Awakening to reality Available online at www.elixirpublishers.com (Elixir International Journal)

Social Science

Elixir Soc. Sci. 58A (2013) 15100-15104



The survey of correlation between social capital and knowledge management (the case study in national refining and distribution of oil company in Iran (shiraz))

Amrollah Amini¹, Mostafa Emami² and Alireza Emami³ ¹Allameh Tabatabaei University, Tehran, Iran. ²Tarbiat Modares University, Tehran, Iran. ³Tehran University, Tehran, Iran.

ARTICLE INFO

Article history: Received: 27 November 2012; Received in revised form: 15 May 2013; Accepted: 22 May 2013;

Keywords Social capital, Knowledge management.

ABSTRACT

The aim of current study is to investigate the relationship among social capital & the Knowledge management in the Iranian national Oil refining and distribution Company. our model has four dimensions of knowledge management and a model for social capital. The statistical sample of this study was the manager and Employees of Iranian national oil refining and distribution company, Based on the proposed research model, we have examined the research hypothesis, which Consisted of one main hypothesis and five subs hypotheses. At last, the research hypotheses were tested By Spearman Correlation Factor and four hypotheses were accepted and one of them weren't accepted And their significance factor was confirmed. Afterward, by the multi factor data analyzer, it was noticed That the independent variables of research has multi dimension correlation with km as a dependant variable

© 2013 Elixir All rights reserved.

Introduction

Social capital, one of the new concepts that have important role in the development of human resources within organizations. Nowadays the Social capital used in the various fields of sociology and economics additionally In management science and organization, much research has been done. The social capital concept considers the communications and Relations of network members as a valuable resource by creating normal ties and mutual confidence provides the members goals achievement.

Without social capital, other assets may also lose their effectiveness in development, and therefore economic development would be encountered difficulties. Social Capital can be used in macro management as a new cognition Of economic-social systems, and helps to making work better and conduct the system. guidelines for social capital have been Mentioned. one of this Directions is that social capital have a potential significant capacity in Fulfill a wide range of works (Nathalie and Gushily, 1998).

Modern management

Modern management has found an endless resource of competitive benefits and advantages in knowledge for an organization, by considering wide and increasing spread of this organizational necessity and accurate Management commitment of this important aspect of organization, the concept and appreciation of its effect on Factors and factors which affect would be examined. Knowledge management is known as knowledge storing, Collecting, creating process and easing it's use, so that organization can use it effectively (Turban, et al. 2000).

Also, social capital can ease the intellectual capital movement, since the intellectual capitals from Different aspects

are based on combination of knowledge and experiences; the social capital existence eases the intellectual capital creation. Social capital has been theorized to play a role to develop axial merits, because they are necessary to create knowledge (kogut and zander, 1996).

Other knowledge management definitions have been suggested that the difference of definitions could be realized from the expressed dimensions, but in any case. The knowledge is an important part of organizations and could be expressed as knowledge acquisition, recording, conveyance, creating and benefit (Filiusrenee and Jan a. dejong erik-c. roelofs, 2000). The social capital existence can help the knowledge recoding, compiling, and conveyance. Social capital promotes these knowledge management processes through sharing in organization capabilities to create value innovation model by easing exchange and combination of resources in an organization (kanter, 1988; kogut and zander, 1996). Social capital:

In 1916, the social capital for the first time was suggested by honey fun, university of West Virginia. Despite its significance in social research it was ignored until 1960 that jean Jacob used it in civil programming. and in the year 1970 Larry entered it into economic realm. Social capital is an interconnection course, e.g., it is used in sociology, economy, psychology, and other social realms (renani, 2006).

Communication

Social capital axial idea is summarized in relationships expression, society members by communicating with one another and making it sustainable they are capable to cooperate and through this they acquire something that in alone they cannot obtain, or by a lot of difficulty is obtainable. Human beings communicate with one another through an assembly of

Tele: E-mail addresses: mostafa.emami@modares.ac.ir © 2013 Elixir All rights reserved

networks are willing to have a common relationship with other members of this network. By spreading that communication, they form a kind of property that considers it as a sort of capital.

It is obvious that the more points of view between individuals the richer the social capital.

Social capital significance

About social capital significance and necessity in organization, can be said that in the passed social was not a necessary merit of organization. But at the moment, information technology's full accelerated changes, daily increased needs to information and education, requirements to creativity, continual learning and improvement, changing towards designing a flat and flexible organizational structure and a close relation among organization and customers networks make the dealing with social capital an inevitable for organizations leaders (Rahmanpor, 2003).

Resource of Social capital

Social capital is an available resource from networks internal in work and business. These resources include: information, thoughts, instructions, job and business opportunities, financial capitals, influence power, emotional support, benevolence, confidence, and cooperation. The social expression denotes in the title of social capital, and these resources are not private properties per se. No single person is their sole owner. These resources are located in the center of relationship networks. The capital expression denotes that the social capital like human or economic capital has productive and generative nature, i. e. , enables human brings to achieve their goals, and creates additional value. It means that without social capital nobody can succeed (Baker & wine, 2002).

Definition

Social capital is a collection of actual and potential benefits that are created by membership in social networks from activists. In the other words, it is a definite assembly of normality or informal values, that member of a group is sharing, whose cooperation is authorized and permitted (Fukuyama, 2005). Burdio suggests the social capital as the container of valuable social relations between people (Ritz, 1999). Social capital is considered as structures, relations, and normality which forms the quantity and quality of social interactions in a society and like glue sticks them to one another (World Bank, 1999).

Social capital is the capital and resources, which individuals and groups can achieve through communicating with one another and regarding relationships (Coleman, 1998). Social capital denotes the available resources in social structures internal including confidence, mutual interaction normal ties and goals that prepare individuals to fulfill collective aching, and it emerges as social relations by-product and civil engagement in informal organizations (Kawachi, 2001).

Social capital consists of social networks and its related normality that influences the social utility; this denotes the horizontal relationships between people (Putnam, 1993). Bert defines the social capital as friends, colleagues, and more general relations that through them the opportunities to use the economic and human capital can be achieved (ports, 2005). "Ports" consider the social capital as activist's capabilities for achieving benefits which can be ended by membership in social networks or in other social structures (Narayan Cassidy, 2001). Social capital consists of positive interpersonal and social relationships and meanwhile based on confidence (winter, 2000). Social capital is the individual's relations, social networks, mutual normality, and the social confidence which is obtained through this (Putnam, 2000).

Knowledge Management:

Malhutra believes that, knowledge includes an organizational process which seeks a co-increment combination of data and information processing capacity by information technology, and creativity and innovation capacity by human being. (Buctiz William se, 1999) defines the knowledge management as a process that an organization through which produces value and wealth by using the intellectual capabilities and relying on its own knowledge. (Pukek, et al., 2000) following their own experimental research defines the knowledge management as the using and offering process of individuals skills and specialties in an organization that is supported by information technology. (Bahat, 2001) considers the knowledge management as the process of individual's knowledge creation, offering, distribution, and application in an organization. Although all the above definitions have several differences in the knowledge management definition and explanation, it seems that these cases have an identical consideration of the knowledge management, e.g., a process to circulate knowledge between individuals and organization as a tool to achieve innovation in processing knowledge decision making services and products and organizational conformity with competitive market dynamic environment. One can separates several main activities from knowledge management. (Bahat, 2001) mentions the five major processes as follow:

- knowledgecreation:
- knowledgeconfirmation:
- knowledgeoffering:
- knowledgedistribution;
- knowledgeuse.

(Filius, et al., 2000) separates the five major realms of knowledge management as follow:

- Knowledgeacquisition:
- Knowledgerecording:
- Knowledgeconveyance:
- Knowledgecreation:
- Knowledgeapplication (Alvani, 2007).

According to (simon, 1992) knowledge management is an intelligent designing of processes, tools, structures, etc. by the intention of incrementing, reconstruction, subscription or the use improvement of knowledge that appears in either elements of intellectual capital, e.g., structural, human, and social. According to (sint, 2004) the knowledge management definition puzzle solution is that which omits any articles that the knowledge management cannot be inserted in. knowledge management includes knowledge creation, acquisition, storing, publication, subscription and use (Jafari moghadam, 2004). From the other point of view, knowledge management is the process of knowledge creation, confirmation, offering, distribution, and application (Ganp, 2005). Also the principals allocate to knowledge management is as follow (jafari moghadam, 2004):

• Knowledge originates from thoughts and locates in individuals:

- Knowledge sharing requires confidence:
- Making the new knowledge behaviors are possible by technology:
- knowledge sharing must be courage and a warded:

• management support and allocating resources to knowledge management is necessary; knowledge must be created;

• starting the knowledge management programs, experimentally first is better;

• knowledge management enhances and supports the applied and major elements in a powerful organization (ray, 1994).

• The new knowledge discovery or creation processes, purifying the available knowledge, and creating the availability of the knowledge;

Share the knowledge between individuals and manage the knowledge circulation in all organizational borders level;
Creation and the use of knowledge as a part of individuals daily routine and as a part of decision making to make knowledge applicable.

Creating an effective knowledge management system is one key factor in improving job and business processes. Most of the knowledge management requirements are only available explicitly, and converting them to the clear models are a difficult test and meanwhile it is important. Specific organizational will form for knowledge management and distribution, and necessary processes create for promoting knowledge management. Too much money in these structures are spent to improve the member's productivity. This is especially true about simulated work and business systems which exchange in formation through internet (knowledge management forms the interactive patterns between technologies, techniques, and individuals). For example, information technology concerning data collecting, storing, and distributing works well, but it is unable to interpret it (Bhatt, 1998). Technical solutions achievement is possible, but for knowledge management, the organization must create the partnership, assistance, and sharing environment of knowledge. Human being behavior change is one of the management current problems, so in the knowledge management projects, the change of traditional processes and enhancing structures and technologies are recommended. (Classer, 1998). First, we believe that the knowledge subject is a social phenomenon; computer, information technology, and on the other hand it cannot guarantee the knowledge management success. The knowledge management is endless, because the movement from data to information and from information to knowledge never ends. Organizational staff and managers (intrinsic environment), customers and other beneficiaries (extrinsic environment) belong with knowledge management realm (Abtahi and salavati, 2006). The researches about the social capita relation with knowledge management in a research by (Robert, D. may field, 2008) titled `` organizational culture and knowledge management in power producing industry``, he considers the electric power industry's big challenge as lack of knowledge and skill and knows the organizational culture as one of the most principle factors in knowledge acquisition, conveyance, and application area. In the Iranian national oil refining and distribution company (Shiraz). Four Determining the relationship among social capital and knowledge creation in the Iranian national refining and distribution of oil company (shiraz). Five Determining the relation of social capital with knowledge application in the Iranian national refining and distributing of oil (Shiraz).

Research hypotheses:

Concerning the research purposes and based on relation among social capital essential indexes and knowledge management process several hypotheses in combination with one most significant hypothesis and five specific hypotheses have compiled as follow:

The research main hypothesis:

There is a significant relation among social capital and knowledge management in the Iranian national refining and distribution of oil company (shiraz).

Specific hypotheses:

• there is a significant relationship among social capital and knowledge acquisition in the Iranian national refining and distribution of oil company (Shiraz).

• There is a significant relation among social capital and knowledge record in the Iranian national refining and distribution of oil company (Shiraz).

• There is a significant relationship among social capital and knowledge transfer in the Iranian national refining and distribution of oil company (Shiraz).

• There is a significant relation among social capital and knowledge creation in the Iranian national refining and distribution of oil company (Shiraz).

• There is a significant relationship among social capital and knowledge application in the Iranian national refining and distributing of oil company (Shiraz).

Research method:

Since, the researcher in this study deals with regular and irreplaceable description of social capital and knowledge management in the Iranian national refining and distribution of oil company (shiraz), and he analyses based on research findings, an organizational culture in which human resources management processes, education, using, and pattern imitating are essential principals, can be concerned as an important factor to prove the knowledge management aims. In a research by (Hee, 2009) titled`` social communications and their roles in knowledge management application. He states, although the knowledge management has found an appropriate importance in organization, it doesn't guarantee that staffs intend to spend time and money for applying it. He continues, `` we found that knowledge management stresses on social relationships". The social capital theory is used specifically to create social communication and dimensions (strong relations, common norms, and confidence). In continuation, he says that in a research of a company that uses the knowledge management systems, he has figured out the significance of social relations and staff knowledge management systems use.

Research objectives:

This by concerning the social capital issue and its relation with knowledge management, follows the following purposes: The main goal:

Determine the relationship among social capital and knowledge management in the Iranian national refining and distribution of oil company (Shiraz).

Concerning the research main purpose, the following minor aims are offered:

1. Determining the relation among social capital and knowledge acquisition in Iranian national refining and distributing of oil company (shiraz).

2. Determining the relationship among social capital and knowledge record in the Iranian national refining and distribution of oil company (Shiraz).

3. Determining the relation among social capital and knowledge transfer the existing condition of these tow guidelines in the mentioned society; Thus, this study is based on data collecting of the type of descriptive and measurement. The number of statistical society members in this research includes the employee's Iranian refining and distribution of oil company (Shiraz), that contain 103people. This study sample based on following formula is 60people.

The required data to fulfill this study was collected in the two following method: Library method: In this method to collect data, books, these, articles, databases, and internet resources that refer to subject literature and research background was used. Field method:

In this procedure the factors like council ting and interviewing with experts of designing and analyzing questionnaire were used.

In this paper, the major tool for measurement is questionnaire, because it is one common tool for research and the direct method for research data collection. Tow questionnaire types were used for measuring variables; one has been prepared to measure social capital and determine its type, and the other to measure knowledge management guidelines. Mullaii's social capital expert's questionnaire (2001) consists of 31 questions that deal with social capital. The knowledge management questionnaire constitutes 33 questions which based on Filius model (2000) deals with knowledge management present situation. To describe and analyze gathered data, the descriptive and inferential statistic was used. this paper include the kolmogrov-smirnov Test and spearman correlation factor. Kolmogrov-smirnov Test:

To determine the research hypotheses test type, first the hypo theses related data normality and abnormality should be verified, then the suitable parametric and non- parametric statistical methods to test hypotheses will be used by applying the test results.

The normality of data is acceptable and the opposite hypothesis which shows the data abnormality is refused. thus, concerning the data normality, to test these hypotheses, the spearman correlation Factor is used.

Research Findings and Conclusion:

Nowadays organizations must be able to acquire their requirement knowledge to innovate and improve their products and processes and issue it between their employees and use it in all their daily activities. Only through this they are able to response to the competitive environment senses and the customers extremely variable needs. Regarding the knowledge significance and organizational management learning importance, it is necessary to recognize the influential factors of easing this process. With due attention to social capital definitions, it seems that since both concepts emphasize on the individuals relations and interactions in organization, it is necessary to check the knowledge management impressible rate from social capital rate in organization. The social capital presence can also help the knowledge record, compile, and transfer. Social capital promotes the knowledge management processes by sharing in organization abilities to create value in the innovation model through easing resources and combination in an organization (schum peter, 1934; kanter, 1988; kogut and zander, 1993).concerning the above mentioned subject-matters, and the social capital significance in this paper the researcher tries to study its relation with knowledge management by studying social capital in the Iranian national refining and distribution of oil company (shiraz) regarding the research objectives the most significant hypothesis and five specific hypotheses were offered and tested then the results are as follow **Research Findings Relate To Main Hypothesis:**

There is a significant relation among social capital and knowledge management in the Iranian company of oil refining and distribution. using spearman correlation factor among the social capital and knowledge management in the Iranian national oil company refinery and distribution 0.373 was acquired, so the correlations for these variables are significant, and this coloration factor rate shows that the social capital in the Iranian national refining and distribution of oil company has an essential role in establishing knowledge management in this company, so the stronger the social capital the more successful the knowledge management establishment. This research findings support (Calderon, 2002) studies results based on social capital relation with knowledge transfer, (kogut, 2004) in the area of social capital mutual relation and affect on knowledge creation and application. Also this conclusion agrees to the (Hunt studies, 1999; Cohen, 1999; Huffman studies, 2005) based on relation among social capital and knowledge management.

Research Findings Relate to the First Minor Hypothesis:

The research first minor hypothesis allocates to the relationship among knowledge acquisition and social capital, it was compiled so that there is a significant relation among knowledge acquisition and social capital. This hypo thesis was analyzed by spearman correlation Test, the result was in such a way that the knowledge and by considering correlation Factor of 0.375 has a direct and .acquisition at a significant level of one significant relation with social capital. Knowledge acquisition deals with using knowledge resources and these resources are: individuals, databases, and documents. With this hypothesis the social capital development and improvement through creating a stronger interactive relationship between individuals that it considers as one of the knowledge resources, provides improvement process and eases its fulfillment. Since the social networks and formalities belong with social capital dimensions and by a brief deep thought can realize that to enhance these networks and creating social normality one can hope to have more interaction and co- aggrandizement between individuals towards easing the achievement of this knowledge management guideline through social capital improvement. Thus, it can be ended that the more movement of the company to work social capital development, the more ease the knowledge acquisition, and it can move to more improvement.

Research Findings Relate to Second Minor Hypothesis:

The second minor hypothesis of this research specifies to relation among knowledge record and social capital. Therefore, it was compiled so that there is a significant relationship among knowledge record and social capital. For confirming or rejecting the hypothesis, the knowledge record collected data and social capital was analyzed by spearman correlation Test, the result was such a way that the knowledge recording compatibility at and by considering the correlation Factor of 0.348 has a direct and significant relation .a significant level of one with social capital. Knowledge recording is a difficult part of knowledge management dimensions within the other resources, which besides individuals for the knowledge acquisition process was mentioned, is the use of databases and documents. The attendance of rich databases by referring to consultant and informative documents need an infrastructure under the title of knowledge recording. To create and enhance tendency in individuals for fulfillment this knowledge management

dimension tow guidelines must be considered, first the technological infrastructures existence, and the other the availability of a tendency and motivation to fulfill much better the knowledge recording and documentation, but by referring to social capital dimensions may one be able to realize the essence of an atmosphere that confidence there, is felt, and an unity to achieve a goal that attracts all people's attention. Doubtless that paying attention to individuals moral ownership right in documentation their properties and knowledge and enhancing motivation and tendency to fulfill this dimension of knowledge management in a best way, acquires its share of social capital improvement. So it can be ended that to fulfill the better knowledge recording, as one of the knowledge management guidelines, the social capital must be enhanced and improved in the company.

Research Findings Relate to The Third Minor Hypothesis:

The third minor hypothesis in this research allocates to the relation among knowledge transfer and social capital. Therefore, it was compiled so that there is a significant relation among knowledge transfer and social capital. This hypothesis was analyzed by spearman correlation Test, the obtained result was in such a way that and by considering correlation Factor of 0.314, has a direct and .compatibility at a significant level of five significant relation with knowledge management. The knowledge transfer dimension in knowledge management relates to that very knowledge acquisition process from several aspects. As earlier mentioned, individuals are the resources of knowledge acquisition and it should bare in mind that social capital development and enhancing by providing a position for improving interaction, solitary, common normality and networks provide the main infrastructures for knowledge transfer. It can be ended that the firm and stronger the social capital the better knowledge transfer in the company. An organization with a good social capital boosts the individual's new ideas, because of its affect on information exchange and knowledge transfer explicitly and implicitly.

Research Findings Relate to The Fourth Minor Hypothesis:

The research fourth minor hypothesis allocates to the relation among knowledge creation and social capital. Therefore, it is compiled so that there is a significant relation among knowledge creation and social capital. This hypothesis is analyzed by spearman correlation Test, the result is so that the organizational mission and by considering the correlation coefficient of 0.380, has a direct and significant .at a significant level of one relation with knowledge management. Knowledge creation needs condition to be emerged, knowledge creating is done either to improve the under ways of governing task and modifying the passed errors or finding a higher of task accomplishment and problem-solving and a spark to find new lines in scientific areas. But the achievement of anything that is based on knowledge creation requires a great attempt in organization to accomplish that dimension of knowledge management. An atmosphere overwhelmed with confidence makes the problems and barriers pursuance possible, tolerance (interaction) and solitary to achieve a common goal that under a stronger social capital protection can hope a part of this dimension meets. Then it could be ended that the higher the social capital the more successful the knowledge creation. **Research Findings Relate to The Fifth Minor Hypothesis:**

The research fifth minor hypothesis specifies to the relation among the knowledge application and social capital. Thus it was compiled so that there is a significant relation among the knowledge application and social capital. To confirm or reject the hypothesis, the gathered data related to knowledge creation and social capital was analyzed by spearman correlation Test, the obtained result was in such a way that the knowledge and by considering correlation coefficient of 0.229, There is no direct and .application at a significant level of one significant relation with social capital. The knowledge application dimension in the knowledge management likes the knowledge acquisition and recording are a part of the difficult knowledge management dimensions. The difficult knowledge management activities include those categories of activities in the knowledge management cycle, which are based on appropriate structure and technology in organization. Including the structural and technological factors are: information and telecommunication technology, formal methods and procedures of organization, awarding and encouraging system in organization, and management style. With due attention to the subject that a relation has been found among social capital and the knowledge application in this organization, the result can be obtained that this knowledge management dimension is affected by other guidelines which between them notice to technological infrastructure is mentioned, so more work and studies that effect knowledge application is needed. Concerning the research goals, produced results, and researcher's observation during research the following suggestions are offered:

1. Provide the data relate to employees requests and requirements, employment and recruitment of staffs with needed abilities and information, causes more toleration and creates an atmosphere full of confidence.

2. Holding training courses and seminars proportion to staff information needs create more dynamic towards knowledge management establishing in the organization.

3. Ease more access to internet through free of charge subscription for staffs to use at home or after work hours in office to up-to-date the staff knowledge.

4. SWOT analyzing fulfillment (analyzing opportunity and strength, weakness and intimidation) by the research institutes and university assistance.

5. The knowledge will be stored in the organization's memory. This memory includes: documents, databases, and their creating possibility by using information technology; organization must record and documentaries individuals' knowledge, create data base and/ or the information that the employee's knowledge could be documentaries in their names, which causes a kind of sense creation of commitment in individuals.

6. Holding training classes under the experienced staff management supervision those who have quit the company and are retired. This itself creates a more dynamic atmosphere to learn duty- fulfillment methods.

7. To consider the moral ownership right which relates to the employees previous knowledge and findings, i.e., if a project based on employees researches has been improved to an acceptable stage its constant under those very people management or monitor ship and in the case of their absence, the organization should enjoy their assistance.

8. Create data base (including web sites) to inform employees about their colleagues function and using their co-workers knowledge and abilities.

9. Publishing the journals that they offer the company accomplishments and finding at the colleagues disposal.

10. Using the electronic post systems- Email, chat- for establishing on-line communication inside organization.