



Developing social capital to enhance mining community relations



One of the more difficult challenges facing mining companies is the complex issue of local community engagement and partnership. Often large amounts of financial capital are invested in social projects with outcomes, which can be, to say the least, disappointing and unsustainable. On occasion the expenditure of resources and effort can result in community fragmentation, which compounds the problem. Low levels of trust, and fractious and failed relationships often characterize the interaction between the mine and surrounding community.

Mining companies and business in general understand well the deployment of natural, economic, and human capital in the pursuit of their objectives, and performance is often assessed against the effective and efficient use of these three capitals. However, a fourth type of capital, that is social capital, can be neglected and not seen as an important business imperative through the lack of understanding of its value and a natural discomfort with the work that is needed to develop it.

Social capital is developed through the interactions between people whose lives intersect within and outside a business or community. These interactions foster relationships, shared norms, values, and understandings that collectively shape behaviour, actions, and outcomes. Factors such as trust, belonging, social identity, sense of self, networks, confidence, and community self-reliance all form part of the multi-dimensional nature of social capital. In a setting where social capital has been consciously developed there is a lower probability of friction and discontent and a higher probability of constructive, prosperous co-operation. In the context of a mining community, investing in the growth of social capital in an organized and structured way can lead to resilient, long-term trusting relationships, greater self-reliance, reduced dependencies, and a more effective use of other forms of capital, resulting in improved business and societal outcomes. The development of social capital is a long-term programme, which requires sustained effort and commitment, and a constancy of vision and leadership, which understands that social capital is a valuable and essential part of the business effort and not an elective or discretionary element. The work can be viewed as disquieting, uncomfortable, and traditionally 'non-core' and thus requires senior leaders to take a bold step out of their familiar environment, adapt new leadership styles and make a personal commitment towards civic and community engagement. Leaders who are transparent, reliable, and empathetic will excel at growing their organization's social capital.

From small initial efforts, social capital can grow exponentially and deliver impact beyond original expectations. Such a programme could be focused on work in one of the critical needs of the community such as education, health services or security, where in-principle common ground is easily found. Practical and tested programmes of this nature exist, which with the support of expert knowledge and facilitation are easy to implement provided that the commitment exists. A particularly successful initiative partners key community members—in this case, school principals—with senior leaders and decision-makers from the business sector (the mine). Through a professionally coached and structured journey that builds social capital, these partnerships create meaningful impact, benefiting the individuals involved and fostering innovative leadership skills. The work enhances the school principals' ability to find their own solutions to their unique challenges, through the growth of their personal social capital, resulting in, among other things, collateral benefit to school performance and a positive impact on the wider community. The business leaders develop an awareness and understanding of the social complexity of the community, learn new transformational leadership skills in situations where they lack expertise or authority, and gain exposure to and insight of a sector of society they would not normally interact with.

Most importantly, this work fosters close, trusting, and lasting personal relationships between key individuals who develop shared values and beliefs, leading to a stronger connection between the business and the community. This connection creates a tangible shift in both perceived and actual power dynamics and lowers barriers towards generating the common goal of mutual prosperity. These types of programmes generate agency, growth of confidence and independence, and a reduced sense of isolation and hopelessness in difficult circumstances, all of which contribute towards better mutual socio-economic outcomes.

The conscious and deliberate development of social capital is a valuable tool, which should warrant more formal consideration in the social and community programmes of mining companies.

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