Famous objects: studying organizations through the lens of symbolic capital

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Introduction

We aim to contribute to this subtrack by revisiting a key concept in the sociology of Pierre Bourdieu: symbolic capital. Bourdieu's work has been regularly mobilized in organizational studies (Tatli, Özbilgin & Karatas-Özkan, 2015), particularly following calls from researchers to take up this body of knowledge (Emirbayer & Johnson, 2008). However, the concept of symbolic capital is often misused, or at least rarely used to its full potential. Symbolic capital is not limited to prestige or honorific titles (see Ocasio, Pozner & Milner, 2020). At its core, symbolic capital is defined as *any* type of capital, as it is the most specific to a given field, in the sense that its value is perceived only by the agents invested in the field (Bourdieu, 2003).

As we consider "organizations-as-fields" (Emirbayer & Johnson, 2008, p.22), we argue that reconnecting with the foundations of symbolic capital allows us to take another look at organizations. More specifically, we ask the following question: *how does the concept of symbolic capital function as a key to explain the dynamics of the organization-as-field?*

To address this question, we use an exploratory qualitative case study of a company operating in the consumer credit sector, CreditCorp. In the field of CreditCorp, we argue that customer evaluation models— or scores— function as symbolic capital. We show that the struggle over the definition of this symbolic capital has benefitted the dominated agents in their capital accumulation strategies. By unraveling what functions as symbolic capital in an organization, we can map the organization and explain phenomena and behaviors that are related to the accumulation and conservation of this capital.

Theoretical framing

Bourdieu's theory of capital cannot be isolated from his theory of fields. A field is a structured subset of social space, where agents mobilize and invest types of capital, thus participating in the field's game (Bourdieu, 1979, 2003). The volume and structure of each agent's capital define their position in the field. The symbolic order of the field corresponds to the hierarchy of types of capital, what makes the specific capital of the field —what differentiates the field from the rest of the social space— as well as the investment conditions of the various types of capital.

Bourdieu defines symbolic capital as *any* other type of capital (economic, cultural or social) "when it obtains an explicit or practical recognition, that of a habitus structured according to the same structures than the space where [the habitus] came from", in other words "to know and recognize it according to cognitive structures that are able and inclined to grant it recognition because they are in tune to what it is" (Bourdieu, 2003, p.347, our translation). Symbolic capital is consequently the most specific property of one field, not only as a product of the field, but also due to its perception as symbolic capital by agents that are invested in the field. Symbolic capital resides at the center of struggles in the field and "measures" the legitimacy of its holders. With its distinctive potential, symbolic capital can also function as a membership mark for groups considered as important in the field— for example, a certain number of professions in an organization (Bechky, 2003; Bourdieu, 1979).

Although Bourdieu's theory of capital has been frequently mobilized in management studies, the concept of symbolic capital remains underused or, when used, is too often hastily interpreted (Burri, 2008; Doherty & Dickmann, 2009; Kerr & Robinson, 2016; Ocasio et al., 2020; Vaara & Faÿ, 2012). In their recent review of the literature, Ocasio and colleagues (2020) are limiting symbolic capital to category membership— with titles or positions in the organizational chart— and prestige or honor. However, adopting this definition leads to neglecting the work of Bourdieu on the nature and the functioning of symbolic capital and its related power (Bourdieu, 2001). Our ambition is to unravel the mechanisms and relationships that lead to the interpretation of symbolic capital as prestige. In brief, the power of symbolic capital comes from the embodiment of social structures in agents — their habitus — but also from its capacity of structuring the social space.

Symbolic capital is therefore the central stake of the organization-as-field (Emirbayer & Johnson, 2008, p.22). We can link it to the different strategies deployed by the agents. Authors have described conversion circuits mobilizing symbolic capital (Kerr & Robinson, 2016), or conservation strategies (Kumar et al., 2021). However, these strategies may be inappropriate whenever the field's symbolic order changes.

Indeed, a type of capital can cease to function as symbolic capital, while other forms of capital can be elevated to symbolic capital. In other words, at a given time, what is valuable in a field can become obsolete, following a redefinition of the field's symbolic order (Calhoun, 2003). The definition of the field's symbolic order—the "rule of the game"— is a critical stake for agents invested in the field. A change of rule is equivalent to a reversal of the values and positions in the field (Wild et al., 2020). Thus, symbolic struggle is the process through which agents try to transform or maintain the field's symbolic order.

The symbolic order can also be disrupted by structural changes in the field, whether through the emergence of new actors or material changes (Bourdieu, 1984). The introduction of new tools may position a new type of capital as symbolic capital (Burri, 2008), or may devalue the current symbolic capital in the field (Kumar et al., 2021).

In summary, we insist on the fact that *any* type of capital can function as symbolic capital. Since symbolic capital is conditioned by the structure of the field, it is necessary to look at the history of the field in question, and thus introduce a historical dimension to our organizational analysis. Finally, as symbolic capital is central to the field, it is the stake of symbolic struggles that surface in the actions and discourses of agents invested in the field and that reveal the power relations within the field.

Research setting and methods

We use an exploratory interpretive qualitative study (Yanow & Schwartz-Shea, 2006). We were able to secure access to an organization operating in the consumer credit market, CreditCorp. CreditCorp follows a matrixial organization, on one hand divided in functions — Risk, Operations, IT, Marketing — and on the other hand divided in countries — France, Portugal, etc. as well as a central division called Corporate. The organization is not independent, as it belongs to a French multinational corporation in the banking industry.

We led 17 semi-structured interviews and observed —while not participating— weekly project meetings (from May to October 2021). We collected secondary data, such as PowerPoint presentations, reports and emails. We analyzed and coded each type of data, following a grounded-theory inspired method, going back and forth between empirical material and theory (Miles & Huberman, 1994). The first interviews were led in an exploratory manner.

After a few interviews, we noticed the predominance of scoring practices — mathematical models aimed at evaluating loan applicants (Rona-Tas & Guseva, 2018, p. 62-64) — both as an object of desire in the business teams and as the stake of struggles over the legitimate production methods. Then, considering the score as a type of cultural capital that functions as symbolic capital, we built the necessary coding categories in line with the theoretical framework. Our analysis allowed us to use scoring practices as a differentiating principle in the organization, highlighting two spaces within the field: the space of score producers and the space of score consumers.

Case

CreditCorp was founded in the middle of the 20th century to provide financing towards the consumption of home appliances — particularly expensive goods at the time. They incorporated scores into their lending practices following the influence of scoring techniques that were produced by the Fair & Isaac Corporation (Poon, 2009). Scores are typically used before granting a credit, to evaluate whether the customer will be able to refund their loan. Informants across the company consider scores as fundamental to the organization’s culture and performance. However, contrary to the FICO scores, CreditCorp scores are used and produced in-house.

Three types of score producers stand out: risk statisticians, IT data scientists, and business data scientists. Risk statisticians have been the historical producers of scores since the 1970s. This group is perceived today as a "world apart" or an "ivory tower". The supremacy of Risk was consecrated by the Basel II agreements, which systematized the use of scoring models in the banking industry. As historical producers of scores, risk statisticians have developed scoring criteria that consecrate any new model. While scoring was the domain of Risk teams until the 2010s, having a single entity managing models in all the countries where CreditCorp operates proved difficult. Such difficulties and the "data science" trend led to a decentralization of the scoring activity and the constitution of the two following groups of data scientists in 2016.

IT data scientists are seeking to impose a new logic of data processing, prioritizing IT competence, where particular attention is paid to "best coding practices" or code reviews. IT data scientists are opposed to the score evaluation criteria disseminated by the Risk teams, which they believe translates into code constraints. In return, the primacy of code is denigrated by statisticians. Risk statisticians consider the very practice of coding by data scientists as a weakness, limiting their knowledge of statistics.

Finally, business data scientists distinguish themselves from Risk statisticians and IT data scientists by their distance from technology, as they prefer to focus on meeting "the business needs". Understanding the business is the most important aspect of their work, establishing a closer relationship with the business teams, particularly through training and support in data techniques. However, they are close to the Risk statisticians as they try to enforce the production criteria set by the latter group.

After having presented the space of score producers, we will now highlight how the symbolic struggle between score producers is exploited by score consumers.

The Litigation group is part of the Operations division. Its main activities involve the full payment of loans endorsed by CreditCorp customers. Even though Litigation is an essential activity in the consumer credit industry, it is considered as "the end of the chain" at CreditCorp.

Litigation activities were not supported by scores. However, thanks to a Litigation process expert that has strong links with the IT teams, the Litigation group was able to partner with the IT data scientists to produce scores, which were perceived as inaccessible for them. On one hand, IT data scientists were looking for legitimacy as new players in the space of score producers. On the other hand, the Litigation group saw this collaboration as an opportunity to improve their processes and "work smarter, just like the teams next door do".

Eventually, the scores produced for the Litigation group were criticized as a “provocation” from the IT data scientists. The IT data scientists did not follow the criteria set by the Risk statisticians. Risk statisticians and business data scientists demanded the new scores to be pulled out while waiting for their accreditation. Getting into the accreditation process was a way for the Litigation group to get recognition by both score producers and score consumers as legitimate score holders. Now, scoring projects are part of the yearly plans for the Litigation group, instead of being “under-the-radar” projects.

In short, the deviation from the business rule has allowed the Litigation division to produce that cultural capital *qua* symbolic capital, whose investment in the business field "pays off" in recognition from others, but also the possibility of continuing to accumulate symbolic capital via the production of new scores.

Main findings and contributions

As scores are rooted in the organization’s history, we considered them as symbolic capital, which led us to question how they are produced and how they are appropriated. We were able to unravel the field of the organization and divide it into two spaces. In the producer space, agents derive a form of symbolic capital from the act of production (Kerr & Robinson, 2016, p.10). In the consumer space, the belief in better productivity characterizes agents' relationship to the score as symbolic capital. In this space, implementing scores into business processes, as objectified cultural capital, works as symbolic capital.

Scores as symbolic capital reveal the conflicts in the producer space, and more specifically the structuring of the latter into three poles. These poles are as many definitions of the symbolic order of the field of production, that is, as many conceptions of what a "good" scoring model is. These three poles are not mutually exclusive: it is the hierarchy between them that is at stake in this symbolic struggle. Each of these poles becomes institutionalized over time, by integrating their claim to domination into organizational processes: thus rules, evaluation criteria, best practices, etc.

The power possessed by the dominant score producers in the organization — the Risk statisticians — shows the extent to which they control the accumulation of symbolic capital on both sides of the corporate field. Risk statisticians benefit indeed from a substantial stock of symbolic capital thanks to their historical anchoring in the organization. The recognition of symbolic capital throughout the organization is conditioned by the judgment of the score producers. The space of the score consumers then serves as the “battlefield” for the symbolic struggle that is played out in the space of the producers. In the space of score consumers, the accumulation of symbolic capital mirrors the one which takes place in the producers' space: each score implementation implies an act of production, and therefore of legitimization of the producers.

Our case highlights a structural shift in the score producer space, resulting in a disruption in strategies for accumulating and conserving symbolic capital across the organization (Kumar et al., 2021). The emergence of new actors has pushed the risk teams to adapt. With the potential proliferation of scores, the risk teams are exerting their control by asserting criteria for the quality of scoring models and inadequacies in the data used in the production of the score. Facing the possibility of the devaluation of their symbolic capital, the preservation of a dominant position in the producers' space exacerbates the mechanisms of domination.

For agents in the score consumer space, the symbolic struggle between producers represents an opportunity for the accumulation of symbolic capital. As a dominated actor in the field of CreditCorp, the Litigation group was excluded from the traditional circuits of score implementation, that is, circuits of symbolic capital accumulation. The alliance between the Litigation group and the IT data scientists—both dominated in their respective spaces—served on the one hand the implementation of scores in processes that were deprived of them, and on the other hand, the quest for legitimacy of a new actor in the score production space. While the score produced for the Litigation group has yet to be recognized by the rest of the organization, this "provocation" has nevertheless made visible the claim to symbolic capital by the dominated.

Finally, further research could explore which type of capital would most likely function as symbolic capital in organizations. In the case of CreditCorp, we have highlighted scores, a type of cultural capital that is predominant in the organization. The relationship to scores as symbolic capital differs depending on whether the agents are in the consumer or producer space. The ambivalence of scores is characteristic of symbolic capital, in the sense that its perception depends on the position of agents in the social space (Bourdieu, 2003).

Consequently, researchers could study types of capital that are conducive to this ambivalence within organizations.

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