

Social Capital & Leadership

Leadership Oregon

August 15, 2007

Bryan Johnston, Presenter



The Surest Sign

“The surest sign
that intelligent life exists elsewhere in the
universe is...

...that it has never tried to contact us!”

Bill Watterson



SOCIAL CAPITAL



Social Capital

- Three Measures:
Physical, Financial & Social
- Def of Social Capital
“the ability of a community to cooperate with each other”



Robert Putnam

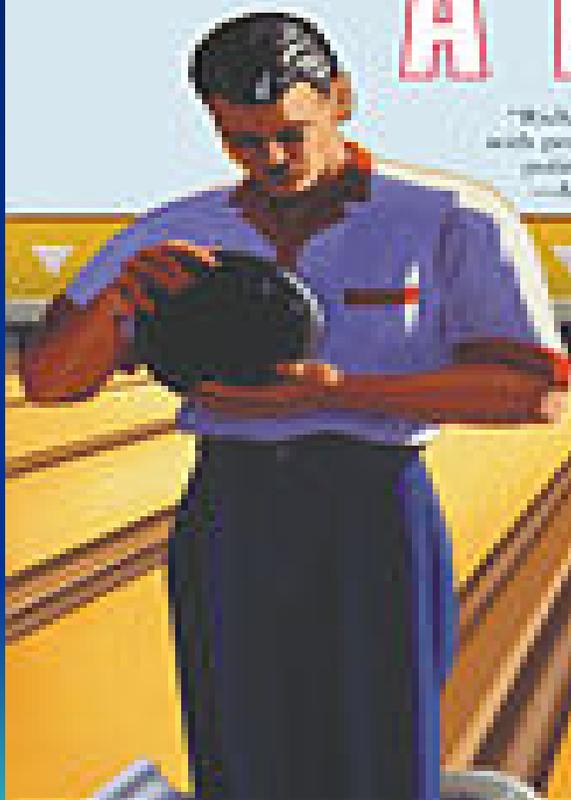
“...*social capital* refers to features of social organization such as networks, norms, and social trust that facilitate coordination and cooperation for mutual benefit.”



THE NATIONAL BESTSELLER

BOWLING ALONE

"Witty, dense, thoughtful, fascinating . . . packed with provocative information about the social and political habits of twentieth-century Americans."
—Alan Ryan, *The New York Review of Books*



THE
Collapse
and Revival
of American
Community

Robert D. Putnam

Bowling Alone

- From 1980 to 1993, the number of bowlers in America grew 10 percent
- League bowling declined 40 percent.
- Those who bowl in leagues consume 3 times as much beer and pizza per person.
- Nearly 80 million Americans went bowling at least once during 1993, about a third more than voted in 1994.



Measuring Capital

Physical/Financial capital ...

- In natural units, e.g. number of (widgets, dollars, etc).
- In dollars, at market value
- In some third value, eg bags of feed, cars

But Social Capital...

- no natural units
- not traded separately in the market
- not acquired by or transferable with a cash investment.



Proxies for Social Capital

- Association Memberships
- Attendance at Public Meetings
- Union Membership
- Voting
- Dinner parties
- Entertain at Home
- Attend an organization's picnic
- Graduation of Lawyers



Other Proxies for Social Capital

1. Data (such as the number of associations in a country or the level of crime) (Putnam).
2. Subjective evaluation by an expert observer (Fukuyama, De Tocqueville).
3. Experimental results (Reader's Digest)



Alexis de Toqueville – The Challenge

“As social equality spreads there are more and more people who, though neither rich nor powerful enough to have much hold over others, have gained or kept enough wealth and enough understanding to look after their own needs. Such folk owe no man anything and hardly expect anything from anybody. They form the habit of thinking of themselves in isolation and imagine that their whole destiny is in their hands...”



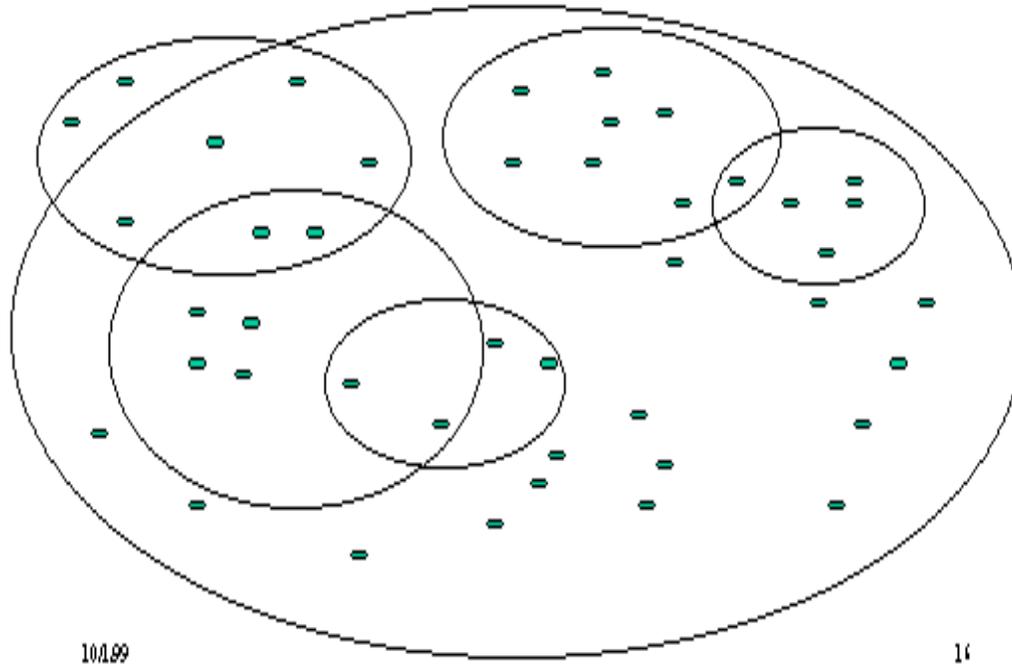
Alexis de Toqueville – The American Response

- “As soon as common affairs are treated in common, each man notices that he is not as independent of his fellows as he used to suppose...”
- “...The free institutions of the United States and the political rights enjoyed there provide a thousand continual reminders to every citizen that he lives in a society.”
- “At first it is of necessity that men attend to the public interest, afterward by choice. What had been calculation becomes instinct. By dint of working for the good of his fellow citizens, he in the end acquires a habit and a taste for serving them”.



Frances Fukuyama

Networks of Trust



Two types of Social Capital

- Bonding
- Bridging



People with Bridging SC get Fewer Colds!

- Journal of the American Medical Association, Volume 277(24) 25 June 1997 on pp 1940-1944...carefully eliminated other possible explanations and showed that people with the lowest network diversity got colds at 4 times the rate of those with the highest.
- Diversity meant people who have social contacts with schoolmates, family, volunteer organizations, religious organizations and others.



Wallet Study

Reader's Digest, over a period of years, "lost" more than 1,100 wallets in various cities. Each wallet contained \$50 in local currency and a name and phone number so it could be returned. The wallets were dropped in various places (phone booths, sidewalks, restaurants, etc.). The study was reported in the Reader's Digest December 1995 issue.



Wallets Returned I

Norway	100%	Denmark	100%
Singapore	90%	New Zealand	83%
Finland	80%	Scotland	80%
Australia	70%	Japan	70%
South Korea	70%	Spain	70%
Austria	70%	Sweden	70%
U.S.	67%	England	67%
India	65%	Canada	64%



WALLETS RETURNED II

• France	60%	Brazil	60%
• Netherlands	60%	Thailand	55%
• Belgium	50%	Taiwan	50%
• Malaysia	50%	Germany	45%
• Portugal	45%	Argentina	44%
• Russia	43%	Philippines	40%
• Wales	40%	Italy	35%
• Switzerland	35%	Hong Kong	30%
• Mexico	21%	AVERAGE:	56%



U.S. Cities

Wallets Returned Wallets Kept

Seattle	9	1
St. Louis	7	3
Atlanta	5	5
Boston*	7	3 (<i>*wallets dropped in</i>
Los Angeles*	6	4 <i>suburbs of</i>
Houston*	5	5 <i>these cities)</i>
Greensboro, N.C.	7	3
Las Vegas	5	5
Dayton, Ohio	5	5
Concord, N.H.	8	2
Cheyenne, Wyo.	8	2
Meadville, Pa.	8	2

4 Questions

- Is social capital declining?
- What causes such decline?
- What increases social capital?
- Is Oregon different?



Impacts of loss of Social Capital

- Social Isolation in America
 - 1983 -2004 lack of confidante tripled
(American Sociological Review 71(3): 353)
 - Social isolation = as many deaths as smoking
- HardWired to Connect
 - shows the connection between lack of social capital among adolescents and a rise in teen depression and suicide.

(Dave Campbell, Getting Along versus Getting Ahead: Contextual Influences on Motivations for Collective Action. (Harvard University, Gov. Department Thesis, 2002)

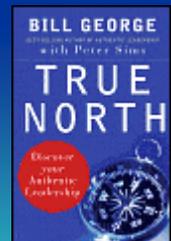
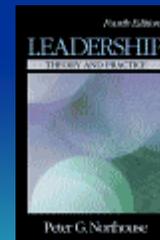
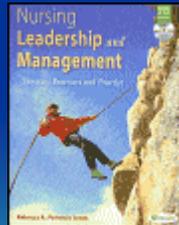
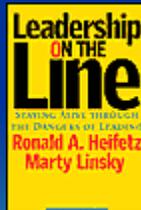
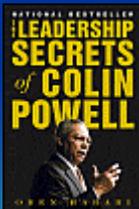
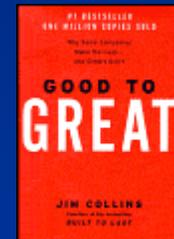
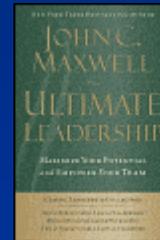
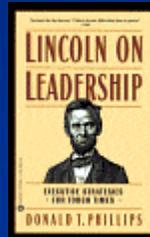
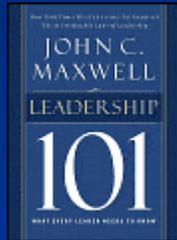
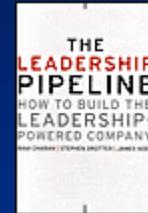
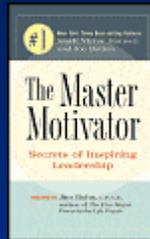
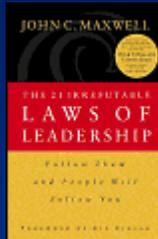
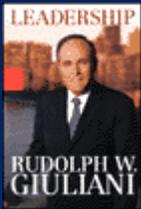


Networking – SC's sibling?

- Networking is actively seeking something through social networks.
- “The Strength of Weak Ties” by Mark Granovetter - While interviewing hundreds of professionals in the US he kept hearing a pattern. When he asked if they found the job through a friend, they would say “no, not really a friend, just someone I knew.”



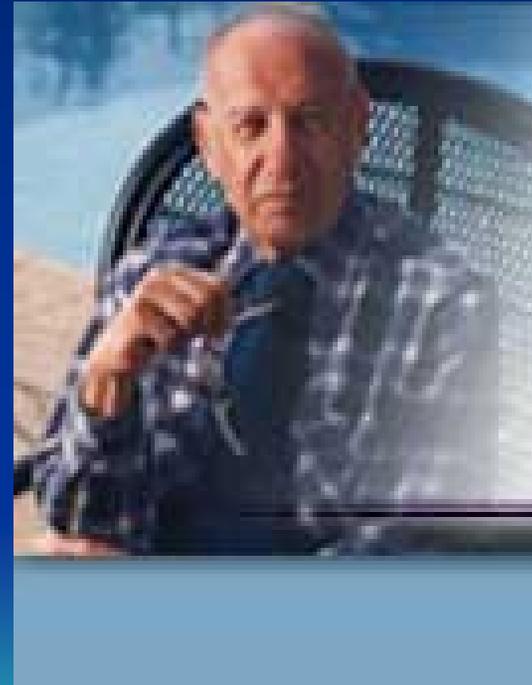
Leadership



Leadership – Peter Drucker

“The only definition of a leader is someone who has followers.”

The Leader of the Future



Leadership – Warren Bennis

“Leadership is a function of knowing yourself, having a vision that is well communicated, building trust among colleagues, and taking effective action to realize your own leadership potential.”



Leadership is:

A function of knowing
yourself

1 2 3 4 5

Building trust among
colleagues

1 2 3 4 5

Having a vision that is
well communicated

1 2 3 4 5

Taking effective action
to realize your own
leadership potential

1 2 3 4 5



Leadership – John C. Maxwell

*“Leadership is
Influence, nothing
more and nothing
less.”*

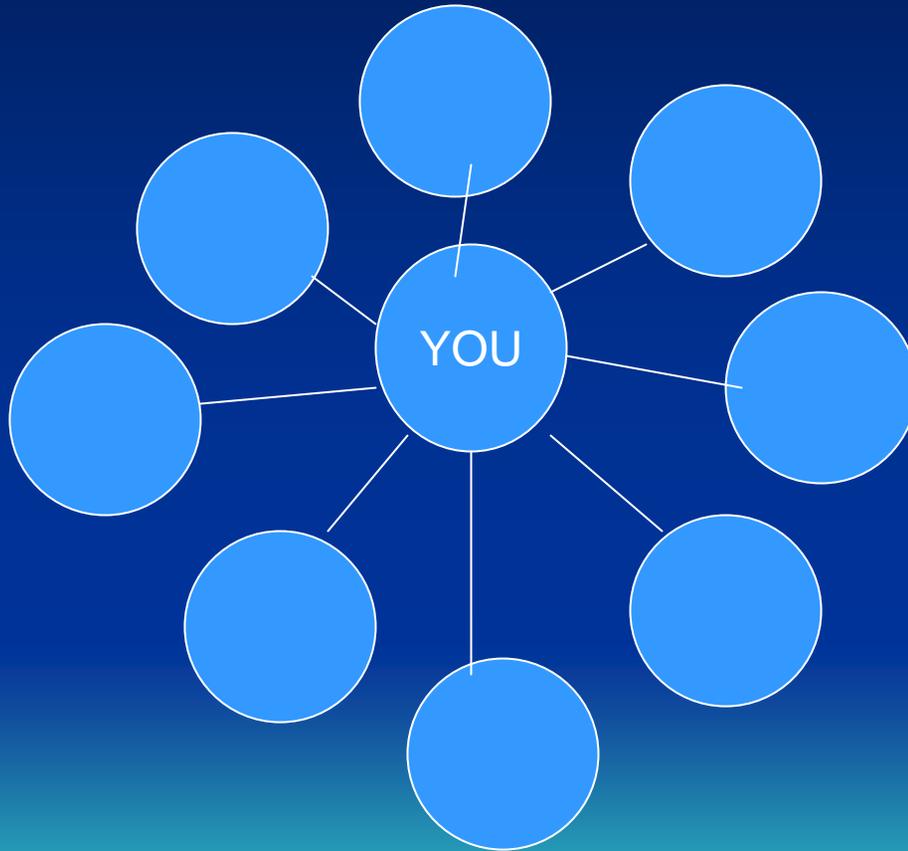
21 Irrefutable Laws of Leadership



Knowledge Hits the Streets!



Who do you want to influence?



Sources of Power

- Legitimate Power
- Reward Power
- Coercive Power
- Referent Power
- Expert Power

Which one, or which combination, of these allows you to get your employees to do what you want, when you want?



Influencing With Limited Power – the Academic View

- Reciprocity
- Mutually Beneficial Exchange
- Relationships
- Hardball



RECIPROCITY

- *“One good turn deserves another..”*
- Near universally held belief that people should be paid back for what they do
- Balance of accounts mentality
“I owe you one.”



MUTUALLY BENEFICIAL EXCHANGE

- Doesn't have to be equal.
- Assumes other is ally.
- Requires understanding other's needs, goals, concerns.
- Creates a “reciprocity” expectation and a “relationship”



RELATIONSHIPS

- Can be non-rational
- Creates or Depletes Social Capital
- Impacts come from polar ends of relationship continuum
- Responds to cultivation

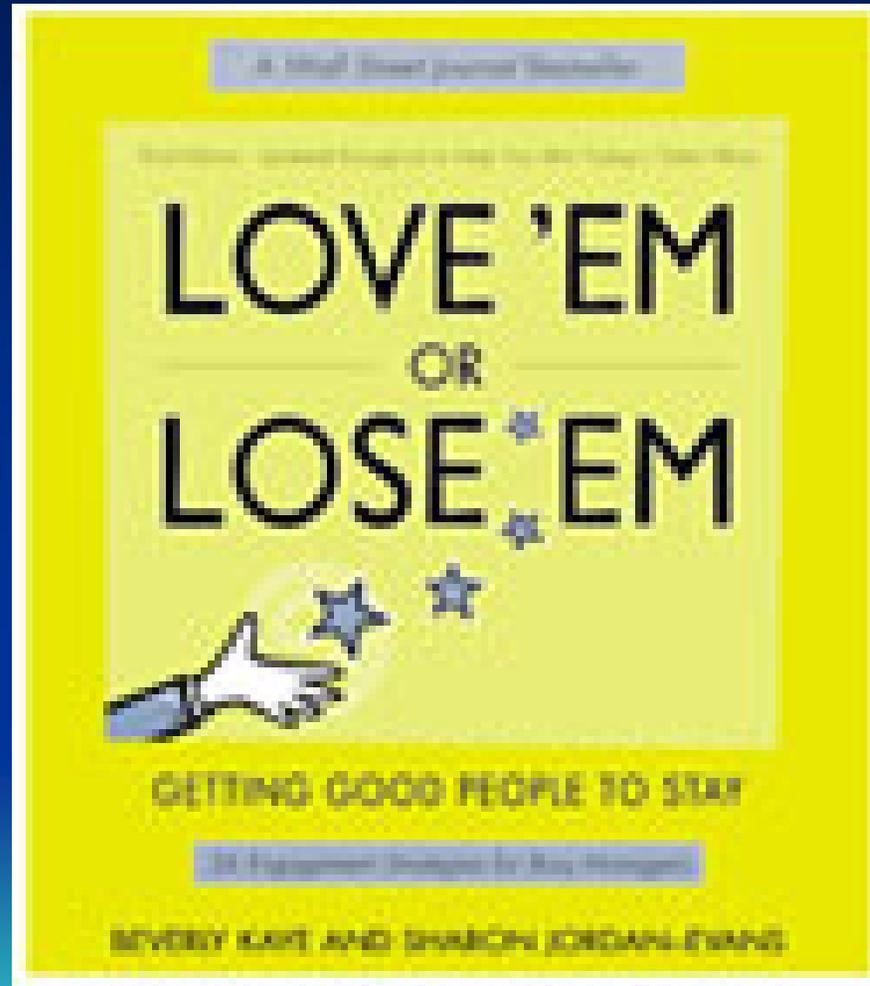


HARDBALL

- Create a cost to non participation
- Manipulating perception or reality of alternatives
 - Proceed gradually
 - Pause between steps



Loving our Followers



1. We Have to Know Our Employees



How would you react ?

YOU ARE INVITED TO ATTEND...

The Next step in your continued development.

You make a difference and I value your contributions.

Let's discuss some things important to both of us:

What will keep you at DHS?

What might entice you away?

What about your work energizes you?

Are we fully using your talents?

What can I do differently to best assist you?

Please schedule a meeting with me for this discussion and anything else you'd like to talk about.



Top 3 Reasons People Stay



2. We have to know ourself



Paradoxically...

...self knowledge cannot be gained but through others. Thus in Plato, one's beloved supplies a window into the self, the self one sees mirrored in the adoring looks of one's beloved...self knowledge... is never simply knowledge of the self but of the self *in relation to others*.

<http://classics.binghampton.edu/greek.htm>



Two Doors

- The pervasiveness of prejudice, affecting 90 to 95 percent of people, was demonstrated today in a Seattle press conference at the University of Washington by psychologists who developed a new tool that measures the unconscious roots of prejudice.
 - Sept. 29, 1998
- Implicit Assumptions Tests
<https://implicit.harvard.edu/implicit/>

3. We have to manage the employee's paths



5 Moves other than Out

1. Lateral – Moving across
2. Enrichment – growing in place
3. Exploration – temporary move/research
4. Realignment – downward for new view
5. Relocation – another setting



The Path Manager's choices

- Enrich
- Expand
- Mentor
- Link
- Generate Opportunities



Evolution of a Leader

- Seven Ages of a leader – Warren Bennis
 - Harvard Business Review - 2004
- Life Coach – John Wooden
 - The Costco Connection, March 02



Warren Bennis

- **Warren Bennis** is a [lecturer](#), [management](#) and [leadership theorist](#) and [writer](#). He is currently University Professor and Distinguished Professor of Business Administration at the [University of Southern California](#). He is also the chairman of the board of directors at the [Harvard University](#) Kennedy School of Government's Center for Public Leadership.
- From 1971 to 1997, Bennis was President of the University of Cincinnati. He also served on the faculty of [MIT](#) in the [Sloan School of Management](#), [Boston University](#), and [University at Buffalo](#).
- He has been an [adviser](#) to four [presidents](#) of the [United States](#), including both [John F. Kennedy](#) and [Ronald Reagan](#). He is the founder of the University of Southern California's Leadership Institute.
- He has written 27 books on the topic of leadership, consulted and lectured all over the world.
- The Financial Times recently named his book "Leaders" as one of the top 50 business books of all time. His book of essays "An Invented Life: Reflections on Leadership and Change" was nominated for a Pulitzer Prize. Almost two million copies of Bennis' books are in print.



Bennis' "7 Ages of a Leader"

- Bennis believes a leader's life has seven ages paralleling Shakespeare's seven ages of man described in "As You Like It".
- Each stage of leadership brings new crisis and challenges. They're wrenching – but knowing what to expect can help you get through them. Warren G. Bennis
 - Crisis are inevitable and not always avoidable
 - Dealing with challenges of each stage can help leaders through the stages

7 Ages of a Leader

- The Infant Executive
- The Schoolboy with Shining Face
- The Lover with a Woeful Ballad
- The Bearded Soldier
- The General Full of Wise Saws
- The Statesman, with Spectacles on
- The Sage, Second Childishness



The Infant Executive

- New to leadership
 - need to seek support to begin on the journey
- Good to seek mentor even before you have the job
 - One mark of future leader is ability to identify, woo and win the mentors
- Recruit a team to back you up
 - They will be the support you need early on



The Schoolboy, With Shining Face

- Public facing (always on stage)
- First impressions are lasting
- Low key entry is key for novice
- In the beginning the most talented and seasoned followers will keep you alive
- Influence is limited regardless of initial actions
- Don't take new followers assessments too personally



The Lover with a Woeful Ballad

- Need to separate yourself
- Analyze Newcomers
- Be sensitive to current dynamics but don't let it hinder your progress
- Peoples lives are in your hands



The Bearded Soldier

- Time builds confidence and conviction
- Scrutiny as a leader never ends
- Followers don't tell leaders everything
- Real test of character as a leader
- Authentic leaders are generous



The General, Full of Wise Saws

- Lead people to speak the truth and actually hear what they say
- Demonstrates how arrogance can cause deafness which can lead to drastic & potentially unexpected consequences
- Building needed alliances and coalitions can be hindered by arrogance of a leader
- Authentic leaders can hear the truth, regardless of message, harsh or otherwise
- Understand the mood & motivation of the organization before taking action
- Facilitating change in an organization when no one realizes or opposes it



The Statesman, with Spectacles on Nose

- The power begins to wane – but is still seen as able
- Prepares to pass on the wisdom in the interest of the organizations future
- Often called upon to fill interim leadership roles
- Can be “pitch hitters” in “stop the bleeding” type situations



The Sage, Second Childishness

- The drive to prepare the next generation for leadership is palpable
- Mentoring
- Ruling qualities and adaptive capacity of true leaders allow nimble decisions that bring success
- Adaptive capacity is what allow some to transcend setbacks and losses that come with age
- Age is neither the end or oblivion, rather joyous rediscovery of childhood at its best

Where's the SC?

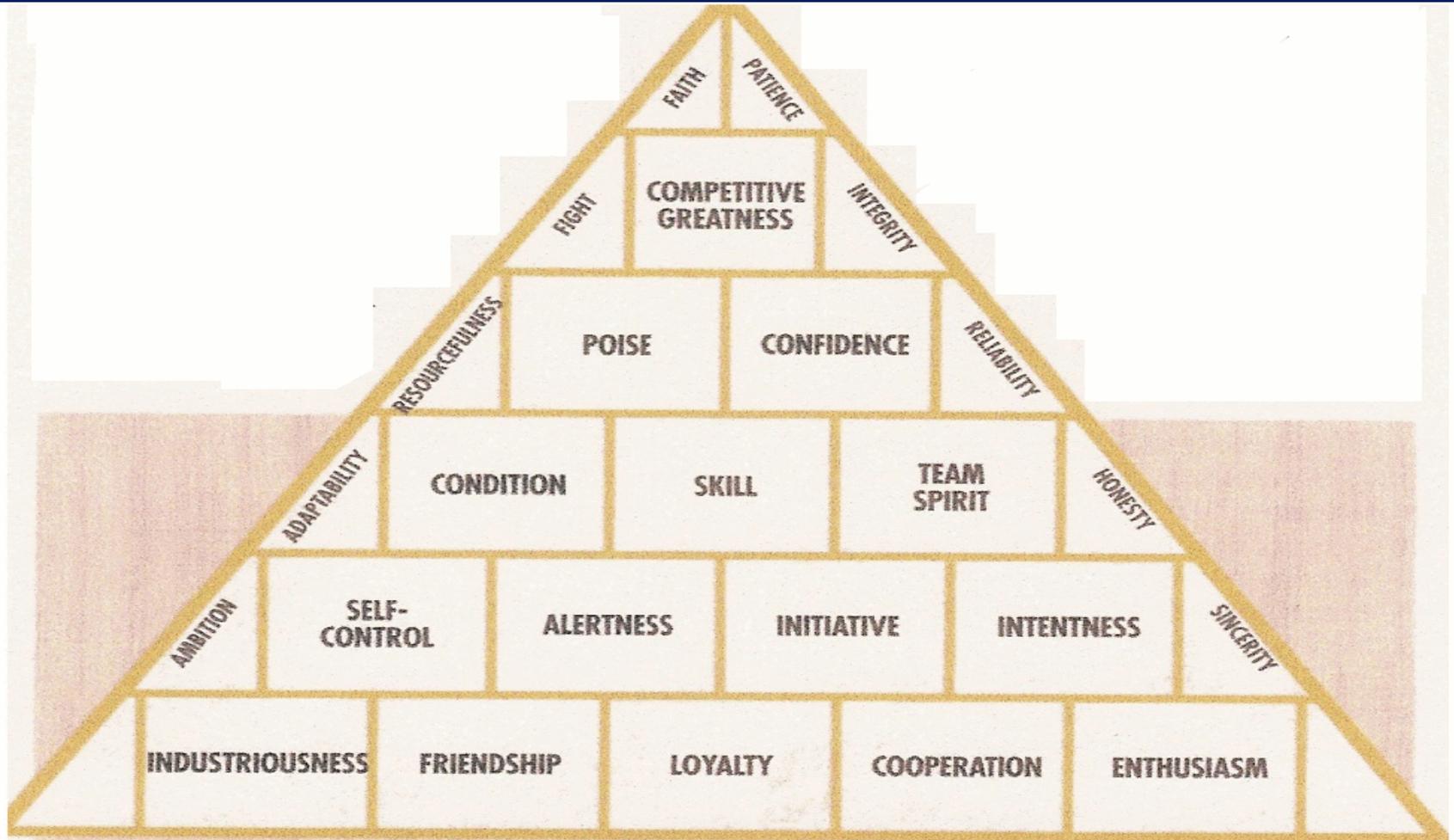
- The Infant Executive
- The Schoolboy with Shining Face
- The Lover with a Woeful Ballad
- The Bearded Soldier
- The General Full of Wise Saws
- The Statesman, with Spectacles on
- The Sage, Second Childishness



Who is John Wooden?

- A Strong Foundation
 - Grew up on a small farm in Martinsville, IN
 - *“There is nothing stronger than gentleness”* Abraham Lincoln
 - High school English teacher & coach
 - A Living Legend
 - 38 consecutive NCAA tournament victories
 - 10 national titles (1964 – 1975)
 - One of two Hall of Famers as a player and coach
 - Coach, Mentor, and Teacher
 - Respected and adored
 - Tremendous positive influence on many lives
 - Others emulate him (Bill Walton & Kareem Abdul-Jabbar)
- 

The Pyramid

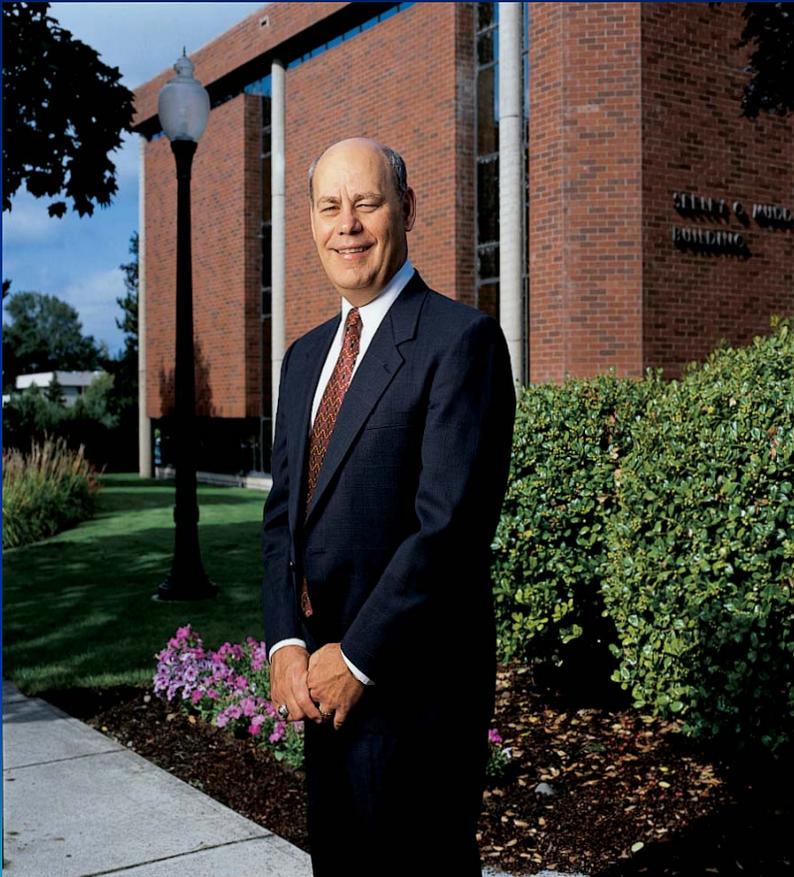


John Wooden's Pyramid of Success

Integrating Wooden and The Seven Ages

- Life is a progression of opportunities to learn and grow from. Such opportunities or challenges can be embraced as a source of learning or ignored and opportunity lost.
- People are at different stages at different times in their lives.
- People grow.
- Some abilities are, or are not, given to persons at birth, but leadership can be developed in a person.
- Behavior matters.
- Actions of leaders matter.
- Great leaders look beyond their own needs and see significance in their actions.

Lead On!



Bryan Johnston
PO Box 4043
Salem, OR 97302
503-816-2568