Request For Proposals:
Social Capital at Work

The Alfred P. Sloan Foundation is pleased to invite proposals on the topic of Social Capital at Work. This initiative is part of the Human Resources Program of the Sloan Foundation, which focuses on building an understanding of best practices in the changing workplace and of the effect of changes in management practices on the jobs and incomes of employees.

The proposed initiative on Social Capital at Work seeks to understand how social capital creates economic value for firms and individuals. Social capital is generally defined as the resources embedded within and available through human relationships. It builds upon basic insights from research in organizational behavior, social psychology, and sociology about social relations and culture at work. At the same time, social capital is unique in its conception of social relations because of its emphasis on economic value and the appropriability of social connections for economic gain.

Social Capital at Work will center on understanding social capital in the workplace. It is intended to support empirically based, richly contextualized studies of workplaces that can comprehend how formal management practices, organizational structures, and production systems shape and interact with human relationships to produce economic value for organizations and employees. Research on social capital at work may focus on firms or occupations within specific industries. This initiative will be multi-disciplinary and one of its aims will be to bring together scholars from different perspectives and backgrounds to develop, articulate, and operationalize a social capital construct that is compatible with a variety of disciplinary approaches. Funding for this initiative will depend upon the quality of proposals meeting the above criteria.

Research proposed for the Social Capital at Work initiative should address questions such as:

- What does social capital look like in different industry, occupational and organizational contexts? What mix of individual and organizational social capital creates economic value in distinct settings?

- How is social capital created and maintained by organizations? Does it depreciate in the absence of such maintenance activities?

- Who appropriates or benefits from investments in social capital? Under what conditions is social capital important for organizations and, alternatively, when is its formation detrimental to management’s interests?

- What motivates individual employees to contribute to organizational social capital? What are the intrinsic as well as extrinsic rewards that employees receive
from contributing to social capital? Are these more valuable than traditional incentives in some work contexts or to some groups of employees?

- How do the various forms of capital interact with one another? In particular, what is the nature of the relationship between social capital, human capital and technology?

- To what extent does it matter for organizational performance and employee outcomes whether social capital is based upon instrumental bargains or generalized norms of behavior?

All research projects must include a richly contextualized study, involving direct contact with people in the industry, firms and/or occupations for data and observations, of the role of social relations in creating economic value.

It is expected that many research proposals will articulate and assess the economic value of social relations to stakeholders beyond the firm and its shareholders. The social capital framework calls attention to employees, customers, suppliers, and the broader community as both creators and recipients of the potential benefits of social capital. The focus on multiple stakeholders should identify both positive and negative outcomes attributable to social capital. It is thus important to grapple with the potential conflicting interests among different stakeholder groups with respect to control over social capital assets, claims on any fruits of investment in social capital, and the distribution of any costs or burdens associated with the development of social capital.

Because of the interdisciplinary nature of this initiative, it is expected that successful applicants will participate actively in a network comprised of all researchers funded under this request for proposals. The network of funded researchers will meet biannually during the funding period. Initially, these meetings will focus on refining and improving the precision of the social capital construct for use by researchers from different disciplines in individual projects. It is expected that the design of individual projects may evolve as a result of the discussions and progress made in the early meetings of the research network. Interpretations of results would similarly be influenced by progress made in later network meetings.

The Sloan Foundation is open to applications for projects taking from one to a maximum of three years to complete. Research teams may range in size depending on the complexity of the research design, but it is expected that multi-investigator teams will be cross-disciplinary. All proposals need to highlight the important implications of their designs for theoretical models used in one or more disciplines – organization behavior and theory, human resource management, industrial relations, the sociology of work, and the newly emerging empirical organizational economics. It is also important to identify the relevance and dissemination of results for managers and practitioners, and for public discourse on how companies create value and the roles of shareholders and employees in that process.
Researchers interested in undertaking projects on social capital at work must submit a 2- to 3-page letter of intent by January 8, 2003. This letter should be sent by email to Gail Pesyna at pesyna@sloan.org. The letter of intent should include the research questions to be addressed, the industry or occupations to be studied, and the principal investigators on the project. Final proposals are due by April 4, 2003. Funding decisions will be made by June 30, 2003.

There will be a meeting sponsored by the Sloan Foundation to discuss prospective research themes and methodologies. This meeting will be held in Washington, D.C., on February 16-17, 2003. The meeting will provide researchers with the opportunity to refine and sharpen their understanding of the social capital construct and to discuss the ways in which it can be operationalized in different settings. The meeting should prove useful to prospective applicants, but it is not necessary to attend this meeting in order to submit a proposal under the initiative. Upon receipt of a letter of intent, additional information about this meeting will be provided by the Foundation.

Projects will be funded for up to three years, generally spanning the period July 1, 2003 through June 30, 2006. All proposals will be subject to the normal review process employed by the Sloan Foundation. Subsequent opportunities for funding will depend upon available funds and the quality of proposals received in the initial round.