



International Journal of Engineering, Business and Enterprise Applications (IJEBEA)

(Open Access, Double Blind Peer-reviewed, Refereed and Indexed Journal)

www.iasir.net

The effect of Social Capital on Organizational Performance mediated by Knowledge Sharing (Case Study: Consulting Engineers Companies of Razavi Khorasan province - Iran)

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Abstract: In current knowledge-oriented societies, the role and importance of mental and social capital output used in stable and continuous profitability of the Companies are used more than the financial capital output. The objective of this research is to review on impression of social capital on organizational performance mediated by knowledge sharing. This research methodology is explanatory and measurable and it is considered as a part of applied research in view of objective. The tools of this research is the questionnaire that its admissibility is confirmed by tutors, advisors and elites of the human resources of Consulting Engineers Companies, Razavi Khorasan province and its stability for each variable has been more than 0.7. The statistical society of this research was among Consulting Engineers Companies of Razavi Khorasan province that they are ready to cooperate in this research totaling 109 companies, 94 companies and from each company, 5 manager and senior expert of the Company intend to cooperate totaling 470 persons are selected for statistical society; with regard to Cochran Formula, the statistical sample of the research is selected for 212 persons that with distribution of more questionnaire, 200 suitable questionnaires are analyzed finally. The questionnaire in any company is distributed among one manager and three experts. To analyze the information, it is used from structural equations and Lisrel software modeling techniques. The results of information analysis represent that the social capital on organizational performance mediated by knowledge sharing has the positive and meaningful impression in consulting engineers companies, Razavi Khorasan province.

Keywords: Social Capital, Knowledge Sharing and Organizational Performance

I. Introduction

The capable personnel in knowledge-oriented organizations of such companies while benefiting the social capital should take steps to share the knowledge. The consulting engineers companies of Khorasan Razavi Province are not exceptional. The consulting engineers companies are active in the field of submission of technical and engineering services to the organizations and persons in different scientific fields such as road and construction, oil, gas, petrochemical, environment and agriculture. With regard to the special environmental conditions of such companies, they follow the continuous improvement of the status, performance improvement and after that obtaining the competitive advantages for revival and advancement. In order to improve the performance and obtaining the competitive advantage, such companies shall promote the renovation level in their organization that they need to accompany their personnel. One of the best ways that such companies may assure to have the suitable efficiency in promotion of renovation is the development and application from internal knowledge. The knowledge results in recognition from internal conditions of the organization and recognition of environment around the organization and recognition of the competitors and helps the personnel to promote the innovation level of the organization.

Accessibility to this critical matter in light of knowledge sharing is possible. On the other hand, since the improvement of internal and external performance of such type of companies enjoys the high importance and considering that such companies require the knowledge and its sharing among the personnel as result of their consultation content and submission of technical and engineering services in different scientific areas in order that we can improve the organizational performance of such companies. Their organizational performance includes two operational performance parts as internal part and organizational performance as external part of the performance. In order to improve the performance, sharing the knowledge and its speed and quality for sharing the best form of all types of the knowledge are important in order to break the competition. Therefore, as result of renovation, sharing the knowledge will be affected on performance of the companies. Social capital may arise from reliable counterpart phenomenon, counterpart social interaction, social groups, collective and group identity sense, the sense of common image aspects of the future, group working in a social system. (Mylense 2007).

Social capital is the inter-field subject that its role is facilitation of human communication. Social capital is one of the concepts that may attract the attention of the social thinkers and clear sighted persons by reaching deadlock of bureaucratic conduct in organization of the social affairs. The organizations shall set the principle of continuous improvement as their activity epigraph until the time that make effort for revival and require themselves for attendance in national and global field. This principle is not obtained unless the field of access to promotion of social capital is possible. So, in order to grow and develop that its basic prerequisite is the improvement of performance of the organizations, the social capital variables shall be recognized and operated in the best possible manner.

On the other hand, although the knowledge management is used vastly in all kinds of institutions and organizations, but submission of a unique definition is very difficult. In here, this question is propounded that in addition to several definitions, in fact, the knowledge management pointed to what concept? We can define it as the process of creation, publication and application of knowledge in order to access to the organizational objectives. In another definition, knowledge management is the philosophy including a set of principles, processes and organizational structures and used technologies which assist the persons in order to share and use their knowledge in order to face with their objectives.

The organizations faced with the knowledge as the things which may change different personalities up to now. In this approach, we can recognize all kinds of knowledge using the features such as activity, area, form, kind, product/service, time and place and in order to complete such features for knowledge available in organization, we can involve in saving, retrieval and distribution them. (Siemieniuch and Sinclair 2004).

So, knowledge management is the approach made such processes to recognize, assess, organize, save and use the knowledge in order to supply the requirements and objectives of the organization. Also, knowledge management shall recognize that how to distribute and publish the available knowledge in organization in spite of having the cultural differences of personal competitions and personnel who have not shared their findings or are not researcher for knowledge (Tsang, 2002).

In order to explain the importance of the research, the following two cases are submitted:

The research shows that the knowledge sharing as one of the important and fundamental factors of knowledge management is considered as type of catalyzer and facilitator for improving the organizational performance. Social capital is the total of qualifications, knowledge and social and personality features including creativity and imagination in ability of human resources for performing the work in order to produce the economic value. (Hsu 2008).

The social capital with improvement of the organizational performance promotes the knowledge sharing and forms the stable competitive advantage in variable and complicated environmental conditions and improves such organizational performance that the review of this subject is important in service companies.

With regard to the above matters, this research follows the impression of social capital on organizational performance mediated by knowledge sharing.

II. Background of the Research:

Weber and Weber (2010) involved in review on relationship among social capital and organizational performance and in this research, social capital and readiness of knowledge management is propounded as two matters among related variables of organizational performance.

Wang and Wang (2012) involved in review of impression of knowledge sharing on organizational and financial performance in an article. Considering the innovation as mediate variable, they are considered two indexes of quality and renovation speed in transfer of contextual and accurate knowledge in order to improve the organizational and financial performance of the companies.

The statistical society of the research of them is 89 companies having advanced technologies in Jiangsu Province of China. The results of their research lead in positive relation among knowledge sharing on renovation and financial performance.

Waheed and et al (2013) involved in relationship of 4 variables of knowledge sharing, organizational performance, renovation and competitive advantage in an article and the results of the research show that the knowledge sharing has positive and meaningful impression on organizational performance. The quantity of impression in their articles was 0.94 which showed that in case one unit or 100 % change is given in knowledge sharing, the organizational performance increased to 0.94 units or 94 % and their statistical society has been the technologic companies (based on science and technology) and also, they have considered the competitive and renovation advantage as subset of organizational performance.

Terry Kim and et al (2013) involved in review on relationship among social capital, knowledge sharing and organizational performance. This research is performed among fourteen 5-star hotels in Seoul, Southern Korea and information analysis method is to use the structural equations modeling and the results show the positive and meaningful impression of social capital on factors of knowledge sharing and knowledge sharing factors on organizational performance.

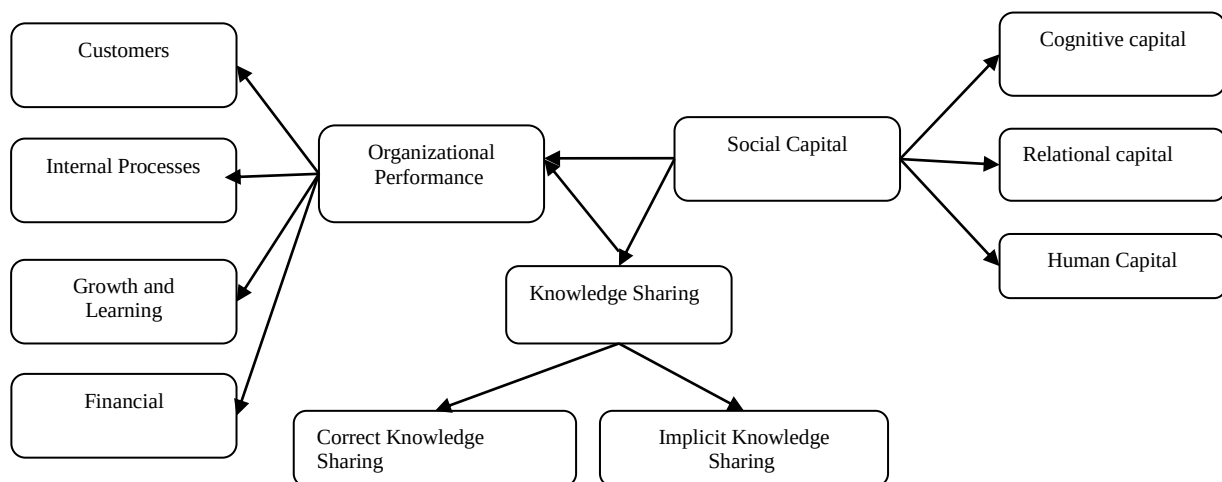
III. Theoretical Framework and Conceptual Research Model:

At present, the social capital is one of the applied concepts in the organization and facilitates the partnership among the elements and internal and external beneficiaries of the organization (Coleombo and et al 2015). The social capital is a bilateral asset of the organization which attracts the consent of the beneficiaries (Acquaah, 2007) and it is considered as an asset for the personnel, because it can be caused for improving and promoting their skill level, in other hand, the social capital causes the improvement of citizenship behaviors and relationship among the personnel and finally improves the personal performance (Ariani 2012).

Organizational social capital is determined the organizational performance based on creation of ability of the personnel to access the sources in network and improve the knowledge transfer and sharing (Levin and Winter and Cross 2006). In a social environment that the persons considered the knowledge as the collective asset belonging to total group, the managers may change the knowledge saving potential. It is worth mentioning that this change requires that the employees have motivation for knowledge sharing and in fact, the internal factors in knowledge sharing cause creation of factors such as renovation among the personnel and better performance of working processes which will be caused finally the performance improvement Jian and Hailin, 2015). Social capital caused that the organization improves their working systems, in such case, these organizations may affect on education and rehabilitation caused growth and development of the personnel and finally follow the growth of the personnel and improve the organizational performance (Jiang and Liu 2015). Finally, such efficiency has affected on social fields of the companies. Since the companies use the human resources in parallel with attaining their strategic objectives and one of the strategic objectives of each organization is to improve the organizational performance. Benefiting the social capital is one of the social fields and along with the topics of human resources and finally may improve the organizational performance.

IV. Theory: Social Capital through promotion of knowledge sharing has affected on organizational performance

Social capital causes creation of relations among personnel and benefiting it. Existence of the successful relation among organization and person causes more participation of person in the organized affairs and finally leads in improvement of the performance. So, structure and intra-organizational partnership accepts the bilateral answering among personnel and improves the companion and partnership and in fact, has relation with the organization (Odger 2010). Finally, total of such factors will improve the performance and on the other hand, the knowledge sharing is considered as catalyzer in innovative processes. Knowledge sharing is laid the foundation based on human resources behavior and created the innovation in personal level of them, therefore, innovation improves with benefiting the knowledge sharing (Ritala and et al, 2015). Finally, the innovation improvement is propounded as further catalyzer in multilateral improvement and innovation structure is in such a manner that the operational indexes improve the performance, because facilitate the organizational processes and enhance the financial indexes that the financial operation will be improved finally (Wang and Wang 2012). Considering that two aspects of the performance are improved, we can lead in knowledge sharing as the medium among social capital which are leaded in from personnel and appropriate performance and organizational performance arising from organization improves against processes and operations.



Charter 1: Conceptual Research Model

V. Method:

This research was the applied in view of objective and descriptive and research in view of execution. The statistical society of this research was among the consulting engineers companies, Razavi Khorasan province

which intended to operate in this research totaling 109 companies; 94 companies and 5 managers and senior expert of the Company intended to cooperate totally 470 persons are selected as statistical society. Statistical sample of the research is selected for 212 persons with regard to Cochran Formula that finally, 200 suitable questionnaires are analyzed. The questionnaire in any company is distributed among one manager and three experts. In this research, accidental classified method is used for sampling. The questionnaire in any company is distributed among one manager and three experts, therefore, the sampling method is accidental classified (the samples are different). The tools of this research is questionnaire and the used questionnaire is the closed in view of identity. Also, the questionnaire is distributed and collected in presence in place of companies. It is worth mentioning that the questionnaires used in this research have five-option likert spectrum. Also, in order to review the admissibility of the questionnaire, it is used from theories of the tutors, counselors and specialists of the Consulting Engineers Companies, Razavi Khorasan province and in order to review the stability, it is used from Cronbach Alpha which as follows: Table 1: Cronbach Alpha Questionnaire:

Variable/Role	Indexes	Questions	Further Cronbach Alpha	Variable Cronbach quantity
Social Capital (Independent)	Structural Capital	8-1	0.85	0.84
	Cognitive Capital	15-9	0.78	
	Liaison Capital	24-16	0.72	
Knowledge Sharing (medium)	Correct Knowledge Sharing	30-25	0.78	0.801
	Implicit Knowledge Sharing	37-31	0.82	
Organizational/Affiliated Performance	Customers' Viewpoint	42-38	0.74	0.89
	Internal Processes Viewpoint	48-43	0.75	
	Growth and Learning Viewpoint	54-49	0.75	
	Financial Viewpoint	59-55	0.78	

As showed the estimation of this coefficient in above table, all quantities of Cronbach Alpha of the variables are estimated more than 0.7 experimental quantity and show the stability of the research tools in all dimensions.

Kolmogorov- Smirnov Test:

In order to review the variables, their normality is tested through Kolmogorov-Smirnov test and multivariable normality test in Lisrel Software and normalization of the variables is more than 0.05 of all meaningful quantities.

Table 2: Review on Normalization of Variables:

Research Variables	Z index	Meaningful level	Theory Result
Social Capital	1.049	0.221	Is normal
Knowledge Sharing	0.739	0.646	Is normal
Organizational Performance	1.385	0.53	Is normal

Figure 1: Structural Equations Modeling in Standard Estimation (Route Analysis Technique)

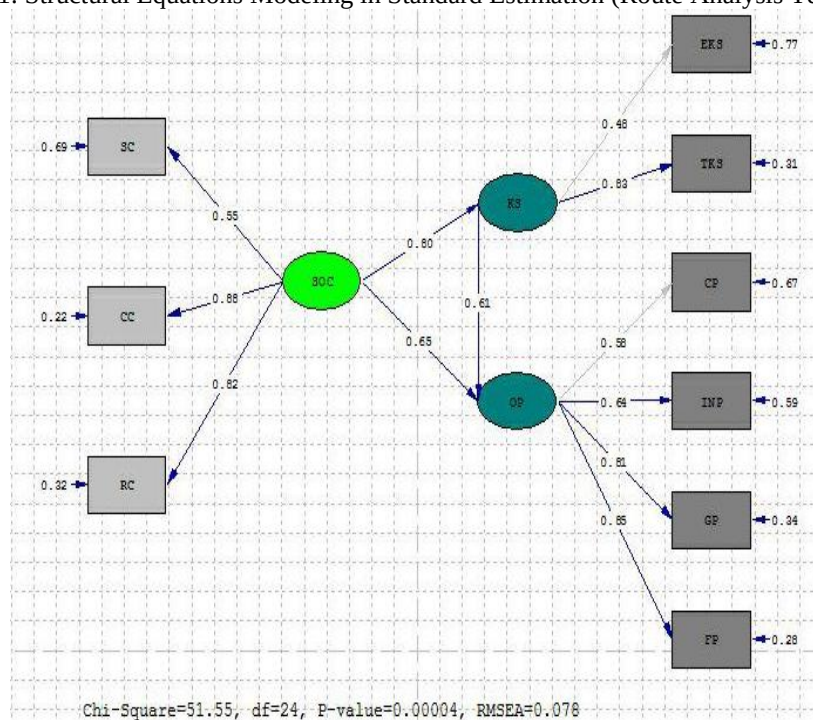
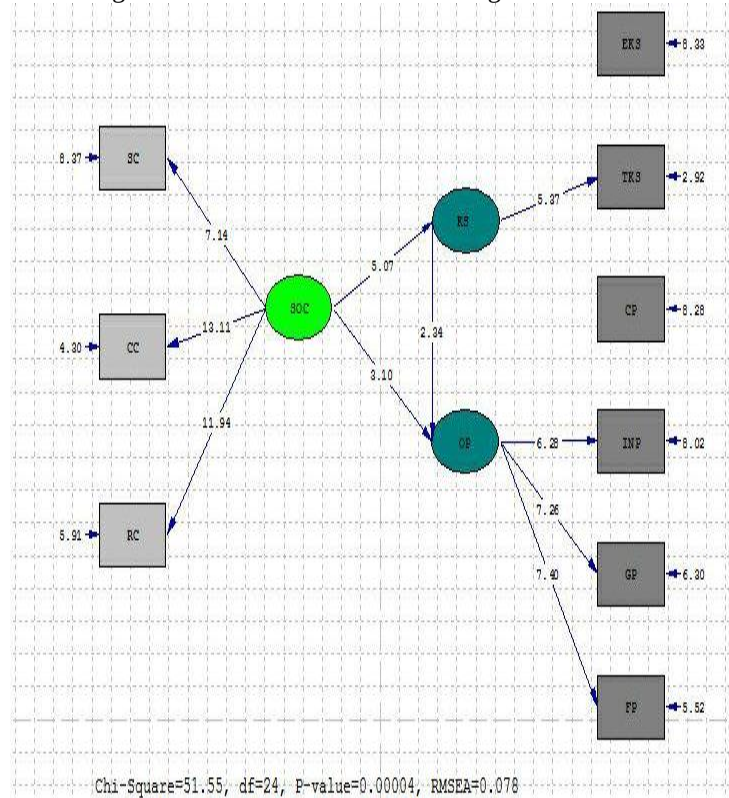


Figure 2: Structural Model in meaningful coefficients



Also, in research theories test using structural equations model, at first, the exit of software shows the appropriateness of the processed structural model for theories test (rate χ^2 to df is under 3, so, quantity χ^2 is appropriate and lower quantity. The quantity of RMSEA=0.078 shows the appropriateness of structural equations model processing. In other word, the observed data conforms to conceptual model of the research. The quantity GFI, AGFI and NFI respectively is equal to 0.92, 0.85 and 0.958 which represents the appropriate model processing. In second, the quantities of route coefficient and index T respectively represent the severity of impression and quantity of meaningfulness of the relation. For example, social capital has positive impression in 0.65 and meaningful impression in 3.10. It means that in case we change the social capital to 1 unit or 100 % and improve the organizational performance to 0.65 units or 65 % and has positive impression (+0.65).

VI. Discussion and Conclusion:

In this theory, it is involved in review on medium role of knowledge sharing in impression of social capital on organizational performance. The performed review is performed by Sobel test. At first, the results showed that the coefficient of social capital on organizational performance has not meaningful without presence of the medium (quantity of route coefficient = 0.06 and $t=0.47$); for this reason, coefficient T in 1.96 and -1.96 is critical area of the research. This theory is rejected. The first and third theories, the impression of social capital on knowledge sharing (route coefficient quantity = 0.8 and $t=5.07$) and knowledge sharing on organizational performance (route coefficient quantity = 0.65 and $t=2.34$) is conformed. Also, indirect impression of social capital on organizational performance through ($0.65 \times 0.8 = 0.52$) is more in comparison with direct impression of social capital on organizational performance. It means that all independent variables on dependent are transferred to medium variable (knowledge sharing). Because it is not meaningful without presence of the medium, the variable of medium is considered as complete mediums and all impressions of the independent variable on dependent are transferred through medium variable. This research in view of this theory conforms to Terry Kim and et al (2013) research that they reviewed the medium role of knowledge sharing in relation with impression of social capital on organizational performance. Along with this theory, the following suggestions are submitted:

- To use the factors and elements of strategic intelligence in better recognition of the competitors in improvement of the performance and nonfinancial indexes (working processes and easy processes and having the repetitive stages in the projects).
- To use the new and different working processes in order to improve the customers' satisfaction and enhance the financial indexes by benefiting the knowledge sharing among the personnel.

- Creation of the service compensation system to protect the knowledge sharing is caused that the more persons involved in creativity and innovation of knowledge sharing. In such case, intention to knowledge sharing by the personnel is improved and finally, the organizational performance of such companies has improved.

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