Employee engagement in organisations’ social capital. Does public relations have a role?

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Abstract

This paper presents initial findings of a pilot study of financial institutions that investigates whether employees of these organisations, or those seeking employment in such organisations, identify with and are committed to organisations’ social capital goals. The study, a work in progress, undertakes an in-depth qualitative analysis and case study of two organisations, one in Canada and one in Australia, committed to funding community projects as part of their social capital investment. This paper begins to unravel some of the findings of the Canadian research that also included a participatory observation component with Chief Executives Officers, Vice Presidents and Board Members of credit unions.

Following Bourdieu (1986), social capital in the context of this paper refers to the investment of an organisation in community programs where employee involvement is central to the success of these programs. Through an interpretive analysis, the paper provides some initial insights to employee-community engagement and suggests that the public relations role in realising organisations’ social goals and objectives is subtle; a team approach is required to be successful.

Introduction

To understand social capital as it applies to organisations and their engagement with community, it is essential to understand how and why organisations develop relationships and community partnerships and why they give back to the community. This paper explores emerging themes from a case study of a Canadian credit union and its community engagement, and highlights some of the challenges for social capital investment for this organisation. In addition, a participant observation component of the research through attendance and participation in the Annual General Meeting and Conference of Ontario’s Independent Credit Unions.
(ACUO) gives context to the environment of credit unit management and the rationale for community initiatives and policies within the credit union sector. The Australian component of the research is a work in progress with the final comparative analysis of findings to be reported in future publications.

The model of social capital to be discussed in the case study is embedded in the organisation’s culture although a recent merger with another credit union, and growth in the organisation’s activities, seems to have temporally weakened commitment to building social capital. In the context of this paper social capital refers to the investment of an organisation in community programs where employee involvement is central to the success of these programs. Social capital is defined as “the ability to form and maintain relationships to facilitate goal and objective attainment” (Fussel, Harrison-Rexrode, Kennan & Hazelton, 2006; Hazelton & Kennan, 2000; Kennan & Hazleton, 2006 cited in Hazelton, Harrison-Rexrode & Kennan, p. 92). The public relations role in realising organisations’ social capital is to create, maintain and utilise relational connections and networks for organisations and clients so that “social capital can be transformed into other forms of capital which directly and indirectly helps organizations to achieve their goals” (Hazelton, Rexrode and Kennan, 2007, p. 92). According to Edwards (2008), social capital generates organisational credit as exchanges between organisational teams build mutual respect simultaneously as employees engage with many different parties creating opportunities to develop organisations’ reputation and character.

The aims of the study reported in this paper were to:

- Explore employees’ and prospective employees’ attitudes to organisational activities which aim to ‘give back’ to society, and
- Explore the public relations and communication management roles in facilitating and developing social capital initiatives.

The case study and the participant observation component of the study revealed that a further aim was to understand the meaning of social capital for organisations and when that is understood the processes and dynamics of social capital development begin to make sense.

This paper firstly addresses scholarly perspectives of social capital and secondly outlines the research questions and a brief report of the emerging themes from the Canadian study. This provides some understanding of the complexity of organisations’ social capital investment and explores corporate sector giving as employees engage with the community. To date, there is limited research focused on the impact of social capital on employees’ attitudes to an organisation and what this concept means to employees.
Understanding social capital investment

Social capital is central to building and developing relationships and networks important to realising organisations’ goals and objectives. The notion of social capital is “rooted in the critical sociological perspective of Pierre Bourdieu” (Ihlen, 2005, p. 492, 1977, 1990) and it accumulates both through conscious and unconscious investment when exchanges of time, gifts, and services take place. Walter, Lechner, and Kellermans (2007, p. 700) cite Bourdieu (1986) and Coleman (1988, 1990) describing social capital as “the benefits that actors derive from social relationships” and these actors, according to Hall (2006), are important to “demonstrate commitment through action”(p.18). When employees engage with and collaborate with the community, there is reciprocal benefit. Community engagement also inspires employees (Fisher, 2007).

Successful engagement with community “to yield social capital” (Teegan, 2003, p. 277) is dependent on opportunity, motivation and ability to develop social relations and goodwill. Teegan emphasises that parties need to be free to engage with the community and not be instructed to do so. This compares with the premise of Heath and Coombs’ (2006) argument that employees are often told what to do and they are not involved in decision making. It is most important to avoid the “command and control” (Heath & Coombs, 2006 p. 94) that these scholars posit has been common practice in organisations where the “employee relationship” (p. 94) approach has been an authoritarian, one way command. Heath and Coombs suggest that public relations is integral to opening channels of communication to facilitate employee participation in decision making. Even so Teegan (2003) argues that employees must also have the capacity for engagement. The research reported in this paper suggests that capacity for meaningful engagement is an important consideration as not all employees are in the position to be actively engaged in organisations’ community programs.

Managing social capital according to Bourdieu (cited in Edwards, 2008), is one of four types of capital that contribute to organisational status. Firstly, economic or financial capital is important (considered by Milton Freidman as the main reason for organisations’ existence, to make a profit); secondly, social networks are important to setting up and managing community initiatives; thirdly, cultural capital that includes educational and cultural perspectives; and, fourthly, symbolic capital. The latter includes economic or social capital that has symbolic value so that giving back and engaging with the community might make an organisation’s brand more acceptable. Although brand promotion is not of itself unethical or problematic when the promotion of the brand becomes the primary motivation for social capital investment or community engagement, it has become a symbol of goodwill (Keller, 2008). This paper does not allow for detailed discussion on the ethics of branding as it is not its focus, but it is important to note that social capital investment needs more than a contribution.
to the community through attempts to “improve the welfare of society” (Keller, p. 459) as this creates a perception of goodwill. There needs to be active commitment to social capital investment.

If organisations’ charitable efforts are motivated by self-interest and duty it could be perceived that a Kantian perspective dominates “which is not a moral practice because it may be wrongly motivated and because beneficiaries may be used as a means to the end of improving the company’s image” (L’Etang, 2006, p. 415). Employees are often uncomfortable when participating in such programs (Maclagan, 2008). Such a viewpoint was important to the premise of the study reported in this paper as employees’ engagement with social capital investment was sometimes seen as tokenistic when organisational values and philosophy did not seem to underpin community engagement initiatives. Discussion about the meaning of social capital to the organisation is central to the study in this paper; therefore it becomes very important to uncovering the significance of giving back and being a good corporate citizen.

The failure to invest in social capital also has its risks (Ihlen, 2005, citing Bourdieu, 1996, p. 252) as it might impede access to some services and goods and impact organisations’ business. Instead, Teegan (2003) posits that “social capital can arguably be converted to other valuable resources - resources that organizations can leverage to enhance their successful operation in a given environment” (p. 282) so that it also adds value to the organisation’s realisation of business goals. This suggests that social capital investment and successful business enterprise may be interrelated, although Teegan cautions that it is a long-term commitment and not all community engagement is necessarily beneficial.

A community’s expectation is that organisations will give back to society defined by Caroll (2008a, p. 64) as “engaging in acts or programs to promote human welfare or goodwill” although organisations’ social capital is not so readily defined in goodwill terms. Caroll suggests that social responsiveness is a more appropriate way to understand corporation’s responsibility to society. As social capital develops through employees’ relationships and networks, organisations’ community and social responsiveness is made possible. Managing day-to-day business and continuing to develop understanding of social capital investment and corporate social responsibility is becoming increasingly important to organisations (L’Etang, 2006; Fisher & Lovell, 2006; Cornelissen, 2006; Baron, 2008). Caroll posits that “total corporate social responsibility of business entails the simultaneous fulfilment of the firm’s economic, legal, ethical, philanthropic responsibilities” (Caroll, 2008a, p. 95). As such an organisation needs to be ethical, a good corporate citizen, comply with the law and make a profit; it is a total package and investing in social capital is part of that package.

Some scholars (Stark & Kruckeberg, 2003) suggest that the “most important stakeholder of every corporation is society itself” (p. 39). This suggests that the premise of stakeholder theory that organisations should be managed
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according to whom has a stake in the organisation (Boatright, 2000, p. 354) may be far reaching if society as a whole is to benefit from social capital investment. Stark and Kruckeberg contend that “organisations can only exist optimally within a healthy society” (p. 34) suggesting the importance of a symbiotic relationship between corporations and the community. If this is not so corporations may shrivel in self-interest as community initiatives are also hampered. This supports Caroll’s (2008) perspective that the way organisations conduct every part of their business is important as there are far reaching consequences when businesses become too focused on profit and they don’t invest in social capital. As Capriotti and Moreno (2007) put it:

The present conception of CSR/CC/SD (corporate social responsibility, corporate citizenship, sustainable development) is based on the stated commitments of an organisation and its relationship with its different publics in the fulfilment of its economic, social and environmental duties; in the fulfilment of its commitments to information transparency and ethical behaviour; in the management of the company; in the development of its products, services, and business; and in the evaluation and control of the fulfilment of these commitments (2007, p. 85).

Falck and Heblich, (2007) contend that rather than organisations acting out of obligation to give back to society because it seems to be the right thing to do, their goals and strategies should be unpinned by a moral, ethical imperative “to exceed the explicit and implicit obligations imposed on a company by society’s expectations of conventional corporate behaviour” (p. 247).

The study reported in this paper suggests that some employees are motivated to continue to work for an organisation that gives back to the community because a culture of giving back is embedded in its business practice. The context of an organisation’s motivation to give back and engage with community involves “three dimensions of social capital: structural, relational and communication” (Hazleton, Harrison-Rexrode, Kennan, cited in Duhé, 2007, p. 94). The structural dimension is the way that relationships are setup and networks and connections developed with community; the relational dimension; where relationships are developed and reciprocal components of relationships become important; and, a third dimension, communication, makes these relationships function as organisations communicate to the community recipients and vice versa. The way that these functions were carried out was evident in the study reported here as the public relations-marketing director and senior vice-president managing community programs were setting up networks, building relationships and opening up communication to community groups. The wider dimensions of these relationships will be emphasised in this paper’s discussion as they reflect the Becker-Olsen, Cudmore and Hill perspective (2006, p. 59) that “social endeavours must be consistent with firms’ operating objectives (heart) and must be an expression of their values (soul)” as the essence of organisational endeavour.
The notion that giving back as part of organisations' corporate social responsibility “is not an ethical imperative, it is a social expectation” (Guth & Marsh, 2007, p. 180) is important to this paper, and it is important to public relations professionals. Guth and Marsh posit that “a values-driven, relationship oriented philosophy; CSR fits perfectly into the broad profession of public relations” (p. 180). Social capital investment fits perfectly into a values based professional engagement where public relations can play a part in developing and realising the potential of organisations’ social capital.

Research approach

A qualitative study, including semi-structured interviews and participant observation components, was critical to uncovering the meaning of social capital for employees and those who manage social capital initiatives. The Australian credit union central to this study was benchmarking its social capital initiatives on Canadian credit unions in view of the significant Canadian developments in this area. In preliminary research meetings, the staff of the Australian credit union advised that there seemed to be high employee satisfaction in Canadian credit unions and they were interested to know if this satisfaction was directly related to their focus on social capital investment. Several Canadian credit unions were approached with one of the Ontario credit unions consenting to interviews, and to visits to their organisation. The Canadian credit union was actively engaged in developing their social capital. Credit unions were central to the study reported in this paper as credit unions began in order to provide fair access to financial services for groups who were under served by mainstream financial services. Canadian credit unions began over 100 years ago when a group of employees collaborated to create a credit union to assist those in need to stand on their own.

The Director of Public Relations and Marketing emailed research aims and questions to employees and invited them to participate in the research. Most employees interviewed were actively engaged in social capital investment or they were directly involved with the enquiries about social capital. Canadian interviews were conducted with the Director of Public Relations and Marketing, the Senior Vice President, Marketing-Communications and Corporate Social Responsibility, Marketing Coordinator, three Branch Managers, two in Toronto and one in the Ottawa branch with one face-to-face interview with a Toronto manager as part of a branch visit, Community Economic Development Coordinator, two Small and Medium Enterprise Account Managers, Call Centre Representative and the Manager, Community Economic Development. Interviews were conducted by telephone with eight of the participants, and four interviews were conducted face-to-face.
Research questions

The research questions relevant to a case study approach include questions about the facts, about definition, organisational policy and questions of value (Stacks, 2002). However, a case study is limited in its focus on one organisation as Bandiera, Barankay and Rasul (2008) reported in their case study of friendships, ties and social capital in the workplace. They emphasise that “having data from one firm naturally raises issues of the external validity of our results” (p. 21). The Australian-Canadian study provides a comparison of two organisations in managing community programmes and the research is further enhanced by a participant observation component of the Conference and Annual General Meeting of Ontario’s independent Credit Unions, ACUO. This provides a further point of comparison; triangulation or the “combining of several qualitative methods” (Flick, 2006, p. 37) was important to data validity and uncovering the meaning of social capital. Further, “participant observation” was important as “you are observing, you are influenced by the activities in which you are participating” (Stacks, 2002, p. 84) and you gain inside knowledge and understanding of the way that organisations understand social capital and how they plan for it. In the two day live-in conference, “The End of Complacency”, one of the researchers met with participants informally to discuss and exchange views on credit union challenges in tight financial markets, and observed meetings and discussions with the Conference Board of Canada and Ministry of Finance Regulators of Ontario. Special reports were presented by the Association of Credit Unions of Ontario Directors, Chairmen of Boards and credit union Vice-Chairs. This provided background and important current information on credit union developments, the changing environment of credit unions and understanding of what it means to give back to society. In the final session the researcher was invited to present a paper on the rationale for the credit union research and conduct a seminar with conference participants about their community engagement. This was a most valuable opportunity to discuss the research and its possibilities with the Association keen to continue further dialogue and build on the relationship with Australian credit unions. The research questions included:

- Was the organisation’s engagement in social capital important to your application to be employed with the organisation?
- What is your understanding of social capital?
- What is keeping you in the organisation?
- Do you think that the organisation should, or could, be more or less involved in community programs and giving back to society?

These questions evolved from the literature review and the questions from the Australian credit union staff about employee satisfaction and the possible
relationship of satisfaction to credit unions’ social capital investment. There is not a great deal of research that explores whether employees choose an employer and decide to stay with that employer because the organisation is committed to social capital and it is responding to community needs. The social responsiveness that Carroll (2008) suggests is important needs to be understood in terms of employees’ involvement and how they perceive their role in community engagement.

The participant observation component of the research included:

1. Visits to a branch office to observe the office in action, observe the office design as there was a deliberate focus on welcoming and acknowledging credit union members, meeting with the branch manager who was not part of the formal interviews and visits to the corporate office where some face-to-face interviews took place.
2. Meeting with the Association of Ontario’s Credit Union’s, ACUO, Chief Executive Officers, Vice Presidents and Board members over a two and half day conference and Annual General Meeting.

Canadian Credit Unions

A brief overview of credit unions is important to understand the context of Canadian credit unions. Firstly the case study was conducted in a credit union with 541 employees and 142,000 credit unions members located in the Toronto and Ottawa regions. In 2005 the organisation was newly created through a merger of two credit unions, one in Ottawa and one in Toronto. The organisation commits two percent of pre-tax profits to the community.

Community development is understood as:

- Giving loans to members who have difficulty receiving credit from traditional sources;
- Special banking services for non-profit organisations and housing co-operatives;
- Donations and sponsorships with special emphasis on supporting local projects;
- Reducing environmental footprint over time such as providing low cost financing for energy saving devices to be installed in homes and businesses;
- Engagement with special community projects; and
- The Spare Change program where each month members donate spare change for funds for children, the homeless and the environment.
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Secondly ACUO (Association of Credit Unions Ontario) includes 13 credit unions with a total of 131,688 members, financing 40,000 small and medium sized businesses, within 42 Ontario communities. The Association represents 6,000 employees. Canadian credit union numbers have declined in the last few years as many organisations have merged and others have not been able to continue in the tough economic climate.

The strengths of credit unions are:

- They reflect and define a community;
- They are built on common bonds of association among members (ethnic, corporate, community);
- They serve members face-to-face where they reside;
- They take care of their members and their members take care of them;
- Credit unions have always been risk adverse; and
- They have better rates, lower services charges and better services than banks, and profit sharing is central to all credit unions.

Findings

It is most important to emphasise that this paper explores the emerging themes of a work in progress rather than a detailed analysis of findings.

The interviews integral to the case study indicated that the understanding of social capital investment was diverse. Employees interviewed had worked for the organisation for three months to 20 years so the response to what is keeping employees in the organisation varied from new staff who were still learning about the organisation, to those who began their career with the organisation and found that it was a good place to work and they appreciated that the organisation had a culture of giving back to the community.

The organisation has a 22% turnover of staff that according to the public relations and marketing director is being addressed and every attempt is being made to include staff in organisation’s plans. However, on the day of the interview another staff member had resigned as they were unhappy with the organisation, so there was some frustration in this area.

Many interviewees indicated that social capital development and a philosophy of giving back were important but these were not the only reasons for choosing to continue to work for the credit union. Two of the employees interviewed reported dissatisfaction with the way the organisation was managed as they said that there was too much emphasis on profit; they suggested that social capital investment needed to be put back on the agenda. Some employees reported that the credit union’s merger with another credit union which functioned more like a bank, had made the last 18 months demanding. The credit union
was experiencing considerable change in its banking system and in its style of management, with the Ottawa and Toronto branch running very differently. This affected the credit union’s ability to focus on its community development programs.

The public relations and marketing director reported that the credit union lost staff and members as a new system of banking was introduced at the time of the merger. Members, especially, were unhappy about the way change was managed:

You know we held town hall meetings once a month where everybody could come in and get updates on what was happening. There were regular pieces of communication that went out but maybe not in the right way.

The public relations and marketing director said that staff needed to have ownership of their projects and develop their community programs within their localities. She also indicated that the merger had weakened the resolve to engage with the community. The organisation had been so absorbed in managing the new computer systems and working with different work cultures in the Ottawa and Toronto branches that community engagement, and the organisation’s goodwill endeavours, had been compromised.

The public relations, marketing and corporate social responsibility managers and coordinators indicated that more could be done for the community and with the community. They had begun to emphasise community engagement through member support and underlined the need to understand what the organisation is about, its philosophy, values and ethos as it was essential at this stage in the organisation’s development. One employee said that the credit union should raise funds for its members as it was too easy supporting charities that other banks and corporations supported. She stressed the need to understand why credit unions were different from banks. This employee reflected the views of most employees interviewed that the current organisation seemed to be looking more like a bank, and as banks were considered by employees to be corporate, profit-focused and unfriendly, looking too much like a bank was a concern to most of them. A recent change in leadership had begun to focus on the needs of members, and the organisation was slowly recovering membership.

From a functional point of view, investment in social capital meant that credit union members were assisted with loans to begin businesses and that gave them opportunity to be self-sufficient in their community. Micro-loans staff and branch managers reported that the relationship with members was more than a financial relationship. One branch manager described the relationship as:

We’re not just here to take your deposit and do your investment and do the loan, but we also go out into the community and be involved and be proud of the organisation that we represent at that time.

Other employees who managed the micro-loans scheme and social lending schemes reported that they gained a great deal of satisfaction in their day-to-day
business initiatives and relationships with members as they understood that their community engagement was integral to the way they conducted their business. Building relationships, conducting business and giving back to the community was understood as the way the credit union managed as a community member.

A front line staff member reported that she found the organisation too focused on giving and donating and not relating to those who were assisted. This employee suggested that more effort should be made to involve employees in programs specifically targeted to support members in need. One branch manager said that they are aware of their members’ needs so that they are proactive in supporting their members and raising funds for special needs:

For example we have a member whose daughter is suffering with leukaemia, another member whose son was crippled in a car accident, so we'll do little fundraisers like that.

Sponsorship and donations for causes such as prostate cancer and Do it for Dad programs were ongoing commitments reported by all employees. There were many small community projects supported by respective branches in their local communities. For some of the employees, community engagement and voluntary work with non-profit organisations was carried out outside of their work, but for others the only community work they participated in was through the credit union.

Social capital investment also meant that assisting non-profit organisations and co-operatives through a fee-free account and other benefits, and lowering the costs for non-profit organisations, that these organisations were able to manage their limited funds more effectively and in turn offer more to the community.

Some employees also pointed to the opportunity to opt out, or choose not to be involved in a community program because of religious beliefs, and those in the case study, and in reports from ACUO credit unions, indicated that changing Canadian demographics and an increase of immigrants with diverse beliefs and ethnic backgrounds, presented a new challenge for credit unions as members’ perspectives, expectations and understanding of a credit union were not easily understood.

A visit to a branch of the credit union to observe the way that it functions indicated that there was a strong emphasis on encouraging and inviting the community to be members of the credit union. Members’ photos hung from the ceiling making it a member friendly place with coffee for members and visitors, computer access for all visitors and a homely environment that is not evident in the Australian Credit Union that is part of ongoing research. During the interviews some of the employees spoke about the credit union as a family and the visit to the branch supported this view. This financial institution had made every effort in its community face to design an office that was open and welcoming and where credit union employees are not locked behind walled offices. Rather, they are easily accessible and engagement with customers is welcomed.
Association of Credit Unions Ontario

One of the key points of discussion with the ACUO members was the difference between credit unions and banks and the need to make that difference known to the community. Members reported that they focused on marketing efforts and that the engagement with the community was mostly in the form of donations and sponsorships. Some examples were given of giving volunteer time for youth services, helping local families in need and beginning to assist immigrants settling into new communities, and helping some members in need.

The ACUO representatives reported that they had many more requests for assistance than they could service. ACUO members indicated that they needed to refocus their efforts around the philosophy and values of credit unions as mergers and financial constraints tended to channel their efforts into staying afloat and managing business matters. One of the credit unions said that in a recent merger they had not considered the needs of employees, and through poor communication disappointed members as well. This resulted in loss of staff and decline in credit union members. Another credit union was rebuilding their office with a focus on sustainability as every part of the business is to be run in a responsible way, sensitive to environmental issues and concerns. This had been well received by credit union members and the local community.

One of teams at the ACUO conference reported that their members were primarily from a former communist country and they expected their credit union to support them, they were demanding and they did not support the credit union becoming involved in community projects that did not benefit them.

ACUO members reported that the ongoing strength of the credit unions was to engage with their communities, but this would take considerable effort in tight financial markets as the viability of credit unions was an ongoing issue.

Discussion

The case study and the participant observation aspect indicated that the understanding of social capital and giving back to the community is central to overall business management of an organisation so that every aspect of the business needs be managed ethically and responsibly. As Caroll (2008a, citing Grayson & Hodges, 2004) puts it “what we have seen then is a shift towards more ‘built in’ responsibilities rather than ‘bolt on’ approaches that leave most of the firm largely unaffected” (p. 266). The embedding of social investment and giving back to the community needs to be owned by employees as emphasised by marketing and public relations staff interviewed in the study. In this way they are involved in the decisions about initiatives and the policies of the organisation. Even so Maclagan (2008) suggests that employee involvement in developing social capital may not support the very programs they are expected to be a part of and there was some evidence of this in the case study. One of the employees said that raising funds to support a charity that other cooperations supported was
a tokenistic response and more care needed to be taken to examine the rationale for such giving. Other employees, especially those managing the community initiatives either directly, or indirectly through loans schemes, found that even though the organisation’s philosophy and ethos was sound, the merger and the focus on profit clouded meaningful community engagement.

Heath and Coombs (2006) suggest that public relations staff have a role in making communication transparent and building long lasting relationships with the community. However, the case study findings indicate that public relations and marketing also need support from the organisation as whole. Doorley and Garcia (2007) point out that “corporate responsibility efforts are most effective when they are integrated, well-understood, and rewarded at all levels of an organization, from the board to the factory floor” (p. 367). This was beginning to happen in the credit union and the ACUO members also reported that there was now greater commitment from their Board members and the executive team to re-engage with their communities and develop social capital initiatives.

During the interviews mention was made that not only had the organisation struggled because of the merger but community projects were not placed on the agenda until a recent change of leadership. Even with considerable enthusiasm by the public relations-marketing team, building social capital required significant drive and support from the senior vice-president who was committed to giving back, and from all executive members. Support from the Ottawa branch was also important to the overall success of community engagement. The issue of organisational culture or the “beliefs derived from values, beliefs and assumptions about the organisation and its historical roots and heritage” (Balmer & Greyser, 2006, p. 735), is that the history of the Ottawa branches and its members is deeply seated in government, civil service culture whereas the Toronto branches have a more flexible, open to new ideas culture, and they have a broader understanding of social capital possibilities. When this is understood alongside the overall context of credit unions and why they were developed, it seems that there are conflicting views about social capital investment, and why it is important and how it is understood. The Ottawa branches seem to reflect many of the ACUO credit union reports where donations and giving local support are primarily philanthropic and the overall context of social capital investment and being socially responsible is not understood in terms of Caroll’s (2008a, 2008b) perspective as an overall responsibility package.

From a “Kantian ethical standpoint” there may be a “moral imperative for the facilitation of the employee participation in this arena” (Maclagan, 2008, p. 259) but employees need to be given opportunity to examine how they identify with, or how they conflict with, organisations’ values and goals. If they are included in decision making Maclagan suggests that they are also likely to be committed to social capital developments. There was evidence of this commitment in the branches and the corporate office but it seemed that there was still a great deal of work to be done in this area. However, the advances in
social capital investment were considerable when compared to the ACUO credit unions as they were slowly expanding their perspective and were surprised to hear about the progress made in other credit unions.

Interviews with the respective staff suggest that L’Etang’s (2006) view that “a key consideration for PR is whether CSR programmes are embarked upon as a moral duty or purely for their organizational advantage or whether they also seek to make positive changes to disadvantaged lives” (p. 89) is only part of the picture. The greater need is for organisations as whole to “build quality relationships when they are combined with fair behaviour by management and fair organizational systems” (Kim, 2007, p. 191) and to rediscover the sense of community and the place of community practice (Starck & Kruckeberg, 2003).

It was evident in the interviews and from ACUO reports that volatile financial markets were creating unease with investors and credit unions as their viability is at stake. Mergers were expected to become more frequent and they caused disruption even though they also provided advantage through extended member facilities and services. The reality of social capital and community engagement is that “consumers expect firms to be involved in social initiatives and may reward them for their efforts through purchase behaviour” (Becker-Olsen, Cudmore & Hill, 2006, p. 52) so that not being socially responsible does not seem to be an option.

Conclusion

If an organisation’s investment in social capital and in giving back to the community is to be meaningful, emerging themes from the Canadian study suggest that total commitment by all levels of management is essential so that employees’ community engagement can be beneficial to the organisation and its beneficiaries. The public relations input is that of one of the actors (Edwards, 2008) in the organisation and it is important to developing community networks, building relationships and maintaining them. However, communication about the programs needs much more emphasis so that employees and members are fully conversant with social capital policy, plans and programs. Social capital investment embedded in every aspect of an organisation’s business seems a successful and workable model supporting Caroll’s (2008b) notion of a total response to giving and being responsible in all areas of business. Being ethical and giving loans to assist members to be self-sufficient is as important as supporting a prostate cancer program. This means that social capital and the way it is defined is closely aligned with Stark and Kruckeberg’s (2003) perspective of society as the key stakeholder as everyone benefits when an organisation is part of society and gives to society, and acts responsibly in all of its business management. This creates a partnership of giving and receiving for credit unions that also means that they keep their members and may grow their numbers. There is much more to uncover in this pilot study but it has unravelled some important considerations about the realities of social capital investment for Canadian credit unions that...
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has relevance to their Australian partner institutions and relevance in considering the role of public relations as it is one that is evolving and has the potential for greater input in realising social capital for organisations.

References


