

Entrepreneurial Philanthropy: Theoretical Antecedents and Empirical Analysis of economic, social, cultural and symbolic capitals

Principle Topic

Entrepreneurial philanthropy is emerging as a significant topic within the field of entrepreneurship (Bishop and Green, 2008; Schervish, 2008). While interest in the philanthropic behaviours of high net worth entrepreneurs is growing, the subject is at an early stage of investigation and presents opportunities for theoretical and empirical advances. This paper draws on the initial research findings of an ongoing study of contemporary entrepreneurial philanthropy. Specifically, it seeks to address the contemporary phenomenon of entrepreneurial philanthropy by exploring both the historical and theoretical antecedents of such philanthropy and its current practice. The paper draws upon relevant historical and sociological based literature together with extant entrepreneurship research. In particular, the paper seeks to contribute to a theoretical understanding of contemporary entrepreneurial philanthropy by presenting a robust conceptual framework which is informed by capital theory (Bourdieu 1986), in particular Firkin's (2003) notion of 'entrepreneurial capital', and the concept of hyperagency (Schervish, 2003). Following this, the paper presents an empirical analysis of the economic, social, cultural and symbolic capital of the UK's most active entrepreneurial philanthropists and considers the implications of such capitals for the engagement of high net worth entrepreneurs in philanthropy. By exploring the theoretical antecedents of entrepreneurial philanthropy and the contemporary practice of such philanthropy the paper seeks to contribute to current discourse and debate about the nature of entrepreneurship which are apparent within the field while contributing to emerging understanding of contemporary entrepreneurial philanthropists.

Method

In designing the research we have been cognisant of the requirement to develop a methodology appropriate to the robust investigation of contemporary entrepreneurial philanthropy particularly within the context of turbulent economic environments. To achieve this, the research design builds upon research expertise in a range of methodological techniques which, while established within the wider social sciences, have yet to be applied to their full potential for the study of entrepreneurial philanthropy. Specifically, these include: Critical Incident Interviewing (Flanagan, 1954), the Repertory Grid Technique (Fransella and Bannister, 2003), and both Life History Interviewing and Narrative Analysis (Denzin, 1989; Czarniawska, 1998). The research design involves three key phases. First, available secondary data collated from a number of published sources is used to build a detailed database of engaged UK entrepreneurial philanthropists, the source and nature of their wealth and the other types of resources which they possess, access and may use in their philanthropic activities. The purpose of creating this database is to develop detailed profiles of the life histories, backgrounds, experiences, contacts and influence of high net worth entrepreneurs who become engaged in active, large scale philanthropy. This database will also profile where and how these entrepreneurs target their resources - not just financial but, significantly, their social, symbolic, cultural and human capital resources. To date research has mostly considered the economic or financial dimensions of entrepreneurial philanthropists. Building on the work of Schervish (2008) this phase of the research will explore the 'added value' of high net worth philanthropy which can be created when entrepreneurs actively engage in philanthropy by investing a mix of capitals: economic, human, cultural, social and symbolic.

From this database, the second phase of the research will involve the use of purposive sampling to identify entrepreneurs actively involved in wealth redistribution willing to

participate in depth-interviewing. From these entrepreneurs, a smaller purposive sample will be identified for further detailed case-study research. The purpose of these phases of the research are to collect detailed primary data from high net worth entrepreneurial philanthropists and others involved within their fields of giving, for example, those involved in managing the Foundations established by high net worth entrepreneurs. Our purpose in doing this is to acquire a more detailed understanding of how, why and to whom high net worth entrepreneurs direct their philanthropic intentions. Specifically we intend to collect data during interviews and to develop detailed case studies of the process, mechanisms, vehicles and motivations of the philanthropic efforts of wealthy entrepreneurs. The findings presented in this paper will concentrate on phase one of our research.

Results and Implications

The analysis presented will provide detailed insights into the various capitals possessed by, available to and used by high net worth entrepreneurs actively involved in the field of philanthropy. Two key themes to emerge from this analysis will be highlighted. First, the role of social capital including for example, networks, contacts and memberships as an enabler of entrepreneurial philanthropy will be discussed. Secondly, the interplay between the social and symbolic capital of entrepreneurial philanthropists and the implications of this for where and how they channel their philanthropic investments will be presented.

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