CA Young Advisory Committee

FUTURE OF WORK

Building Stronger Virtual Teams:
Experimental Insights on Social Capital

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CAMBRIDGE AHEAD

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1. Introduction

Social capital has gained considerable importance in business and management research and within workplaces, particularly in addressing challenges arising from virtual work environments. Social capital refers to the networks of relationships between people living and working in a particular society and enables that society to function effectively. It encompasses various aspects such as trust, mutual understanding, shared values, and behaviours that bind members of a network or community together and facilitate coordinated actions.

In the wake of the Covid-19 pandemic, the shift to virtual work environments has become omnipresent in many sectors, particularly in Cambridge's knowledge intensive economy. This change has brought unique challenges with it. Employees working remotely may experience feelings of isolation, communication barriers, and difficulties in building and maintaining trust. Previous surveys conducted by the Young Advisory Committee (YAC) Future of Work subgroup revealed that younger workers in Cambridge who predominantly work remotely are more likely to report low levels of support from colleagues or managers compared to their peers who are spending more time in the office or workplace. The same respondents were also more likely to say they felt they had a low understanding of expectations and less likely to say they felt valued and trusted by their employer. Notably, this data showed a relationship between the support from colleagues and managers and self-reported productivity, highlighting the nuanced influence of emotional support and a sense of connection on overall job performance.

These challenges can hinder collaboration and innovation as well as recruitment and retention, which are crucial for organisational success. Our data echoes academic studies (Greve, Benassi & Sti, 2010) which have shown that social capital is one of the most important contributors to productivity, particularly in project-based companies, and is essential for overall organisational performance.

The trend towards virtual working has stabilised in recent years, with our previous research showing a significant portion of young workers in Cambridge's knowledge intensive sectors now work from home at least some of the time and express a consistent preference towards hybrid arrangements. In this context, it is imperative to consider how social capital can be cultivated and sustained. This short report aims to explore the role of social capital in virtual work environments and reports on a workshop run by the YAC that tested different strategies for building and maintaining strong, trust-based networks despite physical separation. By understanding and addressing these challenges, organisations can increase employee engagement, improve communication and ultimately increase productivity and performance in the virtual workplace.

The Young Advisory Committee (YAC) brings together under 35s across the Cambridge Ahead membership

What is Social Capital?

In the world of business and community life, the connections and relationships people form are considered valuable resources, often referred to as social capital. Social capital is the network of relationships among people who live and work in a particular society, allowing that society to function effectively. Researchers Narayan and Pritchett (1997) found that communities with high social capital interact frequently, which fosters a culture of reciprocity. This means people are more willing to help one another, improving coordination and the sharing of information and knowledge.

The concept of social capital helps explain various social phenomena such as trust, participation, and cooperation. Early on, Hanifan (1916) described social capital as the goodwill, fellowship, sympathy, and social interaction that are vital in people's daily lives. Later, Coleman (1988) expanded on this idea, suggesting that social capital includes supportive relationships that promote shared norms and values.

More recently, definitions of social capital have taken on a broader perspective, highlighting its importance for organisations. Fountain (1998) defined social capital as the effectiveness of inter-organisational relationships and cooperation, whether horizontally among similar firms, vertically in supply chains, or in connections with sources of technical knowledge and public agencies. This type of capital is considered as essential as physical and human capital, created when organisations work together for mutual benefits.

> *"We know that social capital plays an essential role in enabling people to achieve high levels of performance, deliver effectively in their roles and to progress their careers. Creating the conditions in which people can build social capital is therefore an important consideration for employers and employees alike."*
> – Workshop participant

Social Capital in Virtual Work Environments

The concept of social capital, traditionally studied within physical communities, can also be applied to virtual work environments to help us better understand and navigate them. Social capital relies on the development of relationships, which are built on social connections. For these connections to thrive, individuals need to be aware of who they are connected to (socio-cultural awareness) and understand the circumstances in which they can receive peer support, collaborate, learn, and work together as a community (knowledge awareness). Recognising the socio-cultural and knowledge backgrounds of individuals and their communities is crucial for building trust, which in turn fosters social capital.

In virtual environments, these factors play out differently due to physical separation and the absence of non-verbal cues. The lack of face-to-face interaction means that body language, facial expressions, and other non-verbal signals, which are essential for effective communication, are missing. For instance, the tone of an email can be easily misinterpreted, leading to misunderstandings (Darics, 2020). Moreover, communication barriers such as technical issues, differing time zones, and asynchronous messaging can cause delays and further misunderstandings (Morrison-Smith & Ruiz, 2020).

Despite these challenges, understanding and developing social capital in virtual work settings is possible and necessary. By focusing on enhancing socio-cultural and knowledge awareness, organisations can build trust and improve collaboration among remote teams. This, in turn, can lead to a more cohesive and productive virtual work environment.

2. The Social Capital Workshop

To explore different methods of enhancing socio-cultural and knowledge awareness in virtual work environments, we designed a workshop consisting of four exercises aimed at building social capital in a virtual setting. The workshop took place on MS Teams and was structured to include small groups of 3-4 people who rotated randomly for each exercise to ensure diverse interactions and maximise relationship-building opportunities. Each exercise lasted 10 minutes, providing a brief yet focused period for participants to engage and connect.

The workshop was open to anyone interested in the topic, regardless of age, which resulted in a diverse group of participants with varying backgrounds and experiences. It was attended by 16 participants. Due to the open nature of the registration, participants largely did not know each other, which led to a low level of common understanding and trust among them. Additionally, there was little/no shared practical or professional background, as attendees came from different fields and areas of expertise. This diversity presented both challenges and opportunities, as it required the workshop exercises to be inclusive and effective in building social capital from the ground up.

Introductory Poll

As part of an introductory poll, participants were asked what good teamwork meant to them. As can be seen from the word cloud below, the importance of social capital is clearly apparent with 'trust', 'communication' and 'collaboration' being some of the most important factors for participants.

Participants were also asked whether they preferred face to face or virtual teamwork. No participant said they preferred virtual teamwork. The majority preferred face to face teamwork, or said that it depended on the project.
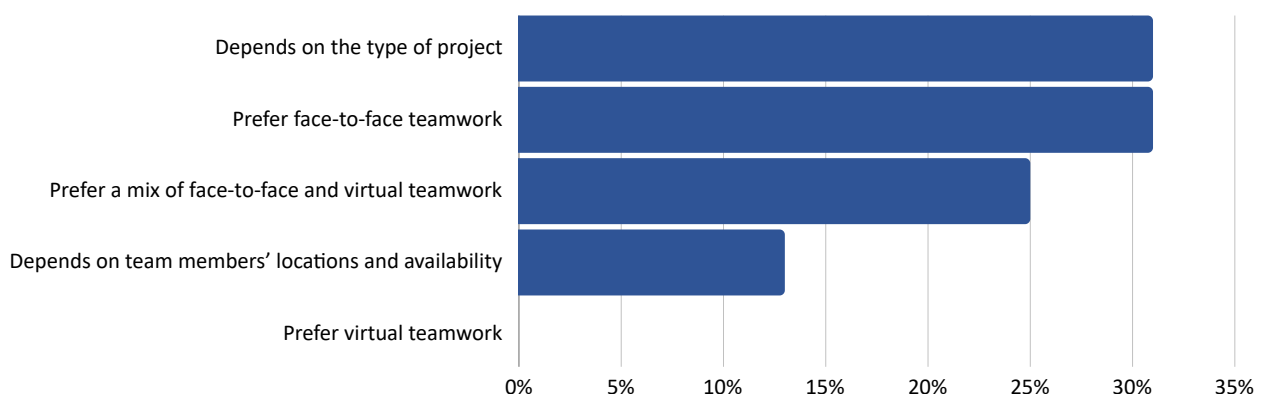
Workshop Exercises

Exercise 1: Creating a Team Name

In this exercise, participants brainstormed as a group to come up with a team name that reflected their shared passions. The objective was to encourage creativity and ensure the name represented everyone's interests. This activity helped participants learn about each other's hobbies and interests, fostering a sense of community and mutual understanding.

Exercise 2: Virtual Storytelling Circle

In this exercise, participants engaged in a collaborative storytelling activity with the theme "Mystery at the Office." Each story began with the sentence, "*Last week the weather was nice, so I decided to cycle to the office.*" Participants took turns adding one sentence each, continuing the story and incorporating their own creative twists. The objective was to enhance creativity, teamwork, and mutual understanding. After completing the story, the group selected a poster image for a fictional film version of their story and shared it in the chat. This activity helped participants build trust and empathy by sharing imaginative narratives together.

Exercise 3: Decoding

In this exercise, participants worked together to decipher an encrypted message: "*Qldbqebo Bsbovlkb Xzefbsbp Jlob.*" The objective was to promote teamwork, problem-solving, and effective communication. Afterwards, they uploaded the decrypted message to the chat and provided a brief summary outlining their solution strategy. This activity fostered collaboration and strengthened participants' ability to work together under time pressure.

Exercise 4: Scavenger Hunt

In this exercise, each team was tasked with finding and presenting specific items within their homes. The list included a houseplant or potted plant, a book with a blue cover, a coffee mug or teacup, a fruit, an object with the logo or emblem of a sports team, and a kitchen utensil. The objective was to encourage teamwork, creativity, and engagement in a fun and interactive manner. Participants showcased the items in front of their cameras and captured a screenshot to document the team's findings, which was then posted in the chat. This activity promoted a sense of camaraderie and collective effort among team members.

3. Workshop Evaluation

The workshop exercises were strategically designed to build both socio-cultural and knowledge awareness among participants. Exercises 1, 2, and 4 primarily focussed on socio-cultural awareness, encouraging participants to share personal information, engage in creative storytelling, and showcase items from their personal lives. These activities helped develop a deeper understanding of each other's backgrounds and interests, fostering trust and empathy. Exercise 3, while also contributing to team cohesion, was geared towards knowledge awareness by requiring participants to solve a problem together. This exercise emphasized the importance of cognitive skills, effective communication, and teamwork in overcoming challenges in a virtual setting.

By combining activities that enhanced both socio-cultural and knowledge awareness, the workshop aimed to effectively build social capital, promoting a cohesive, collaborative, and productive virtual work environment.

After each exercise, participants were asked to evaluate their experience. They filled out a short survey, rating for example how enjoyable the exercise was or how effective it was in helping them feel connected with the other participants.

Exercise 4, the Scavenger Hunt, performed best across all evaluated dimensions, including fun, connecting with other participants, encouraging participation and engagement, getting to know each other better, and promoting collaboration and teamwork.

The success of the Scavenger Hunt in all dimensions can be attributed to several factors:

Interactive and Engaging Nature:
The hands-on, interactive format of the Scavenger Hunt may naturally appeal to participants, making the activity enjoyable and memorable.

Personal Sharing:
By involving personal items, the exercise allowed participants to share a part of their lives, fostering deeper connections and mutual understanding.

Active Participation:
The requirement for every team member to contribute kept everyone actively engaged, ensuring high levels of participation and collaboration.

Team Dynamics:
The collaborative aspect of finding and presenting items together promoted effective teamwork and communication, essential for building social capital.

Fun and Playfulness:
The playful nature of the scavenger hunt added a layer of fun that made the exercise stand out, making it a favourite among participants and highlighting its effectiveness in creating a positive and connected virtual environment.

However, it is worth noting that Exercise 4 was the final activity in the workshop, and the positive results may have been influenced by the fact that participants had started to get to know each other better through the preceding three exercises. Whilst the groups were allocated randomly for each exercise, some participants may have come across each other more than once and, in any event, would have heard other participants sharing reflections in the group sessions following each exercise.

Exercise 3, the Decoding activity, scored the lowest across four dimensions: fun, feeling connected to others, participation and interaction, and getting to know each other better.

The lower scores for the Decoding exercise can be attributed to several factors:

Task-Oriented Nature:
The primary focus on solving an encrypted message made the activity more task-oriented and less conducive to casual interaction. This limited opportunities for participants to share personal stories or engage in light-hearted conversation.

Cognitive Load:
The mental effort required to decode the message may have overshadowed the social aspects of the exercise. Participants were likely more absorbed in cracking the code than in connecting with each other.

Limited Personal Sharing:
Unlike the Scavenger Hunt or storytelling exercises, the Decoding activity did not involve sharing personal items or experiences. This lack of personal engagement likely contributed to lower scores in getting to know each other better.

Competitive Nature:
The challenge of decoding can sometimes foster a competitive atmosphere rather than a collaborative one. This might have hindered the development of a supportive and empathetic environment, impacting upon feelings of connection.

Reduced Engagement:
The complexity of the task may have led to varying levels of engagement, with some participants feeling left out or overwhelmed, thus reducing overall participation and interaction.

"Building social capital has become harder since the advent of hybrid working, with less face-to-face time. Taking time to reflect on how social capital can be built in the flow of work in different ways through the use of virtual platforms was a valuable and thought-provoking exercise, both from a management and a personal perspective."
– Workshop participant

4. Findings

Lessons from the Virtual Social Capital Workshop

From the evaluation of the workshop exercises, several key insights and practical takeaways can be derived for enhancing day-to-day operations in a virtual workplace.

1 **Interactive and Engaging Activities Foster Social Capital:**
Activities that are hands-on and interactive, like the Scavenger Hunt, tend to be more enjoyable and effective in fostering connections among participants. These activities encourage active participation, creativity, and collaboration, making them highly effective for building social capital.

2 **Personal Sharing Enhances Connection:**
Activities that involve sharing personal items or stories, such as the Scavenger Hunt and the storytelling circle, help participants learn about each other's backgrounds and interests. This personal engagement fosters deeper connections and mutual understanding, which are crucial components of social capital. Some participants expressed a preference for being able to see each other and noted the importance of this for building connection.

3 **Task-Oriented Activities May Limit Social Interaction:**
While problem-solving tasks like the Decoding exercise can promote teamwork, they may also limit opportunities for casual interaction and personal sharing. These types of activities tend to focus more on cognitive skills and less on building personal relationships, which can hinder the development of social capital.

4 **Cognitive Load and Complexity Can Affect Engagement:**
Exercises that require high cognitive effort and are complex may overwhelm some participants, leading to reduced engagement and interaction. Ensuring that tasks are appropriately challenging but not overly complex can help maintain high levels of participation.

> *"The sessions highlighted the importance of being on screen – with a few groups unable to utilise the camera, it was evident the impact this had on the ability to build rapport and have meaningful conversions."*
> – Workshop participant

Practical Tips for Managing Virtual Work Environments

1 **Encourage Interactive and Fun Interactions:**

In day-to-day virtual operations, encourage spontaneous, interactive, and fun moments during meetings. This could include quick icebreakers at the start of a virtual or hybrid meeting, virtual coffee breaks, or casual team catch-ups that foster a relaxed and engaging atmosphere.

2 **Promote Personal Sharing:**

Create opportunities for team members to share personal aspects of their lives. This can be as simple as starting meetings with a round of personal updates, sharing photos or stories, or celebrating personal milestones. These small, regular interactions can build deeper connections and mutual understanding.

3 **Balance Work Tasks with Social Interaction:**

While work tasks are essential, ensure that meetings and communications also include time for social interaction. This balance helps to maintain strong relationships and a sense of team cohesion. Encourage informal chats and team-building moments within the regular workflow.

4 **Manage Complexity to Ensure Engagement:**

When assigning tasks or projects, ensure they are clear and manageable to avoid overwhelming team members. Provide support and check-ins to help maintain engagement and ensure everyone feels comfortable with their responsibilities.

5 **Build on Progressive Familiarity:**

Recognise that building social capital is a gradual process. Foster regular, consistent interactions that help team members get to know each other over time. This can be achieved through regular team meetings, collaborative projects, and continuous communication that allows relationships to deepen naturally.

> *"I thought the workshops where brilliant, the interactive sessions were great, as were the ideas behind each to engage all members."*
> – Workshop participant

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About the Young Advisory Committee "Future of Work" subgroup

The Young Advisory Committee (YAC) is made up of under-35s across Cambridge Ahead member organisations. It seeks to empower younger people to be part of the decisions which will determine the future of Cambridge. In April 2020, the YAC formed a subgroup to explore the future of flexible working, in the context of the drastic changes underway for many young workers in Cambridge due to the pandemic. Across the past four years, this group of young professionals have surveyed their peers living and working in Cambridge about a range of issues related to the changing nature of work including wellbeing, productivity, and relationships with co-workers, establishing a strong basis of evidence to inform decision makers among Cambridge Ahead's business, academic and research network.

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