

Well, whether you agree with Putnam or his critics, the most important aspect of the discussion and this module may be to highlight the importance of social capital for effective communities, whether business organizations, neighborhoods, or political communities.

The last part of this module will explore strategies that can be used to develop and increase social capital. Putnam offered several ideas as strategies and solutions. These included:

- Improve civic learning among our youth.
- Engage with youth in community service.
- Change workplaces to be more family supportive and community focused.
- Increase citizen involvement and decision-making and reduce the influence of elites in politics.

What about specific strategies to increase social capital in business organizations? Books have emerged that provide some ideas, e.g. *In Good Company: How Social Capital Makes Organizations Work* (2000) by Laurence Prusak and Don Cohen. Another book is *Achieving Success Through Social Capital* (2000) by Wayne Baker.

The *Harvard Business Review* has published an article, “How to Invest in Social Capital” (June, 2001) by Prusak and Cohen, in which strategies are offered based on studies of organizations that demonstrate strong social capital. Although this article is the next reading in the learning module, some of the major points and strategies include:

A) Making and Retaining Connections

- 1) Increase spillover in nonwork areas of employees. For example, SAS has a health care center and on-site child care that deepens the relationships by knowing fellow employees in areas other than work.
- 2) Use the “quaint practice of promoting from within.”
- 3) Give people “time and space to bond in person.”
- 4) “Facilitate personal conversations” through things like cafes, libraries, and kitchens.

B) Enable Trust

- 1) Go “beyond Outward Bound” exercises to develop trust in the organization, not just on outside experiences.
- 2) Managers should give employees no reason to distrust—keep things transparent.
- 3) “Show trust yourself.” Empower employees to use their judgment. The Nordstrom customer service rules are: 1) Use your own judgment at all times, and 2) There are no other rules!

C) Foster Cooperation

- 1) Give people a sense of purpose. Johnson & Johnson’s Credo does this by making the first responsibility of employees to the “doctors, nurses, and patients, to mothers and fathers and all others who use our products and services.”
- 2) Establish rules for cooperating. For example, employees must share what they learn at conferences with others in the organization.
- 3) Hire for cooperative employees.