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Ashesi University: The Journey From Vision to Reality

In 2006, Patrick Awuah was in his office when Professor Krzysztof Gajos, a visiting lecturer, knocked on the door.¹ Awuah invited him in, offered him a seat and asked what was on his mind. "I just did a quiz," Gajos said, "and one third of my class cheated on it." Awuah sat back, dumbfounded. After four years of building Ashesi University, this was exactly the sort of behavior he had been trying to eradicate. When he founded the school in 2002, he swore it would be different from other universities in Ghana, which encouraged rote memorization and put little to no emphasis on ethics. Indeed, cheating was a fairly common practice in many African schools. Some high school teachers even taught their students how to cheat on standardized exams. At Ashesi, Awuah had worked hard to instill a code of ethics in the students, engaging them in discussions about integrity and even having them act out skits that tackled tough ethical situations. He'd encouraged faculty to take a zero tolerance stance on academic dishonesty. The first offense meant an "F" in the course and a second meant expulsion. "I was really shocked by this...I thought we had this thing under control," he recalled. "This was a wakeup call for me."²

At Ashesi's next faculty and staff retreat, Awuah gathered his team around a table and asked them a simple question: "What is it that's true about Ashesi that we wish wasn't?" People shared vague misgivings, suggesting that perhaps their facilities could be nicer. "I think that the most brutal truth about Ashesi is that our students are cheating," Awuah countered. He shared with them his conversation with Gajos and remarked that chief executives were usually the last to hear about a problem. If he knew about it, the issue must be quite serious. The faculty resisted at first, feeling an implied accusation in Awuah's observation. In reply, Awuah insisted that he simply wanted to face what was true. Faculty started to talk about cheating situations that they had handled independently, trying to save students the grave consequences of a judicial committee hearing. As they went around the table, it became clear that many students were repeat offenders, but the faculty hadn't known because they weren't reported to a central system. "Getting everybody to acknowledge that there was a problem and not sweep it under the rug was important," Awuah explained.³

Over the next few years, he would attack the issue from many different angles, but his most powerful approach was to engage the students themselves. After all, their support would count the

¹ Interview with Matthew Taggart, former director of development, Ashesi University, by phone, March 3, 2016. Hereafter cited as "Matthew Taggart Interview."

² MacArthur Foundation, "Education Entrepreneur Patrick Awuah, 2015 MacArthur Fellow," YouTube, published September 28, 2015, [<https://www.youtube.com/watch?v=EKBD3Dhf1pg>], accessed January 2016.

³ Interview with Patrick Awuah, president, Ashesi University, by phone, March 30, 2016. Hereafter cited as "Patrick Awuah Interview."

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most toward reaching a solution. At the next university town hall meeting, he explained what had happened and set the students a landmark task. "I asked them to engage in a conversation about how they could take ownership of this matter." There was a pause in the quad as students absorbed the full weight of this request. In a country where most teachers had a hard-nosed, authoritarian approach to education, few students had ever been asked to think for themselves. Now, Awuah was telling the students to resolve this complex ethical issue on their own. Having attended Swarthmore College, Awuah was a believer in his alma-mater's philosophy that trusting students to behave ethically, along with engaging them in a conversation about values, helped encourage ethical behavior. After years of preaching the virtues of the liberal arts education, encouraging students to think critically, to have their own opinions and come to their own conclusions, it was finally time for Awuah to hand the reigns to his students and put his theory to the test.⁴

Formative Years: 1965-1989

Patrick Awuah was born in 1965, a tumultuous period in Ghanaian history when Kwame Nkrumah, the country's president-turned-dictator, had just suspended the constitution and was in the process of driving the economy into the ground. In 1967, a military coup put an end to his rule, just to usher in a period of political unrest and a cycle of draconian military government. A series of regimes, initiated by coups both military and civilian, would create turbulence for the next thirteen years. In 1981, the Provisional National Defense Council (PNDC) took power and exacted military rule for the next decade.⁵ It was in this environment that Awuah came of age, raised by his engineer father and nurse mother. Both had gone abroad for their education and hoped that Awuah would do the same. Awuah originally wanted to be an astronaut, then settled on electrical engineering, inspired in part by his father and in part by the science fiction books he read voraciously.⁶

In 1981, when Awuah was just sixteen years old, he had a run in with two soldiers that deeply informed his attitude toward Ghanaian authority figures. On his way to pick up his father at the airport, he walked up a grassy slope toward the terminal when two soldiers stopped him in his tracks. Both held AK-47 assault rifles. They told him that he was walking in an unauthorized zone and, as a punishment, was commanded to run up and down the embankment until they told him to stop. This was when Awuah noticed a group of people running in a herd, presumably punished for the same reason. There were no signs indicating that the slope was out of bounds and Awuah's teenagerly sense of justice flared up. "I started to argue with these men. It was a little reckless, but I was sixteen."⁷ Luckily, a pilot fell into the same predicament. Dressed in an official uniform, the soldiers treated him with more courtesy, explaining that they were just following orders. The pilot asked to use their radio and, once they surrendered it, spoke to their boss. Soon afterward, the soldiers released everyone, including Awuah. Shaken, he walked away with an important insight:

⁴ MacArthur Foundation, "Education Entrepreneur Patrick Awuah, 2015 MacArthur Fellow," YouTube, published September 28, 2015, [<https://www.youtube.com/watch?v=EkBD3Dhf1pg>], accessed January 2016.

⁵ Ghana Web, "History of Ghana," GhanaWeb.com, [<http://www.ghanaweb.com/GhanaHomePage/history/>], accessed January 2016; Donna J. Maier, "Ghana," *Encyclopaedia Britannica*, [<http://www.britannica.com/place/Ghana/Independence>], accessed May 2016.

⁶ Brier Dudley, "Ghana native left Microsoft to sow seeds in African Ivy League," *The Seattle Times*, September 14, 2003, [<http://community.seattletimes.nwsourc.com/archive/?date=20030914&slug=ghana14>], accessed January 2016). Hereafter referred to as "Brier Dudley."

⁷ TED Talks, "Patrick Awuah: Educating a new generation of African leaders," August 8, 2007, [<https://www.youtube.com/watch?v=J-KfKxCaDVA>], accessed January 2016. Hereafter cited as "Patrick Awuah TED talk."

authority could and should be questioned. Those men were acting on the misguided orders of a superior officer. "It was important not to look at those guns," Awuah explained.⁸

By 1983, the Ghanaian economy was on the brink of bankruptcy and Awuah feared he would not be able to go to college at all, much less attend a university abroad. The PNDC had implemented an Economic Recovery Program (ERP) that called for radical austerity and drastic price controls. The first phase was set in motion that year and although the program would eventually lead to slow economic growth, it was precipitated by extreme poverty and high unemployment rates.⁹ "We ate twice a day instead of three times," he recalled. "In 1983, I was hungry most of the time." Then, in the spring of 1984, a letter came in the mail that offered Awuah an escape route. He'd been accepted to Swarthmore on an almost full-tuition scholarship, the remainder being four hundred dollars. While this was a small sum relatively speaking, the family was in dire straits and couldn't afford to pay it. This prompted the U.S. Embassy to reject his visa application and, for a brief period, it seemed that his dream of studying abroad was just out of reach. When Swarthmore got wind of the situation, however, they made an exception and agreed to cover Awuah's share of the tuition.¹⁰

In the fall of 1985, Awuah packed his bags and set out for America with only \$50 to his name. "I left Ghana quite idealistic," Awuah recalled. "I felt that I would get a great education. I would get some expertise. I'd be very needed here and come back."¹¹ What actually happened was quite different. At Swarthmore, Awuah was challenged to think for himself. This was his first introduction to the liberal arts model and, after four years at Swarthmore, he was profoundly shaped by it. Gone were the days of blind memorization and recitation that he'd had become accustomed to in Ghana's government-run school system, which was in sharp decline.¹²

By comparison, Swarthmore was a breath of fresh air and Awuah was amazed by the respect professors had for their students. "My professors actually wanted to know what I thought," he explained. "They'd give you really hard problems to solve with the faith that you'd figure it out." Awuah was particularly struck by the concept of the take-home exam. Not only did teachers trust their students to behave with academic honesty, the students complied, never consulting each other or going beyond the time limits the professor had previously mandated. "This was really a shock to me that the student body was behaving this way."¹³ This conduct was driven, in part, by Swarthmore's values-based approach to education. Founded by Quakers in 1864, the school worked hard to retain the tradition of integrity and inclusiveness that the Quaker religion was based on.¹⁴ Students were engaged on this topic and invited to share their own interpretations of what ethics meant to them. The school's president, Rebecca Chopp, expressed how their values were knit into the fabric of daily life:

"Civility. Respect and tolerance for difference. Consensus-based decision-making. Access. Sustainability. Much to my great delight, not a day has gone by since I joined the Swarthmore

⁸ Ibid.

⁹ Abdul-Nashiru Issahaku, "The Political Economy of Economic Reform in Ghana: Implications for Sustainable Development," *Journal of Sustainable Development in Africa*, [http://www.jsd-africa.com/Jsda/Spring%202000/articles/Reform%20in%20Ghana.pdf], accessed January 2016.

¹⁰ Brier Dudley.

¹¹ Ofelbea Quist-Arcton, "Building a University, and Hope, in Ghana," *National Public Radio*, December 30, 2005, [http://www.npr.org/templates/story/story.php?storyId=5074440], accessed January 2016.

¹² Ibid.

¹³ Patrick Awuah Interview.

¹⁴ Daisy Yuhua, "A glance at Swarthmore's Quaker roots," *Swarthmore College: The Daily Gazette*, November 14, 2006, [http://daily.swarthmore.edu/2006/11/14/a-glance-at-swarthmores-quaker-roots/], accessed May 2016.

community that these values haven't risen to the fore in any number of settings both on and off campus. At student fireside chats. In seminars. At arts events. In meetings with alumni."¹⁵

During the first few months at Swarthmore, Awuah was overwhelmed by the discussion-based classrooms and exhaustive reading assignments. In Ghana, students read through textbooks very slowly in order to memorize the content. In contrast, in his Swarthmore class, he was expected to share his analysis of the reading. Accustomed to the lecture-based classrooms of his childhood, Awuah was reticent, at first, to share his thoughts. "It took me a while to speak up," Awuah recalled. "Catching up on reading was difficult because I was trying to memorize text books." Soon, Patrick learned to abandon memorization and, instead, read texts to distill meaning. He joined class discussions and learned to enjoy the participatory nature of the liberal arts model. Art history courses weren't just about names and dates. The students ventured out to museums in Philadelphia. They did tours of the art on campus. They critiqued the placement of certain sculptures. Learning was very much applied to and interwoven with the real world and, over the course of the next few years, Awuah found himself developing an intellectual engagement with the world as well as advanced critical reasoning skills that would serve him the rest of his life.¹⁶

By 1989, Awuah's senior year, he was pursuing a double major in economics and engineering and had captured the attention of a promising new tech company, Microsoft Corporation. Richard McAniff, the hiring manager, would remember their conversation for years to come. "You know," Awuah said, "my first choice in life is to be an astronaut." McAniff laughed and replied that, unfortunately, all their astronaut openings had been filled. Did he have a second choice? "I'd like to be an entrepreneur and make a lot of money so I can go back and help people in Ghana," Awuah replied. At a loss, Richard asked, "What's your third choice?" Awuah smiled and answered, "To work for Microsoft."¹⁷

The Microsoft Years: 1989-1997

In the summer of 1989, Awuah started work as a program manager for Microsoft. Having released its first version of Windows four years prior, this period was widely considered Microsoft's golden era. With their third version of Windows set to release in 1990, the software had garnered a wide following, one that would grow dramatically during and after Awuah's tenure there.¹⁸ As part of a dynamic software development team, Awuah tackled his projects with enthusiasm. He experienced the power of collaborating with others to provide, as he put it, "value to the world." He began to understand why Swarthmore, and now Microsoft, had so profoundly influenced him. "The ability to confront problems, complex problems and to design solutions to those problems, the ability to create is the most empowering thing that can happen to an individual." Awuah worked with a small team on Windows components that enabled computers to communicate and share resources. In other words, they were developing dial-up internet access right on the heels of the dotcom boom.¹⁹

In 1990, Awuah returned to Ghana for the first time in five years. This visit would remind him what it felt like to fear his own government. The trip started out on a sour note. After waiting in a long line to be permitted entry to his home country, the immigration officer asked for a bribe. Awuah

¹⁵ Rebecca Chopp, "Guided by Our Values, We Look Forward," *Swarthmore College Bulletin*, January, 2011, [<http://bulletin.swarthmore.edu/bulletin-issue-archive/index.html%3Fp=578.html>], accessed May 2016.

¹⁶ Interview with Patrick Awuah, president, Ashesi University, by phone, May 11, 2016. Hereafter cited as "Patrick Awuah Interview 3."

¹⁷ Brier Dudley.

¹⁸ Microsoft Corporation, "A History of Windows," [<http://windows.microsoft.com/en-us/windows/history#T1=era0>], accessed January 2016.

¹⁹ Patrick Awuah TED Talk.

refused, but this exchange would color the rest of his visit. He stayed a total of two weeks and was dismayed by the conditions there. The phones didn't work and power outages were frequent. A friend of his, who ran a business in Ghana, communicated primarily via messenger. He would write a note and someone on a motor bike would deliver it by hand. "It just seemed like this was not a place that I could return to have a stimulating career," Awuah reflected.²⁰ Though Ghana was making slow economic progress, the political climate was still tense. There were strong opposing forces that questioned the government's ERP and put increasing pressure on the PNDC to return to democracy. "That was a very difficult visit," he recalled. "Up until that time I always thought I would go back to Ghana." Awuah went back to the United States feeling thoroughly disillusioned and announced to all his friends that he would never live in Ghana again. He would make a permanent career in the United States.²¹ "I turned my back on Africa."²²

Indeed for the next seven years, it seemed that Awuah was doing just that. He earned himself the reputation of a dogged leader who carried challenging projects through to the end. Microsoft was an environment where people had this attitude that they could accomplish anything that they set their minds to... Even if we didn't know exactly how we were going to tackle [the project], we were supremely confident that this team was going to accomplish this set of goals," Awuah explained. He met an American software tester named Rebecca, his future wife. Meanwhile, Microsoft enjoyed incredible success. "The annual revenues of that company grew larger than the GDP of the republic of Ghana," Awuah noticed. As the company grew, Awuah's team started coordinating with other teams within the company. Management issues arose as goals became diffuse and murky. "It's really important for teams to have a shared objective," Awuah reflected. "Things got more difficult because the objectives were not always clearly understood or not clearly agreed between the teams." Awuah began to appreciate the value of precise goals, mutually agreed upon and clearly assigned. He also realized how difficult consensus and clarity were to sustain as an organization grew. Objectives needed to evolve as an organization evolved.²³ These challenges aside, Awuah benefited from the company's rise, enjoying a six-figure income that would allow him a very comfortable lifestyle in Seattle. In 1994, Awuah married Rebecca and seemed to make good on his vow never to live in his home country again.²⁴

The Birth of an Idea: 1995-1996

In 1995, an event took place that altered the course of Awuah's life. He had a son, Nanayaw. "All of a sudden I was a parent of an African child. And, more importantly, I was now a member of a generation that owed a responsibility to a future generation." At the time of his son's birth, many parts of Africa looked like they were moving in a dangerous direction. Ghana's economy continued to languish. Somalia was plagued by civil war. Rwanda was reeling from the throes of a genocidal mass slaughter. This carnage was plastered all over American media. "It seemed to me that even if I raised my children in the United States, the narrative in the news about Africa was going to affect them," Awuah reflected. "That needed to change."²⁵

²⁰ Patrick Awuah Interview.

²¹ Global Philanthropy Forum, "In Conversation With Syed Babar, Patrick Awuah & Jane Wales," November 1, 2012, [<https://www.youtube.com/watch?v=SkV2gUMU4iw>], accessed March 2016.

²² Patrick Awuah, "Path to a New Africa," *Social Stanford Innovation Review*, [http://ssir.org/articles/entry/path_to_a_new_africa], accessed January 2016.

²³ Patrick Awuah Interview 3.

²⁴ Brier Dudley.

²⁵ Patrick Awuah interview.

Awuah realized that he could no longer turn his back on a struggling continent that his own son's generation would inherit. As he held his baby in his arms, he realized he could not disown a whole country that mattered deeply to him, to his children, and to the children of others. "I needed to be back helping. I couldn't just stay in Seattle and raise my kids in an upper middle class neighborhood and feel good about it."²⁶

Awuah continued to think privately about a life-altering move. Meanwhile, Microsoft rode the wave of the dotcom boom. Was it reckless, Awuah wondered, to leave the company at such an advantageous time? "I was afraid of failing. I was afraid this was not going to work," he explained. "I said, 'What am I doing? The dot-com boom is going crazy; it's not a good time to leave.'" The decision weighed heavily on his mind and, finally, he confided in Rebecca. "When I mentioned this idea to my wife, she immediately agreed," he recalled. "She'd never been to Africa before she met me and part of her conviction that this sounded like a good idea and her willingness to go ahead with it was very encouraging." With his wife's go-ahead, Awuah decided to take the leap.²⁷

Given his background in software engineering, Awuah's first thought was to start a software company. He and his wife explored this option and came up against a great many barriers, not the least of which was a lack of adequate engineering training. Due to insufficient resources, Ghanaian college students wrote code by hand, memorizing algorithms without so much as touching a computer. "It dawned on me that there wasn't the human capital to set up a successful software company," Awuah explained. He decided to scrap the idea and, instead, to speak with as many Africans as possible to glean the issues that lay at the heart of the continent's struggle. "I went through a thought experiment with friends and family here in Ghana," Awuah explained. "We would take different problems, and try to understand why those problems existed. What was the root cause of each problem? And we did that by asking the question, 'why?'"

This thought experiment uncovered three core problems: corruption, unstable institutions, and poor leadership. The country was being run into the ground by the decision making of its elite class. "I was a little scared because when you see those three problems they seem really hard to deal with," Awuah confessed. But before he wrote the project off as impossible, he asked one key question: "Where are these leaders coming from?" Perhaps poor leaders weren't born. Perhaps they were made, shaped by schools that taught by rote and put little to no emphasis on ethics. It didn't help that only 5% of Ghana's population was educated beyond high school and that same 5% was running the country.²⁸ "It seemed to me that if we could change the way that 5% got educated," Awuah reasoned, "that new cohort of leaders would change the country." This insight was the launching pad to Awuah's foray into education. He was particularly drawn to the fact that education presented a long term solution, rather than simply a quick fix. "If I attempted to do something with a very short term impact, there was a risk that I would get frustrated if it didn't happen fast enough," Awuah reflected.²⁹

This insight would come at a fortuitous time in Ghana's history. Back in 1983, when Awuah was leaving for college, the PNDC was reassessing its economic reform measures. The ramifications of its ERP had grown so dire that the council solicited the help of the World Bank and agreed to implement its structural adjustment program (SAP).³⁰ This would instigate a round of economic as

²⁶ Patrick Awuah TED Talk.

²⁷ Vladimir Duthiers and Jessica Ellis, "Millionaire who quit Microsoft to educate Africa's future leaders," *CNN*, May 1, 2013, [<http://www.cnn.com/2013/05/01/world/africa/patrick-awuah-ashesi-ghana/>], accessed January 2016.

²⁸ Patrick Awuah TED Talk.

²⁹ Patrick Awuah Interview.

³⁰ Antoinette Handley, "'The World Bank Made Me Do It?' International Factors and Ghana's Transition to Democracy," Center on Democracy, Development, and The Rule of Law Freeman Spogli Institute for International Studies (CDDRL)

well as educational reforms that focused a great deal on cost recovery, which meant recouping some of the expenses that went into running and maintaining educational institutions, a strategy that caused school fees and textbook costs to skyrocket, hitting poor families particularly hard. Primary and junior secondary schools were also combined. The idea was to create a longer basic education period to prepare children as much as possible before the majority left school to join the workforce. Slowly, the educational infrastructure began to improve, but as schools expanded and proliferated, the quality of teaching continued to suffer.³¹

By 1992, the country had returned to democracy and was systemically moving toward a free market economy. While the government had previously only allowed for public higher education, they now sanctioned the accreditation of private universities. The accreditation board formed one year later, in 1993. Now, in 1996, a few private universities had already formed, most of them religiously affiliated, none of them liberal arts based. Awuah considered the transformational effect Swarthmore had had on him and the adverse effect public higher education had had in shaping the moral compass of Ghanaian leaders. Its emphasis on rote memorization and its omission of ethics in the curriculum had encouraged a conformist mindset that would do little to advance Ghana. "This is what caused me to look at the liberal arts model and see that an education that teaches people to think broadly and to think critically and that teaches people to think deeply about ethical issues is really something that is necessary in Ghana." Awuah knew from experience that this kind of education was long-lasting. It fostered intellectually engaged students who remained curious and discerning well after graduation.³² It was decided. Awuah would start the first liberal arts university in Ghana.³³

"Like so many others who wish to create progress in Africa, I found that my first question was 'Where should I begin?'" In the end, Awuah decided to begin his journey by going to business school. This way, he could gain the contacts and expertise needed to get that first foothold in his venture. He applied to UC Berkeley's Haas School of Business and, in 1997, was admitted. When he told his boss, Bill Bliss, that he was leaving Microsoft to start a school back home, Bliss was amazed by his young employee's ambition. "It struck me as one of the best reasons to leave Microsoft I'd heard," Bliss recalled. "I thought, 'Wow, he's serious. He may be nuts, but he's serious.'"³⁴

Building a Foundation: 1997-1999

In September 1997, Awuah left Microsoft and started at UC Berkeley, where he absorbed the foundational concepts of building a sustainable business. He also learned something about his own management style. He took a course on negotiation that exposed his brash debating technique, something he picked up at Microsoft. "Microsoft culture could be a bit hard-edged," Awuah explained. While this could be a strength, forcing people to defend their positions, it could also skew outcomes. "If there was a competing idea, some of those arguments could get very heated." This often meant that the one who spoke the loudest won the day. So in his negotiation course, Awuah did as he was trained to do. He fought hard to get the best deal for himself. "I developed a reputation in my negotiations class as someone people avoided," Awuah recalled. This taught him the value of the

Working Paper No. 82, 2008, [https://cddl.fsi.stanford.edu/sites/default/files/No_82_HandleyGhana.pdf], accessed July 2016.

³¹ Dr. Kwame Akyeampong, "Educational Expansion and Access in Ghana: A Review of 50 Years of Challenge and Progress," *Consortium for Research on Educational Access*, [http://www.create-rpc.org/pdf_documents/50%20Years%20of%20Educational_Progress_%20in_Ghana.pdf], accessed January 16, 2006.

³² Patrick Awuah Interview 3.

³³ Dr. Kwame Akyeampong.

³⁴ Brier Dudley.

win/win solution, tempering his negotiation style to arrive at the best outcome for everyone involved. Not only did these softened negotiations help him to cultivate more long term business relationships, the win/win solution was often the best long-term outcome. "There are times when...yielding a dollar on the deal for you actually results in a gain of ten dollars for the other person. It is the optimal solution for the environment, for the ecosystem, for you to yield that dollar so that the other entity in your ecosystem gets the ten dollars." In this case, his partner's benefit would, in the long term, result in his own gains, as it fed the same ecosystem he hoped to thrive in.³⁵

He also began his two semester course in International Business Development (IBD), a program that would ultimately be the birth place of Ashesi University. The course was set up as a consulting project in which student teams were assigned to an outside client to help them tackle management problems. When it came to light that the client list had not been filled, however, Awuah jumped at the chance to put his own name down. The professor allowed Awuah fifteen minutes to pitch himself as a client, so he stood before his class and explained the vision he had for Ghanaian education and, by extension, Africa. Nina Marini, another first-year student, was particularly taken by his pitch: "First, he sold us on this really huge, awesome vision." But then he broke down his idea into a series of concrete steps that revealed how committed he was to making that vision a reality.³⁶ Marini knew immediately that she wanted to be a part of his project. "This classmate with a dream and vision – it was a discovery for me," Marini explained. "He's not afraid to think big."³⁷

The first and most important step was to conduct a feasibility study, ensuring that a private university in Ghana was financially viable and, more importantly, that it was appropriate for the needs of the educational system. Awuah proposed they travel to Ghana with a team of classmates to conduct a feasibility study for establishing a private university in Ghana. The study sought to answer the following questions: Is there demand for a new private university in Ghana and, if so, what should its attributes be? Is Ashesi's vision appropriate for Ghana? How much can Ghanaians afford to pay? What will it cost to establish such a school? Does the macro-economic and political climate in Ghana allow for establishing a new private university?

In the spring of 1998, the proposal was approved by Joann Dunaway, the director of the International Business Development Program, and Awuah got to work putting together his team. Based on his experience at Microsoft, he knew the basic elements that made up a good workforce. He needed to find people who were diverse enough to protect against the perils of groupthink, but were also complementary in their diversity. In the end, he recruited three classmates whom he deemed culturally and intellectually compatible. He also made sure that they all brought different skills to the table. His primary partner was Marini, a Tokyo-born former financial analyst with a background in public relations. He also recruited Maria Jaramillo, a Colombian industrial engineer, and Felipe Sommer, an Argentinian management consultant in the financial services sector.³⁸

Before leaving for Ghana, the research team prepared for their project in a number of ways. They consulted with faculty and gathered a comprehensive body of secondary sources to develop a strong foundational knowledge of Ghana's political, economic, and educational background. They then put together a full critical review. "The team posed the hypothesis that establishing a private university would not be feasible in Ghana. By repeatedly asking why a private university might fail, the team came up with a comprehensive list of questions that needed to be answered." These

³⁵ Patrick Awuah Interview 3.

³⁶ Interview with Nina Marini, co-founder, Ashesi University, by phone, February 23, 2016. Hereafter cited as "Nina Interview 2."

³⁷ Brier Dudley.

³⁸ Patrick Awuah Interview 3; Ashesi University, "Ashesi's Earliest Years - Feasibility Study," May 1, 1998, [<http://www.ashesi.edu.gh/stories-and-events/434-ashesis-earliest-years-feasibility-study.html>], accessed January 2016.

questions would be developed into surveys, personalized for prospective students, parents, and educators. They also called ahead to set up focus groups so they could hit the ground running when they arrived.

During the summer of 1998, the four students arrived in Ghana. They would stay a total of three weeks and, in that time, met with teachers, government workers, parents, and business people. Right off the bat, the team got a taste of the challenges associated with starting an organization in Ghana. There was an energy crisis that year and they often had to depend on the power of a diesel generator to keep their laptops charged. Luckily, they had brought their own computers and made plans for transportation prior to arrival. If they hadn't, they would not have been able to accomplish half as much.

The team administered 3,300 surveys and held focus groups with numerous parents and business leaders, who told Awuah and his teammates that what Ghana needed was creative problem solvers who were self-driven. "Especially for the recruiters, I got the sense that they were starved for good talent," Marini recalled. "And by good talent they meant people who could think for themselves." Entrepreneurs and senior managers found that the students they hired right out of college could not think for themselves. They demanded a good deal of micro-management, so much, in fact, that it was inhibiting the growth of their companies. "Your company simply cannot grow because it's only going to grow as large as the people you can micromanage in this way," Awuah explained.³⁹

The educators, strained under the pressures of understaffing, were particularly eager to get involved. Perhaps even more than the teachers, however, the students themselves were eager for the chance to improve their education. In high schools, they would raise their hands and ask, "When can we go? Will this be ready when we graduate?"⁴⁰ Indeed the need for better education was so dire that head teachers stopped what they were doing to help administer surveys. By the end of their trip, the research team had gathered together a comprehensive feasibility study, one that confirmed the Ashesi model was not just possible in Ghana; it was needed.⁴¹

In the fall of 1998, in Awuah's second year at UC Berkeley, he threw himself into developing a comprehensive business plan. He weeded out majors, such as premed, that demanded expensive lab equipment, and zoned in on degrees that would be cost-effective yet still practical in terms of job placement. Majors like computer science and economics were high up on the list.⁴² He planned to donate \$300,000 of seed capital from his own pocket and calculated that he would still need \$8.2 million to get the school up and running. His long-term financial projections were optimistic: "The school is projected to generate positive cash flows and net income by its second year of operation." (See exhibits 2-5) While Awuah knew he would have to rely on donors for the first few years, he wanted the university to eventually be self-sustaining.⁴³

As their time at UC Berkeley drew to a close, Awuah asked Marini to help him found the school and to take on the role of vice president. Marini had gone to Haverford College, philosophically similar to Swarthmore, and Awuah knew she understood the liberal arts core he wanted to implement in his own university. While Awuah valued their shared ethics, Marini suspected he was also drawn to the background and skillset they did not share. "I was a history undergrad. He was engineering and economics. And I'm from Japan," she explained, going on to reflect that their

³⁹ Patrick Awuah Interview 3.

⁴⁰ Interview with Nina Marini, co-founder, Ashesi University, by phone, February 9, 2016. Hereafter cited as, "Nina Marini Interview 1."

⁴¹ Ghana Nation, "Ashesi University," [<http://content.ghananation.com/templates/?a=389>], accessed January 2016.

⁴² Nina Marini Interview 1.

⁴³ Patrick Awuah and Nina Marini, "Proposal for Ashesi University," accessed March 31, 2016.

differences would help cultivate a wider range of perspectives on the situation in Ghana. "I think he felt the diversity would be healthy."

Having a strong background in Japan, she had planned to work in Asia, but was so taken by Awuah's vision to transform Africa, she agreed. "The moment he asked me, on some level, I knew...if I didn't do it, I would always wonder what I could have been a part of," Marini explained.

Getting Accreditation: 1999-2001

In the summer of 1999, Awuah did the paperwork to establish a 501(c)(3) and, in September, he and Marini moved to Seattle to open their first fundraising office: The Ashesi University Foundation. One of their first actions was to put together three sets of academic advisory boards: one based at Berkeley for the business degree program, one at University of Washington for the computer science program, and one at Swarthmore for the liberal arts core. This team of experts helped Awuah and Marini shape the curriculum.⁴⁴

Drumming up support would prove to be their first major hurdle. "Decision makers at one American foundation after another declined to invest in our unproven model," Awuah recalled. Ghanaians, in particular, were put off by Awuah's youth and were suspicious of a startup university with no public backing or religious affiliation. Reaching a dead end, he sought out the advice of a former colleague at Microsoft, Zimbabwe-born Paul Maritz. Maritz told him to hold off on soliciting the big foundations, which were by nature more conservative donors. They would not trust a venture without a track record. "You have to go with who you know," Maritz said and, ultimately, that's what they did.⁴⁵

Awuah approached former colleagues at Microsoft, including his boss, who readily pitched in. Awuah referred to these early benefactors as "farsighted donors [who] responded to my vision and agreed to take a risk." Mike Murray, who'd just recently retired as VP of HR and administration at Microsoft, was one of Awuah's first donors. When Awuah and Murray sat down at his kitchen table to discuss the venture, Murray was amazed at how far Awuah had already come from that boy in Pennsylvania with only \$50 to his name. "He was humble. He was quiet. He was shy," Murray recalled. This young man resonated deeply with Murray. "He cared so much for his people." Without hesitation, he pulled out his checkbook. As he put it, he was willing to take "ridiculous risks to make a large bet" on a school that, he felt, the world needed.⁴⁶ In a show of good faith, Awuah poured another \$400,000 of his own money into the venture. McAniff, the man who hired Awuah back in 1989, also got involved. "I was talking to him one time and said, 'What's Plan B?'" McAniff recalled. "[Awuah] said, 'There is no Plan B. We're going to make this work.'" With Marini at its helm, the foundation raised one million dollars in a single year.

By the year 2000, Awuah and Marini still hadn't received accreditation, usually a rather simple evaluation process in which board members ascertain whether a university meets certain educational and institutional standards. For Awuah and Marini, it proved to be a maddening undertaking. The Accreditation Board included many administrators and professors from Ghana's public universities. Some took Awuah's and Marini's ambitions to transform Ghanaian education as an affront to their own establishments. "It's an inherent conflict of interest...where they're evaluating potential new universities that would eventually be competitors," Marini explained. That was just one of many

⁴⁴ Ibid.

⁴⁵ Matthew Taggart Interview.

⁴⁶ Interview with Mike Murray, managing partner, Crystal Springs Foundation, by phone, March 22, 2016. Hereafter cited as, "Mike Interview."

roadblocks. The recent advent of private universities had opened the door for opportunistic startups, more interested in tuition money than education.

“When he walked into my office and told me he was going to found a private university, I thought, *oh no, not one of these*,” recalled Nana Apt, Ashesi University’s former dean of academic affairs.⁴⁷ Back then, she was head of the sociology department at the University of Ghana, one of the most prestigious public universities in the country. There had been issues in the past with people who would open private universities, collect tuition money, then disappear. Awuah and Marini would need to work hard to prove they were serious. Add to this two young entrepreneurs who looked even younger in a country that respected its elders above all else, and they had their work cut out for them. Nina recalled at one meeting, a man walked into the room, looked at Patrick, and said, “What makes you think you young people can come and create a university better than ours?” In this climate, Awuah and Marini set out to prove themselves.⁴⁸

Awuah’s first objective was to secure land rights to build a campus. After visiting six different plots, he had his sights set on land in Berekuso, an agricultural community close to Accra. The location was on a hilltop and had stunning views of the far-off city. It was, in Awuah’s opinion, perfect. There was only one problem. The Berekuso village chief, Nana Oteng-Korankye II, had already made a verbal agreement to sell the land to a Dutch real estate developer who planned to build luxury housing there. Since the official paperwork had not yet been drawn up, Awuah jumped at the chance to make an offer, though it would only be a fraction of what the developer could pay. He asked Korankye for a meeting to make his case and the chief amicably complied.

Patrick went to meet the village chief to discuss his plans for Ashesi. He was surprised to find that half the population came to hear him out. The room was crammed with people of all ages, village elders, and even school children. After some initial greetings, the chief invited him to speak. Awuah took a deep breath and began to describe the plans he had for the property: “We have a university that will drive a renaissance in Africa,” he announced, then went on to delineate the long term goals he had for the school as well as his hopes that Ashesi could form a partnership with the people of Berekuso. After he had finished, Korankye said he would need to take some time to think over his request. In truth, his mind was already made up. He would sell Awuah that land for a fourth of what he would have gotten from the Dutchman. “I was highly impressed,” Korankye recalled. “The way he talked, wanting to establish the school to help Ghana and Africa ... this man is not somebody who is just making up a story.”⁴⁹

There was only one problem. The Accreditation Board wanted to see their facilities *before* granting them accreditation. Indeed, they made Awuah and Marini jump through every hoop imaginable. “They wanted to see our physical facility. They wanted to see who was going to be on our faculty...They wanted to see a library full of a certain number of books. They wanted a student-to-toilet ratio of a certain amount that you would never find in any of those public universities,” Marini recalled. So Marini and Awuah signed the lease on the land in Berekuso, then let the chief know that they would not be able to build right away. Instead, they rented a three-bedroom home in Accra and poured their funds into repurposing the bedrooms to use as classrooms. “It broke Patrick’s heart to have to do that,” Marini recalled. But they accepted their lot and started equipping the rental space with computers, books, and other classroom amenities. Because the board wanted to meet their

⁴⁷ Interview with Nana Apt, former Dean of Students, Ashesi University, by phone, March 7, 2015. Hereafter cited as, “Nana Apt Interview.”

⁴⁸ Nina Marini Interview 1.

⁴⁹ Ken Maguire, “A New Model of Leadership for Africa,” *Swarthmore College Bulletin*, January 2010, [<http://bulletin.swarthmore.edu/bulletin-issue-archive/index.html%3Fp=384.html>], accessed January 2016.

faculty, Awuah and Marini rushed to hire teachers.⁵⁰ Due to time constraints, many of the first year professors were visiting lecturers. Some of these pioneering teachers included Kentaro Toyama, a Math professor who would go on to head Microsoft Research in India; Mark Poynter, a gifted English academic and author; and Laura Seaver, a mathematician for Microsoft who would teach Ashesi students to code.⁵¹

Meanwhile, the clock was running out. Without accreditation, Awuah and Marini were not allowed to advertise. "We literally had to put our entire infrastructure in place with no ability to start to create demand," Marini explained. "We were getting really panicked."⁵² There were many moments when Awuah considered giving up. He feared that the accreditation board was pressuring them to turn the school into something else, an educational institution that fit into the typical Ghanaian framework. "The thing that really got me to think about giving up was the fear that we might not be allowed to even do what we were trying to do." But how could he give up when donors had already made a gamble on him? "It seemed to me I owed it to them to make a real attempt to make this happen."

Awuah tried to focus on what had inspired him to begin this project in the first place. Through the bureaucracy, he and Marini fulfilled all the accreditation requests made, and more.⁵³ They called meetings in which they defended their liberal arts curriculum. They gave board members campus tours. They fielded every question that came in. "We kind of went overboard," Marini recalled, but they wanted to make sure there was no way they would find fault with their application. For his part, Awuah made sure to set their concerns about his youth at ease by surrounding himself with a more experienced advisory team. "Don't just look at me," he'd say. "Look at the seasoned elders who are on my team."

By 2001, Awuah and Marini were reaching a crisis point. They had still not received accreditation and had fallen into a dangerous pattern in which the board would tell them their proposal would be discussed at the upcoming quarterly meeting, and then report there hadn't been time in the agenda to get to their item. Meanwhile, Awuah and Marini were burning through their funds building up an entire infrastructure without any revenue stream. Still based in Seattle, their travel expenses were climbing as well. When the two received news that their proposal had once again been deferred to the next quarterly meeting, they both got on a plane to Ghana. Time was running out. "With an academic calendar, if you miss a window, you miss an entire year," Marini explained. Sitting side by side, flying somewhere between Seattle and Accra, Awuah and Marini tried to figure out how to save their school. One thing was certain. They could not afford to keep bleeding funds for another year, paying rent on a building they couldn't use and giving salaries to faculty who couldn't teach. Awuah had not only gambled his own future, but had convinced Marini to take a risk on this uncertain new venture as well. He was beginning to fear it had all been for nothing

After discussing the timeline for recruitment and calculating how heavily they could afford to advertise, Awuah sketched out a simple calendar on his cocktail napkin. "What if we do this?" he asked, handing it to Marini. He had shifted the entire school year by one semester, starting in January rather than September. That way they lost only six months, not a year. Marini's heart started racing. "We looked at each other, like, we can do this. This is the ticket."⁵⁴

⁵⁰ Nina Marini Interview 1.

⁵¹ Matthew Taggart Interview.

⁵² Nina Marini Interview 1.

⁵³ Patrick Awuah Interview.

⁵⁴ Ibid.

In the summer of 2001, the Accreditation Board finally reviewed Awuah and Marini's proposal. Shortly thereafter, they received a letter in the mail. Their proposal had been approved. Awuah breathed a sigh of relief.⁵⁵

Ashesi's Early Years: 2002-2005

In January 2002, the three-bedroom schoolhouse opened its doors. Awuah named the university "Ashesi," an Akan word for "beginning," inspired in part by a Goethe quote: "Whatever you can do, or dream you can do, begin it! Boldness has genius, power and magic in it." Those words had been a comfort to him whenever he felt tempted to give up. He had spent the months preceding classes attending conferences to recruit more faculty and administrators. But most of all, he was "looking for Ghanaians and other Africans who were in the diaspora and encouraging them to return home and come and engage with this." Awuah knew he owed a lot to those early supporters. "Everyone who joined the team in the early years was taking a big risk. They all had other opportunities that were a lot more stable, that were a lot more predictable."⁵⁶

Their advertising campaign to attract student applicants was clear and simple, articulating its values and its vision for the future. "I remember the ad in the newspaper," said Yawa Hansen-Quo, an Ashesi alumnus. "It was a simple question: Do you believe in excellence? At Ashesi, we do." It went on to discuss the school's ambition to spark a renaissance in Africa, an aspiration that resonated deeply with Hansen-Quo and many others.⁵⁷ Indeed, their pioneering class was full of students who seemed to possess similar sensibilities. Araba Amuasi, another Ashesi alumnus, explained her desire to attend Ashesi by simply saying, "Inherently, I'm really a risk taker."⁵⁸

Ashesi's first class had 30 students crammed into the three-bedroom house, which included an admissions office, a library, a computer lab, a classroom, a health center, and a cafeteria. "One of the bedrooms was used as a library. The garage was converted to a health center," Awuah recalled, laughing.⁵⁹ Tuition payments had helped stabilize their financial situation somewhat. However, a cloud still hung over the heads of Ashesi leadership. Through individual donors, they had only raised enough money to cover three years of operation. "We bet the farm," recalled Matthew Taggart, head of development at Ashesi. While the initial operating costs were covered, they started the school without the cash buffer they needed to fund the university until enrolment grew to a size where tuition alone could cover expenses.⁶⁰

The curriculum focused primarily on business, technology, and leadership. Awuah also made sure that every course had a strong emphasis on ethics. "We're trying," he said, "to create leaders of exceptional integrity."⁶¹ One month into classes, Awuah received an email that would stay with him for years to come. The message, just one line long, was from a student. It simply read, "I am thinking now. Thank you." Deeply moved, Awuah understood exactly what his young student meant. It was

⁵⁵ Jonathan Rabinovitz, "Our Alumni: Patrick Awuah '99," Berkeley Haas School of Business, [http://haas.berkeley.edu/IBSI/ouralumni/patrick_awuah.html], accessed January 2016.

⁵⁶ Matthew Taggart Interview.

⁵⁷ Interview with Yawa Hansen-Quo, Founder, Leading Ladies Network, by phone, February 17, 2016. Hereafter cited as "Yawa Interview."

⁵⁸ Interview with Araba Amuasi, Chief Operations Officer, Village of Hope Orphanage, by phone, February 11, 2016. Hereafter cited as "Araba Interview."

⁵⁹ Elon University, "Dr. Patrick Awuah Jr. speaks about the beginnings of Ashesi University," February 28, 2014, [<https://www.youtube.com/watch?v=aJjr3iKNV7I>], accessed January 2016.

⁶⁰ Matthew Taggart Interview.

⁶¹ Vladimir Duthiers and Jessica Ellis, "Millionaire who quits Microsoft to educate Africa's Future Leaders," CNN.com, May 1, 2013, [<http://www.cnn.com/2013/05/01/world/africa/patrick-awuah-ashesi-ghana/>], accessed January 2016.

the same awakening that he himself had experienced almost two decades prior at Swarthmore College. "It is an awesome thing to be a part of empowering someone in this way," Awuah reflected.⁶²

In the next few months, many students showed signs of this awakening. Toyama, who was tasked with teaching calculus to the incoming class, realized that two thirds of this cohort did not know basic algebra, much less have a solid preparation for calculus. He scrambled to restructure the curriculum so they could get caught up with the basics all while leaving enough time to learn calculus. Meanwhile, he designed a second, more advanced curriculum for the students who already had a solid grasp of the fundamentals. "An interesting thing happened," Toyama recalled. "The rest of the class lined up outside my office to beg me to let them into that [advanced] track as well." He conceded and, by the end of the quarter, the students had learned the fundamentals of algebra, geometry, calculus, and some trigonometry. "That first batch of students had an additional spark that makes them very unique," Toyama reflected. Indeed, their willingness to take on extra work voluntarily, simply for the sake of scholarship, was a testament to their budding integrity.⁶³

By 2003, the students were adjusting to the liberal arts model. Meanwhile, Awuah was adjusting to his own role. Being in charge of faculty, staff, and students was a much different prospect than managing a small team of engineers. "There were a few times when I would be in a heated argument with someone and I would cuss...and people would be shocked," Awuah recalled, laughing. "I'd have to catch myself and say wait, I need to say that differently." As Awuah learned to be the face of an institution, cultivating a more formal persona, he also made sure that snobbery did not divide his staff. Awuah had witnessed Microsoft's growth, had noticed how teams struggled to coordinate or achieve a shared understanding of project goals. Anxious to retain a sense of cohesion at Ashesi, he pushed faculty, administrators, and students to see each other as crucial members of the same community, rather than independent siloes.⁶⁴ Both faculty and staff attended workshops on pedagogy. Both faculty and staff participated in leadership seminars.

In those early days, however, Awuah had to make difficult decisions in order to protect this harmony between faculty, staff, and students. His priority was to foster a culture of inclusion, so the community was unified by the mission rather than their statuses. He had learned at Microsoft that a competitive culture, while motivating, could distract from the real objectives. "I wanted it to be truly collaborative where every team was multiplying the efforts of the other team," Awuah explained. Unfortunately, he had to confront certain faculty members who did not abide by this vision. "We had a couple of faculty members who were very insistent that they were the most important people around," Awuah recalled. One in particular was a valued faculty member, a great lecturer who connected with the students. However, this professor disrupted Ashesi's culture and created tension among the faculty and staff. Awuah had several conversations with the professor, but they did not seem to help. "We ended up not renewing their contract," Awuah recalled. "We just had to make a call that our values are more important than professional competence." Awuah added that he has never had to take such drastic action again.⁶⁵

Awuah practiced what he preached. He did not believe or assert that he was more important than anyone else at the university. Though he was the president of the school, he did not indulge in any of the perks many Ghanaian leaders took for granted. He drove himself to work, even though most bosses had their own driver. He carried his own bags. He used the same bathroom as everybody else.

⁶² Patrick Awuah Ted Talk.

⁶³ Interview with Kentaro Toyama, W.K. Kellogg Associate Professor of Community Information, University of Michigan School of Information, by phone, March 18, 2016.

⁶⁴ Patrick Awuah Interview 3.

⁶⁵ Interview with Patrick Awuah, president, Ashesi University, by phone, May 31, 2016. Hereafter cited as "Patrick Awuah Interview 4."

Perhaps most surprising to the staff, however, was that he did not dictate. He invited discussion and wanted to know their opinions before moving forward on a decision. Naa Lamle Wulff, Ashesi's head of Human Resources, was particularly struck by his openness. "We were used to a system where the boss is the boss. You do exactly what the boss tells you to do," Wulff explained. "Your opinion is not supposed to be shared." Not only did he want to know her opinion, but he let her express her feelings. "I could be actually upset," Wulff explained. She could express her feelings and Awuah would allow her to collect herself without judgement. "And then I could walk into his office and he would still listen to what I had to say."

Even the way he disagreed with his staff was different from most Ghanaian bosses. When Wulff made a hiring decision for a new secretary, Awuah invited her to rethink her choice. Instead of demanding she find somebody more qualified, he pulled her aside and said, "Are you sure this is the person you want to hire?" He reminded her that the secretary was the face of the organization, the first person that people saw when they walked through the door. "He made me think of it as a higher decision," she said. Ultimately she did find a highly qualified candidate, but she never felt threatened by Awuah's interference. "He was right, but he didn't make me feel like a fool. He made me think through it."⁶⁶

Over the course of the next few years, Awuah pursued an ambitious goal for that first class: ninety percent placement within six months of graduation, set for 2005. This meant ninety percent of students either had job offers, graduate school placement, or had started their own companies. To this end, Awuah had put a lot of energy into building relationships with the corporations in Accra. "That was a hidden gem because, when the kids graduate, they *must* have jobs," Murray explained, adding that being able to boast placement in recognizable companies would go a long way in proving Ashesi's worth to parents, donors, and prospective students.⁶⁷ However, Patrick soon turned his attention to more immediate concerns. After one year of paying teachers' salaries, buying equipment, making reparations, and writing rent checks, Awuah was not sure if he could keep the school running. He even went so far as to seek out universities that would take his students in the event that he would have to close Ashesi altogether.

Luckily, Marini was doing her part to raise funds at the Ashesi University Foundation and, by 2003, would have raised \$3 million for the school.⁶⁸ While this helped, Awuah was worried that Ashesi was not achieving sustainability. He had forecasted that by 2004, Ashesi's total operating costs would be \$1,067,238. Its teaching, administrative, and personnel costs would be \$358,000. Meanwhile, over the course of Ashesi's first three years, its startup capital expenditure on buildings and technology would have reached \$5,350,000 (see exhibits 6-8). Even with the help of tuition payments, it seemed unlikely that this sum would be met, much less surpassed. He wanted to see the school produce value and not only depend on donations. Even so, when the subject of financial aid came up and the administration had to decide whether or not to offer aid to students early on, or to wait until the institution became more sustainable, Awuah was torn. After much consideration, he announced: "We're not going to start off as a rich kid school, and we're going to share what little we have with students that need it." This would be the start of a financial model that would carry through Ashesi's evolution: the students who could afford to pay should pay. The rest would get the help they needed.

In 2004, Awuah and Marini faced the cash flow crisis they had long feared. The \$3 million they had raised was not enough to cover salaries, depreciation, and other operation expenses, which ended up costing the school over \$7 million. This sank Ashesi into a \$3 million deficit that threatened

⁶⁶ Interview with Naa Lamle Wulff, director of Human Resources, Ashesi University, by phone, August 5, 2016.

⁶⁷ Mike Murray interview.

⁶⁸ Brier Dudley.

to shut the school down.⁶⁹ Without enough students paying tuition, the school's sustainability was at serious risk. "We hoped to get fifty students and we got thirty-one and over a quarter of them received some amount of financial aid, in the form of reduced tuition costs" explained Taggart. "This meant that we were spending the cash we had at an even faster rate than we hoped."⁷⁰ Marini and Awuah sat down together and ran through every scenario they could think of: restructuring, downsizing, and letting people go. "I think we were really aggressive in how lean we could get," Marini recalled, "But always as conservative as we could be in terms of protecting the core program." Their most radical decision was ultimately what preserved their cash flow: downsizing the Seattle Office. The only employee left on the fundraising side was Matthew Taggart, who eventually moved over to Ghana. Awuah nicknamed the initiative "the pilot light" because, like a pilot light, Ashesi's fundraising office had diminished to a small ignition spark. The full flame was switched off, but could be lit anew once the crisis subsided. They halted their grant proposals and grassroots campaign efforts in order to focus on individual donors who could help them through the next few years. Ultimately, seven people made multi-year pledges and, slowly, Ashesi recovered. The reduced costs of the Seattle office, paired with the increasing tuition revenue as class sizes grew, put the school back on a sustainable path.⁷¹

In 2005, Ashesi held its first graduation ceremony. Nina flew in from Seattle to be a part of the historic event. Not only did that first class make it to graduation, they surpassed Awuah's original goal: 100% of them found placement and 90% stayed in Africa. Two years later, Ashesi achieved operating sustainability, meaning they had enough funds to cover daily processes without depleting resources for future endeavors. "We are now able to apply philanthropic funds to new programs, to capital projects, and to increasing financial aid for students from disadvantaged backgrounds."⁷²

The Honor Code Debate: 2006-2011

In 2006, just two years after the cash flow crisis, Awuah was facing down a new challenge. His students were cheating and the problem was more widespread than he had thought. Furthermore, his faculty seemed to be aware of it but had chosen to be lenient with it. It was just a few weeks after the staff retreat where he had sought input from the faculty on this problem and already Awuah had gone into full damage control. He even brought the situation to the public, giving a presentation at the University of Washington that was attended by many of Ashesi's donors. "I talked about this problem," Awuah explained, "that Ashesi was not doing very well at meeting its mission." He went on to outline the steps the school was taking to address the issue. His motivation for making this risky PR move was simple: "Because I was talking about it publicly, we had no choice but to fix the problem."

Indeed, while the students held their own campus-wide debate, Awuah and his team started making moves to address the cheating situation. First, they fostered clearer communication by easing up on the zero tolerance attitude they had previously taken toward academic dishonesty. Now, faculty could informally resolve first offenses as long as they were reported to the dean's office. That way, if the same student got caught cheating in a different class, it would be flagged as a second offense.⁷³ Awuah also stressed how seriously he was taking ethics by making community service a part of the curriculum, with a grade component that would count toward their GPA. He wanted to

⁶⁹ Ashesi University, 2005 Financial Statements (Accra: Ashesi University, 2005), p. 3.

⁷⁰ Matthew Taggart Interview.

⁷¹ Patrick Awuah Interview

⁷² African Voices, "African Voices: Patrick Awuah - Millionaire who quit Microsoft to educate Africa's future leaders!" May 3, 2013, [https://www.youtube.com/watch?v=YCG2bGCKU_c], accessed January 2016.

⁷³ Patrick Awuah Interview.

"show that [community service] was just as important as any other class, show them that learning in school can be applied....But more than that, we wanted to teach them compassion."⁷⁴

Finally, Awuah cracked down on exam proctoring, increasing invigilators in every classroom. "Our first knee-jerk reaction was to behave like every other university in Ghana," recalled Taggart. Indeed, the increased proctoring had been such a strain on faculty that the Registrar looked to administrators for support. She called a meeting with all administrative staff and faculty to discuss increasing the number of invigilators to proctor exams. As everyone discussed how administrators would juggle their office duties with their new proctoring duties, Awuah was struck by the absurdity of the situation. He suddenly cut the conversation short. "What's going on? We trust our students so little that we're having to call our executive team and members of other staff to drop their jobs and invigilate exams?" It didn't strike him as the right path to fostering ethical leadership. During the weeks that followed, Awuah began to think much more seriously about an honor code.⁷⁵

By 2008, the honor code, still a hotly debated issue, had not yet been implemented. Awuah was adamant that the student body reach consensus before imposing the new system on them. "I was trying to find student champions who would push this so it wasn't just Patrick talking about it," Awuah explained.⁷⁶ Yawa Hansen-Quo, Ashesi's student government president, was one such champion. She launched and moderated a campus-wide conversation, not just on what an honor code might entail, but on what a good society might be. This, she felt, was the fundamental question that the honor code debate was trying to answer. "I tried as much as possible to play a moderator's role," Hansen-Quo recalled.⁷⁷

It was by no means a one-sided debate, not for the students, nor for the faculty. Many of the students did not want to assume the responsibility of denouncing their friends if they caught them cheating. Others felt they were being manipulated by their professors. "There was some concern that this was an imposition from outside forces," Hansen-Quo explained, "that we were puppets in the whole game." Many of the faculty and staff were also against it, concerned that unproctored exams would aggravate the cheating issue, not keep it in check. "I have to give Patrick a lot of credit," Taggart reflected. "He really stuck to his guns." He kept insisting that an honor code would work, even when the majority of his coworkers disagreed. Ultimately, they sought the advice of other universities that had implemented an honor code with successful results, Bentley, among them. These consultations helped Awuah and his team understand that an honor code was a process, a way of life that had to be renewed every day, rather than a set of rules enacted once and then forgotten. This insight infused the debate with renewed purpose and energy. If an honor code was going to work, all the students had to be on board.⁷⁸

In one class, a student asked Awuah a question that would crystalize for him the impetus behind the debate. The students' desks were arranged in a circle, in the liberal arts style of discussion-based classrooms. As they went back and forth on the finer points of the code, a girl raised her hand. When Patrick called on her, he was moved by her question. "Can we create a perfect society?" She asked. It struck Awuah that this student had grasped something that he had not yet put into words himself. Their honor code was not just a disciplinary measure to prohibit cheating; it was a step toward a perfect society, an act of faith in that ideal. "Her understanding that a student crafted honor code constitutes a reach towards perfection is incredible." Sure, Awuah reflected, perfection was

⁷⁴ GPF Org, "In Conversation with Syed Babar, Patrick Awuah & Jane Wales," November 1, 2012, [<https://www.youtube.com/watch?v=SkV2gUMU4iw>], accessed January 2016. Hereafter cited as "GPF Org."

⁷⁵ Matthew Taggart Interview.

⁷⁶ Patrick Taggart Interview.

⁷⁷ Yawa Hansen-Quo Interview.

⁷⁸ Matthew Taggart Interview.

impossible, but perhaps if they kept reaching for that ideal, they could attain excellence, both in their school and, ultimately, beyond it.⁷⁹

By the end of that year, they developed the following code of ethics: "I will not lie, cheat, or steal; neither will I tolerate others who do." Upon enrollment to Ashesi, every student would automatically be enrolled in the honor system. If anyone breached it, they would have to take an automatic "F" in the course. Professors at Ashesi, in turn, agreed to trust their students and allowed them to take exams un-proctored, an unprecedented phenomenon in Ghana. "I think [the honor code] shocked a lot of people in Ghana when this happened," Awuah reflected. And yet it seemed to work. There were only two or three instances of cheating that year. And one of those students ultimately turned themselves in, taking an "F" in the course. Eventually, at the insistence of students, the practice of automatically enrolling new students on the honor system was changed. Instead of an automatic enrollment, each new class would spend a semester or a year debating the merits of this system and then vote as a class whether to join the system or not.

In 2009, after years of pouring energy into their Capital Campaign to raise funds for a new campus, the end was in sight. Taggart and his team had approached repeat donors – who made a huge difference in their funds -- but they were also able to break into funding from big institutional investors. They did this by targeting certain areas that would interest them or for which they might have expertise. "They have some institutional funding for parts of the library, and certain infrastructure," Marini explained. "We had a lot of nice success to talk about by then, so the p was pretty different."⁸⁰Indeed, by the end of the campaign, Taggart was able to raise \$6.4 million.⁸¹

It was enough to finally build a school on their campus and to grow their enrollment by 50%. Awuah chose the architects with care, vetting their previous contractors and studying their design portfolio. The firm that he chose came highly recommended, but they had two demands that gave Awuah pause. First, they wanted to be in charge of both building design and project management. Second, they wanted to be paid a percentage of the project's cost, rather than a lump sum. Awuah had spoken with a real estate consultant who advocated for a strong separation between design and project management. He also felt that big projects such as this were better paid in lump sum. However, Awuah was not aiming for the cheapest deal but the best deal, the "win-win." He remembered the advice of a real estate consultant who had been in the field for over twenty years: "Don't nickel and dime your architects." The idea behind this was that the architects would not put in maximum effort if they didn't feel fairly compensated. In the end, Awuah agreed to their terms, but met them halfway with a lower percentage of the construction cost. There was also good reason to let them undertake the project management. "This was going to be a flag ship project for them. It's not very often that architects get to design a university campus so they really wanted it to be built with fidelity...It occurred to me that we actually had the same interest."⁸²

Ashesi University broke ground that same year. Hundreds of people from around the world came to the ceremony, including Chief Korankye, the Ghanaian Minister of Education, the United States Ambassador to Ghana, and the village elders. Two years and \$6.4 million later, the permanent campus was completed on budget and on time. In 2011, the Ashesi community moved from their converted house to the 100-acre campus. Enrollment increased to a record five hundred. The new Ashesi was a far cry from its three-bedroom beginnings. The first phase of the campus covered about

⁷⁹Patrick Awuah Ted Talk.

⁸⁰ Nina Marini Interview 2.

⁸¹ Ibid.

⁸² Patrick Awuah Interview 4.

20% Ashesi's long-term campus plan, and included a larger library, two computer labs, administrative and faculty offices, two classroom buildings, and dormitories. A few years after the move, Awuah was also able to expand the curriculum to include engineering and applied sciences, interdisciplinary liberal arts and management, with a plan to add economics and law in the short-term.⁸³ Meanwhile, Ashesi became integrated in the Berekuso community. Students volunteered to teach math at the local school and have organized adult literacy courses for the town's residents. On arrival, Ashesi also provided that added benefit of creating many jobs for the people of the village.⁸⁴

Taking on the Accreditation Board: 2010-2012

In 2010, the accreditation board had found out about Ashesi's honor code. They were shocked. Un-proctored exams were entirely unheard of in Ghana and the board ordered Awuah to abolish it immediately. They issued an ultimatum: drop the honor code or lose accreditation. They simply did not believe that students would not cheat if left unsupervised. "We need to be able to tell the sanctity of every examination system," explained Richard Agyei, Senior Assistant Secretary at the National Accreditation Board.⁸⁵

"To be honest, I was furious," Awuah recalled. "Something that had taken years to accomplish at Ashesi, they were asking as to remove with a stroke of a pen."⁸⁶ The student government were among the first people informed about this development. "It was quite an anxious moment for me," recalled Melvin Akaba, who was president of the student government at the time. It was one thing to be governing a student body and quite another to take on a national entity. As the meeting drew to a close, however, Akaba became convinced that they had to fight back. "We didn't want to be resigned to fate," he reflected. "We needed to make a point." So he and the rest of the student government took on the task of convincing the rest of the school. They decided to go class by class, informing them of the issue in detail, answering any questions they might have and giving them compelling reasons to continue to stand by and for the honor code.⁸⁷

Once again, Awuah called a school meeting, this time to announce the committee's directive. Awuah said that he was willing to fight for the honor code, but would leave the choice up to the school as a whole. He put it to a vote. How many of them would be willing to risk the university's future to keep their honor code in place? The student body president stepped forward and said, "We need a show of hands, but remember, history is on the side of those who fight hard for a good cause." Awuah watched as every single hand in the room went up. "I got home that evening and I thought, there is no way that a phenomenon like this should be allowed to die."⁸⁸

Empowered to fight for their honor code, Awuah held a meeting with parents, and, after presenting his case, was amazed to find the parents wanted to keep the honor system as well. "There

⁸³ Ashesi University, "Ashesi breaks ground on new campus," August 29, 2010, [<http://www.ashesi.edu.gh/stories-and-events/342-ashesi-breaks-ground-on-new-campus.html>], accessed January 2016.

⁸⁴ Ashesi University, "Community engagement with Berekuso in 2012: a positive start," January 8, 2013, [<http://www.ashesi.edu.gh/stories-and-events/1637-community-engagement-with-berekuso-in-2012-a-positive-start.html>], accessed April 2016.

⁸⁵ Elvis Adjete and Fiifi Koomson, "Ashesi kicks against suspension order on 'no invigilators' system," *Joy News*, August 11, 2010, [<http://edition.myjoyonline.com/pages/education/201003/43302.php>], accessed March 2016.

⁸⁶ Interview with Patrick Awuah, President, Ashesi Univeristy, by phone, April 4, 2016. Hereafter cited as "Patrick Awuah Interview 2."

⁸⁷ Interview with Melvin Akaba, Ashesi alumnus, class of 2011, by phone, March 23, 2016. Hereafter cited as "Melvin Akaba Interview."

⁸⁸ GPF Org.

was a very strong sentiment that their kids had changed since they came to Ashesi," Awuah recalled. The students themselves were particularly passionate. They wrote hundreds of letters to the Accreditation Board. Parents made hundreds of calls. The administration of Ashesi went to the board in person to make their case. "Ashesi University has provided a new perspective into honor and integrity. People can actually be honest when the responsibility is placed on them and the key word here is TRUST," wrote Bernard N.A Ghartey, Class of 2012.⁸⁹ Akaba was stunned by the success of the letter writing campaign, which could ultimately boast 100% student participation. Upon reflection, however, he acknowledged that a lot of work had gone on to bring about this achievement. "We managed to get everybody on board because of the level of our engagement."⁹⁰

Soon the media had gotten wind of the honor code campaign and the debate snowballed into a national conversation. While the media coverage was instrumental in stirring up support, Awuah sensed that the Accreditation Board was losing patience with Ashesi. In order to rebuild relations, he attended a meeting with the secretary of the board. "All sides stepped away from the tough talk to do something more conciliatory," Awuah recalled. During that meeting, both parties agreed to a compromise: Ashesi could keep its honor code if their affiliate public university, the University of Cape Coast, signed off on it. The affiliate did so without hesitation.⁹¹ "That moment in Ashesi's history is the stuff of legend. In addition to having the first honor system in Africa, this is probably the only honor system in the world that has had to fight against an accrediting body to maintain it."

In October of 2012, Awuah got a mysterious phone call from a deputy minister in the Ghanaian government. Without explaining why, the minister said he wanted to set up a meeting. "I didn't know what it was about but he wanted to meet me so I went to his office," Awuah recalled. To his surprise, the minister wanted his advice. He had heard from friends in corporate Ghana that Ashesi alumni were different from other recent graduates. "They tend to have ideas," the minister said. "They tend to be creative. They tend to deal with ambiguity." Meanwhile, in the ministry, staffers who had been there for years labored under a broken system, perpetuating the same issues that had plagued the organization for years. "I ask [my staff] to go and come up with ideas. They can't. And the only thing that causes change in this ministry is a crisis." And even then, the reason why the ministry changed course was because consultants were brought in from outside of Ghana to help. Perhaps, the minister posited, the cause of this lack of imagination could be traced to the way his staff had been educated in the first place. He asked Awuah to tell him more about Ashesi. Why were its graduates different?

Awuah's answer to the minister was simple. "If you're teaching people to memorize information, you're teaching them to always look backwards." An education system that harped on the past couldn't expect to produce agents for change. Awuah was amazed at how quickly Ashesi alumni were making contributions to Africa. After only ten years, they had developed a reputation for creative problem solving that had reached the ministry. Already they were setting themselves apart.

MOVING FORWARD: 2012-PRESENT

Today, Ashesi has nearly eight hundred students from twenty-one different African nations.

⁸⁹ Ashesi University, "2010 News Bulletin," [http://archives.ashesi.edu.gh/V3_2004_2010/NEWS/BULLETIN/2010_06_BULLETIN/NAB%20Letters.pdf], accessed March 2016.

⁹⁰ Melvin Akaba Interview.

⁹¹ Patrick Awuah Interview 2.

51% of them are on scholarships and 100% find placement after graduation. 95% choose to stay in Ghana.⁹²

“We’ve found that our alumni have risen very quickly, and quite literally, have touched millions of lives already,” Awuah explained. For example, Nii Amon Dsane, class of ’05, headed the Ghanaian team which led the implementation of the biometric voter registration system in Ghana’s 2012 election, which registered over 10 million voters. This didn’t just streamline the process; it also reduced voter fraud. Regina Fremah Agyare ’05 has, among many other things, worked on a program that will teach students from rural communities Science, Technology, Engineering and Mathematics. Their student-base will not only come from Ghana, but from across sub-Saharan Africa. Her purpose, she says, is to “develop the next generation of innovators and problem solvers.”⁹³

One Ashesi alumna, Araba Amuasi ’07, took a job at Village of Hope Orphanage, where she plans to introduce computer science into their curriculum, even teaching the children some basic programming to help them develop quantitative reasoning skills. She has recruited several Ashesi students to volunteer at the orphanage and hopes to develop an even stronger partnership with her alma mater over the next few years. “If this continent is to be salvaged, we must improve our primary education system,” Amuasi declared. “I want to be a part of building a new Ghana, where children look for the basic concepts underlying the things they study, and not how to commit procedures and facts to memory only to pass an exam.”⁹⁴

Awuah has since won countless awards, including a McArthur Genius Grant, and Ashesi University was recognized as one of the ten most respected organizations in Ghana in 2012. But he is not slowing down. He has big plans for Africa: “Africa needs even more from Ashesi, and it needs more institutions like Ashesi,” Awuah explained. “I wish there was a liberal arts college in every country in Africa.” Marini, who is now an active member of Ashesi Foundation’s board of trustees, is always thinking about how to duplicate Ashesi’s teaching model so its mission spreads across Africa. While still in its early stages, the board has discussed everything from sister schools to training centers. “We are actively assessing the ways we can scale impact,” Marini explained. “But we want to do it in a very smart, sustainable way.”⁹⁵ Indeed, Ashesi’s leaders are expanding the school’s impact in many different ways. In October 2015, Ashesi launched a new engineering program so that its graduates can bring innovate solutions to Africa’s infrastructure. Thanks to a generous \$13 million from The MasterCard Foundation, the university will be able to expand further still.⁹⁶

“There are two ways to measure leaders: What do they accomplish when they are at the helm, and what happens when they are no longer there,” Awuah mused. “I need to think about Ashesi when I am no longer around. How do we build systems so that we can operate forever?” Awuah already has ideas for how the Ashesi model can replicate all over Africa, and be run with purpose and integrity, even in his absence. One solution he proposed was launching a set of professional training programs for teachers all over the country. The program would train teachers to use the liberal arts model of education. But perhaps his true legacy is the students themselves, and not only the ones educated at

⁹² Ashesi University, “About page,” [http://www.ashesi.edu.gh/about.html], accessed January 2016.

⁹³ Patrick Awuah, “Educating a New Generation of Ethical, Entrepreneurial Leaders in Africa,” Skoll Foundation, October 13, 2013, [https://archive.skoll.org/2013/10/13/educating-a-new-generation-of-ethical-entrepreneurial-leaders-in-africa/], accessed January 2016.

⁹⁴ Ashesi University, “Araba Amuasi '07 - Chief Operations Officer at Village of Hope Orphanage,” [http://www.ashesi.edu.gh/student-life-5/career-services-4/career-outcomes/1371-araba-amuasi-07-chief-operations-officer-at-village-of-hope-orphanage.html], accessed January 2016.

⁹⁵ Nina Interview 2.

⁹⁶ Ashesi University, “2015 Ashesi Accomplishments,” [http://ashesi.org/wp-content/uploads/2015/12/2015-Ashesi-Accomplishments.pdf], accessed January 2016.

Ashesi. The honor code they fought so hard for is already being replicated in another school.⁹⁷

Wesley Girls High School, a Methodist school in Cape Coast, Ghana, implemented their own honor code. The school's headmistress, Mrs. Betty Djokoto attended a staff development program where she heard Awuah speak. He shared the story of Ashesi's honor code, and the impact it had had on the student body. Inspired, the headmistress decided to the same at Wesley High. "It was difficult for people to believe it," Djokoto explained. "They didn't think the average young Ghanaian can be responsible and honest."

This headmistress thought differently and, in January 2016, they had a ceremony to mark the occasion. Each and every girl in the pioneer classes that signed on, pledged, "to be a check on one another in all matters of good conduct and not be deterred by their peers or some significant others; to not be frightened by the challenges or demands that the realization of their goals will make on their time, being and intellect."⁹⁸ Awuah saw this pledge as the beginning of a movement toward a new kind education system, one that instilled integrity and cultivated trust. "The honor code has a special commitment to the future of Africa," Awuah explained. "These students are determined to be part of that new future."⁹⁹

With Ashesi's success, however, came new challenges. As the institution grew, it lost some of the boldness that had distinguished the school during its early years. Complex systems were implemented to keep all departments coordinated, but they had begun to slow overall efficiency, and annual goals were not being met. Financially, Ashesi had done well, but this too had led to its own set of challenges. When problems arose, there was a temptation to throw money at them, leading to financial inefficiency. Awuah has been thinking up ways to make the school more productive while also keeping everyone aligned. He and his leadership team devised a goal setting and tracking system designed to boost performance. In early 2016, Awuah tested how this system worked with one department, having them check in with their goals regularly and measure their progress using simple one-page protocols. The act of routinely checking in has, so far, been effective, so effective, in fact, that Awuah is now going to roll the system out to the rest of the institution.

As Awuah considers the future, the task of keeping Ashesi in touch with its entrepreneurial roots is at the top of his mind. He hopes the goal setting and tracking system will help, but knows that it will take more. "We all, myself included, get a little bit hesitant about things. We're not as entrepreneurial as we used to be," he explained. As he put it at a recent staff meeting: "We need to get our mojo back." Awuah's main focus for the coming year is, in his words, "how do we get there?"¹⁰⁰

⁹⁷ Jonathan Rabinovitz.

⁹⁸ Ashesi Foundation, "Inspired by Ashesi, Wesley Girls High School establishes honor code," [<http://ashesi.org/blog/inspired-by-ashesi-wesley-girls-high-school-establishes-honor-code/>], accessed January 2016.

⁹⁹ Patrick Awuah, "Educating a new generation of ethical, entrepreneurial leaders in Africa," *Forbes*, October 14, 2013, [<http://www.forbes.com/sites/skollworldforum/2013/10/14/educating-a-new-generation-of-ethical-entrepreneurial-leaders-in-africa/#6abaff852a39>], accessed January 2016.

¹⁰⁰ Interview with Patrick Awuah, president, Ashesi University, by telephone, February 7, 2017.

Exhibit 1 Ashesi University Timeline of Events

1997: Founder Patrick Awuah gives up his successful US software career to return to Africa. To help bring ethics, innovation and entrepreneurship to Africa, he decides to create a new kind of African university.

1998: Patrick Awuah and graduate students from UC Berkeley conduct a feasibility study for a new private university in Ghana.

1999: Ashesi University Foundation was founded and is spearheaded by a well-qualified Board of Trustees and management governance whose efforts are complemented by Advisory Boards located in the US and Ghana.

2002: Ashesi University opens its doors in a rented house converted to classrooms, with a pioneering class of 30 students.

2005: Pioneer class graduates. 100% quickly find quality placement; 95% chose to stay to Africa. Future classes maintain these records.

2006: Ashesi students elect first woman university student government president in Ghana's history.

2007: A UC Berkeley study finds that local and multinational employers rate Ashesi and Ashesi Graduates #1 in Ghana in Quality of Curriculum, Career Preparation, Communication Skills, Maturity, Professional Skills, and Ethics.

2008: Students vote to adopt Examination Honour Code - Africa's first | Financial sustainability: fees from students who can afford to pay cover annual operating expenses | Capital Campaign for new campus begins

2009: Construction starts for permanent campus in Berekuso.

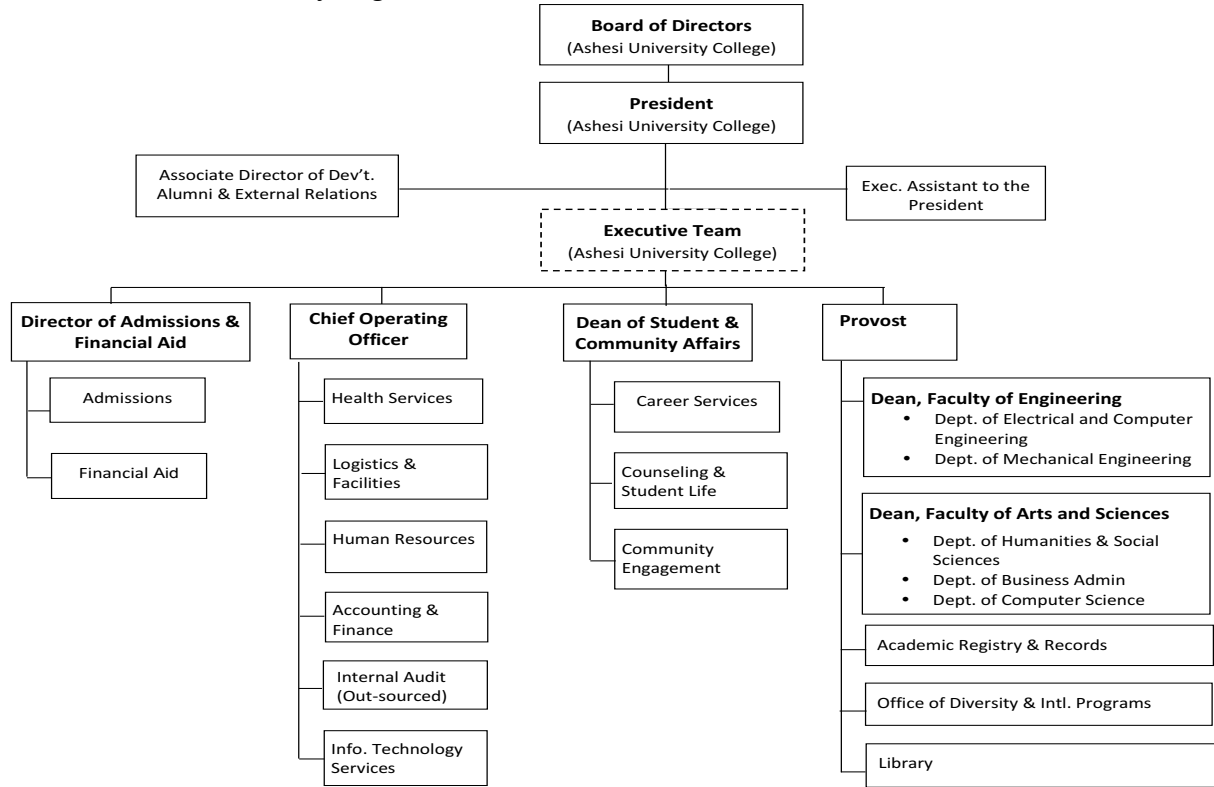
2011: New campus completed—on schedule and on budget (\$6.4M). Enrollment tops 500 as Vice-President of Ghana inaugurates campus.

2012: The MasterCard Foundation partners to provide \$13 million in Ashesi scholarships to students from 11 African countries.

2013: Groundbreaking for construction to start on new engineering building where Ashesi will educate engineers who will design innovative infrastructure and products for Africa.

Source: Ashesi University

Exhibit 2 Ashesi University Organizational Structure

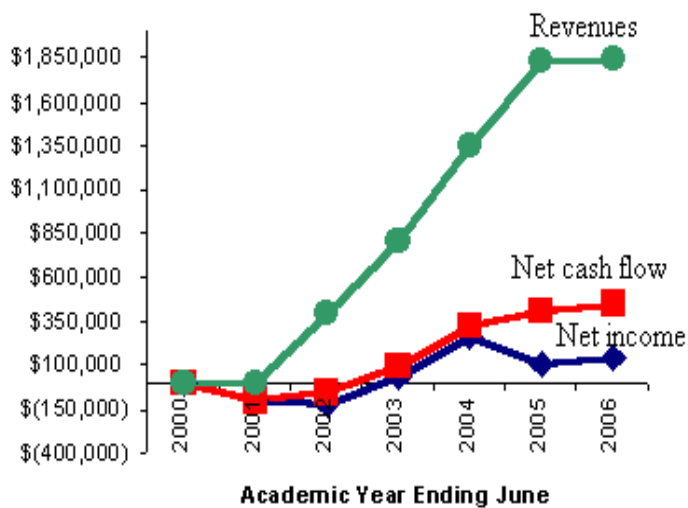


Source: Ashesi University

Exhibit 3 Ashesi University Startup Funds (Thousands of Dollars)

Aug 1999 – June 2001	Needed	Status
Fundraising and marketing	320	300 Pledged
Endowment	680	Pending
Information Technology	290	-
Other Administrative	130	Planned Debt
<hr/>		
July 2001 – June 2004		
Infrastructure and Endowment	7,090	-
Total	8,510	

Source: Ashesi University Business Plan

Exhibit 4 Ashesi University Financial Projections

Source: Ashesi University Business Plan

Exhibit 5 Pro-Forma Income Statement

Table 1: Pro-Forma Income Statement							
Year Beginning	Jul-99	Jul-00	Jul-01	Jul-02	Jul-03	Jul-04	Jul-05
Year Ending	Jun-00	Jun-01	Jun-02	Jun-03	Jun-04	Jun-05	Jun-06
Revenues							
Endowment interest income	\$ -	\$ -	\$ 20,400	\$ 40,800	\$ 61,200	\$ 91,200	\$ 91,200
Other investments interest income	\$ -	\$ -	\$ 1,709	\$ 1,709	\$ 5,241	\$ 22,916	\$ 44,897
Tuition	\$ -	\$ -	\$ 380,000	\$ 760,000	\$ 1,282,500	\$ 1,710,000	\$ 1,710,000
Total Revenues	\$ -	\$ -	\$ 402,109	\$ 802,509	\$ 1,348,941	\$ 1,824,116	\$ 1,846,097
Operating Expenses							
Less allowance for unpaid tuition	\$ -	\$ -	\$ 8,000	\$ 16,000	\$ 24,000	\$ 36,000	\$ 36,000
Depreciation	\$ -	\$ -	\$ 56,305	\$ 56,305	\$ 62,505	\$ 301,556	\$ 301,556
Teaching	\$ -	\$ -	\$ 52,500	\$ 109,500	\$ 226,000	\$ 243,500	\$ 243,500
Admin Personnel	\$ -	\$ 39,360	\$ 123,360	\$ 123,360	\$ 132,000	\$ 132,000	\$ 132,000
Rental Expense	\$ -	\$ -	\$ 42,000	\$ 42,000	\$ 42,000	\$ -	\$ -
Operation and maintenance	\$ -	\$ -	\$ 165,244	\$ 330,489	\$ 495,733	\$ 900,978	\$ 900,978
Teacher Training	\$ -	\$ -	\$ 9,000	\$ 22,500	\$ 45,000	\$ 49,500	\$ 49,500
Marketing and Promotion	\$ -	\$ 70,000	\$ 50,000	\$ 50,000	\$ 40,000	\$ 40,000	\$ 30,000
Total Operating Expenses	\$0	\$109,360	\$506,409	\$750,154	\$1,067,238	\$1,703,534	\$1,693,534
Gross income			\$-104,301	\$52,355	\$281,702	\$120,582	\$152,563
Gross margin			-26%	7%	21%	7%	8%
Interest expense on LT debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest expense on ST debt	\$0	\$0	\$12,936	\$19,029	\$15,353	\$11,310	\$6,862
Net surplus	\$ -	\$ (109,360)	\$ (117,237)	\$ 33,325	\$ 266,349	\$ 109,273	\$ 145,701
Net cash Flow	\$ -	\$ (109,360)	\$ (60,932)	\$ 89,630	\$ 328,854	\$ 410,829	\$ 447,257

Source: Ashesi University Business Plan

Exhibit 6: Annual Teaching Costs

Table 4: Annual Teaching Costs								
Assumptions				Salaries (b)				
Class size		100		Ghanaian Level #1		\$10,000 per year		
Courses per term		2		Ghanaian Level #2		\$12,000 per year		
Air Fare for Visiting Teachers (a)		6000		Ghanaian adjunt professional		\$1,500 per quarter		
Annual Tution without room	\$	4,000		Ghanaian adjunt academic		\$1,500 per quarter		
Annual Tution with room	\$	4,500		Visiting Level #1		\$7,500 per quarter		
Estimated unpaid tuition		2%		Visiting Level #2		\$10,000 per quarter		
Subsidized Students (%)		5%		Teacher assistant		\$500 per quarter/group		
Return on Endowment		6%		Ghana Technician/Admin		\$3,600 per year		
Number of years in rented facility		3		Ghana professional staff level #1		\$10,000 per year		
				Ghana professional staff level #2		\$12,000 per year		
				Teacher training cost		\$4,500 per teacher		
Year Beginning		Jul-99	Jul-00	Jul-01	Jul-02	Jul-03	Jul-04	Jul-05
Year Ending		Jun-00	Jun-01	Jun-02	Jun-03	Jun-04	Jun-05	Jun-06
Number of Students (c)								
Freshman		0	0	100	100	100	100	100
Sophmore					100	100	100	100
Junior Business						50	50	50
Junior CS						50	50	50
Senior Business							50	50
Senior CS							50	50
Total No. Students			0	100	200	300	400	400
Teachers/year(d)								
Ghanaian level #1				2	3	3	3	3
Ghanaian level #2				0	2	7	8	8
Ghanaian adjunt professional				0	0	0	1	1
Ghanaian adjunt academic				1	3	6	6	6
Visiting teacher #1				2	2	2	2	2
Visiting teacher #2				0	1	4	4	4
Teacher assistant				8	16	24	32	32
Salaries & Travel (e)								
Ghanaian level #1				\$20,000	\$30,000	\$30,000	\$30,000	\$30,000
Ghanaian level #2				\$0	\$24,000	\$84,000	\$96,000	\$96,000
Ghanaian adjunt professional				\$0	\$0	\$0	\$1,500	\$1,500
Ghanaian adjunt academic				\$1,500	\$4,500	\$9,000	\$9,000	\$9,000
Visiting teacher #1				\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Visiting teacher #2				\$0	\$10,000	\$40,000	\$40,000	\$40,000
Teacher assistant (h)				\$4,000	\$8,000	\$12,000	\$16,000	\$16,000
Travel expenses visiting teachers				\$12,000	\$18,000	\$36,000	\$36,000	\$36,000
Total Teaching Costs				\$52,500	\$109,500	\$226,000	\$243,500	\$243,500
Cost per student				\$615	\$660	\$903	\$733	\$733

(a) Visiting teachers will require airfare for an average of three people per family in addition to salary

(b) Ghanaian salaries determined from primary research (surveys of Ghanaian professors), visiting teacher salaries determined from prorated salary scale for Associate professors in US state schools.

(c) Students will split up into two cohorts (business and computer science) in their junior (third) year

(d) Number fo teachers based on schedule in Appendix C.

(e) Local teachers are paid on an annual basis, visiting teachers are paid on a quarterly basis. Salaries are prorated accordingly.

Source: Ashesi University Business Plan

Exhibit 7: Annual Administrative Personnel Costs

Table 5: Annual Administrative Personnel Costs							
Assumptions for Administrative Staff							
Salary Raise (Ghana) (a)	0%	0%	0%	0%	0%	0%	0%
Benefits & Payroll taxes (Ghana)	20%	20%	20%	20%	20%	20%	20%
Year Beginning	Jul-99	Jul-00	Jul-01	Jul-02	Jul-03	Jul-04	Jul-05
Year Ending	Jun-00	Jun-01	Jun-02	Jun-03	Jun-04	Jun-05	Jun-06
Computer Center							
IT Manager		\$0	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Technician #1			3,600	3,600	3,600	3,600	3,600
Technician #2					3,600	3,600	3,600
Total Salaries		\$0	\$13,600	\$13,600	\$17,200	\$17,200	\$17,200
Benefit and Payroll Taxes		\$0	\$2,720	\$2,720	\$3,440	\$3,440	\$3,440
Total Salaries and Payroll Taxes		\$0	\$16,320	\$16,320	\$20,640	\$20,640	\$20,640
Library							
Librarian		\$0	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Admin # 1			3,600	3,600	3,600	3,600	3,600
Admin # 2					3,600	3,600	3,600
Total Salaries		\$0	\$13,600	\$13,600	\$17,200	\$17,200	\$17,200
Benefit and Payroll Taxes		\$0	\$2,720	\$2,720	\$3,440	\$3,440	\$3,440
Total Salaries and Payroll Taxes		\$0	\$16,320	\$16,320	\$20,640	\$20,640	\$20,640
Career Center							
Career Counsellor		\$0	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Admin # 2			3,600	3,600	3,600	3,600	3,600
Total Salaries		\$0	\$13,600	\$13,600	\$13,600	\$13,600	\$13,600
Benefit and Payroll Taxes		\$0	\$2,720	\$2,720	\$2,720	\$2,720	\$2,720
Total Salaries and Payroll Taxes		\$0	\$16,320	\$16,320	\$16,320	\$16,320	\$16,320
Student Services and General Management							
President (b)			\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
Dean of Admissions	\$10,000		\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Dean of the Faculty	\$12,000		\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
Director of Operations			\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Assistant to President and Dean of Operations	\$3,600		\$3,600	\$3,600	\$3,600	\$3,600	\$3,600
Admin # 1 (Admissions)	\$3,600		\$3,600	\$3,600	\$3,600	\$3,600	\$3,600
Admin # 2 (Admissions)	\$3,600		\$3,600	\$3,600	\$3,600	\$3,600	\$3,600
Admin # 3 (Registrar)			\$3,600	\$3,600	\$3,600	\$3,600	\$3,600
Admin # 4 (Operations)			\$3,600	\$3,600	\$3,600	\$3,600	\$3,600
Nurse	0	0	8000	8000	8000	8000	8000
Total Salaries	\$32,800	\$32,800	\$62,000	\$62,000	\$62,000	\$62,000	\$62,000
Benefits and Payroll Taxes	\$6,560	\$6,560	\$12,400	\$12,400	\$12,400	\$12,400	\$12,400
Total Salaries, Benefits & Payroll Taxes	\$39,360	\$39,360	\$74,400	\$74,400	\$74,400	\$74,400	\$74,400
Total administrative Personnel Costs	\$0	\$39,360	\$123,360	\$123,360	\$132,000	\$132,000	\$132,000
Cost per student			\$1,234	\$617	\$440	\$330	\$330
Total operating cost per student			\$4,630	\$3,564	\$3,400	\$3,533	\$3,497
TOTAL COST, WITH DEPRECIATION			\$5,193	\$3,846	\$3,609	\$4,287	\$4,251

(a) Ghanaian salaries will not increase in US dollar value but will increase at the rate of in-country inflation.

(b) The president will work out of the US office for the first year. After year two, the president will move to Ghana and will earn Ghanaian scale salary at that point.

Source: Ashesi University Business Plan

Exhibit 8: Startup Expenditure

Table 7: Startup Capital Expenditure (a)								
Assumptions								
Dorms(Sq Ft per two students)	250			Workstation Cost		\$	1,250	
Classrooms (Sq ft per class)	1400			Students per computer			4	
Offices (Sq ft per occupant)	144			Construction (per sq ft) (i)		\$	56	
Faculty Residences (Sq ft)	1500			Server Cost		\$	12,500	
Students in on-campus dorms	100%			Furniture cost per visiting teacher apt		\$	3,000	
Cafeteria (Sq ft)	4000			Office furniture (per faculty/staff member)		\$	200	
Auditorium (Sq ft)	0			Library (Sq ft)			2500	
Classroom and lab furniture cost (per classroom/lab)	2500			Residential furniture cost (per student)		\$	200	
				Land Acquisition cost		\$	250,000	
				Library furniture and materials cost		\$	100,000	
Year Beginning	Jul-99	Jul-00	Jul-01	Jul-02	Jul-03	Jul-04	Jul-05	Jul-06
Year Ending	Jun-00	Jun-01	Jun-02	Jun-03	Jun-04	Jun-05	Jun-06	TOTAL
Needed								
New classrooms (b)			2	2	4	4	0	12
New computer rooms (c)			1	0	0.5	0.5	0	2
New computer workstations (d)			44	31	33	28	0	136
New Network Servers			1	1	1	1	0	4
New residential Hall Capacity			100	100	100	100	0	400
New Cafeteria			1	0	0	0	0	1
New Faculty offices needed (e)			3	4	7	2	0	16
New Teaching Assistant Offices			1	1	1	1	0	4
New visiting faculty apartments			1	1	0	0	0	2
Administrative Offices			12	0	0	0	0	12
Health Center (f)			1	0	0	0	0	1
Library			1	0	0	0	0	1
Acquired by year end								
New classrooms	0	0	0	0	12	0	0	12
New computer rooms	0	0	0	0	2	0	0	2
New computer workstations	44	0	0	0	136	0	-	180
New Network Servers	1	0	0	0	4	0	0	5
New residential Hall Capacity	0	0	0	0	400	0	0	400
New Cafeteria	0	0	0	0	1	0	0	1
New Faculty offices needed	0	0	0	0	16	0	0	16
New Teaching Assistant Offices	0	0	0	0	4	0	0	4
New visiting faculty apartments	0	0	0	2	0	0	0	2
Administrative Offices	0	0	0	0	12	0	0	12
Health Center	0	0	0	0	1	0	0	1
Library	0	0	0	0	1	0	0	1
Expenditure on Buildings								
Buildings								
Land Acquisition (100 acres) (x)	0	0	0	0	250000	0	0	\$250,000
Classroom construction	\$0	\$0	\$0	\$0	\$940,800	\$0	\$0	\$940,800
Computer room construction	\$0	\$0	\$0	\$0	\$156,800	\$0	\$0	\$156,800
Residence Halls	\$0	\$0	\$0	\$0	\$2,800,000	\$0	\$0	\$2,800,000
Cafeteria	\$0	\$0	\$0	\$0	\$224,000	\$0	\$0	\$224,000
Faculty Offices	\$0	\$0	\$0	\$0	\$129,024	\$0	\$0	\$129,024
Teaching Assistant Offices	\$0	\$0	\$0	\$0	\$32,256	\$0	\$0	\$32,256
Visiting Faculty Apts	\$0	\$0	\$0	\$168,000	\$0	\$0	\$0	\$168,000
Administrative Offices	\$0	\$0	\$0	\$0	\$96,768	\$0	\$0	\$96,768
Health Clinic	\$0	\$0	\$0	\$0	\$84,000	\$0	\$0	\$84,000
Library construction	\$0	\$0	\$0	\$0	\$140,000	\$0	\$0	\$140,000
Furniture								
Residential facility furniture	\$0	\$0	\$0	\$6,000	\$83,000	\$0	\$0	\$89,000
Classroom and Office furniture	\$0	\$0	\$0	\$0	\$41,400	\$0	\$0	\$41,400
Library materials and furniture	\$0	\$0	\$0	\$0	\$100,000	\$0	\$0	\$100,000
Total Expenditure on Buildings	\$0	\$0	\$0	\$174,000	\$5,078,048	\$0	\$0	\$5,252,048
Expenditure on Information Technology								
Computer Workstations	\$55,000	\$0	\$0	\$0	\$170,000	\$0	\$0	\$225,000
Servers	\$12,500	\$0	\$0	\$0	\$50,000	\$0	\$0	\$62,500
Administrative Software (g)	\$100,000							\$100,000
Accounting Software (g)	\$100,000							\$100,000
Workstations Software (h)	\$14,025	\$0	\$0	\$0	\$45,780	\$0	\$0	\$59,805
Total Expenditure on Information Technology	\$281,525	\$0	\$0	\$0	\$265,780	\$0	\$0	\$547,305
TOTAL CAPITAL EXPENDITURE	\$281,525	\$0	\$174,000	\$5,343,828	\$0	\$0	\$0	\$5,799,353
TOTAL CAPITAL EXPENDITURE [rounded]	\$290,000	\$0	\$180,000	\$5,350,000	\$0	\$0	\$0	\$5,800,000

(a) Capital expenditure completed by the end of the year before facility is needed.

(b) Students taking the core will be split into two cohorts of 50 students.

(c) Computer labs will have a capacity of 25 computers each. Space requirement for 50 workstations is equivalent to space for regular classroom.

Will need one large room (50 station capacity for year 1 and 2) and smaller computer rooms (25 station capacity) in years 3 and 4 respectively.

(d) Workstations needed for student computer center, and for each faculty or staff office. Workstation and server cost include 25% shipping and handling

(e) One office for each permanent teacher. visiting teachers occupy office for one quarter only. one office for every 8 teaching assistants because for each class, we only have two TAs simultaneously on campus each quarter.

(f) Health center will have three bedrooms and one nurse that will provide basic first aid

(g) Specialized software will be used to track student records from first application to alumni status, as well as class schedules. Will use custom software if necessary.

(h) Includes operating system and application software

(i) Source of construction costs in Ghana: Ghanaian construction companies [Vector Developemnt Corp. and Regimanuel Gray Ltd.]

Source: Ashesi University Business Plan