



Entrepreneurs Transforming Nations By John E. Mulford and Ken Eldred	5
Transformation: From Macro to Micro By Buck Jacobs	10
Entrepreneurship and the Church By Eric Bahme and Patrice Tsague	13
Entrepreneurship: The Answer to Africa's Endemic Poverty? By Jason Benedict and John E. Mulford	17

Regent
Global Business Review
explorationinnovationtransformation

DECEMBER 2009

VOLUME 3

ISSUE 2

Publisher
School of Global Leadership & Entrepreneurship
Bruce E. Winston, Ph. D., Dean

Guest Editor John E. Mulford, Ph.D.

Executive Editor Julianne R. Cenac

Senior Editor Julia Mattera

Senior Graphic Designer Francisco Afanador

Design Consultant Sarah Stanfield

Webmaster Ronnie O. Rice

Contact Information
Regent Global Business Review
Regent University
1000 Regent University Drive
Virginia Beach, VA 23464-9800
USA
+1 757.352.4074

Website www.regent.edu/rnbr

Letters to the Editor rgbr@regent.edu

Subscriptions www.regent.edu/rnbr

Advertising Inquiries +1 757. 352. 4074



ON THE COVER

Members of the Regent University Center for Entrepreneurship with members of the Masai tribe prospecting an entrepreneurial development project in Kenya.

Copyright © 2009 Regent University
ISSN: 1936-3141

TABLE OF CONTENTS

Entrepreneurs Transforming Nations	5
By John E. Mulford and Ken Eldred	

At a time when some corporate business leaders are critically viewed for demonstrating a lack of ethics, new models and approaches are needed. In this article, a model that goes beyond mere ethics is presented that suggests when businesses are run using the enduring ideals of scripture, organizations are transformed as well as the people within them. Examining the attitudes of leaders—from man-centered and principle-centered to biblical-centered—across a range of business situations, each model is compared to distinguish its benefits and transformational abilities.

Transformation: From Macro to Micro	10
By Buck Jacobs	

Transforming an organization is an important strategy for business leaders to ensure their organization's success. But how does it happen? Where does transformation begin? For some, approaching this strategy begins with inspiring a new organization culture, structure, product or service line. For Buck Jacobs, founder and chairman of the C12 Group, transformation begins in a very different place, within. This article explores the process of transformation from a micro-view. Unlike a macro view, which seeks to improve external or organizational functions, the micro view focuses on the difficult work of personal transformation within leaders to become men and women who are first driven to be godly examples in operating their businesses.

TABLE OF CONTENTS

Entrepreneurship and the Church	13
By Eric Bahme and Patrice Tsague	

Entrepreneurship is a powerful tool to transform entire communities and societies. It goes beyond the practice of launching new businesses and ideas, creating opportunities for economic development. In this article, entrepreneur and church pastor partner to demonstrate how entrepreneurial ventures can serve as outreach to create jobs and revitalize impoverished areas. Using tried methods, training and compelling anecdotes, this church-entrepreneur model gives pastors and business leaders practical approaches to launch business opportunities that provide meaningful benefit to their communities and congregations.

Entrepreneurship: The Answer to Africa's Endemic Poverty?	17
By Jason Benedict and John E. Mulford	

In thoughtful and provoking discourse, entrepreneurship strategists examine the promise of entrepreneurship as Africa's greatest means for substantive and sustainable growth and development. Observing the traps and gains of aid-based solutions, the author's contend that through alternative strategies of micro-finance, networking, training and empowerment, entrepreneurial ventures will provide the necessary opportunities for communities to experience meaningful development and thrive.



ENTREPRENEURS
TRANSFORMING
NATIONS

by John E. Mulford and Ken Eldred

Kingdom entrepreneurs represent an engine that can transform a nation from one of self-centered individuals to one of other-centered people who love God and each other. A transformed society is characterized by love, joy, peace, patience, kindness, goodness, faithfulness, gentleness and self-control (Gal 5:22); whereas an untransformed society is subject to sexual immorality, impurity and debauchery, idolatry and witchcraft, hatred, discord, jealousy, fits of rage, selfish ambition, dissensions, factions and envy, drunkenness, orgies, and the like (Gal 5:19-21).

Someone might say, “I thought the church was the engine that transforms society.” But who is the church? It is the body of believers, many of whom spend most of their time in the marketplace, where they are to be salt and light. So when the church is operating as it should, much of the transformation it brings will happen through business.

We don’t mean to shortchange other influential sectors of society—education, arts and entertainment, media, and government, to name a few. Believers are called to be salt and light there as well. However business has a unique, catalytic role to play in societal transformation. Not only does it generate the wealth that enables society to support arts, entertainment, and a full range of social activities that enrich life, but it also provides an ideal platform for modeling and conveying the whole gospel.

God made man steward of the whole earth and commanded him to rule over it (Genesis 1). God also created man in His image, so man has amazing creativity. Man can apply that creativity in developing the earth to support the billions of people that resulted from God’s mandate to be fruitful and multiply. Much of the development needed to support the earth’s population comes through business.

Business is first and foremost about people—personal development and interpersonal interactions and relationships. Man was created to work and feels most fulfilled when he has done a good job. In today’s economy, few people work alone. Business thrusts people together—employees working

together and with suppliers to create products and services, and interacting with customers from product concept to delivery. Deadlines, budget crunches, and technical problems create pressures that test character and relationships. The kingdom business person has ample opportunity to “live the gospel” in these situations.

So where are the kingdom businesses? Why don’t we see more transformation? In short, we do not see more because, even when a large fraction of a nation believes in God, that does not mean everyone “knows” God. And even those who know God may not be willing to obey and follow Him.

Kingdom entrepreneurs represent an engine that can transform a nation from one of self-centered individuals to one of other-centered people who love God and each other.

Some of the gap between belief and obedience is due to lack of knowledge. Some is a lack of understanding about how to apply that knowledge. The rest is rebellion—not doing what we know we should. We will start with knowledge, because people can’t obey what they do not understand.

Many Christians think that “acceptable” Christianity in business consists of telling the truth and keeping promises. While these are necessary, they certainly are not sufficient to bring the whole gospel to the workplace. But activists who want to confine the gospel to church buildings have intimidated Christians at work. By keeping the focus on surface symbols—displaying Bibles and holding prayer meetings—and arguing against those symbols, they divert attention from the real mechanism of gospel transmission—godly people caring for others through their daily attitudes, words, and behavior. A kingdom business will have a vision, mission and strategy evidenced by its policies, procedures and culture that encourages these godly values. The sum total of all of these elements constitutes

the worldview of the business—not just of the leaders, but of all the employees of the business.

Let’s look at how the worldview that infuses a company’s culture affects attitudes, behaviors and results in that company. And then we will examine the implications for society if that worldview dominates business in a nation.

Man-Made View of Business

Three worldviews of business exist—Man-made, Principled, and Kingdom. A man-made worldview is one devised by people without consulting God either through prayer or through study of His principles. Man-made views may reflect location and time in history, because, even though people think they are devising everything themselves, they are influenced by the received wisdom of past generations. However, a man-made worldview will eventually degrade to the lowest level of human sinfulness. Here, we assume that the man-made worldview has reached its lowest form.

Principled Worldview of Business

The Principled worldview refers to making judgments and decisions according to a set of principles. Religious people follow the principles of their religious books. Most religious writings share a common set of valid principles; however, trying to follow the letter of the law without a heart attuned to its purpose leads to failure in two ways. First, people lack the ability to obey the written rule. And second, people distort the meaning of the rule and then follow the distortion. Jesus criticized the Pharisees for the latter. Although the principled worldview could refer to any set of principles, for this article, we assume that the principles come from, or are at least consistent with, Judeo-Christian principles from the Bible.

A Kingdom worldview is based on a vibrant personal relationship with God, because it is His Kingdom that followers are sincerely trying to understand. Followers do this by asking God to illuminate His principles in their hearts. Just as Jesus restated many principles from the Old Testament and then held them to a much stricter standard of heart attitude in addition to outward obedience, a kingdom worldview

requires one to go beyond the letter to the spirit of the law. Societal condition represents the bottom line result of these worldviews. A fully degraded man-made worldview produces misery and despair because people are so focused on their short-term self-interest that they reject all the other-oriented behaviors that produce an orderly, healthy society. A society in which most decisions are based on Judeo-Christian principles will be more orderly and productive. However the pressures of an economic or social crisis may cause people to slip into sinful behavior associated with the man-made worldview. Even when times are good, the principled society may wonder, “Is this all there is?” Only those operating according to a kingdom worldview will experience the peace and joy of knowing that they fulfilling their creator’s plan for their lives.

Although any manager can begin to implement a kingdom worldview in his sphere of authority, it is only a kingdom owner who can fully implement a kingdom worldview throughout the organization. For this reason, we focus on kingdom entrepreneurs, who have both the authority and the responsibility to operate their businesses according to a kingdom perspective (column three in the Table).

Why is following a kingdom worldview important? Won’t God honor His principles even when we don’t acknowledge God? Won’t God work in our lives and businesses whether we recognize Him or not? The answer to both questions is yes; however, when we do not acknowledge God as the source of all we have, we forfeit our personal relationship with Him. It is that personal relationship that enables us to have a kingdom worldview, which is really God’s view of the world. Let’s see what we miss when we don’t have that kingdom worldview:

We miss out on the wisdom to choose the right path. Our good strategy might miss God’s Kingdom direction. A kingdom entrepreneur wants to know where God is headed in his industry so that he can cooperate with God’s plan.

We miss out on God’s power that changes us. His power helps us resist temptation. It enables us to discern the

Worldview of Business			
ATTITUDES	MAN-MADE	PRINCIPLED	KINGDOM
Standard for Right and Wrong	Individual sets own standard	Live by set of principles	Internalize principles of the Bible
Strategy	Maximize self	Maximize profits	Maximize giving
Product	Cut corners to save costs	Excellence to meet customer demand	Create life-improving products & services
Marketing	Deceive others to sell more	Truth to those who read fine print	Truth for everyone; help those who lack knowledge
Customer	Do the least that will satisfy the customer	Do what you promised	Do the right thing for the customer regardless of cost
Employee	Drain him, then discard & replace him	Equip him to produce	Equip & care for whole person
Business Approach to Laws	Deceive & cheat but don’t get caught	Obey letter of law; look for loopholes	Obey spirit of law
Laws Approach to Business	Law extracts profits	Law protects private property & contracts	Law protects private property & contracts, but at lower cost due to obedience

needs of our employees and to love them with unconditional love.

We miss out on God’s power that can change the world around us. It can produce supernatural results beyond our intellect and ability. God can give us new inventions and innovations, confuse powerful enemies, repair damaged relationships, and turn the heart of the king in our favor.

When entrepreneurs exercise a kingdom worldview in their businesses we should see a successful company that meets the needs of its customers with excellence, but we should see much more. Let’s examine the beneficial results God produces through kingdom entrepreneurs:

- Blessing that flows from the business to all those it touches.
- Transformed lives—employees, customers, suppliers, and the general public.
- Everyone should recognize the hand of God on the business, even unbelievers.
- And, as a result, we should see revival.

Unfortunately, so few companies operate according to a Kingdom worldview that their impact is negligible. The Principled worldview tends to prevail in developed nations, whereas the Man-made view dominates in less-developed nations.

Contrary to the man-made worldview that man can improve the world through the power of his intellect and will, the world will spiral downward into depravity unless man operates according to a God-instilled kingdom worldview. We shouldn’t be too encouraged by the economic performance of nations where most companies operate according to principled worldviews, because that performance is not sustainable without an injection of the kingdom worldview. For the most part, these nations are living off spiritual capital accumulated over hundreds of years, deposited by people with a kingdom worldview.

People who follow Judeo-Christian principles because they received the habit from their parents’ generation can quickly slide into a degraded man-made worldview when the system is shocked economically, politically or technologically. Panicked crowds rarely remember the niceties of their principles. They tend to focus on their own survival.

Even mild pressures can tip principled business people into unprincipled decisions. Just look at Enron. In order to keep the numbers looking good, seemingly honest people first fudged and then fabricated the numbers. Who knows what people might do in a full-out financial panic.

Worldview of Business			
ATTITUDES	MAN-MADE	PRINCIPLED	KINGDOM
Philosophy	Fight to survive	Play to win	Excel to glorify God
Civil Society	Not my problem	Good citizen. Duty.	Care for needy
Power	Strong take from weak	Strong outperform weak	Strong help weak
Trust	Trust no one	Trust but verify; not everyone obeys laws	Trust but verify; not everyone sanctified
Investment	Little—investor can't capture benefit	Much—achievers keep benefits	Much—achievers fulfilled by sharing benefits
Income and Growth	Low—workers lack vision & incentives	High. Achievers motivated by money, prestige & power	High. Excellence & diligence to glorify God
Government Officials	Officials extort money	Officials enforce letter of law	Officials enforce spirit of law
Wealth Distribution	Highly skewed to powerful	Highly skewed to high achievers	Less skewed due to higher average achievement and voluntary giving by high achievers
Values Promoted by Products & Services	High percentage depraved	Mostly good; some depraved	All godly
Societal Condition	Misery and despair	Striving and questioning	Joy and peace

Kingdom entrepreneurs are the answer to both the current problem of nations hamstrung by a man-made worldview and to the future problem facing nations hanging on to principles without a foundation. The process may start slowly, but it should be viral and exponential. It starts slowly, because, before people can cooperate with God in His plans, they must first be prepared. They must be transformed into the image of Christ so that they will have His heart for the world, His perspective on the world, His wisdom and knowledge about business, and His attitudes and behavior that will transform the hearts of people.

A small group of vibrant kingdom entrepreneurs can spark change that envelops a whole nation in a generation or two. Take the case of South Korea. Although many factors have influenced its economic resurgence, one strong factor has been the role of kingdom entrepreneurs. Notice we say kingdom entrepreneurs, not just Christians who are in business. Other countries have seen similar increases in the number of Christians in their country, and even the number of Christians in business. But in

Korea, many Christian business people were taught to see their business as an extension of what God was doing in their lives and in their nation. That intentional kingdom worldview focused their efforts and gave them eyes to see where God was moving in their nation and the ability to be swept along in that stream of God's blessing.

John Mulford serves as Director of the Center for Entrepreneurship and Professor in the School of Global Leadership and Entrepreneurship. He teaches international entrepreneurship and conducts research on social investing and best practices for growing kingdom businesses in developing countries. Before coming to Regent, Dr. Mulford conducted policy research at the Rand Corporation and served as Vice President and Senior Economist at First Interstate Bank of California. His passion has been developing a comprehensive Christian worldview of business and equipping those called to business with the tools to glorify God in their work. He has a particular interest in seeing disadvantaged groups advance through entrepreneurial activity. He can be reached at johnmul@regent.edu for comment.

Ken Eldred is an acclaimed author of *God at Work* and *On Kingdom Business*. He is the founder of thriving businesses including

Inmac and Ariba Technologies and the Living Stones Foundation, which provides financial grants to startups in enterprise development and women's ministries, in U.S., Central/ South America, Europe, and Israel. He devotes his life work to ministering to people and communities through the commerce. He may be reached for comment at: info@lsfoundation.org.

Need to
develop *your*
leadership?



We can help.

Center for Effective
Organizations
at Regent University

www.regent/ceo

+ 1.757.352.4074

Transforming People and Nations Through Business



Get Involved with the Africa Project.
Visit: regententrepreneur.org



CENTER FOR ENTREPRENEURSHIP
Transforming People and Nations through Business

A low-angle photograph of a man in a light-colored suit jacket and dark shirt, looking upwards. In the background is a tall, modern building with a distinctive geometric, glass-clad facade, resembling the Gherkin in London. The lighting is warm, suggesting late afternoon or early morning.

Transformation:

from **MACRO** to

Micro

by Buck Jacobs

*"And do not be conformed to this world,
but be transformed by the renewing of your
mind, that you may prove what is that good
and acceptable and perfect will of God."*

Romans 12:2 (NKJV)

Transformation is an exciting word for those of us who are called to a leadership role. To transform is to change something from what is, to something different. It speaks of process and progression. In the positive sense it would be to improve or make better—a concept vital to the leader's role in an organization.

Of course, there is the negative sense as well. There can be a negative or a deteriorative process with transformation. Often our role as leader requires us to arrest the negative in order to institute the positive. Both forms are descriptive of change and require discernment to understand what is and relate that to what should be.

In Biblical terms the words “be transformed” used in Romans 12:2, are used in the form of the verb that is directing continuous action and the words could be translated “to be being transformed” or a continuing and continual process.

Many leaders and business owners have found that meeting with other, like-minded leaders in a format that encourages open discussion and accountability is extremely helpful in both personal and corporate transformation. Sixteen years ago we started a for-profit business called The C12 Group, LLC to provide just such a regular forum. We organize Christian leaders into groups of 12 to 16 CEO/owners who meet for a full day once each month to study biblical principles applied to real business subjects, to discuss the use and potential in their business for business as ministry and to share counsel and advice. These groups challenge and encourage one another to build great companies for a greater purpose.

Enhanced Business Results

The group members pray for one another and hold each other accountable for commitments that they make to apply what they are learning or that God may be prompting them to move forward on. Each month the group focuses on one member who presents his business to the group as though making an annual report to a board of directors. The

group gives input that is not tainted by financial interest or concern. Member companies have not only experienced enhanced business results but have seen genuine Christian ministry happen in and through the business relationships that they would never have imagined possible. Corporate cultures have been changed from the focused pursuit of materialistic values to the creation of a culture built on Christian core values that put people before profit and, while not in any way ignoring or being exempt from the need to compete or to provide value, do so in a way that is both/and rather than either/or.

One member started a non-profit foundation to help its employees further their education or their children's and commits a portion of the annual profit to fund the foundation.

Many have offered biblically-based counseling on finance, marriage, and parenting to their employees and vendors. Some have engaged corporate chaplains to serve their team with great benefit to the employees and their families. For the 70% or more of Americans who are unchurched, having a chaplain available in a time of need is an invaluable employee assistance benefit.

In a study on the long term benefit to its members, the C12 Group found that of the 16 who had been members for 10 or more years, their businesses outperformed three to one a comparable study group of 350 leading US businesses in top and bottom line performance.¹ Two of the leaders had recorded more than 250 receiving Christ among employees, vendors, customers, and other associates that they related with in the normal course of business during

the study period. All had experienced significant impact in their ministry applications and giving.

The application of biblical teaching and the narrow way in and for life were never intended to be confined to within the four walls of the church building on Sunday and Wednesday night. On the contrary, they are intended to be 24/7 operating



principles for all of life, including business.

The opportunity and potential to be a light shining in the darkness for the Christian business leader, CEO/owner has never been greater. The Kingdom and its values must be demonstrated, not just talked about, and there is no greater vehicle than business with its multiple and complex relationships and limitless opportunities for application to show that the Kingdom can be a living reality.

In every nation business leaders have great potential for influence. We have what is called positional respect. Others respect us because of the titles that we have such as president, CEO, owner, etc. Whether such respect is deserved or not, it is there. In a nation such as America where a majority of the population (60%) claim to be Christians, if the leaders were to express and expose Kingdom values consistently in and through their lives in business (as well as in their other roles and other realms such as education, politics, entertainment, etc.), the nation would be in the process of being transformed.

In nations where Christians are a minority, the process would take longer perhaps but the principle applies across all borders. God exempts no nation from His ultimate authority. This is the macro view of transformation.

The micro view of being transformed can be found in just two verses of scripture:

Luke 17:21, "For indeed, the Kingdom of God is within you," and Colossians 1:27, "the mystery of the gospel is Christ in you the hope of glory." The Kingdom is not out there somewhere; it exists within, in our hearts. The hope for the transformation of the Earth and ultimately the presentation of the Kingdom prior to the return of Christ lies in the potential for and progressive transformation of the heart of every believer. It is not enough to just be born again to effect this transformation, although until new birth we cannot be transformed in this sense. But new birth through faith in Jesus Christ, is like stepping into the starting blocks of the race for transformation that is set before us. From the moment of new birth until the moment of our physical death or the return of Christ, whichever happens first, our primary role is to be in the process of being transformed as ever more effective ambassadors for Christ by progressively learning to allow Him to live through us into the circle of influence that He provides for us. This is true for every, and any role or place and for every man, woman and child who is born into the Kingdom and privileged to live on earth as a son or daughter of God.

In the micro view our lives are transformed and conformed to the image of Christ through a progressive intimacy with God and a growing awareness of and knowledge of His ways and will for us. There are two fundamental requirements for success in our roles.

First, we must desire success as God defines it and on His terms. We are not to be conformed to this world and its definitions of success or choice of process. God does not negotiate with us in a job interview-like process. He had a plan for our lives before He created the Earth (Ephesians 2:10) and nothing less is His will and nothing less fully engages His power. Consider this: "The eyes of the Lord runs (or searches) to and fro throughout the whole earth to show Himself strong (or mighty) on behalf of those whose heart is loyal (wholly His) to Him" (II Chron. 16:9, NKJ). God longs to show His love and power through the lives of those who are loyal to Him. To be loyal to God is to say "Yes Lord" to His plan and then to execute it with His guidance and help moment by moment,

day by day, year after year for all of our lives. Our ultimate success as individuals will be judged on how well we understand and perform within His plan. Apart from intimacy with Him we have little or, in reality, no chance to succeed on His terms.

Next, in our contemporary time the emphasis of the Church, for the most part, has been on salvation, which of course is the most important message expressing the greatest gift ever given to mankind. But, after coming into the knowledge of Christ, the most important need of the believer is to be able to hear God's voice and then to obey it—information and execution. Hearing God's voice and knowing His will are the fundamentals of a disciple's life. Obeying God's voice is the way of transformation from flesh-driven to fruitful and faithful living.

"When man listens, God speaks.

When man obeys, God acts.

When God acts, men change.

When men change, nations change."

- Anonymous

Building our relationship of intimacy with God requires focused attention. It will not happen without intentional effort to shut out all other voices and concentration on hearing His voice. Our lives are constantly bombarded with other voices, our world has become a din of conflicting messages. When Elijah sought God he could not find Him in the whirlwind, the earthquake, or in the thunder, God spoke to Elijah then (I Kings 11-13) as He speaks to us now, in a still small voice, the voice within (Luke 17:21, Colossians 1:27, Galatians 2:20).

Therefore, a formula for successful, personal transformation would include intentional, private time with God in His Word and prayer (speaking and listening), as well as the application of His Word.

So, the question is are you, or are you not willing to be being transformed? In the most micro sense this is the root and hope for world transformation. It can only happen as individuals answer "Yes Lord" to that question. If the Judeo-Christian witness were to be taken completely out of the world it would soon degenerate

into a hellish and selfish survival of the fittest, nihilistic, existential place unfit for God or man. Yet, we have not been removed from the struggle to transform the earth. Rather, we are the frontline in the process.

God will not force us to choose Him and His way in life; we must be volunteers. But to those who choose to walk with Him in His transformation process, His promises are breath-taking, peace in life's storms, joy in the battle, love unconditional and unlimited.

There are three options: be conformed to the world, be being transformed to the image of Christ, or try to fit in between. The first leads to failure and frustration and the last leads to being lukewarm. Only the second choice leads to abundant life. Which are you choosing? Note that not to choose is a choice in itself.

Our statement of purpose for the C12 Group is: "To change the world by bringing forth the Kingdom of God in the marketplace through the companies and lives and of those that He gives businesses to run for Him." If we are successful, transformation will occur through thousands of men and women who, like you, hear His voice and press on in the role He has given them. It is a great plan that the Father has shared with us and a privilege to be given an important part to play.

Notes: 1. The Business Roundtable.

■ Buck Jacobs is Chairman of the Board and Founder of The C12 Group, LLC, America's leading provider of Christian CEO/Owner roundtable services. Contact Buck at buck.jacobs@c12group.com or visit www.buckjacobs.com.





ENTREPRENEURSHIP AND THE CHURCH

Eric Bahme | Patrice Tsague

When a partnership launched between a pastor and biblical entrepreneur, what emerged is an effective model for churches to transform communities through entrepreneurship.

Eric Bahme serves as pastor of Eastside Foursquare Church in Portland, Oregon, which five years ago purchased a hotel that the church operates as a business while also holding its meetings in the hotel's conference center.

Patrice Tsague founded Nehemiah Project

International Ministries (NPIM) in 1999 to help churches and individuals fulfill God's plan through business. Nehemiah's Biblical Entrepreneurship (BE) training in churches and other locations in the U.S. and overseas, trains Christians how to operate businesses that not only fund missions through company profits but also make the business itself a mission.

Both promote a vision for kingdom businesses backed by churches as a community transformation model.

Churches and Businessmen Transforming Communities Together

After Eric's church took over the Portland Airport Quality Inn & Suites and Rodeway Inn in Portland, pastors and members of the Eastside Foursquare Church working at the hotel found that they were able to touch the lives of new people every day. They became ambassadors for Christ in the marketplace. They have a new congregation every night, from their hotel guests and

coffee shop customers at their Sacred Grounds Espresso café to their inner-city neighbors with practical needs who come to visit the church. Income from the hotel helps fund a recovery center, a homeless shelter, a jobs program, and other ministries.

In most churches, pastors and Christian businessmen do not function as a team. After the Sunday service, they go their separate ways. However, the hotel operated by Eastside along with training like NPIM seminars are an example to other churches of a way to build a team effort where together they can fulfill the Great Commission.

Three important areas where business and ministry partnerships can become a model for community transformation include:

- Helping people in the church and community to start businesses according to the biblical entrepreneurship model.
- Assisting those who already own businesses to become more effective in operating their businesses biblically.
- Owning and operate businesses as a church.

Communities Benefiting from Kingdom Businesses

Marketplace ministers have answered the call not to do business as usual but to do business differently. Almost every time a business opens in a neighborhood, the community improves. The company provides jobs and local income levels rise. New construction and building upgrades beautify the neighborhood. The city gains tax income from the profits of the business and the customers are able to use the products and services that the company provides.

However, if those new businesses are kingdom businesses, communities are not only improved but transformed. Customers are treated with dignity and the owners have integrity because their business practices are based on the Bible and they understand that they are answerable to God. Employees are empowered as part of the management style.

Sometimes the new kingdom business has unexpected benefits, such as lowering the local crime rate. When

Eric and Eastside took over their hotel, they discovered to their dismay that the hotel guests were predominantly local criminals operating illegal activity like prostitution and drug dealing out of the hotel rooms. Because of their commitment to Christ and the church based in the hotel, during a period of weeks and months they were able to clean up the neighborhood nuisance, attract people to the church or drive them away. It is now one of the safest places in that town.

When local businesses are funded by local churches, a world of resources open up to the community. Every pastor knows he is called to equip his people for works of service (Ephesians 4:12). When a pastor also understands the principles of discipling and training people for kingdom businesses, the church's influence in the community is greatly expanded.

Business Empowerment Backed by the Pastor

Eastside Foursquare Church is involved in this type of community transformation on a daily basis and has also hosted BE training through Nehemiah. Some of the principles this church-entrepreneur model practices include:

- Bible-based teaching from the pulpit on kingdom business principles
- Hotel staff working alongside pastors and church leaders in the daily operation of the hotel as a faith-based business
- Mentoring (discipleship) taking place in daily business situations
- Customers being treated as if they were Jesus coming to the hotel
- Employees being encouraged to take responsibility for the hotel just as if they were owners
- Promoting employees to management responsibilities regardless of past failures when employees demonstrate changed lives
- Encouraging university education with a major in hospitality
- Investing opportunities in hotel ownership for pastors and staff
- Implementing community outreach programs such as a summer "bash" partnership with a Christian radio station

that takes place on the hotel campus

Using this model, Eric is also able to assist other churches to successfully purchase and operate hotels as for-profit businesses through his asset management company.

Church Sponsored Seminars Supporting the Business Community

NPIM offers a certificate business course that combines core business concepts and biblical principles. Course topics address principles of biblical entrepreneurship, practices of biblical entrepreneurship and planning a biblically-based business. Most graduates of the program have been able to start and operate small to medium sized businesses in the United States and other nations. The largest business to enroll and complete the course generates more than \$12 million dollars in annual revenue. To date, NPIM has trained more than 1,300 students in the United States, Mexico, Ukraine, Europe, and Cameroon, West Africa. NPIM also offers alumni support services to its graduates.

When Eastside hosted NPIM's training in October 2008, it was an opportunity not only to train hotel staff and those connected to the church but also to further expand the church's outreach into the community. People came to the church to learn how to start and operate businesses successfully and as a result saw how they could sharpen and use the gifts that God has given them. They gained a sense of purpose in getting businesses started. After the seminar was over and NPIM had left, the church's rapport with the entrepreneurial community expanded into other areas.

Once you have brought people into your church and taught them biblical entrepreneurship, a church that understands the business-ministry model can give potential business owners the push they need to get going. It can provide mentoring and nurturing. The church can be there for them when they need understanding and support. When they encounter obstacles, someone from the church with more experience can come alongside and provide mentoring and support. That enables businesses to more likely succeed and also keeps the church involved in individual and (Continued on p. 15)

GLOBAL LEADERS WANTED. ARE YOU EQUIPPED?

Leaders with integrity, innovation and global vision are in demand in the marketplace. At Regent University, our mission is to equip you as a leader to positively impact business, organizations and the lives of people around the world. Discover your global opportunities at Regent today.

Call 757.352.4550
Visit: www.regent.edu/global



MBA
M.A. in Strategic Foresight
M.A. in Organizational Leadership
Doctor of Strategic Leadership
Ph.D. in Organizational Leadership

On Campus | Online

Preview Weekend
March 25-27, 2010



CHRISTIAN LEADERSHIP TO CHANGE THE WORLD

Regent University is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools to award associates, baccalaureate, masters, and doctorate degrees. Contact the Commission on Colleges at 1866 Southern Lane, Decatur, Georgia 30033-4097 or call 404.679.4500 for questions about the accreditation of Regent University. Regent University is certified by the State Council of Higher Education for Virginia to operate campuses within the Commonwealth of Virginia. Regent University admits students without discrimination on the basis of race, color, disability, gender, religion or national or ethnic origin. GLE096725

community transformation.

A Community's Newfound Respect for the Church

One of the unexpected benefits that Eastside has received from operating a business is the increased level of respect from city government and the business community. When a church owns a business, it becomes a business member of the community. Instead of functioning as a non-profit entity—using city services without paying taxes—the hotel is now a contributor to the city's resource base.

Eric was pastor for years before his church launched the hotel but had never been invited to a Chamber of Commerce meeting. After the hotel opened, the Chamber rented a meeting room at the hotel conference center and invited one of Eastside's pastors to be their speaker

patrol car, the policeman said with a grin, "I heard a rumor that a church bought this place." (We hadn't yet placed any signs on the property to identify ourselves as a church.)

Eric said cheerfully, "That's not a rumor. It's true."

He laughed and said, "What church would be that stupid? Don't they know that this is the biggest crack house in Portland?" Then he reached out with a warm handshake and asked, "What do you do here?"

Eric paused for a moment and said, "I guess you could say that I'm the senior pastor of the biggest crack house in Portland." The policeman burst out laughing. Then he said with emotion, "I don't go to church. I'm not religious, but I always thought that if a church could

the beginning of their international outreach. To date more than 600 people in Cameroon have received Nehemiah BE training and several hundred are in business today.

Recently when a church in Mexico City wanted to uplift its community both economically and spiritually, they invited Nehemiah to train and certify 24 teachers who could teach BE seminars in other communities around the country. The church has a goal of teaching 3,000 people in the next year. If most of those 3,000 start successful businesses, it would have a tremendous impact on the Mexican economy.

When churches understand the potential for community transformation through biblical entrepreneurship, the results will be unlimited and the Great Commission can be advanced into all the world.

Pastors and business leaders start to see themselves as a team
Church leaders learn practical ways to support business
owners in the marketplace **Entrepreneurs** realize that they
can start biblically-based businesses Churches gain a vision
for community transformation Business owners understand
success from a biblical perspective

that month. Portland's metro newspaper, the Oregonian, sent a reporter to do an article on the church and the hotel. She was so impressed with the community service programs like the My Father's House homeless shelter and the Freedom House recovery program that she asked to come back and bring her editor so that they could expand it to a full feature.

Three months after the church took over the hotel, someone rushed into the lobby shouting, "There's a woman outside throwing rocks at a guy! She's trying to kill him!" Eric went out to the parking lot and sure enough, there was a big, irate Indian woman cursing and throwing rocks like missiles at a little guy dodging them on the second floor walkway. Someone called the police (in those days, nothing that happened at the hotel surprised us).


As Eric walked with the officer to his

be involved in a community, this is what they should be doing. Way to go, pastor. You've got a lot of guts."

Opportunity for International Influence

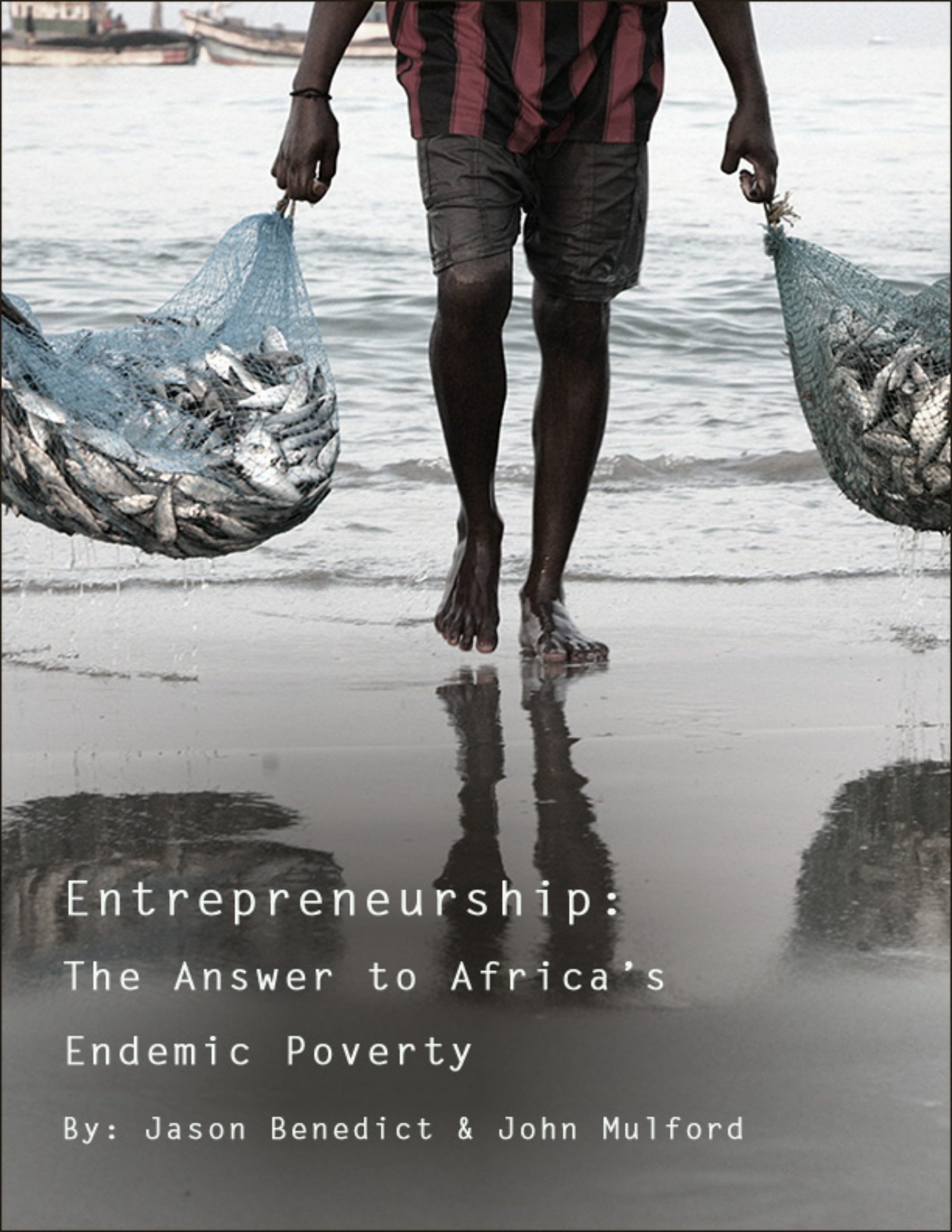
One church with a business mindset can affect a whole city. It can also change a nation.

In November 1998, Patrice's mother visited the United States and invited Patrice and his wife Gina to visit Cameroon, where he had been born. After they arrived in the country, they saw the desperate condition of many of the people. They taught a series of Bible studies, held prayer sessions, donated more than 70 French Bibles, and led many people to Christ. While they were there, the Lord gave them a vision from the book of Nehemiah that eventually became reflected in their name. It was



Eric Bahme is the founding pastor of Eastside Foursquare Church a congregation with numerous ministries and church services housed within a large hotel campus. He is the author of "The MBE Revolution — Developing Economic Engines that Drive Mission-Based Movements" published by KingdomPoint. He has served on several boards including My Father's House, the largest family shelter in the US not subsidized by the government. Currently he serves with Genesis Hotel Partners and Lincoln Asset Management. Eric Bahme can be reached for comment at eric@KingdomPoint.com.

With his wife Gina, Patrice Tsague developed the Biblical Entrepreneurship Certificate Training Program. He is a business coach/consultant for a number of start-up, small, and medium-sized companies, and serves as Chief Servant Officer of Nehemiah Project International Ministries and PG and Associates. Weekly, he also hosts a radio show and publishes a Biblical Entrepreneurship e-devotional. Patrice Tsague can be reached for comment at ptsague@nehemiahproject.org.



Entrepreneurship:
The Answer to Africa's
Endemic Poverty

By: Jason Benedict & John Mulford

The continent of Africa contains 28 of the 30 lowest ranked countries in the world according to the United Nations Human Development Index. Almost without exception, the nations of Africa have not participated in the economic growth and rising wealth of the world over the last forty years. Countries whose wealth (or poverty) was similar to that of the average African nation in the 1960's have far surpassed virtually all African nations in the ensuing 40 years. Why is that?

Experts in economic development offer a variety of reasons:

- Poorly developed institutions that don't protect private property and contracts
- Bad government—wrong policies and corruption
- Civil wars and genocides kill productive workers and scare off investment
- Debilitating disease and famine decimate labor productivity
- Developed country agricultural subsidies and trade barriers undercut local suppliers
- Poverty trap—no way to overcome lack of infrastructure, education, capital, markets

It isn't that Africa has been overlooked by the international community. International quasi-governmental organizations, such as the IMF and World Bank, relief and development organizations, and rich nations have interceded with humanitarian relief for victims of natural and man-made disasters and have invested billions of dollars in development aid—but, to what effect?

Aid has not solved the problem of underdevelopment. Countries that received the most aid relative to their GDP from 1980-2002 have fallen further behind those who received little aid (see Table). In fact, they actually declined in absolute terms over that period.

Does aid actually suppress growth? Aid is only one of many factors that could affect economic growth. Without controlling for all factors, one cannot say definitively that aid suppresses growth. But the utter failure of aid to

1980-2002	Per Capita Growth (%)	Aid/GDP (%)	1980-2002	Per Capita Growth (%)	Aid/GDP (%)
S. Korea	5.9	0.03	Nigeria	-1.6	0.59
China	5.6	0.38	Niger	-1.7	13.15
Taiwan	4.5	0.00	Togo	-1.8	11.18
Singapore	4.5	0.07	Zambia	-1.8	19.98
Thailand	3.9	0.81	Madagascar	-1.9	10.78
India	3.7	0.66	Cote d'Ivoire	-1.9	5.60
Japan	3.6	0.00	Haiti	-2.6	9.41
Hong Kong	3.5	0.02	Liberia	-3.9	11.94
Mauritius	3.2	2.17	Congo (Dem.)	-5.0	4.69
Malaysia	3.1	0.40	Sierra Leone	-5.8	15.37
Median	3.8	0.23	Median	-1.9	10.98

Source: United Nations

cause growth has many questioning development policy for Africa. And many of them are concluding that the nations of Africa will not prosper until their business sectors prosper.

A vibrant business sector requires businesses of all sizes. In developed countries, small to medium sized enterprises (SME's) constitute 85% of all business establishments and 70% of employment. They account for 80% of new jobs. Entrepreneurs are the driving force behind the SME sector.

In less developed countries, SME's account for a smaller fraction of establishments and jobs. Large multinational corporations employ locals to extract resources, but they provide many of their own support services—accounting, marketing, legal—and they export the raw material for further processing in a more developed country. The SME sector that should complement the MNC's is underdeveloped.

At the other end of the size spectrum, individuals scrape out a living through self-employment in occupations such as street vendor, tailor, barber, etc. They rarely grow their business to a size where they need employees. In these nations, the job-producing engine—entrepreneurs starting and growing SME's—is not firing on all cylinders.

In market economies, the absence of a needed product, service or activity signals an opportunity to an entrepreneur to fill that need. Those entrepreneurs become the backbone

of the economy—filling consumer needs and employing people to do it. Although most African countries operate market economies of some sort, they have not yet seen the full benefits. But signs of hope are sprinkled throughout the continent.

What is Working in African Entrepreneurship

Empowerment

Empowerment is a central theme in the strategies that are working. For example Opportunity International (OI) does not see its African clients as beneficiaries who need charity but rather as entrepreneurs who need investment. Similarly, the UK based Transformational Business Network (TBN) has learned that it is best to capitalize small businesses with a clear ROI motivation. Jerry Marshall of TBN says, "When our clients know we are interested in ROI, expectations are clear, but if we present ourselves as social entrepreneurs with the motivation of 'helping out', the dynamics of the relationship change, and we see catastrophic defaults."

Training

An empowerment strategy that is bearing considerable fruit is entrepreneurship training. For example, Nehemiah Project International Ministries (NPIM), a Washington, D.C. train-the-trainer organization, operates in Cameroon, the home country of its founder Patrice Tsague. Patrice says, "In Cameroon corruption is systemic, touching every level of society. We need a training approach that is truly transformational. Simply presenting business principles or ethics is

not enough. We provide entrepreneurs with a biblical paradigm of business. NPIM trainers in Cameroon have trained over 700 aspiring entrepreneurs in their Biblical Entrepreneurship (BE) curriculum. These trainees have in turn bootstrapped approximately 200 businesses, amazingly without any formal access to capital program. Most of the businesses are small, but some employ more than 20 people.

TBN's train-the-trainer programs in Uganda use a curriculum called "Starting a Biblically Based Business." They have seen an amazing 67% success rate with their trainees. They define success as equipping entrepreneurs who create businesses that give them the ability to feed, house and educate their families. Like the NPIM program, they focus on training and leave capitalization to commercially minded micro-finance organizations.

Opportunity International combines training and lending. OI and its partners have developed more than 440 training modules that vary in complexity and cover topics as diverse as: life management, bible study, business principles and even bank management. They make non-collateralized loans to groups of aspiring entrepreneurs called trust groups. These groups cross-guarantee each other's loans. Prior to becoming eligible for a loan, the trust group must complete eight weeks of training. Training continues throughout the life of the group. Lydia Meyer of OI's Banking on Africa initiative underlined their desire to see transformation in the lives of their clients. "This transformation comes with being able to continue to have input into people's lives." Transformation is so essential to their strategy that they have even hired Chief Transformation Officers in their banks. These CTOs come up with creative ways to impact the lives of our clients.

Rēp, a California-based organization, undertakes the transformation of existing small to medium sized enterprises (SMEs) through an intensive equipping and consulting relationship. They form teams of in-country consultants and outside consultants (typically from the US) that agree to extensive training in the Rēp system. Each of their volunteer

consultants has undergone more than 100 hours of training. Each of their client businesses in the country is matched with one in-country and one foreign consultant. The goal of this process is to repurpose these businesses for a higher purpose thus transforming their sphere of influence. Brett Johnson, founder of Rep, says, "An interim goal for us is to repurpose about 100 businesses in a large city over five years. On that scale we begin to see significant transformation. One hundred businesses operating for a higher purpose can literally impact the lives of tens and even hundreds of millions of partners, vendors and customers."

Capitalization

Patrice Tsague of NPIM states that although they have seen hundreds of small businesses bootstrapped without a formal finance program, the number one expressed need of these entrepreneurs is sufficient capital to expand their businesses. Of the businesses started in Cameroon only a small percentage could be considered SMEs. "Invariably these are BE trainees that have access to capital through family or other employment. SME-level finance is a real gap."

As mentioned previously, TBN learned the hard way that they must base the capitalization relationship on ROI terms and not on their motivation to help. Their Uganda program does not have a finance element, but they do have financially viable capitalization projects addressing three levels of capitalization in other countries. They have a micro-finance program in South Africa, and in Kenya they have an SME fund called Fusion. The Fusion fund is targeting the SME level gap of \$2000 - \$4000 USD loans. Marshall indicates, "Almost all our clients say that without our program they would have no other avenue of funding." A TBN corporate member has started larger investment effort called Africa Invest. This fund is based on their experience with successful multi-million dollar agriculture projects. The larger funds have strong mentoring programs. Mr. Marshall said, "Capitalization without training and mentoring is like throwing your money away."

OI has been developing strategies to alleviate poverty for over 37 years.



However, they had a massive shift in scale seven years ago when they moved away from the NGO model and adopted a formal banking model. The NGO model allowed them to service about 1 million clients in their first 30 years of operation. The shift to a formal banking model allowed them to access capital markets and open savings account programs. This in turn allowed them to offer services on another order of magnitude. In the last seven years alone they have served over 7.2 million clients worldwide. This strategic shift allowed them to achieve the scale they always wanted. Savings accounts are a significant part of this strategy. For example, in OI's \$385M USD Banking on Africa Initiative, over half of the anticipated funds will come from African savings accounts and just a little more than 10% and 30% of the

funds coming from capital markets and donations respectively. In Malawi they have 17,000 loan clients but an amazing 180,000 savings account clients.

Networking and Savoir Faire

Another element in successful initiatives seems to be their ability to effectively connect entrepreneurs to networks of expertise. OI has built an international team of bank startup experts to help them with speed to market issues in Africa. This team is able to quickly begin a new bank and then train or recruit the right in-country leadership. They also are investing in training initiatives and even an African University project, to insure a steady stream of talent and expertise.



TBN taps into the human capital and the expertise of its members to accomplish demonstration projects and provide ad hoc solutions for their African partners. They have even developed a sophisticated web platform with features like help wanted, best practices and training resources to facilitate networking. Rêp uses the expertise of its consultants combined with its unique methodology to impart business knowledge and a biblical paradigm of business. It seems that networks of expertise like this can provide a needed transfusion of business DNA into transformation efforts.

Scale and Results

We have wondered what scale is needed to achieve transformation in a country. NPIM believes that in a country the size of Cameroon (population 18.5 million) they can reach a sustained level of 10,000 trained per year. "At this level we would see transformation on a national level," says Patrice Tsague. OI has observed transformation beginning on a national scale when they are able to saturate

a country with their services: banks in all urban centers and a significant deployment of rural banking solutions as well. It takes them about 3 years in mid-sized African countries to cover the urban centers. TBN feels that their training program and the Fusion model could scale sufficiently to see significant impact. The expressed goal of their training program is to create an economic impact equal to £1B GBP in new domestic product.

Summary and Conclusions

Our findings are that successful entrepreneurship development programs have creatively combined solutions that provide training, finance, and the effective use of human capital. In terms of training, the emphasis is on providing a contextually appropriate level of business know how with an emphasis on empowerment and biblical transformation (changing worldviews). Capitalization seems to be most empowering and work best when it is approached as business proposition without any hint of aid.

Note: Comments on specific programs come from interviews with leaders from the organizations conducting those programs:

Jason Benedict serves as a Strategist for the Regent Center for Entrepreneurship. He and his wife Kimberly began working cross-culturally in 1994, and he has had the pleasure of equipping leaders around the world, leading field teams, starting businesses and developing innovative ways to share the Good News with the nations. Jason is a contributing editor of Momentum Magazine and is the author of Eden Inc. Jason Benedict can be reached for comment at jb@blessed2bless.net.

John Mulford serves as Director of the Center for Entrepreneurship and Professor in the School of Global Leadership and Entrepreneurship. He teaches international entrepreneurship and conducts research on social investing and best practices for growing kingdom businesses in developing countries. He can be reached at johnmul@regent.edu for comment.

This does not mean that it is heartless. OI has developed ways to keep the loan relationship "all business" while focusing on the holistic needs of their clients. There seems to be a particular need in the area of SME funding. Additionally, the best programs seem to have adopted a train-the-trainer model. This allows them to scale sufficiently to have a noticeable impact and see real transformation take place. Finally, scalability in general is an important issue. For example, OI's efforts in Malawi have been game changing: seeing the success of OI's initiatives, the entire banking sector is changing to emulate them.

We should be encouraged by these initiatives on a several fronts. First, these organizations are coming up with some of the same findings. Secondly, what they are doing is having significant measurable impact, and finally, the best practices seem to be scalable, giving real hope to transformation on a nation changing scale.

ONLINE BUSINESS & LEADERSHIP JOURNALS



Regent Global Business Review
exploration innovation transformation



Journal of biblical perspectives in leadership



LEADERSHIP ADVANCE ONLINE



IILS
INTERNATIONAL JOURNAL OF LEADERSHIP STUDIES



JOURNAL of PRACTICAL CONSULTING



real
revista de estudios avanzados de liderazgo

Free Subscription • www.regent.edu/global/journals

School of Global Leadership & Entrepreneurship

REGENT UNIVERSITY

Christian Leadership to Change the World



CALL FOR ARTICLES

As RGBR expands its international subscriber base, we desire to provide substantive articles for our readers while also including perspectives beyond that of traditional Western views. To truly represent global business, we seek to encourage new ways to approaching commerce that balance performance goals with responsibilities to employees, consumers and suppliers. Based in principles of biblical scripture, we believe the Global Business Review enriches our readers with articles and information to impact their organizations with worthwhile, enduring results.

If you are interested in contributing to the exploration and advancement of global business, we are interested in hearing from you. The RGBR seeks articles from contributors who are recognized experts in their field or who have requisite experience and credentials to be qualified to speak authoritatively on a subject matter. RGBR invites articles addressing the following content areas:

- ◉ Strategy
- ◉ Innovation and Design
- ◉ Entrepreneurship
- ◉ Business Globalization
- ◉ Social Responsibility
- ◉ Human Resources Development
- ◉ Human Resources Management
- ◉ Change Management
- ◉ Business Environment and Public Policy
- ◉ Values-based Management
- ◉ Faith and Workplace Integration
- ◉ Finance
- ◉ Accounting and Financial Management
- ◉ Technology
- ◉ Operations Management
- ◉ Marketing and Sales Management
- ◉ Not for Profit Management
- ◉ Leadership and Executive Development

For submission guidelines, visit: www.regent.edu/rgr or submit your article to the editor at rgr@regent.edu

