

Research Article

STRUCTURAL MODEL OF SOCIAL CAPITAL OF ISLAMIC AZAD UNIVERSITY BASED ON ORGANIZATIONAL LEARNING AND PRESENTING THE PRACTICAL SOLUTIONS OF IMPROVING ORGANIZATIONAL SOCIAL CAPITAL

***Zahra Shoara, Fattah Nazem, Samad Karimzadeh and Majid Kaffashi**

Department of Education, College of Education and Counselling, Roudehen Branch, Islamic Azad University, Roudehen, Iran

**Author for Correspondence*

ABSTRACT

Social capital is one of the important organizational assets helping the organizations in knowledge creation and sharing and creates a sustainable organizational advantage compared to other organizations. This study is aimed to present a structural model of social capital of Islamic Azad University based on organizational intelligence of employees. The study population is including all employees of Azad University of Fars province as 1810 people. 409 people are selected by Cochran's formula. The study measure is 24-item questionnaire of Nahapiet & Ghoshal and 49-item questionnaire of Watkins & Marsick and the validity and reliability are supported statistically. The statistical results show that there is a positive and significant association between one by one of organizational learning and social capital components. Among the components of organizational learning, individual learning can predict social capital. Social capital model is presented based on organizational learning. Finally, practical solutions are presented to improve social capital in organization by the aid of organizational learning.

Keywords: *Social Capital - Organizational Learning - Islamic Azad University*

INTRODUCTION

Social capital is considered a source that can be applied by individuals and groups in order to achieve desired results. The concept is used in many contexts by social analysts to describe a wide range of social procedures and helps us understand the question why some people, groups and classes achieve economic, political or social outcomes more positive than others (Alvani and Shirvani, 2005).

Conversely, in the modern age there are successful corporations where all managers can strive for promoting their human capital's abilities. Organizational learning is a process and set of actions which lead to employee's learning and involve certain organizational behavior applicable to the learning organization. In such organizations, all conditions for members to learn are set and people continue to strive for applying what they have learnt (Khalili, 2004). It is the very reason why the concepts of learning organization and organizational learning have been raised in recent years and have begun to grow. Organization is recommended to serve as organization always trying to learn, rather than performing actions and traditional moves which in turn include learning at best; that is to say, their attempt should be taken as a competitive advantage (Behnami, 2004). It is essential to accelerate the ability to issue and convert knowledge into a capital serving as a stimulus to educational improvement. It is also necessary for many universities to advance and guide innovative moves, implementing and pursuing reforms and improvements.

Due to its effect on the kind of social relationship, as well as group and social performance improvement in organization, organizational learning has led the study to be conducted to come up with a model of understanding the relationship better with the aim of examining the learning relationship to social capital, and finally provides us with some suggestions for making improvements in social capital with the help of organizational learning.

Study Purposes

- 1- Determining the relationship between organizational learning and social capital
- 2- Predicting social capital of Islamic Azad University based on organizational learning components

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3- Presenting a structural model of Islamic Azad University of Fars province based on organizational learning

4- Presenting practical solutions to improve social capital by the aid of organizational learning

Theoretical Definitions of Variables

Social Capital

Nahapiet & Ghoshal (1998) defined social capital as the sum of the actual and potential resources embedded within, available through and derived from the network of relationships possessed by an individual or social unit. They believe that social capital is one of the important organizational assets and capabilities helping the organizations in knowledge sharing and creation and creates sustainable advantage for them compared to other organizations (Nahapiet & Ghoshal, 1998).

Social Capital Dimensions

a. Cognitive dimension of social capital refers to those resources providing shared representations, interpretations, and systems of meaning among parties. The most important dimensions are shared language and codes and shared narratives.

b. Structural dimension: It refers to the overall pattern of connections between people, to whom and how you have access; the most important dimensions are network relations between people, network configuration and appropriate organization.

c. Relational dimension: Social capital describes a type of personal relations people have with each other due to their interaction history. The most important aspects of this social capital are including trust, norms, obligations and expectations, and identity (Nahapiet & Ghoshal, 1998).

Organizational Learning

It is a dynamic process that enables organization to adapt itself to changes as soon as possible. The process include new knowledge demonstration, skills, and conducts. Organizational learning is the key to knowledge business and organization efficiency (Zhang *et al.*, 2009). The process of measurement improvement through knowledge and better recognition (Fayul and Lailz, 1985).

Organizational Learning Levels

A. Individual learning: it suggest a change in skills, insight, belief, development in individual knowledge, attitudes, values gained through individual studies, education based on technology, observation and other means of acquiring new knowledge (John,1994).

B. Group learning: according to Sengeh and other group learning theorists, it is viewed as the second level of learning. Group learning means that teams are able to think as a sheer advantage, building something and learning. It works like a bridge transmitting individual knowledge to organization; in which case, it can be accessible to everyone.

C. Organizational learning: it is the third layer of organizational learning. Organizational learning is achieved through sharing insights, knowledge, experience, and mental models of organization members. It is obtained by bringing together tacit and explicit knowledge which manifests itself by an interaction between staffs, departments, and teams of an organization (Sobhani, 2006).

Review of Literature

Nahapit & Ghoshal (1998) in their study “Social Capital, Intellectual Capital and the Organizational Advantage” introduced a model based on structural, relational and cognitive for social capital and established a theoretical relation between social capital dimensions, creating intellectual capital and executive level performance of organization.

Totterman & Widen-Wulff (2011) dealt with how to share information at a university through a social capital standpoint. They evaluated social capital and knowledge share through three variables (social identity, influential trust, collaboration and personal contact). The results show that sharing information among sectors, local connected networks, and foreign networks of college takes place influentially. In this environment, there are major prerequisites for social capital. The interviewees laid emphasis on some of stimuli in order to share information.

Moreover, they lodges objections to the status quo, i.e. lack of honesty, struggling for position, lack of interest in workplace, etc.

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Chow & Chan (2013) in the study examined the relationship between social capital and knowledge sharing in various firms and social capital dimensions include social network, social trust and sharing goals. But knowledge management concept is considered general. The results of the study show that social network and sharing goals have significant relation with organizational knowledge sharing but social trust has not direct impact on organizational knowledge sharing.

Hau et al., (2014) dealt with the effect of individual motivation and social capital in employee’s desire to share implicit and explicit knowledge in various industries. The results showed that organizational reward has a negative effect on a desire to share implicit knowledge, but it has a positive effect on a desire to share explicit knowledge. Moreover, the result of the study indicated that social capital significantly increases employee’s interaction with one another to share explicit and implicit knowledge.

MATERIALS AND METHODS

Study Method: This study is correlation.

Study Population: It is including all employees of Islamic Azad Universities of Fars province in Iran working in 2013, 2014 in these universities as formally.

Determining Sampling Size: By Cochran’s formula sample size and estimation of theoretical mean and standard deviation of social capital, the sample is 317.

Sampling Method: By random cluster sampling method, the sampling is performed and finally 409 questionnaires are completed and analyzed.

Study Measure

1- Social capital questionnaire: The questionnaire of Nahapit & Ghoshal (1998) is applied. This questionnaire has 24 questions and it is scored based on strongly agree to strongly disagree as 1 to 5. To evaluate reliability, Cronbach’s alpha reliability coefficient is applied and the coefficient is 0.941. The construct validity of questionnaire of social capital by evaluation of questionnaire components correlation with total score of test is investigated and correlation coefficient of one by one of components with total score is above 0.9 and it shows that questionnaire has good construct validity (internal consistency).

2- Organizational learning questionnaire: Watkins & Marsick organizational learning questionnaire has been used, which contains 43 items it is scored based on strongly agree to strongly disagree as 1 to 5. To evaluate reliability, Cronbach’s alpha reliability coefficient is applied and the coefficient is 0.972. The construct validity of questionnaire of social capital by evaluation of questionnaire components correlation with total score of test is investigated and correlation coefficient of one by one of components with total score is above 0.8 and it shows that questionnaire has good construct validity (internal consistency).

RESULTS AND DISCUSSION

Results

First Purpose of Study: The evaluation of the relationship between learning and social capital by Pearson correlation coefficient

Table

Variables	Pearson correlation coefficient	P values
Organizational learning(total)	0.753	P<0.001
Individual learning	0.844	P<0.001
Group learning	0.692	P<0.001
Organizational learning	0.643	P<0.001

Interpretation: with regard to correlation coefficients and significance levels between organizational learning and the entire organizational learning levels, there is a positive significant relationship to social capital.

The Second Goal of the Study: Islamic Azad University’s social capital forecast based on organizational learning components

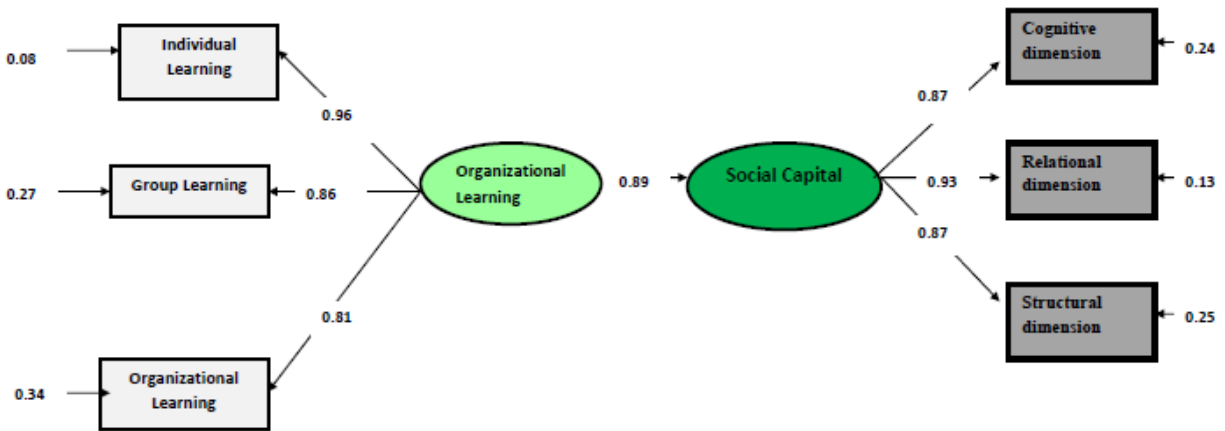
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Table

Prediction variables	Beta	t	P values for T-test	F	P value for f	R	R ²
Individual learning	0.83	17.39	P<0.001	335.94	P<0.001	0.845	0.713
Group learning	0.038	0.72	0.469				
Organizational learning	-0.02	-0.46	0.643				

Interpretation: F value is significant in the regression analysis (P<0. 001). Thus, the regression equation can be conducted and social capital can predicted based on organizational learning levels. Moreover, the results reveal that individual learning can significantly and positively forecast social capital ($\beta=0.83$, $t=17.39$, $P<0.001$). Given (R²) coefficient of determination, individual learning can forecast 71.3 percent of social capital variance.

The Third Goal of the Research: It is to introduce a structural model of Islamic Azad University’s social capital in Fars Province based on organizational learning



Figure

The above figure is to measure the model of the relationship between organizational learning dimensions which consists of “individual learning” with 13 items, “group learning” with 6 items, “organizational learning” with 24 items as independent variable and social capital learning consisting of “cognitive dimension” with 6 items, “communication dimension” with 11 items, “structural dimension” with 7 items as dependent variable, all of which are not different from the real model of data.

Lambda value (loading or impact value) of outer hidden variable of organizational learning dimensions include “individual learning” 0.96, “group learning” 0.86, x3 “organizational learning” 0.81, the sum of the indexes are incorporated into organizational learning, it totaled 0.89 effect coefficient on social capital, i.e. more specifically, 89% of the variation of dependent variable was covered by a set of these indexes, as the rest was predicted by other variables. Individual learning variable suggests the highest degree, while group learning variable suggests the lowest degree of internal consistency in the outer hidden variable.

The Lambda value of the inner hidden variable of the social capital dimensions includes “cognitive dimension” 87%, “communication dimension” 93%, “structural dimension” 87%; the sum of which are incorporated into social capital. Communication capital variable suggests the highest value as cognitive and structural capital variable suggests the lowest value of internal consistency degree in the inner hidden variable.

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Since the value of “goodness of fit index” of the model amounts to 0.93, we can state that the model has an acceptable fit with reality. The value of the coefficient obtained suggests a direct effect of organizational learning variable on social capital (dependent variable). Moreover, it indicates that the maximum direct effect is associated with the direct effect of individual learning, as organizational learning affects communication capital variable in social capital dimension.

$$Y \text{ (social capital)} = \text{organizational learning (0.81)} + \text{group learning (0.86)} + \text{individual learning (0.96)}$$

The following table introduces indexes related to fitting the model by researcher

Table

interpretation	value	index
Excellent fit (criterion more than 90%)	0.91	Lewis-Tucker (non-normed fit index)
Excellent fit (criterion more than 90%)	0.90	Bonth-Bentler (normed fit index)
Excellent fit (criterion more than 70%)	0.74	Hulter
Excellent fit (criterion less than or equal 05%)	0.031	Root mean square error of approximation RMSE
Excellent fit (criterion more than 90%)	0.93	GFI

With emphasizing five goodness of fit indexes, we can on the one hand deal with model fit and empirical data on the other hand. Therefore, an excellent consistency between the model portrayed and the one structured by empirical data. The desired fit suggests structural equation modelling with an emphasis on organizational learning relationship to social capital (dependent variable). As a conclusion of the study, it is raised that researcher’s proposed model has a complete fit, because Lewis-Tucker’s non-normed fit index is (91%), and Bonth Bentler’s normed fit index (91%) which is above 90%. In addition to this, Hulter’s index was above 70%, which is a desired fit. Furthermore, root mean square error of approximation (0.031) which is less than 0.05, and portrays a fit for researcher’s model.

Providing Strategies for Increasing Social Capital of University with the Help of Organizational Learning

- With respect to the results obtained from the study in which social capital has a positive and strong relationship to organizational learning, we can increase social capital in organization through boosting organizational learning approaches; group exchange of individual learning, translating group learnings into organizational learnings through converting the learnings into organizational rules and processes in order to improve organizational results and institutionalize individual learning in an organization.
- Helping university staff to build up their knowledge on the knowledge of other team members and sharing their knowledge with other members of organization in order to allow staff to play a mediating role in the individual and organizational learning circle and make organizational learning and eventually social capital grow at university.
- Allowing for further employee recognition of different cultures through setting up training courses, scientific meetings, and issuing scientific journals, etc., in that employees hold a belief in them and have respect for them in the workplace.
- Encouraging expert groups and committees at universities; persuading individual to build and enhance such structures are regarded as solutions to increase social capital at universities. People working in social enterprises have a shared identity and moved to cooperate within groups. It is also feasible to set up such enterprises at organizational levels; forming professional groups and associations within organization in voluntary cooperation with experts can enhance social capital at academies.
- Creating specialized portal and launching virtual discussion and thinking room in University for exchanging the experiences among the employees by dedicating knowledge code for protecting materialistic and spiritual law
- Doing continual measurement at definite time interval regarding the organizational social capital that by the studies we can have good analyses regarding elements and components of social capital in organization. These studies can help us to achieve high organizational goals.

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- Academic management should evaluate the social capital among the units and various sections of organization by which they can identify the sectors in which the capital value is high and encouraging all the members of these sectors by management can help the survival of social capital and finally in organization.
- Using social capital indices in performance evaluation systems of universities, evaluation processes should be done as the social capital is improved.
- After evaluation of social capital of employees, the employees with high social capital in organization should be encouraged in organization that their behavior is a good model for other employees and beside encouragement, punishment should be not ignored. The sectors with less social capital shouldn't be encouraged like the sectors with high social capital.

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