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University of Cape Town (UCT)
UCT Graduate School of Business (GSB)
Cape Town, Western Cape, South Africa
www.gsb.uct.ac.za

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The Bertha Centre for Social Innovation and Entrepreneurship

In recent years there has been an undeniable rise in focus on how business schools can and do contribute to innovation and economic development, especially in the emerging economies around the world. Particularly in such areas, business schools that choose to bend their efforts to the task of promoting innovation and entrepreneurship aimed at addressing socio-economic challenges can demonstrate an impressive impact in combating their society's problems through cultivating leaders with the ability to draw from a full spectrum of disciplines and cultures to create sustainable, market-based solutions.

One particularly notable case where a prominent business school has taken up this challenge is at the Graduate School of Business (GSB) of the University of Cape Town (UCT), in South Africa. According to Dr. François Bonnici, Founding Director of the Bertha Centre for Social Innovation and Entrepreneurship (Bertha Centre) at UCT, the GSB had been wanting for some time to open an innovation research center when he had a serendipitous meeting in 2011 with a representative of the Geneva-based Bertha Foundation,¹ who happened to attend a public lecture that Dr. Bonnici gave. The Bertha Foundation is a philanthropic organization, he says, and a significant amount of its resources are devoted to initiatives in South Africa that include media documentaries to raise awareness of issues that require change, public interest legal action, activism in enterprise, and non-profit (mostly apolitical) advocacy.

The Bertha Foundation wanted to extend its activities to influence the business school’s fundamental thinking about what is valuable and promote a strong private sector from bottom up for South Africa, bringing innovation thinking into key social challenges, Dr. Bonnici says. Meanwhile, the GSB was (and is) well known for its focus on building a new kind of business school: one that is rooted in values and enabling positive new ways of thinking and acting for a better future on the continent. As a result, the UCT GSB and the Bertha Foundation found a natural collaborative partnership with one another, and the Bertha Centre for Social Innovation and Entrepreneurship at UCT was born, becoming "the first of its kind on the African continent to specialize in social innovation."²

Bertha Centre Operations

According to Dr. Bonnici, the initial grant from the Bertha Foundation provides five years' worth of funding to the Centre. However, he says, the Bertha Foundation support has allowed the university to leverage...
contributions from other private donors, international research grants, and the South African national and provincial governments to expand its operating budget by more than double the base support from the Foundation, allowing the Centre to develop a significant number of additional activities.

Because the Centre is almost entirely externally funded, the contributions of the GSB, and of the university in general, consist primarily of the service of associated faculty and staff collaborating with the Bertha Centre, and the administrative and research support provided by the university. Dr. Bonnici indicates that though the Centre is a specialized unit at the GSB, faculty from several other academic departments at UCT are involved in its initiatives, in addition to several non-academic staff members that provide support for the Bertha Centre's initiatives. The faculty and staff of the Bertha Centre collectively coordinate an impressive list of activities and operations. Dr. Bonnici describes the operations of the Bertha Centre as falling into at least one of four main categories: Teaching; Research; Policy; and Initiatives.

**Teaching and Student-Facing Initiatives**

The Bertha Centre has moved very quickly to develop a robust set of instructional options for students at UCT GSB. According to Dr. Bonnici, the first teaching initiative established at the Centre was a specialized stream on the MBA in social innovation called the Social Innovation (SI) Lab. Students who wish to pursue this stream can do so in the second half of their MBA program, after completing the core coursework.

In addition, the Bertha Foundation offers several scholarships to cover full and partial costs of either the MBA, MPhil or PhD programs at the GSB for African-born candidates committed to social innovation and entrepreneurship. Students in the SI Lab attend a brief overview course to familiarize them with the concepts they will soon be applying, as well as three two-day symposia, involving expert and practitioner sessions, with time for students to share and reflect on what they learn.

The primary feature of the SI Lab is a required action-learning oriented course in which students work in teams of four or five on problems presented by local community organizations or the government or any social innovation ideas. Dr. Bonnici says that "40 percent of their mark on this course is based on what they've done, not just on their plan. They need to have an impact. If it's a six-month project, then we expect them to do quite a bit. We want to see real social change. It's not as simple and clean as putting together a nice little business plan. Once you get out there and have conversations about change and test your idea, iterate, and demonstrate, it is all part of the learning journey."
To complete the social innovation stream, students must also undertake at least four SI-focused electives from eight different available courses. Students completing a standard MBA can still pick however many they wish, according to Dr. Bonnici. So far, roughly one third of the previous MBA class chose to complete the SI Lab stream, while he says that more than 55 percent of this year’s MBA students have completed at least one of the available electives.

In addition to the SI Lab in the MBA program, the Bertha Centre has also initiated a separate one-year Master of Philosophy (MPhil) in Inclusive Innovation program. This research-based program allows students to self-direct with the guidance and support of faculty and staff at UCT GSB, as well as a team of fellow students, to research and develop inclusive solutions to the challenges present in the African context, designed to create a better future for Africa.

Dr. Bonnici notes that the MPhil was developed to look in a more focused way at the continuum of innovation; that rather than being concerned about whether something is for commercial or social purposes, it is addressing challenges to the process that is of primary importance. “This is an evolution of what the MBA might be,” he says. The Bertha Centre is also engaged in working with the GSB to develop a PhD program with a similar focus.

Last but certainly not least, the Centre runs the Student Social Venture Programme (SSVP) in conjunction with the UCT GSB chapter of the international community Net Impact. The SSVP is meant to help develop and support social ventures in South Africa, as well as promote African teams’ success in global social business plan competitions. The UCT-Reel Gardening team that won SSVP in 2013 succeeded in winning the regional rounds of the Global Social Venture Competition and the Hult Prize (beating 50 other universities from Africa, Middle East and Europe) and presented as a finalist of the Hult Prize at the Clinton Global Initiative in New York in October 2013.

Research, Policy & Publications

Dr. Bonnici says that the Bertha Centre is working with several levels of government in South Africa to help determine best practices for policy decisions. The provincial government has commissioned a white paper on strategy for social innovation for the Western Cape. The purpose of this white paper is to help determine the role of government for social innovation and entrepreneurship. The upcoming white paper has already received signatures from two government ministers, he notes.

The Bertha Centre has also partnered with the Overseas Development Institute (UK) to help steer a global research project on the structure of social entrepreneurial ecosystems in developing and emerging
markets, and their engagement with national policy. Inspired by a network perspective and economic sociological theory of social embeddedness, the analysis seeks to unveil the degree and quality of both intra- and inter-relatedness among stakeholders of the social entrepreneurial landscape in order to gauge the intensity, coherence, and shared intention of the ecosystem towards supporting social entrepreneurial activity.

Another important area of research the Bertha Centre is pursuing is the use of Impact Bonds (also known as Pay-for-Success Instruments), initially piloted by the UK-based not-for-profit Social Finance. Impact Bonds make use of risk capital from private investors to pilot social interventions that otherwise may not be funded. Outcome funders, such as the government, commit to repaying the capital plus returns to the private investors only if the intervention successfully meets pre-determined outcome and output metrics (i.e., only if success is achieved). The Bertha Centre is working with stakeholders in Education, Healthcare and Business Development Services (work funded by the South African National Treasury) to facilitate the initial stages of pilot construction including initiating stakeholder engagement, defining outcome metrics, research and analysis of intervention methods and scoping reports.

The Bertha Centre’s research is disseminated in several self-generated publications. Its longest-running regular publication is Inside|Out, a quarterly newspaper with both online and print formats. Inside|Out has served two purposes, notes Dr. Bonnici. “It is both a standard newsletter and something more insightful, focused on trends in social innovation, topics like open learning, bonds, etc. This is quite practitioner oriented, not too academic. We are trying to reach broader audience,” he says.

The collaboration of the Bertha Centre faculty with their colleagues in the Department of Finance and Tax in UCT’s Faculty of Commerce has yielded what expects will be one of the most impactful research publications of the Centre to date, according to Dr. Bonnici. The South Africa Investing for Impact Barometer is a new annual publication of the Centre, focused on an audience of finance practitioners. Dr. Bonnici says the Barometer was first launched by the Bertha Centre in 2013, at a joint conference with the Rockefeller Foundation and a similar Nigerian foundation, the first pan African conference on the social impact of financial investment.

The Barometer provides a four-page snapshot of the growing market in South Africa for investments that make a positive social impact. Dr. Bonnici’s colleague Dr. Stephanie Giamporcaro, a Senior Lecturer at the GSB, heads up the Barometer initiative. He says that it is her intention to expand the coverage of the next edition of the Barometer, to cover four African countries distributed all over the continent (e.g.,

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Kenya, Ghana, Nigeria, etc.) in addition to South Africa, with the collaboration of partner business schools located in those countries.

Initiatives

While measurable impact of its work will come mostly down the line, notes Dr. Bonnici, if the Bertha Centre is to generate real impacts then its work must have practical application in the field. To this end, the Centre supports several initiatives devoted to generating innovation and entrepreneurship to solve social ills.

The project with perhaps the most potential for wide-ranging impact is the development of the Free For All online learning platform. Free For All is a one-year, modular program in entrepreneurial development designed for entrepreneurs who own small businesses ranging from one to 50 employees, with at least five years of relevant experience, who want to complement that experience with an academic qualification. Modules can be taken in sequence or individually. The seven core modules of the program use a pedagogical model designed by GSB Director Walter Baets to provide critical entrepreneurial and management skills, as well as necessary business skills and management perspectives. Currently, over 190 users throughout Africa are enrolled in the program.14

The Bertha Centre sees this as a green field for social enterprise, according to Dr. Bonnici. “Since it’s so early, we can see how things evolve. It is an interesting ground for research. This will be around building solutions for the challenges that we face in the country, and getting them to market,” he says.

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End Notes