

**SUPPORTING THE DEVELOPMENT OF SOCIAL
CAPITAL**

The Scotch Whisky Industry Partnership Project

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EXECUTIVE SUMMARY

This research project focuses on a single case study, The Scotch Whisky Industry Partnership Project, which was delivered by a small Scottish NGO, Workbase Scotland. Workbase were commissioned in 2004 to assist a funded partnership of 10 companies involved in the whisky industry to assist them in achieving their objective of developing partnership arrangements across the industry, with the goal of raising the sector's competitive performance in the global economy. The companies aimed to achieve this through increasing employee involvement and participation in their businesses. It was felt that employee involvement could be best secured through training the workforce in the areas of leadership, communications and business awareness skills.

The aim of this research project is to evaluate the training activities carried out under the Scotch Whisky Industry Partnership Project, with a view to identifying the contribution they have made to growing social capital and the development of collaborative/co-operative working relationships within the companies involved. The existence of a global economy has created a greater recognition of the value of human and intangible resources within organisations, not only at the level of individual skills and knowledge but also the importance of shared competencies based on team working, networks and trust. Social capital can be defined as “the social norms; social networks and trust people have available to them for productive purposes”, (Schuller, T, 1999, p1). This research has tested the hypothesis that social capital can be actively built within organisations, and that its growth is affected by, and can affect the quality of intra-organisational relationships in which the participants are engaged.

The research has followed a conventional formulation of research activities, using empirical field and desk-based research. The emphasis has been on gathering qualitative data as the most suitable method of gathering information on human behaviours and interactions. Proxy indicators have been used to measure fairly intangible elements and the sample used in the data collections was limited. However the data captured has resulted in some key findings.

Key Findings

- There is evidence that there have been some positive changes in the way the workforce that received training behave and that this may have impacted positively on the companies business performance
- Staff skills were enhanced, particularly in the areas of communication, team-working and self-awareness There is evidence that increasing individuals' capacities and understanding can lead to more cooperative working relationships
- There is evidence that the delivery of cross-organisational training to groups of employees across the 10 companies had a significant impact on increasing social capital
- Data suggests that the training had little impact and was of little benefit in an organisational environment where existing industrial relations and communication channels were extremely poor. It is suggested that some commonality of view and shared perspective and goal, must already be present in order for the type of activity offered under the Whisky project to have any significant impact on levels of social capital

Recommendations

Whilst the findings from this research do suggest a link between the training activities and the growth in networks, changed norms of behaviour and levels of trust between those that took part in the whisky project, the sample size of those that took part was very small. For this reason the research cannot be conclusive. It is recommended that any further research focus on building social capital within organisations widen the sample size in order to build more conclusive evidence.

It would also be useful for any further research or exploration on the concept of social capital to place more emphasis on exploring and agreeing on the measurements i.e. proxy indicators that can most usefully used to identify the presence of social capital.

The whisky project sought to change behaviours, organisational norms and culture within the participating organisations. The research would benefit from being conducted over a longer time period to explore if changes had been developed and sustained in the longer term.

