

How can professors enhance student entrepreneurship: A Scandinavian-Tanzanian Safari

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www.mti-investment.com



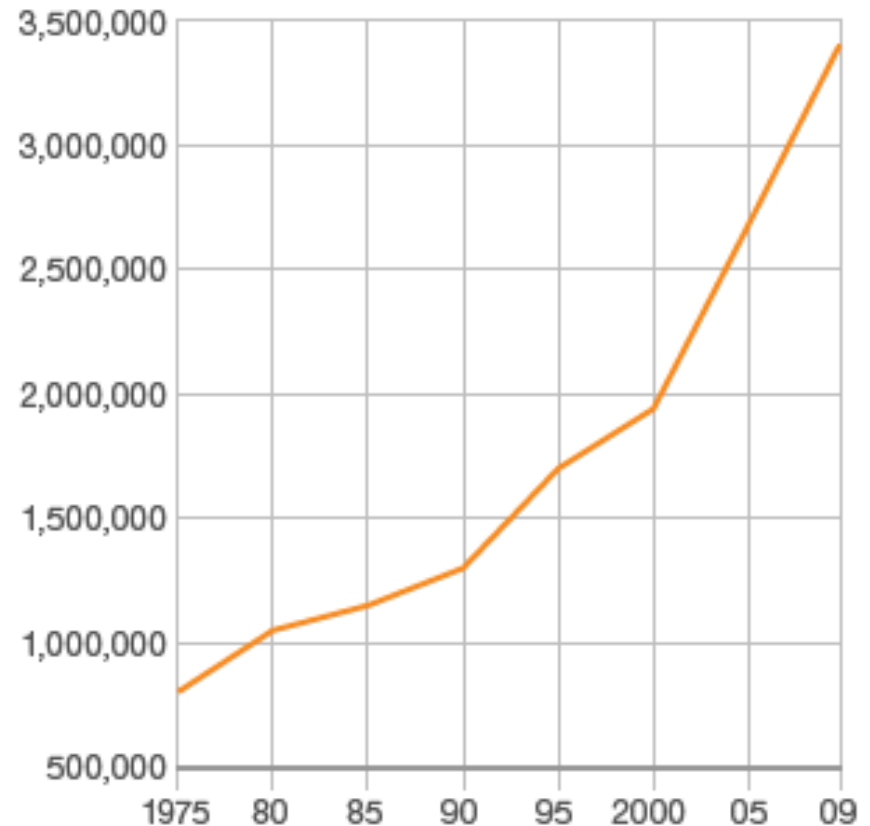
Research Questions

- Can business schools take a bigger part in creating opportunities for our international students?
- Can doctoral student-professor trust-based relationships be leveraged to facilitate business activities?
- Can transnational entrepreneurship be based on academic networks, potentially reaching emerging markets?

Untapped entrepreneurial potential

- *“...globalization of management education is a key enabler of globalization in many other fields. Increased connectivity across countries has facilitated the transfer of ideas and collaborative development of innovations in fields..” (AASCB, 2011, p.5).*
- *“transnational entrepreneurs rely on diverse sets of resources - economic, social, cultural, and symbolic capital-to navigate multiple environments” (Terjesen & Elam, 2009: 1093)*
- 78% of African PhD students in Norway return to their home country

International student numbers



Source: Unesco

A Broader Business School Mission

The motivation of social impact:

“I began my career as an economics professor but became frustrated because the economic theories I taught in the classroom didn't have any meaning in the lives of poor people I saw all around me”,

Nobel Laureate Muhammad Yunus.

Business PRIME (The Principles for Responsible Management Education)
 Principle #1: *“We will develop the capabilities of students to be future generators of sustainable value for business and society at large and to work for an inclusive and sustainable global economy”*



Academic routes to
 Transnational Entrepreneurship:

In advanced economies (Norway)

In emerging economies (Tanzania)

	Professors & faculty	Students
Professors & faculty	Advanced economy professors & emerging economy professors (MTI – Today)	Visiting students from advanced economies & professors from emerging economies
Students	Advanced economy professors & emerging (MTI started here)	Visiting students from advanced economies & local students from emerging economies

Developing the Concept of Academic Transnational Entrepreneurship & the MTI story

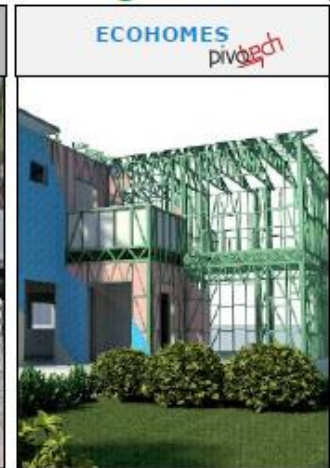


From Theory to Practice: MTI Investment Ltd.

«MTI» is Swahili for tree – symbolizing MTI's focus on growing companies, with the potential to bear fruit from long-term effort of investing, coaching, mentoring and monitoring (0-56% ownership, debt, management for hire).

Portfolio of companies

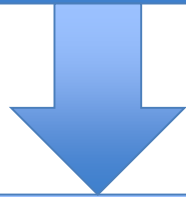
Currently collaborating with **five** partners



How can Transnational Doctoral Student-Professor Cooperation create Entrepreneurship?

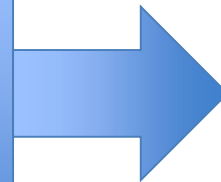
Enablers (precondition):

- (1) transnational social capital,
- (2) transnational competencies, and
- (3) local social capital

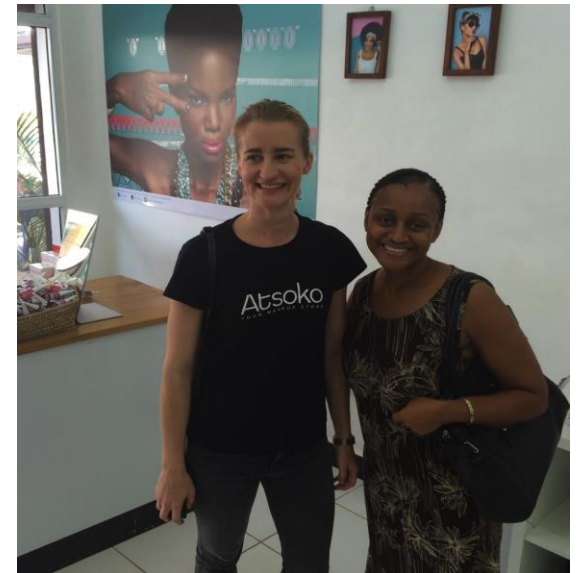


Doctoral Student-Professor Cooperation leads to:

- (1) enhanced entrepreneurial discoveries,
- (2) reduced transaction costs (of ongoing transfers) and
- (3) reduced agency costs of monitoring



Transnational Entrepreneurship



The MTI Investment – Business Case

Microfinance	SMEs	MNE/State-owner firms:
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Financial returns:

40-80%	15-40%	15-25%
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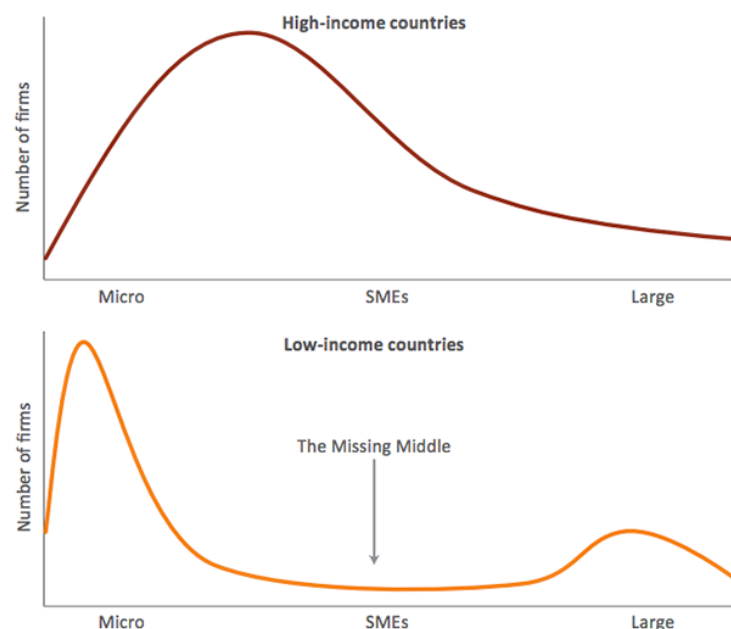
Cost of capital today:

25-40%	20-30%	10-15%
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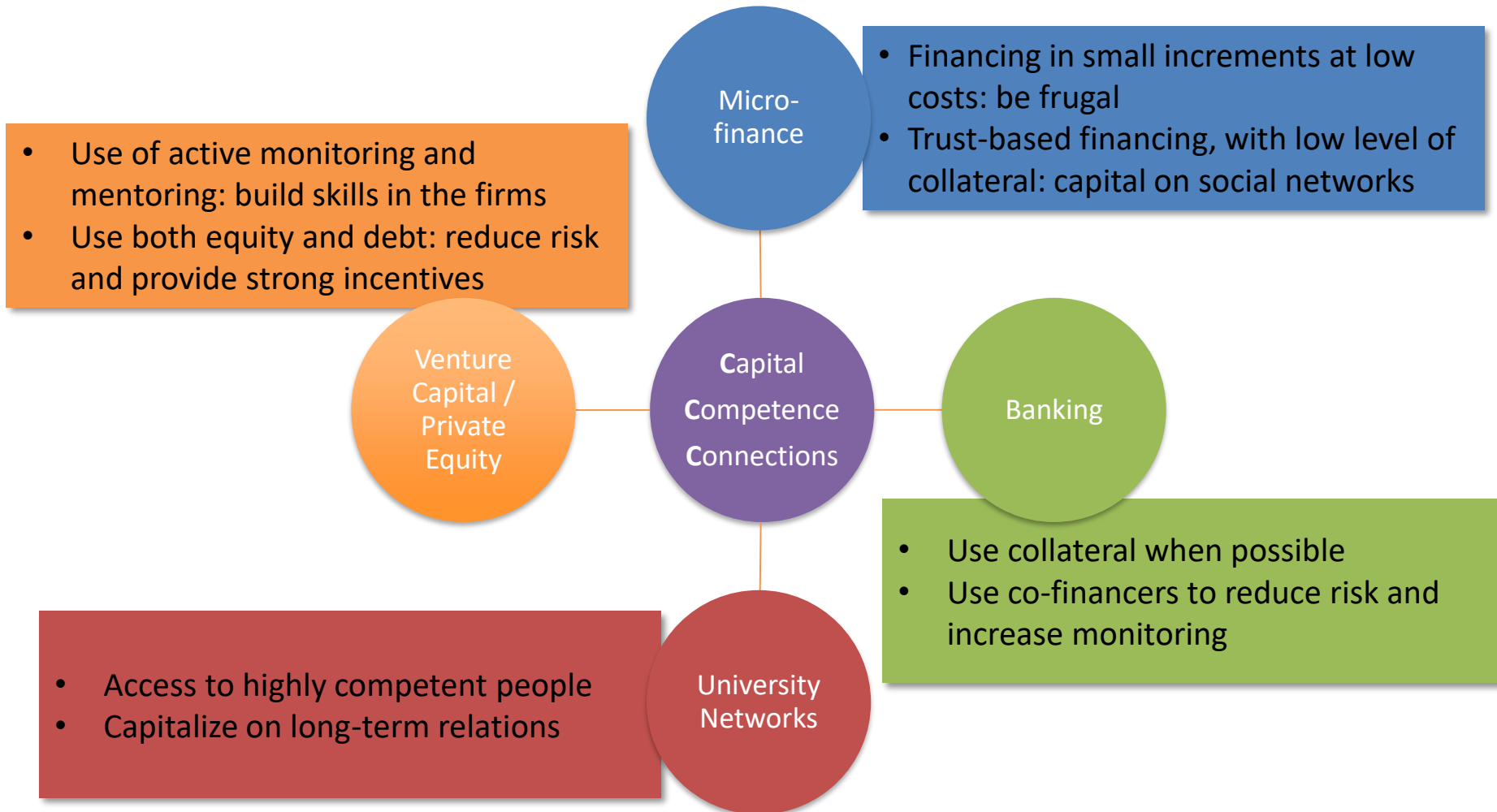
MTI offers:	>16%
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How can MTI help local businesses?

- Access to cheaper and/or more long-term capital
- Access to competence....people with education
- Access to experience...people in trusted networks



Four inspirations to the MTI Business Model



Conclusion

- **Three enablers/precondition for Academic transnational entrepreneurship enables**
 - (1) transnational social capital,
 - (2) transnational competencies, and
 - (3) local social capital
- **Facilitate emerging market transnational entrepreneurship by:**
 - (1) enhanced entrepreneurial discoveries,
 - (2) reduced transaction costs (of ongoing transfers) and,
 - (3) reduced agency costs of monitoring
- **Business schools can help to fulfill their social mission by facilitating academic transnational entrepreneurship by:**
 - incentivize professors to participate
 - design courses to encourage transnational entrepreneurship
 - Facilitate availability of funds