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Social Capital as a Determinant of Organizational Capability in Nigeria

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Abstract

This study examined social capital as a determinant of organizational capability in Nigeria. It adopted survey research design, purposive and convenience sampling techniques respectively. 257 male and female private sector's employees participated in the study. A structured questionnaire form containing five validated scales of measurement was used as instrument. Hypothesis one stated that cognitive, relational and structural social capitals will jointly and independently predict marketing capability while hypotheses two stated that cognitive, relational and structural social capitals will jointly and independently predict research and development capability. Results revealed that cognitive, relational and structural social capitals jointly predicted marketing capability $F_{(3,253)} = 41.83$; $R^2 = 0.324$; $p < .01$. It further showed that cognitive social capital ($\beta = -0.437$; $t = -6.618$; $p < .01$), relational social capital ($\beta = 0.366$; $t = 5.884$; $p < .01$) and structural social capital ($\beta = 0.550$; $t = 9.955$; $p < .01$) independently predicted marketing capability. Similarly, results showed that cognitive, relational and structural social capitals jointly predicted research and development capability $F_{(3,253)} = 38.66$; $R^2 = 0.306$; $p < .01$. It further revealed that relational social capital ($\beta = 0.553$; $t = 8.773$; $p < .01$) and structural social capital ($\beta = 0.203$; $t = 3.628$; $p < .01$) independently predicted research and development capability. However, cognitive social capital did not ($\beta = -0.096$; $t = -1.430$; $p > .05$). Based on the above findings, this study concluded and recommended that, to a large extent, social capital is a significant determinant of organizational capability in Nigeria. Hence, human resource department of organizations, managers and directors should channel their managerial efforts toward the development of all aspects of social capital among the employees and ensure that, it positively affect organizational capability.

Keywords: Cognitive Social Capital, Relational Social Capital, Structural Social Capital, Marketing Capability, Research and Development Capability, Organization

1. Introduction

The concept of organizational capability was developed around the resource-based perspective of the industry (Peteraf, 1993; Teece Pisano & Shuen, 1997). This implies that competitive advantage of an organization is derived in mostly, from internal, firm-specific resources and capabilities such as marketing, research and development. A capability is defined as an organization's capacity to deploy its assets, tangible or intangible, to perform a task or activity to enhance performance (Amit & Shoemaker, 1993; Teece et al., 1997). Essential features of capabilities are that they are knowledge-based, firm-specific, and socially complex, and generally cannot be simply acquired in factor markets. Hence, organizational capability is the sum of all things that enable an organisation to deliver services' (DFA, 2006). However, this study focuses on marketing, research and development capabilities of an organization with the view of examining the role social capital in the aforementioned.

Marketing capability according to Krasnikov and Jayachandran, (2008) refers to the "organizational competence that supports market sensing and customer linking. An organization with marketing capability may compete relatively better because of its capacity to detect market changes, anticipate shifts in the market environment, create and retain durable links with customers, and develop strong bonds with external stakeholders (Danneels, 2008). Research and development capability, on the other hand, refers to the processes that enable firms to generate new knowledge by recombining knowledge (Nerkar & Paruchuri, 2005). Research and development capability manifests in organizational routines that help a firm develop new technical knowledge, combine it with existing technology, and use the result to design superior products and services.

Social capital is an asset which gives benefit to both individual and organization. The importance of organizational social capital is that it causes gathering of individuals as team members who work together to succeed. It also causes the integrity of staff and management (Leana and Van Buren, 1999). Social capital exists in structures and processes of social exchange and it is the only factor which provides sustainable organizational advantage. It reflects quality of relations in organization and measures interrelatedness among its members (Pastoriza, 2009). Organizational social capital is a source which reflects the nature of social relations in an organization and can be considered in three different forms: cognitive social capital, structural social capital and relational social capital. It is identified through desire for collective goal and shared trust among members of an

organization.

1.1 Statement of the Problem

Despite the interest of researchers and scholar in the contemporary concept of organizational capability, its meaning remains opaque. While much has been, and continues to be, written about it, the lack of research on the concept is well documented in the literature. Two Australian examples are Hase (2000) who concluded that 'it was evident that little well designed research had been conducted to date' and Gill and Delahaye (2004) who proclaimed that 'there is very little in the research on how organizations build their organisational capability'. Organisational capability remains, indeed, an elusive concept. Hence, this study was designed to examine social capital factors- relational capital, structural capital and cognitive capital as determinants of organizational capability-marketing capability and research and development capability in Nigeria.

In view of the above, the following research questions were answered:

1. Would cognitive, relational and structural social capitals jointly and independently predict marketing capability?
2. Would cognitive, relational and structural social capitals jointly and independently predict research and development capability?

1.1.1 Purpose of Study

The general purpose of this study was to determine and document findings on marketing and research and development capabilities among organization in Nigeria particularly, the impact of relational, structural and cognitive social capitals on the phenomenon of organizational capability. One the other hand, the study specifically examined:

1. Cognitive, relational and structural social capitals as joint and independent predictors of marketing capability.
2. Cognitive, relational and structural social capitals as joint and independent predictors of research and development capability.

1.1.2 Relevance of Study

Organizational capability is rapidly becoming recognized as an important, if not the most important, key to organizational success. The ferment of change over the past couple of decades has seen considerable restructuring by organizations as they undergo massive cultural change, strive to transform their organizational character and search for competitive advantage. Changes to work and the organization of work have tended to shift the emphasis from individual competence to organizational capability, or at least, for the former to be subsumed within the latter. Hence, this study was conducted to investigate social capital as a determinant of organizational capability. From its findings, governments, directors, managers and investors would be able to improve on their knowledge organizational capability and social capital. Thus, makes it imperative for this study to focus on the impact of relational, structural and cognitive capitals, job position and age on organizational capability.

Outcomes of this study would also contribute to the literature on organizational capital. Moreover, the study would recommend training and educative programmes for the managements and investors to work on the organizational social capital factors, marketing capability and research and development capability so as enhance their performance. Similarly, the report of this study would help all stake holders in understanding the importance of the concept of social capital in organizational management.

2. Review of Literature

Researchers have argued that a firm with strong organizational structures in marketing can detect changes in the market environment before competitors do in order to adapt the firm's strategy earlier and compete more efficiently (Song, et al. 2007). Several researchers also argued that a firm with strong marketing capabilities (e.g., in advertising and promotion of products) can increase sales—and, thus, performance—in two ways: (1) by having a superior brand for which the firm can charge premium prices, and (2) by persuading buyers of substitutes to switch to the firms' products (Kotabe, et al. 2002).

In line with Vorhies and Morgan (2005) and Jayachandran et al. (2004), we expect firms with strong marketing capabilities to perform better than their less capable rivals. According to Hulland, et al (2007), a capability that enables a firm to perform value-creating tasks effectively resides in the organizational processes and structures that are difficult for a competitor to replicate.

Bouty (2000) finds that strong social ties among managers help firms to acquire intellectual resources because mutual trust ensures the continuous flow of information. According to Nahapiet and Ghoshal (1998) stated, Social capital facilitates the development of intellectual capital by affecting the conditions necessary for exchange and combination to occur. Further, social capital enhances the quality of teamwork and the richness of information exchange among network members, so it assists in the iterative R&D process of reinforcing knowledge by enabling a firm to draw upon prevailing knowledge while also refining the evolving body of this knowledge (Subramaniam & Youndt, (2005).

Bontis, Keow and Richardson (2000) show the positive significant relationship between social capital and firm capabilities for both service and non-service industries. Carmeli and Tishler (2004) and Riahi-Belkaoui (2003) proved the positive association between social capital and firm future capability.

According to literature review done by González-Benito (2005), it was found that nearly 88% of the studies analyzed (131 total) show a positive relationship between measures of market orientation and measures of performance, but no generalized consensus has yet emerged. On the one hand, the complexity involved in making both concepts operational presents an obstacle, and on the other, a debate exists regarding whether market orientation should be analyzed as a set of behaviors, or as part of the organizational culture (Clark, 2002), including the company size and the classification of the country as developed or developing (Mahmoud, 2011).

Some authors (Jaworski et al., 1993) (for more detailed information see (Deshpandé, 1999)) propose that organizations that work with emergent technologies can gain competitive advantage through technological innovation, diminishing, but not eliminating, the importance of market orientation. In contrast, organizations that work with stable, mature technologies are weakly positioned to leverage technology for competitive advantage, and so have to trust in market orientation to a greater degree (Deshpandé, 1999).

According to Song and Parry (2009) the desired level of market orientation is potentially lower for firms that have the opportunity to establish a competitive advantage through technological innovation. As a result, when technological turbulence is high, the relative importance of certain kinds of market intelligence (e.g., consumer perceptions and preferences) will be lower than when technological turbulence is low.

Song and Parry (2009), they have analyzed that existing studies of market orientation have hypothesized that the strength of the market orientation & performance relationship depends on environmental variables such as market turbulence, technological turbulence, and competitive intensity, and they found that empirical studies have failed to confirm these hypotheses.

2.1. Statement of Hypotheses

1. Cognitive, relational and structural social capitals will jointly and independently predict marketing capability.
2. Cognitive, relational and structural social capitals will jointly and independently predict research and development capability.

2.2. Operational Definition of Terms

Organisational Capability: This refers to a firm's competence and capacity to compete favourably in the industrial sector mainly in terms of marketing capability and research and development capability. It was measured with a scale of marketing capability combined with a scale of research and development capability. The marketing capability scale consists of 10-item developed by Vijande, Perez & Gutierrez (2012). The scale was designed with a 5-point likert response format. High score on the scale implies a high level of marketing capability while a low score implies a low level of marketing capability. On the other hand, the research and development capability scale consists of 5-item developed by Xiao, Anand, Ragu-Nathan and Thawatchai, J. (2011). The scale was designed with a 5-point likert response format. High score on the scale implies a high level of research and development while a low score implies a low level of research and development.

Social Capital: This refers to the goodwill available to individuals or groups which its source lies in the structure and content of the actors. It is characterized by relational capital, structural capital and cognitive capital. It was measured with a 11-item scale of social capital (relational-3 items, cognitive-4items and structural-4items sub-scales), with 5-likert response format, developed by Nahapiet and Ghoshal (1998). High score on the overall scale indicates high level of social capital while low score on the overall scale indicates low level of social capital.

Cognitive Social Capital: Cognitive social capital refers to shared norms, values, trust, attitudes, and beliefs of employees in an organization.

Structural Social Capital: Structural social capital facilitates information sharing, and collective action and decision making among employees through established roles, social networks and other social structures supplemented by rules, procedures, and precedents.

Relational Social Capital: This entails the assets that are created and leveraged through networks of relationships among individuals, such as trust and goodwill.

3. Methodology

3.1. Research Design

Survey research design was adopted in this study. It was considered appropriate because researchers only elicited information from participants by sampling their opinions through the use of a structured questionnaire form. Hence, there was no active manipulation of any variable in the study. The independent variable considered is social capital (relational capital, structural capital and cognitive capital) while the dependent variable is organizational capability (marketing capability, research and development capability).

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3.2. Study Setting

The study was conducted at the following organization in Oyo State of Nigeria: Summal Food Plc, Globalcom Nigeria, Fanmilk Plc, Nigeria Bottling Company, Quality Food Plc, Procter & Gamble Nigeria and United Bank for Africa.

3.3. Participants of the Study

Purposive and Convenience Sampling Techniques were used respectively in sampling 257 male=149 (58%) and female=108(42%) employees across the aforementioned organization, who participated in the study. Statistics revealed that participants varied according to their job positions as six (6) (2.3%) were logistics officers, eight (8) (3.1%) were customer care officers, ten (10) (3.9%) were packers, twenty (20) (7.8%) were supervisors, fourteen (14) (5.4%) were store keepers, seven (7) (2.7%) were maintenance officers, twenty-nine (29) (11.3%) were sales representatives, fifteen (15) (5.8%) were clerk, ten (10) (3.9%) were quality control officers, sixteen (16) (6.2%) were checkers, nine (9) (3.5%) were machine operators, thirteen (13) (5.1%) were molders, ten (10) (3.9%) were secretaries, twenty-four (24) (9.3%) were dispatch officers while the remaining fifteen (15) (5.8%) were security officers. Statistics also showed that their age ranged from 19 to 50 years old. In terms of nature of job, fourteen (14) (5.4%) were packing and palletizing, thirteen (13) (5.1%) were molding, twelve (12) (4.7%) were screening, ten (10) (3.9%) were supervision, sixteen (16) (6.2%) were stocking, twelve (12) (4.7%) were engineering, thirteen (13) (5.1%) were quality control, fifteen (15) (5.8%) were maintenance, nine (9) (3.5%) were load creation, sixteen (16) (6.2%) were sales, eighteen (18) (7%) were customer services, fife (5) (1.9%) were logistics while seven (7) (2.7%) were telecommunication.

3.4. Instrumentation

A carefully designed questionnaire that is made up of two broad validated scales of measurement, out of which one has two sub-scales while the other has three sub-scales, was used in this study as an instrument for collection of data. The questionnaire was divided into six sections: Section A, B, C, D, E and F.

Section A. This section taps relevant demographic information of the participants such as age, gender, nature of job, organization affiliated and job position

Section B. This section comprises of a 10-item scale of marketing capability developed Vijande, Perez & Gutierrez (2012). The response format of the scale consists of a 5-point Likert-type scale ranging from 1(strongly disagree) to 5(strongly agree). Participants who indicated strongly agreed to a positive statement scored 5 while those who indicated strongly agreed to negative statements scored 1. Hence, a high total score represents a high level of marketing capability while a low total score represents a low level of marketing capability. Authors of the scale reported alpha-coefficient of 0.87 while the present study reports alpha-coefficient of 0.72.

Section C. This section comprises of a 5-item scale of research and development developed by Xiao, Anand, Ragu-Nathan and Thawatchai, J. (2011). The response format of the scale consists of a 5-point Likert-type scale ranging from 1(strongly disagree) to 5(strongly agree). Participants who indicated strongly agreed to a positive statement scored 5 while those who indicated strongly agreed to negative statements scored 1. Hence, a high total score represents a high level of research and development capacity while a low total score represents a low level of research and development capacity. The author reported alpha-coefficient of 0.91 while the present study reports alpha-coefficient of 0.81.

Section D. This section comprises of a 4-item subscale of social capital namely structural capital developed by Nahapiet and Ghoshal (1998). The response format of the scale consists of a 5-point Likert-type scale ranging from 1(strongly disagree) to 5(strongly agree). Participants who indicated strongly agreed to a positive statement scored 5 while those who indicated strongly agreed to negative statements scored 1. Hence, a high total score represents a high level of structural capital while a low total score represents a low level of structural capital. The author reported alpha-coefficient of 0.77 while the present study reports alpha-coefficient of 0.52.

Section E. This section comprises of a 4-item subscale of social capital namely cognitive capital developed by Nahapiet and Ghoshal (1998). The response format of the scale consists of a 5-point Likert-type scale ranging from 1(strongly disagree) to 5(strongly agree). Participants who indicated strongly agreed to a positive statement scored 5 while those who indicated strongly agreed to negative statements scored 1. Hence, a high total score represents a high level of cognitive capital while a low total score represents a low level of cognitive capital. The author reported alpha-coefficient of 0.84 while the present study reports alpha-coefficient of 0.80.

Section F. This section comprises of a 3-item subscale of social capital namely relational capital developed by Nahapiet and Ghoshal (1998). The response format of the scale consists of a 5-point Likert-type scale ranging from 1(strongly disagree) to 5(strongly agree). Participants who indicated strongly agreed to a positive statement scored 5 while those who indicated strongly agreed to negative statements scored 1. Hence, a high total score represents a high level of relational capital while a low total score represents a low level of relational capital. The author reported alpha-coefficient of 0.72 while the present study reports alpha-coefficient of 0.54.

3.5. Procedure for Data Collection

Researchers visited the offices of the following organizations: Summal Food Plc, Globalcom Nigeria, Fanmilk

Plc, Nigeria Bottling Company, Quality Food Plc, Procter & Gamble Nigeria and United Bank for Africa in Ibadan, Oyo State, Nigeria, to seek the permission of the organisation's authorities in involving their employees as participants in the study. Having sought the consents of the organisations' management involved, researchers adopted a convenient sampling procedure to select participants form the pool of employees of the various organizations, purposively to respond to questions only on the variables under investigation. Individual participants were approached personally and the purpose of the study was briefly explained to them as a way of seeking their consent and participation in the study. Questionnaires were administered to the participants in their work places and they were required to respond to all items at their convenient time. Participants were made to know that participation was voluntary and they were assured of confidentiality of their information supplied.

Although, not all the workers could be reached immediately for various reasons therefore, some questionnaires were given to some supervisors to give to their subordinates whenever it was convenient for them to fill. It took about two months to collect data from 257 sincere respondents out of 279 originally administered, while some of the remaining questionnaires were not properly filled, some were returned unfilled and others were declared missing. Data was therefore extracted from the 257 screened questionnaires and subjected to statistical analysis.

3.6. Statistical Analysis

The data collected for the study was analyzed using the Statistical Package for Social Sciences (SPSS) Software version 17.0. Multiple Regression Analysis was used in testing the two stated hypotheses. The reason for this choice of statistics was to test the joint and independent predictions of the dependent variable by independent variables.

4. Results

Hypothesis one, which stated that cognitive, relational and structural social capitals will jointly and independently predict marketing capability was analyzed using multiple regression statistics.

Table 1: A Summary Table of Multiple Regression Analysis Showing the Joint and Independent Prediction of Marketing Capability by Cognitive, Relational and Structural Social Capitals

Dependent variable	Independent Variable	R	R^2	F	P	β	t	P
Marketing Capability	Cognition Social Capital	.576	.324	41.83	<.01	-.437	-6.618	<.01
	Relational Social Capital					.366	5.884	<.01
	Structural Social Capital					.550	9.955	<.01

Results in the table 1 above show that cognitive, relational and structural social capitals jointly predicted marketing capability F (3,253) = 41.83; R^2= 0.324; p <.01. The results further show that cognitive social capital (β= -0.437; t= -6.618; p <.01), relational social capital (β= 0.366; t= 5.884; p <.01) and structural social capital (β= 0.550; t= 9.955; p <.01) independently predicted marketing capability. Hence, hypothesis one which stated that, cognitive, relational and structural social capitals would jointly and independently predict marketing capability was confirmed.

Hypothesis two, which stated that cognitive, relational and structural social capitals will jointly and independently predict research and development was analyzed using multiple regression statistics.

Table 2: A Summary Table of Multiple Regression Analysis Showing the Joint and Independent Prediction of Research and Development Capability by Cognitive, Relational and Structural Social Capitals

Dependent variable	Independent Variable	R	R^2	F	P	B	t	P
Research and Development Capability	Cognition Social Capital	.561	.306	38.66	<.01	-.096	-1.430	>.05
	Relational Social Capital					.553	8.773	<.01
	Structural Social Capital					.203	3.628	<.01

Results in the table 2 above show that cognitive, relational and structural social capitals jointly predicted research and development capability F $(3,253)$ = 38.66; R^2= 0.306; p <.01. The results further shows that relational social capital (β= 0.553; t= 8.773; p <.01) and structural social capital (β= 0.203; t= 3.628; p <.01) independently predicted research and development capability. However, cognitive social capital did not (β= -0.096; t= -1.430; p >.05). Hence, hypothesis two which stated that, cognitive, relational and structural social capitals would jointly and independently predict research and development capability was partially confirmed.

5. Discussion

The main purpose of this study was to investigate social capital as a determinant of organizational capability. Two hypotheses were tested. Hypothesis one was confirmed while the second was partially confirmed. The first hypothesis stated that, cognitive, relational and structural social capitals would jointly and independently predict marketing capability. Results of analysis confirmed that, cognitive, relational and structural social capitals jointly predicted marketing capability. This implies that, organization's marketing capability was jointly accounted for by cognitive, relational and structural social capitals. This further implies that, cognitive, relational and structural social capitals play a complementary role among themselves in ensuring marketing capability of an organization. Hence, for an organization to boast of a high level of marketing capability, it needs to equally increase the levels of cognitive, relational and structural capitals of her workforce. Similarly, results revealed that cognitive social capital, relational social capital and structural social capital independently predicted marketing capability. This further implies that as the combination of the three aspects of social capital is essential in ensuring a strong level of organizational capability in the area of marketing strength, so also each of the three variables is important, such that the exclusion of one could hinder the capability of a marketing function of an organization.

The above results are supported by the finding of Bouty (2000), which report that a strong social ties among managers help firms to acquire intellectual resources because mutual trust ensures the continuous flow of information. Similarly, Nahapiet and Ghoshal (1998) stressed that social capital facilitates the development of intellectual capital by affecting the conditions necessary for exchange and combination to occur. Bontis, Keow and Richardson (2000) show the positive significant relationship between social capital and firm capabilities for both service and non-service industries. Carmeli and Tishler (2004) and Riahi-Belkaoui (2003) proved the positive association between social capital and firm future capability.

Researchers have argued that a firm with strong organizational structures in marketing can detect changes in the market environment before competitors do in order to adapt the firm's strategy earlier and compete more efficiently (Song, et al. 2007). Several researchers also argued that a firm with strong marketing capabilities (e.g., in advertising and promotion of products) can increase sales—and, thus, performance—in two ways: (1) by having a superior brand for which the firm can charge premium prices, and (2) by persuading buyers of substitutes to switch to the firms' products (Kotabe, et al. 2002). In line with Vorhies and Morgan (2005) and Jayachandran et al. (2004), we expect firms with strong marketing capabilities to perform better than their less capable rivals. According to Hulland, et al (2007), a capability that enables a firm to perform value-creating tasks effectively resides in the organizational processes and structures that are difficult for a competitor to replicate.

Second hypothesis stated that, cognitive, relational and structural social capitals would jointly and independently predict research and development capability. Results of analysis confirmed that, cognitive, relational and structural social capitals jointly predicted research and development capability. This implies that, organization's research and development capability was jointly accounted for by cognitive, relational and structural social capitals. This further implies that, cognitive, relational and structural social capitals play a complementary role among themselves in also ensuring the research and development capability of an organization. Hence, organization needs to equally increase the levels of cognitive, relational and structural social capitals of her workforce as these will positively affect its quest for innovation and development. Similarly, results revealed that both relational capital and structural capital independently predicted marketing capability. However, cognitive capital did not. This further implies that as important as the three variables are when considered as one, in measuring its effect of on organizational capability in the area of research for innovation and develop, so also two of the three variables are namely structural and relational capitals. Only cognitive capital is not independently effective on research and development functions of organizations. Thus, requires the supports of relational and structural capitals

Nahapiet and Ghoshal (1998) stated that social capital facilitates the development of intellectual capital by affecting the conditions necessary for exchange and combination to occur. Further, social capital enhances the quality of teamwork and the richness of information exchange among network members, so it assists in the iterative research and development process of reinforcing knowledge by enabling a firm to draw upon prevailing knowledge while also refining the evolving body of this knowledge (Subramaniam & Youndt, (2005). Bontis, Keow and Richardson (2000) show the positive significant relationship between social capital and firm

capabilities for both service and non-service industries. Carmeli and Tishler (2004) and Riahi-Belkaoui (2003) proved the positive association between social capital and firm future capability.

5.1 Conclusion

This study examined social capital as a determinant of organizational capability in Nigeria. In the light of the above, hypotheses were stated and tested respectively based on literature reviewed and data collected. Hence, the following conclusions were drawn from the findings of the study:

1. Cognitive, relational and structural social capitals are significant joint predictors of marketing capability.
2. Cognitive, relational and structural social capitals are significant joint predictors of research and development capability.
3. Cognitive social capital is a significant independent predictor of marketing capability.
4. Structural social capital is a significant independent predictor of marketing capability.
5. Relational social capital is a significant independent predictor of marketing capability.
6. Structural social capital is a significant independent predictor of research and development capability.
7. Relational social capital is a significant independent predictor of research and development capability.
8. However, cognitive social capital is not a significant independent predictor of research and development capability.

5.2 Implications

The various findings and conclusions made in this study have some practical implications for the organizations and employees. A conclusion was made that cognitive, relational and structural social capitals are significant joint and independent predictors of marketing, research and development capabilities of organisations. These findings have an implication for the human resource department of organizations in channeling her managerial efforts toward the development of all aspects of social capital among the employees and ensure that, it positively affect the marketing capability of the organizations. In addition, directors and managers at the various work settings will have to ensure that all hands are on deck in order to transform the organizational human resource base, to an asset through interpersonal relations, intellectual brainstorming and relational processes and will cut across all cadres such that will generate new development, ideologies and innovations in the sector and relatively impact the marketing, research and development capability of the organization.

Another implication for the human resource management practitioners is that, they have to ensure that during recruitment process, highly goal driven, social and innovative individuals are sought for because these are central traits to cognition and relationship can enhance a good organizational structure for effective marketing, research and development capabilities of a contemporary world of work.

5.3 Recommendation

In view of the above, human resource department of organizations should channel her managerial efforts toward the development of all aspects of social capital among the employees and ensure that, it positively affect the marketing capability of the organizations. This can be achieved through series of strategic human capital development training programmes, which take the form of in-house and outside training for all cadres of employees.

In addition, directors and managers at the various work settings should ensure that concurrent and continues management meetings are held among themselves, where issues concerning how the human resource base of the organization can be improved capacity wise, through seminar and practical educational programmes. In such meetings, calendars of both local and international conferences will be presented for thorough examination, to select which ones among the various available conferences, to sponsor the employees in terms of cost and benefits to the organization. Finally, the human resource practitioners in the various organizations should put all necessary measures in line and ensure that only value adding individuals constitutes the work strength or organizations. This will be achieved through adoption of the new strategies involved in the human resource planning process such as the usage of computer based employees data management system.

5.4. Limitation of Study

There are numbers of factors that have limited the generalization of results of this study:

- There was no active control over extraneous variables and this implies that the changes observed on the dependent variable could have been caused by other factors not controlled in the study.
- Only the self-report method was used to collect data and self report is fallible due to the fact that often time, respondents may distort information.
- Participants required more than the given time to respond to statements in the questionnaire. Hence, resulted to inappropriate filling of some the questionnaires, which were eventually discarded otherwise, the number of participants would have been increased.
- Only social capital factors were considered in this study as psychological independent variables, some other psychological and organizational variables could also explain the phenomenon of organizational capability.
- The time set for data collection was very short. This makes the sample size limited.

- The study was restricted to private organisations.

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