THE ROLE OF SOCIAL CAPITAL IN ORGANIZATIONAL KNOWLEDGE SHARING: A CONFIRMATORY MODEL

CHAN LAI SHEUNG

M. Phil. Thesis

HONG KONG BAPTIST UNIVERSITY

2006
The Role of Social Capital in Organizational Knowledge Sharing: A Confirmatory Model

CHAN Lai Sheung

A thesis submitted in partial fulfillment of the requirements for the degree of Master of Philosophy

Principal Supervisor: Dr. CHOW Wing Sing

Hong Kong Baptist University

December 2006
ABSTRACT

In today’s knowledge-based economy, a firm’s success now depends on the knowledge and information its members can provide in order to enhance its competitiveness. Social capital, which exists within the relationships among individuals, is said to offer an “organizational advantage” with respect to organizational knowledge sharing after a market failure. The aim of this thesis was to develop an integrative understanding of the roles of social capital in organizational knowledge-sharing behavior. In particular, the study focuses on three social capital factors, namely, social network, social trust, and shared goals, which are the common denominators in social capital literature.

This thesis proposes a theoretical model in which social network, social trust, and shared goals are integrated with the theory of reasoned action (TRA) model, which includes the attitude, subjective norm, and intention with respect to knowledge sharing. Their relationships were further examined using confirmatory factor analysis (CFA).

The verification of the proposed model was based on a data set that was collected through a questionnaire survey. A total of 582 questionnaires were mailed to managers in Hong Kong organizations, and 190 usable questionnaires were returned. The response rate was therefore 33%.

The measurement items then underwent vigorous reliability and validity tests. In the convergent validity test, one measurement item in social trust was dropped in order to fit
in with recommended criteria. The remaining measurement items satisfied all criteria tested.

The structural equation modeling (SEM) statistical method was adopted to test the proposed model. In the measurement model, all model constructs, including social network, social trust, shared goals, attitude toward knowledge sharing, subjective norm regarding knowledge sharing, and intention to share knowledge, were valid measures with respect to the measurement items. Furthermore, it was confirmed that social network, social trust, and shared goals all significantly contribute to one’s attitude toward knowledge sharing, and that social network is the only social capital factor that directly contributes to the social pressure one perceives from an organization. This thesis also verifies that social capital factors are related to one another, and that each of them plays an influential role, indirectly, with regard to one’s intention to shares one’s knowledge within an organization, through the mediation of attitude and subjective norm with respect to knowledge sharing.

In conclusion, this thesis makes two main contributions. First, it is the first study to provide empirical evidence regarding the influence of social network, social trust, and shared goals on the intention of organizational members to share their personal knowledge with others. Second, the study verified the proposed measurement items and confirmed the proposed model constructs using the SEM analysis. The final version of measurement items, in particular those of social network, social trust, and shared goals, can be rendered as a measurement tool for future social capital research.
# TABLE OF CONTENTS

**ABSTRACT** ................................................................................................................................. i

**ACKNOWLEDGMENTS** .................................................................................................................. iii

**TABLE OF CONTENTS** ................................................................................................................. iv

**LIST OF TABLES** ........................................................................................................................... vi

**LIST OF FIGURES** ......................................................................................................................... vii

**CHAPTER 1 INTRODUCTION** ........................................................................................................ 1
  1.1 Purpose, Scope, and Research Justification .............................................................................. 1
  1.2 Overview of the Research model ................................................................................................. 3
  1.3 Organization of the Thesis ........................................................................................................ 4

**CHAPTER 2 LITERATURE REVIEW** ............................................................................................. 5
  2.1 Knowledge and Knowledge Management .............................................................................. 5
  2.2 Knowledge Sharing .................................................................................................................. 11
  2.3 Social Capital .......................................................................................................................... 13
  2.4 Theory of Reasoned Action ...................................................................................................... 18

**CHAPTER 3 METHODOLOGY** ..................................................................................................... 21
  3.1 Research Model Development ................................................................................................. 21
  3.2 Research Model and Hypotheses ............................................................................................. 23
  3.3 Instrument Development ......................................................................................................... 29
  3.4 Research Sampling and Data Collection Procedure ............................................................. 36
  3.5 Statistical Analysis Methods .................................................................................................. 36

**CHAPTER 4 SAMPLING PROFILES** ............................................................................................ 40
  4.1 Demographic and Organizational Information of Respondents ........................................... 40
  4.2 Mean Scores and Standard Deviations of Model Constructs .................................................. 43

**CHAPTER 5 RESULTS** .................................................................................................................. 45
  5.1 Results of Reliability and Validity Tests of Model Constructs .................................................. 45
  5.2 Results of Research Model and Hypotheses ............................................................................ 48

**CHAPTER 6 DISCUSSION** ............................................................................................................. 55
  6.1 Intercorrelation among Social Capital Factors ......................................................................... 55
  6.2 Effects of Social Capital on Attitude toward Knowledge Sharing ............................................. 56
  6.3 Effects of Social Capital on Subjective Norm regarding Knowledge Sharing .......................... 57
  6.4 Effects of Social Capital on Intention to Share Knowledge ....................................................... 59
  6.5 Effects of Attitude and Subjective Norm on Intention to Share Knowledge ............................... 60
CHAPTER 7  CONCLUSION.................................................................62
  7.1  Overview of Findings .................................................................62
  7.2  Contributions of the Thesis..........................................................63
  7.3  Limitations and Future Research Directions.................................64

REFERENCES.................................................................................................66

APPENDIX A
Questionnaire ........................................................................................................83

APPENDIX B
SPSS Program for Convergent Validity Test of Model Constructs......................87

APPENDIX C
SPSS Program for Reliability Test of Model Constructs........................................89

APPENDIX D
SPSS Program for Discriminant Validity Test of Model Constructs.......................90

APPENDIX E
LISREL Program for Research Model..............................................................91