

EXPANDED ABSTRACT

Social capital and networks: analysis of the Third Sector in rural contexts

Background

The third sector of social action is one of the mainstays of the welfare system. As such it has among its functions the ability to detect social requirements that have not been met and to enhance institutional solutions while encouraging social participation. According to Peraldi & Rombaldi (2009) it is essential to integrate social organizations in weakened rural areas. But advances in such processes require that the social utility produced by these organizations is socially recognised. We argue that it is also important that the sector recognises its own network of relationships by identifying the sector strengths and weaknesses.

This paper considers the third sector of social action in Teruel, a province of Aragón in Spain. Our research analyses (a) the configuration of different dimensions of social capital, (b) how social capital is expressed through third sector of social action networks and (c) how the sector organises addressing challenges in primarily rural contexts. The research results are expected to enable a diagnosis of the sector in the province of Teruel, contributing to strengthening this sector.

Methodology

We chose the case study as the basis of the methodological design. Considering Flybjerg (2004) classification, we address Teruel an extreme case study due to its particular features: a combination of a low population rate, a high rate of aging and low capacity for population renewal due to migration trends. In addition the population is geographically dispersed across small communities in 236 municipalities with only two cities of more than 10,000 people. The combination of population and territory present a sparsely-populated province with one of the lowest population density rates in Spain at 941 inhabitants per square kilometer. Teruel is the province with the highest average population age at 45.1 years (Mur, 1998). To this scenario we need to add the government's reduction¹ in public spending on social services. We argue that third-sector organizations must overcome important challenges to accomplish their social intervention objectives, as the sustainability of social services in these areas of combined depopulation and aging is relevant and urgent.

The study relies on a mixed-method approach that integrates quantitative and qualitative data collection instruments. Following Li's (2015) observations on methods and strategies for the study of

social capital, the first part of our design' includes a survey with 58 questions to gather information on variables related to the existing capital in the sector: sense of belonging, relationship with institutions, network density, strength of the network links, shared values, resource sharing, and assessment of innovations. The study population was composed of 108 third sector entities with the criterion of our study. The response rate was 48.35%.

As part of the mixed-method design suggested by (Ugalde and Balbastre, 2013), personal interviews with seven stakeholders were conducted. The selection of informants was based on multi-reference suitability and included mainly representatives of and experts on the local third sector of social action. In parallel we conducted two focus groups, the first with staff from six local entities and the second with volunteers of five local entities. The data was analysed using SPSS v.19. and UCINETv.6 to generate visualizations of networks, and discourse analysis techniques (Fischer, 2003; Almaguer et al, 2014) were used to analyse narratives in the interviews and discussion groups.

Findings

In the case of Teruel, although there is a generalized sense of belonging to the sector and territory with 88.6% agreeing that their organization identifies with Teruel's third sector and 70.4% that entities in the province share values and principles, however it holds some distinctions in relation to the social system. For instance, the creation of independent local associations is positively regarded and proudly distinguished from the subsidiaries of larger organizations. Geographical identity creates a strong sense of attachment to the specific towns in which the organizations are located, to the Teruel province, and ultimately to the autonomous region. This strong identification with the local space creates an important characteristic in their collaboration with institutions and organizations.

In addition to the intensification of competition to provide goods and services, which affects the effectiveness of intervention of the third sector of social action, the results also suggest the fragmentation of smaller organizations in contrast to the increasing specialization of larger ones. In the focus group, it was explained that this differentiation is produced by the professionalization of larger organizations (having professional employers and volunteers with large trajectory) compared to small organizations that are not consolidated in their human resources capital. In their interviews, institutional actors suggested that the concept of third sector entities is more rooted in large than in small organizations due to the former holding a global perspective of the sector. This may also be the result of their professionalization through their employees and technicians, unlike small organizations that mainly use volunteers for their work and therefore invest less time and fewer resources in creating links and engaging in wider coalitions or networks through which strategic information is distributed.

Findings in the relational dimension suggest that characteristics and attributes of principal relationships and their incentives are constructed collectively rather than defined by specific organizations, with 72.7% of respondents believing that both a good and a bad reputation affects entities' relationships in the same sector, the same percentage (72.7%) indicates that the main reason for establishing

relationships with other entities is the pursuit of the same interests, rather than geographical proximity (11.4%) or trust (11.4%) as first hypothesized.

The survey results reveal that political and religious values are not necessarily shared with other organizations as a common denominator. However, in the network analysis we find complementary evidence of the network relationships. After performing various tests (estimation of the degree of centrality) on the network of 65 organizations (see figure 3), it was found that a set of entities plays an important role through its high level of collaboration with other entities, and that a particular multisectoral organization of religious origin conducts the most brokerage (i.e. the node that concentrates greatest density and flow of collaboration).

The mixed-method approach allowed us to explore other elements of the system. The interviews and discussion groups enabled in-depth investigation of the third-sector network's perceptions of its interactions and led us to the conclusion that the best-connected actors in such networks have a competitive advantage over those that are poorly-connected, actor's connection depends not only on their technological skills but also on other relational and symbolic capital. In this sense the networks established between organizations have strong internal cohesion but weak external connection. Our qualitative findings give more elements to explain the reasons for this trend: the latent meaning that actors give to their membership of and action in these networks has to do with promoting the sociability of its members, especially through volunteering. We conclude that there is a collective construction of social capital, that in this case, priorities strengthening intrinsic networks within intra-territorial networks, over extrinsic, extraterritorial networks (i.e. across autonomous regions, the country or the continent). Face-to-face interaction, interpersonal trust and relationships play an important role in this construction of intrinsic networks. However new strategies and capitals are needed to reinforce the connection with extraterritorial networks.

Network analysis was relevant to understanding how the whole resources flows within the embedded network of social relations (Nahapiet and Ghoshal, 1998), and discourse analysis of the qualitative data allowed us to refine the answers and deepen the substantive features of the relations established between organizations as well as the importance of trust and reciprocity.

We have found that the network of third sector entities in the province of Teruel has a centralized structure, with three medium-sized entities acting as reference nodes for the cohesion of the network. Also the structure of the network of relationships between the third and the public sector is considerably denser (based on collaborative agreements and complementary action through concerted funding and grants, etc.) than that in the industrial sector. This correlates with the third sector's financial dependence on government institutions and its relevance as a central point of information to the majority of the actors.

KEY WORDS: Third social action sector, social capital, networks, trust, reciprocity.