

THE ESSENCE AND MANAGERIAL PECULIARITIES OF SOCIAL CAPITAL IN ORGANIZATION

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The research paper reveals the problem about the management of social capital as a part of intellectual capital. In the context of knowledge management the social capital essence and implications are presented. The analysis covers the work space volatility and its impact to social capital development. The means of social capital development are presented here: initiation of staff interrelations, inducement of confidence, development of cooperation. The role of leader under conservation and growing of social capital is presented as responsibility of leader under creation the successful possibilities for integration various interest of each work team groups: contributors, consumers, suppliers, community and stockholders. The modern environmental changes handicap the development of social capital, and in order of its development the protection means have to be implemented by the leaders of organization.

Intellectual resources, social capital, knowledge, relation, confidence, cooperation.

Introduction

The experience and the search for assumption, the findings of new possibilities for business development has the great impact to efficiency and competitive advantage of business for organizations at agricultural and food sector. One of the main sources for business development here is identified the knowledge. management, creation and preservation of knowledge is becoming the field of interests of theorists and practitioners of business.

The knowledge of humanity always was performing the great impact and its importance in modern world is well-founded.

The 21st century is the age of knowledge, when the society proceeds the new development stage, which basement is the knowledge grounded economics or knowledge economics. The exclusive feature of knowledge is the resource for society, and its production is becoming the current source for welfare.

The knowledge is intangible resource, and in scientific references is called as intellectual capital (Andriuščenka, 2005; Milner, 2006). According The World Bank estimations, more than fifty per cent in developed countries GNP was performed by the knowledge.

Frequently, the intellectual resources of business organizations could be implied as intellectual capital.

Hence, in nowadays exist some of approaches interpreting the essence of intellectual capital (Brooking, 1996; Barney, 1991; Stewart, 2003). Yet, in all cases intellectual capital is the knowledge existing in tangible and intangible organizational form. M. Armstrong (2001) defines three structural issues of intellectual capital.

- human capital is the knowledge of staff, their proficiency and competences;
- organizational capital is the institutional knowledge, which is founded in enterprises as their data bases, instructions, regulations, standards and etc.
- social capital is the resources of knowledge and their transfer inside and outside the enterprise has a mutual impact as the network of relations.

Social capital or the relations between the individuals in groups within the organization or society, could be presented as valuable resource and significant for entrepreneurial environment.

Most important is the fact, that earlier only psychologists, politologists and specialists of economical development were actively investigated this objective. Hence, the conception of social capital became important as a sphere of organizational development of management science.

The researchers are applying this concept for interpretation and simplification for management of various expressions. Therefore, in scientific publications of last period (Lesser, 2001; Baker, 2000; Coleman, 2000) was emphasized the role of social capital for impact the efficiency of economical activity of enterprise in individual or organizational level.

The lack of scientific investigations exists in Lithuanian scientific references concerning the studies of social capital. According this problem, the management of social capital is becoming the actual scientific *problem*, the investigation, interpretation and generalization actions of impacting factors of social capital for business organization.

The object of research – impact factors of social capital.

The aim of research – to investigate and to evaluate the factors impacting the formation of social capital under business challenges.

The objectives of research under determined aim of research:

- to make the survey of the conception and practical importance of social capital;
- to analyse the environmental impact for development the social capital;
- to investigate current factors influencing the formation of social capital;
- to forecast the preconditions for management social capital.

The methods of research – the systematic survey of scientific references, the methods of comparative analysis and synthesis, interpretation, generalization of practical experience.

The implications of social capital

The conception of social capital in scientific references (Putnam, 1996; Coleman, 2000) is defined as inherent attributes of social life in work team groups interrelated correlations, interaction, standards and confidence, which have influence upon more effective collaboration of staff concerning general aims.

Otherwise, social capital could be presented as social institute, interacted correlations and standards, which have the power to form quality and quantity among people, which are working together.

The social capital could be defined as the aggregation of horizontal relations and vertical contacts among people, which can impact their activity, operation productivity and individual welfare.

Quite a while was noticed, that the activity in working environment are in progress, when the staff is familiar and relianced: the contracts are endorsed quicker, work teams are effectively acting, training and more creatively performing the decisions (Prusak, 2001).

Then, the interrelations in work team groups are the conjunctive mean, which guarantee the success for enterprise. The investments into interrelations get to enterprise real benefit concerning better results of working staff.

Hence, the executives have to organize their activity according the formation of strong links because of high turnover. The presented arguments help to substantiate the importance of social capital as component of the intellectual capital theory. Otherwise, the evidence of social capital implementation is oriented to the staff purposes, as the staff disposes by it.

Because of the reverse of developing business environment and excessive expectancies, the real alert is arising for social capital and virtual labour environment. In modern frame the relations between population are sorely standing, and impacting the harmful formation of social capital.

Furthermore, only some executives want to invest to social capital, that is connected with the imperfect knowledge about appropriate relation in organization and success in futural interrelations.

Noteworthy, the enterprises are contenting with real risk to forfeit the intellectual capital as the staff is leaving without transferring knowledge to appropriate contributors till the knowledge is becoming welfare of a company (Lesser, 2001).

It is possible to explain, that social capital is the knowledge for developing the relations between staff, business partners, suppliers an consumers.

In the consequence of interchanges of knowledge the general organization of interchanges have to be warrant. Such an organizational environment is essential in modern organizations, where current attention is concentrated to horizontal processes, collective actions and target staff groups, and such environmental peculiarities help to transfer the knowledge in the process of professional activity.

The social capital could be determined as human capital with potentiality to develop itself (Shuller, 2000).

The volatility of business environment

Recently, the business environment as very dynamic and turbulent, gradually is becoming developing and virtual.

In late past period the full work time is changing and after implementation of new organizational technologies, the virtual systems are becoming as a tool for initiating new relations.

It is possible to assert, that the volatility and virtuality of environment can be appropriated as it's advantages. The volatility means, that new possibilities for staff, the virtuality as flexible time schedule, new competitive advantages, which are beneficial for company and staff. The mentioned factors are impacting banefully the relations in work teams, therefore the executives have to try to reduce the impact to social capital. The researchers E. Lesser and J. Cothrel (2001) are pre-

senting broad register of means for preservation social capital from the existing threats – the wide interrelations among work team groups, self-confidence and development of cooperation.

The striking of relations

The prevention of staff is the main activity when the social capital is so important factor for company, otherwise, the entrepreneurs should have to block the fluctuation of environmental shifts according the retain of the appropriate staff.

The analysis of researches reveals the appliance of interrelations concerning the confidence among the work team groups in case of their familiar behavior.

Under the long lasting relations in the companies, the rotation rates of staff are relevant, and the penetration to keep the optimal level is correlating with the positive internal atmosphere in creation conditions not necessary oriented to high salaries. The mentioned economical organizations are presenting all possible recreation services such as sport and resort centers, children gardens and etc.

The inducement of long lasting interrelations among staff is oriented to social privilege equally for stimulation the creativeness to the appropriate work positions. Under the similar factors the staff is concentrating to cooperation and collective work.

The retention of staff and the required interrelations could be strengthened by applying deliberated preferment practice. Progressively the entrepreneurs are trying to renovate the staff as the external requirements are changing, as all executives are beginning their carrier in the routine order. Such the executives are applying the longevous experience of collective work. It is important to add, that such executives are important for company, because their participation in economic community is grounded by inter-confidence and knowledge.

Naturally, the relations between people are creating only under long lasting activity. In nowadays the facts about the investments to telecommunication technologies, virtual commands and mobile work teams productivity are increasing.

The possibilities to improve the communication between the work team groups could be defined as the type of investment. The social capital is growing up, when the communication „face-to-face“ is intensified.

The researchers identified the fact, that the communities are faltering when the communication and interrelations are not maintaining in appropriate level (Davenport, 1998).

Recently, the meetings concerning the work organization in the context of social capital are not full kit of means; the stimulation of communication and interrelations could have the impact to creation of social space – company's cafes, recreation zones (rooms), libraries, kitchens and etc. Such organization of communication between people stimulates the creation of common interests, helps to form community. The creation of social space shows the situation that the unformal communication process is appreciable in organization and already exists as authorative and beneficial for it.

The development of social capital in distinguish companies creates the possibilities for communication between staff, and this process induces the essential considerate atmosphere. On the walls of accommodation notably hang staff photos, the executives' attainments about their experience and personal initiatives. The announcement boards help to alert about the support or adverts.

The communication among staff could be induced by social networks, which appear naturally under common professional interests and participation in common activity. At this point the knowledge is presenting to the work team groups as appropriate information, and helps to create common sense in these groups. The humble financing of meetings or allowances to community's leaders amplifies the appreciation of social space from point of organization.

The facts out of publications reveal the situation about the existence of hundred of communities in the business organizations, and these groups are calling topic groups. The representatives of these groups participate according their interests and experience. Half of staff can be concentrated in such groups.

Therefore, the efforts to create the success under composing of communities, could be materialized by the sensitive behavior of executives.

The strengthening of confidence

The confidence can not be developed or concentrated by the help of commands or special administrative actions. The leaders can induce the confidence as the communication atmosphere concerning the identification of reasons of confidence. Otherwise, the leaders have to demonstrate special confidence by their own actions and image of enterprise.

Absolutely, the atmosphere of confidence has to be created in work team groups, departments, service sections under of intensive organizational changes. Under inadequate atmosphere of confidence the results of implemented means will disappear. Such actions can be detrimental and show the gap between „word“ and „action“ of declared and real organizational culture.

Notably, that the formation of communities in collective can influence the negative consequences especially when the actions of leaders are rough and virulent.

Consequently, the conditions for activity and interrelations among work team groups make the great influence to social capital comparing with the direct means for strengthening the confidence.

According to identified problems the informal relations have to be eliminated by several methods.

The confidence is displayed as the leaders' activity concerning the distrust cases, and their actions are clear and correct.

Therefore, the kindles not always reflects as the confidence. The leaders of organizations tolerate asynchronous activity and makes the space for mobile decisions, often abuse in the frame of special rights.

When the rules are unclear and intruded to staff, then the morbid interpretation begins. The rules of real behavior of leaders and their implementation reveal the positions to invest to social capital.

There was remarked, that under the confidence demonstration to staff, suppliers and consumers, the confidence exists in reality. In other way, the poor confidence demonstration to staff, the leaders can lose the confidence to them. In scientific references the facts about the behavior of leaders under the rough control of staff are presented by the facts about the application of guard in staff buildings, signature control in case of entering or leaving the work place.

The interview of American Association of Managers presents the facts that one third of employers produce the monitoring of content of staff computers.

The best way to present the confidence as a fact is to show the particular attention to staff opinion. The contributors can get wider authority in trusting of their decisions under independent actions under arisen problems.

The management axiom is framed by the staff behavior directed to appropriate results of activity, when the leaders are ranking their actions as positive behavior.

The well known cases when the leaders of organization annually are organizing the interviews of staff, according which they calculate the index of relations, communication and correctness between staff.

The questions are oriented to identify the problems concerning the rotation, opportunities of position, communication, cooperation, acceptance of good work, confidence in work space, directness, preparation to ear for innovative opinion. Such questionnaire helps to investigate the social capital.

It is possible to present the another significant consequence about the inducement of staff confidence. The rotation in position serves as a signal to evaluate the values orientation and attitudes for evaluation operations by the leaders of enterprise. When the leaders are becoming without collective respect, the essence of rotation is the policy to apply hustlers, but not decent people.

The development of cooperation

Business organizations are surviving by applying original rules and values orientations. The individuality of organization could be expressed by these features. The stable cooperation standards are serving for composition the high gravity intellectual capital. When the threats are impacting new possibilities, the staff is embracing, and these means under the favorable or critical work conditions are forming the situation with determined function of leaders – to identify the objectives for staff.

The another significant priority is the contributors of organization, after this follows the society and stockholders.

Notably, the staff can feel the solidarity of collective when they get their financial remuneration as a results of consolidated actions. In other way the leaders have to stimulate their contributors by various methods according their good activity and in determining their importance. The premiums compound the great part of

salaries, and depend on contributors participation in collective work according the final results, and rarely depends upon the individual results.

After some assumptions, it is possible to determine the best situation for enterprises when they have to apply special requirements for new contributors according the activity under cooperation, and their habits for cooperation.

The social capital, as L. Prusak and D. Cohen (2001), presents, is nor the strategy for business development and is not the marketing plan. Sometimes it can create negative results. Developed social capital can produce some damages. Strong relations with work team or group lets to the trifling cooperation when chaffy ideas become vital.

Fellowship can block the identification of hazard problems or can reduce the creativeness. Against all the odds, in many cases the existence of social capital helps to create benefit. Cooperation, general work, loyalty, tenacity and enthusiasm are the main advantages of social capital.

The role of leadership

The investigated categories of investment to social capital are supporting one another and often are using in general meaning.

According the position of planning the managerial means they could be applied in general situations. The investments to social capital can be produced only for appropriate level. Without real respect to social capital the success by application any mean is not available.

The possibility of failure is signalization about the facts that cooperation and confidence is grounded by the emotions of staff. No one organization can implement successful social capital by implementing only the formation standards of commands. The confidence is creating gradually concerning the social capital natural development.

Otherwise, odern leader in organization is seeking the development of social capital, and is producing the possibilities to other contributors: firstly, for these contributors for whom he serves; and secondly, for these who create success for him. This principle lets to leaders to evaluate their managerial decisions, actions, policy and strategy as right issues for implementation objectives of interrelated staff, stockholders, suppliers, consumers and communities. The modern leader in the context of management the social capital is producing such actions which are concerning positive answers.

As times go, the configuration of modern organization is changing concerning the functioning margins, and the current elements of configuration is becoming the orientations of values, goals and problems. The integrity of these elements is possible to implement when the staff agree upon the fundamentals, renunciation, responsibility and possibility to manage their lifes, which are based upon the freedom, but not compulsion.

Under the investments to social capital the executives have to concentrate their efforts to keep social capital and focus on further enumerated affirmations according the ideas of J. Collins (1999) and to save the efficiency of organization.

The first proposition. The executives have to identify the internal and external stimulus of organization in the frame of current values, goals and problems.

Any business organization is acting in two ways: in seeking to safe current activity is trying to induce the progress. Firstly, the organization is puzzling (orienting) the current values and target goals, secondly, there is inducing organizational changes. The values and goals in stable organization are constantly fixed, besides, when the practical activity, strategy, culture, tactics, processes, structure and managerial methods of organization are changing according the environmental changes.

The responsibility of executives is oriented to guarantee the alliance of values and goals for staff as the significance for their lives and carrier, for developing the obligatory opportunities for their activity and responsibility.

The second proposition. The executives have to create preconditions for conventionality, harmony and devotion in the frame of individual freedom for selection the decisions, but not the compulsion and control system.

Naturally, the determination of goals for activity by the staff and anticipation is not the single trend to create general welfare. The entity of organization can be accessible by the help of conventionality and devotion (self-sacrifice), and these elements depend upon the free option, but not compulsion and control system. Therefore, the tangible means are essential for orientation the staff for development and seeking of the results of business by their devotion. These means have to be oriented to the free commitment for work and freedom of actions. Obviously, the implementation of these means require the great efforts concerning the formation of staff.

The third proposition. The executives have to understand that the manifestations of leadership are adversely proportioned to demonstration of force. The creative work, devotion is forming in the frame of partnership among the staff, but not according the requests of executives. Exactly, the executive can't become the leader as he is nominated, but such a role can't be presented by the authority. The leader can become when the people are presenting this role to him freely, when they feel, that their freedom is based by the relations among them without any subordination.

The fourth proposition. The executives have to perceive the reality about the traditional boundaries, which are changing according the environmental changes, and such the tendency is developing. The progressive business organizations reject the idea about the stability of activity. Latest changes underline the fact that relations among business organizations and consumers are improving. The consumers are becoming the partners for business organizations concerning the seeking the target goal – to develop the production as the mutual positive result. The boundaries are vanishing in all areas of activity – in production and everyday life.

Notably, the social systems can better supply the material and demonic needs of staff by the selection of the authority, but not concentration.

The 21st century for developing the interrelations and cooperation environment for leaders arises the dilemma about indiscrete role of leader and contribute.

Competent contributors of command can take the responsibility to oneself concerning the cooperation quality under determined objectives.

The leaders forecast more widely about the formation of possibilities for success for all contributors. Supposedly, that in modern environment each subject of general activity can be the leader or the contributor (Belasco, 1999).

Conclusions

The knowledge of humanity always was performing the great impact, and its importance in modern world is well-founded as the great resource of humanity in forming the intellectual capital as social capital. The social capital could be defined as the knowledge sources under the interactivity of people in the frame of interrelations.

The potentiality of social capital consists of relations between the staff, interaction between contributors, applied standards of behavior and confidence as a release to effectively performing activity for seeking the essential objectives. The relations between staff could be generated by the help of social networks, where the professional interests and participation in the same activity depolarize the work team groups.

There is important sustensive factors of social capital – the growing-up confidence.

The atmosphere of confidence has to be created in work team groups, departments, sections of services under implementation the formation means of organizational changes, the demonstration of leaders' self-actions.

Unrelenting problem is concentrated under the development of cooperation between staff. Organizations with high gravity intellectual capital can implement the stable cooperation standards. Under the threats the new possibilities are appearing, and the staff is beginning to produce action by their initiatives. The investments to interrelations make the real benefit, and the leaders have to organize their actions in the frame of positive results as the turnover.

The modern environmental changes handicap the development of social capital, and in order of its development the special attitude has to be concentrated to creation and strengthening of value orientations, interperception, confidence by the leaders of Lithuanian organizations. The mentioned means consolidate the contributors, and make the possibilities for their cooperation and seeking the general activity results.

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SOCIALINIS KAPITALAS KAIP STRATEGINIS IŠTEKLIUS: VALDYMO PROBLEMOS IR SPRENDIMAI

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Straipsnyje nagrinėjama socialinio kapitalo kaip intelektualinio kapitalo sudėtinės dalies valdymo problema. Žinių vadybos kontekste aptariama jo esmė ir reikšmė. Analizuojamas darbo aplinkos kintamumas ir jo įtaka socialinio kapitalo plėtotei. Aptariamos socialinio kapitalo plėtotės priemonės: kolektyvo darbuotojų ryšių užmezgimas, pasitikėjimo stiprinimas, bendradarbiavimo plėtotė. Taip pat analizuojamas organizacijos vadovo vaidmuo, siekiant socialinio kapitalo išsaugojimo ir augimo, pabrėžiama jo atsakomybė už sėkmės galimybių sudarymą visoms interesų grupėms: darbuotojams, vartotojams, tiekėjams, bendruomenei, akcininkams. Šiuolaikiniai aplinkos pokyčiai apsunkina socialinio kapitalo vystimąsi, todėl verslo organizacijos vadovai turi imtis jo išsaugojimo priemonių.

Tyrimo tikslas – išnagrinėti ir įvertinti įmonės socialinio kapitalo formavimo veiksmus ir jų valdymo priemones besikeičiančios verslo aplinkos sąlygomis.

Nurodytam tikslui pasiekti keliami tokie uždaviniai:

- Apžvelgti socialinio kapitalo esmę ir praktinę reikšmę;
- Išanalizuoti verslo aplinkos kaitos įtaką socialiniam kapitalui;
- Išnagrinėti svarbiausius veiksmus, įtakojančius socialinio kapitalo formavimąsi;
- Numatyti socialinio kapitalo valdymo prielaidas

Intelektiniai ištekliai, socialinis kapitalas, žinios, ryšiai, pasitikėjimas, bendradarbiavimas.