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## The effects of Social Capital and Leadership Styles on Organizational Learning

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### Abstract

Organizational learning is influenced by various variables in the organization and different conditions within the organizations cause various results for it. Although organizational leadership style is related to organizational learning, this relationship may produce different results, particularly in regard to social capital. In this research, the mediating role of social capital was investigated according to the structural equation model. The results indicated that the relationship between leadership styles and organizational learning as well as social capital is significant. Moreover, the impact of leadership style on organizational learning is greater than social capital, thus there is a high correlation between these two variables. According to the results, appropriate social capital may improve organizational learning and it has a positive impact on this relationship. Therefore, managers must pay great attention to social capital as a stimulus and motivator in order to promote social learning and organizational activities.

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### 1. Introduction

Today, organizations need to increase knowledge about the environment and create vast organizational developments in order to survive and improve. Under such circumstances, the role of leaders, who guide the organizations, identify environmental needs and facilitate appropriate developments, gains importance. In fact, the organizations are created in order to achieve particular goals. Efficiency in educational organizations is of great importance and is determined by means of achieving goals. In an efficient organization, the results of its activities are equal or more than organizational goals (Miskel & Hoy, 2012). Lussier (2006) in his study, believes that

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leadership style is a combination of characteristics, skills and behavior that the managers uses them in order to interact with his employees. The leadership style in the theory of Hersey and Blanchard (1969) emphasizes the combination of task-based and relation-based behavior. Task-based behavior is identified through carrying responsibilities, particular and exact organizational patterns, communicational channels and successful methods and relation-based behavior is identified through open communicational channels, emotional and mental supports, active listening and facilitating behavior (Swansburg & Swansburg, 1999). Hersey and Blanchard (1969) have found four methods for efficient leadership. According to this pattern, there is no “best way” in order to affect people (Hersey & Blanchard, 1991). Those four methods include telling leadership, selling leadership, participating leadership and delegating leadership. In telling leadership, the leader defines the roles explicitly and gives some instructions if necessary. In selling leadership, the leader provides guidance on new responsibilities. In participating leadership, the leader cooperates with the members, shares ideas with them and facilitates decision-making. In delegating leadership, the leader allows people to make decision if necessary and encourages them to accept responsibilities as far as possible.

Organizational learning and learning organizational were proposed since the early 1990s. Learning organizations renew themselves continually and develop new forces (Adair, 2002; Daryaniet al, 2014). Probst and Büchel (as cited in Gorelick, 2005) define organizational learning as a process by which the organization’s knowledge and value base changes, leading to its improved problem-solving ability and capacity for action. According to this definition, the characteristics of organizational learning process include changing the organizational knowledge, increasing possible limitations and changing individuals’ mentality. Organizational learning also has different levels, including individual, collective and organizational levels. In an organization at high level of organizational learning, people constantly increase their ability to create good results. Organizational learning can create new mental patterns, so that people can learn how to learn together. Organizations, which show these characteristics, can receive signals form the environment, interpret them and use them in opportunities (Vera & Crossan, 2004). Organizational learning is a conscious, purposeful, interactive, dynamic, continuous and growing process, which provides immediate and effective feedback at individual, collective and organizational levels. It acts under the influence of perceptual processes or cultural resources and aims for the success of individuals and the organization (Aghahosseini, Sobhaninejad & Abedi, 2006). The theory of social capital has been recently derived from sociology as a potential power, affecting organizational performance and efficiency. Social capital can be considered as an investment in interpersonal relationships within the organizations. It is not a sub-category of human capital, since this capital is possessed by groups not individuals. Those norms, which form the foundation of social capital, are meaningful when more than one person shares it. The group, who supports social capital, ranges from two friends who exchange information or cooperate in a project to member nations (Andishmand, 2009).

Social capital can facilitate access to information and vital sources in order to promote performance and use environmental opportunities (Johnson, Schnatterly & Hill, 2013). An organization with powerful social capital can have immediate access to a wide range of information in order to create innovative performance. This capital is an intangible asset to the organizations and successful organizations can use it appropriately and immediately. Social capital shares knowledge and increases organizational learning through some components such as trust and cooperation, thus it will improve the innovative performance of the organization (Turkina & Thai, 2013). Coleman (1994) believes that individual social capital is the ability to benefit one another through social networks or other social structures. Social capital is considered as a value, shared by the people who are involved in social networks due to common cultural norms, effective interactions, mutual trust and personal relationships (Alvani, Nategh & Farahi, 2007). Social capital affects the efficiency of organizations through different ways. These ways include lower costs of exchanges, lower rate of people’s relocation, knowledge sharing and innovation, risk-taking and improving the quality of products. Leadership has improved organizational learning by means of supporting group making and change processes (McDonough, 2000). It can also stimulate the mind, creativity and innovation of employees and increase self-confidence in them. Therefore, the present research attempts to answer this question that considering the role of social capital, do different leadership styles have significant impact on the organizational learning of employees who work in the healthcare sector of Ardabil Social Security Organization.

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