

ees' loyalty to their employers is often wilting, social norms are one of the best ways to make workers loyal, as well as motivated.

Open-source software shows the potential of social norms. In the case of Linux and other collaborative projects, you can post a problem about a bug on one of the bulletin boards and see how fast someone, or often many people, will react to your request and fix the software—using their own leisure time. Could you pay for this level of service? Most likely. But if you had to hire people of the same caliber they would cost you an arm and a leg. Rather, people in these communities are happy to give their time to society at large (for which they get the same social benefits we all get from helping a friend paint a room). What can we learn from this that is applicable to the business world? There are social rewards that strongly motivate behavior—and one of the least used in corporate life is the encouragement of social rewards and reputation.

IN TREATING THEIR EMPLOYEES—much as in treating their customers—companies must understand their implied long-term commitment. If employees promise to work harder to achieve an important deadline (even canceling family obligations for it), if they are asked to get on an airplane at a moment's notice to attend a meeting, then they must get something similar in return—something like support when they are sick, or a chance to hold on to their jobs when the market threatens to take their jobs away.

Although some companies have been successful in creating social norms with their workers, the current obsession with short-term profits, outsourcing, and draconian cost cutting threatens to undermine it all. In a social exchange, after