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AN OVERVIEW ON RELATIONSHIP BETWEEN SOCIAL CAPITAL AND ORGANIZATIONAL CONFLICT

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ABSTRACT

The present research has been conducted aiming at investigating the relationship between social capital and organizational conflict in Lorestan University of Medical Sciences. The applied research method has been used in this study in sake of aim, categorized as a descriptive correlation in sake of nature. The statistical population (N=10000) consists of the staffs working in Lorestan University of Medical Sciences, that 376 individuals have been selected as the sample group via Cochran's sample size formula. Moghimi organizational conflict Questionnaire (2011) and Nahapiet and Ghoshal social capital questionnaire (1998) have been used as the instruments for data collection. The collected data have been analyzed via software SPSS and Amos, that the research findings indicate that there is a significant relationship between three dimensions of social capital and organizational conflict.

Keywords: *Social Capital, Structural Capital, Cognitive Capital, Relational Capital, Organizational Conflict*

INTRODUCTION

Conflict has been introduced as an inseparable part of human life existing in most of organizations in a serious way which can influence the organization's performance. Yet, unfortunately it has been transformed to conflict due to lack of management, thus today conflict has been viewed as a negative phenomenon, mentioned that conflict is not necessarily a negative point, such that the ability for conflict management affects outcomes of conflict management. Hence, conflict has been regarded as a part of organizational life that the managers should know how to deal with it and how to take step to resolve it (Tatum and Eberlin, 2008). Conflict refers to a phenomenon with negative and positive outcomes that influence performance of individuals and organizations. Proper use of conflict results in improvement of performance and health level of organization and improper use of conflict results in reduction of performance and rise of conflict. Effective use of conflict requires for acquisition of skill in administration and control of it, that today it has been considered as one of the most important management skills. The ability to deal with conflict plays a potential role in success of managers and organizations. If there exist constructive conflicts, there will be new and creative thoughts and also there will be constructive change, innovation and development within organization, resulting in realization of aims of organization (Shokri *et al.*, 2007). With regard to a study on literature review, it cannot give a definite definition for conflict, because conflict emerges in different levels and environments emerging differently, that is, conflict emerging from the war between countries, competition and strikes to hate among ordinary people within community causes emergence of different conflicts within human communities, yet this research examines the conflicts which emerge in the organizations (Soltani and Rohani, 2003). Some have defined conflict as failure in decision making mechanisms, so that the person or group faces problems in selecting a practical solution. Further, with regard to different definitions given for conflict, conflict has common aspects such as understanding, awareness, opposition and avoidance, so that conflict has been considered as a well known process in which party (a) strives to neutralize the efforts by party (b) through suppression with the result in failure of party (b) to achieve their aims or proceed their intention (Robbins, 1989). In general, conflict has been regarded as one of the most important factors which widely affect the staff's relationships at work place. Conflict can result in reduction of job satisfaction, reduction of motivation and lack of interaction and ultimately low performance of staffs. The related works at this area have referred to this point that conflicts are

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destructive with a negative effect on staffs' performance and job satisfaction, e.g. Wan (2001) has mentioned that conflict has a negative effect on business performance and job satisfaction of staffs. If conflict exists to a large extent, it will affect staffs' motivation and relationship resulting in their job satisfaction. Some researchers such as Chen (1995) believed that the knowledge about conflict levels can raise constructive discussions which can improve staffs' competence and knowledge. Song *et al.*, (2006) have observed that favorable conflict management behaviors have resulted in rise of constructive conflicts enhancing the personal performance, whereby this not just improves the staffs' loyalty and satisfaction but improves personal and organizational performance. Further, human interaction as a fundamental factor affects organizational conflict. Notably, human interaction is proposed with the term "social capital". Indeed, social capital is acquired through the action based on individuals' mutual recognition and awareness, found as the product of effort which is made to institutionalize the values which are common in building stable relationships (Mortazi, 2007). If human interaction is administrated properly, it will affect reduction of organizational conflict. Grootaert indicated that social capital encompasses entities, relationships, tendencies, values and norms which dominate the behaviors and interactions between individuals and cause reduction of inter-personal organizational conflict (Grootaert, 2001). With regard to the given explanations, under familiarity of researcher with Lorestan University of Medical Sciences and close relationship with managers and members at some units and familiarity with their problems, it is felt that the areas to resolve organizational conflict is not provided in this university and sense of belonging to the organization keeps reducing among staffs. Indeed, human communications among staffs in this university have faced numerous deficiencies which have increased organizational conflict and wasted organizational capitals. Therefore, in this research, the researcher seeks to give a response to this question "what type of relationship exists between social capital and organizational conflict".

Literature Review

-Shokri *et al.*, (2007) have conducted a research entitled "an overview on the relationship between social capital and organizational conflicts" and deduced that there is an inverse relationship between social capital and organizational conflicts, that is, the organizational conflicts reduce through enhancing the social capital. Amiri *et al.*, (2012) have examined the relationship between dimensions of social capital and reduction of non-functional conflict and deduced that there is a significant relationship between social capital and reduction of non-functional conflict in Sistan and Baluchestan Province, so that the more social capital increases, non-functional conflict decreases, indicating an inverse relationship between dimensions of social capital and reduction of non-functional conflict.

Aryee *et al.*, (2005) in a study come to an end in this way that conflict and fatigue at work environment cause reduction of job satisfaction, commitment and social capital within organization, yet fatigue affects the pressures under job turnover to a large extent.

Wayne *et al.*, (2007) acquired the relationship between big five personality factors (Neuroticism, Extraversion, empiricism, agreeableness, conscientiousness) and conflict between job roles. Results from their research indicated that there is more likely a significant relationship between extroversion and conflict.

Hjerppe (2003) in a research examined the issue of social capital and indicated that there is a positive significant relationship between social capital and job performance. Further, components of social capital are accounted as fundamental factors in reducing organizational conflicts that result in economic growth of organization.

MATERIALS AND METHODS

Research Method

The present research is an applied research in sake of aim, because the results of this research can be used to reduce organizational conflict. Further, descriptive research method has been used as the research method in this research. Descriptive research interprets what exists and pays attention to existing conditions or the growing processes. This research has been categorized as a descriptive correlation in sake of nature of research, because this research has examined the relationship between the variables of

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social capital and organizational conflict. In this research, the statistical population (10000) consists of all the staffs in Lorestan University of Medical Sciences.

Research Hypotheses

Major hypothesis: there is a significant relationship between social capital and organizational conflict in Lorestan University of Medical Sciences.

Secondary Hypotheses

1-There is a significant relationship between structural dimension of social capital and organizational conflict in Lorestan University of Medical Sciences.

2- There is a significant relationship between relational dimension of social capital and organizational conflict in Lorestan University of Medical Sciences.

3- There is a significant relationship between cognitive dimension of social capital and organizational conflict in Lorestan University of Medical Sciences.

Inferential Analysis of Data

In this research, Pearson correlation coefficient, structural equation modeling have been used to analyze the hypotheses and Entropy method has been used to prioritize dimensions of social capital. Thus, it requires examining normality of distribution of data and lack of autocorrelation between variables before analysis of hypotheses. Normality test of distribution of data is made through Kolmogorov–Smirnov test that the results have been represented in table 1.

Table 1: Result from Kolmogorov–Smirnov test

Variable	Value of calculated statistics	Sig
structural dimension of social capital	0.923	0.257
relational dimension of social capital	0.285	0.735
cognitive dimension of social capital	1.538	0.120
social capital	1.649	0.087
organizational conflict	1.082	0.192

As shown in table 1, result of Kolmogorov–Smirnov test indicated that distribution of data is normal, because significance level for all the variables is greater than 0.05. Further as autocorrelation of variables is a fundamental factor in analysis of correlation coefficient and structural equation modeling, thus value and significance of each of variables is specified via one-sample mean test. The statistical hypotheses are as follows:

H0: mean of the score for variable x is under or equal to average level.

H1: mean of the score for variable x is greater than average level.

Result of test has been represented in table 2.

Table 2: Result of one-sample mean test

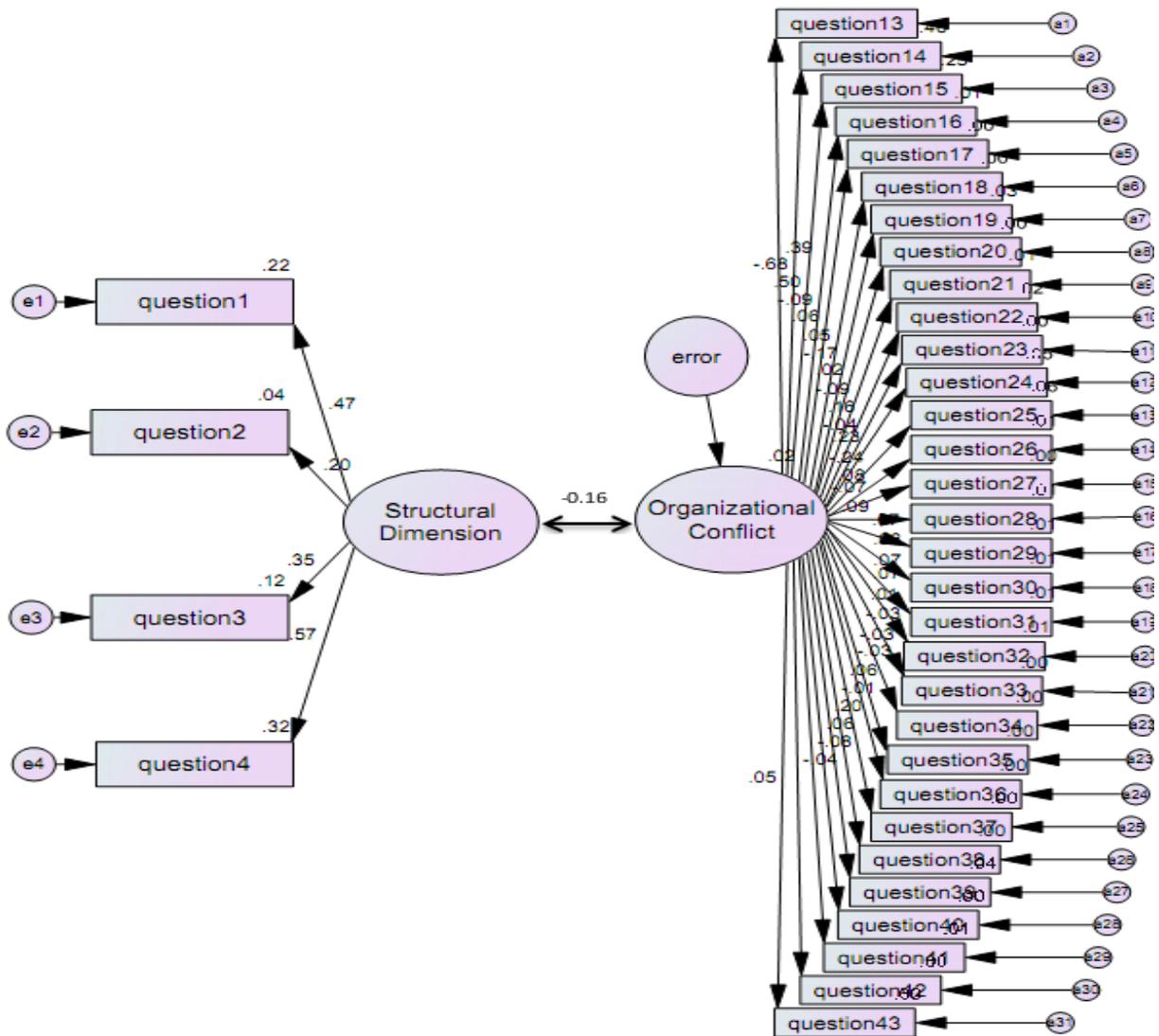
Variable	mean	degree of freedom	Test statistics	□ □ □	confidence interval %95	Low bound	Up bound
structural dimension of social capital	3.67	375	20.27	0.000	0.61	0.74	
relational dimension of social capital	3.47	375	12.15	0.000	0.36	0.50	
cognitive dimension of social capital	3.69	375	41.89	0.000	0.66	0.73	
social capital	3.59	375	32.64	0.000	0.56	0.63	
organizational conflict	3.58	375	78.43	0.000	0.57	0.59	

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With regard to table 2, value of significance level is close to 0.000 for all the variables which is under 0.05, i.e. there is a significant difference between average theoretical value and mean of variables. With regard to normality of distribution of data and difference on data in sake of theoretical mean, hypotheses are tested via Pearson correlation coefficient and structural equation modeling.

The first secondary hypothesis: there is a significant relationship between structural dimension of social capital and organizational conflict in Lorestan University of Medical Sciences.

Statistical Hypotheses



Chi-square = 1112.860, Degrees of freedom= 359,
 Probability Level = 0.000, RMR = .984, GFI = .960.

Figure 1: Correlation between structural dimension of social capital and organizational conflict

$$\begin{cases} H_0 & \rho = 0 \\ H_1 & \rho \neq 0 \end{cases}$$

To measure correlation degree of structural dimension of social capital and organizational capital due to normality in distribution of data, Pearson correlation coefficient has been used, that the result has been represented in table 3.

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Table 3: Correlation status between structural dimension of social capital and organizational conflict

	Structural dimension of social capital	Organizational conflict	
structural dimension of social capital	1.000	-0.179	correlation degree p.v
organizational conflict	-0.179	1.000	correlation degree p.v
	0.002		

As shown in table 3, it is specified that the correlation coefficient between structural dimension of social capital and organizational conflict equals to -0.179; value of p.v(0.002) which is under 0.05 indicates that the value of correlation has been confirmed. Therefore, it can say that there is a negative significant relationship between structural dimension of social capital and organizational conflict. Further, for further understanding of details, the correlation between structural dimension of social capital and organizational conflict has been represented in figure 1 through structural equation modeling.

As shown in figure 1, the correlation between structural dimension of social capital and organizational conflict has been obtained equal to -0.16. As the value of chi-square in two models equals to 1112.86 at significance level (0.000), thus the model can be confirmed, indicating a good pattern of the interaction between two variables. Further, Root Mean Squared Residual (RMR) and Goodness of fit index (GFI) are greater than 0.95, indicating that it has been doubted on validity of model in real world. Coefficients of the indicators of both variables have been represented in model. For the variable of structural dimension of social capital, the second indicator (0.20) and the fourth indicator (0.57) represent the lowest and highest values. Yet, for indicators of organizational conflict, the first indicator (-0.68) and the third indicator(0.50) have the lowest and highest values. It should be noted that coefficients of indicators 1, 4, 7, 9, 11, 13, 22, 23, 24, 26, 29 and 30 are negative.

The second secondary hypothesis: there is a significant relationship between relational dimension of social capital and organizational conflict in Lorestan University of Medical Sciences.

Statistical Hypotheses

$$\begin{cases} H_0 & \rho = 0 \\ H_1 & \rho \neq 0 \end{cases}$$

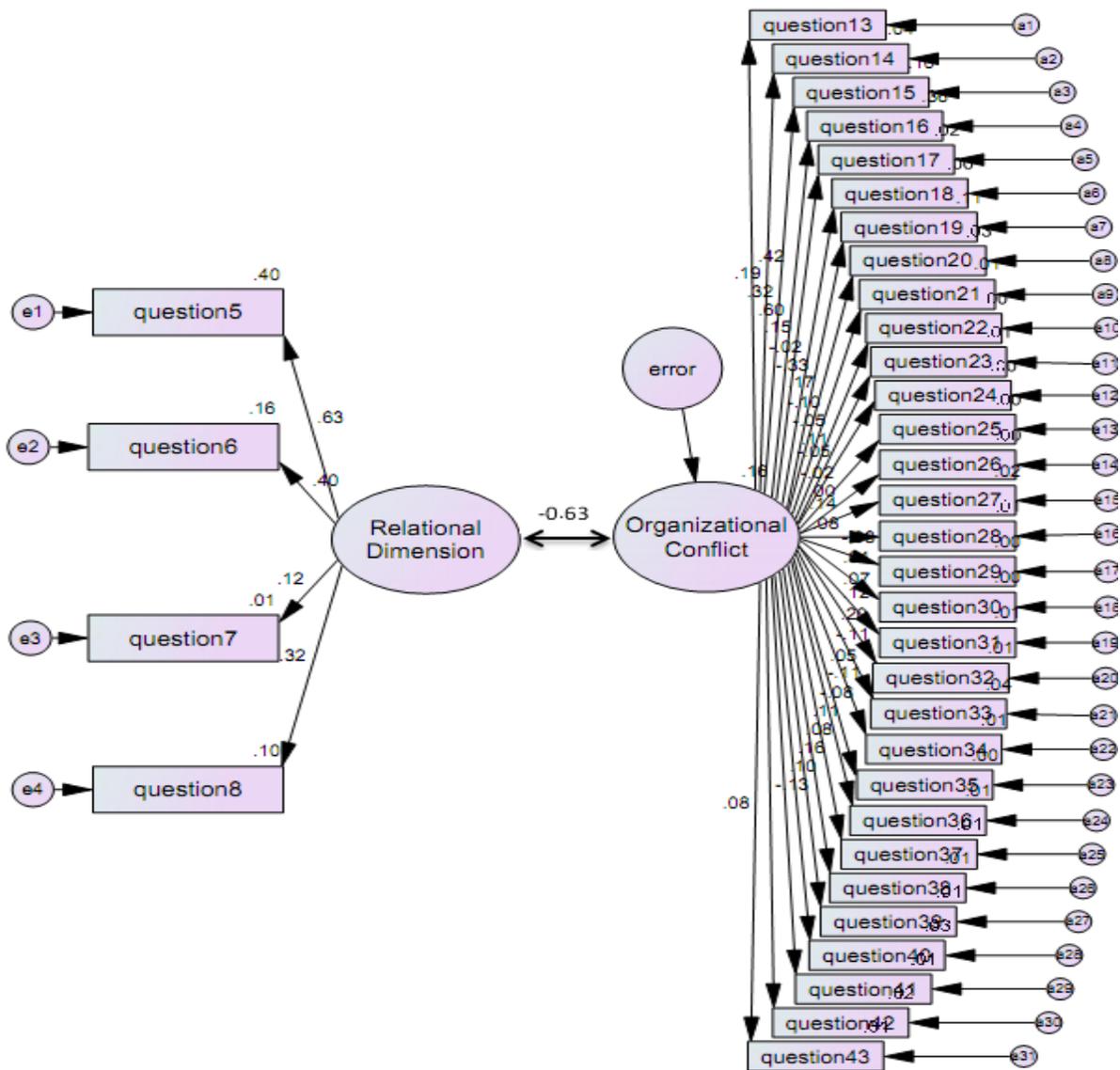
To measure correlation degree of relational dimension of social capital and organizational capital due to normality in distribution of data, Pearson correlation coefficient has been used, that the result has been represented in table 4.

Table 4: Correlation status between relational dimension of social capital and organizational conflict

	Relational dimension of social capital	Organizational conflict	
relational dimension of social capital	1.000	-0.613	correlation degree p.v
organizational conflict	-0.613	1.000	correlation degree p.v
	0.007		

As shown in table 4, it is specified that the correlation coefficient between relational dimension of social capital and organizational conflict equals to -0.613; value of p.v(0.007) which is under 0.05 indicates that the value of correlation has been confirmed. Therefore, it can say that there is a negative significant relationship between relational dimension of social capital and organizational conflict. Further, for further understanding of details, the correlation between relational dimension of social capital and organizational conflict has been represented in figure 2 through structural equation modeling.

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Chi-square = 542.328, Degrees of freedom= 359,
 Probability Level = 0.000, RMR = .977, GFI = .954.

Figure 2: Correlation between relational dimension of social capital and organizational conflict

As shown in figure 2, the correlation between relational dimension of social capital and organizational conflict has been obtained equal to -0.63. As the value of chi-square in two models equals to 542.328 at significance level (0.000), thus the model can be confirmed, indicating a good pattern of the interaction between two variables. Further, Root Mean Squared Residual (RMR) and Goodness of fit index (GFI) are greater than 0.95, indicating that it has been doubted on validity of model in real world. Coefficients of the indicators of both variables have been represented in model. For the variable of relational dimension of social capital, the third indicator (0.12) and the first indicator (0.63) represent the lowest and highest values. Yet, for indicators of organizational conflict, the seventh indicator (-0.33) and the fourth indicator (0.60) have the lowest and highest values. It should be noted that coefficients of indicators 6, 7, 9, 10, 12, 13, 17, 22, 24, 25 and 30 are negative.

The third secondary hypothesis: there is a significant relationship between cognitive dimension of social capital and organizational conflict in Lorestan University of Medical Sciences.

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Statistical Hypotheses

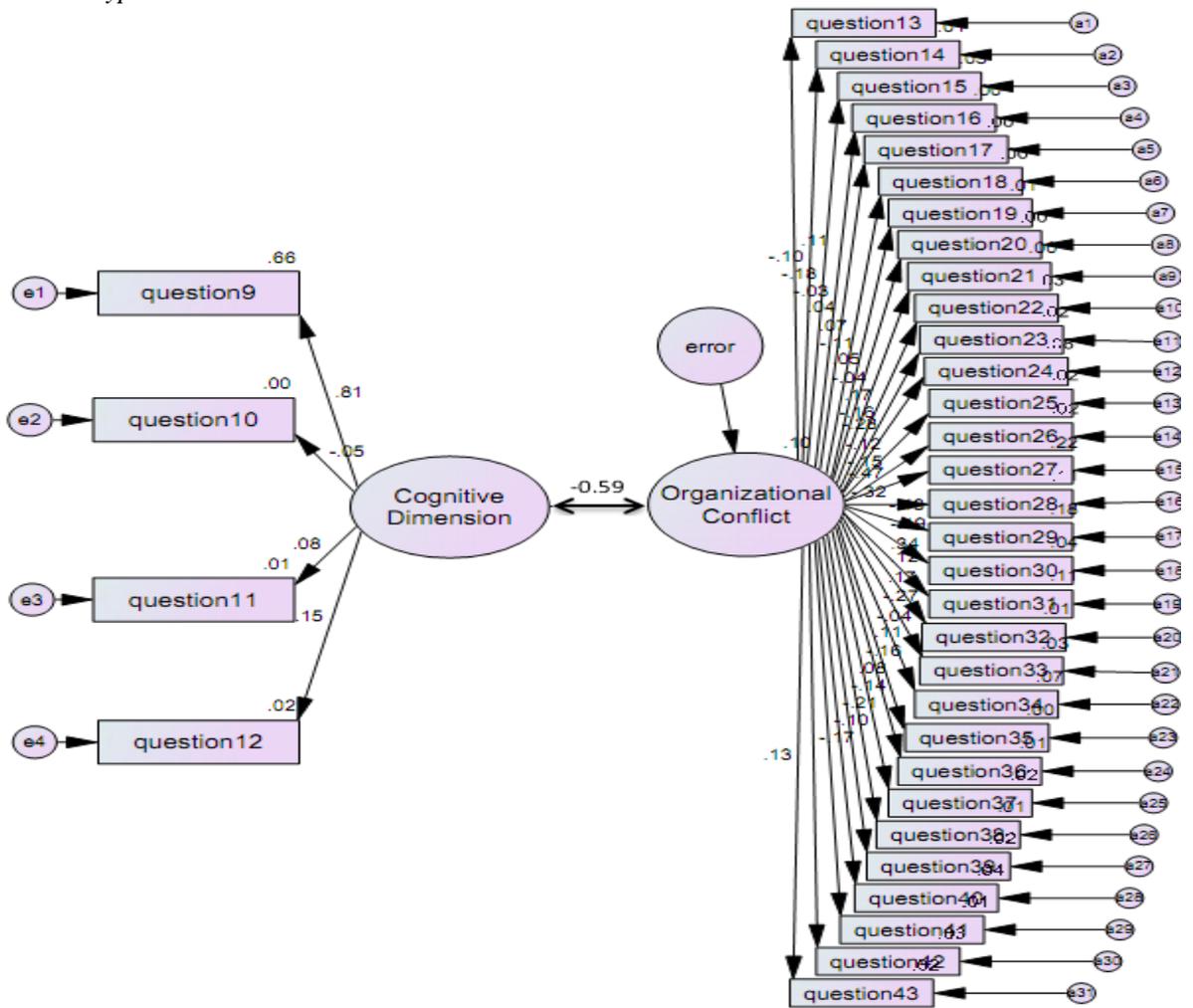


Figure 3: Correlation between cognitive dimension of social capital and organizational conflict

$$\begin{cases} H_0 & \rho = 0 \\ H_1 & \rho \neq 0 \end{cases}$$

To measure correlation degree of cognitive dimension of social capital and organizational capital due to normality in distribution of data, Pearson correlation coefficient has been used, that the result has been represented in table 5.

Table 5: Correlation status between cognitive dimension of social capital and organizational conflict

	Cognitive dimension of social capital	Organizational conflict	
cognitive dimension of social capital	1.000	-0.655	correlation degree p.v
organizational conflict	-0.655	1.000	correlation degree p.v
	0.008		

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As shown in table 5, it is specified that the correlation coefficient between cognitive dimension of social capital and organizational conflict equals to -0.655; value of p.v(0.007) which is under 0.05 indicates that the value of correlation has been confirmed.

Therefore, it can say that there is a negative significant relationship between cognitive dimension of social capital and organizational conflict.

Further, for further understanding of details, the correlation between relational dimension of social capital and organizational conflict has been represented in figure 3 through structural equation modeling.

As shown in figure 3, the correlation between cognitive dimension of social capital and organizational conflict has been obtained equal to -0.59.

As the value of chi-square in two models equals to 482.958 at significance level (0.000), thus the model can be confirmed, indicating a good pattern of the interaction between two variables.

Further, Root Mean Squared Residual (RMR) and Goodness of fit index(GFI) are greater than 0.95, indicating that it has been doubted on validity of model in real world. Coefficients of the indicators of both variables have been represented in model.

For the variable of cognitive dimension of social capital, the second indicator (-0.05) and the first indicator (0.81) represent the lowest and highest values.

Yet, for indicators of organizational conflict, the seventeenth indicator (-0.43) and the fifteenth indicator (0.47) have the lowest and highest values. It should be noted that coefficients of indicators 1, 3, 4, 7, 9, 11, 12, 13, 14, 16, 17, 18, 22, 23, 25, 27, 28, 29 and 30 are negative.

Major hypothesis: there is a significant relationship between social capital and organizational conflict in Lorestan University of Medical Sciences.

Statistical Hypotheses

$$\begin{cases} H_0 & \rho = 0 \\ H_1 & \rho \neq 0 \end{cases}$$

To measure correlation degree of social capital and organizational capital due to normality in distribution of data, Pearson correlation coefficient has been used, that the result has been represented in table 6.

Table 6: Correlation status between social capital and organizational conflict

	Social capital	Organizational conflict	
social capital	1.000	-0.521	correlation
		0.000	degree p.v
organizational conflict	-0.521	1.000	correlation
	0.000		degree p.v

As shown in table 6, it is specified that the correlation coefficient between social capital and organizational conflict equals to -0.521; value of p.v(0.000) which is under 0.05 indicates that the value of correlation has been confirmed. Therefore, it can say that there is a negative significant relationship between social capital and organizational conflict. Further, for further understanding of details, the correlation between social capital and organizational conflict has been represented in figure 4 through structural equation modeling.

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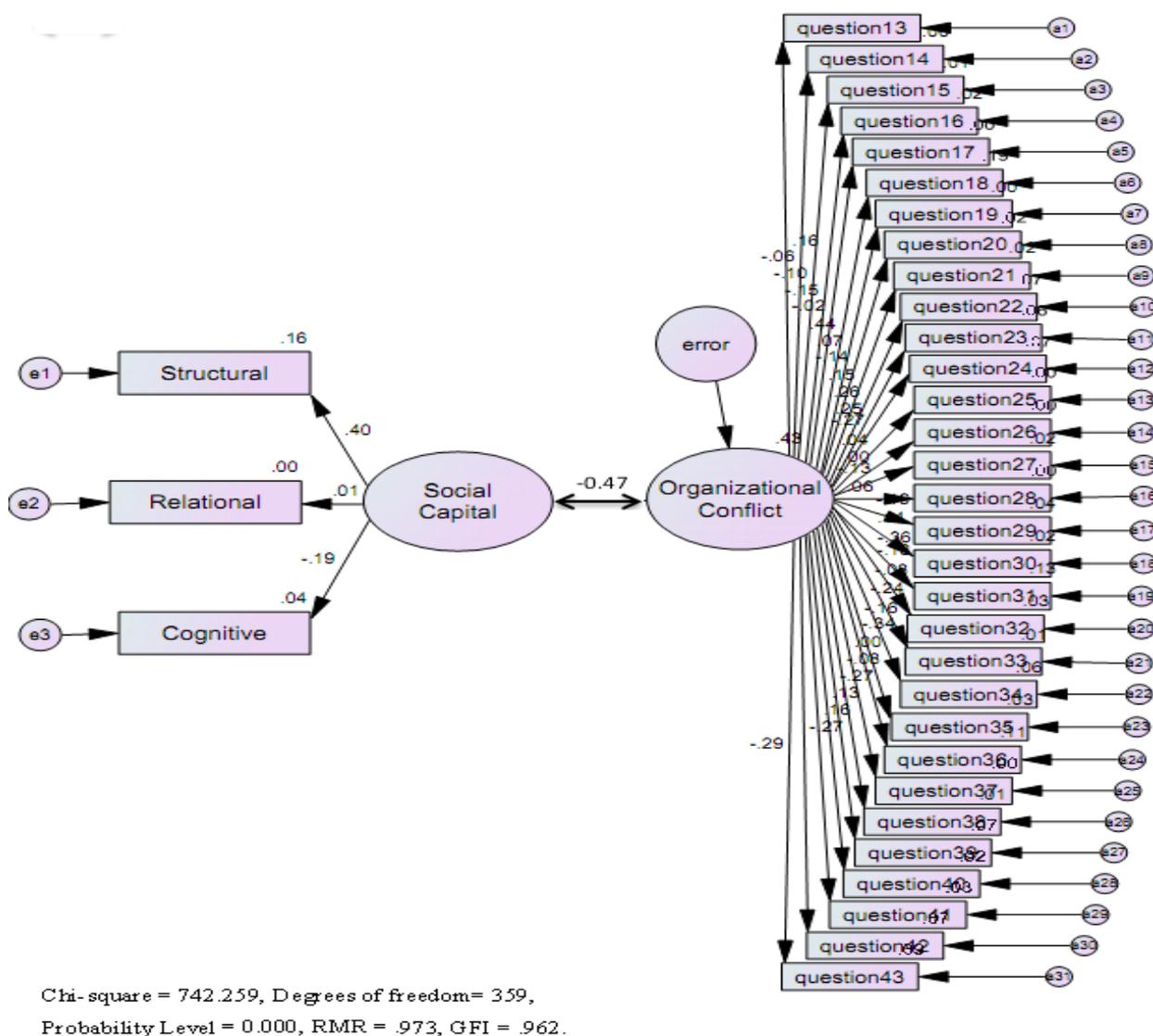


Figure 4: Correlation between social capital and organizational conflict

As shown in figure 4, the correlation between social capital and organizational conflict has been obtained equal to -0.47. As the value of chi-square in two models equals to 742.259 at significance level (0.000), thus the model can be confirmed, indicating a good pattern of the interaction between two variables. Further, Root Mean Squared Residual (RMR) and Goodness of fit index (GFI) are greater than 0.95, indicating that it has been doubted on validity of model in real world. Coefficients of the indicators of both variables have been represented in model. For the variable of social capital, structural dimension with coefficient (0.40), relational dimension with coefficient (0.01) and cognitive dimension with coefficient (-0.19) have been reported. Yet, for indicators of organizational conflict, the twenty-fourth indicator (-0.34) and the sixth indicator (0.44) have the lowest and highest values. It should be noted that coefficients of indicators 1, 3, 4, 5, 12, 15, 17, 18, 19, 21, 21, 23, 24, 26, 27, 30 and 31 are negative.

RESULTS AND DISCUSSION

According to the first secondary hypothesis, there is a significant relationship between structural dimension of social capital and organizational conflict in Lorestan University of Medical Sciences. The results from Pearson correlation coefficient indicated that the correlation coefficient between structural

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dimension of social capital and organizational conflict in Lorestan University of Medical Sciences equals to -0.179. Further, structural equation modeling indicated the value of correlation coefficient equaled to -0.16. Indeed, it can say that there is a negative and poor relationship between structural dimension of social capital and organizational conflict in Lorestan University of Medical Sciences. Overview of the related works indicates that the obtained result for this hypothesis is consistent with the results of research by Shokri *et al.*, (2007), Amiri *et al.*, (2012), Adler and Krwon (2002) and Hjerppe (2003).

According to the second secondary hypothesis, there is a significant relationship between relational dimension of social capital and organizational conflict in Lorestan University of Medical Sciences. The results from Pearson correlation coefficient indicated that the correlation coefficient between relational dimension of social capital and organizational conflict in Lorestan University of Medical Sciences equals to -0.613.

Further, structural equation modeling indicated the value of correlation coefficient equaled to -0.63. Indeed, it can say that there is a negative relationship between relational dimension of social capital and organizational conflict in Lorestan University of Medical Sciences. Overview of the related works indicates that the obtained result for this hypothesis is consistent with the results of research by Shokri *et al.*, (2007), Amiri *et al.*, (2012), Adler and Krwon (2002) and Hjerppe (2003).

According to the third secondary hypothesis, there is a significant relationship between cognitive dimension of social capital and organizational conflict in Lorestan University of Medical Sciences. The results from Pearson correlation coefficient indicated that the correlation coefficient between cognitive dimension of social capital and organizational conflict in Lorestan University of Medical Sciences equals to -0.655. Further, cognitive equation modeling indicated the value of correlation coefficient equaled to -0.59. Indeed, it can say that there is a negative relationship between cognitive dimension of social capital and organizational conflict in Lorestan University of Medical Sciences. Overview of the related works indicates that the obtained result for this hypothesis is consistent with the results of research by Shokri *et al.*, (2007), Amiri *et al.*, (2012), Adler and Krwon (2002) and Hjerppe (2003).

According to the major hypothesis, there is a significant relationship between social capital and organizational conflict in Lorestan University of Medical Sciences. The results from Pearson correlation coefficient indicated that the correlation coefficient between social capital and organizational conflict in Lorestan University of Medical Sciences equals to -0.521. Further, cognitive equation modeling indicated the value of correlation coefficient equaled to -0.47. Indeed, it can say that there is a negative relationship between social capital and organizational conflict in Lorestan University of Medical Sciences. Overview of the related works indicates that the obtained result for this hypothesis is consistent with the results of research by Shokri *et al.*, (2007), Aryee *et al.*, (2005), Naderi (2010), Amiri *et al.*, (2012), Adler and Krwon (2002) and Hjerppe (2003).

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