Institutional Funds of Knowledge (Working Paper)

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Introduction

This brief essay is an introduction to the theorization of institutional funds of knowledge as an emerging concept along with its application in the context of organizational theory particularly around issues of higher education institutions (HEIs). Institutional funds of knowledge refers to the skills and knowledge that have been historically and culturally developed and practiced inside an organization (or a unit within the organization) and that translates into concrete beneficial outcomes for such organization by presenting an alternative to dominant practices. These ‘funds’ rely on the individual agency and on various forms of capital that members of the organization possess, and therefore share, until they permeate enough to become institutionalized practices. Contrary to other manifestations of organizational practices and organizational knowledge, institutional funds of knowledge is the recognition that such practices and knowledge stem from the individuals’ lived experiences. As opposed to research on how individuals embody an organization’s ethos and adopt its successful practices, institutional funds of knowledge is a more proactive framework in which individuals shape the organizational culture and develop alternatives that challenge prevailing practices from other—more dominant—organizations.

Institutional funds of knowledge builds on previous literature around our collective understanding of the agency and resiliency of different populations. Oftentimes this body of literature is presented as a counternarrative to deficit perspective approaches. Particularly, institutional funds of knowledge is an extension of the funds of knowledge theoretical framework (Moll & González, 1994; Vélez-Ibáñez & Greenberg, 1992) but translated into the organizational theory field. Funds of knowledge first emerged as a tool used by marginalized families who—by clustering and sharing their expertise, information, and other resources—created knowledge that

allowed them to thrive (Vélez-Ibáñez & Greenberg, 1992). This concept was later translated into the educational context by observing how children absorb “historically accumulated and culturally developed bodies of knowledge and skills” (Moll & González, 1994, p. 443).

Currently, this framework is highly used by educational researchers analyzing ways to disrupt deficit models. But even within the literature in education, funds of knowledge keeps evolving. As shown by Oughton (2010, p. 66), the unit of analysis has already shift from “the cultural and cognitive resources possessed by *households or communities* to those possessed by *individuals*” (original emphasis). Its conception has also shifted from practical skills to interpersonal, communication, and meta-cognitive skills (p. 67). In-line with this evolution, I propose that the funds of knowledge framework can still evolve and be adapted for—and translated into—the organizational level.

Of Funds and Capitals

Although funds of knowledge might be generally used at the individual level, the idea behind it is also useful to understand collectivities. The concept of ‘funds’ within the funds of knowledge theory, stems from Wolf’s (1966, cited in Ríos Aguilar et al., 2011) idea of knowledge as a resource that can be socially exchanged and transferred. This idea makes funds of knowledge—and therefore institutional funds of knowledge—resemble many forms of capital such as social and cultural capital (Rios-Aguilar et al., 2011). The latter concepts, by being referred to as ‘capital’, imply that they are unequally distributed, and hence, can contribute to the perpetuation of inequities and inequalities. As such, the idea of funds makes more sense to serve as counterweight toward addressing said imbalances. Nonetheless, it is important to understand the notions of these concepts and how they look like at both the individual and collective level.

First, the concept of cultural capital refers mainly to the competencies that an individual possesses by being part of a certain social class (Bourdieu, 1973). Bourdieu explains how cultural capital can exist in three forms: embodied, objectified, and institutionalized. The latter is relevant since it underlies the type legitimization based on prestige of academic credentials that institutional funds of knowledge challenges.

On the other hand, while there is no consensus on a single definition for what social capital means (Adler & Kwon, 2000; Bhandari & Yasunobu, 2009), many sociologists agree with Bourdieu's view as a starting point. He defined social capital as "the sum of the actual or potential resources that are linked to the possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition—in other words, to membership in a group" (Bourdieu, 1986, p. 248). Perhaps the main differences in using this concept arise from theorizing whether social capital is an individual or a shared asset. Adler and Kwon (2000) and later Quibria (2003) and Bhandari and Yasunobu (2009) have compiled several definitions of social capital and identified that overall this concept has mostly been analyzed either as a) an internal characteristic of individual actors and the relationships between them (e.g. Bourdieu, 1986; Brehm & Rahn, 1997; Fukuyama, 1997; Portes & Sensenbrenner, 1993; Putnam, 1995), or b) as an external condition based on an organization's internal structure (e.g. Baker, 1990; J. S. Coleman, 1994). However, these two approaches are not mutually exclusive (Adler & Kwon, 2000), and this is precisely where the concept of institutional funds of knowledge fits. Coleman (1988)—despite focusing on social capital "as a resource for persons" (p. S98)—acknowledges the possibility for "purposive organizations...to be 'corporate actors' just as persons" (p. S98). Along those lines, institutional funds of knowledge imply that the cultural practices within an

organizational unit—or a whole organization—represent valuable knowledge that can be internalized and transferred.

The idea of organizations generating knowledge is not new (see e.g. Nonaka's 1994 work on organizational knowledge). However, it is important to analyze and acknowledge how and where does this organizational knowledge stems from. After all, institutions “are populated with people whose social interactions suffuse institutions with local force and significance” (Hallett & Ventresca, 2006, p. 213). In this sense, institutional funds of knowledge challenges the idea that organizations lack within them the necessary agency to counteract dominant practices that are transferred coercively, mimetically, or normatively (DiMaggio & Powell, 1983). At the core of institutional funds of knowledge lies a sense of agency that pushes an organization toward dissidence and innovation against perceived inequities stemming from imbalanced power relations (Rebughini, 2018); an agency that resists and redefines supra-institutional structures (Baez, 2000). Individual actors within an organization exercise their agency in several ways that alter tasks and relations (Wrzesniewski & Dutton, 2001). These individuals can also collectively transform an organization or a unit given the joint power of their social network (Kiyama et al., 2012).

Through valuing the existing ‘critical agency network’—defined by Kiyama et al (2012, p. 277) as “[individuals’] agency and the power of their social ties and of their positions and roles within the [organization’s] structure in creating change”—institutions can implement and institutionalize practices that can contest prevailing models. This situates fund of institutional knowledge as a framework that blends together the structure from the ‘new’ institutionalism theory with the agency of the ‘old’ institutionalism (Hallett & Ventresca, 2006).

In sum, both social and cultural capital have been theorized and applied at both the individual and institutional levels. However, they still represent a deficit approach in which

individuals or collectivities either have or lack any/both forms of capital putting them in a dominant or dominated position. On the other hand, the concept of funds of knowledge does represent a more proactive response that shifts attention, from the deficit perspective of individuals lacking forms of capital, to a revalorization of what is collectively understood as needed to compete and thrive in environments that exclude a marginalized majority (Deil-Amen, 2011) of individuals who do not conform to the dominant image. But at the same time, this approach relies vastly on the individual as the main actor for both using and sharing their personal funds (e.g. a student) and for valuing or accepting such knowledge as a fund (e.g. a teacher) (Oughton, 2010)

Therefore, to fill these voids, I propose the use of institutional funds of knowledge as a framework to understand if and how organizations can create alternatives to the dominant practices that have defined what is considered acceptable or successful. The challenge lies—just as with the original funds of knowledge framework—in identifying what constitutes a ‘fund’ and how can it be translated into an outcome.

Lastly, a warning on the use of terminology. In their influential essay, Ríos-Aguila and colleagues (2011) warn on a dangerous dichotomy of using as a research framework either funds of knowledge or various forms of capital “based primarily on social class and the privileges associated with them” (p. 179). They point out how funds of knowledge has been largely used “for describing capital in lower income and immigrant communities” (p. 179). Similarly, there is a risk that the collective power and institutionalized organizational practices of an institution be classified as ‘entrepreneurial,’ ‘novel,’ or ‘innovative’ only when they come from an organization in a dominant position, but that it becomes ‘institutional funds of knowledge’—at best—or ‘interesting practices’—at worst—when they stem from an organization among the marginalized majority.

Possible Applications of Institutional Funds of Knowledge as a Framework

My approach to theorize about institutional funds of knowledge is delimited to HEIs. Similar to funds of knowledge's invitation to shift attention from deficits to strengths of educationally marginalized populations and the legitimization of their skills and dispositions, institutional funds of knowledge is—in this specific context—an approach that looks to shift the deficit perspective oftentimes observed among HEIs in different contexts. These contexts could be, for example, HEIs with different missions such as technical or vocational institutions compared to research ones. An example could be how practices and philosophy toward student success from the former could actually inform the latter (Bailey et al., 2015).

The framework can also be applied to international cooperation initiatives between HEIs in the marginalized Majority World and those in the dominant Minority World. The majority of HEIs are located in the so-called Global South, yet given the current power imbalances rooted in centuries of colonial oppression, these institutions keep being a marginalized majority that at best, presents 'problems' that can be used to the benefit of the North as a place to apply their research. Therefore, valuing the idiosyncrasies and the contextual social and cultural capitals of the individuals within this organizations, presents an opportunity for embracing new knowledges and ways of knowing. Moving forward, it will be important to design empirical studies that contribute to our collective understanding about if and how HEIs in 'marginalized' positions are relying on their senior and mid-level managers to institutionalize practices that present alternatives to the dominant narratives.

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