

# **EXPLORING POSITIVE RELATIONSHIPS AT WORK**

*Building a Theoretical  
and Research Foundation*

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## Enabling Positive Social Capital in Organizations

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This chapter identifies and elaborates organizational practices and social mechanisms that create and sustain positive social capital in work organizations. It adds to the understanding of positive relationships at work by considering the resource-producing capabilities of high-quality connections (HQCs) and reciprocity. By being in this form of connection and practicing this type of interaction, dyads, teams, and organizations create valuable assets, such as trust, confidence, affirmation, energy, and joy. These are durable resources that have impact beyond the initial connecting point between two or more individuals (Fredrickson, 1998). This chapter shows how two forms of positive social capital (HQCs and reciprocity) expand the capacities of both individuals and groups. Further, it identifies key enablers of each form of positive social capital. Finally, it articulates the underlying mechanisms (motivation and opportunity structures) linking enablers and outcomes.

*Social capital* refers to the resources that inhere in and flow through networks of relationships (Adler & Kwon, 2002; Coleman, 1988). These resources include knowledge, information, ideas, advice, help, opportunities, contacts, material goods, services, financial capital, emotional support, and goodwill (Adler & Kwon, 2002). Social capital can be positive or negative. For example, a group inside a company can band together and use their collective power for their own gain, as engineers in a tobacco plant did (Crozier, 1964).<sup>1</sup> Or, investment managers may favor their friends and family in

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<sup>1</sup>In this case, the plant had recently automated. The engineers threw out the operation manuals and made modifications to the machinery. This way, they could not be replaced, and management was forced to rely on the engineers and acquiesce to their demands.

the allocation of profits to investors, using money stolen from other investors (Baker & Faulkner, 2004). To be positive, we must consider the means by which social capital is created, and the ends to which social capital is used. Social capital is positive if the means by which social capital is created expands the generative capacity of people and groups. *Capacity* refers to the abilities of people and groups to achieve their personal and professional goals. Capacity is generative when it is able to reproduce and renew itself, expand abilities, and enable the combination and recombination of resources in new and novel ways. Social capital is positive if it helps people grow, thrive, and flourish in organizations and thereby achieve their goals in new and better ways. For example, acts of kindness and generosity between two people expand each person's emotional resources (e.g., joy or gratefulness) and openness to new ideas and influences (Dutton & Heaphy, 2003). If a pair uses this openness to innovate, create better solutions to problems, or work more efficiently or effectively, then this dyadic interaction has created positive social capital that was used for positive purposes. Even if these ends are achieved only in part, social capital is still positive if the purpose is positive.

Our chapter is organized around two fundamental forms of positive social capital in organizations: HQCs and reciprocity. In Table 18.1 we summarize both forms of social capital, the capacities that they expand, and the outcomes they produce. In brief, an HQC refers to a particular form of positive connection between two people. Like any HQC, a work relationship can be high quality even if the interaction is short. Basic or two-party reciprocity involves the mutual exchange of aid and benefit between two people; generalized reciprocity is a system of mutual exchange, aid, and benefit among members of a network. There are, of course, other forms of positive social capital. We focus on these forms for two reasons. First, each describes a pervasive form of social capital. For example, all treatments of social capital, regardless of discipline, identify reciprocity as an essential element. Second, although rarely explicitly defined, all of the forms of human ties that compose social capital vary in quality. Together, both forms link micro (the dyad) and macro (the system), revealing the essential complementary of the two. HQCs and reciprocity are mutually reinforcing: HQCs foster the practice of reciprocity; reciprocity builds new connections and improves the quality of connections. They both represent forms of positive deviance in organizations. Positive deviance is a term used in positive organizational scholarship to refer to extraordinary positive outcomes and the means that produce them (Cameron, Dutton, & Quinn, 2003). Applied to social capital, positive deviance means that social capital is used to achieve extraordinary results, and that it does so by building and broadening the generative capacity of individuals and groups. After defining each form of positive social capital, we identify several key practices that enable it by in-

TABLE 18.1  
Two Forms of Positive Social Capital, Capacities, and Outcomes

<i>Form of Positive Social Capital</i>	<i>What Capacities Are Expanded?</i>	<i>What Outcomes?</i>
High-Quality Connections	Emotional carrying capacity Tensility Connectivity	Physiological functioning Learning Engagement at work Attachment and commitment Cooperation and coordination Individual and project performance
Generalized reciprocity	Ability to exchange more resources, more quickly Connectivity of the network (thus access to more resources) Ability to combine and recombine resources Ability to match resources and needs Elevates trust (hence willingness to make riskier requests, and to have confidence of repayment for help given)	Better resource utilization Discovery of new resources More problems solved, faster Reduces duplication of effort Cost reduction Time savings

creasing the motivation to engage in HQCs and reciprocity, and by creating opportunity structures for both forms of social capital.

## TWO FORMS OF POSITIVE SOCIAL CAPITAL AND THEIR OUTCOMES

### High-Quality Connections

HQCs are connections made between two people that are marked by vitality, mutuality and positive regard (Dutton & Heaphy, 2003). We intentionally use the word *connection* instead of *relationship* to assert that these interactions can be momentary and short term, rather than being enduring and lasting. In an HQC, both participants feel more alive and experience a heightened sense of energy. HQCs are marked by a particular subjective experience for both people in them, and connection is distinguished by sev-

eral capacities (Dutton & Heaphy, 2003). First, HQCs have higher emotional carrying capacity, which is indicated by both the expression of more emotion by people in this kind of a tie, and more variety in the emotions expressed when compared to people in a lower quality tie. Second, an HQC has greater levels of tensility, which is the capacity to bend and withstand stress in the face of setback or challenges. Finally, an HQCs between two people is marked by a higher capacity for connectivity. Connectivity is a term used by Losada (1999) and Losada and Heaphy (2004) to capture a connection's generativity and openness to new ideas and influences, and its capacity to deflect actions or behaviors that would stifle or hinder these generative processes.

As implied by their defining features, HQCs have lasting impact on people and organizations (Dutton, 2003) as they enhance physiological functioning (Heaphy & Dutton, 2005; Reiss, Sheldon, Gable, Roscoe, & Ryan, 2000), enable heightened engagement in work (Kahn, 1990), facilitate coordination of interdependent people or units (Gittell, 2003), promote learning through heightened positive emotions (Fredrickson, 1998), strengthen organizational attachment and commitment (Labianca, Umphress, & Kaufmann, 2000), foster individual resilience and growth (Carmeli, 2005) and facilitate individual and project performance (Baker, Cross, & Parker, 2003; Cross, Baker, & Parker, 2002; Losada & Heaphy, 2004).

### **Reciprocity**

The reciprocity principle operates when a person does something of value for you "without expecting anything immediately in return and perhaps without even knowing you, confident that down the road you or someone else will return the favor" (Putnam, 2000, p.134). Reciprocity is a form of cooperation that involves the exchange of resources between two or more people. Reciprocity does not involve legal contracts or formal agreements; often, the expectation of repayment is vague, undefined, or tacit. Because future repayment is not formally specified, reciprocity is sometimes defined as a combination of short-term altruism and long-term self-interest (Taylor, 1982). However, it is not necessary to invoke altruism to define reciprocity. Systems of reciprocity can arise and thrive even when all participants are only self-interested (e.g., Axelrod, 1984; Seabright, 2004).

Reciprocity can be present in varying degrees, and it can involve varying numbers of people. Basic reciprocity involves the exchange of resources between two people. This is also called two-party reciprocity because the exchange and expectation of repayment are limited to two people. Generalized reciprocity occurs in larger systems and involves

more people. Generalized reciprocity is sometimes called third-party reciprocity because the exchange of help and assistance takes place among three or more people in a chain of reciprocity. For example, when John Clendenin managed the logistics group at Xerox, he instituted a practice called “huddles” (Podolny, 1992). If a person needed help, he or she could round up the people needed and request a 15-minute huddle. Those asked to help dropped what they were doing and participated, knowing that when they needed help in the future, they too could call huddles. Generalized reciprocity exists in degrees. At the pinnacle, people willingly help anyone who needs it—even if it has not been requested yet. For example, at IDEO, people routinely offer their expertise and insight to others, even if they are not officially assigned to these projects (Gada, Glover, & Tsai, 2004). Generalized reciprocity is a hallmark of communities of practice. “Members of a healthy community of practice have a sense that making the community more valuable is to the benefit of everyone,” noted Wenger, McDermott, & Snyder 2002, p. 37). “They know that their contributions will come back to them. This is not a direct exchange mechanism of a market type where commodities are traded. Rather, it is a pool of goodwill—of ‘social capital’ to use the technical term—that allows people to contribute to the community while trusting that at some point, in some form, they too will benefit.” Simply put, people help others knowing that others will help them when they need it.

The practice of generalized reciprocity expands capacity by increasing the volume, velocity, and efficiency of exchanges. It expands capacity by increasing the flow of resources through networks, by enabling the combination and recombination of resources, and by increasing the probability that the right resource will get to the appropriate need. Finally, it increases capacity by elevating trust and improving the connectivity and cohesion of a group. A wealth of research demonstrates the vital role of generalized reciprocity for the health of communities and organizations, as well as for individual health and well-being (e.g., Brown, Nesse, Vinokur, & Smith, 2003). Generalized reciprocity is essential for the strength of democracy and the economic development of nations (e.g., Putnam, 2000). Similarly, it is essential for healthy corporate cultures and business performance, and leadership plays a key role in creating it (Adler & Kwon, 2002; Baker, 2000; Cohen & Prusak, 2001; Flynn, 2003; Kouzes & Posner, 2002). For example, reciprocity improves productivity, promotes learning, and builds a climate and culture of trust (Flynn, 2003). By implementing some of the enablers we discuss next, such as collaborative practices and technologies, we have observed that generalized reciprocity improves the efficiency and effectiveness of resource exchange. It enables groups to discover new resources, solve more problems faster, and save time and money.

## ENABLERS OF POSITIVE SOCIAL CAPITAL

In general, an *enabler* is any practice or condition that makes a process or state more likely to occur. Enablers differ from causes in that they suggest a probabilistic but not deterministic connection between one condition and another. We propose that enablers of positive social capital work through two major means: motivation and opportunity structures. More specifically, the enablers impact positive social capital by either increasing employees' motivation to engage in HQCs or in reciprocity, or by providing opportunities for employees to engage in HQC or generalized reciprocity.

We focus on clusters of organizational practices that promote positive social capital. By practices we mean the recurrent, materially bounded, situated activities of a particular unit or organization (e.g., Orlikowski, 2002). Practices refer to routine "ways of doing" in an organization that create and are created by structures (Giddens, 1984). More recently, there is recognition that everyday practices in organizations cultivate resources and resourcefulness in organizations (Feldman, 2004; Spreitzer, Sutcliffe, Dutton, Sonenshein, & Grant, 2004; Worline, Dutton, Frost, Lilius, & Kanov, 2004). Consistent with these perspectives, the practices we consider are patterns of everyday doing that produce positive social capital in organizations by motivation for or opportunity to engage in HQCs or reciprocity.

We argue that various organizational practices activate and affirm employees' motivation to participate in connections and a system of relationships that are generative. For example, organizational practices that foster employee recognition motivate HQC and generalized reciprocity by affecting people's perceptions of each other, attracting them to each other, and instilling expectations of mutual regard. In addition, we assume that the motivation to relate or connect in a certain way is more likely to create positive social capital if employees have the means and chance to connect that is captured by the idea of opportunities to engage. The motivation and opportunity to engage in HQCs increase when a practice facilitates respectful engagement (interacting in a way that communicates a sense of worth and value), evokes higher trusting (interacting in a way that communicates a belief in the integrity and reliability of another's actions), or strengthens task enabling (interacting in a way that facilitates the other person's capacity to perform their task more effectively). All three of these forms of interacting make higher quality connections more likely (Dutton, 2003) and thereby explain why some organizational practices build this form of positive social capital.

Reciprocity is natural: People are "hard-wired" for it; it is rooted in evolution, because it improves survival, and many argue that is what made society possible (e.g., Cialdini, 1993; Gouldner, 1960; Seabright, 2004). Yet many obstacles get in the way, such as incentive systems that measure and re-

ward only individual efforts, separation in time and space, negative cultures, and so forth. These obstacles reduce the motivation to engage in generalized reciprocity and decrease the opportunities to do so. However, the natural tendency to engage in reciprocity can overcome obstacles to it. For example, business unit managers at British Petroleum (BP) have developed an informal system of reciprocity, evident in their informal “peer assists” and “personnel transfers” (Pfeffer & Sutton, 2000, pp. 216–217). Unit heads will loan their talented people to other units. BP, however, does not provide formal incentives for these practices and does not measure the results. Furthermore, the lender loses the contributions of the people on loan. By making loans, unit leaders know they can make requests for people when they need them. Although people can overcome obstacles and still engage in reciprocity, enablers increase the frequency and extent of these forms of interaction.

Enablers exert their positive effects when they increase motivation, opportunities, or both. A specific enabler may affect only one—motivation or opportunities. For example, the establishment of a formal system to measure and reward collaboration will increase the motivation to engage in reciprocity, but (without other changes) opportunity structures would remain the same as before. Participatory selection practices increase opportunities for reciprocity (because these practices expand social networks and awareness of others’ needs) but they do not by themselves increase the motivation to engage in reciprocity. Of course, the most potent enablers increase motivation and opportunities (see examples that follow).

Table 18.2 summarizes the arguments for the main effects of six clusters of social capital enablers. (A blank cell in the matrix indicates the absence of a main effect, although there may be a minor effect.) These social capital enablers are illustrative and not exhaustive. They bring to light the intriguing possibility that everyday ways of doing in an organization cultivate the quality of social capital, which in turn, is associated with many desirable individual and collective outcomes.

### **Some Enablers of Positive Social Capital**

Organizations are distinctive in the practices that create or destroy positive social capital. From the moment that employees begin to engage with an organization, until the day an employee exits, practices cultivate or eliminate certain conditions for interaction (Baker, 2000) that are the foundation of positive social capital. We identify, describe, and illustrate six clusters of practices here, using them as a vehicle for unpacking the theoretical mechanisms underlying the creation of positive social capital. Some of the practices are what organizational scholars might call human resource practices (selection, socialization, evaluation, rewards), whereas others are more fo-



TABLE 18.2  
 Links Between Enablers, Motivation to Engage, and Opportunity Structure for Two Forms of Positive Social Capital

<i>Enabler</i>	<i>Motivation</i>			<i>Opportunity Structure</i>	
	<i>To Engage in HQC</i>	<i>To Engage in Generalized Reciprocity</i>	<i>To Engage in HQC</i>	<i>To Engage in Generalized Reciprocity</i>	
<p>Selecting on relational skills</p> <p>Participatory selection practices</p>	<p>More experience and desire to build connections that call on these strengths</p> <p>Participation in selection builds investment in new recruit, making trusting and task enabling more likely</p>	<p>More likely to understand and be willing to engage in exchange with others</p> <p>—</p>	<p>Endows individuals with competence to build HQC</p> <p>More occasions to meet new members</p>	<p>Creates social networks, which are necessary for exchange; increases interpersonal knowledge; greater and earlier exposure to others' needs and potential contributions</p>	<p>—</p>
<p>Relational socialization practices</p>	<p>Cultivates conditions of trusting and respectful engagement</p>	<p>Decreases the motivation to misuse the reciprocity principles to trigger unwanted exchanges or create unfair debts</p>	<p>Creates more connections earlier and creates more opportunities for task enabling, trusting, and respectful engagement</p>	<p>Expands social networks, which are necessary for exchange; increases interpersonal knowledge; greater and earlier exposure to others' needs and potential contributions</p>	

Rewarding for relational skills	Strengthens skills for respectful engagement, trusting, and task enabling	Increases willingness to continue practicing reciprocity, and to seek new opportunities to do so	—
Using group incentives	Group incentives reward task enabling	Group incentives link and align self-interest (individual rationality) to collective interest (collective rationality)	—
Relational meeting practices	Cultivate trusting and respectful engagement		Increase frequency of authentic connecting opportunities making respectful engagement and trusting more likely
Using collaborative technologies		Increases willingness to practice reciprocity if technologies make it faster or more efficient	Provides new and more venues and occasions for exchange Provides means (tools) for practicing reciprocity; may increase the efficiency of exchange

*Note.* HQC = high-quality connection.

cused on everyday work practices (conduct of meetings, collaborative technologies, practices of interpersonal helping) that undergird the conduct of work. There are other classes of enablers that we might consider (e.g., formal structure, mentoring programs, leadership behaviors, and physical architecture; Baker, 2000; Cross & Parker, 2004; Dutton, 2003; Ragins & Verbos, chap. 5, this volume), but due to space limits we do not consider them here.

In practice, multiple enablers often appear together, creating an organizational system that fosters positive social capital. In organizations with high positive social capital, these enablers are practices that are institutionalized along with a set of norms and values. Moreover, there may be congruency across practices, so that it is unlikely that one would be established without others. Although we discuss each enabler separately, note that just changing one may not improve positive social capital. For those who wish to put these enablers into practice, we advise a systems perspective in which these six (and others that we have not enumerated) are considered together.

**1. Relational Selection.** Beginnings matter. How an organization recruits and selects its employees shapes the terms on which people in an organizational initially connect. Selection practices leave their imprint on employees' expectations and images of their work organization. From the point of first contact, selection processes are powerful shapers of employees' future behavior patterns. Selection practices also are potent carriers of symbolic messages about what are desired employee attributes and what are valued ways of interrelating.

Two features of an organization's selection practices are particularly conducive to building positive social capital. First, selection practices that put a premium on hiring people for interpersonal skills and strengths shape the probability that people build HQCs. For example, some organizations explicitly select an individual's team-building competences, communication skills, or conflict management capabilities. Other organizations select individuals for how they have demonstrated collaborative behavior. For example, Cross and Parker (2004) described an organization that uses group problem-solving tasks during selection to favor individuals who excel in this form of collaborative skill. Researchers who have studied and articulated the idea of relational practice (e.g., Fletcher, 1999) have identified a host of relational skills that if used as a basis for employee selection, are likely to increase the motivation for and opportunity to engage in both the building of HQCs and generalized reciprocity. For example, Fletcher (chap. 19, this volume) identifies empathic competence (ability to understand others' experiences and perspectives), emotional competence (ability to understand and interpret emotional data), authenticity (ability to access and

express one's own thoughts and feelings), and fluid expertise (ability to move easily from expert to nonexpert role) as skills that foster what she called a relational stance, which facilitates growth-enhancing (high-quality) connections between people. If people are routinely selected for membership in an organization using these kinds of criteria, they are likely to be more motivated to and capable of engaging in respectful engagement, task enabling, or trusting, which are three forms of interacting that build HQCs. In addition, selection practices that favor relational skills further motivate employees to form HQCs because the practices cultivate a model of desirable interacting that others copy and imitate. Thus, selection practices that favor people with relational skills directly and indirectly motivate HQCs by affecting the supply of people who are skilled in interacting this way and by activating a modeling or imitation dynamic that further spreads high-quality connecting behaviors.

A second selection practice that enables the building of positive social capital involves participatory selection practices, which as the name denotes means that multiple people are involved in selecting an individual to join the organization. This type of participatory practice means that people acquire a stake in helping someone succeed if they have had input in their selection. This motivation is more likely to increase people's investment in the new recruit, and increasing trusting and task enabling, making the situation ripe for building HQCs. At the same time, joint participation in the selection of a new recruit means more people have opportunities to connect with the employee, jump-starting the possibility of building higher quality connections.

Selecting on relational skills influences the practice of generalized reciprocity primarily through motivation: People who have good relational skills from the start are more likely to understand the importance of generalized reciprocity and be willing to engage in it, compared with those with poor relational skills. Participatory selection practices are a hallmark of companies with rich social capital, such as UPS, Capital Partners (pseudonym of a commercial real estate development firm), Russell Reynolds (executive recruiters), and many others (Baker, 2000; Cohen & Prusak, 2001; Prusak & Cohen, 2001).

Participatory selection practices lay the initial groundwork for generalized reciprocity, and exert their influence primarily through the creation of opportunities to engage in it. Reciprocity involves exchange, exchange requires knowledge of needs and resources, and this knowledge is transferred via social networks. Participatory selection practices create early opportunities for social contact, which increases interpersonal knowledge about needs and contributions. These practices expand a person's network of contacts, enabling one to spot and act on more opportunities to engage in generalized reciprocity.

**2. Relational Socialization.** Socialization describes the formal and informal processes that are used to bring new organizational members on board in an organization. An organization's practices are more relational when they provide multiple connecting opportunities for a new member to meet "old" members, the connecting opportunities are substantive (allowing for authentic communication), when others are specifically rewarded from bringing someone on board, and new employees are well equipped with the information and contacts that they need to do their job well (Dutton, 2003; Fernandez, Castilla, & Moore, 2000).

Socialization processes that rotate people through multiple departments when they first enter an organization actively jump-start new entrants' opportunities to build HQCs (Cross & Parker, 2004). In addition, if the organization's practices introduce the new recruit in ways that authentically and meaningfully allow others to value a new person, these practices cultivate high-quality connecting by creating a foundation for trusting and respectful engagement. Formal mentoring programs are good examples; not only do they build HQCs between mentors and mentees, but such programs facilitate "intergenerational" reciprocity as former mentees become mentors (see Ragins & Verbos, chap. 5, this volume). Some organizations provide specific occasions for people to meet a new recruit, and also equip organizational members with extensive useful information about a newcomer's background experiences or talents. The organizations facilitate new members' telling of their story about who they are, which are powerful means for connecting. "By revealing vulnerabilities and creating empathy 'I stories' build trust" (Putnam & Feldstein, 2003, p. 181). The use of these kinds of practices also provides more opportunities for connecting under conditions in which the connections are likely to be of higher quality. These kinds of socialization practices stand in sharp contrast to organizations where new recruits, or people on temporary assignments, are left on their own to navigate a new organizational context and to introduce themselves to others on an "as needed" basis (Dutton, 2003).

Relational socialization practices increase the motivation to engage in the proper uses of generalized reciprocity by decreasing the motivation to engage in the misuses and abuses of reciprocity. The social rule of reciprocity is so overpowering that it can be misused to create unwanted debts and trigger unfair exchanges (Baker, 2000; Cialdini, 1993). Cialdini (1993) described several unethical techniques and practices that "compliance professionals" use to unfairly invoke the principle of reciprocity. Relational socialization practices communicate the norm of proper generalized reciprocity as they communicate the prohibitions against its misuses and abuses. Further, relational socialization practices model appropriate reciprocity behaviors, such as observing acts of contribution and helping. For example, a global pharmaceutical firm incorporated generalized reciprocity

in its high-performance teams program. Among other goals, this program helped to socialize newcomers (and reinforce for old-timers) about the proper uses of generalized reciprocity.

Relational socialization practices create opportunities to engage in generalized reciprocity by expanding knowledge of needs, resources, and possibilities of exchange in the organization. These socialization practices expand networks of HQCs, creating new opportunities to practice generalized reciprocity. The example of the pharmaceutical firm noted earlier had this effect as well: Participants made an expanding number of new HQCs, and discovered many new opportunities to help one another through the practice of generalized reciprocity. According to evaluations of the program, participants attributed hundreds of thousands of dollars of value and thousands of hours saved to the practice of generalized reciprocity.

**3. Rewarding Relational Skills.** In organizations designed for the creation of positive social capital, people are not only selected on relational skills, but they are also meaningfully rewarded for their development and strengthening. The rewarding of relational skills may be informal (e.g., praise or on-the-spot recognition) or formal (requiring more elaborated and explicit monitoring and measurement systems). Having practices that reward relational skills also means having a capacity to monitor and assess their development and having some way of assessing improvements. For example, organizations that include 360° feedback on whether a person provides effective support for others or whether a person displays empathetic or emotional competence (two of Fletcher's relational skills) would have a basis for monitoring, assessing, and rewarding relational skills. One could imagine real variance across organizations in the way that this feedback is done, and in the degree to which it motivates individuals to display and improve relational skills.

Where individuals receive meaningful rewards for displays or improvements of these skills, one would expect to see people more motivated to create HQCs (as the skills necessary to build them are clearly valued). At the same time, because the system is designed to detect effective relational skill development, one would expect more formal and informal opportunities to emerge for building these forms of connections.

Practices involving rewarding for relational skills do not have to be a formal, grand system to make a difference in building positive social capital (Dutton, 2003). In many organizations, informal, smaller rewards such as public spot awards, can be effective in creating the conditions for creating positive social capital. A well-known example is Southwest Airlines, which supports "agent of the month awards" that are fully determined by fellow employees, and given to employees who make outstanding efforts to enable the success of others, and the airline as a whole (Gittell, 2003).

Practicing generalized reciprocity is itself a relational skill. Rewarding the development and strengthening of relational skills increases the motivation to engage in generalized reciprocity. Even for those who are favorably disposed to engage in it, many do not know how to engage this way. It is often necessary to demonstrate the practice of generalized reciprocity, and to provide opportunities to experiment with it. The global pharmaceutical company mentioned earlier provided experiential training to develop and strengthen relational skills specifically aimed at promoting generalized reciprocity.

**4. Use of Group Incentives.** One of the single biggest obstacles to positive social capital is the incentive system (e.g., Baker, 2000). Many leaders hope for positive social capital but reward only individual performance. As Cross and Parker (2004) noted, the most important question to ask is, "Do you reward collaborative behaviors or focus heavily on individual accomplishment?" (p. 125). Typical incentive systems focus on individual accomplishment and not collaboration and thus fail to promote high levels of positive social capital.

The use of group incentives in addition to individual incentives shapes the context for positive social capital. By group incentives we mean the linking of rewards to group-level rather than individual-level outcomes. For example, companies like Nucor, which have a significant proportion of employees' variable pay tied to team-level outcomes, create and maintain conditions conducive to the generation of positive social capital (Collins, 2001). When team-level pay is operational, individuals are more likely to be attuned to treating each other in ways that generate HQCs. For example, with this type of pay scheme there are incentives to enable the successful performance of other teammates because it directly contributes to one's own rewards. Thus, task enabling is more likely to take place when group incentives exist, and group members are more attentive to, and over time, more skilled at facilitating each other's performance.

Generalized reciprocity aligns individual and collective, and at times, can even blur the distinction (Baker, 2000). As noted earlier, it is possible for systems of generalized reciprocity to arise even when participants are only self-interested (e.g., Axelrod, 1984; Seabright, 2004), but it is much more likely if group incentives are added to individual incentives. Doing so increases the motivation to engage in generalized reciprocity. When people know their contributions to the welfare of others will be monitored and rewarded, they are more likely to practice generalized reciprocity and to look for opportunities to do so.

**5. Relational Meeting Practices.** Meetings are a dominant social arena for the conduct of work in organizations. They are major sites for interaction—both virtual and face to face. They are social forums in which people

in organizations spend a significant amount of time. They often bring people together physically and socially, which are conditions ripe for a heightened sense of connection (Homans, 1961) as well as rapport-building. They are the places where people share narratives, personal and collective, that social theorists have argued are so important to the building of social capital (Putnam & Feldstein, 2003).

Organizations vary considerably in both the qualities of the space allocated to conduct meetings and in the relational practices that typify how the meetings are conducted. For example, some organizations make extra efforts to allow for face-to-face meetings, such as UPS and Hewlett-Packard (Cohen & Prusak, 2001), because there is an explicit valuing of “good conversational spaces.” Other organizations go to great lengths to do the background preparatory work to enable each person to enter a meeting better equipped to add value. They do this by letting people know what the meeting will cover, inviting people to meaningfully contribute, and giving people adequate time to prepare.

Relational practices in meetings that facilitate HQCs include encouraging listening, equipping individuals with information and opportunities to contribute, and providing opportunities for people to interact that are playful and fun (Dutton, 2003). Meetings in which people are encouraged to meaningfully contribute, where there are norms for respectful treatment of each other’s inputs, and where people have chances to problem solve in ways that enhance the performance of the collective (e.g., a unit or the organization as a whole) are conditions that are more likely to create and affirm HQCs.

Relational meeting practices foster the practice of generalized reciprocity by providing new and more venues and occasions for exchange. The quarterly management meetings at Nucor Corporation are good examples, as Cross and Parker (2004) described: “People read material beforehand and use their precious time together for collaborative problem solving. For example, employees form teams from various functions or physical locations, and these groups not only solve problems but also help to form relationships across boundaries” (p. 127). These new relationships become conduits for the continuing practice of generalized reciprocity.

**6. Using Collaborative Technologies.** Building and using social capital requires time and face-to-face interaction; generally speaking, technology is not a good substitute (Cohen & Prusak, 2001). However, we believe that technology has its place. Similarly, Cross and Parker (2004) argued that technology can enhance work processes, but warn that managers first have to understand how work really gets done—the tasks, the people, the informal networks—and then explore how technology could assist. They document positive examples of various communication and collaboration tech-



nologies: instant messaging, skill-profiling systems (the equivalent of searchable online résumés), and group support systems, such as Web conferencing, Microsoft NetMeeting, chat rooms, and team rooms (e.g., eRooms). For example, BP's Virtual Teamwork Program enables engineers from around the globe to collaborate in real time and diagnose and solve technical problems quickly (Pfeffer & Sutton, 2000). Collaborative technologies ease the difficulties of making contact with other people when physical distance or structural impediments are barriers. Although these technologies cannot guarantee high-quality connecting, they increase the possibility of interacting by some means, making trusting, task-enabling, and respectful engagement at least a possibility.

If used properly, collaboration technologies increase the motivation to engage in generalized reciprocity and provide the opportunities to do so. Technology can make exchange faster and more efficient, and expand the reach of reciprocity well beyond what is possible in a face-to-face group. We know of only one collaboration technology that actually creates generalized reciprocity, the Virtual Reciprocity Ring™ ([www.reciprocityring.com](http://www.reciprocityring.com)). This tool is explicitly designed to implement the principle and practice of generalized reciprocity. It is built around a structured process that enables participants to make requests, to make contributions to requests, and to follow up with one another. Data show that most exchanges are not between two parties (e.g., A helps B, B helps A) but third-party exchanges (e.g., A helps B, B helps C, C helps D, and D helps A). Third-party exchanges are the hallmark of generalized reciprocity. Participants report that they spend most of their time making contributions to others, and they trust that their requests will be met along the way. Consistent with observations of reciprocity in the workplace (Flynn, 2003), using this tool improves productivity, promotes learning, and builds a climate and culture of trust. Of course, other practices, such as transparent decision making, building a shared vision, employee ownership, and job security further contribute to a climate of trust (e.g., Abrams, Cross, Lesser, & Levin, 2003; Leana & Van Buren, 1999).

## RESEARCH IMPLICATIONS

This chapter has outlined the contours of a framework for explaining and studying how organizational units or organizations as a whole are more or less likely to cultivate positive social capital. By adding the modifier "positive" to the widely used concept of social capital, we wish to assert that the means and the outcomes of social capital can vary. A focus on positive social capital highlights the particular value of connections between people that are generative or resource and capacity creating. We suggest that

HQCs and generalized reciprocity are two distinct but complementary and mutually reinforcing forms of positive social capital. Both forms highlight that positive relationships are not static entities, but are active mechanisms in the creation and sustenance of capacities and resources that create value to people who are in connection, and also to the unit or organization of which they are a part.

There are several research opportunities opened up by this perspective on positive relationships at work. First, the assumption that HQCs and generalized reciprocity build capacity for a social entity (like an organizational unit or organization as a whole) deserves further empirical validation. We have discussed (and summarized in Table 18.1) a variety of ways that these forms of positive social capital build and expand capacity, and implied that these help to account for the range of desirable outcomes also documented in Table 18.1. Our ongoing research supports the argument that these HQCs and generalized reciprocity build capacity and generate resources, but more research is needed.

Testing the first argument—that these forms of positive social capital are capacity generating—suggests important theoretical assumptions that must be tested as well. Implicit in our framework is an assumption that positive relationships at work (represented by HQCs and reciprocity) are resource producing. Thus, just by being in one these forms of connection, people create valuable assets like trust, confidence, affirmation, energy, and joy, which are durable resources that have impact beyond the initial connecting point between two or more individuals. In this way, our theory is consistent with Glynn and Wrobel's (chap. 17, this volume) claim that positive relationships can be an engine of resource production that adds to a social unit's capacity to act, to think, or to adapt. The idea that resources can be unleashed or unlocked from within a connection between people is an example of a broader idea of endogenous resourcefulness—that is, that there are resources that are released in the process of interacting, in doing, and in organizing that add value to human and organizational functioning (Dutton, Worline, Frost, & Lilius, 2005; Feldman & Dutton, 2005). This assertion, in turn, builds on Feldman's (2004) ideas that resources are built and changed in practice. In our case, we place at center stage the relational practices that undergird positive social capital, arguing that these practices are generative (i.e., resource producing).

Third, our perspective invites empirical investigation into how everyday practices of selecting, socializing, rewarding, meeting, and collaborating create or destroy positive social capital. At a very concrete level, our analysis suggests that, in the units or organizations with the enablers in place that we identify as conducive to positive social capital, we should observe frequent and pervasive high-quality connections and generalized reciprocity. Even within a single organization, we would expect to observe meaning-

ful variance across units in positive social capital, explained in part by the presence, extent, and combinations and permutations of enablers that shape both the motivation and opportunity for these forms of interrelating.

Fourth, we need to examine the extent to which there is congruency among the practices. It might be unlikely that one enabler could appear without others; perhaps only a constellation of enablers could be used in practice. For example, it might be unlikely that an organization would reward for relational skills but fail to hire on the basis of these skills. Additional research would tell us if it is possible to have situations with high levels of some enablers, but just moderate (or even low) levels of others.

## CONCLUSION

This chapter introduces the concept of positive social capital in work organizations. Positive social capital takes into account both the means by which social capital is created, and the ends to which it is used. Social capital is positive if the means by which it is created expands the generative capacity of people and groups. Social capital is positive if it helps people grow, thrive, and flourish in organizations and thereby achieve their goals in better ways.

We focus on two forms of positive social capital—HQCs and reciprocity. These forms create and sustain positive social capital by expanding the resource-producing capabilities of positive relationships at work. HQC captures a particular configuration of positive characteristics of a relationship between two people (mutuality, positive regard, and felt energy). Basic reciprocity refers to mutual exchange, aid, and benefit between two people; generalized reciprocity refers to a system of mutual exchange, aid, and benefit among members or a group or organization. HQCs and reciprocity are complementary forms of social capital where one reinforces the other. We argue that positive social capital ensues when members of a group or organization are motivated to engage in HQCs and generalized reciprocity, and have opportunities to do so. We identify six types of enablers of positive social capital that operate through the mechanisms of motivation and opportunities: selecting on relational skills, participatory selection practices, relational socialization practices, rewarding for relational skills, using group incentives, relational meeting practices, and using collaborative technologies. These enablers can be present or absent in organization, and they exist along a continuum. Different combinations and permutations of these are possible, although we expect that certain combinations would appear together in practice

We presented a sample of enablers, so one area of future work is to identify and validate other enablers of positive social capital. For example, what

aspects of an organization's or unit's culture are most conducive to HQCs and generalized reciprocity? Are there particular patterns of shared values and beliefs that encourage patterns of interrelating that represent positive social capital? For example could justice, and in particular, interactional justice (e.g., Bies, 2001) be a shared organizational value or belief that is conducive to the production of positive social capital (see Greenberg, chap. 8, this volume)? Alternatively, are there particular strategic goals or ways of competing that are conducive to creating positive social capital? One might expect that for certain strategies (ones that rely heavily on collaboration and cooperation within and across organizational boundaries, e.g., alliance strategies; Bamford, Gomes-Casseres, & Robinson, 2003), enablers of positive social capital would be critical to sustained economic success. In these organizations, strategic goals and strategic priorities should be enablers of positive social capital. Finally, our set of enablers of positive social capital touch on some of the human resource practices that Vogus (2004) argued affect respectful interaction at work. His empirical study of nursing units suggests that bundles of human resource practices (including extensive training, developmental performance appraisal, selective staffing, performance-based rewards, employee empowerment, and job security) together contribute to patterns of respectful interaction that are conducive to HQCs and to generalized reciprocity. Future research should consider how these practices alone, and in combination with other practices, enable the creation and sustenance of positive social capital.

More research is needed to understand and validate precisely how these forms of positive social capital increase the generative capacity of individuals and groups, how they combine, and how they can be an engine of resource production. Such research would contribute to a fuller understanding of positive relationships at work—their dynamics, enablers, underlying mechanisms, and outcomes.

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