

DIVERSITY BRIEF: SOCIAL CAPITAL

“Connection to others open’s the pathway to professional & personal satisfaction & success. It is a door everyone must enter.

-Putnam (2000)

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Introduction

While human capital focuses on the individual’s contribution & the value of that individual’s knowledge, skills & experience, social capital focuses on how the individual interacts with other members of her team, organization, and beyond. The concept of social capital has a long intellectual history-over the past 20 years or so, with Bourdieu, Coleman, and Putnam as the most cited commentators & becoming increasingly researched & written about in the social sciences. Social capital has to do with who you know – the size, quality, and diversity of your personal and business networks. Social capital plus human capital helps us understand the total assets in an organization or community. With social capital, individuals gain trusting relationships that enable them to get to opportunities and resources. These resources include information, ideas, leads, business opportunities, financial capital, power, influence, emotional support, and even good will, trust, & cooperation. Even net worth & life expectancy has been associated with social capital. Dimensions of social capital discussed here include:

- Making Social Capital Explicit
- Macro Vs. Micro Social Capital

Making Social Capital Explicit

Often having social capital is not made explicit to all individuals as necessary for success in organizations, including the ability to gain access to the right opportunities, as well as to be able to sustain one’s

performance in organizations. Some may believe that they need to “go at it alone,” and to keep their head down and work hard. These beliefs and attitudes are rooted in the myth of individualism, which promotes the belief that everyone succeeds or fails solely on the basis of their efforts and abilities. The myth goes on to say that the source of our success is natural talent, intelligence, education or effort. An alternative theory of success that validates social capital states that our success depends on our relationships with others, as much as it does on ourselves. Therefore, by understanding the roles of relationships, we can tap into the hidden resources that will enable us to be more successful in virtually all areas of life – work, family & community.

Macro Vs. Micro Social Capital

Bain and Hicks (1998) divide social capital into two levels: the macro & the micro. The macro level refers to the institutional context in which organizations operate, while the micro level refers to the potential contribution that horizontal organizations and social networks make to development. The former – a more vertical orientation-can be leveraged for job promotion, influence, access of opportunity. In today’s organization, formal authority and coercion are declining as important, while expertise and network positioning are rising. The micro level, on the other hand, can be linked to collective social change & community development.

There is conflicting evidence on whether heterogeneous groups or homogenous groups have more social capital than the other. Both seem to matter in various contexts, and the level of trust within relationships matters the most in determining the power of that social capital.

Coaching & Training Strategies

There are practical and important strategies that can be adopted for organizations to leverage social capital. They include:

- Creating affinity groups & alliances that are both heterogeneous & homogenous
- Mentorship programs
- Explicit training, guidance & expectation-setting to learn networking as a 21st century leadership skill
- Training on trust-building & human connections across difference, power levels
- Engaging in collective projects across function & difference & debriefing lessons learned
- Opening up homogenous networks that have historically been closed or hard to break through, particularly for underrepresented groups.