



## The Social Capital of Online Communities is Embedded in Trust

*Enterprise social capital accrues from online communities designed to build participant trust and active participation. It begins with trust building.*

With a reported 90 percent of organizations maintaining a social media presence online, businesses are now implementing online communities as focused groups in areas of social networking and community building, customer service, innovation, thought leadership, diversity, and many others. However, launching online communities without putting a lot of thought into their design and development can result in groups that bring minimal results. Social networks should bring value to participants and build enterprise social capital in the process.

Proctor & Gamble (P&G) recognized this issue several years ago. With over 138,000 employees in over 160 countries, tying people together and eliciting ideas and knowledge is challenging. In 2009, the corporation decided to deploy an intranet (web 2.0) that encouraged people to create business value by using a non-typical corporate communication system. The social media platform had the goal of bringing employees with common interests and goals together. PeopleConnect is like an intranet Facebook with employee profiles and discussion groups. They can communicate using blogs, document stores, wikis, forums and so on.

In 2013, P&G launched a new website that expanded its Connect+Develop program. The enhancement enables innovators to identify P&G's top needs and directly connect with the appropriate business category leaders. P&G leaders can search the submissions, share the innovations internally and track the progress of ideas. Using social network to their full advantage is clearly an evolving science.

### **Social Capital Built on a System of Trust**

Though businesses create intranets for employee groups, they also use social media for networking with suppliers, distributors, customers, other businesses with which they have formed alliances, resellers, the general public, and so on.

Online communities are intended to create business social capital through relationship building. Social capital is different from financial capital because it relies heavily on developing interpersonal trust and promoting cooperation to achieve economic benefits. People must want to fully participate and make meaningful contributions, or the online community has the likelihood of either not being utilized or devolving into a system that brings few benefits to the business.

Social networking is a bit like the “Which came first – the chicken or the egg?” question. Developing a successful community requires trust, but trust is not built until the community has been functioning for a while and people find value through participation. For this precise reason, online communities need to be purposefully designed so they quickly drive value at the personal level.

It is important to first define the reasons for establishing an online network and how it will benefit the organization. The design process can be thought of in the same terms as any project where a business case is developed for committing resources. What communication gap or what business need exists that an online community can address? P&G needed a streamlined process for getting innovative ideas directly to the internal organizational members for faster action, leading to the Connect+Develop group. The ultimate purpose could be improving communication between employees, digital marketing, customer service, innovation creation, connecting members of diverse groups, peer learning, giving voice to all employees on a global scale, thought leadership, and many others.

### **Finding the Needs and Filling Gaps with Communities**

There are a myriad of ways to identify online community needs. Employee surveys uncover issues like groups of people who feel their ideas are never heard. Recurrent Human Resources issues strongly indicate a need for better internal communication. If there is frequent miscommunication between cross-cultural groups, an online community could open up new lines of communication. Suppliers might have no outlet for offering solutions or stakeholder thought leadership might not have a forum for connecting. Online communities are necessarily unique to each business and its stakeholders, and their absence can leave gaping communication holes.

Developing group ideas starts with a cross-functional team composed of members representing various stakeholders. The team of competent individuals filters ideas and works with management to develop a business case for the strongest needs. There must be well-defined goals, data supporting the need, metrics developed to measure progress, and planning for implementation and growth.

After needs identification, small leadership groups take over the process of idea development and content management to ensure delivery of expected value. The team develops an implementation strategy and breaks down original goals into objectives and workable actions.

Communities often do not grow organically at first due to lack of trust. Employees may not trust each other or might suspect the network is meant to “catch” people who think

differently or who hold different beliefs. Networks are suspiciously viewed as a way for management to get the benefit of innovative ideas without giving credit to initiators. The same lack of trust is found in newly initiated vendor and community social networks. For this reason, AT&T's Innovation Pipeline is open to all employees, and everyone can view the progress of submitted ideas as they move toward implementation based on employee votes, revisions and management interest.

### **Will They Come?**

Online communities need a boost to get started. Leaders can aggressively market the social network and build enthusiasm for its goals. The online communities can be seeded with appropriate members who begin creating strategized content that gives direction and encourages participation. Following the lead of companies like AT&T and P&G, management should regularly encourage, recognize and interact with community members and reward the ideas creating business value.

Social networking is about empowerment. The reality is that the flow of discussion may not always go in the expected direction. However, that means the community members have issues that management was not aware existed, offering an opportunity for organizational learning.

Unlike the "Field of Dreams," starting an online community does not mean "they will come." Managers must make people want to participate, engage and trust, and so they must offer compelling advantages. The benefits cover a spectrum from knowledge transfer that increases the pace of career development to reward systems for employees, vendors or customers based on contributions.

People need to be incentivized and feel a sense of belonging. As more people learn about the benefits of belonging, more people will join, and the trust builds. With trust comes social capital, and that brings economic benefits to the business.

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