

## **The functionality of the relationship network in the enterprise – the context of social capital. Definition**

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**Abstract:** *The functionality of the relationship network in the enterprise – the context of social capital. Definition.* The article constitutes a definitional leading into issues of the social capital. The purpose of it is the presentation of the being of the social capital in achievements of the social science. Understanding the social capital of the organization was determined. Formulating the author's definition of the social capital of the organization is festooning the presented study of literature.

*Keywords:* social capital, social capital of the organization

### INTRODUCTION

Characteristic for the concept of the social capital is an apprehending it both in economic aspects, when capital is being talked about, as well as sociological when we are using the adjective social. J. Bartkowski claim that the social capital isn't an independent category, and is complementing the human capital and financial [1]. On the other hand P. Bourdieu is taking hold of the social capital with one of forms of capital, rather than as its specific type [2]. B. Pogonowska trying to reconstruct the notion of the social capita is presenting the capital as stores of assets bringing the stream of the benefit in the form of incomes and monetary takings [3]. This way understood capital shows that irrespective of his form he is regarding economic benefits. This way understood capital shows that irrespective of its form it is regarding economic benefits.

### THE DEFINITIONS OF THE SOCIAL CAPITAL

According R. Putnama in the definition of the social capital the most essential are social network of the relation as well as the norm of the reciprocity in these networks and trusting as the crucial value [4]. The similar position is taking by F. Fukuyama, for whom the social capital is identical with norms and values, enabling the effective cooperation [5]. N. Lina is emphasizing that networks of long-lasting social relations aren't formed spontaneously, and are coming into existence as a result of interaction, of which generating revenue is a purpose [6]. By contrast E. L. Glaeser understood the social capital as the set of individual features and social abilities letting in contacts from other to achieve benefits [7]. E. Robak and A. Ostaszewska paid attention to the certain correctness concerning defining the social capital: is being taken hold as resources in the durable net of social relations or as the social structures (the network of relations) facilitating tasks [8], [9]. It is possible to include a dualistic notion of this concept, that it is a potential existing online and with the net of links between individuals and stores.

In 2004 W. Dyduch referring to contemporary researches made meta-analysis of almost forty definitions of the social capital created in the course of 1977-2000 years, mainly from the second-half of years 90 of the 20th century. On the basis of this meta-analysis he classified six main principles and sources of the social capital: 1. networks and the participation in networks; 2. norms and beliefs; 3. rules and the participation in communities; 4. trust; 5. reciprocity of action; 6. pro activity [10]. Next W. Tsai and S. Ghoshala connected them with three dimensions of the social capital, where the first element identified with the

structural dimension, second and third with the dimension of mutual relations, however remaining with the cognitive dimension [10]. Approaching this classification critically, it is possible to ask the question, why for example the confidence is in a dimension of mutual relations, but community in the cognitive dimension? Cognitive dimension, of which are an element together divided: languages and codes, stories, legends, collective cells and aspiration of members of the organization, earlier is already being defined by management studies as the organizational culture. It begs the conclusion that the organizational culture is a dimension of the social capital of the organization, and going further cultural capital of the organization isn't a separate form of capital, but only a part of social capital of the organization. Then the classification of elements of social capital is questionable. On that account on the basis of this meta-analysis they effected secondary classification of the definition of the social capital. Three types of the definition were distinguished on account of main designatum of the notion included in them.

**Tab. 1** Typology of defining the social capital

<b>Type of the definition</b>	<b>Main designatums of the social capital</b>	<b>Appearing of the phenomenon</b>	<b>Properties (What does he influence?)</b>
<b>Sociological presentation</b>	the social structure: - social bonds - contacts - członkowstwo - public processes - institutions	among individuals, groups, organizations and of other type with communities in the various configurations	- he influences behaviours - he is generating benefits - he is building up mutual trust
<b>Economic take</b>	goods: - benefits - resources - potential stores - the common wealths	in the social structures and the axionormative system	gives the competitive edge
<b>Recognition of psycho-axiological</b>	- values - attitudes - action - expectations - norms - ability of the cooperation	characteristic of human units	influences for behaviours and for the achievement of the goals

Source: own study on the basis of an analysis W. Dyducha, *Strategiczne kształtowanie kapitału społecznego pod kątem przedsiębiorczości organizacyjnej. Etap I*, AE w Katowicach, Katowice 2004, s. 37-57.

In defining the social capital ,how it was described in table 1, it is possible to notice three ways of including this notion. In sociological presentations an attention is being returned to the structure and bonds, in economic to goods, whereas in presentations determined as psycho-axiological are defining terms such as values, norms, attitudes, action.

The social capital is showing the following properties in the sociological prism: it lets for closing the social network and assumes the form of objective relations or subjective bonds. It expresses in the form concentrating, tying and bridge and is found in micro-, mezo- and macro-social level [4], [11], [12].

The problem of “closing the net” is regarding the concept of “structural holes”, which create e.g. in the formal structure of the organization. Structural holes can be filled up and the social capital would just be supposed to fulfill it this function. With this prospect the social capital is connected above all with structures unofficial, being able to complement formal structures. M. Frykowski determines objective relations or networks of the bond as

components of the social capital [12]. They are both sources and effects of the existence of social bonds. Objective reports are being interpreted as the social participation. However the form of subjective bonds is regarding trust both in the horizontal, as well as vertical dimension. This trust can be built through beneficial collective actions, an individual is becoming involved in. As well as it can determine the commitment to the social participation. Social capital in the form concentrating, tying or bridge, is regarding power of the bond between individuals creating the network, extensiveness of this network, as well as properties specific of "connections". Bonds of different power depending on the performed function: they are concentrating (are strengthening) already existing bonds in smaller groups or poorly inside the organization or also individuals are associating members with themselves among social classes (building bridges). And so the social capital identified with social bonds is performing different functions on the micro-, mezo- and macro-social level, where integration of the bond on the micro-social level can influence on "separating" on the mezo- or macro-social level. The sociological prospect of including the social capital is detecting the number of research problems. The first is regarding whose property the social capital is, individuals or groups? According to A. Giddens theory of structuration, the social structure cannot be verified and exists objectively apart from experiencing individuals, but it exists because is usually being reconstructed in interactions [13]. The social capital is showing exactly such a duality. Whether it is a property of individuals being its beneficiaries, or does it only exist when individuals are creating the social structure? It is taken for granted that the sum of individual beneficiaries is using the social capital and produces it through interactions, whereas these interactions are producing more or less permanent structures which in certain situations they are subject to formal, or unofficial strengthening. Another problem is regarding communities forming the social capital. Whether it is a feature of original groups and the local communities [1] being created spontaneously, or "belongs" to the society of the civil, as only carrier of this capital [14]? A macrostructure (civil society), can be a means of conveying the social capital, the microstructures included in this macrostructure can be them, that is exactly original groups and informal groups in frames of large corporations. It is anticipated that the social capital is someone's property, but cannot be a public property. If a little community (e.g. primitive) constitutes the whole of society, which has own capital, that it is simultaneously a public property and everyone can use it.

The economic take is appealing to the properties of the social capital concerning its exchangeability to other forms of capital; possibilities of being a substitute of other stores; dependences, because it constitutes only complementing other forms of capital; abilities to self-copy oneself, the conversion and the accumulation and the accumulation by using it [1], [2], [15]. There are discrepancies in understanding of what kind of a special good is a social capital. J. Bartkowski claims that the social capital is both private goods as well as public. J. Przybysz claims inversely that it cannot be not a single one neither second. Claiming that it is a collective good is a common position of authors (shared). If it is assumed that entities mainly forming the social capital can use it and it isn't used up in the course of the use, so in accordance with economics neo-institutional is possible to describe it as the club good or adjusted private goods [16]. When groups or community are beneficiaries, we are dealing with the club good. When only individuals can use from them, these are adjusted private goods.

It is possible to assume that recognition of psych-axiological of social capital is related to the form of the individual social capital, which it would be possible to distinguish from the form of the social capital on the level of the group or the community. In such a perspective the individual social capital is determined as capital existing between the human capital and other forms of the social capital. An individual is its carrier, and so it can be

separated from the group. If the individual can receive capital apart from the group, in the process it is losing his social context.

#### AN ACCEPTED DEFINITION OF THE SOCIAL CAPITAL OF THE ORGANIZATION

Issues of the social capital which was mentioned above, is being developed parallel by representatives of different disciplines of social sciences. Simultaneously its different dimensions are being described in the reference to micro-, mezo- and of macrostructures.

Considering issues of the social capital in the organization, it belonged in order to apprehend him also multi-dimensionally in this context, with the strong emphasis on his property in micro- and mezzo-structures. Moreover there is a speech about interactions proceeding on the organizational level. Since the community is determined, it is possible to accept the following definition of the social capital of the organization:

*A social capital of the organization is a structure of bonds social, understood also as the network of social relations both inorganisational as well as of relation with surroundings on one hand influencing, on the other being subject to influences of the axiological system of individuals, their attitudes, including confidences and of their action. As a result of these mutual influences of the structure of individuals a determined level of co-operation and exchanges of other forms of capital are developing, with effect of what benefits to the organization and entering individuals are the composition of its structure, which benefits can give and strengthen the majority:*

- *above other individuals in the organization for specific persons,*
- *above other organisations (with subjects) for the organization as the whole.*

The article presents the essence of a social capital. Its aim was to develop the authors' definition of social capital of the organization. The paper is a theoretical introduction to the subsequent articles of the author, under the titles: "The functionality of the relationship network in the enterprise - the context of social capital" and "Trust as a source of capital for a company operating in the wood industry." Mentioned articles present the results of pilot studies carried out in wood industry companies. The subject of the studies was social capital including the aspect of trust and networks of relationships

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**Streszczenie:** *Funkcjonalność sieci relacji w przedsiębiorstwie - kontekst kapitału społecznego. Definiowanie.* Artykuł stanowi definicyjne wprowadzenie do problematyki kapitału społecznego. Jego celem jest prezentacja istoty kapitału społecznego w dorobku nauk społecznych. Określono rozumienie kapitału społecznego organizacji. Uwieńczeniem prezentowanego studium literatury jest skonstruowanie autorskiej definicji kapitału społecznego organizacji.

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