**Utilizing Tri-Sector Collaboration in Service-Learning Projects**

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Abstract

*Like many other universities in the nation, the University of the Incarnate Word has a mission of service to the community To achieve this mission many professors are including service learning projects as part of their course requirement to enhance the learning experience of the students and to increase student engagement. However, with just a traditional service learning project students normally only get exposed to one sector, but according to the Harvard Business Review article entitled Triple Strength Leadership, “Some of the world's most pressing problems won't be solved by government, business or nonprofits alone. They require cooperation from all three sectors. In order to make this happen, the world needs more "tri-sector leaders.” ”. To maximize students learning while helping them to gain the skill set of working effectively in all three sectors, Dr. Tracie Edmond developed a tri-sector service learning project that not only developed the tri-sector skill set of the students, but was able to benefit the educational, non-profit and for-profit sectors.*

INTRODUCTION

According to Saunders and Christopher ( 2003), there is beginning to be a paradigm shift in the way accounting classes are taught. The shift is from the traditional lecture format to more of an experiential learning format. Elmore (2010), also concurs in his book entitles the IY Generation. In this book, Elmore states that in order to effectively teach and mentor this generation, we must be EPIC. The classroom needs to be experiential, participatory, image rich and connected (technology). This change is also in line with the Accounting Education Change Commission’s pronouncements encouraging universities to involve the students more in the learning process. The pronouncements emphasize five key areas that accounting education educators need to address (1) the student should be an active participant in the learning process; (2) the student should be taught to identify and solve unstructured problems that require use of multiple information sources; (3) The student should Learn by doing; (4) the student should learn to work in groups; and (5) the students should be taught the creative use of technology.

 Another reason for this shift is that many accounting departments are trying to incorporate and instill the American Institutes of Certified Public Accountant ( AICPA) personal competencies in their accounting students. The AICPA’s personal competencies relate to the attitudes and behaviors of individuals preparing to enter the accounting profession. The personal competencies enhance the way professional relationships are handled and facilitate individual learning and personal improvement. The AICPA has seven elements in its personal competencies that should be obtained by anyone entering the accounting professor as a CPA. The seven elements are professional demeanor, problem solving and decision making, interaction, communication, leadership, project management and technology.

 By utilizing the conventional teaching methods, the accounting faculty at the University of the Incarnate Word realized that the students were not meeting the AECC’s pronouncements nor were the students meeting the core competencies of the AICPA. In order to more effectively reach the accounting students, the faculty at UIW decided to incorporate a tri-sector service learning project into an Accounting II course ( see appendix A) . By utilizing the tri-sector model, the students obtained an increased skill set in the areas specified in the core competencies and the AECC pronouncement as well as developed skills that can be utilized in all three sectors, non-profit, for-profit and educational sector.

**TRI-SECTOR APPROACH TO DEVELOP TRI-SECTOR LEADERS**

Tri-sector is defined as three sectors working together to benefit all three sectors, for the purpose of this paper, the three sectors are the non-profit sector, the for-profit sector and the education sector. Tri-sector leaders are leaders that are able to work in the governmental sector, the non-profit sector and the for-profit sector. In this project, a tri-sector approach was used to develop tri-sector leaders.

According to the Lovegrove article entitled Triple Strength Leaders, there are six different components to success in Tri-Sector Leadership: Balancing Competing Motives, Acquiring Transferable Skills, Developing Contextual Intelligence, Forging an Intellectual Thread, Building Integrated Networks, and Maintaining a prepared Mind.

In order to develop the six components of success, the leaders can be developed in the early stages, mid career or at the top of one’s career. At the university level, we concentrate on the early stages. According to Lovegrove ( 2013), “The aspirations of tri-sector leaders are both a challenge and an opportunity for the academic institutions that give so many of them the foundations for their careers.” Because universities tend to have affiliations with all three sectors, Lovegrove (2013) believes that this is the ideal starting ground to develop tri-sector leaders. This project used the University’s connections in all three sectors to develop a tri-sector service learning project that not utilized the accounting skill set learned in the class.

The tri-sector service learning project was an enormous success. Not only did the students develop the soft skills required by the AICPA, the tri-sector skills needed to be effective with working in all three sectors, and improved test scores, the students also received informal mentorship from the non-profit organizations, and area small business owners.

The participating non-profit organizations received wish-list items and a cash donation, and increase exposure and volunteers. The small business owners received sales, increased exposure and expanded their customer base. This project was a true example of how all three sectors can benefit by working together.

Appendix A

**TRI-SECTOR SERVICE LEARNING PROJECT**

Service Learning Project:

1. You are creating a social entrepreneurship event.
2. What is social entrepreneurship? Watch the video below and describe the concept of social entrepreneurship in your own words. <https://www.youtube.com/watch?v=1ecKK3S8DOE>
3. Watch the two videos and discuss the social entrepreneurship concept being practiced

<https://www.youtube.com/watch?v=So-vQEfLTqY>

<https://www.youtube.com/watch?v=qwxezyCyyvI>

1. In any business, including businesses that have a social entrepreneurship focus, there are two accounting aspects to a business, financial and managerial, what are the differences between financial and managerial accounting.
2. You are to define mission, goal and strategy. Based on the video, what is the mission, goal and at least one strategy for the social entrepreneurship venture.
3. There are three business strategies, name them and discuss which one applies social entrepreneurship venture from the above video and explain why.
4. Define Variable cost, fix cost and mix cost. Below are the expenses for your social entrepreneurship event, label each expense as variable, fixed or mixed

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Units | 50 | 100 | 200 | Fixed/Variable/Mixed |
| Goody Bags | 5 | 10 | 20 |  |
| Gift Cards  | 30 | 30 | 30 |  |
| Goodies | 25 | 50 | 100 |  |
| Overhead – ( Supplies ribbon, tape, scissors) | 25 | 40 | 70 |  |
| Labor | 5 | 10 | 20 |  |
| Vendor Fees | 80 | 80 | 80 |  |
| Total Expenses | 170 | 220 | 320 |  |

1. Using the above data and the high/low method, answer the following questions:

|  |  |  |
| --- | --- | --- |
| Units | 50 | 200 |
| Total Expenses | 170 | 320 |

1. Determine the variable cost per unit
2. Determine the fixed cost
3. What is the cost equation for your goody bag business
4. Estimate the total cost for 125 units of production

*In addition to the above data, assume the company has the following sales. Answer the following* questions

 May June July

Sales Units 50 100 200

Sales Revenues 250 500 1,000

1. What is the sales price per unit?
2. What is the per unit contribution margin?
3. What is the contribution margin ratio?
4. Compute the break-even point in dollars and in units ( round to the next whole number).
5. Your business had sales last year of 300. Determine last year’s margin of safety in sales dollars.
6. Perform a sensitivity analysis to determine how an increase in sales of $500 would impact Net Income?
7. If the sales price changed to 2 dollars a unit, and all other expenses remained the same as calculated in your cost equation, what is the new break even in units?
8. If the variable costs changed to .80 cents a unit, and the fix cost remained the same as in your cost equation, and sales price remained at 1 dollar a unit, what is the new break even in units?
9. If the fixed costs changed to 20 dollars, and variable expenses remained the same as in your cost equation, and sales price remained at 1 dollar a unit, , what is the new break even in units?
10. Complete the Differential Analysis for your business
11. Your company makes several different goody Bags, small, medium and large. The following income statement from the past year is being used to analyze product performance for the large goody bag

Sales $400

COGS 200

Gross Profit 200

Operating Expenses 300,

 Loss from Operations $100

\*The company estimates that 20% of COGS are fixed and 60% of operating expenses are variable.

Should the company discontinue operations for the large goody bags? Why or Why Not?

1. Assume your company has 30 goody bags left over. A person makes you a special offer to pay you .80 cents per bag, you normally sell them for 1.00 per bag. If there are no more buyers at 1.00 per bag, should you take the offer? Why? What is the lowest you would accept and why? ( Refer the data from your cost equation calculated using the high low method. )
2. Complete the excel template and complete the job order costing service learning project. You are going to put together and price goody bags. The number of goody bags your team will make will be based on the number of tickets your team sold plus 12 bags for ending inventory. Use the following assumptions for the goody bags.
3. The number of goody bags your team will make will be based on the number of tickets your team sold plus the amount needed for ending inventory.
4. Template data: ( 3 excel sheets)

Cost Flow Sheet – Fill out all of the yellow boxes

* + Assume Beginning WIP and Beginning Materials are zero ( for the excel template)
	+ Use the data in the table from number 5 above to determine the cost of your materials per unit– ( Goody bags and goodies) – Assume you are buying materials to make 100 bags - (need goody bags and goodies ) – (Use the data in the table from number 5 above to determine the cost of your materials)
	+ Use the data in the table from number 5 above to determine your labor costs per unit
	+ On the template, you are going to estimate overhead using two methods, the traditional approach and the ABC approach – Based on which one is closest to the actual numbers – select an overhead method either traditional or ABC.

Job Cost Sheets

* + Complete the job cost sheets using the selected overhead method for day 1 and day 2.
	+ All material is used on day 1 – (need goody bags and goodies )
	+ Day 1, you team will produce 60% of the goody bags needed and day 2 your team will produce the other 40%.
	+ Calculate total overhead for the units produced and use 60% of the overhead for day 1 and 40% for day 2.

Income Statement Template

* Complete this template based on the data from the cost flow sheets
* Your sales will be the number of tickets sold \* 5 dollars per ticket
1. Reflection: Catholic Social Teaching

<https://www.youtube.com/watch?v=PheU7uiluCk>

* Watch the video above
* Review the mission of the University - How does this service learning event relate to the mission of UIW
* Which Catholic Social Teaching principles apply to this service learning event and why?
* What skills learned in this class relate to your video?
* What skills learned in this class relate to the service learning event?
* Each team member is to write at least one sentence as what they learned from the service learning event
* What can make this event better next semester?

**REFERENCES**

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