# The Relationship between Social Capital and Organizational Commitment of Employees in Zanjan Education Organization: (A Case Study)

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To Link this Article: http://dx.doi.org/10.6007/IJAREMS/v3-i5/1219 DOI:10.6007/IJAREMS/v3-i5/1219

Published Online: 02 January, 2014

# Abstract

The social capital creates a purposeful system among the members of a group or a community and guides them towards a certain goal. Employees' commitment to the organization is critical to its success. This study aimed to investigate the relationship between social capital and organizational commitment of employees in Education System of Zanjan province. This was a survey and applied research. The population consisted of all employees in Education System of Zanjan (N= 264 people in four levels of organizational posts). Using Cochran's formula, the sample size was estimated to be 157 subjects. The sample was selected using quota stratified sampling method. The social capital and organizational commitment were measured using researcher-made questionnaire and Allen and Meyer's questionnaire, respectively. The reliability coefficient of social capital and organizational commitment questionnaires was measured to be 0.87 and 0.77, respectively. Data were analyzed using SPSS software. The results showed that the level of social capital and organizational commitment of employees was higher than expected and there was a direct relationship between social capital and organizational commitment. The social relations of studied staff were friendly and informal to achieve the organization's goals and values. These relationships were manifested in the promotion of their social capital and organizational commitment. Keywords: Social Capital, Organizational Commitment, Employees

# Introductin

The concept of social capital was introduced in organizational and management literature for the first time by Leana in 1999. It seems that one of the reasons for paying high attention to organizational commitment is its negative relationship with leaving job. The attention to organizational commitment raises the issue that it has negative relationship with leaving job. organizational commitment is an effective factor in organizational behavior of employees and organizational efficiency. It is dubbed as the positive or negative attitudes of

employees towards the organization. A person with high level of organizational commitment has a strong loyalty towards the organization. In this respect, any factor that increases the commitment of employees is noteworthy. In the study of factors increasing employee' commitment, material (incentive) the main concern of executive directors and they relatively overlook non- material factors. On one hand, most organizations are currently tend to minimize costs in order to achieve their defined objectives, while on the other hand, the goals of any organization cannot be achieved except with committed employees. Thus, organizations are, today, looking for immaterial ways to increase the commitment of their employees. It seems that paying attention to employee relationships and network and establishing mechanisms for employee relations, engagement, collaboration, and increasing their social capital can be amongst the immaterial methods to increase organizational commitment of employees. Therefore, given the largely immaterial conditions of educational organization and the importance of employees' organizational commitment, the present study tries to investigate the relationship between social capital and organizational commitment of staff employees at the provincial level.

Today, the success of organizations cannot be evaluated only in terms of the accumulation of material wealth, physical facilities, and technology, since the financial, human, and physical capital cannot be effective without social capital (Safarzadeh *et al*, 2010)

The new organizations are governed by the laws. Of course, there are accepted procedures for adopting and applying decisions. The responsibilities are often defined according to the condition and not by the individuals. But in practice, little attention is paid to the procedures and rules and individuals refer to people who have knowledge about them. The important decisions often have quite a bit of risk and uncertainty. For performing different tasks, employees avoid the formal procedures and refer to familiar people. Contacting with trusted friends, family, or acquaintances causes less stress than dealing with administrative systems. Consequently, the works are often done quickly and the results are also desirable (Field, 2009: 9).

The concept of social capital has a profound relationship with the working environment and may be more important than human capital in terms of achieving corporate interests such as reduction of transport costs, improving information sharing, increasing confidence in the organization, stability, common goals, and maintenance as well as retention of staff (Timberlake, 2005). One of the main reasons for studying the organizational commitment is that organizations

With high levels of organizational commitment report usually higher performance and lower absenteeism, delay, and turnovers (Freund, 2005). Watson G. and Papamarcos S. (2002) have concluded that trust, communication, and employee focus have significantly direct and moderate indirect effects on organizational commitment. Examining the social capital and commitment in the Brazilian wine industry, Macke and colleagues (2012) showed that social capital - especially its relationship and cognition dimensions- is effective in the normative and organizational commitment. It is also shown that there is not significant relationship between the dimensions of social capital and sustained commitment. Leana and Van Buren (1999) believe that the employees' actions strongly influence the level of organizational social capital in a company; they describe the ways which influence relationships, norms, and roles of organizational social capital and explain the potential costs and benefits of organizational social capital. In their study, they considered social capital as the characteristic of organizations and defined organizational social capital as a source arising from social relations within the organization. This source is discernible through the levels of collective goal

orientation and shared trust among the members. Their analysis unit is the organization and their emphasis is mainly on the public interest aspects of social capital. Thus, they define social capital as a collective property. Instead of considering it as the collection of individual social relationships, they know social capital as the by-product of other activities. In fact, they believe that social capital is the byproduct of other activities in the organization. Accordingly, Leana and Van Buren set forth a model that has two components: the possibility of participation and trust. The possibility of participation refers to the willingness and ability to participate in an organization for the individual goals and acts will be a function of the collective goals and acts. Trust is the result of successful collective action and it is necessary for people work together on a joint project. Also, trust is the by-product of successful collective action. Based on this model, a certain level of each component is essential for a company to have organizational social capital. Their model examines the ways in which specific acts of employees may increase social capital at the organization (Leana and Van Buren, quoted by Faghihi and Feizi, 2006). According to de Tocqueville, the interaction in voluntary associations has created social glue that has helped Americans' bonds, while the official bonds of position and duties in the form of traditional and hierarchical relationships kept together the people in Europe (Field, 2009: 13). Tocqueville believed that associative living is one of the important foundations of social order in a relatively open and specifically postaristocratic system. The high levels of civic commitment have prevented the rise of tyranny and have taught the people how to work in civic life (ibid: 53). Accordingly, this study seeks to answer the following research questions; This study aims to answer this question: how is the relationship between social capital and organizational commitment of employees? Given that the organizational position is the basis of personnel classification in this study, the researcher also aims to answer this question: In terms of organizational post of employees, whether is there a difference between their social capital and organizational commitment?

#### The Theoretical Foundations of Research

The classical writers would be trying to understand how the human being could create sustainable social structures and behavior patterns in a world in which the traditional foundations of discipline such as habitual and without thinking faith and obedience would be destroyed by urbanization and scientific rationality. The classical social theory has not precisely considered the areas where the concept of social capital refers to. Although the interaction may be considered as a part of social order or as a part of a wider social structure, there is fundamental difference between the questions raised by the classical theorists and social capital researchers. Although the theories of social capital may be included in Marxist, Weberian, or Durkheim views about the social order, this concept has created new domains and has raised new questions. The idea of social capital focuses on the links between the micro level of individual experiences and daily activities, the relationships among institutions, associations, and the community. Additionally, defining the links as a form of investment, this concept largely focuses on a set of explanations that can link the micro, meso, and macro levels together (Field, 2009: 14-16).

# Pierre Bourdieu's

#### Theory:

According to Bourdieu, capital appears in three basic forms: economic capital (it is immediately and directly convertible into money and may be institutionalized in the form of property rights). Cultural capital (in certain circumstances, it can be converted into economic

capital and may be institutionalized in the form of qualifications), and social capital (it consists of social duties and obligations -bonds and connections- and in some circumstances, it can be converted into economic capital). Developing a Neo-Marxist tradition, Bourdieu considers the social capital interactions with other types of capital in the reproduction of social inequalities. For example, he suggests that the networks of useful social capital are created easier for people who have higher levels than other types of investments. "These individuals are considered because of their social capital and enjoy the privilege of being famous. Compared with their socialization, when applied, they will be constructive, of course" (Shojaei Baghini, 2008: 37).

Portes believes that Bourdieu considered this concept as completely instrumental; he partly insisted on this fact that people adjust their relationships premeditatedly and intentionally in a way that may be beneficial to them in the future. Portes stated that according to Bourdieu, capitals are tradable and exchangeable. In other words, they trade with each other and their growth and expansion requires this trade. Thus, social capital is not available in any sense until it comes with the investment resources. On the other hand, the cultural space allows individuals to establish relationships with prestigious and valuable individuals (Portes, 2003).

#### James Colman's

#### Theory:

Colman was the first scholar who studied the concept of social capital and its practicability. In his analysis of social capital, he focuses on the functionality of social capital rather than its nature and content. In his view, social capital is a part of the social structure that allows agent to achieve his interests. This dimension of social structure includes the duties and expectations, information networks, norms, and executive guarantees that encourage or prevent from certain types of behavior. So, he cites three forms for social capital: assignments and expectations rely on the degree of reliability of the social environment, capacity of data for transmission and motion in the social structure so as to provide a basis for action, and norms that are coupled with effective executive guarantee (Colman, 1988: 160). Colman paid special attention to social capital as a source of control and supervision. During his short life, he was worried about the deterioration and decay of primordial social bonds. These primordial bonds ensure the respect for social norms (Portes, 2003).

# **Robert Putnam's**

# theory:

Putnam defines social capital with three components: the network of relationships, collaboration, and trust. The social relationships and interactions with each other is the fundamental component of social capital and the central idea of social capital theory (Putnam and Goss, 2002: 6). Putnam considers the networks as the origin of two other components of social capital: trust and norms of cooperation. He distinguishes two types of cooperation norms: balanced cooperation norm and generalized cooperation norm. The exchange of things with equal value occurs in balanced cooperation. But in the generalized cooperation norm, a continuous exchange relationship occurs that is all one-sided and unbalanced. The trust is another component of Putnam's concept of social capital. This concept is the result of predicting the behavior of others achieved through a close acquaintance in a small community with others. But in the larger and more complex societies, an impersonal trust or

direct form of trust is necessary (Putnam, 2005: 292). When actions have similar outward manifestations to other people, the norms are created. Therefore, no single actor can participate in a deal to acquire the right of control. The norms are established through socialization -including civic education- and penalties in individuals (ibid. 293). Putnam considers generalized collaboration as the criterion for the social capital and the most productive component. He describes it as follows: The most important norm is the reciprocal exchange norm. The mutual public interaction creates great social capital which strengthens the cooperation (ibid: 313).

#### Francis Fukuyama's

#### Theory:

He is the most notable theorist in the field of integrating social capital and social trust and suggests the concept of social capital in an economic framework. So, using the concept of social capital, he has developed a theory of social trust. He suggests that the power and efficiency of social capital at the community depend on the level of members' commitment to norms and values and their ability to overlook individual interests for achieving public welfare. According to Fukuyama, social capital has a significant effect on the efficiency of a modern economy and is a necessary condition for liberal democratic stability. The social capital constitutes the cultural component of modern societies that were organized based on formal institutions, rule of law, and rationality from Enlightenment era onwards. It is perceived that social capital emanates typically from the second generation tasks of economic reforms; however, unlike economic policies or institutions, social capital cannot be created or shaped by public policy. He defines social capital as a tangible model of an informal norm that promotes cooperation between two or more individuals (Fukuyama, 2001). Fukuyama defined social capital as a certain set of informal values or norms that the group members share (Fukuyama, 2000: 11-12). Fukuyama discussed the network concept in relation to social capital: from social capital perspective, the network has not been defined as a formal organization- but as a moral relationship based on trust. Networks are a group of individual factors that have common norms or values beyond the market values and norms for transactions. The range of norms and values included in this definition ranges from a simple two-way norm between two friends to the complex value systems that have created an organized religion.

Fukuyama (2005) argues about high trust in social responsibility for superior performance in all social systems including organizations. He states that the most effective groups and organizations have a high level of trust or social capital. He says the success of large organizations depends on the cooperation of opposing parties. Also, cooperation is the result of trust formed through sharing common norms and values and creating confidence. The formation of social capital is difficult; because it is based on group ethics, trust, and virtue. However, once created, it is difficult to eliminate it (Fukuyama, 2005).

# Organizational

# Commitment:

Porter *et al* (1974) defined the organizational commitment as the involvement in the organization and the acceptance of organizational values. They proposed its measurement criteria as motivation, desire to continue working, and acceptance of organizational values. Chatman and Orayli (1968) defined the organizational commitment as the emotional support

and affinity with the goals and values of an organization for the respective organization and means to achieve its goals (Quoted by Ranjbarian, 2006).

The organizational commitment is the positive or negative attitudes of individuals towards their organization. The organizational commitment is, also, the individuals' strong sense of loyalty towards the organization through which the organization will be identified (Astarvan, 1998). Sheldon defined organizational commitment as the attitude or orientation that links an individual's identity to the organization. Counter considers the organizational commitment as the tendency of social actors to lend their energy and loyalty to social systems (quoted by Esmaili, 2001). According to Salansik, commitment is a condition in which a person -through his/her actions and through these actions- believes to sustain activities and participate effectively (quoted by Sarooghi, 1996). Buchanan considers the commitment as a sort of emotional and fanatical attachment to values and goals (ibid). According to Luthans and Shaw (1992), the common aspect of above-mentioned definitions is that commitment is a psychological state which identifies an individual relationship with the organization and states implicitly the decision whether to stay in the organization or to leave it (Quoted by Sarooghi, 1996). In this study, the organizational commitment is defined as the attachment and loyalty of employees toward their organizations and their willingness to stay in the organization.

Meyer and Allen (1990) believed that commitment binds the individuals with their organization and reduces the possibility of leaving their job. They have proposed three components of organizational commitment; this paper evaluates the organizational commitment with this three dimensions:

- A) Affective commitment: it involves the emotional bond of employees with the organization. So individuals recognize themselves with their own organization.
- B) Continuous commitment: according to this commitment, individuals pay the costs of leaving the organization. In fact, they ask themselves once they leave the organization, what costs they will bear. In fact, those who are continuously committed to the organization are the individuals whose reason behind of their stay in the organization is the need to stay. This dimension is based on Baker investment theory. This theory is based on this idea that individuals accumulate capital over the time in the organization. By increasing the record of person in the organization, this capital has also become more accumulated and losing him/ her will be more costly.
- C) Normative commitment: the employee feels that he/she should stay in the organization and this is the right action. This dimension shows a sense of duty to continue cooperation with the organization. People who have a high level of the commitment, they feel that they must stay in the organization (Allen & Meyer, 1990).

# **Research Methodolgy**

This was a survey and applied research. The study population consisted of all formal and contractual employees in Education System of Zanjan in 2013 (N= 264 people in four levels of organizational posts). Using Cochran's formula, the sample size was estimated to be 157 subjects. To prevent the loss of data, 180 subjects were selected. After collecting the questionnaires, 168 cases were without mistake and were analyzed. Given that in this study, the staff was classified based on their post in four groups including associate and lower, expert, supervisor, and directors, the sample was selected using quota stratified sampling method. The social capital and organizational commitment were measured using researcher made questionnaire with five likert scale and Allen and Meyer's (1990) questionnaire with

five likert scale, respectively. The validity of researcher made questionnaire was determined by researchers and professionals. Also for determining the reliability of the questionnaires, first, 30 subjects were selected randomly from the population and the pilot study was implemented among them regardless of their organizational position. The reliability coefficient of social capital and organizational commitment questionnaires was measured to be 0.87 and 0.77, respectively. Data were analyzed using SPSS software in both descriptive and inferential levels.

# Finding

# The analysis of employees' social capital:

The Data of One-Sample T Test For Analysis of Social Capital									
	Test Value = 186								
Social Capital	N	df	Mean	t	Std. Deviation	Mean Differenc e	Sig. tailed)	(2-	
	168	167	189.41	2.59 7	17.022	3.411	.010		

Table 1.

According to the data in the above table, it is observed that one sample t-test was significant with 167 degrees of freedom, absolute value of 2.59, and mean difference of 3.41 in the level lower than 0.05. Also it was observed that the mean of measured social capital was higher than the test value. Therefore, it can be said that social capital in the studied population is higher than expected.

# The analysis of employees' Organizational commitment:

Table 2.The Data of One-Sample T Test For Analysis of Organizational Commitment

	Test Value = 72						
Organization al commitment	N	df	Mean	t	Std. Deviation	Mean Differenc e	Sig. (2- tailed)
	168	167	74.23	2.71 9	10.611	2.226	.007

According to the data in the above table, it was observed that one sample t-test was significant with 167 degrees of freedom, absolute value of 2.719, and mean difference of 2.226 in the level lower than 0.05. Also it was observed that the mean of measured organizational commitment was higher than the test value. Therefore, it can be said that organizational commitment in the studied population is higher than expected.

# The analysis of the relationship between social capital and organizational commitment of employees:

Since both variables are considered in interval measurement level, the Pearson correlation coefficient was used to test the relationship between them. Data are given in Table 3:

# Table 3.

Data Of Pearson Test For Investigating The Relationship Between Social Capital And Organizational Commitment

		Social Capital	Organizational commitment
	Pearson Correlation	1	.271
Social Capital	Sig. (2-tailed)		.001
	Ν	168	168
Organizational	Pearson Correlation	.271	1
commitment	Sig. (2-tailed)	.001	
	Ν	168	168

According to above table, it is observed that the Pearson correlation coefficient was significant at below 0.01 with +0.27 coefficient. Therefore it can be said that there is relationship between social capital and organizational commitment with 0.99% confidence level. Also given that the mark of Pearson correlation coefficient is positive, so the relationship between these two variables is direct and incremental.

# Assessing the situation of social capital and organizational commitment based on the levels of organizational posts

Given that the independent variable, organizational posts' levels, is nominal and multi value and the dependent variables, social capital and organizational commitment, are measured at interval level, the ANOVA test is used to assess the group differences in these two variables. Data is shown in the following table:

Table 4.

Data Of Anova Test For Comparing The Social Capital And Organizational Commitment Of Groups

		Sum of Squares	df	Mean Square	F	Sig.
	Between Groups	1873.546	3	624.515	2.26 4	.08 3
Social Capital	Within Groups	44954.609	163	275.795		
	Total	46828.156	166			
Organizational	Between Groups	1918.491	3	639.497	6.19 3	.00 1
Organizational commitment	Within Groups	16830.384	163	103.254		
	Total	18748.874	166			

According to above table, it can be said that the ANOVA test was not significant for social capital variable at below 0.05; however, it was significant for organizational commitment at below 0.01. Therefore, it can be said that there is no difference between the groups in terms of social capital. But there is difference between the groups in terms of organizational commitment with 0.99% confidence. Tukey post hoc test showed that the difference between associate group and other groups was high. With an average of 84.06, this group diffrence is higher than other groups.

# **Discussion and Conclusion**

According to Putnam (1384) and Fukuyama (2001), trust creates and strengthens the cooperation between the members of groups and organizations as a key component of social capital. Also Proosak and Cohen (2001) argue that social capital makes individuals and groups work together successfully to finish the works and build up a sense of cohesion. According to Marshall (quoted by Chlpy, 2006: 169), with the expansion and increase of organizational participation, the sense of organizational belonging and unity spreads and reinforces the commitment. In addition, organizational participation enhances the dignity of the individuals and this can have effects on their organizational commitment. According to the research results and incremental and direct correlation between social capital and organizational commitment, it seems that trust and social capital resulting from it has led to the collaboration between employees in the studied organization, brought them into a coherent body, made them committed and loyal to each other, and created belonging, attachment, and loyalty to organization in them.

Fukuyama (2000: 71) calls the network as a flat organization which is different from formal hierarchy-based organization; because the bureaucratic regulations and formal authority has been replaced with informal norms shared among members. This finding that there is no difference in social capital between groups working at different levels of the organizational position is consistent with this theory. It shows that the relations and confidence between employees in studied organization is informal regardless of the level of their organizational posts. It seems that this type of communication has great intimacy and results in closer collaboration by creating a communication network. Our findings also confirmed differences in organizational commitment among employees at different levels of organization Posts. This difference was more between the associate employees and lower levels. It seems this difference is related to the feeling that is caused by external conditions and factors; so that the individuals with mentioned organizational positions calculate the costs of leaving the organization, escape from bearing the costs, and feel the need to stay at the organization. This type of commitment that is more related on the continued dimension of organizational commitment is based on the Baker's investment theory (Quoted by Allen & Meyer, 1990). In this case, individuals accumulate the capital in the organization over the time and by increasing the background of the individual, this capital gets more accumulated and leaving the organization will lead to capital loss.

In general, it can be concluded that in the studied organization, the dominant view in social relations networks is more informal and philanthropic, and assistance and cooperation are the shared values. According to Field (2009), people communicate with each other, sustain this communication, and therefore are able to work together to do the things which they themselves are unable to do. Thus, through a series of networks connect together and tend to have shared values with other members. By expanding the networks, they constitute an

asset which can be considered as a form of capital. This capital can be useful in various fields such as organizational commitment.

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