A Study of the Impact of Organizational Social Capital on the Improvement of Knowledge Management in Yazd's Welfare Organization

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Introduction

Organizational social capital is defined as a source of social relations within the organization. As a sort of collective criteria, social capital has a vital role in organizations and it is said to be a managerial phenomenon with strong emphasis on trust, common values, joint behaviors, communication, cooperation, mutual commitment, and networking. In fact, this type of capital is an important organizational capability, which can affect organizations for creation and distribution of knowledge. In other words, it is a sustainable organizational advantage. Usually, transferring information and knowledge at macro and micro levels among people and organizations depends on people who do such transmission urgently and fast. They can in fact influence the advancement of interpersonal relationships. Because of this, the importance of communication and interpersonal relationship among personnel based on trust plays a key role in developing and utilizing knowledge. If an organization can improve effective interpersonal relationships among its staff, groups and different departments, then information transaction may work effectively and an efficient management of organizational knowledge can be assured. In this regard, creating and developing a culture based on social capital is essential for knowledge management in organizations. Hence the author of this paper decided to study and examine the relationship between social capital, and different dimensions, processes and angles of knowledge management.

Material and Methods

To proceed with research methodology, first a deep and careful literature review took place in the context of social capital and knowledge management. Also, in order to implement and carry out the research, personnel of the Welfare Organization in Yazd Province were determined as statistical population. The sample size was calculated according to Cochran formula using random sampling method. In order to collect data, standard questionnaires were applied (Filliusetal (2000) for knowledge management and Ghoshal (1998) for social capital). Further, for data analysis, relevant statistical tools such as correlation coefficient and regression were applied.

Discussion of Results and Conclusion

The findings of the research show that there is a positive and significant relationship between knowledge management and social capital in the sense that with improvement in organizational social capital, knowledge management improves as well. Our findings showed that development of social capital in the Yazd's Welfare Organization strongly boost up knowledge management. Therefore, advancement in social capital leads to creation and transference of knowledge in the organization.

Other findings of the study also show that three dimensions of social capital reinforce knowledge management activities in organization. In other words, social, relational and structural capitals have positive and significant relationships with knowledge management. Because of what was found in this study, it is expected that significant relationships between dimensions of social capital and knowledge management lead to

the advancement of knowledge management in any welfare organization.

In general and with respect to these findings, it is concluded that social organizations should try to promote their social capital for an effective management of organizational knowledge. They can invest in social capital by means of effective communicational training programs, and cultivating a proper climate in the relationships of managers and employees so they can become learning and creative organizations.

Keyword: Social Capital, Organizational Social Capital, Knowledge Management, Welfare Organization.

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