"Capital breeds capital" – Bourdieu and the Cross-National Importation of Organizational Models

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Abstract

This chapter draws upon Bourdieu's concept of capital to examine the importation of organizational models and the adaptive processes that we observed in respective institutional contexts. Through the lens of a longitudinal case study, we demonstrate how a coalition of elite actors mobilized capital to successfully import the US community foundation model into the North East of England. By converting different forms of capital within the philanthropic field, local power brokers enabled the local adaptation of models and associated practices aligned with particular community needs and circumstances. Our main contribution to this book is to demonstrate the need for elite actors to convert capital, which can facilitate the importation of organizational models. We show how local elite actors drawn from different professional and business fields build coalitions during the process of importation to engage in the conversion of different types of capitals.

Keywords

Introduction

The aim of this book chapter is to increase our understanding of the importation of organizational models and the adaptive processes which unfold over time in respective institutional contexts. We apply Bourdieu's theory of capital to explore how the community foundation model of philanthropy pioneered in the United States (US) has been imported to the United Kingdom (UK). In most fields like philanthropy, it is largely impossible for organizations to import and simply copy organizational models suitable for other countries because of the need to fit with local contexts. Moreover, existing players within the philanthropic field, fearful of loss of control, might well seek to undermine the legitimacy of organizational innovations should an accommodation not first be reached between them and change agents.

For importation to be successful, adopted templates must be aligned with – or at least accommodate – local needs and circumstances. In most cases, they are significantly adapted, as an outcome of the ongoing negotiations between dominant actors, those with the high levels of economic, social, cultural and symbolic capital and the capacity to create a "network of the *objective relations* among establishments" (Bourdieu, 1996, p. 132). For Bourdieu (1980), networks tend to reproduce status distinctions because of the value to the individual in accumulating and preserving capital. Distinctions founded on objective discontinuities are the most socially and symbolically valuable, serving as a "legitimating illusion" (Bourdieu, 1996, p. 5). Such "objectification" confers "the opacity and permanence of things", so that capital rich individuals "escape the grasp of individual consciousness and power" (Bourdieu, 1977, p. 184).

While existing studies have contributed greatly to our understanding of change in organizations, less attention has been paid to how organizational change is implemented through the operation of power involved in the process of introducing new practices (Oakes,

Townley and Cooper, 1998) and how these new practices are used by dominant agents to maintain the status quo and consolidate their positions in the social structure (Lockett, Currie, Finn, Martin and Waring, 2014). For instance, we do not know if organizational templates are "invented for the purpose of serving specific groups with particular interests" (Greckhamer, 2010, p. 864), and if so, how these groups maintain or gain advantage from the process of construction. In short, what is missing from the extant literature is an understanding of how dominant agents convert their capital resources to further their interests as they import and adapt organizational models to better align with the field. Studying the processes of converting different forms of capital possessed by actors involved in importing organizational models is important, in our view, because it is these processes that tend "to dictate a particular mode of reproduction, characterized by a set of reproduction strategies adapted to the particularities of the forms of capital to be reproduced" (Bourdieu, 1996, p. 272).

In this chapter, we draw on the work of Pierre Bourdieu to argue that an enriched view of capital, in its multiple forms – economic, social, cultural and symbolic – is valuable in understanding the process of importing organizational models. To explore the hidden mechanisms of importation, we ask, "*how does capital facilitate the importation of new organizational models to local contexts?"* We examine this question by means of a longitudinal case study of the importation of the US community foundation model of philanthropy to the UK. This struggle to adapt and legitimate practices of community philanthropy occurred at the Community Foundation Tyne & Wear and Northumberland (CFTWN) from the late 1980s onwards following the Thatcher government's reduction in personal taxation and clampdown on public spending (Dorey, 2015; Pierson, 1996). Our context, then, is one of institutional innovation in a depressed region in depressed times, the North East of England by the 1990s having become "a profoundly deindustrialised region on

the periphery of the European Union and on the margins of the global economy" (Hudson, 2005, p. 581; Pike, 1999; Pike, Dawley and Tomaney, 2010).

This is the setting where we analyse CFTWN. It is worth reminding ourselves that the stated mission of the CFTWN is to create "a 'virtuous circle' of giving where engaged people and business support effective organizations to make a difference in communities" (CFTWN, 2011a, p. 5), helping maintain social harmony and regenerate North East communities (Maclean, Harvey and Gordon, 2013). Our in-depth case study enables close analysis of the role of capital in importing organizational models and introducing change to the charitable sector.

Case study

The CFTWN, by virtue of substantial funding from two leading philanthropists in the North East, house builder Sir William Leech and historical novelist Dame Catherine Cookson, as well as from four local charitable trusts and the Baring Foundation based in London, was established as the Foundation for Tyne & Wear in October 1988 (CFTWN, 2018b). Its founders, led by the businessman-academic Grigor McClelland, held the view that funds should be raised primarily "from those who had a great deal of it – the wealthy, businesses, and other charitable trusts – not from those who have relatively little" (CFTWN, 2010, p. 23), declining a more straightforward fundraising model which would rely substantially on those of little means. The word "community" was chosen for the title, implying "a sense of community where those who have support those who do not" (CFTWN, 2010, p. 23). Early success led the foundation to extend its area of operation into Northumberland, retitling it the CFTWN in 1992.

The CFTWN plays multiple roles, including grant making, managing relations with donors, asset development and exercising community leadership, as outlined by the first CEO in a paper titled *Learning to Juggle* (2002). Its vision is effectively threefold: first, it seeks to

facilitate effective donations by businesses, wealthy individuals, couples and families, as well as by other trusts and foundations; secondly, it seeks to provide support in terms of skills, money and time for organizations in the voluntary sector; thirdly, it seeks to identify and address social issues that affect communities in the local area (CFTWN, 2011a, 2011b). The CFTWN's first CEO travelled to the US in the late 1980s to learn more about community foundations and how to run one (CFTWN, 2008). The CFTWN has since developed as the largest community foundation in relation to endowment size, not only in the UK but also outside North America (CFTWN, 2010; CFTWN, 2018b). Hence, UK Community Foundations, a national network of 46 accredited community foundations, views it as a role model, granting it "Beacon" status in 2007 for training others in managing donor relationships.

CFTWN's endowed funds have grown from £20,000 in 1990 to £77.6 million in 2018 (CFTWN, 2010; CFTWN, 2018a). In 2017-18, the CFTWN awarded 1,789 grants valued at £7.7 million in total. Most of the awarded grants are small: indeed, 78% of the grants are under £5,000, and only 11% of grants are worth more than £10,000 (CFTWN, 2018a). Yet, although much of the literature places great emphasis on scaling up social impact (Bloom and Chatterji, 2009), small scale does not equal being without impact. In effect, more individuals, groups and ultimately the community as a whole can benefit from smaller, more purposeful, *precision grants*, boosting the CFTWN's "capacity to enrich lives through effective giving" (Maclean, Harvey and Gordon, 2013, p. 752).

Research process

The empirical foundation of this chapter is an in-depth case study of the CFTWN. In light of the fact that few large community foundations exist in the UK, the exceptions being in Bristol, Essex, Scotland and Northern Ireland, and given a long tail of smaller foundations, the CFTWN stands out as what Yin (2009) calls a "significant case". Significant cases, by

casting fresh light on exceptional characteristics, can facilitate theory building (Eisenhardt, 1989; Eisenhardt and Graebner, 2007), thus helping us "unfreeze" thinking on organizational models and extend our theoretical understanding with regard to their cross-national importation. Our case study was therefore selected purposefully (Siggelkow, 2007), because of its status as the largest community foundation in the UK with the capacity to make correspondingly greater differences to the area as a whole.

We gathered various forms of qualitative data, in line with existing research on organizations in the non-profit sector (Heinze, Soderstrom and Heinze, 2016; Moody, 2008). The study includes 19 oral history testimonies from former and current board members, as well as major donors and opinion leaders in the field of community philanthropy, who are knowledgeable about the role of capital in facilitating the importation of the US community foundation model to the UK. We also examined the CFTWN's archival documents, including an unpublished history entitled *The First Twenty Years* (2010) written by one of its steering group members, which provided us with opportunities to analyse capital conversion over time.

The data analysis process involves three stages. Initially, we transcribed the tape recorded interviews and typed up handwritten field notes. This is followed by reading and rereading transcripts and archival documents in order to understand the interplay of different forms of capital and how it led to the emergence of a new institutional infrastructure. Coding the data at a broad, general level enabled us to identify distinct passages of text which framed importation in particular ways, such as "forging elite networks", "investing resources" and "earning reputations". Thirdly, we selected informative quotations from testimonies and documents for deeper analysis in this chapter. In so doing, we are able to create a contextualized account of events, moving beyond description to explore how capital was converted during the process of importation, in the manner suggested by Pentland (1999).

Research context

The North East of England is one of old industrial regions in the UK. Old industrial regions are characterized by weaker adaptability shaped by ingrained path dependency and protracted industrial decline, including the persistent economic weaknesses and long-running marginalization (Pike, Dawley and Tomaney, 2010). Indeed, the North East economic problems are deep-seated and became especially acute during the Great Slump of the 1930s (Middleton, 1985), when the Jarrow Hunger March on London expressed local deprivation. Poverty, unemployment, poor health and other social problems were becoming increasingly obvious by the late 1950s, as the region's heavy industries, including shipbuilding, heavy engineering, steel-making and coal mining, continued to decline and ultimately completely collapsed in the 1970s and 1980s (Elcock, 2014). Since then, the North East has been "largely disconnected from the decisive circuits of capital and the major growth mechanisms of the contemporary capitalist economy" (Hudson, 2005, pp. 581-582).

But the North East of England is also one of the more resilient regions in the UK (Dawley, Pike and Tomaney, 2010). As the pace of industrial fall accelerated in the North East, regional policy was reinforced and re-focused on the need for industrial modernization (MacKinnon and Phelps, 2001). The attraction of investment in growing sectors like electronics became an important part of this drive (Hudson, 1986). The primary regional-level response to industrial decline was the creation of loose coalitions incorporating business leaders, organized labour and local authorities who strove to attract investment from the private sector and modernize the regional economy (Carney and Hudson, 1978; Hudson, 1989; Morgan, 1985; Shaw, 1993). In 1984, they successfully attracted Nissan Motors of Japan to locate its first European headquarter and production lines in Sunderland, North East

of England. It is worth noting that "intraregional sociospatial inequality has remained a constant characteristic in its trajectory of growth and decline" (Hudson, 2005, p. 582).

Arguably, regionalism has "been more important than anywhere else in England" since the North East has "a well-established identity based on a shared economic history and a fair amount of geographical coherence" (Shaw and Robinson, 2012, p. 234). Indeed, its distinctive social and cultural identity has set it apart from other regions in England. The North East regional culture was obvious in many ways, including a unique folk music culture which involves Northumbrian Small Pipes as well as a regional literature comprising the romantic novels written by Catherine Cookson, which explore the distinctive social structure of the region. Quakers have been present in the North East since the mid-1600s, with meetings throughout Northumberland and County Durham (Berry and Gregory, 2019). Local commerce, including worsted manufacture, banking and industrial finance, coal and iron ore mining, and railway promotion and direction, relied crucially on Quakers, and especially on the Backhouse and Pease families, who believed that they had a collective social responsibility to help one another and devoted themselves to the well-being and regional regeneration (Cookson, 2003).

Accomplishing importation through capital conversion

In the UK, the idea of community based philanthropic foundations took root in the mid-1980s when the Thatcher government was radically "rolling back the state so that people had more money in their pocket" (Interview Former CEO CFTWN, 2018). Local government budgets were being cut, which engendered the withdrawal of funding for community organizations. Increasingly, the non-profit and voluntary sectors had to compete for contracts which required them to offer specified services on behalf of government; basically, the non-profit and voluntary sector had to respond to the most urgent community needs and seek solutions to pressing issues. In this context, the idea of importing the US community foundation model

to the UK began to find favour (Interview Former CEO Charities Aid Foundation, 2018), and this established the preconditions for the process of capital conversion that followed. Instead of being antagonistic toward the voluntary sector, Thatcher placed great emphasis on voluntarism and took the view that the activities of self-help groups and societies constantly supported by grants from numerous charitable sources would help local communities to flourish. It is telling that:

> The other thing here is this great experience of hardship … It is a very strong image now that London does not help, we have got to pull our socks up, we have got to look after our own … That's part of the North East psyche really and it is still around (Interview Former CEO CFTWN, 2018).

Michael Brophy, then Chief Executive of the Charities Aid Foundation (CAF), took the lead in realizing this vision. Indeed, Brophy had studied what a community foundation was and how it operated on a visit to the US, financially supported by the Charles Stewart Mott Foundation in Michigan, and he had concluded that the US community foundation model was importable to the UK and that "it would be a good idea to get American help to set up … community foundations in the UK" (Interview Former CEO CAF, 2018). Brophy converted his symbolic capital into social capital by virtue of introducing the community foundation model to the UK. In order to boost the development of community foundations in the UK, CAF and the Home Office together set up a Community Trust Development Unit, assisting six pilot community foundations with the start-up and administrative costs for three years (1988-91) (Voluntary Action History Society, 2016).

In the North East of England, the impetus for capital conversion came from the voluntary sector, rather than from wealthy philanthropists. In August 1986, two voluntary sector leadership organizations – the Council for Voluntary Service in Tyne & Wear and the Community Council of Northumberland – authorized a report from a project called Charities Information Service of Tyne & Wear on "the potential for setting up a Community Trust or Community Trusts in the region" (CFTWN, 1987, p. 1). The Project Officer presented his

feasibility report in March 1987, which represented "a power of consecration or revelation" (Bourdieu, 1989, p. 23), the power to consecrate or to reveal the community foundation model that was already there.

Local actors judged the prospects of establishing one or more community foundations optimistically, expecting them to be able to raise substantial extra philanthropic funds from various sources: these sources include local, national and multinational companies, grant making trusts across the country, individuals by means of legacies, events and payroll giving, and local and national government, to support charities within the North East (CFTWN, 1987). The Project Officer recommended setting up a pilot organization with a Director and establishing a fundraising capability governed by representatives of both donors and recipients of funds. The Project Officer concluded that while community foundations might eventually become powerful bodies, it would take three or four years to prove the viability of the concept and "probably a decade before they begin to show their true potential" (CFTWN, 1987, p. 4). Implicit in his reasoning is the notion that individuals, companies and charitable organizations relinquish some economic capital in exchange for social, cultural and symbolic capital.

Beyond the idea of raising funds to support charities within a geographic area, what the Project Officer envisaged bore little resemblance to the US community foundation model. Different capital arrangements between the US and UK help in explaining why the importation process changes the original model into something that looks and functions differently. By way of direct comparison between the US and the UK, the then CEO of the CFTWN argued that:

> The United Kingdom is much more institutionally rich when it comes to
> infrastructure bodies like Councils for Voluntary Service or private/public
> sector partnerships like Newcastle Gateshead Initiative. There is not the same
> amount of public space for a community foundation to occupy.

A strong case can be made therefore that high levels of economic power equate to high levels of symbolic capital in the US to a degree that does not apply in the UK. First, because the US model is focused on raising large amounts of money from wealthy individuals, families and companies, not variable (including often very modest) sums from multiple sources. Secondly, governance of US community foundations is securely in the hands of donors, and is not shared between multiple stakeholders as it is in the UK (Interview Former Project Officer CFTWN, 2019). This tells us that at this early stage, knowledge of what constituted a community foundation in our local context was sketchy and to some degree misunderstood. Yet, the Project Officer's recommendations garnered support, resulting in the formation of a steering group comprising seven members drawn from the regional elites from the voluntary, business and public sectors (CFTWN, 1988). Within the steering group, the negotiating power of wealthy donors, voluntary organizations and local authorities was a function of the relative capitals at their disposal. Relations between these philanthropic elites were always in flux since capital endowments were found to vary in relative worth depending on the stage of importation. When the voluntary or public sector dominated, it was because cultural or symbolic capital was most highly prized; whereas when businesses or wealthy individuals, couples and families dominated, it was because economic, social and symbolic capital were especially valued, typically in bringing money, networks and social standing to the importation process. This is confirmed by the project officer:

> The voluntary organizations need to provide insights into the needs that the community foundation is seeking to address, so they're experts on what the needs of the local community are. They would provide evidence of that need which would support the fundraising of the community foundation … Donors' responsibilities are to give money and to encourage others to give money. The established practice in that is that it's much easier to persuade somebody to give some money if you have personally done it … They have a role in being ambassadors and helping to raise money. That's true of the corporate donors and the individual donors … Public authorities have the least role … There are only a few places for them on the board of directors. What happens generally is an individual within those authorities who has got a good reputation and is

interested in doing it might put themselves forward. (Interview Former Project Officer CFTWN, 2019)

Grigor McClelland appointed the Chair, George Hepburn CEO, and the foundation was launched in October 1988 (CFTWN, 2010). In May 1989, McClelland and Hepburn attended a community foundations conference in Rugby convened by the CAF and a group of US consultants recruited by the Mott Foundation (CFTWN, 2008). The second stage of the importation process began following this event, moving from attraction to a broad idea to acceptance of some, if not all, US community foundation principles. This stage was facilitated primarily by the process of converting symbolic capital into social and cultural capital. More specifically, importing organizational models opened up new views for CFTWN's founders and brought them directly into contact with US figures who possessed substantial knowledge of community foundations.

At Rugby, McClelland and Hepburn befriended the evangelical Doug Jansson who served as the CEO of the Rhode Island Foundation at that time. Symbolic capital is converted from social capital and is clearly at work here – "evangelists" like Jansson have followers and he persuaded many of them of the need to solicit large sums from private individuals, families and corporate bodies, as well as the need to focus attention on accumulating substantial endowed funds, with a goal of accomplishing independence and permanence (CFTWN, 2009). With the right blend and amount of symbolic capital, Jansson was trusted and his ideas respected. Although he might not have been universally "respected", he was perceived as credible and engendered confidence and belief in the community foundation model. Following the event, Jansson spent a few days in Newcastle diffusing the idea across the North East. As one interviewee observed, this positioned the CFTWN as "shifting power in favour of donors" (Interview Former Project Officer CFTWN, 2019). Thus, the need to import the US community foundation model to the North East of England led to noteworthy capital conversion processes.

A further landmark in development came in 1991 when the Mott Foundation partnered with the CAF to create a £2 million challenge fund, encouraging three embryonic community foundations, CFTWN, Cleveland (now Tees Valley) and Bristol (now Quartet), to bid for variably sized grants on the understanding that for every £1 of grant another £1 required to be raised at the local level within a three-year period (Interview Former Board Member C CFTWN, 2019). CFTWN tendered for a £1 million grant and was successful in raising another £2 million from 40 local philanthropists, creating initial endowed funds of £3 million. This achievement relied crucially on the conversion of economic capital into social, cultural and symbolic capital. Here, therefore, we have a successful case of capital conversion, from economic to cultural and symbolic capital. This is recalled by McClelland:

> I learnt that we should target our fundraising at a very small market sector – the top. We developed our standing partly by appointing honorary officers – the Lord Lieutenant of the county as President, two established local philanthropists, William Leech and Catherine Cookson, as Patrons, and a dozen well-known figures connected with the region, as Vice-Presidents (CFTWN, 2008).

McClelland was a Quaker social activist, who built networks within the worlds of business, academia and the third sector (Philanthropy North East, 2018). Widely admired and trusted, he had chaired the Washington New Town Development Corporation and played a key role in persuading Nissan to establish its car plant in Sunderland (McClelland, 1988). McClelland was the major force for the modernization of the retail industry, founding self-service supermarkets supported by advanced warehousing, distribution systems and stock control. He relinquished some of his economic capital in exchange for social, cultural and symbolic capital:

> The things with Grigor were that he had experience because he had been involved in the Joseph Rowntree Charitable Trust through the Quaker Movement. He was himself very philanthropically minded and was a kind of somebody who saw very important links between business and social value, the ethics of business, and the role of business and wealth in the wider world. So he brought some of the philosophical and values to play really, but also the experience and understanding of philanthropy, respect, contacts, networks and

a passion for what potentially this they were setting up might do for communities in the North East (Interview CEO CFTWN, 2018).

McClelland's approach to philanthropy combined practicality and idealism, following Joseph Rowntree's belief in tackling the social causes of poverty. What is important for him "is that institutions and their administration be constantly tested against human values and that those who are concerned about these values be prepared to grapple with the complex realities of modern society as it is" (McClelland, 1976). By virtue of his symbolic capital in the form of "moral authority" (Bourdieu, 1990, p. 51), McClelland had the power to convene assemblies of elites from different fields in the North East of England. It enabled him to convince others of the rightness of the cause, and therefore the CFTWN's success in winning the CAF-Mott challenge grant. This implies the conversion of economic to social and symbolic capital, which allowed elite actors to acquire and maintain power through the process of capital conversion.

What helped most, counter-intuitively, was "the distance from London, the distance from the capital", which facilitated "a stronger, more independent feel" because "being a border community helped us build local community" (Interview Former CEO CFTWN, 2018). The upper and upper-middle class members acquired substantial economic capital from a smaller state and the reduction of taxation, expanding their capacity, and importantly their willingness, to invest in charitable causes in the North East communities. It is noteworthy that:

> It's not necessarily [the case] that they're extremely philanthropic in a pure sense of the word of wanting to support disabled children or whatever. It may be as much to do with the fact that it is known that they're wealthy and they want to show they're responsible citizens. It might be that they want a knighthood (Interview Former CEO CFTWN, 2018).

Indeed, local power brokers actively converted their economic capital into symbolic capital when embedding the organizational model in the community. A US community foundation

consultant, an impartial outsider, found the CFTWN's board to be filled "with individuals of stature in the area" (CFTWN, 2010, p. 25) when evaluating the impact of the CAF-Mott challenge grant programme on the foundation. Their symbolic capital proved to be the trump card at the CFTWN's early stage of development to raise its profile and strengthen its capabilities.

As founding Chair, McClelland was never afraid to exercise the power that his capital afforded, regularly asserting his independence and authority. As the first CEO observed:

> Up here there was a fair amount of arm-twisting at one stage from the local civil servants that we should do this or we should do that. That was kind of bullying really. The more difficult thing up here was the old boys network. Grant-making worked on the basis that if Lord [name withheld] wanted you to do something, you did it. A lot of family and charitable trusts worked on that basis. It wasn't the quality of your application; it was if you knew the trustees. If you had worked with a trustee, then sure enough the grant would follow. I still think that happens to some extent in some foundations. We kind of set up and faced against that, we said no, everybody had to put a paper of application in and we had criteria and we had policies. If you didn't meet those policies, it might not be a very good application, I'm very sorry you won't get the money. (Interview Former CEO CFTWN, 2018).

McClelland's capital and elite power breathed new life into what was at the time seen as a novel philanthropic venture. As the first CEO expressed, "Grigor put his name and reputation behind an untried, untested project and made it great." He was awarded a special honour – CBE – in 1994 for his outstanding "charitable services in Tyne and Wear" (Philanthropy North East, 2018), thereby acquiring more symbolic capital.

McClelland's personal distinction helped the CFTWN to secure access to elite networks and persuade potential donors to support its development:

> Part of the reason it worked here was that we could get access to very wealthy people in a way that I think is much more difficult [elsewhere] (Interview Former CEO CFTWN, 2018).

McClelland enabled bonding across networks and developed solidarity between individuals with common values, gathering elites from the corporate world, the third sector as well as the public sector, "deliberately bringing together donors, beneficiaries and supporters" (Interview

CEO CFTWN, 2018). Departing from US practices, CFTWN from the beginning selected board members from different constituencies, on a representative basis, including local government. In this, CFTWN's founders with substantial experience of building coalitions of elites from different professional and business contexts followed the partnership logic, instead of the more elementary, and overly crude, logic that people who provide the money for causes have the right to determine how it should be spent:

> It is the partnerships with the other funders, the public sector bodies and with the third sector that provides us with our intelligence on what is most needed across our geography, and where others are already investing (Interview CEO UK Community Foundation C, 2018).

The capital conversion processes driving the importation of the community foundation model continued to evolve, subject to constant negotiation and compromise. The CFTWN was endeavouring to raise its endowed funds, which had grown to £12 million by 1996. At this stage, Hepburn experienced what he called the "second road to Damascus" after "another US consultant from San Francisco" visited the CFTWN (CFTWN, 2009, p. 6). Robert Fisher placed great emphasis on the need to adopt the US fully professional donor services approach, converting some cultural capital into social capital. What he meant by this was developing the capabilities required to attach more value to the donors' experience of philanthropy, understanding that philanthropy was about much more than simply giving money away to good causes. To put it another way, the CFTWN must have the expertise needed to understand the philanthropic world from the perspective of donors and, more importantly, what motivates them to give, and the rewards they gain from their philanthropic journeys. According to the CFTWN's first CEO:

> A community foundation has to meet its donors' "psychic rewards" … these are not necessarily related to the beneficiary of the gift. A donor might, for example, be seeking acceptance into an elite social circle, or even, in the UK, be pursuing a knighthood. Managing the donor fund became paramount… causing more work, but it was a way of soliciting subsequent donations… It was not for us to rank different forms of philanthropic motivation as much as to understand it in each individual case… We re-tooled the foundation as a donor services agency (CFTWN, 2009, p. 6).

This idea, expressed simply, was that the conversion of economic capital into social and symbolic capital would shore up the *status quo* and consolidate positions of wealthy donors.

The importation process and the outcome of capital conversion could be seen as an important and powerful force for change within the philanthropic field. A donor service-oriented community foundation might be able to serve as advisor to businesses or wealthy individuals, couples and families in much the same way as do law and accountancy firms. Elevating donor services in effect reminded us that the balance of power that capital afforded ultimately resides with donors rather than beneficiaries, despite the fact that the CFTWN was initially designed to be an inclusive charitable organization, with members from multiple constituencies and a collegial citizen board. Because of this, the CFTWN invariably appoints the chair of its board from the ranks of prominent philanthropists rather than voluntary sector leaders.

Discussion and conclusion

At the start of this book chapter, we asked how new organizational models get imported to local contexts through the application of different forms of capital. In answer, we suggest that the importation of new models involves a substantial, strategic and conscious mobilization of Bourdieu's four main types of capital – economic, cultural, social and symbolic – which enables the adaptive processes induced in recipient institutional contexts. At its inception, the CFTWN depended primarily on the convertibility of these forms of capital to bring about institutional change. The importation process restructured the quantities and composition of capitals possessed by elite actors, which enables them to maintain their competitive advantage within an organizational field.

In the late 1980s, the CFTWN used elements of the logic of community philanthropy, consciously and instrumentally, to import the community foundation model from the US to the North East of England; hierarchically reconfiguring the core of field-level endeavours of

fundraising, endowment building and grant making. One of the main points of departure from the US community foundation model consists in donors dominating not only with respect to allocation of funds but also with respect to the governance of the organization. Our study suggests that the collegial or representative system of governance adopted at CFTWN was best suited to the regional context, legitimizing the new organization with multiple types of stakeholders in the region. Basically, the elite coalition promoting economic and social regeneration in the wake of deindustrialization and globalization embraced the idea of community philanthropy as another means of delivering its broader objective. Opting for a stakeholder model of governance confirmed the commitment of different factions within the regional elite to work together in pursuit of shared goals.

All such modifications to an imported ideal-type are locally specific. We can only understand issues of importation and change by examining capital within a specific location or field. The CFTWN constitutes a sub-field functioning within the North East philanthropic field wherein philanthropic foundations, voluntary organizations, local authorities and frontline charities join forces to alleviate the harmful effects of growing inequalities. This field is nested in a highly stratified array of fields, which include the economically dominant field of business, the primary and ultimate source of funds for the CFTWN. It could be conceived as a social space in which powerful actors to the fore in their respective fields came together to make common cause in pursuit of philanthropic goals. Establishing and embedding the CFTWN in the North East of England depended crucially on converting the capitals that diverse elite actors possessed; the wealthy who converted economic capital, while others who variously converted social, cultural and symbolic capital.

Of all these forms of capital, our findings suggest that symbolic capital is especially relevant. The CFTWN's representative stakeholder model of governance enabled the process of converting economic capital into symbolic capital; in Bourdieu's (1990) words, "with all

the forms of legitimating redistribution … financing 'disinterested foundations', donations to hospitals, academic and cultural institutions, etc. … through which dominant groups secure a capital of 'credit' which seems to owe nothing to the logic of exploitation" (p. 133). Indeed, stakeholder governance emerged as agents' trump card to acquire symbolic capital. With regard to symbolic association, the importation process set them apart and gave them access to the power elite denied to others. Our findings suggest that this accomplishment depended crucially on the power granted to those with "obtained sufficient recognition to be in a position to impose recognition" (Bourdieu, 1989, p. 23). In this way, the power needed to create and win acceptance for the new community foundation, based as it was on an unfamiliar organizational model, stemmed mainly from the mobilization of "symbolic capital accumulated in and through the whole network of relations of recognition constitutive of the bureaucratic universe" (Bourdieu, 1994, p. 12).

In our view, the adaptation of the US community foundation model at the CFTWN was ultimately far less radical than it initially appeared. Both the intervention of American agents and the natural power dynamics of philanthropic relationships (donor centrism) worked to normalize the situation of the foundation. The modification to governance arrangements served to legitimate the organization and further its cause without actually undermining the power of donors. Having a membership organization with a stakeholder representative board cemented the position of the economic elite through the application of economic capital; importation achieved through large amounts of charitable donations from businesses and wealthy individuals, couples and families in the region.

At CFTWN, the exercise of power by a small number of elite players depended crucially on the existence of alliances within the field, animated by the quest for economic and social regeneration. As in a game of cards, elite actors played the hands dealt, exhibiting greater skill (Kerr and Robinson, 2012) when importing the community foundation model to

the region. Those with the high levels of social and symbolic capital were found to bridge different sectors, networking both inside and outside the philanthropic field. Doing so converted the capital they possessed, enhanced their power base, and enabled them to form coalitions in pursuit of changes in institutional arrangements (Harvey, Maclean, Shaw and Gordon, 2011).

In this chapter, we employ Bourdieu's theory of capital conversion to explore the importation of organizational models and the adaptive processes that we observed in respective institutional contexts. Our main contribution to this book is to demonstrate the need for elite actors to convert capital, which can facilitate the importation of organizational models. We have shown that the importation of organizational models could be viewed as a profound mechanism of change that can fundamentally alter organizational forms by converting what is at stake: capitals – in Bourdieu's terms – within an organizational field. While power brokers at times execute change coercively through organizational hierarchies (Ernst, 2017), they often acquire and maintain their power more subtly through the process of capital conversion (Oakes, Townley and Cooper, 1998). The power that derives from command of different forms of resources is always varying in quantum since, as we have demonstrated, capital formation is a continuous, dynamic and high-powered process, subject to conversion (Harvey and Maclean, 2008; Kerr and Robinson, 2011). As Bourdieu (1986, p. 89) writes, "the real logic of the functioning of capital [is the] conversion from one type to another." The conversion of Bourdieu's four main forms of capital enables capital rich individuals and organizations involved in the importation of organizational models to reproduce and regenerate themselves. Social reproduction across space and time occurs in large measure because "capital breeds capital" (Bourdieu, 1988, p. 85).

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