

Trust as a source of capital for a company operating in the wood industry

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Abstract: *Trust as a source of capital for a company operating in the wood industry.* The issues of the confidence has interdisciplinary character. The trust is being assigned up to the intellectual venture capital, which is often determined as the “base of the success of the organization”, “source of the competitive edge”. Irrespective of different dimensions and forms, the confidence always is regarding social relations. In the article a being and functions of trust in the enterprise are being presented. An attempt to determine the state was made at trusting the industry of a tree amongst employees of selected companies.

Keywords: trust, the venture capital, the social capital

INTRODUCTION

Traditionally capital as general concept, in science was identified with economic capital (physical). In 18th century the capital was understood as the multitude of “down payments” analysed in the form of capital assets (buildings, tools, land improvements, etc.) and current assets (salaries, seeds etc. cost of the investment) [1]. The division into capital assets and current assets with reference to only economic stores was essential through all 19th century p to early 20th century. Noticing the human factor as the certain form of capital giving benefits to the organization was already included in the concept human relations drawn up by E. Mayo school [2]. With reference to enterprises contemporary conceptions presented i.a. by M. Bratnicki and J. Strużyna, they show the general division of the total goodwill into financial and intellectual capital which following capital comprises: social, human and organizational. According to this model of venture capitals, the confidence constitutes the value of the so-called dimension of the human intercourse of the social capital to which dimensions also belong: structural and cognitive [3]. The trust can generate both immaterial and financial benefits. It results of among others from the influence on the cooperation and the development of the social capital [4]. According to understanding the social capital, the trust is its source [5,6], the element [7], as well as the effect [8], which is being strengthened with action. R. Coleman, R. Putnam oraz F. Fukuyama determine the social capital as the function of the public trust [9]. It is being created by linking interaction individual - surroundings [10]. In the context of individual action, if norms of the cooperation are respected, the individual is placing her trust in the group what is inducing this individual for investing in it.

In the framework of the assumption that the trust is a source from which the enterprise is profiting in consequence building its capital, it is possible to take theoretical characteristics of the property of capital.

THE PROPERTIES OF CAPITAL

Capital constitutes the store of assets bringing the stream of benefits in the form of incomes and receipts [11]. If benefits are a being of capital, what individuals and communities can have from it, it is possible to absorb it, that in a way every his form is economic capital. In such an understanding, every form of capital is economic capital (it gives benefits and it is possible from it to get “something”) and at the same time social (economic values are being granted by social units). And so it seems that it is about forming of one capital to the other. Hypothetically assumed conversions of physical and intangible capitals and properties demonstrated by these capitals are presented in table 1.

Tab. 1 Properties of the conversion of capital

THE CONVERSION OF CAPITAL		DIFFERENCE / PROPERTIES
TYPE OF CAPITAL	TYPE OF CAPITAL	
physical	→ physical	As a result of the exchange the same capital is being raised (financial), the difference consists in the change of his form; e.g. for cash a flat is being purchased.
physical	→ intangible	As a result of the exchange financial capital is being lost, and is getting immaterial; potentially the intangible capital is a carrier / it enclosed the economic capital; e.g. exchange of cash for qualifications, position, knowledge etc.
intangible	→ physical	In the process of the exchange an intangible capital isn't being lost, and what's more it is being strengthened / it increases when is being used and financial capital is being gained; entitlements, qualifications, position, power etc. can bring the owner a cash.
intangible	→ intangible	Exchange of some form of the intangible capital for other form of this capital is strengthening it and in consequence the entity of exchange is only gaining ; e.g. the wealth of knowledge constitutes the ground for getting a higher social rank.

Source: own elaboration

Referring to above it is possible to accept that it is of what form of capital the conversion is taking place into other form is affecting it, whether the given form of capital is reduced in the act of the exchange or improved during the transfer. In case of the intangible capital, any form of the transfer is enlarging it.

The Functioning of enterprises is based on processes of exchange/transfers of capital. Noticing the social context of the phenomenon in these processes it is necessary to determine the being trust and functions it is performing in the enterprise.

THE TRUST IN LITERATURE

By virtue of one's interdisciplinary character, the confidence is being defined by different representatives of fields of study. This notion reaches both of psychology, philosophy, sociology, as well as economics and the management. Drawing from rich literature achievements, it is possible to show that the being of the trust consists of:

- instinct - the trust is the feeling similar to love [12];
- personality traits activating expecting good deeds [13];
- assuming the good and other honesties [14]
- relation of mutual calculations [15];
- desire for relying on somebody [16];
- dependence on the accepted obligation [17];
- mechanism based on norms [18];
- expecting the admirable behaviour [19];
- positive expectation [20];
- directed relation [21];
- faith in good intentions [22].

In the case of organizations, the research on trusting often concerns the theory of the personnel management, the knowledge and the crisis management. The trust in the enterprise reaches many aspects of his functioning, being a monograph on the diversified research prospecting.

THE TRUST IN THE ENTERPRISE

Main dimensions of trusting in the organization are a credibility, intentions and competence. The credibility is regarding the process of the communication: flow of

information, openness to the development and novelties and of the prosocial attitude, displaying integrity, reliability, righteousness, disinterestedness. Intentions, similarly to the credibility are entering the process of the communication. However opennesses concern personal needs in announcing, of sharing the knowledge and the positive relationship to other and of organization. This assessment reaches the value and norms, the respect for the dignity, the responsibility and the commitment. However competence refers it of the knowledge, the ability, the ability, the behaviour, attitudes and attributes which are conditioning the high effectiveness [23].

The trust is comprehending about the positive message. Functions which it is performing in the enterprise are getting to the number of the benefit themselves. A sense of security, and supporting the creative thinking, the innovation and the learning belong to them. The high confidence level is advantageous in conditions of the uncertainty, of implementing changes, contingencies and the transformation of enterprises. The trust constitutes the deciding factor in passing the transaction. It influences the reduction in transaction costs and is lowering the appearing here risk [23]. Moreover the trust is also serving as creating the social capital and is an essential condition and an effect of the group cooperation [24].

The construction process of trusting the baulk is employees determined by the sequence of diversified factors, which J. Paliszkiwicz divided in 6 categories [23]: 1. Individual factors; 2. A composition of the team; 3. Characteristics of tasks; 4. The organizational culture; 5. Leaders; 6. Time of interaction.

Considering the above division, statements included in the research tool of conducted examinations, they show factors, assigned to specific categories. The first group which was considered is individual factors: the tendency to the trust and the credibility, as well as a willingness to cooperate. he factors concerning the constitution of the team are also applicable, so as the atmosphere ruling in it and functional dependencies. The third category is regarding the organizational culture: an atmosphere associated with her ruling in the organization, as well as observing norms and values.

TRUSTING IN EMPLOYEE RELATIONS

The conducted pilotage of examinations included issues of the social capital of the organization including the aspect of the confidence and the network of the relation. Determining the trust level amongst employees of enterprises was one of assigned objectives. As part of research actions they carried out a survey getting 74 questionnaire forms from seven companies operating in the town and the Łomża commune¹. Respondents declared opinions about the trust. A table 2 is introducing detailed results the reply.

Tab. 2 Trusting in the declaration of respondents

Lp.	Replies of respondents with reference to put statements (T1, T2, T3, T4)									
	I agree entirely; I agree		I rather agree		I partly agree		I rather disagree		I disagree; I disagree entirely	
	I	II	I	II	I	II	I	II	I	II
T1.	20	48	-	5	-	-	-	-	-	-
T2.	17	41	-	10	3	2	-	1	-	-
T3.	9	53	9	-	-	17	2	-	-	-
T4.	16	26	3	15	-	9	1	1	-	3

Source: own elaboration

¹ The main purpose of the pilotage of examinations was determining the state of the social capital through his chosen carriers The character sketch of respondents and part concerning results the network of the relation is presented in an article: K. Kukowska, *The functionality of the relationship network in the enterprise – the context of social capital*.

For determining the state of the trust in selected companies respondents took a stance on the following statements:

T1. When a task is being performed by the team, then everyone must have trust in themselves so that it is made properly.

T2. Employees generally trust themselves and are exchanging information between themselves to the subject, e.g. ideas, plans

T3. At the work I am feeling the need to check effects of partners before joining in the continuation taken by them of work.

T4. Most employees in the enterprise are trustworthy.

All workers of micro companies recognized trusting amongst team members as the guarantee of the actually performed task. Replies of respondents of remaining companies, little they differ in this issue. Only a 9.2% of persons indicated the answer "I rather agree"

In case of trusting in the process of the information exchange about plans and ideas with employees, replies are indicating little reducing the trust level towards the need of the trust in the team work. Amongst employees of micro companies of the 15% of persons "partly matched" as for the put statement, and remaining 85% agreed with the put statement. However in the remaining group 54 respondents essentially had a 22.2% of persons doubts as for sharing one's plans and ideas (2 persons "partly agreed", 10 „rather agreed" with the put statement). 1 person showed the mistrust in this issue.

In the situation of taking the continuation of earlier performed tasks through other, employees of micro companies in the 90% of cases have a need of the control, although the half from them is weakening its opinion: "they rather agree". In case of bigger companies employees are demonstrating the greater confidence, because on the 68.5% of persons a 31.5% is falling, which "partly agree" with the put statement.

In contrast with results concerning checking co-workers, 80% of employees of micro companies and the 48% of workers of remaining factories stated that "most employees in the enterprise are trustworthy". 15% of persons from the group I and the 28% from the group II answered "I rather agree". Essentially amongst all respondents of only a 6.7% of persons "rather disagreed" or "disagreed" with this statement. The mistrust towards the whole of employees is greater in companies above 10 of the employed.

CONCLUSION

According to received results, in case of studied enterprises at the performance of tasks by the team, the trust ruthlessly is demanded above all in micro companies. The trusting of exchanging informations between each other about, e.g. ideas, plans is bigger in companies above 10 the employed. Employees of micro companies have a greater need of checking effects of co-workers before joining in to the work. And so once again persons display the greater trust from companies about the substantial amount employed. General trust in the majority of employees, however is bigger in micro companies.

Presented higher findings don't constitute material being enough for putting general motions forward. They constitute the monograph on further research above the problem. On their base it is possible however to make an assumption that the size of the company measured with the number of employees can influence the trust level both individual, as well as to the entire enterprise.

The base of the problem of trusting in the organization is diagnosing it. The purpose of the following actions, including building the culture of the trust up and managing with trust, there is desire for gaining the benefit. Finally, the aim to increasing capital of the company is a principle and a base of functioning of every commercial organization.

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Streszczenie: *Zaufanie jako źródło kapitału przedsiębiorstwa działającego w branży drzewnej.* Problematyka zaufania ma charakter interdyscyplinarny. Zaufanie jest przypisywane do kapitału intelektualnego przedsiębiorstwa, który często jest określany jako "podstawa sukcesu organizacji", „źródło przewagi konkurencyjnej”. Bez względu na różne wymiary i formy, zaufanie zawsze dotyczy relacji społecznych. W artykule prezentowana jest istota i funkcje zaufania w przedsiębiorstwie. Podjęto próbę określenia stanu zaufania wśród pracowników wybranych przedsiębiorstw branży drzewnej. W tym celu przeprowadzono pilotaż badań.

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