

## 'Distinction' in the third sector

Macmillan, Rob

DOI:

[10.1332/204080513X661572](https://doi.org/10.1332/204080513X661572)

License:

None: All rights reserved

*Document Version*

Early version, also known as pre-print

*Citation for published version (Harvard):*

Macmillan, R 2013, 'Distinction' in the third sector', *Voluntary Sector Review*, vol. 4, no. 1, pp. 39-54.  
<https://doi.org/10.1332/204080513X661572>

[Link to publication on Research at Birmingham portal](#)

### **Publisher Rights Statement:**

This is a pre-peer-review version of an article published in *Voluntary Sector Review*. The definitive publisher-authenticated version: Macmillan, R. (2013) 'Distinction' in the third sector, *Voluntary Sector Review*, Vol. 4, No. 1, is available online at: <http://www.ingentaconnect.com/content/tpp/vsr>

### **General rights**

Unless a licence is specified above, all rights (including copyright and moral rights) in this document are retained by the authors and/or the copyright holders. The express permission of the copyright holder must be obtained for any use of this material other than for purposes permitted by law.

- Users may freely distribute the URL that is used to identify this publication.
- Users may download and/or print one copy of the publication from the University of Birmingham research portal for the purpose of private study or non-commercial research.
- User may use extracts from the document in line with the concept of 'fair dealing' under the Copyright, Designs and Patents Act 1988 (?)
- Users may not further distribute the material nor use it for the purposes of commercial gain.

Where a licence is displayed above, please note the terms and conditions of the licence govern your use of this document.

When citing, please reference the published version.

### **Take down policy**

While the University of Birmingham exercises care and attention in making items available there are rare occasions when an item has been uploaded in error or has been deemed to be commercially or otherwise sensitive.

If you believe that this is the case for this document, please contact [UBIRA@lists.bham.ac.uk](mailto:UBIRA@lists.bham.ac.uk) providing details and we will remove access to the work immediately and investigate.

This is a pre-peer-review version of an article published in Voluntary Sector Review. The definitive publisher-authenticated version: Macmillan, R. (2013) 'Distinction' in the third sector, *Voluntary Sector Review*, Vol. 4, No. 1, is available online at: <http://www.ingentaconnect.com/content/tpp/vsr>

Dr Rob Macmillan

[r.macmillan@bham.ac.uk](mailto:r.macmillan@bham.ac.uk)

Third Sector Research Centre  
Park House  
40 Edgbaston Park Road  
University of Birmingham  
Birmingham  
B15 2RT

[8,071 words]

## **'Distinction' in the third sector**

Claims for the distinctiveness of third sector organisations are a relatively widespread and familiar feature of third sector commentary and analysis. This paper reviews relevant theoretical and empirical research to examine the idea of distinctiveness, arguing that such claims remain inconclusive. Informed by a view of the third sector as a contested 'field', and drawing on Bourdieu's notion of 'distinction', the paper suggests that research attention should focus additionally on the strategic purpose of claims for distinctiveness, rather than simply continue what might be a 'holy grail' search for its existence. The paper uses this argument to complicate and extend the idea of the third sector as a 'strategic unity', and concludes by suggesting some further lines of enquiry for third sector research.

**Key words:** third sector, distinctiveness, strategic unity, Bourdieu

---

## 1. Introduction

In order to gain a fuller understanding of the third sector, attention needs to be paid to how it actually works in practice, in all its complexity and diversity. This includes a concern with what matters to the people involved, and with the nature and currency of ideas, theories and narratives circulating about the sector. Perhaps most significantly it revolves around the extent to which a 'sector' is identifiable, recognised and understood. This paper aims to examine one enduring and compelling idea circulating in the third sector, namely the idea of distinctiveness.

Practitioners and academics appear to have put a lot of effort into the task of identifying and articulating the distinctive character, practices and contribution of the third sector, or assessing the validity and strength of such claims. Arguably this is fundamental to the pursuit of an appropriate form of conceptualisation, definition, classification and label for what has been termed a 'loose and baggy monster' (Kendall and Knapp 1995). Rather than add to this enterprise, this paper asks not so much what the special or distinguishing features of the third sector actually are, but why distinctiveness is important, and what this may tell us about this set of organisations, activities and practices.

In this perspective, definitional, classificatory and labelling work needs to be understood in terms of its strategic and evaluative intent. Such a view raises some important questions. Investigating the distinctive qualities and contribution of the sector might be about finding out what is 'special' about the sector, but it must also be about why 'specialness' might matter for the third sector and others. What are the motivations and hopes behind the idea of distinctive characteristics and what follows from these aspirations? Hence the focus of this paper is to raise questions about understanding the strategic purpose behind distinctiveness claims: how are they formed, justified, used and for what purpose, and how are they received. It draws attention to the idea that distinctiveness is a basic component of strategies around organising, instituting and sustaining attention.

This is not to say that research aiming to identify and assess the intrinsic or distinctive qualities of the third sector is a 'dead-end'. Rather, the argument is that a second dimension, the strategic purpose of distinctiveness, has been overlooked in recent debates on the sector. Consequently an important aspect of understanding the political dimensions, dynamics and positioning of the third sector may be missed.

However, it is important to note that distinctiveness strategies also operate *within* the third sector as well as around the sector as a whole. Parts of the sector, types of activity, and even individual third sector organisations, may also use similar strategies to highlight their role, position and contribution set against and distinct from other parts of the sector. Specific kinds of third sector activities, for example 'social enterprise' in its different forms, or small, informal and grassroots organisations, are typically grouped together in what appear to be club-like alliances of similar organisations and activities, and these alliances form the basis of strategic organisation and institution within the sector, through network and umbrella bodies. By highlighting fractions and fragments within the sector, the idea of distinction seeks to embellish and extend the idea of the third sector as a 'strategic unity' (Alcock 2010).

In order to explore these issues, the argument draws upon the social theory of Pierre Bourdieu, and in particular the concepts of 'field' and 'distinction'. Thus the paper begins with a 'relational' account of the sector as a contested, discursively framed 'field', in which participants pursue strategies of distinction. The main body

of the paper then unpicks the idea of distinctiveness in the third sector by considering theoretical literature, empirical evidence and argument on how the concept is used in practice. This is followed by a discussion of the implications of this kind of argument for the idea of the sector as a 'strategic unity'. The paper concludes by suggesting a theoretically informed agenda for future research. The aim of this paper, then, is to seek to provide a more realistic and theoretically informed understanding how the third sector actually works, based on an exploration of the role of distinctiveness.

## **2. A relational account of the third sector: field, room and distinction**

To date Bourdieu's social theory has not featured much as an inspiration for third sector scholarship (Howard and Lever 2011). However, the idea that the third sector, and relations and practices in and around it, might usefully be conceptualised as a contested 'field' with its own codes, language and understandings has significant potential (Macmillan 2011). This perspective is founded on a 'relational' understanding of the third sector; that is, where individuals, groups, organisations, practices and ideas are 'positioned' in relation to each other, and where some are in a better 'position' than others (Emirbayer and Johnson 2008).

For example, the role and function of national umbrella organisations, such as the National Council for Voluntary Organisations (NCVO), the National Association for Voluntary and Community Action (NAVCA) and the Association of Chief Executives of Voluntary Organisations (ACEVO), and the claims made by their leaders, can only be fully understood in relation to each other. The emergence, development, prospects and positions of each of these organisations are fundamentally tied to the others. A relational account of the third sector suggests attention should be paid to organisational identity, strategy, and position, as well as competition, conflict and fracture within the third sector. Importantly it raises questions about how organisations might seek to differentiate themselves from each other. As such it extends and complicates the idea of a 'strategic unity' (Alcock 2010) in the sector.

For Bourdieu the field is an arena of struggle amongst different agents acting as 'players' developing and deploying 'strategies' in a complex and dynamic 'game' (Bourdieu and Wacquant 1992). The existence of a field arises from some common

understanding and interest amongst participants regarding the things, or forms of '*capital*', that are likely to be at stake. These are all things that keep agents linked to each other, are worth striving for and are typically in short supply. Generically, capital is a prized resource, a source of power for its possessors. In a third sector context this might include tangible resources such as funding and physical resources, but might also include intangible assets such as legitimacy, status and reputation, information, influence and connection. Bourdieu distinguishes four different types of capital: crucially, capital is not just money ('economic capital') but is also connection, information and networks ('social capital') as well as educational credentials, social skills and taste ('cultural capital') and status, legitimacy and authority ('symbolic capital').

The field is uneven, favouring some groups and organisations rather than others. Some groups in the third sector have greater influence, or money or time or perhaps 'capacity' and expertise than others. Some groups are better connected than others, whilst some groups are more familiar with the 'rules of the game' than others, including its terms and its language, and have more experience in how to play it. The framework suggests that different agents already possess different levels and qualities of resources or 'capital', but develop *strategies* to preserve or advance their position, and positional advantage, in relation to the capital at stake. Agents with strong endowments tend to seek to preserve their privileged position whilst those with fewer resources will seek to advance their own position.

Bourdieu's "*Distinction: A Social Critique of the Judgement of Taste*" (Bourdieu 1979/1984) has arguably become the most significant of his works in popularising a number of key theoretical concepts, such as 'field' and 'cultural capital'. The book is a theoretically informed empirical examination of the relationship between French culture and social class. In analysing the overall cultural 'field', it speaks to the familiar sense that some cultural pursuits and forms have higher social status and prestige than others: for example, opera is afforded higher status than soap opera. Crucially, those who follow opera, or who are knowledgeable about it, tend also to enjoy higher social status. Cultural pursuits, in this view, become aspects of (class-based) struggles for cultural domination, in which social groups attempt to distinguish themselves from others on the basis of a social hierarchy (Bennett et al 2009).

As an extension of Bourdieu's framework, we may speak of the 'room' for third sector organisations to exist and operate. 'Room' involves firstly an acknowledged role and position for an organisation, based on a context-specific, ongoing, sometimes awkward and contested accommodation between similarly placed organisations operating in a given catchment area, and secondly a capacity to continue its activities to pursue its aims. Room is clearly a spatial and ecological metaphor. It suggests that the often unstated concerns of participants in third sector organisations tend to focus on the constraints and threats around their continued survival, health and legitimacy. Organisations are ultimately placed in a competitive relationship with each other for various forms of capital, even though much of this rivalry is disguised, implied or latent. In this context claims for uniqueness or distinctiveness become *strategies of distinction*, to create or preserve room for individual third sector organisations (against other organisations), groups of like-minded third sector organisations (against other groups), and the third sector as a whole (against other sectors).

How might this kind of perspective be applied to the third sector in practice? Does the idea of struggles for 'distinction' have any purchase in understanding some of the contested dynamics of the sector? The next stage of the argument aims to look more closely at the importance of the idea of 'distinctiveness' in third sector literature. We examine two aspects here: claims in theory and claims in practice. The first looks at definitional and theoretical work on the third sector, whilst the second examines the claims made by third sector practitioners and 'distinctiveness' as illuminated through empirical research.

### **3. Third sector distinctiveness: matters of definition and theory**

There is a longstanding, unresolved and arguably irresolvable issue of labelling and definition in relation to voluntary and community action. What are the objects of research interest, what should they be called, and how should they be grouped, classified and defined? In classical categorisation, a strong definition is able to draw a boundary which maximises both internal coherence (similarity of objects inside the boundary, based on intrinsic properties) and contrast (differences with 'everything else' outside the boundary). The sharper the difference between 'inside' and 'outside', the stronger the definition will be. Definitional work thus seeks to



identify *conceptually* what holds objects together in a boundary and what distinguishes them from other entities - what is in and why, what is out and why.

This causes an immediate problem for activities grouped together under the rubric 'third sector'. These activities are characterised both by great diversity inside the sector and fuzzy boundaries between inside and outside – hence the idea that it is a 'loose and baggy monster' (Kendall and Knapp 1995). This challenges the notion that clearly conceptualised essential or defining features of third sector activities can be identified. However, definitional work in practice is not just about conceptual clarification and differentiation. There are a range of different strategic interests trying to *hold things together* in the sector around a common identity. Definitional work is thus fundamentally also a political and strategic concern (Alcock 2010, Alcock and Kendall 2011). The argument here is that this political and strategic concern has not had as much research scrutiny as the focus on the definitions themselves.

However, definitional and boundary work is an activity of field demarcation and maintenance. Theoretical work on the third sector accompanies this. Early foundational work on explaining the existence of third sector activities sought to understand the sector in terms of market and state failure. Hansmann (1980) suggests that third sector organisations are distinctive because they are likely to be more trusted than other types of organisation, particularly in services characterised by significant information asymmetries and power imbalances between providers and users. This difference (and therefore distinctiveness) arises from the structure and form of non-profit activities, and in particular the constraint on surplus distribution (Anheier and Kendall 2002). Other theories consider the distinctive motivations and values of people involved in establishing and developing third sector activities. The suggestion here is that the third sector becomes a site for the pursuit of non-financial, perhaps value-driven projects, motivated perhaps by religious belief or the pursuit of status (James 1987). A more significant role is played by the cause, mission and purpose of third sector organisations, and this becomes a source of distinctiveness.

Billis and Glennerster (1998) take many of these themes further in their theory of voluntary sector comparative advantage. In this perspective, third sector organisations, especially those working to address severe states of disadvantage, can have comparative advantage over other sectors because of their 'stakeholder

ambiguity', or distinctive ownership and governance structures, where *"the traditional division of stakeholders, such as owners, paid staff and consumers or users is replaced in voluntary agencies by a bewildering complexity of overlapping roles"* (Billis and Glennerster 1998: 81). The potential erosion of comparative advantage is a key concern for the authors (1998: 96-7). On the one hand this may result from the differentiation and separation of stakeholder roles which may accompany organisational growth. On the other, increasing receipt of state funding for public service delivery brings third sector organisations closer to the narrow concerns of median voters filtered through the political process. Billis and Glennerster thus present an initial theory of third sector distinctiveness, but freighted with concern for its preservation.

In a similar vein, and from a US perspective, Eikenberry (2009) refers to how the sector may be colonised, co-opted and even cannibalised by the market. This line of argument implies that the sector may be a site of special value but relatively fragile and prone to influence from more powerful forces, which would change its character. This style of argument occurs in more recent debates around hybridity in the sector (Billis 2010, Buckingham 2011). Billis (2010) bases his theoretical framework on the idea that each sector – public, private, third - contains pure forms of activity. He develops an ideal-typical model of the three sectors, from which hybrids can be seen as departures. Rather than search for common intrinsic properties which define members of the third sector, and around which a membership boundary may be drawn, Billis' notion of hybridity appears to rely more on prototype theory in cognitive linguistics (Lakoff 1987). This asks whether some members of a category might be better examples, or more central, than others. The core of a category is a prototype found through establishing an abstract ideal type, or by identifying a clear example in practice. Rather than set a boundary, potential members of the category are judged or matched in terms of "goodness of fit" against the prototype. It is on this basis that hybrid organisations are assessed.

For Billis the prototypical third sector organisation is what he terms an association, which looks rather like small, non-professionalised, volunteer-only groups and activities. Distinctive features of associations are based on the organisational model, governance and membership. An underlying assumption appears to be that 'pure' features of associations – distinctive characteristics - have been challenged by practices and values from elsewhere. The development and growth of various forms of hybrid organisation, with characteristics normally associated with markets

or bureaucracies, challenges what some might see as the sector's essential identity. Hybridisation might be a trend, but it is also important to be curious about the extent, manner and reasons why it is seen as worrying.

#### 4. Third sector distinctiveness: claims in practice

Identifying and promoting the idea of third sector distinctiveness is not just a matter of academic theory. Key commentators within the third sector have been highly active in prompting a conversation around the sector's distinctiveness, although it tends to be rather promotional and one-sided. For example, one study suggested that the main distinctive characteristics of third sector organisations were that they were 'passionate, risk-taking and persistent', 'knowledgeable and culturally competent', 'holistic and person-centred', 'change-minded' and 'partnership focussed' which made them "*excellent providers of services and effective advocates of change*" (Knight and Robson 2007: 10). Similarly, the Baring Foundation's 'Panel on the Independence of the Voluntary Sector' reports that:

*"Independence is, and always has been, a critical issue for the voluntary sector. It lies at the heart of what makes it **distinctive**, effective and necessary".* (Baring Foundation 2012: 3, emphasis added).

The National Council for Voluntary Organisations (NCVO) has sought to establish the sources of value in the sector, and particularly how this is different from other sectors. Over time the discussion has moved from the sources of added value, distinctive value, and more latterly the idea of 'full value' (Bolton 2003, Eliot and Piper 2008). Bolton, for example, assesses both 'reasonable' and 'unreasonable' claims for the sector's distinctiveness (2003: 13-21). The former include claims that voluntary organisations 'are good at meeting special needs or responding to niche interests because they have significant expertise' and 'are an independent voice'. Unreasonable claims include that people working in the sector have morally good motives or are committed, and that the sector is 'values-driven'. The paper dismisses the idea that the sector's distinctive 'value' lies in part with its purported special 'values'.

A collaborative inquiry on values in the third sector took up this challenge, arguing that: "*If the third sector is about something more than 'not for profit' we need to*

*define it in terms other than its relationship to money. Values are the key*" (Blake et al 2006: 13). Statements of values always run the risk of formulating rather aspirational phrases expressing vaguely positive things. However, the inquiry's argument is that distinctiveness lies in the specific *use and combination* of values in the third sector, that is, that the search for distinctiveness should focus on values-based practice:

*"Empowering people, Pursuing equality, Making voices heard, Transforming lives, Being responsible, Finding fulfilment, Doing a good job, Generating public wealth.....These values inspire people to work and volunteer in the third sector. Separately these values are present in the public and private sectors. However, the way in which third sector organisations combine and prioritise these values is unique". (ibid: 7).*

Jochum and Pratten (2008) attempt to extend this argument in their empirical research into values in ten third sector organisation case studies. They conclude that distinctiveness is not necessarily a general feature across third sector organisations, for example a characteristic of organisational structure or culture. Rather, distinctiveness arising through values has to be enacted, and is therefore considered to be a contingent dimension of the third sector: *"by living their values voluntary and community organisations can strongly differentiate themselves from the private and public sectors, and in doing so maintain a distinctiveness that is likely to be increasingly important in difficult times"*. (Jochum and Pratten 2008: 12). However, this quotation reveals that distinctiveness is something to be maintained, and therefore held dear, particularly as the financial context for the sector changes.

Frustratingly for people who want to support distinctiveness claims, however, there is a growing body of empirical research which, in summary, tends to challenge or otherwise complicate the claim that the third sector is distinctive. Here the focus is firstly on relevant research on people involved in third sector activities in different ways, and secondly on the nature of third sector services themselves.

Leat (1995) explores differences in the skills required to manage voluntary and for-profits organisations, as viewed and discussed by managers with experience in both sectors. Her focus is on management practices rather than theoretical differences between organisations in different sectors. She concludes that there are no clear, unqualified differences in experience such as might have been expected

from general theoretical models of the sector: *“differences in managing depend not on sector but on characteristics of organisations (including size, structure, culture and so on) which cross cut sector”* (Leat 1995: 46). However, she suggests that managers are not simply interchangeable. In particular, managers should tread carefully through cultural imperatives around participation, stereotypes of ‘being business like’ and the ‘myth of niceness, decency and saintliness’: *“approaches which would be acceptable in business are seen as ‘hard-hearted’ and inappropriate”* (ibid: 48).

A similar finding arises in Cormack and Stanton’s small-scale exploratory study of leadership with twelve Chief Executives of voluntary organisations of varying sizes (Cormack and Stanton 2003), which highlighted greater parallels than differences in their roles compared to peers in the public or private sectors. Drawing on this research, Kirchner’s (2007) leadership model for the third sector suggests that core skills required for these leaders are the same regardless of sector, but, echoing Billis and Glennerster (1998), that complex multiple accountabilities amongst competing stakeholders, and thus the need to play an outward ambassadorial role which is mission or beneficiary focused, marks third sector leadership as distinctive (ibid: 53).

A study of the career trajectories and sector boundary crossing experiences of 20 people in the UK also comes to challenge the importance of sector-based understandings (Lewis 2008, 2010). Lewis notes that his own assumptions in the research came to be challenged: *“some informants were found to lack an explicitly ‘sectored’ perspective on their careers”* (Lewis 2008: 573), and concludes that over-rigid accounts of the sector’s boundaries should be avoided: *“existing sector theory fails to take sufficient account of the informal relationships that exist across the boundaries of the sectors and the nature of that boundary itself”* (pp.574-5). The research suggests that despite the purported advance of hybridisation, the idea of the ‘sector’ with boundaries remains important in shaping people’s ideas and expectations (Lewis 2010: 236). This serves to highlight the constructed character of boundaries and sectors, to which people may attach importance, and may become committed to upholding and defending.

If studies of people in different roles within the third sector challenge the notion of sector differences, research on the distinctive nature of third sector services reach similar conclusions. Typically the sector is argued to be distinctively flexible,

innovative, far-reaching in working with the most disadvantaged people, but more effective in realising positive outcomes. However, three significant recent examples of empirical research again challenge over-generalised conceptions of third sector distinctiveness.

Osborne and colleagues' 2006 follow up of an earlier 1994 study of innovative capacity of voluntary and community organisations (VCOs) is a case in point (Osborne et al 2008). By comparing experience of VCOs in three English localities and at two time periods, the study argued that innovation was a contingent feature of the sector's policy environment: *"Far from being a 'constant' in terms of their role in delivering public services innovation has been revealed as a variable."* (Osborne et al 2008: 66). The evidence disrupts the idea that VCOs have distinctive characteristics independent of the cues and incentives in a changing policy environment. That innovation might be seen as a *strategy* in a changing field - an environmental context which favoured it - can be seen in the suggestion that in the early 1990s voluntary and community organisations tended *"to portray their services as innovative, irrespective of their true nature, in order to gain governmental funding within the prevailing rules of the game at the time"* (ibid: 63).

Cross-sectoral comparative research in different fields of service delivery is relatively thin on the ground. Hopkins' (2007) study of user experiences of services in the public, private and third sectors in employment services, social housing and domiciliary care for older people provides an exception. The research asked whether the nature of third sector delivery involves factors which are particularly valued by service users, with mixed conclusions about the distinctiveness of third sector provision: *"it was not possible to generalise about public service delivery by third sector organisations. The research demonstrates the complexity of distinctiveness, as well as the importance of different service models, in relation to public service delivery"* (Hopkins 2007: 4). The research concludes that the third sector provides more distinctive personalised and responsive services in employment, but less so in relation to social housing and domiciliary care for older people.

Finally, a study of outcomes of public services across different sectors in adult social care and early years education (Office for National Statistics 2010) suggests that variations within the same sector were just as great as those between sectors,

with little or no systematic differences in outcomes between voluntary sector providers and those from the public and private sector:

It would seem that distinctive characteristics or practices are not a necessary or intrinsic feature of third sector activities, despite some ambitious claims and theoretical arguments. Rather, they may vary considerably across the third sector, and are dependent on the specific policy field – social care, employment, housing, etc - and the cues, incentives and demands of a changing policy environment. It appears that research involving some element of comparison – between sectors, policy fields or over time, suggests that more modest and contingent notions of distinctiveness might be more helpful. There appears to be a recurring motif that there is something distinctive about the third sector, but it is regularly frustrated by a range of research findings. This raises again the question of why many commentators and practitioners seem so keen for distinctiveness to exist and to be demonstrated, when it may be something of a ‘holy grail’. If there is little clear evidence of distinctiveness, and yet it is seen as valuable, an additional line of enquiry is required. This is to ask why distinctiveness is thought to be important, why it is valued, and what that can tell us about the third sector. The argument here is that strategic intent, positioning, and contested understandings of the sector should become part of the research endeavour on distinctiveness, rather than just seeking to ask the question of whether and how the third sector is different from other sectors.

## **5. The third sector as a ‘strategic unity’**

Thus far we have considered evidence and arguments operating at a sector level, for example, by contrasting the third sector with public agencies on the one hand, and commercial enterprises in the private sector on the other. But contested claims for distinctiveness will also operate between individual organisations and amongst different types of organisations grouped together in different parts of the sector. The existence of such strategies has major implications for the idea of the third sector as a ‘strategic unity’.

Individual organisations may seek to speak of their role, identity and character *set against other specific organisations*, or their uniqueness *set against all other third sector organisations*. Previous research has considered how this can be a key

marketing strategy for individual charities for securing donations in an increasingly competitive environment, where the benefits of their work are hard for donors to distinguish and are relatively intangible (Hibbert 1995: 6): *“It is...increasingly important for charities to distinguish their cause and their organization from the mass of non-profit organizations clamouring for a slice of the compassion pie”*. Barman’s (2002) research with United Way over time reaches similar conclusions. A shift in environmental conditions, from monopoly to competition, was accompanied by nonprofit efforts to differentiate themselves from rivals, asserting both uniqueness and superiority. Chew and Osborne (2008, 2009) refer to this process of differentiation from other organisations providing similar services as ‘strategic positioning’: *“a managerial decision-process to develop an organization-level positioning strategy that aims to effectively differentiate the organization from other service providers”* (2008: 283). They suggest that marketing plays a supporting role in communicating positions to various target audiences, but argue that service users are the primary target stakeholder, rather than donors and funders.

By the same token, organisations may seek to join together in alliances (thus temporarily suspending individual distinction strategies) to define themselves, group together, draw boundaries and formulate positions and perspectives *against other groups of organisations*. These claims become distinction strategies, for example, in social enterprise (Sepulveda 2009, Teasdale 2011) against traditional or ‘grant dependent’ charities (Macmillan 2007) or amongst ‘grassroots’ and informal community groups (Phillimore et al 2010) against larger more formal voluntary organisations. Claims for uniqueness or distinctiveness are a widespread but contested feature of third sector discussion across many levels. But they are always made, albeit often implicitly, *in relation to* something else; ‘us’ and ‘them’ dynamics are a familiar feature of the sector. Peering inside the sector more closely makes the strategic and political role of distinctiveness claims more apparent, and begins to suggest new ways of thinking about the third sector as a relational field.

What might be the implications of this kind of argument for the suggestion that the third sector is a construct involving a ‘Strategic Unity’ (Alcock 2010)? This is the argument that, particularly during the new labour years, key third sector bodies forged a unified single sector perspective in order to pursue a policy agenda for supporting and developing the third sector. In doing so they encountered a



sympathetic and responsive government. A single sector perspective could be bolstered by claims that it is distinctive from other sectors.

There are two elements to the idea of a 'strategic unity': the adjective 'strategic' and the noun 'unity'. The adjective acts as an important qualifying counterbalance to the noun: there is a unity, but it is (only) strategic. The difficulty in such a formulation is that it is quite hard to assess when a unity that is only strategic might better be expressed not as a unity at all, but something else. There is thus a danger that the concept is somewhat elastic, allowing movement from one end to another, that it becomes almost a tautology and impervious to criticism. The 'strategic' element of the couplet is the strongest in alerting us to the interests within and around the sector in portraying a single sector, upon which policy attention and resources can be focused:

*“That the third sector has been constructed as the product of strategic unity rather than intrinsic features may be a depressing conclusion to reach for some... The notion of a third sector in the UK in the 2000s is a product of its particular time and place and of the strategic interests of most of the major protagonists in creating and sustaining it”. (Alcock 2010: 21).*

However, the 'unity' aspect of 'strategic unity' could be more troubling. A sharper distinction is perhaps needed between, on the one hand, unity as an empirical representation of the sector, and on the other, the presentation of unity for political purposes. A descriptive conception may overplay 'unity' and underplay fractions, tensions and differences between organisations and different parts of the sector. Distinction strategies operate as much within the sector as for the third sector as a whole, and typically they operate against other parts of the sector. A portrayed unity, however, is closer to the idea that it is a more or less fragile accomplishment; an impression designed, in effect, to paper over the cracks. 'Strategic unity' gives the rather misleading impression of an end point achievement; glossing over the dynamics and contestation within. A strategic *alliance*, portraying the idea of unity may be a better formulation as it hints at the sheer work involved in forging and holding together a fragile position (Alcock and Kendall 2011).

The 'strategic unity' formulation works if the idea of unity is clearly restricted to an account of what the *idea* or *conceptualisation* of a 'third sector' is supposed to be. As a noun, a 'sector' is a singularity, and as described earlier in definitional terms it

is intended to capture similar things and exclude dissimilar things along a boundary expressing key demarcation criteria. By its nature it is intended to express a unity. In practice of course it includes a multiplicity of diverse entities held in an unstable discursively constructed alliance. Given these difficulties, it may be more appropriate, as an empirical representation, to abandon the idea of a singular 'sector'. An alternative notion, drawn from Bourdieu, which is likely to be more fruitful, is the idea of the third sector as a contested 'field', with fuzzy and permeable boundaries. This might be better able to contend with different actors, pursuing different interests, moving in multiple more or less unstable alliances with each other. In practice it involves a continual struggle for hegemony in which some voices, interests and alliances prevail and may achieve partial and temporary influence and domination. At least part of this involves various struggles to define, name and describe the field, to draw and police its boundaries, and to generate or preserve 'room' for organisations, alliances, ideas and narratives. In this view the third sector becomes an unstable and contested discursive terrain where actors have some sense of common association, affiliation and orientation. As such it has attendant difficulties about whether to exclude some on the basis that they are 'insufficiently like us'. An example might be the awkward hybrid position of housing associations (Mullins and Pawson 2010, Purkis 2010). As a result the 'sector' might be described as a variable terrain of 'like-us' (homophilous) alliances and 'not-like-us' (heterophilous) fractures. This common affiliation is hard to define (because it is contested) but is regarded as important enough by the participants to act upon (both discursively and in policy and practice). Actors 'work on' this terrain by seeking to describe and articulate it in ways which accord with and preserve or advance their (competing) interests and purposes, and those of the alliances in which they take part.

## **6. Conclusions**

Many people operating in and around the third sector, including researchers, appear to want to define, safeguard and promote some intrinsic characteristics of third sector activity as against other kinds of social and economic activity. In this pursuit signs of concern are sometimes expressed when these claims for distinctiveness are undermined by particular comparative evidence, or theoretical arguments on the rise of 'hybrid' organisations. This kind of concern also operates inside the third sector as well, amongst specific types or groupings of organisations,

but also amongst and within individual organisations. Thus distinctiveness claims are a widespread and familiar but, as we have seen, problematic feature of third sector academic, policy and practice conversations.

However, it is not enough merely to ask and assess the question 'is the third sector distinctive?' A broader concern might also usefully ask *why* the answers to those questions matter for people in and around the sector. This would go some way to opening up the contested politics of the sector. There are clearly *commitments* to the idea that the sector, or fractions within it, or individual organisations, are in some way different and distinctive. Distinctiveness claims appear to have a more or less thinly disguised evaluative intent or foundation. Thus to say something is distinctive usually implies, without explicit reference, that it is somehow valuable, but also *better* than comparable entities. This calls for an additional aspect of the research agenda, involving the sensitive investigation of commitments and strategies. It attends to the framing of distinctiveness claims and the discursive work they undertake. This is not to deny that some people will genuinely believe the distinctiveness claims they make, but it brings to the fore the idea of 'distinction' as a more strategic, purposeful, instrumental view of distinctiveness as a position in a field of claims and counter-claims.

What might be the research agenda which follows this understanding of the sector? One fruitful line of enquiry may involve attention to the idea of 'boundary work' within and around the third sector, linked to the Weberian idea of 'social closure'. This explores how boundaries are established, maintained, policed and traversed. A starting point may be the formation of entities through boundary formation and linking. In a remarkable paper called 'Things of Boundaries', Abbott (2001) provides a radical account of the importance of boundaries in social life, which has resonance for the debate on the 'sectorisation' of the third sector, as well as on the nature of organisational boundaries. He provides a historical sociological account of the formation of social work as a profession from 1870 to 1920. He describes this as a process where disparate tasks and activities around children, education, health and family life were grouped together and proto-boundaries established. He suggests that the making of the entity eventually known as 'social work' involved linking up a range of separate boundaries by delegitimizing existing differences and emphasising new divides.

The more general conclusion from this analysis is that: *“It is wrong to look for boundaries between pre-existing social entities. Rather we should start with boundaries and investigate how people create entities by linking those boundaries into units. We should look not for boundaries of things but for things of boundaries”* (Abbott 2001: 261). This perspective provides an opening into a more productive account of how in practice the voluntary sector, and later the third sector, became named and discussed as a sector (6 and Leat 1997). It also offers a richer perspective of ongoing efforts to build and bind alliances around types and groups of like-minded and like-positioned organisations in the same field, such as social enterprise, grassroots organisations, or BME organisations. Thus when there is mention of entities such as a third sector, a social enterprise sector, a BME sector, a reminder is needed that these are examples of strategic boundary work in practice, albeit contested and provisional. Abbott goes on to argue that *“The emergence of an entity is the assemblage of various sites of difference....into a set of boundaries....that define an inside and an outside. But the work of creating an entity must also be seen as the work of rationalizing these various connections so that the resulting entity has ability to endure, as a persistent thing, in the various ecologies in which it is located”* (Abbott 2001: 273).

One prevalent aspect of boundary maintenance in the third sector is the establishment of quality assurance and performance systems, such as kite-marks and membership criteria in federal networks and associations. These systems, and their associated symbols, act as credentials for membership, badges for status, regard and affiliation in particular ‘clubs’ in the third sector. Examples might be those organisations that have achieved a particular quality standard for their area of work, such as the NAVCA Quality Award for local infrastructure organisations, or the Legal Services Commission Quality Mark for legal services and advice providers, or the Social Enterprise Mark. These are intended to be signals to funders, commissioners and users of quality assurance, but they also operate as marks of distinction, positional advantage and exclusive club membership for award holders, set against others without the credential. Once again they are distinction strategies in practice.

Here we might draw upon the Weberian idea of ‘social closure’ (Parkin 1979). This could inform an examination of the processes and dynamics of stratification and distinction strategies in the third sector. Social closure is *“the process by which social collectivities seek to maximise rewards by restricting access to resources and*

*opportunities to a limited circle of eligibles. This entails the singling out of certain social or physical attributes as the justificatory basis of exclusion”* (Parkin 1979: 44). Classically, this is where social and economic groups try to gain control over, monopolise, and restrict access to specific resources, opportunities and rewards. They seek to use their position and power to separate themselves from and exclude or marginalise others on the basis of particular formal or informal selection criteria. Part of the struggle involves establishing the form and legitimacy of entry criteria and credentials which might form the basis of inclusion and exclusion. Not all boundaries are created and maintained in such credentialised ways. Others may just be about gathering together fellow travellers and kindred spirits in more open and porous networks. In these cases boundary maintenance is undertaken through inter-personal exchange of rituals, values, norms and discursive frames to reinforce certain affiliations through the exclusion of others. However, this also could involve claims for distinctiveness and strategies as binding and distinction devices.

This research agenda calls for a qualitative mapping of the dimensions and dynamics of the third sector. It could try to embellish and extend the notion of ‘strategic unity’ by investigating the extent to which the sector is characterised by ‘club-like’ alliances and groupings of similar organisations and activities, including the circumstances in which alliances form, endure and fracture. It might then proceed to consider how these alliances form the basis of strategic organisation and institution within the sector. These might be umbrella bodies or networks designed to bring together and promote like-minded or like-positioned interests. What then is the role of these institutional solidifications of different interests, and what role does ‘distinction’ play in their establishment, reproduction and practice? Lastly, it calls for a greater understanding of why people are committed to the idea of distinctiveness? It could be because there are real differences between organisations, types of organisation and sectors. Here we have argued that it is something to do with establishing ‘room’ to exist in a competitive and contested field of struggle. This may focus on wider demands for resources, but it may also involve recognition, or the pursuit of status, profile and regard. We have suggested here that distinctiveness is something people in and around the third sector care about, and this in itself warrants research attention if we are to provide a fuller account of the sector in practice.

## Acknowledgements

The argument of this paper has benefited immensely from extensive discussion with colleagues at the Third Sector Research Centre and amongst participants at a seminar at the University of Birmingham. The support of the Economic and Social Research Council (ESRC), the Office for Civil Society (OCS) and the Barrow Cadbury UK Trust is gratefully acknowledged.

## References

6, P and Leat, D. (1997) 'Inventing the British Voluntary Sector by Committee: from Wolfenden to Deakin', *Non-Profit Studies*, 1(2): 33-45.

Abbott, A. (2001) 'Things of Boundaries' in *Time Matters: On Theory and Method*, Chicago: University of Chicago Press, pp.261-279.

Alcock, P. (2010) 'A strategic unity: defining the third sector in the UK', *Voluntary Sector Review*, 1(1): 5-24.

Alcock, P. and Kendall, J. (2011) 'Constituting the Third Sector: Processes of Decontestation and Contention Under the UK Labour Governments in England', *Voluntas*, 22(3): 450-469.

Anheier, H. and Kendall, J. (2002) 'Interpersonal trust and voluntary associations: examining three approaches', *British Journal of Sociology*, 53(3): 343-362.

Baring Foundation (2012) *Protecting Independence: the Voluntary Sector in 2012*, London: Baring Foundation, Civil Exchange and DH Communications.

Barman, E.A. (2002) 'Asserting Difference: The Strategic Response of Nonprofit Organizations to Competition', *Social Forces*, 80(4): 1191-1222.

Bennett, T., Savage, M., Silva, E., Warde, A., Gayo-Cal, M. and Wright, D. (2009) *Culture, Class, Distinction*, Abingdon: Routledge.

Billis, D. and Glennerster, H. (1998) 'Human services and the voluntary sector: towards a theory of comparative advantage', *Journal of Social Policy*, 27(1): 79–98.

Billis, D. (ed) (2010) *Hybrid Organizations and the Third Sector: Challenges for Practice, Theory and Policy*, Basingstoke: Palgrave Macmillan.

Blake, G., Robinson, D. and Smerdon, M. (2006) *Living Values: a report encouraging boldness in third sector organisations*, London: Community Links.

Bolton, M. (2003) *Voluntary Sector Added Value: A discussion paper*, London: NCVO.

Bourdieu, P. (1979/1984) *Distinction: A Social Critique of the Judgement of Taste*, Cambridge: Polity Press.

Bourdieu, P. and Wacquant, L. (1992) *An Invitation to Reflexive Sociology*, Cambridge: Polity Press.

Buckingham, H. (2011) 'Hybridity, diversity and the division of labour in the third sector: what can we learn from homelessness organisations in the UK?', *Voluntary Sector Review*, 2(2): 157-175.

Chew, C. and Osborne, S.P. (2008) 'Strategic Positioning in U.K. Charities that Provide Public Services: Implications of a New Integrating Model', *Public Money and Management*, 28(5): 283-290.

Chew, C. and Osborne, S.P. (2009) 'Exploring Strategic Positioning in the UK Charitable Sector: Emerging Evidence from Charitable Organizations that Provide Public Services', *British Journal of Management*, 20: 90-105.

Cormack, J. & Stanton, M. (2003) *Passionate Leadership: The characteristics of outstanding leaders in the voluntary sector – What sector leaders think Initial research findings*, London: Hay Management Group for ACEVO.

Eikenberry, A.M. (2009) 'Refusing the Market: A Democratic Discourse for Voluntary and Nonprofit Organizations', *Nonprofit and Voluntary Sector Quarterly*, 38(4): 582-596.

- Eliot, J. and Piper, R. (2008) *Full Value: Public services and the third sector*, London: NCVO.
- Emirbayer, M. and Johnson, V. (2008) 'Bourdieu and organizational analysis', *Theory and Society*, 37(1): 1-44.
- Hansmann, H. (1980) 'The Role of Non-Profit Enterprise', *Yale Law Journal*, 89(5): 835–901.
- Hibbert, S.A. (1995) 'The market positioning of British medical charities', *European Journal of Marketing*, 29(10): 6-26.
- Hopkins, A. (2007) *Delivering Public Services: Service users' experiences of the third sector A report to the Office of the Third Sector by the National Consumer Council*, London: National Consumer Council.
- Howard, J. and Lever, J. (2011) "New governance spaces': what generates a participatory disposition in different contexts?', *Voluntary Sector Review*, 2(1): 77-95.
- James, E. (1987) 'The nonprofit sector in comparative perspective' in Powell, W.W.(ed) *The Nonprofit Sector: A Research Handbook*, New Haven: Yale University Press.
- Jochum, V. and Pratten, B. (2008) *Values into Action: how organisations translate their values into practice*, London: NCVO.
- Kendall, J. and Knapp, M. (1995) 'A loose and baggy monster', in J. Davis Smith, C. Rochester and R. Hedley (eds) *An introduction to the voluntary sector*, London: Routledge, pp. 66–95.
- Kirchner, A. (2007) 'A Leadership Model for Export', *International Journal of Leadership in Public Services*, 3(3): 49-55
- Knight, B. and Robson, S. (2007) *The Value and Independence of the Voluntary Sector*, Newcastle: CENTRIS.



Lakoff, G. (1987) *Women, fire, and dangerous things: What categories reveal about the mind*, Chicago: University of Chicago Press.

Leat, D. (1995) *Challenging Management: An exploratory study of perceptions of managers who have moved from for-profit to voluntary organisations*, London: VOLPROF/City University Business School.

Lewis, D. (2008) 'Using Life Histories in Social Policy Research: The Case of Third Sector/Public Sector Boundary Crossing', *Journal of Social Policy*, 37(4): 559-578.

Lewis, D. (2010) 'Encountering hybridity: Lessons from individual experiences' in Billis, D. (ed)(2010) *Hybrid Organizations and the Third Sector: Challenges for Practice, Theory and Policy*, Basingstoke: Palgrave Macmillan, pp.219-239.

Macmillan, R. (2007) 'Understanding the idea of 'grant dependency' in the voluntary and community sector', *People, Place and Policy Online*, 1(1): 30-38, available at [http://extra.shu.ac.uk/ppp-online/issue\\_1\\_220507/article\\_4.html](http://extra.shu.ac.uk/ppp-online/issue_1_220507/article_4.html)

Macmillan, R. (2011) *Seeing things differently? The promise of qualitative longitudinal research on the third sector*, Birmingham: Third Sector Research Centre, TSRC Working Paper 56.

Mullins, D. and Pawson, H. (2010) 'Housing associations: Agents of policy or profits in disguise?' in Billis, D. (ed) *Hybrid Organizations and the Third Sector: Challenges for Practice, Theory and Policy*, Basingstoke: Palgrave Macmillan, pp.197-218.

Office for National Statistics (2010) *Measuring Outcomes for Public Service Users*, London: ONS.

Osborne, S.P., Chew, C. and McLaughlin, K. (2008) 'The once and future pioneers? The innovative capacity of voluntary organisations and the provision of public services: A longitudinal approach', *Public Management Review*, 10(1): 51-70.

Parkin, F. (1979) *Marxism and class theory: A bourgeois critique*, London: Tavistock.

Phillimore, J., McCabe, A., Soteri-Proctor, A. and Taylor, R. (2010) *Understanding the distinctiveness of small scale, third sector activity: the role of local knowledge and networks in shaping below the radar actions*, Birmingham: Third Sector Research Centre, TSRC Working Paper 33.

Purkis, A. (2010) *Housing Associations in England and the Future of Voluntary Organisations*, London, Baring Foundation.

Sepulveda, L. (2009) *Outsider, missing link or panacea? Some reflections about the place of social enterprise (with)in and in relation to the Third Sector*, Birmingham: Third Sector Research Centre, TSRC Working Paper 15.

Teasdale, S. (2011) 'What's in a name? Making sense of social enterprise discourses', *Public Policy and Administration* (published online 25<sup>th</sup> May 2011).