

## The Influence of Social Capital on Knowledge Sharing among Farmers in Malaysia

Amir Imran Zainoddin<sup>1</sup>, Mohd Rizaimy Shaharudin<sup>2</sup>, Nur Amalina Aziz<sup>1</sup>, Nor Hidayah Hassim<sup>3</sup>, Ahmad Syahmi Ahmad Fadzil<sup>1</sup>

<sup>1</sup>Faculty of Business and Management, Universiti Teknologi MARA Cawangan Johor, Kampus Segamat, 85000 Segamat, Johor, Malaysia

<sup>2</sup>Smart Manufacturing Research Institute (SMRI), School of Mechanical Engineering, College of Engineering, Universiti Teknologi MARA, 40450 Shah Alam, Selangor, Malaysia

<sup>3</sup>Faculty of Computer and Mathematical Sciences, Universiti Teknologi MARA Cawangan Johor, Kampus Segamat, 85000 Segamat, Johor, Malaysia

### Abstract

The study intended to explore the influence of social capital in terms of structural, relational, and cognitive dimensions on knowledge sharing among farmers working in two community projects: (i) Paddy in Kedah and (ii) Chilli Farming in Kelantan. A total of 140 usable responses were received from farmers, who were also the study respondents. The analysis was conducted using SPSS and PLS-SEM. As such, the study's intention to uncover the role of social capital on knowledge sharing among farmers was guided by the philosophical basis of social capital theory to assess the impact among farmers who participated in the CSR activities through the concept of Creating Shared Value (CSV) programme. The results of the study unveiled relational and cognitive dimensions to influence knowledge sharing significantly, whereas the structural dimension was found to be statistically insignificant. These outcomes were expected to benefit new and current research, especially in bridging the knowledge gap business–community relations in CSR. The role of social capital is significant for community development as it provides available resources that help to support individuals through their business-driven ventures.

**Keywords:** corporate social responsibility, knowledge sharing, multinational company, social capital



## **1.0 Introduction**

According to Adler and Kwon (2002), social capital refers to the potential and real resources available, and it is created through the establishment of contacts that facilitate cooperation and result in benefits. According to previous research, social capital can be generated under four conditions: (i) time; (ii) interdependence; (iii) interactions; and (iv) closure (Carey & Lawson, 2011). Establishing trust and cooperation norms, on the other hand, takes time because relationship cohesion and permanence, which can motivate people to participate in any exchange, must first be created. Many people see social capital as a way for businesses to collaborate in a supplier-buyer partnership to generate value (Villena et al., 2011). Consequently, it is increasingly being regarded as a critical channel for the dissemination of information and knowledge (e.g., Li et al., 2014; Zhou et al., 2014). As previous research has shown, social capital encourages the creation of skills in society by facilitating the conditions required for skill exchange and rearrangement (Adler & Kwon, 2002; Coleman, 1990). Interaction between individuals in society, especially in poor communities, is referred to as social capital (Narayan & Cassidy, 2001). It finally succeeds in exposing the problems that society faces. The transfer of knowledge, opportunities, inventions, and learning is a common outcome of social capital, which is focused on the concept of exchange between societal actors (Zainoddin et al., 2020). As a result of this realisation, there is a pressing need to comprehend the impact of social capital on knowledge sharing among Malaysian farmers. Given the scarcity of research on such topics, this study aims to determine the impact of social capital on knowledge sharing among farmers in the Malaysian context, using the structural, relational, and cognitive dimensions. The literature review is accompanied by the creation of the study's theoretical structure and hypotheses in the following section of the paper. The approach used is then explained, accompanied by a discussion of data analysis. The conclusion is presented in the final section.

## **2.0 Literature Review**

### **2.1 Corporate Social Responsibility**

CSR is frequently involved in the creation of the fundamentals of community, economic, and environmental foundations that enhance society's involvement (Huda et al., 2018). CSR (Corporate Social



Responsibility) is a phrase that refers to a company's responsibility to give back to society. It allows an organisation to prioritise profit over the socioeconomic well-being of the local community. According to The World Bank (2016), corporate social responsibility (CSR) refers to a corporation's contribution to giving back to society and the environment to improve their quality of life, which benefits the company. It enables businesses to care more about society and the environment, resulting in better economic, social, and environmental results for all stakeholders (Shaari et al., 2017). CSR projects are generally referred to as unpaid initiatives, and they can include non-profit corporate events as long as they aim to address social and environmental issues (Devinney, 2009). In the Malaysian context, several large corporations, both multinational (MNCs) and local companies, have adopted CSR in various areas, such as technology, economy, health, and education. Despite this, not all activities are carried out because of awareness; many are carried out purely to enhance the efficiency and reputation of the organisation (Amran & Susela Devi, 2008). As a result, CSR is regarded as a potential connection between business and community growth. Realistically, it has been claimed that companies are contributing to national development through corporate social responsibility initiatives (Reed & Reed, 2010). The participation of private corporations in community-based activities, particularly in CSR programs, is necessary not only to create a more competitive market and improve the economic status of the disadvantaged but also to contribute to human resources and community development. (Zainoddin & Shaharudin, 2021).

## 2.2 Social Capital

The amount of assets or resources surrounded by networks of relationships among individuals, communities, and societies is known as social capital (Chang & Chuang, 2011). It is ingrained in people's relationships with one another and their connections to their societies (Chang & Chuang, 2011). Social capital is critical for MNCs' success because of its ability to create successful coordination and collaboration across geographic and cultural boundaries, in addition to its close links with the creation and allotment of information within a firm (Taylor, 2007). It can also boost and reinforce group identification, fostering community welfare among participants while achieving the same goals (Wang & Noe, 2010). The role of social capital in stimulating employees' eagerness and capabilities to engage in the



development and sharing of information in global firms while also improving collaboration and support in the global network has been emphasised (Kostova & Roth, 2003). Several empirical studies were found to have consistently mentioned three dimensions of social capital, structural, relational, and cognitive, which contribute to MNC performance, based on a review of these publications. In the current research, the dimensions of structural (Muthuri et al., 2012), relational (Chang & Chuang, 2011), and cognitive (Bhuiyan, 2011) social capital were conceptualised.

### 2.2.1 Structural Social Capital

By having stronger networks of relationships, structural social capital leads to the efficient flow of expertise and well-organised management (Kostova & Roth, 2003). The quality of the relations primarily conveys how often actors communicate, while network density conveys who communicates with whom (Wang & Noe, 2010). Naturally, a specific group or culture forms for several reasons, including the ability to share their experiences with others (Chang & Chuang, 2011). Individuals in the community build confidence due to this interaction, enabling them to communicate and form relationships (Chang & Chuang, 2011). Knowledge sharing is accelerated by good interaction and communication among individuals or groups, which is relatively easy to achieve and maintain (Chiu et al., 2006).

### 2.2.2 Relational Social Capital

Collaboration, resource acquisition, and knowledge sharing among individuals or organisations are all influenced by relationships or trust (Chang & Chuang, 2011). According to Moran (2005), this dimension has a greater effect on innovation efficiency, which is largely dependent on the degree of interpersonal relationships. In fact, sharing knowledge between companies allows for mutual learning and collaboration within organisations, which can promote new knowledge and enhance the capacity of organisations to innovate (Pérez-luo et al., 2011).

### 2.2.3 Cognitive Social Capital

According to Inkpen and Tsang (2005), cognitive and social capital necessitates community members' recognition of common norms, beliefs, and connotation structures. Individuals and



organisations can better understand each other by sharing their dreams and priorities, ensuring that the information transfer process runs smoothly and according to the schedule (Chow & Chan, 2008). Based on the articles on mutual cognition, team mechanisms for incorporating individual information are aided by team members' mental models being identical (Mohammed & Dumville, 2001). Therefore, mutual (or standard) information is an essential dimension in relationships that lets organisations learn more effectively (Wang & Noe,2010).

### 2.3 Share of Knowledge

Knowledge sharing, according to Phelps et al. (2012), is the transfer of information that results in receiving units adopting new production techniques. As a result, such a transition of technical resources increases business efficiency and industry economic exploitation. Design, development, implementation, sales and distribution, operation and maintenance, and management are all areas where transferred expertise can be found (Chen & Lovvorn, 2011). Thus, a company's ability to successfully manage the process of information transfer is crucial to its success. Awareness, like land, labour, and resources, has become a conservative factor in production as a factor deciding a business's performance (Chen & Lovvorn, 2011). Consequently, workers' skills and expertise have become crucial factors in economic growth (Chen & Lovvorn, 2011).

In the same way, social capital has become vital. It has been recognised as a one-of-a-kind source of competitive advantage due to the competency, expertise, and norms that it requires, resulting in more opportunities for those involved (Zhang et al., 2015). Workers' expertise and skills, on the other hand, are critical components for emerging economies (Mu et al., 2010). The lack of correlation and togetherness in intergroup relationships reflects the growth of disadvantaged communities. This explains why social capital is so critical for the poor because it helps them cope with their problems (Ansari et al., 2012). The high level of social capital in a group will increase mutual interdependence among its members (Ansari et al., 2012). As a result, it aids in the growth of a community's identity and promotes its well-being by requiring members to engage in the pursuit of common goals (Putnam, 1995). Hence, having good community relationships aids people in resolving potential conflicts through tolerance guided by reputable norms of trust and reverence, resulting



in improved communication and cooperation within the group (Stuligross & Varshney, 2002). The transmission of knowledge, opportunities, inventions, and learning is a common result of social capital, which is based on the idea of a communal exchange (Zainoddin et al., 2020).

### **3.0 Literature Review**

Individuals' or families' well-being, or the public's at large; the vibrancy of civic life; neighbourhood well-being; and political or economic well-being (such as participatory democracy, stability, and reduced inequality) are all potential outcomes of social capital, which is made up of networks at various levels (Stone & Hughes, 2002). As a result, establishing a personal relationship with the local group improves familiarity and in-depth information gain for organisations, resulting in greater resources and abilities for knowledge transfer between the two parties (Ansari et al., 2012). However, since knowledge sharing occurs regularly over time, it is crucial to stress the importance of both parties' understanding. Therefore, specific consideration based on similar criteria is ultimately necessary, as they can encounter various circumstances at various times (Tsai, 2001). In effect, new knowledge is generated because of direct interactions between research partners (McFadyen & Cannella, 2004). Thus, acquiring new information would help society by raising their standard of living. Social capital has mainly been used to describe economic growth disparities between societies with varying levels of social integration. Even though the economic benefits of social capital are well known, the issue of how exactly social networks achieve beneficial outcomes remains a point of contention; however, knowledge exchange, activity communication, and collective decision-making have been described as some of the social capital's beneficial functions (Lehtonen, 2004). In practice, social capital is essential for developing a community's capabilities by creating favourable conditions for the sharing of capabilities and the development of developments that support all parties (Adler & Kwon, 2002; Coleman, 1990). The opportunity for knowledge sharing through a business touch, mutual understanding of both parties' expectations, and a commitment to share knowledge among individuals or organisations are all part of improving capabilities. Social interaction is regarded as important in inspiring employees' value formation, knowledge sharing, and planning for future visions in particular organisations or businesses, which will





contribute to social capital and understanding among individuals, resulting in the success of the entire company (Liu, 2013). Therefore, engagement is crucial in driving change and generating positive feelings, as it offers feedback based on an interpretation of partners' behaviours and motives (Liu et al., 2010). The following conceptual structure (Figure 1) has been suggested based on these statements.

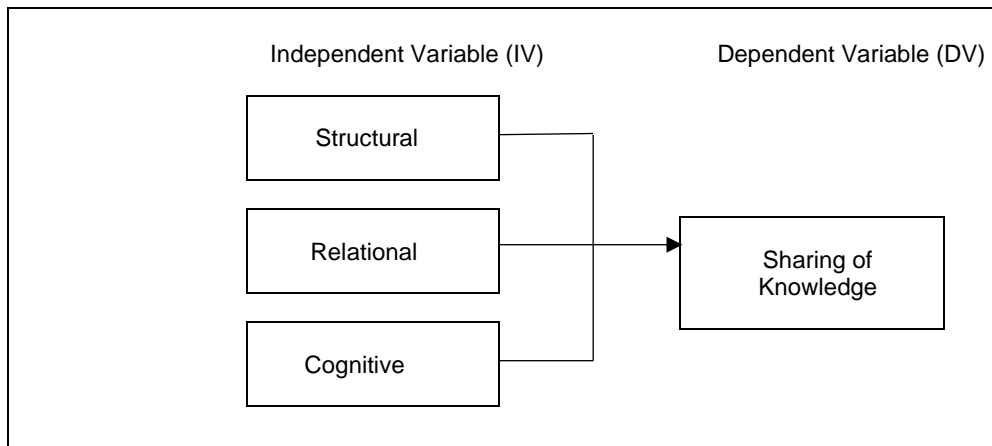


Figure 1 : Conceptual Framework

As shown in Figure 1, there is a clear need for change, particularly when considering the role of social capital in achieving positive economic, social, and democratic outcomes that contribute to the community's well-being (Cuthill, 2010). Similarly, interactions among the parties concerned would improve relationships and network ties, resulting in economic growth and the performance of specific activities (Cuthill, 2010).

Employees' good teamwork and collaboration allow social capital to play a vital role in fostering employees' preparation and capacity to engage in information development and sharing in global firms and networks (Kostova & Roth, 2003; Nahapiet & Ghoshal, 1998). As a result, most companies are now capable of increasing the depth, scope, and efficiency of their common information exchange through correlation and social interactions involving internal and external interactions (Lang, 2004). The structural dimension, according to Nahapiet and Ghoshal (1998), is critical in facilitating knowledge sharing and escalating opportunity exchange among the parties involved. As a result of network ties, a stronger scenario in terms of the parties' relationship would be generated as it becomes the primary source of references; this will result in improved perception and assist

them in gaining new information in relevant tools (Bolino et al., 2002). Hence, the following theory has been proposed:

H1: There is a significant positive relationship between the structural dimension and knowledge sharing.

The relational dimension, according to Liu (2013), is defined as personal relationships, such as trust, responsibilities, respect, and even friendship, which together increase motivation through knowledge exchange and teamwork. The case studies by Bresman et al. (1999) have given empirical evidence for its significance in social capital as a regulation of information flow. Consequently, the relational component involves information exchange and fosters willingness among individuals who are required to accept responsibility and fulfil responsibilities for their own benefit (Tsai & Ghoshal, 1998). As a result of this study, the following hypotheses have been proposed:

H2: There is a significant positive relationship between the relational dimension and knowledge sharing.

The cognitive component of social relations emphasises the significance of mutual visions, concern, and the system's importance in organisational learning (Hau et al., 2013). According to some researchers, most people cannot recognise, understand, or share unique information unless they have a similar cognitive frame of reference (Yang & Farn, 2009). As a result, the cognitive component asserts its role in developing a convenient environment and fostering individuals' information sharing to boost motivation and skills (Ansari et al., 2012). The definition of this programme was described and explained to farmers in this report. Therefore, their comprehension of the definition ensured that they had adequate understanding and the capacity to devote sufficient concentration in compliance with the expectations. Thus, the following hypotheses have been proposed:

H3: There is a significant positive relationship between the cognitive dimension and knowledge sharing.

#### **4.0 Methodology**

This study aims to empirically evaluate the proposed structure by focusing on the efficacy of the programmes, which included participants from the rural development sector. As part of the study's





quantitative research methodology, a systematic questionnaire was used as the primary source of the research instrument. The participants in this study came from two group projects: (i) paddy in Kedah and (ii) chilli farming in Kelantan. In Kedah, approximately 300 farmers were involved in the paddy programme, while 100 chilli farmers from Kelantan were also participants. Since farmers who participated in these two group projects were considered possible respondents, the total population of the sample was increased to 400 farmers. Despite the study's small sample size and the high probability of low answers, all 400 respondents were included. As a result, using the whole population as the sampling frame confirmed that the sampling methodology used in this research was census sampling (Harding, 2006).

Table 1 : Items for Independent Variables

Variables	Dimension	No. of item	Independent Indicators	Variables source of item
Social Capital	Structural	5	a. I have a very good relationship with my project owner.	(Chow & Chan, 2008; Nahapiet & Ghoshal, 1998)
			b. I am very close to my project owner.	
			c. I always hold lengthy discussions with my project owner.	
			d. I maintain close social relationships with the project owner.	
			e. I know this project owner on a personal level.	
	Relational	6	a. A good relationship has developed over time in dealings with the project owner.	(Inkpen & Tsang, 2005; Chow & Chan, 2008)
			b. The project owner and I understand each other well.	
			c. I have never had the feeling of being misled in my interactions with the project owner.	
			d. I know this project owner's members will always try	



Variables Dimension	No. of item	Independent Indicators	Variables source of item
		and help me out if I get into difficulties	
		e. I can always trust the project owner's members to lend me a hand if I need it.	
		f. I can always rely on the project owner's members to make my job easier.	
Cognitive	5	a. I have a deep understanding of this project owner's business goals.	(Brashear et al., 2003; Tsai & Ghoshal, 1998)
		b. I have a deep understanding of this project owner's everyday work practice.	
		c. The project owner's members and I always share the same vision at work.	
		d. I feel that my personal values are a good fit for the project owner.	
		e. In general, my values and the project owner's values are very similar.	

Section A began with the respondents' socio-demographic information, such as age, gender, marital status, education level, age at which they first participated in this programme, interest in the programme, the help obtained, participation in other programmes, obstacles, and the program's success factor. With a total of 16 items, Section B of the questionnaire sought knowledge about the function of social capital (structural, relational, and cognitive). The participants were asked whether these three types of measurements and the degree to which they had received assistance constituted social capital. The structural, emotional, and cognitive dimensions were evaluated using a five-point Likert scale, with 1 indicating strong disagreement and 5 indicating strong agreement. The structural dimension was assessed using a five-item questionnaire, three of which were adapted from Chow and Chan (2008) and two from



Nahapiet and Ghoshal (1998). The relational factor dealt with a person's intimate relationship with others due to their experiences over time. The relational factor was assessed using a six-item questionnaire, three of which were adapted from Inkpen and Tsang (2005) and three from Chow and Chan (2008). Two items were adapted from Tsai and Ghoshal (1998), while another two were adapted from Brashear et al. (2003), and one item was adapted from Chow and Chan (2008). Table 1 shows the elements for all three dimensions of the independent variables.

The questionnaire's final section was designed to assess knowledge sharing among farmers who were also participants in this community programme. A 5-item questionnaire adapted from Bock et al. was used to assess their information sharing (2005). The respondents were asked about information sharing based on a five-point Likert scale, with 1 indicating strong disagreement to 5 indicating strong acceptance. The item measurements for information sharing among the farmers who participated in the community programmes are shown in Table 2.

Table 2 : Items for Dependent Variables

<b>Variables</b>	<b>No. of item</b>	<b>Independent Indicators</b>	<b>Variables source of item</b>
Knowledge Transfer	5	a. I receive facts or information from the project owner (such as data, documents, etc.). b. I receive personal practical know-how from the project owner. c. I intend to share my experience or know-how from work with my project owner more frequently in the future. d. I will always share my know-where or know-whom at the request of my project owner. e. I will try to share my expertise from my education or training with my project members in a more effective way. f. I determine strategic actions by weighing costs and benefits.	(Bock et al., 2005)



## **5.0 Data Analysis and Findings**

This study aims to empirically evaluate the proposed structure by focusing on the efficacy of the programmes, which included participants from the rural development sector. As part of the study's quantitative research methodology, a systematic questionnaire was used as the primary source of the research instrument. The participants in this study came from two group projects: (i) paddy in Kedah and (ii) chilli farming in Kelantan. In Kedah, approximately 300 farmers were involved in the paddy programme, while 100 chilli farmers from Kelantan were also participants. Since farmers who participated in these two group projects were considered possible respondents, the total population of the sample was increased to 400 farmers. Despite the study's small sample size and the high probability of low answers, all 400 respondents were included. As a result, using the whole population as the sampling frame confirmed that the sampling methodology used in this research was census sampling (Harding, 2006).

### **5.1 Demographic Profile**

According to the profiles of respondents, most farmers are between the age of 51 and 65, accounting for 45 percent of the total population. The majority of the 131 respondents (93.6%) were men, while only 9 respondents (6.4%) were women. In terms of marital status, 138 respondents were married, with only two persons (1.4%) being single. According to the survey, many respondents had only received primary education (91 respondents or 65%). A majority of 67 respondents (47.9%) said they had been participating in this group service for at least 5 years. However, the vast majority of respondents (131 respondents or 93.6 percent) had no prior experience with similar community programmes.

As a result, the respondent profiles appeared to be adequate for the research to perform causal relationship analysis using SmartPLS version 3.0.



Table 3 : Measurement Model of the PLS-Construct Reliability and Validity (n = 140)

Latent variable	Factor Loading	AVE	Composite Reliability
Structural	0.770	0.685	0.886
	0.865		
	0.872		
	0.892		
	0.728		
Relational	0.622	0.644	0.915
	0.794		
	0.812		
	0.811		
	0.857		
Cognitive	0.640	0.755	0.938
	0.902		
	0.931		
	0.908		
	0.929		
Sharing of Knowledge	0.710	0.589	0.895
	0.779		
	0.836		
	0.830		
	0.662		
	0.770		

## 5.2 Assessment of the Measurement Model

The measurement model for the PLS-construct reliability and validity is shown in Table 3. The convergent validity was calculated using the factor loadings, average extracted (AVE), and composite reliability performance (Hair et al., 2010). The factor loading value for each component was greater than 0.6, indicating high reliability (Hair et al., 2013). The AVE was appropriate, varying from 0.589 to 0.785. (Hair et al., 2010). The composite reliability ranged from 0.886 to 0.956, which was higher than the cut-off value of 0.7, according to the results of an analysis of the composite reliability (Nunnally & Bernstein, 1994).

The discriminant validity was tested using a multitrait-multimethod matrix. There is an issue of discriminant validity if the HTMT value is greater than the HTMT.85 value of 0.85 (Kline, 2013) or



HTMT.90 value of 0.90 (Gold & Bentler, 2009). As shown in Table 4, all values in the sample passed the HTMT.90 (Gold & Bentler, 2009) and HTMT.85 (Kline, 2013).

Table 4 : Heterotrait-Monotrait

	Cognitive	Effectiveness of Programme	Innovation	Opportunity	Relational	Sharing of Knowledge	Structural
Cognitive							
Relational	0.139	0.346	0.132	0.194			
Sharing of Knowledge	0.196	0.531	0.280	0.280	0.265		
Structural	0.835	0.179	0.183	0.342	0.154	0.149	

The relationships between the independent variables (structural, relational, and cognitive dimensions) and the dependent variable were explored in this analysis (knowledge sharing). The structural model and results of the study's hypothesis testing are summarised in Table 5.

Table 5 : Summary of Path Coefficients and Hypothesis Testing for Social Capital and Capability Development

No	Hypothesis	Path Coefficients	Std. Deviation	t-values	p-values	Remark
H1	S→SK	-0.090	0.136	0.659	0.255	Not Supported
H2	R→SK	0.264	0.091	2.909***	0.002	Supported
H3	C→SK	0.276	0.117	2.361***	0.009	Supported

**Note:** \* $p < .05$  (1.645), \*\* $p < .01$  (2.33), \*\*\* $p < .001$  (3.33) (based on one-tailed test). S = structural, R = relational, C = cognitive, SK = sharing of knowledge

The structural dimension was statistically insignificant with information sharing, as shown in Table 5, with a coefficient of -0.090 and a t-value of 0.659. The relational component, on the other hand, was found to be positively linked to information sharing and statistically significant at  $p = 0.002$  (coefficient = 0.264\*\*\*, t-value = 2.909). The premise that cognitive has an impact on information sharing was confirmed by statistical analysis, which found it statistically significant at  $p = 0.001$  (coefficient = 0.276\*\*\*, significant at t-value = 2.361). These findings suggested that relational and cognitive dimensions had an impact on knowledge sharing among community development





programmes, but systemic factors had no effect. Thus, H2 and H3 were supported, whereas H1 was unavoidably not supported.

## **6.0 Discussion**

The current study looked into the links between social capital dimensions (structural, emotional, and cognitive) and farmer information sharing. The structural dimension was found to be negligible when it came to knowledge sharing among farmers in the community development programme, according to empirical findings. From the farmers' viewpoint, several problems have hindered information sharing and resulted in unsatisfactory outcomes. According to their feedback, the issues included a lack of knowledge about the land's condition and planting technologies that provided effective techniques for growing chilli and paddy production. Following the identification of these problems, Multinational Corporations (MNCs) must undertake additional research to develop planting techniques and reinforce farmers' capabilities. Based on the results of the interviews with several farmers, their planting strategy was ineffective and required changes based on the land conditions. The use of 'earth-vitamins' for plants was also noted as likely inappropriate for some land types; this necessitated MNC's R&D to find the best solutions for various land conditions.

The relational dimension was also tested, and it was found to be positively and significantly linked to information sharing among the farmers in the community programmes. This result corroborated a previous study that found a correlation between the relational dimension or trust and knowledge sharing. It has been stated that the principle of information sharing is informed by previous relationships, which helps both parties communicate more effectively (Lovvorn & Chen, 2011). MNC has provided knowledge transfer routines and exchanges that have benefited the business in the form of raw material supply for their goods in the research context. Farmers have benefited from the knowledge transfer because it has enabled them to implement good agricultural practices that have helped them protect the environment while producing high-quality productions. Trust has also been described as a way to improve cooperative agreements and build opportunities for information sharing, according to other researchers (Marie et al., 2015). As a result, confidence allows members to share their expertise and network, strengthening their ability to access each other's information (Levin et al., 2006). Furthermore, interactions and



communication between MNC and farmers are likely to have assisted in the recognition of skills, overall needs, and beneficial behaviours. Interaction is particularly important for the creation of interpersonal trust because it greatly improves both parties' efficiency.

In conclusion, people who share the same goals and norms are more likely to connect. As a result, they will be treated fairly, and able to share, and work together. These results matched those of Amayah (2013), who found that experiences increase communication channels and include the exchange of language, norms, and identities with others.

## **7.0 Conclusion**

Social capital refers to the partnership or understanding that occurs between individuals and organisations that encourage them to carry out particular acts to increase the community's worth. This study found that the network links built between MNC and farmers would lead to capacity growth and help to improve society's well-being, according to the social capital theory (Chang & Chuang, 2011). The findings showed that having a stronger partnership and trust between these two parties leads to more opportunities and information sharing, which in turn increases the community's well-being. As a result, this highlights the importance of greater engagement and common expectations to ensure the sustainability of community services. The data on the effects illustrated in the literature as well as the theoretical and realistic insights offered are the study's key contributions. This research has contributed to the literature by providing analytical data on CSR programmes for community growth. According to previous research, there were few longitudinal studies on group CSR practices. Therefore, companies have become more mindful of the value of community growth (Ismail, 2009). In terms of theoretical contribution, the social capital theory notes that social networks offer better resources and information sharing, which can affect people's success in a society (Abbasi et al., 2014). It also helps in the creation of relationships and the growth of trust to strengthen communication between individuals and organisations (Bhuiyan, 2011). In terms of practical contribution, the findings can be used as a guide for other businesses interested in participating in CSR activities. The findings can also be used as inputs by other businesses when implementing CSR services that support the community.



The impetus for information sharing and capacity growth has increased because of the partnership based on mutual understanding between MNC and farmers, leading to long-term community development. The value of social capital in fostering understanding and engagement among the parties concerned was also established in this report. The results of this study have shed light on community growth, which could contribute to more promising future research and practice. This will assist in the creation of better resources and information sharing for capability growth to enhance the community's well-being through an increase in members' standard of living. Future studies may use this study as a starting point to look at other important areas of community development research.

## References

- Abbasi, A., Wigand, R. T., & Hossain, L. (2014). Measuring social capital through network analysis and its influence on individual performance. *Library and Information Science Research*, 36(1), 66–73. <http://doi.org/10.1016/j.lisr.2013.08.001>
- Abdul Wahab, N., Ahmad, N., & Yusoff, H. (2017). CSR inflections : An overview of CSR practices on financial performance by public listed companies in Malaysia., 00003(36).
- Abrams, L. C., Cross, R., Lesser, E., & Levin, D. Z. (2003). Abrams, L. C., Cross, R., Lesser, E., & Levin, D. Z. (2003). Nurturing interpersonal trust in knowledge-sharing networks. *Academy of management executive*, 17(4), 64–77. *Acur. Academy of Management Executive*, 17(4), 64–77.
- Adger, W. N. (2001). Social capital and climate change. *ResearchGate*, 8(October).
- Adler, P. S., & Kwon, S. W. (2002). Social capital: Prospects for a new concept. *Academy of Management Review*, 27(1), 17-40.
- Aggarwal, V.A., Siggelkow, N. and Singh, H. (2011), "Governing collaborative activity: interdependence and the impact of coordination and exploration", *Strategic Management Journal*, Vol. 32 No. 7, pp. 705-730
- Akhavan, P., & Hosseini, S. M. (2016). Social capital, knowledge sharing , and innovation capability : an empirical study of R & D teams in Iran. *Technology Analysis & Strategic Management*, 28(1), 96–113. <http://doi.org/10.1080/09537325.2015.1072622>



- Amran, A., Mohamed Zain, M., Sulaiman, M., Sarker, T., & Ooi, S. K. (2013). Empowering society for better corporate social responsibility (CSR): the case of Malaysia. *Kajian Malaysia*, 31(1), 57–78.
- Amran, A., & Susela Devi, S. (2008). The impact of government and foreign affiliate influence on corporate social reporting. *Managerial Auditing Journal*, 23(4), 386–404. <http://doi.org/10.1108/02686900810864327>
- Amayah, A. T. (2013). Determinants of knowledge sharing in a public sector organization. *Journal of Knowledge Management*, 17 (3), 454-471.
- Anand, P., Santos, C., & Smith, R. (2008). *The measurement of capabilities*.
- Ansari, S., Munir, K., & Gregg, T. (2012). Impact at the “Bottom of the Pyramid”: The role of social capital in capability development and community empowerment. *Journal of Management Studies*, 49(4), 813–842. <http://doi.org/10.1111/j.1467-6486.2012.01042.x>
- Bhuiyan, S. H. (2011). Social Capital and Community Development: An analysis of two cases from India and Bangladesh. *Journal of Asian and African Studies*, 46(6), 533–545. <http://doi.org/10.1177/0021909611401511>
- Blowfield, M., & Dolan, C. S. (2014). Business as a development agent: evidence of possibility and improbability. *Third World Quarterly*, 35(1), 22–42.
- Bock, G.W., Zmud, R.W., Kim, Y.G. and Lee, J.N. (2005), “Behavioral intention formation in knowledge sharing: examining the roles of extrinsic motivators, social-psychological forces, and organizational climate”, *MIS Quarterly*, Vol. 29 No. 1, pp. 87-112.
- Boehm, A. (2002). Corporate social responsibility: A Complementary perspective of community and corporate leaders. *Business & Society Review*, 107(2), 171–194.
- Bohdanowicz, P., & Zientara, P. (2008). Hotel companies’ contribution to improving the quality of life of local communities and the well-being of their employees. *Journal of Tourism and Hospitality*, 9 (December), 147–158. <http://doi.org/10.1057/thr.2008.46>
- Bourdieu, P. (1986). “The forms of capital”. In Richardson, J. (Ed.), *Handbook of theory and research for the sociology of education*. New York: Greenwood,.



- Bolino, M. C., Turnley, W. H., & Bloodgood, J. M. (2002). Citizenship behavior and the creation of social capital in organizations. *Academy of Management Review*, 27(4), 505-522.
- Brashear, T. G., Boles, J. S., Bellenger, D. N., & Brooks, C. M. (2003). An empirical test of trust-building processes and outcomes in sales manager-salesperson relationships. *Journal of the Academy of Marketing Science*, 31(2), 189-200.
- Bresman, H., Birkinshaw, J., & Nobel, R. (1999). Knowledge transfer in international acquisitions. *Journal of International Business Studies*, 30(3), 439-462.
- Brammer, S., Jackson, G., & Matten, D. (2012). Corporate social responsibility and institutional theory: new perspectives on private governance. *Oxford Journal*, (10), 3–28.  
<http://doi.org/10.1093/ser/mwr030>
- Brooks, S. (2005). Corporate social responsibility and strategic management: the prospects for converging discourses. *Strategic Change*, 411(November), 401–411.  
<http://doi.org/10.1002/jsc.731>
- Burchi, F., & Muro, P. De. (2016). Forum for social economics measuring human development in a high-income country: a conceptual framework for well-being indicators measuring human development in a high-income country: a conceptual framework for well-being indicators. *Journal of the Association for Social Economics*, 45(April), 120–138.  
<http://doi.org/10.1080/07360932.2014.995196>
- Carroll, A. B. (1999). Evolution of a definitional construct. *Business & Society*, 38(3), 268–295.
- Carey, S. and Lawson, B. (2011), “Governance and social capital formation in buyer-supplier relationships”, *Journal of Manufacturing Technology Management*, Vol. 22 No. 2, pp. 152-170.
- Chang, H. H., & Chuang, S. (2011). Information & management social capital and individual motivations on knowledge sharing: Participant involvement as a moderator. *Information & Management*, 48(1), 9–18.  
<http://doi.org/10.1016/j.im.2010.11.001>
- Chen, J. S., & Lovvorn, A. S. (2011). The speed of knowledge transfer within multinational enterprises: the role of social capital. *International Journal of Commerce and Management*, 21 (1), 46-62.



- Cheng, Z., Wang, H., & Smyth, R. (2013). Happiness and job satisfaction in urban China: A comparative study of two generations of migrants and urban locals. *Urban Studies Journal*, 51(10), 2160–2184.  
<http://doi.org/10.1177/0042098013506042>
- Chiu, C. M., Hsu, M. H., & Wang, E. T. (2006). Understanding knowledge sharing in virtual communities: An integration of social capital and social cognitive theories. *Decision Support Systems*, 42(3), 1872-1888.
- Cousins, P.D., Handfield, R.B., Lawson, B. and Petersen, K.J. (2006), "Creating supply chain relational capital: the impact of formal and informal socialization processes", *Journal of Operations Management*, Vol. 24 No. 6, pp. 851-863
- Chow, W. S., & Chan, L. S. (2008). Social network, social trust and shared goals in organizational knowledge sharing. *Journal of Information & Management*, 45, 458–465.  
<http://doi.org/10.1016/j.im.2008.06.007>
- Coleman, J. (1990). *Foundations of Social Theory*. Cambridge, MA: Harvard University Press.
- Cuthill, M. (2010). The contribution of human and social capital to building community well-being: a research agenda relating to citizen participation in local governance in Australia. *Urban Policy and Research*, 21(4), 373–391.  
<http://doi.org/10.1080/0811114032000147412>
- Dale, A., & Newman, L. (2010). Social capital: a necessary and sufficient condition for sustainable community development? *Community Development Journal*, 45(1), 5–21.  
<http://doi.org/10.1093/cdj/bsn028>
- Darroch, J., & McNaughton, R. (2002). Examining the link between knowledge management practices and type of Innovation. *Journal of Intellectual Capital*, 3(3), 210–222.  
<http://doi.org/10.1108/14691930210435570>
- Devinney, T. M. (2009). Is the socially responsible corporation a myth? The good, the bad, and the ugly of corporate social responsibility. *Academy of Management Perspectives* 23 (2): 44–56. doi:10. 5465/AMP.2009.39985540.
- Felício, J. A., Couto, E., & Caiado, J. (2014). Human capital , social capital and organizational performance. *Management Decision*, 52(2), 350–364. <http://doi.org/10.1108/MD-04-2013-0260>





- Gold, M. S., & Bentler, P. M. (2009). Treatments of Missing data : a monte carlo comparison of RBHDI , Iterative stochastic regression imputation , and expectation- maximization treatments of missing data: a monte carlo comparison of RBHDI, *Iterative Stochastic Regression Imputation* , and E, 7(3), 319–355. <http://doi.org/10.1207/S15328007SEM0703>
- Hair, J. F., Ringle, C. M., & Sarstedt, M. (2013). Partial least squares structural equation modeling: Rigorous applications, better results and higher acceptance. *Long range planning*, 46(1-2), 1-12.
- Harding, J. (2006). Census. In V. Jupp (Ed.), *the sage dictionary of social research methods* (pp. 26–27). Las Vegas, NV: Sage Publications Ltd.
- Hart, S. L. (2011). Taking the Green Leap to the Base of the Pyramid. Next Generation Business Strategies for the Base of the Pyramid: New Approaches for Building Mutual Value.
- Hau, Y. S., Kim, B., Lee, H., & Kim, Y. G. (2013). The effects of individual motivations and social capital on employees' tacit and explicit knowledge sharing intentions. *International Journal of Information Management*, 33(2), 356-366
- Huda, M., Mulyadi, D., Hananto, A. L., Hisyam, N., & Muhamad, N. (2018). Empowering corporate social responsibility ( CSR ): Insights from service learning. *Social Responsibility Journal*, 14(4), 875–894. <http://doi.org/10.1108/SRJ-04-2017-0078>
- Inglehart, R., Foa, R., Peterson, C., & Welzel, C. (2008). Development, freedom and rising happiness. *Journal of Psychological Science*, 3(4).
- Inkpen, A. C., & Tsang, E. W. K. (2005). Social capital networks . and transfer knowledge. *Management*, 30(1), 146–165. <http://doi.org/10.2307/20159100>
- Ismail, M. (2009). Corporate social responsibility and its role in community development: An international perspective. *Development*, 2(9), 308–318. Retrieved from [http://www.sosyalarastirmalar.com/cilt2/sayi9pdf/ismail\\_maimunah.pdf](http://www.sosyalarastirmalar.com/cilt2/sayi9pdf/ismail_maimunah.pdf)
- Ismail, M., Alias, S. N., & Mohd Rasdi, R. (2015). Community as stakeholder of the corporate social responsibility programme in Malaysia: outcomes in community development. *Social Responsibility Journal*, 11(1), 109–130. <http://doi.org/10.1108/SRJ-05-2013-0053>



- Jenkins, R. (2005). Globalization, corporate social responsibility and poverty. *International Affairs*, 81(3), 525–540.  
<http://doi.org/10.1111/j.1468-2346.2005.00467.x>
- Kay, A. (2005). Social capital, *The Social Economy And Community Development*, 41(2), 160–173. <http://doi.org/10.1093/cdj/bsi045>
- Ketchen, D.J. and Hult, G.T.M. (2007), “Bridging organization theory and supply chain management: the case of best value supply chains”, *Journal of Operations Management*, Vol. 25 No. 2, pp. 573-580.
- Kline, R. B. (2013). Assessing statistical aspects of test fairness with structural equation modelling. *Journal of Education Research and Evaluation*, 19(2-3), 204–222.  
<http://doi.org/10.1080/13803611.2013.767624>
- Kok, P., Mckenna, R., & Brown, A. (2001). A corporate social responsibility audit within a quality management framework. *Journal of Business Ethics*, 31(4), 285–297.
- Kostova, T., & Roth, K. (2003). Social capital in multinational corporation and a micro-macro model of its formation. *Academy of Management Review*, 28(2), 297–317.  
<http://doi.org/10.2307/30040714>
- Lang, J. C. (2004). Social context and social capital as enablers of knowledge integration. *Journal of Knowledge Management*. 8(3), 89.
- Lehtonen, M. (2004). The environmental–social interface of sustainable development: capabilities, social capital, institutions. *Ecological economics*, 49(2), 199-214.
- Leem, B.H. and Rogers, K.J. (2017), “The moderating effect of supply chain role on the relationship between social capital and performance”, *International Journal of Services and Operations Management*, Vol. 26 No. 1, pp. 1-140
- Levin, D. Z., Whitener, E. M., & Cross, R. (2006). Perceived trustworthiness of knowledge sources: The moderating impact of relationship length. *Journal of Applied Psychology*, 91(5), 1163.
- Li, Y., Ye, F. and Sheu, C. (2014), “Social capital, information sharing and performance”, *International Journal of Operations & Production Management*, Vol. 34 No. 11, pp. 1440-1462.
- Liu, C. E., Ghauri, P. N., & Sinkovics, R. R. (2010). Understanding the impact of relational capital and organizational learning on alliance outcomes. *Journal of World Business*, 45(3), 237–249.  
<http://doi.org/10.1016/j.jwb.2009.09.005>



- Liu, C.-H. (2013). The processes of social capital and employee creativity: empirical evidence from intraorganizational networks. *International Journal of Human Resource Management*, 24(20), 3886–3902. <http://doi.org/10.1080/09585192.2013.781519>
- Maloni, M. J., & Brown, M. . (2006). “Corporate social responsibility in the supply chain: an application in the food industry”. *Journal of Business Ethics*, 68(1), 35–52.
- Marie, V., Sorenson, D., Henchion, M., & Gellynck, X. (2015). Social capital and knowledge sharing performance of learning networks. *International Journal of Information Management*, 36(4), 570–579. <http://doi.org/10.1016/j.ijinfomgt.2015.11.008>
- Masiello, B., Izzo, F., & Canoro, C. (2013). The structural, relational and cognitive configuration of innovation networks between SMEs and public research organisations. *International Small Business Journal*, 1–25.  
<http://doi.org/10.1177/0266242613485610>
- McFadyen, M. A., & Cannella Jr, A. A. (2004). Social capital and knowledge creation: Diminishing returns of the number and strength of exchange relationships. *Academy of management Journal*, 47(5), 735-746.
- Mohammed, S. , & Dumville, B. (2001). Team mental models in a team knowledge framework: Expanding theory and measurement across disciplinary boundaries. *Journal of Organizational Behavior*, 22: 89-106.
- Moran, P. (2005). Structural vs. relational embeddedness: Social capital and managerial performance. *Strategic Management Journal*, 26(12), 1129-1151.
- Molina, F. X., & Teresa, M. (2010). Social Networks: effects of social capital on firm innovation. *Journal of Small Business Management*, 48(2), 258–279.
- Moreira, P. A. S., Cloninger, C. R., & Sa, L. (2015). Personality and well-being in adolescents. *Journal of Personality and Social Psychology*, 5(1494).
- Mu, J., Tang, F., & MacLachlan, D. L. (2010). Absorptive and disseminative capacity: Knowledge transfer in intra-organization networks. *Expert Systems with Applications*, 37(1), 31-38.
- Muthuri, J. N., Moon, J., & Idemudia, U. (2012). Corporate Innovation and sustainable community development in developing countries. *Business & Society*, 51(3), 355–381.  
<http://doi.org/10.1177/0007650312446441>



- Nahapiet, J., & Ghoshal, S. (1998). Social capital, intellectual capital, and the organizational advantage. *Academy of Management Review*, 23(2), 242–266.
- Narayan, D., & Cassidy, M. F. (2001). A dimensional approach to measuring social capital: development and validation of a social capital inventory. *Current Sociology*, 49(2), 59-102.
- Nunnally, J., & Bernstein, I. (1994). *Psychological theory*. New York: McGraw-Hill.
- Pillai, K. G., Hodgkinson, G. P., Kalyanaram, G., & Nair, S. R. (2017). The Negative effects of social capital in organizations: A Review and Extension. *International Journal of Management Reviews*, 19, 97–124. <http://doi.org/10.1111/ijmr.12085>
- Pirson, M., & Malhotra, D. (2011). Foundations of organizational trust: what matters to different stakeholders. *Organization Science*, 22(4), 1087–1104.
- Pérez-Luño, A., Medina, C. C., Lavado, A. C., & Rodríguez, G. C. (2011). How social capital and knowledge affect innovation. *Journal of Business Research*, 64(12), 1369-1376.
- Phelps, C., Heidl, R., & Wadhwa, A. (2012). Knowledge, networks, and knowledge networks: A review and research agenda. *Journal of management*, 38(4), 1115-1166.
- Porter, M., & Kramer, M. R. (2011). Creating shared value. *Harvard Business Review*, 89(1/2), 62–77.
- Putnam, R. (1993). “The prosperous community: social capital and public life”. *American Prospect*, (13), 35–42.
- Putnam, R. D. (1995). Bowling alone: America’s declining social capital. *Journal of Democracy*, 67–78.
- Reed, A. M., & Reed, D. (2010). Business and development. *IIMB Management Review*, 22(3), 111-127.
- Shaari, R., Khalifah, Z., Rajab, A. and Zulkarnain, N. A. S. (2017). Human resource development intervention towards community engagement: A journey to corporate social responsibility”, *Advances in Human Factors, Business Management, Training and Education*. International Publisher Springer.
- Stone, W., & Hughes, J. (2002). Measuring Social capital : Towards a standardised approach. In *Australasian Evaluation Society International Conference* (pp. 1–8). Retrieved from [www.aes.asn.au](http://www.aes.asn.au)
- Stuligross, D., & Varshney, A. (2002). Ethnic diversities, constitutional designs, and public policies in India. *The Architecture of Democracy: Constitutional Design, Conflict Management, and Democracy*, 429-458.



- Suza, N. (2005). Corporate social responsibility in Malaysia. Retrieved June 16, 2015, from [www.oppapers.com/essays/corporate-socialresponsibility-Malaysia/70764](http://www.oppapers.com/essays/corporate-socialresponsibility-Malaysia/70764)
- Taylor, S. (2007). Creating social capital in MNCs : the international human resource management. *Human Resource Management*, 17(4), 336–354. <http://doi.org/10.1111/j.1748-8583.2007.00049.x>
- The World Bank. (2016). Corporate social responsibility. Retrieved February 14, 2016, from <http://crinfo.worldbank.org/wbcrinfo/>
- Tsai, W., & Ghoshal, S. (1998). Social capital and value creation : The role of intrafirm networks wenpin tsai ; sumantra ghoshal social capital and value creation : the role of intrafirm networks. *The Academy of Management Journal*, 41(4), 464–476. <http://doi.org/10.11634/216796061302331>
- Villena, V. H., Revilla, E., & Choi, T. Y. (2011). The dark side of buyer–supplier relationships: A social capital perspective. *Journal of Operations Management*, 29(6), 561-576.
- Wang, S., & Noe, R. A. (2010). Knowledge sharing: A review and directions for future research. *Human Resource Management Review*, 20(2), 115-131.
- Yang, S. C., & Farn, C. K. (2009). Social capital, behavioural control, and tacit knowledge sharing—A multi-informant design. *International Journal of Information Management*, 29(3), 210-218.
- Zainoddin A.I., Shaharudin M.R. (2021) Corporate Shared Value for the Wellbeing of Local Community. In: Leal Filho W., Marisa Azul A., Brandli L., Lange Salvia A., Wall T. (eds) Partnerships for the Goals. Encyclopedia of the UN Sustainable Development Goals. Springer, Cham. [https://doi.org/10.1007/978-3-319-95963-4\\_125](https://doi.org/10.1007/978-3-319-95963-4_125)
- Zainoddin, A.I., Amran, A. and Shaharudin, M.R., (2020). ‘The effect of social capital on the effectiveness of community development programmes in Malaysia’, *Int. J. Information and Decision Sciences*, 12 (3), 227–245.
- Zhang, M., Lettice, F. and Zhao, X. (2015), “The impact of social capital on mass customization and product innovation capabilities”, *International Journal of Production Research*, 53 (17), 5251-5264.
- Zhou, K.Z., Zhang, Q., Sheng, S., Xie, E. and Bao, Y. (2014), “Are relational ties always good for knowledge acquisition? buyer-supplier exchanges in China”, *Journal of Operations Management*, 32 (3), 88-98.

