

# STRATEGIC HUMAN CAPITAL: A CASE OF OBN & ADAMA CITY ADMINISTRATION, AND SYSTEMATIC REVIEW LITERATURES

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## ABSTRACT

*The main purpose of this Seminar was to review on theoretical foundation of Strategic Human Capital (SHC) and its' applicability on the ground when practiced by different Sectors (organizations). Both Primary and Secondary data sources were employed to review and Analysis. The Data obtained from both Sources were discussed in detail and Analyzed comparatively. This help to identify the status of Strategic Human Capital practicing at sectors' level and the association of Theory. As the result of literature review indicated SHC is composed of three Strategic elements (Human Capital, Social Capital and Organizational Capital) in which all are worked in integration to achieve any desire of organizational success. Similarly, the result of Survey's finding was revealed, there is direct relationship between all independent variables and dependent variable. The practice of human capital support for practicing social capital's as well as Organizational Capital. As the Results of linear regression analysis was indicated 65.7% variance in Organizational Success can be predicted from the combination of all independent dimensions. The result also shows that  $F=51.516$  at  $p<0.05$  statistically significant. On other hand, Social capital theory implies that social resources have important direct and indirect effects. As survey analysis indicated the Social Capital is the most influential factor that significantly affect the organization success with a beta value ( $\beta = 0.334$ ,  $t=2.287$ ), at 95% confidence level ( $p < 0.05$ ). Furthermore, as data reviewed was indicated Organizational capital is the institutionalized knowledge possessed by an organization that is stored in databases and manuals which retained with the help of information technology on readily accessible and easily extended databases. Therefore, organizations need to give special concern to all independent attributes. The little improvement they made to their employees in practices and the development of systems; the employees were started becoming hard worker and have gratified with their organizations' and, similarly the organizations can able to achieve its desired success with the help of its employees.*

**Keywords:** Strategic Human Capital, Human Capital, Social Capital, Organizational Capital and Organizational Success.

## INTRODUCTION

Knowing that many or majority of companies do have human resources management department, there are some companies that have human capital management. Even these departments may not have to many differences they are slightly diverse.

According to Rrezarta Gashi, (2013) *“Economic success crucially relies on human capital the knowledge, skills, competencies and attributes that allow people to contribute to their personal and social well-being, as well as that of their countries.”*

Many companies struggle to find best possible managers, directors, chief executives, and other staff in order to accomplish objectives of company. Even, many of those companies are wealthy enough and financially stable, there are some critical times when people for them worth a lot. So, for many companies forecasting are made based on their human capital, which are kept as running capital for their goal accomplishment by implying them into the business strategies as a primary tool for success.

Business environment is highly turbulent today. Organizations build their own core resources to achieve competitive edge. But this can be transitory. Employee's individual and collective learning, knowledge, skills and expertise, creativity and innovation lead to accumulation of human capital (Venkatesh Ganapathy, 2018). Accumulation of individual and collective knowledge is essential to meet customer needs. Human capital is thus a key intangible form of value creation. Human capital represents competences of employees, knowledge, skills, experiences and abilities of employees.

Human capital is defined as the individual's knowledge, experiences, capabilities, skills, creativity and innovativeness. These elements are connected to each other and collectively contribute to success in work.

Advocates of human capital approach assert that many of the assets that individuals bring to the organization are intangible, premised in the individual tacit knowledge rather than more explicit, formal, routine and standardized knowledge (Fida Afiouni, 2009). As discussed by Venkatesh Ganapathy, (2018) by having this tacit knowledge the employees collectively contribute to success of their organization. Both Social capital and Organizational Capitals are played a lion role to achieve desired success of any organizations'.

Social Capitals consists of the knowledge derived from networks of relationships within and outside the organization. The concept of social capital has been defined by Putnam, (1996) as *"the features of social life – networks, norms and trust – that enable participants to act together more effectively to pursue shared objectives"*.

Organizational capital is the institutionalized knowledge possessed by an organization that is stored in databases, manuals, etc (Youndt, 2000; Baron & Armstrong, 2007). It conveys more clearly that this is the knowledge that the organization actually owns.

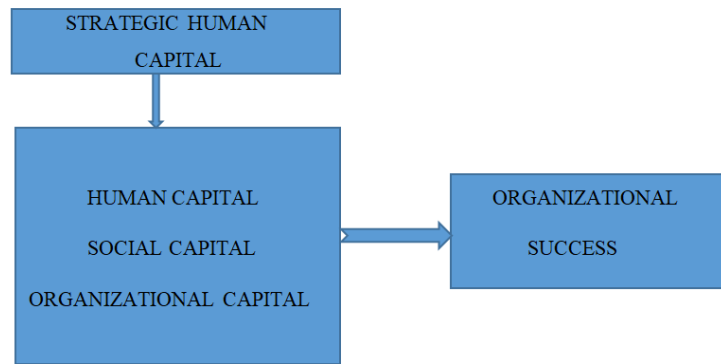
## **The Objective of Preparing the Seminar Manuscript**

The main objective of preparing this Seminar was to Outline Strategic Human Capital: Based on Empirical Surveys of (OBN & Adama City Administration), and Theoretical Review of Literatures.

- Specifically, the objectives were pointed as follows:
- To identify the need for a human capital strategy and its applicable human capital measurement as different Organizations like Adama City and OBN
- To investigate the extent to which the Human capital Practices Affect Organizational Success of Adama City Municipality and OBN.
- To understand the concept of human capital and its Measurement in line with theoretical review of Human capital theory.
- To outline human resource management focus to human capital in achieving Success in their organization
- To appraise Human Capital as a Distinctive Resource for competitive advantage.

## **Conceptual Frame work**

The purpose of strategic human capital planning is to help organizations optimize their resources for efficient and effective mission achievement by using long-term, data-supported planning and management of the workforce. Strategic Human Capital has composed of three elements to achieve success in organization. These are Human Capital, Social Capital and Organizational Capital. All are interrelated and work in together for achievement of any desired success or goals’.



**FIGURE 1**  
**CONCEPTUAL FRAMEWORK**  
**METHODOLOGY**

### Methods of Data (Information) Collection

To review the related literatures that based on systematic reviewing Strategic Human Capital specifically Human Capital, knowledge and information were collected or gathered based on secondary data source. Additionally, primary sources are used data collection from two selected Sectors. The collected data or information was used to describe different theoretical dimensions of Strategic Human capital and its effect on organizational success. The online references are being downloaded from databases such as Google. The data was initially screened for relevance based on their titles, and re-screened manually after downloading. The data obtained from different books, magazines, and different international reports were gathered based on the relevance of main topic of Human Capital Strategy and related sub-titles.

The source for this reviews or analysis are both Primary and Secondary sources. They were collected from different books, journal articles, website, and published dissertation papers of the graduates, magazines, billboard, and different reports and manuals etc. the primary Data is collected from Adama city Municipality and Oromia Broadcasting Networks.

The first step in the review was identifying the relevant literature on Strategic Human Capital. The aim of the review was to identify the existing conceptual frameworks (Figure 1) and empirical analysis of Human Capital Strategy by using Systematic Literature Review as a review technique.

Search strategies for all data base were (“*human capital Strategy*” OR “*Social Capital strategy*” OR “*strategic management*” OR “*Approaches*” OR “*Model*” OR “*theory*” OR “*conceptual framework*” [Title/Abstract]). For primary data information is collected based questionnaire developed.

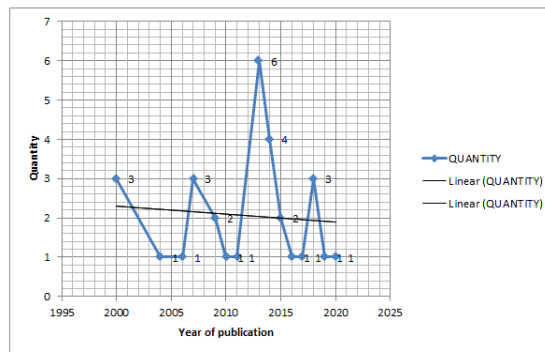
## Methods of Data Analysis

The analysis for this both theoretical and empirical review was based on Meta-analysis that collected from different secondary sources of knowledge. Meta-analysis is a technique used by researchers to summarize what other researchers have found on a given topic. The advantage of Meta-Analysis is that it gives a more definitive answer to a question than a single study ever could. The downside is that meta-analysis is only possible if sufficient research has been done on the topic in question. Accordingly, this reviewing literatures is based its analysis from multiple number of Human capital Strategy related researches and different sources of knowledge for the subjected topics indirectly. Because, there is no such direct searching were seen on subjective topics from different publication sites'. Furthermore, Primary data can helps to the review for understanding what practically existed/practiced on the ground with comparing to theoretical review.

## Summary of Data Collected (Secondary Sources)

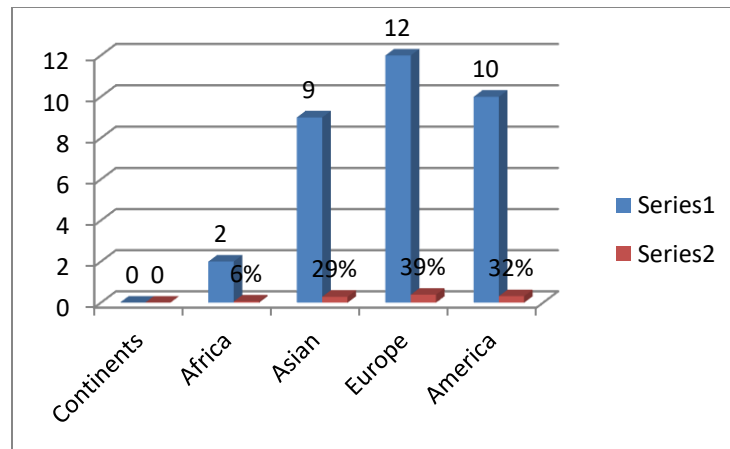
In collecting data both primary and secondary data were practiced. The primary data based on case study of two sectors OBN and Adama city Administration from their respected Human Resource Departments. While secondary data collected from famous Journals, Articles both published and un-published, Approaches and based on famous publishing agents. And also differences across boundary in terms of continents were checked. All the review for secondary sources is explained graphically and in text as follows:

## Year of Publication



**FIGURE 2**  
**YEAR OF PUBLICATION**

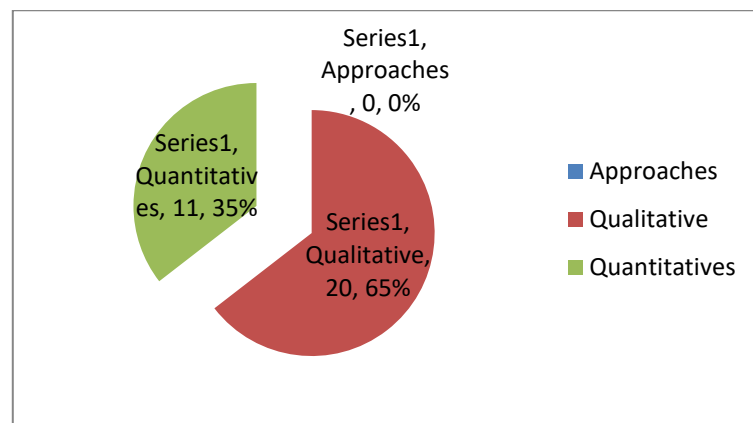
As indicated in figure.2 above secondary data sources were collected based on their year of publication that range from 1995 to 2023 (1995-2023). The vertical line (axes) indicates the quantity of secondary sources used in review in terms of year of publication from horizontal line (axes). Accordingly, the large quantity of sources used for review was published between 2010 to 2020 in year of publication.



**FIGURE 3**  
**CONTINENTS**

As indicated in figure 3 the data were collected in terms of continents. The large numbers of this data were collected from continents of Europe and America respectively. Africa shared 6% of data collected while Asian shared 29% of data collected for review. The differences in continents indicate the difference in level of practicing strategic human capital. Accordingly, both Europe and Americans were expected for having large experience of practicing strategic human capital than other continents.

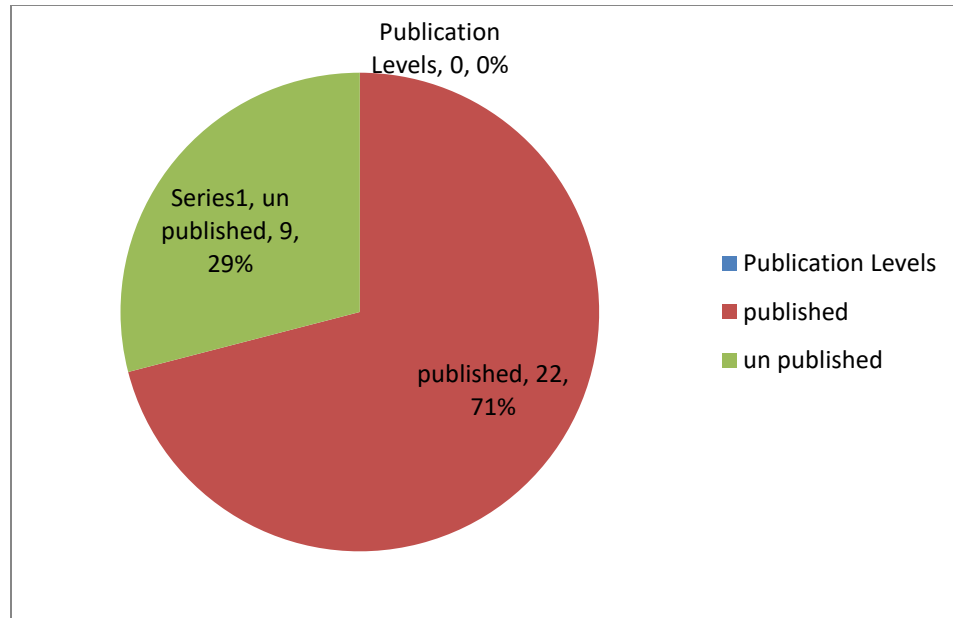
### Approaches



**FIGURE 4**  
**APPROACHES**

Figure. 4 indicates the research Approaches used. The data collected for secondary source review was based both on qualitative and Quantitative research Approaches. Thus, 35% of data sources were collected from quantitative approach while 65% of data sources were qualitative.

### The Status of Publication



**FIGURE 5**  
**THE STATUS OF PUBLICATION**

As indicated in figure 5 above only 29% data sources used were un-published papers. Thus, the review was based both on higher amount of published paper (articles) and small amount of un-published papers.

As discussed in above secondary sources are Re-Screened based on subject required. In which data from the primary Sources is collected based close ended questionnaire of OBN and Adama City Municipality. Data obtained from both Sources are discussed in detail and Analyzed comparatively. This help to identify the status of practicing at sectors level and the importance Theory in practicing.

Furthermore, in terms of publication publishers' which mostly used are selected and utilized. Publishers' like Elsevier Ltd, Taylor & Francis Group, Emerald Group Publishing Limited and Cambridge University Press are well known for research publication and Academic Discipline. Additionally, Famous publication Journals is used to re-screened data. These are:-

- International Journal of Human Resource Management
- Global Journal of Management and Business Research Administration and Management
- International Journal of Educational Management
- Journal of Management
- Academic Journal of Interdisciplinary Studies
- European Journal of Business and Management
- Journal of Innovation and Entrepreneurship

## **RESULTS AND DISCUSSION**

### **Summary of Review Literatures**

As explained by Boon et al., (2018) Economics is the theoretical foundation for much of the research on SHC (Strategic Human Capital). Specifically, concepts such as economic value, stakeholder bargaining power, and isolating mechanisms are central theoretical frameworks that

guide a substantial amount of the research into the strategic relevance of human capital. To be effective, strategic human capital management requires the sustained commitment and attention of senior leaders and managers at all levels of the agency.

Human capital resources are suggested to lead to competitive advantage if they are able to generate greater net economic benefits than a firm's competitors (Coff & Kryscynski, 2011). In order to sustain a competitive advantage from human capital resources, a firm must protect such resources from diffusion and imitation. As the value of people increases, so does the performance capacity of the organization, and therefore its value to clients and other stakeholders. All human capital policies and practices should be designed, implemented, and assessed by the standard of how well they help the organization pursue its shared vision (GAO, 2000).

Patrick et al., (2014) Reviewers and authors recognize knowledge, education, experience, and skills as relevant dimensions of an individual's human capital. One easy answer might be that the "strategic" nature of human capital is tied to its value to the firm. It is believed that if a company knows how its human capital contributes to their success, it than can be measured and managed effectively (Djilali Benabou & Habib Tabeti, 2013).

Social capital theory implies that social resources have important direct and indirect effects. It consists of the knowledge derived from networks of relationships within and outside the organization. The concept of social capital has been defined by Putnam, (1996) as *"the features of social life – networks, norms and trust – that enable participants to act together more effectively to pursue shared objectives"*.

The World Bank also notes that social capital can be perceived as a set of horizontal associations between people, consisting of social networks and associated norms that have an effect on community, productivity and well-being.

Organizational capital is the institutionalized knowledge possessed by an organization that is stored in databases, manuals, etc (Youndt, 2000). It conveys more clearly that this is the knowledge that the organization actually owns (Baron & Armstrong, 2007). Organizational capital is created by people (human capital) but is also the outcome of social capital interactions.

Finally, Organizational success is the Outcomes of Human Capital, Social Capital and Organizational Capital. Individuals generate, retain and use knowledge and skill (human capital) and create intellectual capital. Their knowledge is enhanced by the interactions between them (social capital) and generates the institutionalized knowledge possessed by an organization (organizational capital).

## EMPIRICAL RESULTS OF PRIMARY (COLLECTED) DATA

### Descriptive Statistical Analyses on the Level of Dimensions of Human Capital Practices

Table 1			
THE LEVEL OF HUMAN CAPITAL PRACTICES			
Human Capital Practices	N	Mean	Std. Deviation
Practicing Talent and Performance culture (Recruit, hire, develop, and retain employees with the skills for mission accomplishment and, Empower and motivate employees while ensuring accountability and fairness in the workplace	80	3.23	1.006
Does the organization's compensation system help it attract, motivate, retain, and reward the people it needs to pursue its shared vision? Can practicing equitable compensation and impartiality among different level of employees	80	2.8	1.095
Do your organization managers have the necessary skills to manage their staff? And does human capital feature among the company's strategic priorities?	80	3.01	1.037
Do Decisions, policies and procedures are applied consistently to all employees job done and, Do employees Exert extra effort and engage in behaviours that contribute to business/organization success	80	3.06	0.998
The life stage of the employee, and that the proposition needs to reflect differing needs at differing times (can there any practice to balance their cost of life timely).	80	3.01	0.879

Source: Computed from questionnaire by the researcher, 2023

As defined in table 1 all the dimension of Human capital practices were listed in mean value level from mean value 2.80 and S.D 1.095 to 3.23 and S.D 1.006. The employees in Adama city Administration and OBN were responded with Moderate for Practices of Human Capital Except one variable. One variable regarding to the organization's compensation system



toward pursues shared vision is not satisfactory since it responded in slightly. There also no good practicing on equitable compensation and impartiality among different level of employees.

Thus, both organization need to give special concern to all attribute mentioned in table above. The little improvement they made to their employees; the employees have started satisfying and, similarly organization start its way to success.

As discussed in Boon et al., (2018), Strategic HRM scholars focus mostly on investment in human capital to increase firm performance, by using systems and practices aimed at developing and managing an organization's human capital (Becker & Huselid, 2006). Thus, managers must continually monitor and refine their agencies' human capital approaches to ensure their ongoing effectiveness and continuous improvement.

Human capital resources are suggested to lead to competitive advantage if they are able to generate greater net economic benefits than a firm's competitors (Coff & Kryscynski, 2011). As the value of people increases, so does the performance capacity of the organization, and therefore its value to clients and other stakeholders.

### Descriptive Statistical Analyses on the Level of Dimensions of Social Capital Practices

<b>Table 2</b> <b>THE LEVEL OF SOCIAL CAPITAL PRACTICES</b>			
<b>Social Capital Practices</b>	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>
Can there any practice with social environment to cooperate together actively in networks, norms and trust.	80	3.29	1.046
Is there any knowledge management processes developed in your organization to capture individual knowledge as well as social capital consideration that is the ways in which knowledge is developed through interaction between people	80	3	1.114
Does the agency maintain an environment characterized by inclusiveness and a variety of styles and personal backgrounds and that is responsive to the needs of diverse groups of employees?	80	3.12	0.96
Employees know how to use creativity and ingenuity to solve organizational problems	80	3.09	0.93

Source: Computed from questionnaire by the researcher, 2023

As defined in table 2 all variables were listed in their mean value level from mean value 3.00 to mean value 3.29. As it can be understood from the result all are practiced moderately. The organization need to give attention to knowledge management processes to capture individual knowledge as well as social capital consideration that is the ways in which knowledge is developed through interaction between people. Furthermore, practicing social environment from within the organization and outside is the must to cooperate together actively in networks, norms and trust. Maintaining an environment characterized by inclusiveness and a variety of

styles and personal backgrounds and that is responsive to the needs of diverse groups of employees.

In social capital the knowledge is derived from networks of relationships within and outside the organization. As has been defined by Putnam (1996) the concept of social capital is ‘the features of social life – networks, norms and trust – that enable participants to act together more effectively to pursue shared objectives’.

Social capital theory implies that social resources have important direct and indirect effects. Coleman (1988) argued that the productive potential of social capital lies in its ability to enhance human capital. The World Bank also notes that social capital can be perceived as a set of horizontal associations between people, consisting of social networks and associated norms that have an effect on community, productivity and well-being (website accessed 2000).

### **Descriptive Statistical Analyses on the Level of Dimensions of Organizational Capital Practices**

<b>Table 3</b> <b>THE LEVEL OF ORGANIZATIONAL CAPITAL PRACTICES</b>			
<b>Organizational Capital Practices</b>	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>
Can your organization is use knowledge management processes that aim to obtain and record different types of knowledge obtained.	80	2.95	0.967
Are employees making the best use of information technology to perform their work and to gather and share knowledge?	80	3.28	0.981
Does your organization's have practicing institutionalized knowledge that may be retained with the help of information technology on readily accessible and easily extended databases.	80	3.06	0.946
Can there any way of recording knowledge obtained from individual employees on database or manuals and standard procedures.	80	2.76	1.193

Source: computed from questionnaire by the researcher, 2023

As described in previous table similarly variables in dimension Organizational Capital Practices were also described in mean score value from 2.76 to 3.28. The first and the last variables in table responded in slightly while two remained variables are described moderate.

As understood from the table 3 the organizations' have no practicing any way of recording knowledge obtained from individual employees on database or manuals and standard procedures or even if systematically they have; it's not satisfying. No knowledge management mechanisms to obtain and record different types of knowledge that may obtained.

Furthermore, the organizations do on the best use of information technology to gather and share knowledge and haven't practicing institutionalized knowledge. However, Organizational capital is the institutionalized knowledge possessed by an organization that is stored in databases, manuals, etc. (Youndt, 2000). It can be described as embedded or institutionalized knowledge

that may be retained with the help of information technology on readily accessible and easily extended databases.

Organizational capital is created by people (human capital) but is also the outcome of social capital interactions. It belongs to the firm and can be developed by knowledge management processes that aim to obtain and record explicit and tacit knowledge.

### **Descriptive Statistical Analyses on the Level of Dimensions of Organizational Success (Goal Achievement)**

<b>Table 4 THE LEVEL OF ORGANIZATIONAL SUCCESS (GOAL ACHIEVEMENT)</b>			
<b>Organizational Success Practices</b>	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>
Can your organization's is enriched with Talented Management Systems that done by hiring, retaining, and developing talented professionals'.	80	2.93	0.991
Can your organization is insuring all human capital processes, policies, practices that are audited, evaluated, and held to the highest of best practice standards	80	2.95	0.967
How do you evaluate overall performance of your organization if compared to others in the same business or industry	80	3.31	0.976
Do your organization's senior leadership team is committed to developing more effective ways of doing business, accomplishing results, and investing in human capital	80	3.01	1.164
Are relations between the employees and Managements grounded on mutual effort towards achieving their organization's shared vision?	80	3.32	1.053

Source: Computed from questionnaire by the researcher, 2023

As defined in table 4 all variables were listed in their mean value 2.93 to mean value 3.31. As it can be understood from the table the first two dimensions in variables were practiced slightly while the others were moderately described. The organizations have no practicing Talented Management Systems and best standard practices.

No mutual effort toward achieving their organization shared vision between employees and management. This implies shortage of practising social capital for interactions between them internally as well as externally. Senior leadership team is committed moderately to developing more effective ways of doing business, accomplishing results, and investing in human capital. This indicates Organizational success is the Outcomes of Human Capital, Social Capital and Organizational Capital.

## Relationships between Independent Variables Dimensions and Dependent Variable (Organizational Success) Practices

Table 5 RELATIONSHIPS BETWEEN VARIABLES				
Item Variables	Human Capital	Social Capital	Organizational capital	Organizational Success
Human Capital	1			
Social Capital	.790**	1		
Organizational capital	.705**	.809**	1	
Organizational Success	.740**	.772**	.746**	1
**. Correlation is significant at the 0.01 level (2-tailed).				

Source: computed from questionnaire by the researcher, 2023

As its result indicated in table 5 there is positive strong and significant relationships are existed between all variables. Specially, Strong positive and significant relationships are existed between Social Capital and Organizational Capital. As the result of finding is revealed, there is direct relationship between all variables and Organizational success.

All independent variables were contributed positively and largely for enhancing success in organizations'. The practice of human capital support for practicing social capital's as well as Organizational Capital. These three variables in together well contributed to succeed organizational desire.

## The Effect of Independent Variables' on Organizational Success (Dependent variable)

Table 6 MODEL SUMMARY OF THE EFFECT OF INDEPENDENT VARIABLES' ON ORGANIZATIONAL SUCCESS								
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics			
					R Square Change	df1	df2	Sig. F Change
1	.819 <sup>a</sup>	1	0.657	0.501	0.67	3	76	0
a. Predictors: (Constant), Organizational capital, Human Capital, Social Capital								
ANOVA <sup>b</sup>								
Model			Sum of Squares	df	Mean Square	F	Sig.	
1	Regression		38.772	3	12.924	51.516	.000 <sup>a</sup>	
	Residual		19.066	76	0.251			
	Total		57.838	79				
a. Predictors: (Constant), Organizational capital, Human Capital, Social Capital								
b. Dependent Variable: Organizational Success								

<b>Table 7</b> <b>COEFFICIENTS<sup>a</sup> OF THE EFFECT OF INDEPENDENT VARIABLES' ON ORGANIZATIONAL SUCCESS</b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.114	0.247		0.462	0.646
	Human Capital	0.329	0.122	0.295	2.703	0.008
	Social Capital	0.334	0.146	0.301	2.287	0.025
	Organizational capital	0.316	0.122	0.294	2.583	0.012
a. Dependent Variable: Organizational Success						

Source: computed from questionnaire by the researcher, 2023

As the Results of linear regression analysis were indicated in table 6, 65.7% variance in Organizational Success can be predicted from the combination of all (Organizational capital, Human Capital, Social Capital) Dimensions. The result from table 6 also shows that  $F=51.516$  at  $p<0.05$  statistically significant. This indicates that combination of the predictors significantly combined together to predict Dependent variable of Organizational Success. Because, without providing such variables (**Organizational capital, Human Capital, Social Capital**) it is impossible to achieve organizational success desired. The Regression Equation that predicts the dependent variable was presented as follows:

$$DV = 0.114 + 0.329X_1 + 0.334X_2 + 0.316X_3$$

Whereas: DV=Dependent Variable,

$X_1$ = Human Capital,

$X_2$ = Social Capital, and

$X_3$ = Organizational capital

As output of the model is shown in table 7 reveals, all variables were significantly affecting the organizational success practices, at 95% confidence level ( $p < 0.05$ ). The Social Capital is the most influential factor that significantly affect the organization success with a beta value (beta = 0.334,  $t=2.287$ ), at 95% confidence level ( $p < 0.05$ ).

## CONCLUSSION AND IMPLICATIONS

### Conclusion

The main purpose of this Seminar was to review theoretical foundation of Strategic Human Capital (SHC) and its' applicability on the ground when practiced by different Sectors or organizations. As the result of literature review indicated SHC is composed of three Strategic elements. These are Human Capital, Social Capital and Organizational Capital. All are worked in integration to achieve any desire of organizational success. Similarly, as the result of empirical survey indicated there is also positive strong and significant relationships are existed between all variables. Specially, Strong positive and significant relationships are existed between Social Capital and Organizational Capital. As the result of finding is revealed, there is direct relationship between all variables and Organizational success. The practice of human capital support for practicing social capital's as well as Organizational Capital.

As the Results of linear regression analysis were indicated 65.7% variance in Organizational Success can be predicted from the combination of all (Organizational capital, Human Capital, Social Capital) Dimensions. The result also shows that  $F=51.516$  at  $p<0.05$  statistically significant. This indicates that combination of the predictors significantly combined together to predict Dependent variable of Organizational Success. Therefore, these three variables in together well contributed to succeed organizational desire.

To be effective Strategic Human Capital; Management requires the sustained commitment and attention of senior leaders and Managers at all levels of the agency. However, majority of companies do have human resource management, there are few companies that have strategic human capital practices or rather than name of having, not on practice as the data that obtained from empirical survey's indicated.

Human capital consists of the “people assets” that drive an organization's continuous development and sustained growth, and includes the collective attitudes, skills, abilities, and knowledge base of an entire workforce (Hasebur Rahman & Md. Abdullah Al Mamu, 2013). It is indeed the knowledge, skills and abilities of individuals that create value, which is why the focus has to be on means of attracting, retaining, developing and maintaining the human capital they represent.

Social Capitals consists of the knowledge derived from networks of relationships within and outside the organization. The concept of social capital has been defined by Putnam (1996) as ‘the features of social life – networks, norms and trust – that enable participants to act together more effectively to pursue shared objectives’. As survey analysis indicated the Social Capital is the most influential factor that significantly affect the organization success with a beta value (beta = 0.334,  $t=2.287$ ), at 95% confidence level ( $p < 0.05$ ).

Organizational capital is the institutionalized knowledge possessed by an organization that is stored in databases, manuals, etc (Youndt, 2000, Baron, A and Armstrong, M 2007). It can be described as embedded or institutionalized knowledge that may be retained with the help of information technology on readily accessible and easily extended databases. It can include explicit knowledge that has been recorded on a database or in manuals and standard operating procedures, or tacit knowledge that has been captured, exchanged and, as far as possible, codified.

Finally, as the result of descriptive statistical analysis indicated the organizations have no practicing Talented Management Systems and best standard practices, and No mutual effort toward achieving their organization shared vision between employees and management. This implies shortage of practising social capital for interactions between them internally as well as externally. Senior leadership team is committed moderately to developing more effective ways of doing business, accomplishing results, and investing in human capital. This indicates Organizational success is the Outcomes of Human Capital, Social Capital and Organizational Capital.

## Implication

Managing the workforce is not a problem for which the organization can supply an answer and then move on. Rather, managers must continually monitor and refine their agencies' human capital approaches to ensure their ongoing effectiveness and continuous improvement. As discussed in Boon, C., Eckardt, R., Lepak, D. P., & Boselie, P. (2018), Strategic HRM scholars focus mostly on investment in human capital to increase firm performance, by using systems and practices aimed at developing and managing an organization's human capital.

However, as the result of survey indicated the organization's compensation system toward pursues shared vision is not satisfactory since it responded in slightly. There also no good practicing on equitable compensation and impartiality among different level of employees. Thus, both organization need to give special concern to all attribute mentioned. The little improvement they made to their employees; the employees have started satisfying and, similarly organization start its way to success. As the value of people increases, so does the performance capacity of the organization, and therefore its value to clients and other stakeholders.

On the other hand, the organization need to give attention to knowledge management processes to capture individual knowledge as well as social capital consideration that is the ways in which knowledge is developed through interaction between people. Furthermore, practicing social environment from within the organization and outside is the must to cooperate together actively in networks, norms and trust. Social capital theory implies that social resources have important direct and indirect effects. The World Bank also notes that social capital can be perceived as a set of horizontal associations between people, consisting of social networks and associated norms that have an effect on community, productivity and well-being (website accessed 2000).

As data from survey indicated the organizations' have no practicing any way of recording knowledge obtained from individual employees on database or manuals and standard procedures or even if systematically they have; it's not satisfying. No knowledge management mechanisms to obtain and record different types of knowledge that may obtained. Furthermore, the organizations do on the best use of information technology to gather and share knowledge but haven't practicing institutionalized knowledge. However, Organizational capital is the institutionalized knowledge possessed by an organization that is stored in databases, manuals, etc (Youndt, 2000). Organizational capital is created by people (human capital) but is also the outcome of social capital interactions. It belongs to the firm and can be developed by knowledge management processes that aim to obtain and record explicit and tacit knowledge.

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