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[EMU prof gets hands-on experience during sabbatical](#)

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Story by **Jim Bishop**



Spencer L. Cowles, chair of the department of business and economics at Eastern Mennonite University, feels like he had the best of all possible worlds during his recent sabbatical.

Prior to teaching at EMU, Cowles worked in commercial banking at a major New England bank, where he developed skills in financial analysis, credit and business development. This involvement, combined with his broad range of international experiences since coming to EMU, prepared him well for his sabbatical work in microfinance at MicroVest Capital Management in Bethesda, Md.

Microfinance is an approach to economic development that involves making loans to small “micro” entrepreneurs in developing countries. Loans average around \$300. Traditionally, the funds to make these loans have come from donations and government grants which are not always sustainable sources of funding.

Cowles described MicroVest as “a world leader in raising funds from private and institutional investors who are expecting a commercial rate of return.” These funds are then invested in microfinance institutions as either debt or equity. In turn, microfinance institutions lend these funds to micro entrepreneurs.

Cowles spent January through August this year working as an investment officer in the firm’s investment group and then serving as the interim director of investment. His responsibilities included identification of new clients, analysis of the financial stability of microfinance institutions, and assessment of country risk.

“A \$300 loan doesn’t sound like very much,” Cowles noted, “but to a small business owner such as a tailor, furniture-maker or shopkeeper, just a small amount of capital can enable them to expand their businesses so that they can provide for their families.”

He added that microfinance is “a real grassroots approach to helping persons achieve economic independence and dignity.”

MicroVest company is owned primarily by CARE (Cooperative for Assistance and Relief Everywhere), a private international relief and development organization, and by MEDA (Mennonite Economic Development Associates), an organization of business people who integrate their life values with business in practical ways to help individuals and families living in poverty around the world.

“MicroVest is a unique company,” Cowles said. “I don’t know of another organization anywhere in the world that is helping to improve economic conditions in quite the way that MicroVest is doing.”

He noted that an average MicroVest investment is around \$1.5 million.

“Divide that by \$300, and that’s a lot of people who are getting a chance to improve their lives,” he said.

The EMU professor spent time in Ghana, meeting with the senior management of a rapidly growing microfinance institution, analyzing their financial position, visiting clients, and assessing their lending procedures.

Through his firsthand involvement, Cowles said that he saw an economy that was making good progress, in part due to access to credit that most small business persons haven’t had in the past.

“It was a rewarding, energizing experience,” Cowles said of his eight-month sabbatical. “I was able to apply my experiences in banking and education to the global microfinance effort to lift people out of poverty.”

Now back teaching at EMU, he finds himself able to draw from his experience with a highly entrepreneurial, innovative company in bringing new energy and insight to bear in his primary areas of teaching expertise - business strategy and international business.

Jim Bishop is a regular contributor to The Augusta Free Press.