University
of Basel

Center for
Philanthropy Studies

ceps

Foundations and social innovations

Steffen Bethmann
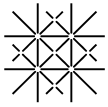CEPS Research Fellow
steffen.bethmann@unibas.ch

Executive Summary

Some voices argue that grant-making foundations are social innovators or the vanguard of society. Others see foundations as weak and encapsulated institutions, deprived of effective internal or external stimuli, and unable to deal with broad social problems. Both arguments have merit. While some foundations strive to change social routines, others support a theatre, a museum or a zoo. When do foundations decide to innovate? What determines their ability to do so?
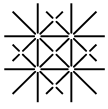
So far, there is little knowledge about the factors that influence foundation behavior and their capacity to innovate. Grant-making foundations have rarely received the attention of organizational theory. This paper addresses this theoretical lacuna by following an iterative research study approach of expert interviews and in-depth case studies. The results show that foundations are cultural capital and affection-driven as well as subject to strong inertial forces. Their organizational path is defined early in their existence. Their innovation capacity depends on their capital structure (social, cultural, financial, and symbolic) and their institutional imprints. The inferences found in the study allow for substantially advancing our understanding of foundations and their ability to innovate.

Keywords: grant-making foundations, organizational theory, social innovation, case study

Content

1   Introduction

The discourse that grant-making foundations have a great potential to act as social innovators is well-established (Jaskyte et al. 2018; Kasper & Marcoux 2014; Anheier & Leat 2006; Porter & Kramer 1999). These researchers argue that due to foundations´ resources and political independence as well as self-governance structures, they can run ahead of public opinion, build rich networks, take risks others cannot and build new institutions, structures, and practices as necessary. In this sense, they are portrayed as perfect social innovators.
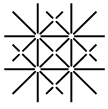
However, there are also cautious voices that speak of foundations as weak and encapsulated institutions, deprived of effective internal or external stimuli, unable to deal with broad social problems or advanced scientific issues (Jaskyte et al. 2018, Roelofs 2003, Nielsen 1972). Some even speak of the theory of philanthropic failure (Thümler 2011). Both sides have valid arguments. The foundation world is quite diverse. While some foundations act as social investors or collaborative entrepreneurs, other foundations fulfill their purpose by giving out gifts to charities, museums or zoos without any specific ambition for change (Leat 2016).

Crucial questions then are: What factors determine the behavior of foundations? When and how do foundations innovate? What can be expected of foundations with respect to solving problems of today and even tomorrow?

The major challenge in answering these questions is that no organizational theory exists that explains or predicts the behavior of foundations and their capacity to innovate. In contrast to the wide body of organizational theories about corporations, state administrations, and operational nonprofit organizations, grant-making foundations have seldom been at the core of interest in organization theory development. Little is known about the factors that influence their decision-making behavior. The most significant bulk of literature is composed of strategy models that are based on a few successful programs. As the analysis of single programs is extrapolated to the behavior of the whole foundation world, this leads to a situation where the greatest part of the literature stays on a descriptive level, suggesting how foundations ought to act instead of explaining factors that determine their behavior.

Hence, there is an evident lack of theoretical explanations about how foundations work. The objective of this paper, therefore, is to develop building blocks of an organizational theory that can explain and predict foundations´ behavior and their ability to innovate. To do so, the paper first gives a short introduction to the development and position of grant-making foundations in civil society and the main factors that determine their constitution. Second, different approaches about social innovations are presented to elaborate on what it means when foundations act as social innovators. Third, different innovation strategies for foundations are discussed to build the framework for the data collection. Theory building is achieved following a case study design (Eisenhardt & Graebner 2007, Creswell 2003, Eisenhardt 1989). The database consists of 58 interviews with experts, board members, foundation directors, staff members, and grantees as well as the analysis of public and internal documents such as program evaluations, board minutes, strategy papers and grant applications from four Swiss grant-making foundations. Inductive as well as abductive methods are applied for theory building.

The results portray foundations as extremely cultural-capital driven, prone to structural inertia. The innovation orientation must be imprinted early in the foundation's life. In addition to well-known strategies such as capacity building or providing risk capital (Jaskyte et al. 2018; Frumkin 2006; Anheier & Leat 2006), investing in field development is the most effective albeit complex innovation strategy of foundations. After summarizing the main findings, different avenues for further building on the theoretical groundwork

developed are suggested. In sum, the paper contributes to the understanding of the behavior of grant-making foundations and their ability to be drivers of social innovation.
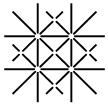
2 Grant-making foundations

The modern independent grant-making foundation as a special type of foundation emerged around the turn of the 19th century. Magnates like Rockefeller or Carnegie endowed their philanthropic organizations with shares of their companies instead of supporting existing institutions like universities, hospitals or foster homes. Originally established as operating foundations, the organizations slowly developed to grant-making institutions due to state pressure and the necessity to spend large amounts quickly (Leat, 2016). Today grant-making foundations are seen as the prototype of foundations. More than 90% of the roughly 87,000 US foundations are grant-making, giving around USD 60 billion to public beneficial purposes per year (Foundation Center 2014). In Germany and Switzerland with a stronger tradition of operating foundations, about two-thirds of them fulfill their purpose by giving out grants to external organizations. The total grant amounts are estimated to be around USD 6 billion and USD 2.5 billion in Germany and Switzerland respectively (BDS 2017; Eckehardt et al., 2017). In all three countries, more than half of the existing foundations have been established in the last twenty years. The same trend can be observed worldwide (Johnson 2018). Even though foundations look back on a long history, their boom in numbers is a recent phenomenon.

Broadly speaking, foundations are part of the third or plural sector (Mintzberg 2015). As such, they serve a public purpose. Consequently, foundations are often given special tax benefits but are also forbidden to distribute any profits to their founders, directors or staff members. Their grants have to support public purposes exclusively in fields laid down in the foundations charter. The state itself establishes some foundations. However, only privately-funded foundations are of interest here. These are self-governing entities, meaning that they are equipped to control their activities (Anheier 2001).

Just like any other organizations, foundations are subject to external influences (DiMaggio & Powell 1983; Diaz 1999). They are part of a historically grown welfare system and act in regulatory and normative contexts. The political and normative culture of a country sets the boundaries of what is seen to be legitimate behavior. In statist countries such as France or Belgium, foundations are under strict supervision and subject to tight regulations (Anheier & Daly 2006). In the US and Switzerland, foundations are subject to relatively liberal regulations, giving foundations more room to maneuver (von Schnurbein & Perez 2018). However, voluntary codes such as the 'Swiss Foundation Code' or the 'Principles of Good Practices' of the European Foundation Centre lay down some standards of good foundation governance. Organizations tend to follow such norms in order to be seen as legitimate actors (Meyer & Rowan 1977). However, it has also been shown that in some cases foundations claim to follow such principles but only apply them selectively in practice (Brunsson 1989).

The motivations for the establishment of a foundation differ. They may be ethical, altruistic or religious; however, also private interest such as social distinction, prestige or access to certain milieus may play a role (Prewitt 2006). The deed or the charter defines the purpose of the foundation. Deeds may be very wide as the Rockefeller foundation´s 'for the improvement of mankind' but also very specific such as 'for the support of the Berlin ZOO.' Often, further norms that determine the actions of foundations are laid down in bylaws or internal granting principles.

There are very few attempts to explain foundation behavior based on organizational theories. Frumkin (2006), e.g., sees a high explanatory power in neo-institutionalism. He bases his analysis on the hypotheses that the defining element of foundations is their quest for legitimacy. Therefore, he sees strong tendencies

of isomorphism and homogenization in the foundation sector, much of it meaning that foundations become more and more bureaucratic and less capable of innovation. Diaz (1999), who focuses on the internal decision-making structure of foundations, takes another approach. Diaz proposes 'three broad models of organizational behavior with which to begin building a theory of foundation behavior' (p. 142). In a Rational Actor Model, decisions are taken top-down, based on rational cost-benefit analysis. Foundations are unified actors that react to the environment to achieve their stated goals. Staff only executes the founder´s and the board´s decisions. In the second model, the Bureaucratic Politics Model, staff members act as gatekeepers and have a high influence on the grant decision. Decisions on strategy and grants are the consequence of individual preferences and negotiations of different power coalitions. Decision-making is more horizontal and bottom-up. The last model, the Organizational Process Model, is based on Simon´s (1947) observation of the limited capacity of human thought concerning the complexities of the problems people face. Foundations, therefore, establish standard operating procedures that allow them to concentrate on the main features of a problem and to function efficiently at the same time. However, this also leads to a dominance of bureaucratic routines that become reinforced through repetition.

How and why foundations develop a particular operating or philanthropy model is largely unknown — the few attempts seek such explanations stay on a very general level and have not been tested thoroughly in practice. Foundations are often called 'black boxes' (Bethmann et al. 2014; Diaz 1999). The vast majority of publications suggests how foundations ought to act instead of explaining the determinants of their behavior. A common demand of this largely descriptive and normative literate is that foundations should take the role of the vanguards of society acting as social innovators and creative problem-solvers (Kasper & Marcoux 2014; Kania et al. 2014; Anheier & Leat 2006). The claim originates from the description of foundations as the freest institutions in modern societies (Hammack & Anheier 2013; Anheier & Leat 2006; Prewitt 1999). Their independence of external funds allows them to run their programs free of external requirements. They may choose to end or start programs at any time. They do not have to justify their grant decisions publicly. Foundations have no external shareholder or members who have a say in the decision-making process of the board. Foundations largely govern themselves. Their financial independence and self-governing structures allow them to choose freely how they want to spend their funds and they are able to take risks others cannot. This flexibility is seen as the most important distinctive feature of foundations in comparison to other institutions (Hammack & Anheier 2016, p. 17). Some authors therefore even imply a moral obligation that foundations should act as social innovators (Sprecher et al. 2015; Porter & Kramer 1999).

3   What does it mean when foundations innovate?

However, what does it mean when foundations innovate? Before turning to strategy models that propose to foster innovations, it is necessary to understand what social innovations are. Recent years have seen unprecedented growth in the literature on social innovation, leading to different interpretations of what constitutes a social innovation (Nicholls & Murdock 2012).

The most important approaches can be differentiated into three streams. The first conceptualizes social innovations as a tool or way to achieve greater social equality. Social innovation in this view is about the satisfaction of basic needs and changes in social relations (Mouleart et al. 2013). The narrative is mostly focused on empowering people in participatory processes. Montgomery (2016) therefore calls it the democratic paradigm of social innovation. This interpretation implies a strong ethical viewpoint toward social justice as a basis of social innovation. According to this interpretation, foundations innovate when their actions are directed towards changing social structures and empowering the most vulnerable segments of society.
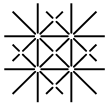
The second view is more pragmatic. It understands social innovations generally as new solutions for social problems that are more effective, efficient, sustainable, or just than existing solutions (Phils et al. 2010, p. 34). The emphasis is less on social justice and puts more weight on different techniques of problem-solving. This approach also includes market-based solutions as long as profits are not privatized but reinvested into problem-solving. Social business solutions such as from the Grameen Bank or Aravind Eye Hospital are typical examples, but also non-market and participatory examples such as participatory budgeting or successful work integration programs (Nicholls & Murdock 2012; Mulgan 2010). Due to its focus on solutions, Montgommery (2016) calls this view the technocratic paradigm of social innovation, even though the term pragmatic might be more useful here. Following this logic, foundations would be regarded as social innovators when focusing on finding pragmatic and just solutions to pressing social and environmental problems.

The last relevant stream is composed of attempts in developing a theory of social innovation. Even though quite disperse in itself drawing on different sources such as institutional theory (Heiskala 2007), evolutionary theory (Braun-Thürmann & John 2010), systems theory (Kesselring & Leitner 2008) or micro theories of social change (Howaldt et al. 2014), these attempts point toward an open interpretation of what constitutes a social problem and its solutions. Different rationalities in subsystems of society make it difficult to define the constitution of social innovation. What is regarded as a social problem is highly dependent on the rationality and values of each observer. The theoretical stream opens up this debate and positions social innovation mostly as lasting changes of habitual behavior in social interactions, values, and norms. The interpretation of the innovation outcome depends on the individual´s perception of rationality (Gillwald 2000). Foundations would fulfill the role of innovators when seeking institutional change in very different spheres of social life.

Common to all the approaches is that they are related to ideals such as inclusion, justice, social development, life quality, ecological sustainability, and democracy. Even the theoretical elaborations are not free of an idea of social progress. The common denominator across all views is that social innovations disrupt established routines and challenge prevailing beliefs, norms and structures. Social innovations are new and better answers to today's challenges. In essence, they are re-combinations of existing and new elements. These elements can be new ways of analyzing specific problems, new processes, policies, laws, usage of technologies, organizational arrangements or new relations of social groups. They do not need to be 'entirely new' in the sense that they never have existed before but need to be new for the system in which the recombination occurs. Social innovations differ in term of the level of impact. On the micro level, they are changes in the action and interaction of groups and individuals. On the meso level, they refer to organizational and institutional changes. On the macro level, social innovation has consequences for society as a whole (Zapf 1989). Strictly speaking, a new solution to a problem can only be called a social innovation when it is implemented showing better results than previous routines. However, as Brandson (2014, p. 57) points out, the successful implementation of a social innovation solution is often only the last and not the most important step in a long process. The participatory processes and debates in the different stages of solution development have value in themselves.

4   Foundations as social innovators

Given these observations, we can speak of innovation-oriented foundations when they purposely seek to change social routines in order to address situations that are unsatisfactory in their perception. In a narrow view, these situations are focused on empowering underprivileged groups; in an open view, social innovations address a wide range of social problems and include market-based approaches as valid solutions. In any case, it is important that in essence perspective grant-making foundations are unproductive and incomplete organizations (Grant 2016; Hammack & Anheier 2013). As long as they do not spend their
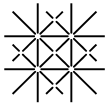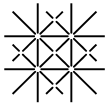
resources, nothing happens. Even after paying out their funds, the foundation itself is not producing the change it wants to see itself. The funds are transferred to external organizations, enabling them to implement their programs. A key challenge foundations then face, is finding a meaningful role in innovation processes besides just giving money. The literature, therefore, proposes different strategies and tools on how foundations can create change. According to their focus, they carry labels such as 'creative' (Anheier & Leat 2006), 'catalytic' (Kramer 2008), or even 'system changing' (Ferris & Williams 2010). In general, they differ in the degree to which they propagate rational processes in solving social challenges.

The bureaucratic approaches argue for deliberately planned and executed strategies. The basis is well-elaborated and researched problem descriptions. The solutions are planned by using logic models that show how resources are used to achieve measurable goals (Brest & Harvey 2006). The extreme form is the venture philanthropy approach (Letts et al. 1997), where key performance indicators continuously measure progress. The approach foresees a solid working relationship with partners in which foundations have the power to intervene. Foundation staff closely monitors programs and offers advice.

Falling short of expectations, the bureaucratic models have come under considerable criticism in recent years (Thümler 2017). The main reason lies in the very nature of social innovation, which is hardly programmable and comes with many unknowns. Instead of relying on well-elaborated plans, the critics argue that foundations should take an experimentalist's approach, adapting to changing circumstances (Thümler 2017; Anheier & Leat 2006). Their strategies should allow for the flexibility necessary to quickly discard false assumptions, including new knowledge and anticipating new developments in a field. Innovative foundations are described as self-critical organizations that engage in regular reviews, regard planning as progress, and emphasize the importance of moving beyond evaluation and performance measurement toward risky learning (Anheier & Leat 2006). To be innovative foundations ought to be quick and flexible organizations, harnessing their independence.

However, even the critiques of formalized plans see the necessity for foundations to develop a robust theory of change that illustrates what a foundation wants to achieve and how to get there. The theory includes an analysis of the problem, its key stakeholders and hypothesis about effective interventions. The more complex a problem, the more likely it is that the theory includes a mix of different grants meant to lead to greater, combined impact (Kasper & Marcoux 2014). Grant-making foundations have to become operative to a certain extent, utilizing their convening power and bringing different stakeholders together as 'money alone does not bring system change' (Antdaze & Westley 2010, p. 352). Different techniques to encourage innovation include offering incentives in the form of awards, providing risk capital for early-stage ideas, serving as thought leaders, supporting capacity building in the partner organizations, but also organizing forums of debate to advance issues (Jaskyte et al. 2018).

Given the wide array of suggestions regarding how foundations should act, it seems paradoxical that so little is known about how foundations develop their strategies and what factors influence their behavior. Grant-making foundations have rarely been of interest to organizational scholars. The literature mostly comprises the above-described strategy models. We know little about the factors that determine foundation behavior and their capacity to innovate. Given the growing number of foundations and the mythology that surrounds them, this situation is highly unsatisfactory. The lack of theoretical explanations makes it challenging to understand the contributions society might expect from foundations in solving contemporary problems.

5 Methods

The following study aims to narrow this theoretical lacuna. The goal of this paper is to construct the groundwork for an organizational theory that explains and predicts foundations´ behavior and their ability to fulfill the role of social innovators. The following research questions, therefore, guide the study:

- What factors determine the behavior of foundations?

- When and how do foundations innovate?

- What can be expected of foundations in solving contemporary problems?

Theory building is achieved through a case study design (Eisenhardt & Graebner 2007, Creswell 2003, Eisenhardt 1989). Case study designs are especially suited in areas where consistent theories do not exist (Lamnek 2005). The observations are not reduced to statistical inferences but facilitate the comprehension of emergence and development of an actual situation. The open and holistic investigation of the cases makes it possible to understand the 'why' and 'how' of the facts encountered (Yin 2003). As the theory building approach is deeply rooted in empirical data, the theories developed are likely to be accurate and have high relevance to practice (Eisenhardt & Graebner 2007). Case studies have their strength in building new and expanding existing theories. Comparative case studies yield higher explanatory power than single case studies. The analysis of commonalities and rival explanations leads to more robust and generalizable theories (Eisenhardt & Graebner 2007). For these reasons, a multiple case study approach is the most appropriate method for theory building in the context of this study.

The population chosen is grant-making foundations in Switzerland. Whereas the foundation sector of the US is often the locus of empirical investigation due to its relative transparency and size, Swiss foundations are almost non-existent in research. This situation is especially surprising given the high density of foundations in Switzerland. With 16 foundations per 10'000 inhabitants, the Swiss foundation density is about six times higher than in the US or Germany (von Schnurbein & Perez 2018). Organizations such as SwissFoundations, the umbrella organization of all grant-making foundations, or ProFonds, another umbrella organization for foundations and nonprofit organizations, are internationally connected and frequently consulted by (Swiss) state authorities on public policies that affect nonprofit organizations. The Swiss foundations sector is strong and growing and given its density and size, it is dramatically under-studied.

Concentrating on foundations from one country allows observing cases under the same or at least a very similar institutional context. Even though this approach has apparent advantages, the results, cannot claim to put forward a universal theory of foundations. The aim, therefore, is to build middle range theory with a high degree of transferability into other contexts (Merton 1986).

As the first step in collecting data, five expert interviews were conducted. The interviewees were the two executive directors of the two umbrella associations of foundations in Switzerland, ProFonds and SwissFoundations, the director and principal researcher of the Center for Social Innovation and Investment at the University Heidelberg, and finally the director of the Center for Philanthropy Studies at the University of Basel. The interviews aimed to develop initial hypotheses about foundation behavior and the ability to innovate. The interviews lasted about 1.5 hours, were transcribed and analyzed using structural coding techniques around core topics such as the stage of innovation, boards, strategy, resources or change methods (Saldaña 2016). Experts were also asked about potential cases for analysis.

The method for case selection followed the principle of theoretical sampling (Glaser & Strauss 1998). In this sampling technique, the cases are subsequently added depending on their anticipated contribution to the emerging theoretical constructs. The first two cases were selected based on the suggestion of the experts, the transparency of the information provided by the foundations, and their openly communicated dedication to social innovations.

The first case, the Gebert Rüf Stiftung (GRS), dedicates all its resources to innovation development, especially in the realm of science to entrepreneurship. The GRS follows an approach of strategic experimentation, aiming at influencing problem fields. The second case, the Stiftung Mercator Schweiz (MCH) follows more strongly a bureaucratic approach, supporting social innovations in a variety of fields and stages. Both foundations dispose of grant budgets of approximately 12 million USD per year.

After the analysis of the first two cases, the decision was taken to include a more conservatively oriented foundation, which traditionally was not involved in innovation funding. 'Die Sophie und Karl Binding Stiftung' (SKBS) is in many aspects following a preservative approach, safeguarding and supporting the cultural and environmental patrimony of Switzerland. However, the foundation also has a dynamic side. Its budget is around 3-4 million USD per year. The conservative foundation was chosen to look for contrasts to the former two. This approach is different from the many mostly descriptive models derived only from looking at innovative cases without testing if the same variables identified can be found in non-innovative organizations.

As for the last case, a relatively small foundation was selected that focuses on social innovation in the narrow sense, concentrating on the most vulnerable population groups. The Arcas Foundations (AF) is active in the field of integrations, supporting initiatives empowering disadvantaged people and has an annual budget of USD 0.5 – 0.7 million per year. The last case served especially to test the emergent constructs. Table 1 provides an overview of the four cases.

Table 1. Overview of the cases

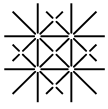|	Year founded	Grant areas	Endowment (mil. USD in 2017)	Annual budget (mil. USD)	Staff (FTE)
Gebert Rüf Stiftung (GRS)	1997	• Science to Entrepreneurship • Science & Public • Strengthening the Swiss Foundation Sector	150 (spend down model)	12	3.5
Stiftung Mercator Schweiz (MCH)	2001	• Understanding • Participation • Education • Environment	151	12	12
Sophie und Karl Bindung Stiftung (SKBS)	1963	• Social • Environment • Education • Art & Culture	120	3-4	2.5
Arcas Foundation (AF)	2005	• Integration	10	0.5	0.8
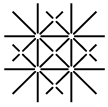
The data collection followed a replication logic (Yin 2003). In each case, the first interview was conducted with the executive director. Subsequently further interviews with board members, staff and grant partners took place. The interview guidelines were adapted to the specific role of the interviewee. The basic structure followed a hypothetical innovation sequence (problem recognition, development of solution strategies, grantee selection, grantee support, sustaining innovation, diffusion of innovation), adapted from a model for social innovation by Murray et al. (2010). The interviews furthermore included questions about internal decision-making procedures and strategy cycles. All interviews with foundation staff and directors were conducted personally in the foundations offices or in three cases in a quiet corner in a restaurant. Additionally, five granting partners per foundation were interviewed by telephone. The partners were randomly selected from a list of innovative projects supported by the foundations compiled by the researcher. These interviews were focused on the application process and the support of the foundation after the grant decision. All interviews were transcribed. In total 58 interviews were conducted. In addition to the interview data, internal documents such as grant applications, evaluations, board minutes and strategy guidelines were analyzed as well as public information such as annual reports, websites or press articles. To support the analysis the software tool MAXQDA was used. Through the triangulation of data, interview biases could largely be limited.

The analysis followed the principle of process tracing (George & Bennett 2005; Muno 2015). The steps and factors that led to the current philanthropy model of each foundation were reconstructed. First drafts of the case study reports were sent to the foundations for validation. This step turned out to be especially helpful. The foundations then provided access to confidential documents to fill in explanatory gaps, such as board minutes or internal strategy analysis. The foundations did not attempt to influence the findings. The final case reports were very detailed. Following within analysis of each case, the foundations were systematically compared with each other following pattern-matching techniques (Yin 2014). Different methods such as building logical sequences or formulating overarching concepts were utilized (Miles & Hubermann 1994). Following this approach, the theoretical building blocks emerged. Additional to inductive theory building, the best explanation for the phenomena encountered were tested by abductive processes, matching the findings with core concepts of organizational theories. Illustration 1 summarizes the research process.

Illustration 1: Summary of the research process
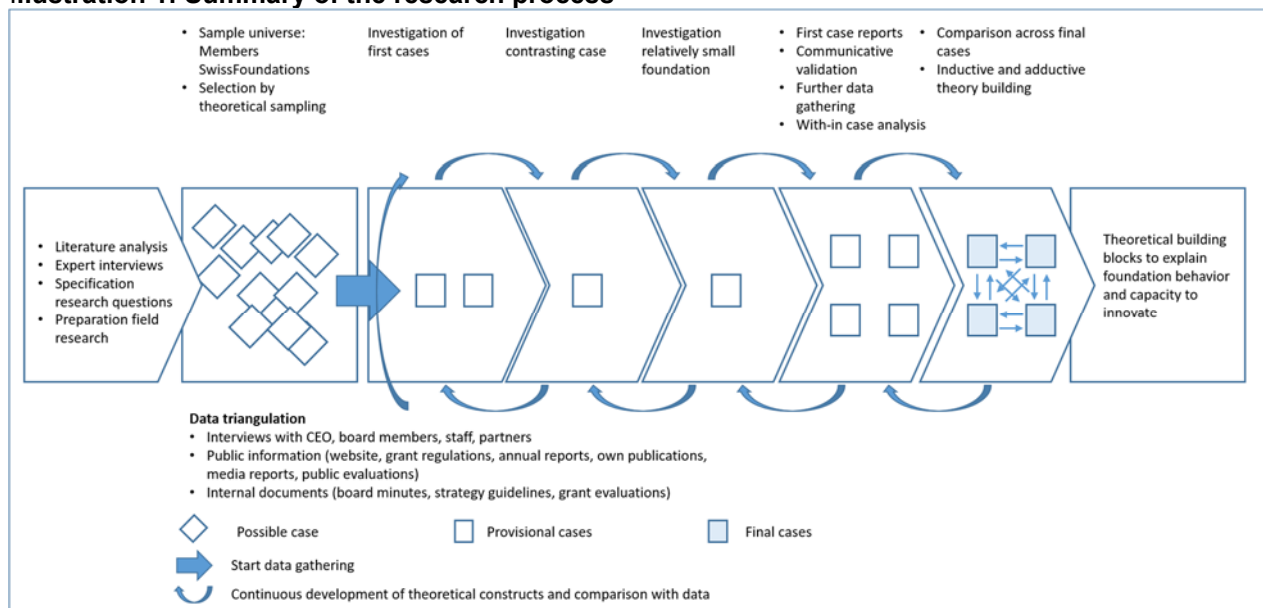
6 Findings

Theory building from case studies confronts the challenge of presenting the richness of the cases versus working toward a parsimonious theory (Eisenhardt & Grebner 2007). With each case report reaching a length of about 30 pages, it is impossible to present such depth in a standard essay format. Therefore, in the following the main findings are presented with only selective citing of the empirical evidence of the cases.

6.1 Determinants of foundation behavior

The main factors determining foundation behavior encountered were the founder's imprint, document fidelity, retrospective sense making, as well as the cultural capital and personal affections of board members and staff.
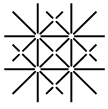
The influence of the foundation's founder was not unexpected and has been emphasized elsewhere (e.g., Frumkin 2006). It also was a strong factor within the cases, regardless of whether the founder was still active in the foundation. When the founder was still on the board, he/she had the final word, or as the CEO of the MCH put it: 'Of course, the founder's wishes are like laws – it is not well perceived to act against his beliefs'. Even though foundations are technically owned by themselves (i.e., they are independent), they remain the psychological property of their founders. In addition, when the founder chooses not to be involved or has passed away, his or her legacy remains a strong point of reference. Within the cases, this was especially observable in the GRS and SKBS.

Gebert Rüf, a very successful engineer and inventor in the sanitary business, founded the GRS. He was a tinkerer, always searching for practical solutions. Even though he decided not to take an active part in the foundation and never held any formal position or visited a board meeting, his role as an innovator was the anchor point in all strategy discussions. The founders of the SKBS on the contrary mostly wanted to support purposes that were dear to their hearts. The charter expresses their love for nature. The formulation of the charter speaks of assisting and contributing. The foundation, therefore 'was not established to innovate, but to preserve' (project director SKBS). This imprint had a massive influence on strategy discussions, even 20 years after the death of the founders. However, not only the original charter, but also the bylaws, mission statements and strategy models have a very heavy weight once formulated.

Foundations showed to be very faithful to established values and norms. In strategy retreats, they always went back to build on elder key documents. This effect can be called 'document fidelity'. Specific formulations matter: In their search for identity, the foundations showed high attention to specific wordings. Single terms such as 'support' or 'initiate' showed to be of high relevance in interpreting the initial will of the founders. The foundations´ boards referred to the exact wording in the documents when explaining why they chose a specific strategy. Foundations are much more likely to innovate when their key documents are formulated in active language rather than in passive terms.

In all cases, the first years of foundation life were characterized by experimentation. Directors and staff had to get to know their respective fields, build relationships with potential partners, and try out first strategies. What was surprising was the long-term influence of the results of these early experimentations. The learning determined to a large part the future of the organizations. The cases have shown that projects that had failed to meet expectation had substantial consequences for future decisions.

In the early phase, foundations go through a period of trial and error. Negative experiences lead to an aversion to funding similar projects in the future. Positive results enforce a continued path. The SKBS, e.g.,

started a negative list of project types it would not support any longer. The list influenced decisions for more than twenty years, steadily growing in importance over time. Other exclusion criteria had a more informal character but were imprinted into the organizational memory, often explained by phrases like: 'this is how we traditionally do things. It is not written anywhere, but everybody knows that the board does not like these kinds of projects' (project director MCH).

Successful programs, on the other hand, reinforced the belief to have found effective ways of dealing with problems and became the norm of doing things. After a phase of experimentation, the foundations have shown to engage in processes of retrospective sense making (Weick 1995). The basis for building the future was the interpretation of the past. The MCH, e.g., grouped all the grants it had distributed in the first years into categories that made sense to them. These categories then built the basis for the redefinition of its granting areas. The exercise aimed to 'really understand what we have been doing so far and then building a coherent identity for the future' (CEO MCH). The AF, GRS and the SKBS also built strategies based on the experiences of the past. The formation of a foundation´s philanthropy model understood as its underlying values, proactivity and main strategic direction is based on its early learnings and becomes the blueprint for the future.

Within the emerging philanthropy model, there still is a room for flexibility. The formulation of granting areas like, e.g., integration, science to entrepreneurship, education quality or cultural patrimony, are open enough to accommodate a variety of specific problems. Subsequently, the board chair and the CEO have the most considerable influence on prescribing the details of the models. The strongest explanation of the choice of the specific problem fields of the foundations showed to be their cultural capital (Bourdieu 1983) as well as their affections. Several examples illustrate this conclusion.

The CEO of the SKBS, with a doctorate in art history and work experience in different art institutions, was the driving force in the founding of a university institute of cultural management. The rare disease program of the GRS was initiated by the vice director, who had a doctoral degree in chemistry and previously had worked in the pharma industry. The CEO of the AF pushed for an entrepreneurial philanthropy model. She was a graduate of the St. Gallen business school and had worked at a venture philanthropy fund. One of the first programs the CEO of the MCH started was in the field of education, where he had vast experience. This behavior is in line with psycho-social research that shows that people seek challenges where they are most likely to succeed due to their prior education, work experience and habitus (Janning 2004). At the same time, the motivation for changing a specific situation is high in problem areas with which a strong emotional affection exists (Heckhausen & Heckhausen 2010). The foundations also showed a higher likelihood to follow a proactive instrumental approach in areas where board members or staff had a personal affection. The MCH, e.g., pushed for new solutions in organic food production due to the founder´s aversion to industrial and chemical agriculture. The SKBS started a program against urban sprawl due to the personal problem affection of the board chair and the CEO, wanting to 'preserve our beautiful Swiss landscape' (CEO SKBS). In the GRS, the CEO felt strongly about the lack of professionalism of foundations in Switzerland and, hence, started various initiatives to strengthen the sector.

Once formalized, the philanthropy models of all foundations showed a very strong degree of persistence within the framework established. Even the innovation-oriented GRS did not change its basic philanthropy model for twenty years. The SKBS still organizes its grant-making around the internal granting guidelines developed 25 years ago. In addition, the MCH who spends considerable resources on periodic strategy reviews aimed in their last review at 'optimizing – but not fundamentally changing our strategy' (CEO MCH). Foundation strategies are highly persistent over time. Smaller adjustments may be made. However once a foundation has formalized its underlying granting philosophy, it will stay for good. The main explanatory factors include document fidelity, a positive back-coupling of successful experiences, low external pressure,
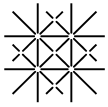
as well as very rare personnel changes. Foundation board members and executive staff tend to stay in their positions for many years. The habit of co-optation of the new board members, meaning that that the boards select their new members themselves, leads to relative homogenous boards regarding values and aspirations, adding to the continuity of established norms. Foundations are subject to strong forces of inertia. Their innovation orientation is determined very early in their lifetime. The following illustration summarizes the findings.
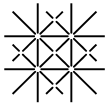
Illustration 2: Strategy persistence of foundations
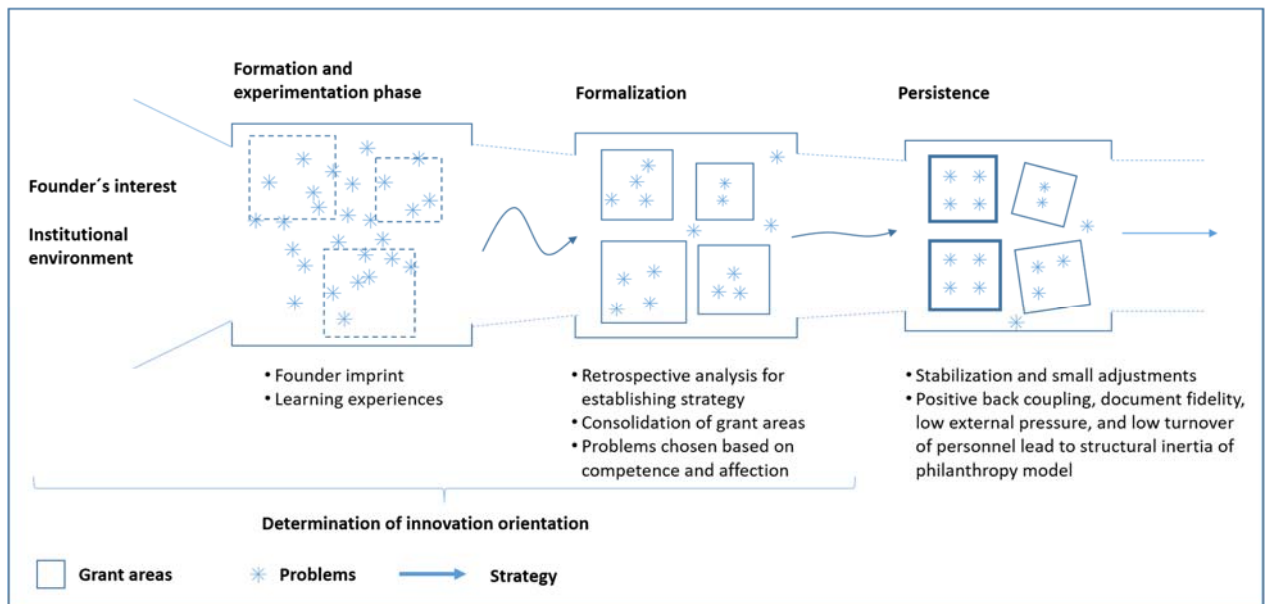
Source: own illustration based on Schreyögg et al., 2003

Even though foundations can be theoretically defined by their flexibility, in reality, they are highly stable institutions whose actions are predictable. The best indicator of what a foundation will do in the future is its past. Foundations early on build organizational paths that define their philanthropy model for years to come. Initial factors for determining the model are influences of the institutional environment as well as the founders' imprint. After a phase of experimentations, the model is formalized and stays highly persistent. Foundations are very unlikely to break out of the behavioral framework they construct. Within this framework, the best indicators for foundation behavior are the cultural capital and personal affections of the board president and the CEO. Foundations tend to take an instrumental approach to foster social innovation in areas where staff members are likely to make a difference due to their qualifications.

This structural inertia does not necessarily inhibit the innovation capacity of foundations. Foundations that have found successful strategies to trigger institutional change might even become more effective over time. Their stability makes them trustworthy and reliable partners. Given their incompleteness, foundations need to build strong partnerships to reach their own goals. The stability of the granting areas also leads to a deeper understanding of the root causes of problems, many of which imply long-term dedication to solve. Routinization of basic tasks allows staff members to spend more time outside the foundations engaging in the field and network building. Inertia does not mean that there is no room for change and adaptation. However, this will be gradual and incremental. Foundations that have shown little innovation orientation in the forming phase of their philanthropy model are unlikely to become innovators suddenly.
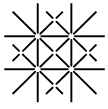
6.2   Supporting social innovation

While the above observations party explain when foundations choose to foster social innovations, they do not yet show the most effective strategies of foundations participating in solving contemporary societal challenges. The propagated mechanism to support social innovations include strategies such as capacity and network building, initiating public debates or providing risk capital. Additional to these, the cases revealed the most effective strategies to support social innovators to be counseling and increasing independence. While the first refers to actively coaching innovators on lessons learned, the letter means that foundations provide innovators with the financial stability to allow them concentrating fully on advancing their solution.

Within the cases, the MCH puts special effort into counseling partners and already starts doing so during the application phase. Staff members with experience of hundreds of grant projects often suggested changes in the proposals to increase the likelihood of success. If e.g., sustaining innovation at a later point depended on state funds, foundation staff urged the potential partners to build personal relations with civil servants and to ensure that they can present empirical proof of the success of their programs during municipal or state budget negotiations. The GRS counseled partners, especially in networking strategies and self-promotion. In addition, the AF had set up a system where board members provided ongoing personal support for selected projects. After a project had started, the relationship was based on support, not interference. However, foundations have the most influence on partner projects during the grant application phase. At this stage, they still can ask for changes based on their experiences of what works and what does not. Later, their influence diminishes. Even for the MCH with more than eight staff members, it was impossible to closely monitor and support funded projects, as a steady stream of new ideas had to be evaluated.

The counseling also showed the risk aversion of foundations in relation to organizational management. Even when foundations accepted that the partners' intended outcomes were based on hypotheses, the decision to grant projects is strongly influenced by the partners' demonstrated ability to implement their ideas. Flaws in project management or team composition were strong reasons for rejections. In addition, projects had to show a clear and logical relation between problem and proposed solution to qualify for funding. As the CEO of the GRS put it: 'The board wants to see thorough planning and people capable of implementing their ideas. Everything has to be right. They do not take risks on sloppy execution'.

The second effective strategy to support social innovators was increasing the independence of partners from external constraints. While providing risk capital is mostly associated with investing in ideas and products, increasing independence means freeing social innovators from their daily works load and necessity to generate income. In almost all cases, the proposed solution was not generating enough funds to sustain staff or to reach scale, which is in the nature of almost all social innovations (Mulgan 2010). Either the end beneficiaries have no means to pay for newly developed services or the work time of the innovator is not covered by sufficient income. The funds of the foundations helped the innovators to concentrate on the solution without worrying about economic shortcomings. Only rarely did foundations want to take over infrastructure or material costs. The payment of salaries, 'as boring as it might sound - has shown to be one of the most effective means of innovation support' (CEO GRS). Supporting social innovations means to a large part investing in people to get things done. The AF, e.g., paid the salary for an acting CEO while the leadership of a work integration social enterprise could concentrate on business development, with the consequence that 'much of our today's success is owed to the freedom the AF gave us in developing our growth strategy' (CFO AF partner)

6.3 Building institutions and investing in fields

With effective counseling and increasing independence, foundations take a supportive role in helping social innovation to succeed. In some cases, foundations also took a primary role in initiating social innovation, becoming innovators or institutional entrepreneurs themselves (DiMaggio 1988). They accomplished this mostly through creating new organizations or by developing fields.
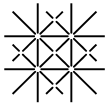
The creation of new organizations is a means to establish a permanent institution dealing with a problem. Not every establishment of an organization is social innovation. The organization must stand for a new way of addressing a formerly neglected or insufficiently dealt with the problem. Within the cases, the GRS, MCH, and SKBS created new organizations. In these cases, the foundations gave the necessary impulse, provided seed funding and were instrumental in the planning and building of the institutions. The SKBS, e.g., co-founded a university institute for culture management as well as being one of the founding members of SwissFoundations. The GRS, also a founding member of SwissFoundation, created among others a Science to Entrepreneurship program that later was absorbed by the state agency for innovation. The MCH in turn, funded and counseled the establishment of a Graduate Center at the University of Zürich. Consistent with the above observations foundations invested in building new institutions, especially when the board chair or executive director had a high interest in a certain problem and possessed experience in the field to make a meaningful contribution.

Additional to founding new organizations, foundations showed to be innovators themselves when investing heavily in field developments. A field is understood here as an assemblage of many interconnected problems consolidating to a problem on a higher order. Each problem field is shaped by its proper constellation of actors, institutional frameworks and opportunity structures (Battilana et al. 2009). In highly regulated fields with opposing actors, it is more difficult to achieve change than in dynamic fields. Field investments are a combination of various activities by a foundation to facilitate change.

One example of the successful field investments was the strategy of the GRS in the realm of rare diseases. The departure point of the strategy was the observation that rare diseases were somehow a neglected topic in Switzerland. Switzerland lagged far behind other European countries regarding support to patients, drug development, national support strategies, and international cooperation. Even though some stakeholders like the patient founded organization ProRaris were lobbying for change, no concerted action in the field existed. The GRS saw this as an opportunity to create an impact. As a result, they launched a call for proposals for drug development for rare diseases, began to convene the different stakeholders in the field and co-organized an international research conference. The grant program on new drugs gave the GRS credibility to take a central position in the field.

Additionally, the board and granting committee, both comprised of respected medical doctors, researchers and pharma professionals, added to the legitimacy of the GRS as boundary-spanner. The GRS facilitated meetings of stakeholders that had never met. Patients, pharma companies, politicians and researchers were brought together on a variety of occasions. Periodically the foundation published program reviews and public recommendations. Due to the efforts of all stakeholders, new alliances were forged, a national database on the rare disease was established, Switzerland developed a national strategy for rare diseases, and the Swiss national science foundation started participating in the European research network on rare disease. After these developments, the GRS decided that there was enough momentum in the field and slowly phased out its activities, hoping to find a new field with similar prospects for impact.

When foundations invest in field development, they take a primary role in social innovations. Single grants are means to ends. A combination of grants, convening, knowledge transfer, and lobbying for macro changes is creating strong impulses for transformation. However, a guarantee for success does not exist.

Similar efforts by the MCH in the field of personalized learning in schools did not achieve comparable results. The development of a field depends on certain opportunity structures that cannot be forcefully created. The main stakeholder might not yet be open to more radical change, or the regulative environment might be too complex for quick changes. Some social innovations may be too new for a field to find acceptance but can be taken up at a later point.
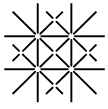
Which strategies foundations pursue depends on the philanthropy model developed and their innovation capacity. The latter has shown to be a function of the foundations´ capital structure. Even though high financial resources are not a necessary condition for effectively supporting social innovations they are an enabling factor. The MCH and GRS could support more, and more expensive solutions than the other two foundations as well as funding more related projects at the same time to generate momentum. This also allowed them to fund projects that needed long term financial commitments.

The cultural capital understood as knowledge and professional formation of the board and staff members was another strong enabling factor in supporting and initiating social innovations. Thematic knowledge showed to be very helpful in understanding problem structures, possible solutions, and field configurations. With growing experience, the CEOs of the foundations became more effective in pushing for change in specific fields, also due to their growing social capital. Especially connections to leaders in public administration are important to achieve impact. The MCH, e.g., built a strong network with the directors of schools, public universities, and environmental agencies. These connections were crucial in getting permissions to, e.g., test new teaching concepts or to organize joint events. The foundation also possessed a vast network of international experts to consult.

Last but not least, the symbolic capital of foundations in innovation processes should not be underestimated. A prestigious foundation taking up a neglected cause has an important signaling effect. The director of the Swiss Innovation Agency suggested that 'when a foundation like the GRS develops a grant program for young researchers to patent their ideas and bring them to the market, then this has a strong signaling power to parliamentarians that the government is not doing enough to foster science-to-entrepreneurship, one of the backbones of Switzerland's wealth'. A higher capital structure per se does not need to lead to higher innovation capacity. The cases show stronger evidence that the alignment of the capital with a specific problem field is more important. That means that the social, cultural and symbolic capital is highly context dependent. One needs knowledge about a specific problem field to understand its configuration, the main problems that determine the field and possible intervention strategies. A foundation who´s staff and board is comprised of people with high academic merits in engineering might not be the most suited to work with street children. A different skill set is needed. The GRS, e.g., probably would not have the same impact when launching an integration program than the MCH or AF with a long history in these areas. These foundations were able to build stronger networks and a higher reputation in working with vulnerable groups, which increases their ability to create impact. The situational position of the foundation has a strong influence on its innovation capacity in a field.

6.4 Behavior and innovation capacity of foundations

In the following part, the main findings are condensed as a basis for advancing a theory of foundation behavior and their capacity to innovate. Based on the analysis, foundations can be best described as social investors (Nicholls 2010; Then & Kehl 2012). Foundations invest their financial and non-financial resources in the realization of a better society according to their own beliefs. Their dominant investment logic may be conservative or progressive, value-rational or means-end rational. Foundations cannot be innovative in all their activities. They possess neither the resources nor the knowledge necessary in all their fields of activity. They invest their financial, social, cultural and symbolic capital in the realization of a better society according

to their own beliefs. The main factors determining foundation behavior are the founder's imprint, document fidelity, retrospective sense making, as well as the personal affections of board members and staff. The more specific the founding documents refer to change and proactive finding of solutions the more likely it is that the foundation will develop strategies to support social innovations. After a phase of learning and experimentation, foundations formulate their basic philanthropy model based on retrospective sense making. The decision on the future direction rests on the experience of the past. If the innovation orientation is not imprinted in the early stage of existence, it is very unlikely that the foundation will strive to be a proactive problem-solver in the future. After its formalization, the philanthropy model of a foundation remains stable over long periods. Positive back-coupling effects, low pressure to change as well as low personnel turnover, further strengthen the structural inertia of foundations.

Within foundations, different logics can coexist. Foundations may strive for innovation in one area and for conversation in another. The cultural capital of key decision makers are the best proxies to forecast in which areas a foundation takes an instrumental approach. Foundation behavior is affection- and cultural capital-driven. As they are incomplete institutions, their partners mostly achieve the actual problem solving. Foundations, therefore, are stronger in supporting social innovation than initiating it. Most effective support strategies are counseling and increasing independence. Foundations act risk aversive concerning the capacity of their partners to implement their ideas. The influence on the partners is highest during the application phase. Later their influence vanishes. In rare cases, foundations take on the role of social innovators themselves. They do so when they establish new institutions to solve or work on perceived problems permanently, or when they invest in field developments. Their capacity to play a strong role in social innovation processes depends on their capital structure and its fit with the requirements of a problem field.

7 Discussion

Grant-making foundations have been largely neglected as subjects of study in organizational theory. The presented observations aimed at starting to fill this gap; however, much remains to be done. The case study approach has allowed shedding some light into the black boxes. Due to the thorough approach, a high transferability of the presented results is expected.

Nevertheless, these can only be falsified, confirmed or expanded by further studies. An interesting future research direction would be to test the propositions in different countries also altering factors such as age, size, and major grant areas. Deviant cases of foundations that show high flexibility can illustrate how foundations resist the strong inertial forces at play.

The proposed building blocks draw on some validated concepts of established theory. Additional to inductive pattern finding, abductive modes of data interpretation fed into building a coherent set of propositions. The concepts of organizational imprint and inertia are especially prominent in ecology theory. However, ecology theory focuses on institutional imprints in sensitive periods (Marquis & Tilcisk 2013) and the death and birth of new organizational forms (Hannan & Freeman 1989). The findings above point out internal forces as main explanatory factors for foundation behavior. Some ecological studies confirm the long-term influence of the founders of organizations (Johnson 2007); however, the main emphasis of ecology theory is on institutional imprints. Following this logic, it could be argued that the predominant charitable and conservative approach of the SKBS is the result of the way foundations predominantly acted at the time of its founding. The bureaucratic model of the MCH could be the result of the prominence of this model during the formalization of its strategy in 2005/6. The cases, however, do not provide sufficient evidence to substantiate that claim.

The cases also did not show strong support of the main propositions of neo-intuitional theory. The foundations shared considerable variance in the specifics of their philanthropy models. Strong homogenization could not be detected. This observation is supported by DiMaggio (2001, p. 83) by contesting that 'the foundation world appears to be the case of weak institutionalization and as such likely to demonstrate considerable variability".

One avenue worth exploring might be to relate the findings more strongly to path dependency theory (Arthur 1989; David, 1994; Schreyögg et al. 2003). Originally developed to explain the perseverance of inefficient technical innovation, the theory expanded to explain the perseverance and trajectories of institutions. The theory proposed similar stages as shown in illustration 2. After a path has been chosen, a 'lock-in' occurs that determines the further development of the organization. It is further reinforced through habits and routines as predicted in the Organizational Process Model by Diaz (1999) described above. In both cases, an organization's room to maneuver is limited. Lately, conditions and mechanisms to break organizational paths have been proposed (Beyer 2006). These could serve to see how foundations can change from conservative to innovative or regain propagated flexibility.

Lastly, some merit may be found in connecting foundations and theories around institutional entrepreneurship more closely (Ferris & Williams (2010). Connecting points lie in looking at the innovation capacity of foundations as situational skill, depending on the problem field structure. In addition, analysis of how foundations create discourse strategies, attempt to build alliances or create new social relations according to their philanthropy model can shed more light on foundations´ capacity to influence institutions. However, a reminder is necessary that foundations only rarely act as social innovators themselves. Their main function is supportive.

8   Conclusion

So what can be expected of foundations in solving contemporary problems? The answer is ambiguous. On the one hand, foundations have shown a strong dedication to tackling societal challenges in a variety of fields. Their contribution can best be understood when following an open and pragmatic interpretation of social innovations. The four foundations in this study alone were active in more than 45 problem fields. All interview partners showed a genuine interest to find better answers to persistent problems. Many of the projects showed promising results and added to the problem-solving capacity of society.
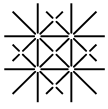
On the other hand, most of the impact was marginal. The vast majority of all projects were local, and sound evaluative measures accompanied only very few. In addition, for the most part, the foundations aimed at strengthening and expanding existing institutions. When foundations seek change, it is through incremental processes, rather than 'revolution'. Due to the size and complexity of the problems foundations face, they tend to invest in smaller sub-solutions that are somehow related to the big problems they want to address.

Ultimately, we can expect foundations to be reliable partners. They are stable institutions that can make an important difference. However, it is not their flexibility but their predictability that makes them an indispensable part of the social innovation ecosystem.

9   References

Anheier, H.K. (2001): Foundations in Europe: A Comparative Perspective. In: A. Schluter; V. Then; P. Walkenhorst (Hg.): Foundations in Europe. London: Directory of Social Change.
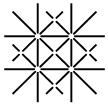
Anheier, H.K.; Leat, D. (2006): Creative Philanthropy. New York: Routledge.
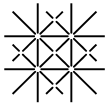
Anheier, H.K.; Daly, S. (Hg.) (2006): The Politics of Foundations - A Comparative Analysis. New York: Routledge.

Antadze, N.; Westley, F. (2010): Funding Social Innovation: How Do We Know What to Grow. In: The Philanthropist, 23(3), S. 343-356.

Arthur, W.B., (1989): Competing Technologies, Increasing Returns, and Lock-In by Historical Events. In: Economic Journal, 99(394), S. 116–131.

Battilana, J.; Leca, B.; Boxenbaum, E. (2009): How Actors Change Institutions: Towards a Theory of Institutional Entrepreneurship. In: Academy of Management annals, 3(1), pp. 65-107.

BDS - Bundesverband Deutscher Stiftungen (2017): Zahlen, Daten, Fakten zum deutschen Stiftungswesen. Berlin: Bundesverband Deutscher Stiftungen

Bethmann, S.; von Schnurbein, G.; Studer, S. (2014): Governance Systems of Grant-making Foundations. In: Voluntary Sector Review, 5(1), pp. 75–95.

Beyer, J. (2005): Pfadabhängigkeit ist nicht gleich Pfadabhängigkeit! Wider den impliziten Konservatismus eines gängigen Konzepts. In: Zeitschrift für Soziologie, 34(1), S. 5-21.

Bourdieu, P. (1983): Ökonomisches Kapital, kulturelles Kapital, soziales Kapital. Originalbeitrag, übersetzt von Reinhard Kreckel. In: R. Kreckel (Hg.): Soziale Ungleichheiten. Soziale Welt, Sonderband 2, pp. 183-198.

Brest, P.; Harvey, H. (2008): Money Well Spent. A Strategic Plan for Smart Philanthropy. New York: Bloomberg Press

Brunnson, N. (1989): The Organization of Hypocrisy: Talk, Decisions and Actions in Organizations. Hoboken: John Wiley & Sons.

Creswell, J.W. (2002): Research Design: Qualitative, Quantitative, and Mixed Methods Approaches. 2nd edition. Thousand Oaks: Sage publications.

David, P.A. (1994): Why are institutions the „carriers of history"? Path dependence and the evolution of conventions, organizations and institutions. In: Structural Change and Economic Dynamics, 5(2), S. 205-220.

Diaz, W.A. (1999): The Behavior of Grant-making Foundations: Toward a New Theoretical Frame. In: H.K. Anheier; S. Toepler (ed.): Private Funds, Public Purpose: Philanthropic Foundations in International Perspective, New York, NY: Kluwer Academic/Plenum Publishers, pp. 141–154.

DiMaggio, P.J. (2001): Measuring the Impact of the Nonprofit Sector on Society Is Probably Impossible but Possibly Useful. In: P. Flynn; V.A. Hodkinson (ed.): Measuring the Impact of the Nonprofit Sector. New York: Kluwer Academic/Plenum Publishers, pp. 247-272

DiMaggio, P.J. (1988): Interest and Agency in Institutional Theory. In: L.G. Zucker (ed.): Institutional Patterns and Organizations. Culture and Environment. Cambridge: Ballinger, pp. 3-21.

DiMaggio, P.J.; Powell, W.W. (1983): The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields. In: American Sociological Review, 48(2), S. 147 – 160.

Eckhardt, B.; Jakob, D.; von Schnurbein, G. (2017): Der Schweizer Stiftungsreport 2017. CEPS Forschung und Praxis, Band 17. Basel: Center for Philanthropy Studies.

Eisenhardt, K.M. (1989): Building Theories from Case Study Research. In: The Academy of Management Review, 14(4), pp. 532–550.
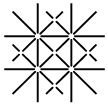
Eisenhardt, K.M.; Graebner, M.E. (2007): Theory Building From Cases: Opportunities and Challenges. In: The Academy of Management Journal, 50(1), pp. 25–32.

European Foundation Centre (2012): EFC Principles of Good Practice: A Self-Regulatory Tool for Foundations. Brüssel: European Foundation Centre.

Ferris, J.M.; Williams, N. (2010): Foundation Strategy for Social Impact. A System Change Perspective. Los Angeles: University of Southern California, Center on Philanthropy and Public Policy

Foundation Center (2014): Foundation Stats. http://data.foundationcenter.org/, accessed 9.8.2018.

Frumkin, P. (2006): Strategic Giving. Chicago: The University of Chicago Press.

George, A.L.; Bennett, A. (2005): Case Studies and Theory Development in the Social sciences. Cambridge, Mass.: The MIT Press.

Gillwald, K. (2000): Konzepte sozialer Innovation. Berlin: WZB.

Grant, P. (2016): Achieving Philanthropic Mission. Directing and Managing Grant-making. In: T. Jung; S.D. Phillip; J. Harrow (ed.): The Routledge Companion to Philanthropy. New York: Taylor and Francis. pp. 408–422.

Hannan, M.T.; Freeman, J. (1989): Organizational Ecology. Cambridge: Harvard University Press.

Hammack, D.C.; Anheier, H.K. (2013): A Versatile American institution: The Changing Ideals and Realities of Philanthropic Foundations. Brookings Institution Press.

Heckhausen, J; Heckhausen, H. (2010): Motivation und handeln: Einführung und Überblick. In: J. Heckhausen; H. Heckhausen (ed.). Motivation und Handeln. Berlin: Springer, pp. 1-9.

Heiskala, R. (2007): Social Innovations: Structural and Power Perspectives. In: T.J. Hamalainen, R. Heiskala (ed.): Social Innovations, Institutional Change and Economic Performance: Making Sense of Structural Adjustment Processes in Industrial Sectors, Regions and Societies: Cheltenham, U.K. and Northampton, Mass.: Elgar, pp. 52–79.

Howaldt, J.; Kopp, R.; Schwarz, M. (2014): Zur Theorie sozialer Innovationen: Tardes vernachlässigter Beitrag zur Entwicklung einer soziologischen Innovationstheorie. Weinheim: Beltz Juventa.

Janning, F. (2004): Habitus und Organisation. Ertrag der Bourdieuschen Problemformulierungen und alternative Konzeptualisierungsvorschläge. In: J. Ebrecht; F. Hildebrand (ed.): Bourdieus Theorie der Praxis. Wiesbaden: VS Verlag für Sozialwissenschaften, pp. 97-123

Jaskyte, K., Amato, O.; Sperber, L. (2018): Foundations and Innovation in the Nonprofit Sector; Nonprofit Management and Leadership. 2018, pp. 1–18.

Johnson, P.D. (2108): Global Philanthropy Report. Perspectives on the Global Foundation Sector. The Hauser Institute for Civil Society. Cambridge: Harvard Kennedy School.

Johnson, V. (2007). What is Organizational Imprinting? Cultural Entrepreneurship in the Founding of the Paris Opera. American Journal of Sociology, 113(1), pp. 97–127.

Kania, J.; Kramer, M.; Russel, P. (2014): Strategic Philanthropy for a Complex World. In: Stanford Social Innovation Review, 12(3), pp. 26–37.

Kasper, G., Marcoux, J. (2014): The Re-Emerging Art of Funding Innovation. In: Stanford Social Innovation Review, 12(2), pp. 28–35.

Kesselring, A.; Leitner, M. (2008): Soziale Innovationen in Unternehmen. Wien: Zentrum für Soziale Innovationen.

Kramer, M. R. (2009): Catalytic Philanthropy. In: Stanford Social Innovation Review, 7(4), S. 30-35.

Lamnek, S. (2005): Qualitative Sozialforschung. 4. edition. Weinheim, Basel: Beltz.

Letts, C.W; Ryan, W.; Grossmann, A. (1997): Virtuous Capital: What Foundations can Learn from Venture Capitalists. In: Harvard Business Review, 75(2), S. 36-44.

Leat, D. (2016). Philanthropic Foundations. Philanthropic Foundations, Public Good and Public Policy. Basingstoke: Palgrave Macmillan.

Marquis, C.; Tilcsik, A. (2013): Imprinting: Toward a Multilevel Theory. In: Academy of Management Annals, 7(1), pp 195-245.

Merton, R.K. (1968): On Sociological Theories of the Middle Range. In: R.K. Merton (Hg.): Social theory and social structure. New York: Free Press, pp. 29–72.

Meyer, J. W.; Rowan, B. (1977): Institutional Organizations. Formal Structures as Myth and Ceremony. In: American Journal of Sociology, 83(2), pp. 340–363.

Miles, M.B.; Huberman, M.A. (1994): Qualitative Data Analysis. Thousand Oaks: Sage.

Mintzberg, H. (2015): Time for the Plural Sector. Stanford Social Innovation Review, 13(3), pp. 28-33.

Montgomery, T. (2016): Are Social Innovation Paradigms Incommensurable? In: International Journal of Voluntary and Nonprofit Organizations, 27(4), pp. 1979–2000.

Mouleart, F.; MacCallum, D.; Hillier, J. (2013): Social Innovation: Intuition, Precept, Concept, Theory and Practice. In F. Moulaert, D. MacCallum, A. Mehmodd, A. Hamdouch (ed.): The International Handbook on Social Innovation. Collective Action, Social Learning and Transdisciplinary Research. Cheltenham: Edward Elgar, pp. 13–24.

Mulgan, G. (2010): Social Innovation. Stepping on the Accelerator of Social Change. In: W. Cheng (ed.): The World that Changes the World: How Philanthropy, Innovation, and Entrepreneurship are Transforming the Social Ecosystem. Singapore: John Wiley & Sons, pp. 341-358.

Muno, W. (2015): Fallstudien und Process Tracing in der Vergleichenden Politikwissenschaft. In: H.J. Lauth, M. Kneuer und G. Pickel (ed.): Handbuch Vergleichende Politikwissenschaft. Wiesbaden: Springer Fachmedien Wiesbaden, pp. 1–10.

Nicholls, A.; Murdock, A. (2012): The Nature of Social Innovation, In: A. Nicholls; A. Murdock (ed.): Social Innovation. Blurring Boundaries to Reconfigure Markets. Houndmills, Basingstoke, Hampshire, New York: Palgrave Macmillan, pp. 1-32.

Nicholls, A. (2010): The Institutionalization of Social Investment: The Interplay of Investment Logics and Investor Rationalities. In: Journal of Social Entrepreneurship, 1(1), S. 70-100.

Nielsen, W.A. (1972): The Big Foundations. New York and London: Columbia University Press.

Phills Jr. J.A.; Deiglmeier, K.; Miller, D.T. (2008): Rediscovering Social Innovation. Stanford Social Innovation Review, 6(4), pp. 34-43.

Porter, M.E.; Kramer, M.R. (1999): Philanthropy´s New Agenda: Creating Value. In: Harvard Business Review, November/December, pp. 121-130.

Prewitt, K. (2006): Foundations. In: W.W. Powell; R. Steinberg (ed.): The Nonprofit Sector. A Research Handbook. 2nd edition. New Haven & London: Yale University Press, pp. 335-377.

Prewitt, K. (1999): The Importance of Foundations in an Open Society. In: Bertelsmann Foundation (ed.): The Future of Foundations in an Open Society. Guetersloh: Bertelsmann Foundation.

Roelofs, J. (2003): Foundations and Public Policy. The Mask of Pluralism. Albany: State University of New York Press.

Saldaña, J. (2016). The coding manual for qualitative researchers. Third edition. Thousand Oaks: Sage.

Schreyögg. G.; Sydow; J.; Koch, J. (2003): Organisatorische Pfade - Von der Pfadabhängigkeit zur Pfadkreation? In: G. Schreyögg; J. Sydow (Hg.): Managementforschung. Wiesbaden: Gabler-Verlag, S. 257-294.

Simon, A. H. (1959): Theories of Decision Making in Economics and Behavioral Science. In: American Economic Review, 49(3), pp. 253–283.

Sprecher, T; Egger, P.; von Schnurbein, G. (2015): Swiss Foundation Code 2015. Grundsätze und Empfehlungen für Förderstiftungen. Foundation Governance, Band 11. Basel: Helbing & Lichtenhahn.

Then V., Kehl K. (2012): Soziale Investitionen: ein konzeptioneller Entwurf. In: H.K Anheier; A. Schröer; V. Then (Hg.): Soziale Investitionen. Interdisziplinäre Perspektiven. Wiesbaden: VS Verlag für Sozialwissenschaften, S. 39-86.

Thümler, E. (2011): Foundations, Schools and the State. In: Public Management Review, 13(8), pp. 1095–1116.

von Schnurbein, G.; Perez, M.(2018): Foundations in Switzerland: Between the American and the German Cases, in: American Behavioural Scientists, 62(13), pp. 1919–1932

Weber, M. (1972): Wirtschaft und Gesellschaft: Grundriss der verstehenden Soziologie. 5. Auflage. Tübingen: Mohr Siebeck.

Weick, K.E. (1995): Sensemaking in Organizations. Volume 3. London: Sage.

Yin, R.K. (2014): Case Study Research. Design and Methods. 5th edition. Los Angeles: Sage Publications.

Zapf, W. (1989): Über soziale Innovationen. In: Soziale Welt, 40(1/2), S. 170-183.