to a network of business leaders in Guildford who meet under the auspices of CABE at St Saviour's in Guildford on 9th March 2011.

Bottom Billions/Bottom Line

Transforming Business was an academic sponsor to a major conference on enterprise solutions to poverty at Seattle Pacific University (SPU) entitled [Bottom Billions/Bottom Line.](#), 1-2 April 2011. Organized by SPU's Center for Integrity in Business, School of Business and Economics, Seattle Pacific University. One of the speakers was Peter Heslam, a Visiting Scholar this school.

Love and Money

Former investment banker Prof Leonard Van Drunen spoke at a seminar entitled 'Love and Money – Can you love others by being a banker?' The seminar was

jointly organized with the Kirby Laing Institute for Christian Ethics at Tyndale House in Cambridge, 10th June 2011.

Economics of Good & Evil

Tomas Sedlacek has been named one of the 'five hot minds in economics' by the *Yale Economic Review*. He is an economist at the largest Czech bank, serves the National Economic Council, teaches at Charles University in Prague and was an adviser to President Václav Havel. He spoke at a seminar on the Economics of Good and Evil jointly organized with the Kirby Laing Institute for Christian Ethics, 21st June 2011.

Doing Virtuous Business

Transforming Business co-hosted a public viewing of a major TV documentary 'Doing Virtuous Business' that has been broadcast to a global audience of millions. The presenter of the film is a Transforming Business Patron – the Yale professor Theodore Roosevelt Malloch, CEO of the Roosevelt Group. He introduced his film and a panel of eminent business leaders and academics responded before a general discussion. The event was held at Tyndale House in Cambridge, 21st Sept 2011.

Integrated

In celebration of the 400th anniversary of the King James Bible, a one-day conference called 'Integrated' was held at All Soul's Langham Place in central London on 1st Oct 2011 to explore how the bible relates to professional life. Transforming Business was one of the event partners and its director, Dr Peter Heslam, was one of the speakers.

Capitalism on Trial

Michael Portillo is a former leading UK politician and is now a leading journalist. In 2011 he produced a two-part radio documentary Capitalism on Trial. Transforming Business organized an event on 30th Sept 2011 to discuss the issues it raised together with the leading Hungarian business academic Prof Laszlo Zsolnai.

Inspiring entrepreneurship

A conference held in Vancouver on 9-10 Nov 2011 organized by the Entrepreneurial Leaders Organization, was addressed by Dr Carol Christopher, the Research Coordinator of [Belief in Enterprise](#), the major joint initiative

Transforming Business is co-directing with the Graduate School of Business, University of Cape Town.

Section Four: Looking forward

Meeting demand

Demand for our outputs is growing sharply across the world, especially from leaders in the academic, business and policy-making sectors. They clearly have an appetite for well researched yet accessible resources that focus on faith and entrepreneurship and their transformative potential. This is particularly the case in developing and emerging economies, in which Christianity and entrepreneurship are sharply on the rise.

It is because of the strategic value of meeting this demand, which has grown considerably in the wake of the recent economic crisis, that the decision was taken to launch a second-phase for Transforming Business in October 2010.

In fulfilling our aims (outlined on the 'Home' and 'About' pages of our website), we will seek to maintain as much as we can of the stream of lectures, seminars, articles, interviews, book chapters, booklets and online resources that has flowed from our research and engagement during Phase One (outlined in our *Report and Proposal* document).

But we feel the need to deepen and develop our thinking, research and writing, so that it gets imbedded further into the mainstream of academic, business and policy discourse.

Much of our work so far has helped to pioneer a new field of engagement between Christian faith, entrepreneurship and poverty

alleviation, and to demonstrate the intellectual and practical potential of this engagement in making the world a better place for all.

While this has generated great interest and positive feedback, we now need to focus our attention on what has emerged as the most fruitful and strategic lines of enquiry, as outlined in our *Report and Proposal*.

From our experience in Phase One, we believe that top quality, peer-reviewed, resources that are based on a rigorous pursuit of those lines of enquiry will help scale-up our impact both within the academy and beyond, all with the aim of serving those in poverty through enterprise. They help us fulfil a fivefold objective that is fundamental to all we seek to do: inquire - inform - innovate - inspire - impact.

Invitation to partnership

But we can only proceed with your support. As Transforming Business receives no funding from corporate, university or government sources, it is dependent on the support of individuals.

In making cost effectiveness a top priority, however, we're able to maximize donors' return on investments. The project spends nothing on administrative support and we turn down many assignments that would entail a diversion from core objectives and weaken our overall leverage and impact. We restrict ourselves to *strategic* instruction and business leaders are as much our target audience as academics. The value for money we deliver in doing so is underpinned by our strong sense of accountability, service and mission.

With this in mind, we invite you to become part of Transforming Business by going to the Support page of our website to see what's involved – it is very quick and easy. Please join us in combatting poverty through the convergence of faith and enterprise! In doing so, you'll be helping the poor to find dignity, hope and the *shalom* of the kingdom of God.

APPENDIX

Project patrons and advisers include:

Helen Alford, OP (Pontifical University, Rome)
Ben Andradi (CEO, Servista)
Prof Alan Barrell (Cambridge entrepreneur and business academic)
Doug Bandow (Cato Institute)
John Bell (Methodist Conference)
Matthew Bishop (*The Economist*)
Prof Philip Booth (Institute of Economic Affairs)
Paul Chandler (Traidcraft)
David Coffey (Baptist Union)
Dr Stephen Copp (Institute of Business and Law, Bournemouth University)
Dr Catherine Cowley (Heythrop College, London University)
Joel Edwards (Micah Challenge International)
Antony Farr (Allan Gray Orbis Foundation)
Larry Farrell (Farrell International)
Prof Ram Gidoomal CBE (CEO, Syntel)
Dr Alan Gillespie (Chair, ESRC)
Stephen Green (Chairman, HSBC)
Lord Brian Griffiths (Vice Chairman, Goldman Sachs)
Prof Prabhu Gupta (UBS-Wolfsberg)
Rt Revd Prof Lord Richard Harries (King's College, London University)
Dr William Inboden (Legatum Institute)
Prof Sir John Houghton (Chair, Victoria Institute)
Lord Geoffrey Howe (former Chancellor of the Exchequer)
Prof David Jackman (London Financial Academy)
Prof Peter Johnson (Durham University)
Rt Revd James Jones (Bishop of Liverpool)
Prof Graeme Leach (Institute of Directors)
Joy Madeiros (CEO, Faithworks)
Prof Jack Mahoney, SJ (London University)
Prof Theodore Roosevelt Malloch (Yale)

Clive Mather (Shell, Tearfund)
Mark McAllister (CEO, Fairfield Energy)
Prof David Miller (Princeton)
Charles Miller Smith (former Chairman, Scottish Power)
Sir Mark Moody-Stuart (Chairman, Hermes)
Prof Geoff Moore (Durham Business School)
Sir Jeremy Morse (former Chairman, Lloyds)
Dr Peter Murray (Hull University Business School)
Prof Michael Naughton, SJ (St Thomas University)
Prof Paul Oslington (Australian Catholic University)
Prof Simon Peyton-Jones (Microsoft)
Dr John Preston (Archbishops' Council)
Dr Jennifer Roback Morse (Acton Institute)
Dr David Ryall (Catholic Bishops' Conference)
Dr Vinay Samuel (Institute for Development Research, Oxford)
Prof John Schneider (Calvin College)
Lynne Sedgemore, CBE (Talent Foundation)
Andrew Small (US Conference of Catholic Bishops)
Prof Jesús Huerta de Soto (Rey Juan Carlos University, Madrid)
Prof Max Stackhouse (Princeton)
Dr Vivian Thomas (CEO, Formation)
Sir Christopher Wates (Chairman, Wates Group)
Chris West (CEO, Shell Foundation)
Sir John Whitmore (Chairman, Performance Consulting)
Andreas Widmer (Pioneers of Prosperity)
Prof Paul Williams (Regent College, Vancouver)
Prof John Wood (Chair, CCLRC)
Prof Adrian Woods (Brunel University Business School)
Prof Michael Woolcock (World Bank/Harvard)

Some responses to our output, from academics, business leaders and policy makers on four continents:

'Your reflections are clear and timely. They influence our business decisions.'

'Transforming Business provides concise ways of handling important issues'

'You have highlighted an ethical issue at the heart of the reason why many businesses fail to serve the common good.'

'I associate Transforming Business with intelligent and measured engagements with complex issues in ways that are biblically and economically sound.'

'The output of Transforming Business is not only intriguing and enlightening. It is also articulate, thought-provoking, practically relevant and transformational.'

'Your observations concur exactly with our experience of working with leaders of major multinationals.'

'You produce great resources!'

'The arguments you make are courageous but true. Thanks for making a stand. You're doing important work in an area ignored far too long.'

ethical
enterprise

responsible
risk-taking

innovation with
integrity