



Relational Social Capital, Cognitive Social Capital, Structural Social Capital, and Entrepreneurial Success: A Conceptual and Empirical Review

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Abstract: Social capital has been used by many researchers to explain economic issues. Until the early 1980s, research on social capital was not as popular. Today, social capital has become a topical issue that is attracting great research interest, especially amongst entrepreneurship researchers, to explain social and economic outcomes. Entrepreneurship researchers have found different dimensions of social capital useful to access finance (relational social capital), information (cognitive social capital), and market (structural social capital). This paper provides a comprehensive review of the above three dimensions of social capital for a thorough understanding of the concepts and to identify specific aspects of each of the three dimensions that could be applied in entrepreneurial success studies. Also, a comprehensive empirical review of each of the three dimensions and their effects or relationships with four dimensions of entrepreneurial success, namely profitability, sales growth, customer satisfaction, and competitiveness are reported to provide background information especially to researchers in this line of research interest. It recommended that more researchers should focus research on social capital and how social capital and its dimensions could be developed and harnessed to enhance entrepreneurial success.

Keywords: Social capital, Relational social capital, Cognitive social capital, Structural social capital, Entrepreneurial success.

1. Introduction

Small businesses in Nigeria are failing at alarming rate. The trend is not new. It has been before the era of COVID-19 but Covid-19 amplified the rate. Shortly after Covid-19 businesses started recovery but suddenly came the global inflation. This has made the situation more alarming! Covid-19 pandemic and global inflation are external factors beyond the control of the entrepreneurs. Entrepreneurs must, therefore, think outside

the box to develop personal resources within their control and properly harness such resources to enhance business success.

Social capital, emotional intelligence, and citizenship behavior are examples of such personal resources that are peculiar to individual entrepreneurs. These resources are latent in nature within the entrepreneur and may not be active until conscious efforts are made to develop and deploy them for business enhancement purposes.

Social capital can be described as the worth of individual social networks. Different individuals have different levels of social capital. For some it is relatively high while for others it is relatively low but whatever the level is every individual can readily deploy this capital for economic benefit at relatively low cost. Firms can take advantage of collective social capital of employees to access production and service resources at low cost to enhance firms' financial performance and competitiveness.

Social capital has multiple dimensions with major thrusts as: trusts, social norms, values, beliefs, civic engagement, network membership, friends and obligations, expectations, obligations, network relationships, institutions, shared vision, shared mission, shared information which are targeted at promoting cooperation and joint actions for socioeconomic development. Each of these entities has productive social structure in form of social relations organized in such a way that it could enhance the actions of individuals within the structure to achieve desired goals. Social capital like any public goods appreciates when in use but depreciate when not in use.

Of relevance in this study are three dimensions of social capital namely: relational social capital, cognitive social capital and structural social capital. In relational social capital, the main thrust is trust. With this, one expects that entrepreneurs with high social capital will be able to deploy it to readily access finance for the business while one of the major concerns in cognitive social capital is shared information which when properly harnessed an entrepreneur will be able to readily access relevant information for business growth. Structural social capital concerns with the density of the individual social network. Therefore, one expects that entrepreneur with high structural social capital will be able to readily access market for enterprise' products and services. This study reviews the concepts of relational social capital, cognitive social capital and structural social capital and the effects they have on entrepreneurial success with success four success dimensions namely: profitability, sales growth, customer's satisfaction and competitiveness.

2.1 Relational Social Capital

History of interaction is very important in discussing relational capital because it involves in aggregate term the kind of social relationships people have established with each other over time. The qualities of the relationships regarding whether bad or good relationships is very important in determining the value created or value that can be created by these relationships. The characteristics of the relationships between individuals are also of essence in studying relational capital and its benefits. Issues relating to mutual trust, respect for one another, shared history of relationships and quality of friendships come to fore when discussing characteristics of relationships in relational capital. In a network relationship, the profile of each individual participating in the network is studied in terms of trust and cooperation as well as determining what identification do a particular individual has in a network relationship (Aziz et al, 2019).

Relational dimension of social capital can be appreciated or demonstrated when we examine the qualities and characteristics of relationship between two individuals in a network having the same positions take for instance both are suppliers operating in a network. Because of some bond and trustworthiness these two individuals have developed or established over time, the nature of interactions between the two will be quite different when compared to same two individuals within the same network if they are yet to establish relational ties.

Quality of relationship as well as exchange history has a great influence on the interactions between individual actors operating in a particular network. Asset created through distinct person to person social interaction with unique history of relationships describes relational dimension of social capital (Qiao & Wang, 2021).

The underlying reciprocity providing guides to the mechanism of exchanges process between members of organization is referred to as relational social capital. Relationship capital is reflected in the willingness of an individual member of an organization to be subordinate to the collective goals of the organization as well as the trust within the organization. In an organization, those individual members who are beyond the boundaries of trust could benefit from some sensitive information that they can ordinarily not be able to access if high levels of trust exist between organizational leaders and members that could allow transfer of such sensitive information to them. In some organizations, formal channel of collaboration may not exist; relational social capital can bridge this gap through fostering collaborative action. Relational social capital also has role to play in managing organizational change; it could help to manage resistance to change. Bekanwah et al (2020) noted that in organizations with high relational social capital, financial wastes could be minimized or prevented to a large extent because of the cooperative behavior of the members of the organization.

In a working environment where trust level is high, the employees or the organizational members have the perception of very strong support from the leaders and this will motivate them for higher performance as individual members which in turn have aggregate effect on the organization by all organizational members to effectively and efficiently achieve the collective goals of the organization. Bureaucracy could be a problem most especially in large organizations but high level of trust in an organization can help to improve bureaucratic effectiveness and efficiency. In such environment, because of the strong ties between members, managers at different levels will be free to share information and exchange ideas for organizational development. Ramirez-Solis et al (2022) concluded in their study that strong relational ties demonstrated by strong solidarity within organization are capable of reducing negative externalities but promote positive externalities leading to increased commitment by organizational members and better performance .

The relationship of an organization with its main stakeholders or agents that have direct dealings with the organization as

well as other relationships the organization has built with and around other social agents that may not have direct dealings with the organization but could influence the outcomes of the organizational goal either directly or indirectly has value, as such, relational capital can be referred to as business capital. A company with high contribution of relational social capital to organization's value will compare better in terms of assets and performance requires than competitors with low contribution of relational social capital (Bekanwah et al, 2020).

2.2 Cognitive Social Capital

The resources that provide shared information; shared representations and interpretations; shared meanings and shared norms; shared values and shared vision; shared perception and shared expectations as well as systems of meanings amongst parties represent the cognitive dimension of social capital. Cognitive dimension appears to be the least studied out of the three dimensions of social capital. Consequently, it could be the expectation that cognitive dimension would affect the development of social relationships and social capital specifically. Cognitive social capital is reinforced and supportive when goals and values are in congruent; and also when shared values, shared interpretation, shared norms, shared vision, shared perception and shared expectations are shared by and across the partners of the organization (Adna & Sukoco, 2020).

Cognitive capital promotes collective responsibility, integration and knowledge exchange by organizational members when they imbibe and share common goals and through shared norms, shared expectations, shared interpretation, and shared perception. Cognitive social capital and relational social capital have their difference in the area of focus. Cognitive capital has focus on subjective interpretation of organizational goals and values whereas relational social capital has its focus on trust especially feeling of trust and how it affects relationships amongst actors within an organization. Though cognitive capital lays emphasis on shared norms, shared vision, and not trust, nevertheless both cognitive social capital and relational social capital have some connections that bring about their similarities. Some actors in a social network derive cognitive template from shared interpretations of organizational mission and values which in essence give them the motivation mitigate environmental uncertainties and create positive externalities that enhance performance in an organization. Organizational effort synchronization is better achieved when all organizational members are willing to take part on the basis of collective goals through shared vision and mission (Repaj, 2021).

There may be problems with taking collective actions such as strategies and policies implementation when organizational members have diverse values. Organizations with high cognitive capital might not have problem with taking collective action because of high knowledge diffusion through shared knowledge and shared interpretation as well as shared vision and shared mission. Cognitive capital promotes effective communication of information especially vision, values and mission of the organization which could help to

reduce friction between managers and stall towards harmonious working relationship. Large organizations with large number of employees with diverse groups having diverse values need to develop high cognitive social capital to motivate employees to work in tandem with organizational goals and to achieve such goal efficiently (Repaj, 2021).

2.3 Structural Social Capital

The third dimension of social capital is the structural dimension that measures the properties of the social network. It looks at the hierarchy/structure within the organization and functionality of the hierarchy in the social network. It also describes the density or the denseness of the social network, the configuration and establishes structural hole. Structural dimension also concerns with determining the presence or absence of social ties between actors in the network. It establishes whether a network is formal or informal and addresses the issue of network connectivity (Beltramino et al, 2020).

Actors are operating in separate information circles on opposite sides of structural holes. Spanning these different information circles could be of value to the social network. Innovation and intellectual capital could be generated in this process through bringing together information from the different separate, non-redundant information circles. Though the properties themselves may not be able to generate social capital but the ties will facilitate social capital generation especially when working in combination with both cognitive and relational social capital. Bridging different information flows may not be done effectively by structural ties alone.

Network closure involving two social networks needs more than only structural ties to occur while attributes including shared interpretation, facilitating trust and collaborative alignment will be needed for bridging to occur (Repaj, 2021).

Muniady *et al* (2015) observed that network of social relationships can be created by organizational collaboration process and either formal or informal managers can utilize these relationships to achieve organizational goals. When collaborative relationships are appropriated across internal boundaries, organizations stand to benefit. Inter departmental interactions need be encouraged and when this happens, managers in different departments will be able to access information and knowledge easily and be able to disseminate same easily throughout the length and breadth of the organization to achieve collective goals (Muniady *et al*, 2015).

3.1 Relational Social Capital and Entrepreneurial Success

Literature affirms that relational social capital has effect on entrepreneurial success. For instance Rhys (2010) studied the effects of relational capital on firm's performance in one hundred large scale Italian firms. The reason for selecting large firm for the study was mainly because large firms usually invest more on relational capital compared to small firms and more so, data for analysis can easily be obtained from large firms. Internal relational capital and external relational capital were used to measure relational capital. Both

internal and external relational capital were found to have significant relationship with firm performance.

Some insurance companies in Malaysia offering life insurance products has been studied to assess the impact relational capital can have on competitiveness of scorecard performance. One hundred sales managers in insurance companies in Malaysia participated. Method of questionnaire administration was online while the sampling technique utilized was the snowball sampling. The study measured relational capital by customer, internal, leaning and growth and financial perspectives. The data was analyzed using SMART-PLS software and the results showed positive effects with all the measure of relational capital hence all the five hypotheses of the study were accepted (Aziz et al, 2019).

Nasi *et al* (2019) carry out a research project on rural banks on South Sulawesi Province, Indonesia. The results show that relational capital has a significant positive relationship with performance of the rural banks. The results also show that when mediated with entrepreneurial orientation, the effect of the relationship between relational capital and performance is stronger.

Ramirez-Solis and Malpica (2022) investigated the role of relational capital, technology orientation on innovation performance of SMEs in Mexico City, Guadalajara, Monterrey and Pubebla. 360 companies operating in the industrial, service, and commercial sectors in the cities participated in the study. Stratified and simple random sampling techniques were adopted in this study. AMOS 21 was used to apply structural equation modeling in data analysis. Relational capital has direct significant positive effect on the performance of a firm in the absence of the control variables (i.e. innovation and technology orientation) but the relationship become non-significant when the two control variables are introduced.

A cross-sectional research design approach was adopted in examining the impact of relational capital and business growth of manufacturing companies in Nigeria with target population being all manufacturing companies in rivers State, Nigeria. Growth measures are: structural growth, financial growth, strategic growth and business growth while relational capital measures are both social relational capital and business relational capital. Both business relational capital and social relational capital are found to have relationship that is significant with financial growth (Bekanwah *et al*, 2020).

Using economic performance and social performance as measure for social enterprise performance, 208 social enterprises in China were investigated to determine the effects of relational capital, cognitive legitimacy and entrepreneurial traits on performance of social enterprise. A mediating role was played by relational capital in the relationship between entrepreneurial traits and performance of social enterprise (Tian *et al*, 2022).

3.2 Relational Social Capital and Profitability

Menike (2020) examined the effect of social capital on performance of Small Enterprises (SEs) in Sri Lanka, an

emerging economy³¹⁰. The study uses a survey methodology and collects cross-sectional data by handing out 200 questionnaires and conducting in-person interviews. Three factors—structural, relational, and cognitive social capital—were used to quantify it. Partial Least Squares-Structural Equation Modeling was used to analyze the data. The findings indicate that relational social capital had a statistically significant negative impact on the performance of SEs while structural and cognitive social capital had a positive significant impact on SEs.

The role of social capital in the development of small and medium-sized businesses in the Peshawar Valley has been examined (Rahman et al, 2019). A cross-sectional, descriptive and analytical research design is adopted using a representative sample of 169 manufacturing weavers. Data is collected using a self-administered questionnaire. The findings reveal a significant and positive relationship between relational social capital and firm performance.

Abdul Rasak and Srinivasulu (2022) investigated the effects of the three dimensions of social capital on entrepreneurial performance using 390 MSMEs in South India employing structured questionnaires to collect primary data. The data was analyzed using SPSS and structural equation modeling (AMOS). The findings of the study show that relational social capital and all other two dimensions of social capital have a significant and positive effect on financial performance.

A meta-analysis was conducted using data from 47 studies to investigate the relationship between relational social capital and firm profitability (Zhang *et al*, 2020). The study finds a positive and significant relationship between relational social capital and firm profitability. The results also show that the strength of this relationship varies across different cultural contexts.

García-Sánchez et al (2020) analyzed the impact of relational social capital on firms' financial performance in the Spanish agri-food industry. The research methodology used a quantitative approach, and the data was collected through a survey questionnaire from 318 firms. The results reveal that relational social capital has a positive impact on financial performance.

Overall, these studies provide empirical evidence that relational social capital is positively related to profitability, and this relationship is mediated by various factors such as dynamic capabilities and entrepreneurial orientation. These findings highlight the importance of social capital in enhancing firm performance and suggest that firms should invest in building and maintaining strong social networks to improve their profitability.

3.3 Relational Social Capital and Sales Growth

In the marketing department of an SME, researchers developed a knowledge management model that included variables from two profiles: the managerial and the selling area (Bermón-Angarita & Rueda-Caicedo, 2021). The study involved simulating the application of 1,000 surveys to SME

managers. Through the management of intellectual capital in its three dimensions—human capital, relational capital, and structural capital—the results made it possible to pinpoint the significance that knowledge management generates in the marketing field. The model that was created using the simulation illustrates how organizational learning is important for competitiveness and leads to an increase in sales.

Kemalasari & Saluy (2018) carried out a study to establish the relationship between human capital, structural capital and relational capital and company performance. In this study 100 employees in the banking sector in Jakarta were used as sample and primary data gathered using a structured questionnaire. Partial Least Square was employed for data analysis. The findings show that human capital and relational capital has significant effect on the company performance especially sales growth. Structural capital however, was found not to have significant influence on the company's performance.

In conclusion, the above studies show that relational social capital has a positive impact on sales growth in different contexts. However, there is a need for further empirical studies to confirm these findings and explore the relationship between relational social capital and sales growth in more detail.

3.4 Relational Social Capital and Customer Satisfaction

In a study to examine the role of social capital and supplier development in achieving preferred customer status and supplier satisfaction, partial least squares (PLS) path modeling was used to analyze responses from 482 suppliers responses from manufacturing and service suppliers (Jääskeläinen et al, 2022). Findings show that gaining preferred customer status is directly supported by cognitive and relational capital. For manufacturing suppliers, the importance of supplier satisfaction in achieving preferred customer status is lower.

Christa and Kristiana (2019) examined the interrelationships among various variables to explain how human, structural, and relational capital affect bank service quality and client satisfaction in Central Kalimantan commercial banks using quantitative approach. The study population consists of all Central Kalimantan Commercial Bank branch offices and sub-branch offices, with a total sample size of 42 office units across four (4) banks as determined by the purposive sampling method. The study's results lend credence to the idea that the interaction between human, structural, and relational capital influences customer satisfaction and bank service performance in a significant way.

Impact of relational social capital on customer satisfaction was studied in the hospitality industry used a survey data from 320 hotel guests in China to test the relationship between relational social capital and customer satisfaction (Zhang *et al*, 2020). Relational social capital was measured using a five-item scale that asked about guests' perceptions of the quality of the hotel's social network, and customer satisfaction was measured using a four-item scale. The study finds a positive and significant relationship between relational social capital

and customer satisfaction in the hospitality industry. Specifically, guests who perceived higher levels of relational social capital reported greater levels of customer satisfaction.

Wang *et al* (2022) conducted a study on Relational social capital and customer satisfaction with evidence from the tourism industry using a survey data from 368 tourists in China to test the relationship between relational social capital and customer satisfaction. Relational social capital was measured using a six-item scale that assessed the tourists' perception of the quality of the social network of the tourism destination, and customer satisfaction was measured using a three-item scale. The study finds a positive and significant relationship between relational social capital and customer satisfaction in the tourism industry. Specifically, tourists who perceived higher levels of relational social capital reported greater levels of customer satisfaction.

The studies revealed that survey data was used to assess the relationship between relational social capital and customer satisfaction. All the studies find a positive and significant relationship between relational social capital and customer satisfaction.

3.5 Relational Social Capital and Competitiveness

A dynamic optimization model has been developed to integrate ideas from industrial policy, social capital, human capital, and competitive advantage at the firm level (Hsu & Chen, 2019). Since the production of human capital decreases as the opportunity cost of social capital rises, the authors' model, which derives theoretical and policy implications from the competitiveness model, concludes that the ideal opportunity cost of social capital under a workable industrial policy should be set at zero.

Nosike *et al* (2021) examined the relationship between social capital and competitive advantage. It focused on the connection between relational capital and the adaptability of brewing companies in South-South, Nigeria. The study used a survey design, a population of 1,187 people, a sample size of 290 people determined using the sampling technique developed by Krejcie and Morgan (1970), and Pearson Product Moment Correlation Coefficient analysis was used to analyze the data gathered. The study concludes that there is a statistically significant and positive relationship between relational capital and firm flexibility, with a $r=0.85$ and $p\text{-value} > 0.05$.

Overall, these studies suggest that relational social capital has a positive impact on firm competitiveness. However, the results may be context-dependent and may not be applicable to other industries or countries. The methodologies used in these studies were mostly survey-based and employed regression or structural equation modeling analysis.

4.1 Cognitive Social Capital and Entrepreneurial Success

Substantive performance and symbolic performance were investigated against some dimensions of social capital through a survey of 205 firms operating e-business in China. In this

study, cognitive capital have no significant effects on substantive performance but have stronger effects on symbolic performance. Also, cognitive capital has a positive effect on relational capital (Liu *et al*, 2016).

(Repaj (2012) used stratified and random sampling techniques to randomly select 129 firms from a data set of 747 firms located in seven tourism clusters Albania to study the role of cognitive social capital as a moderator in the existing relationship between bridging social capital and firm performance. Instrument of data collection is questionnaire. Multivariate regression technique was used to analyze the data. Hypotheses testing were done by employing model four for moderation analyses of the PROCESS macro for SPSS. The study confirmed cognitive social capital as a moderator in the relationship existing between bridging social capital and performance because high cognitive social capital through a shared mission, shared goals, shared values can enhance the ability of the firm to deploy external networks and resources.

Empirical study on small enterprises was carried out in Sri Lanka to determine the impact of social capital on performance of firm. PLS-Structural Equation Modeling was used to analyze the data collected from the field. Cognitive social capital has significant positive effect on the performance of the firm (Menike, 2020). 290 employees of three major brewery industries in Nigeria were studied using a cross sectional research design approach to examine the influence of social capital on competitive advantage with a view to enhance performance of firm. The results demonstrate that in the relationship between social capital and competitive advantage, cognitive social capital played important role of mediator (Nosike et al, 2021).

4.2 Cognitive Social Capital and Profitability

(Susanti *et al*, 2020) examined the relationship between intellectual capital and firm value as well as the relationship between intellectual capital and financial performance. The research uses the Partial Least Square (PLS) method with a Smart PLS 3.0 application as part of an explanatory study with a quantitative approach. According to the study's findings, there is no discernible correlation between intellectual capital and firm value. Additionally, this research demonstrates that both financial performance and firm value are significantly influenced by intellectual capital.

In the context of Ghana's financial technological regime, the study explores the role of social capital in the development of users' adoptive behaviors toward service providers (Ampaw et al, 2022). To accomplish its goals, the study used a total of 417 samples of data from a self-administered financial services questionnaire. The direct effects of social capital and the mediating roles of cognitive-based trust and affective-based trust on mobile financial services were examined using structural equation modeling. The study's findings show how social capital, cognitive trust, and affective trust interact to influence how mobile financial service users adopt a lifestyle. In particular, trust mediates between social capital and mobile financial inclusion to influence users' behavioral intentions on

both a cognitive and affective level. However, the findings show that affective-based trust, as opposed to cognitive-based trust, significantly influences the behavioral intentions of users of mobile financial services. The study specifically shows that social capital has a direct influence on how users of mobile financial services adopt new behaviors.

Ali and Anwar (2021) studied the impact of Intellectual capital (Human capital, Structural capital, and Relational capital) on long-term competitive advantage in private hospitals in Iraq's Kurdistan region using a quantitative approach. The research sample was chosen by random sampling, and it was carried out throughout the Kurdistan region of Iraq. Only 92 of the 110 questionnaires that were given out were correctly filled out. The results show that human capital, a component of intellectual capital, has the strongest relationship to firm success, while ownership, a component of intellectual capital, has the weakest relationship.

4.3 Cognitive Social Capital on Sale Growth

Tian *et al* (2022) conducted a research with aim to explain how entrepreneurial traits affect the expansion of social enterprises in an institutional setting. The results, which were based on 208 social enterprises in China, show that entrepreneurial traits have a significant positive impact on social enterprises' economic and social performance. The results also show that relational capital has a mediating role between entrepreneurial traits and social enterprise performance while cognitive legitimacy only positively regulates the relationship between relational capital and economic performance.

The moderating role of cognitive social capital in the relationship between bridging social capital and firm performance has been investigated using data from 129 firms in the tourism clusters, Albania (Repj, 2021). The findings of the study confirm that cognitive social capital played a moderating role in the relationship between bridging social capital and firm performance. The results show that high level of cognitive social capital through shared values, goals, and mission promotes firms ability and motivation to mobilize external networks toward acquiring new knowledge and incentives for innovation to enhance business performance. The study also confirms that cognitive social capital per se has no direct significant effect on performance.

4.4 Cognitive Social Capital and Customer Satisfaction

Obiora and Okpu (2018) reported the results of a study conducted on how cognitive social capital impact on corporate learning and how such learning promotes customers' satisfaction, competitiveness and employee satisfaction. A total of 120 questionnaires were administered to employees in six hotels in Anambra State. The data were analyzed using SPSS Version 22. The findings of the study show that cognitive capital has significant impact on measures of corporate learning with information distribution having greater impact than employee awareness. The findings also suggest that cognitive capital is a tool for organization to remain

competitive and bring about added value to organization in terms of customer satisfaction, and employee satisfaction.

The causal impact of cognitive capital dimensions on sustaining customer satisfaction has been studied using 600 top and middle managers in hotels and travel agencies who were given questionnaire via drop and collect techniques (Alyahya et al, 2020). The survey results show that aspects of cognitive capital have both direct and indirect links to long-term customer satisfaction. Employee self-efficacy also acts as a mediator between the endogenous construct and exogenous constructs. Surprisingly, shared norms and values, two exogenous constructs, do have a direct impact on shared goals and boost employee self-efficacy. Shared objectives also increase employee effectiveness, which eventually results in long-term customer satisfaction.

4.5 Cognitive Social Capital and Competitiveness

Elena (2017) argued that cognitive capital promotes profitability in knowledge economy because it stimulates search for new knowledge, new applications and combinations with a view to reducing overall price level thereby promoting competitiveness; thus cognitive capital becomes source of sustainable growth and firm's competitiveness.

Cognitive social capital has been found to have significant positive effect on SMEs competitiveness in a study conducted on 155 samples selected by convenient samples techniques in three major markets in Lagos, Kano and Aba in Nigeria (Ozigi, 2018). Thus, cognitive social capital assists SMEs to have competitive advantage over competitors in the market place as well as enhancing revenue generation. The findings also indicate that relational capital facilitate easy access to finance and market while structural capital facilitate easy access to information to enhance easy access to market penetration and good market share. .

5.1 Structural Social Capital and Entrepreneurial Success

Jardon and Silva (2020) investigated the effect of structural capital on value addition and by extension profitability of the timber and related industry in Galicia, Spain. The extraction, conversion and finished products sub sectors if the industry were the targets of the study. Panel data model was used to measure value addition created by structural capital. The analyzed data show that structural capital has significant relationship with the extraction and finished products sub sectors of the wood and related products industries in Galicia, Spain with no significant effect with the conversion sub sector. However, this relationship is stronger with the finished products sub sector than other sub sectors.

Comez and Yilmaz (2016) investigated the qualitative and quantitative performance of firms and effect of structural capital on the performance. In this study, structural capital was measured by organization culture, corporate image and brand, information technology, R&D innovativeness, intellectual property process and management philosophy. Data analysis was done using Lisrel

8.1. The findings show that structural capital has significant and positive effects on quantitative and quantitative performance and together they accounted for increase in performance both in quantitative and qualitative terms.

Some oil and gas firms listed on the Nigeria Stock Exchange in Nigeria were studied to investigate the impact of structural capital efficiency on the firms' financial performance. Nine companies sampled purposively participated in the study. Internal capital efficiency and External capital efficiency were measures of structural capital while return on assets was used to measure financial performance. Internal Capital Efficiency and External Capital Efficiency have positive impact on the return on assets. This implies that structural capital efficiency has positive significant effects on firm's performance. The study recommended that existing intangible structures of oil and gas firms should be strengthened the management of the firms enhance corporate performance (Popoola et al, 2019).

Rauf and Fu (2019) examined the structural capital and innovation capability as determinant of firm's performance in Pharma Industry in Karachi, Pakistan. 100 employees drawn from various pharmaceutical corporations in Karachi participated in the study. Primary data were collected using a questionnaire on 5-Likert scale. Data analysis was done with SPSS software. Systems and programs, knowledge, culture, research and development and environment were the measures of structural capital. Innovation capability was measured by organization & employees' innovation, production innovation and launching. The findings show that all the practices or measures of structural capital and innovation capability are strongly correlated with firm's performance.

5.2 Structural Social Capital and Profitability

Al-Hawjreh (2013) investigated Jodanian pharmaceutical manufacturing companies to examine the effects of structural capital on business performance. 132 managers were studied using questionnaire. The suitability of the research instrument was tested using Kolmogorov-Smirnov test, Cronbach's Alpha test and factor analysis test while data analyses was done using descriptive statistics, correlation, multiple regression and stepwise regression analysis. The result show a positive relationship between structural capital and business performance with profitability having major contribution than market evaluation to business performance.

Effect of structural capital on profitability, market value and productivity has been studied in 30 banks listed on Dhaka Stock Exchange, Bangladesh (Hossain et al, 2022). Secondary data used for this study was collected from the annual reports of the banks. Multiple panel data regression models was employed to test the study's hypotheses. The findings show that banks with high structural capital had lower profitability.

Okunbanjo et al (2022) investigated the effect of structural capital on profitability of small scale businesses in Alaba International market using purposive and convenient sampling technique to select 357 small scale business owners for the study while correlation analysis was used to analyze the data.

The result shows that structural capital has positive and significant relationship with operational performance and financial growth of small businesses in Alaba International Market.

Researchers have investigated the effects of structural capital on profitability with reference to Indian IT companies (Gupta et al, 2019). The data used for this study was collected from 25 Indian IT companies listed on NSE-500 over a period of 2011-2018. Multiple regression and correlation were applied for data analysis. The result shows that structural capital has significant and positive effect on profitability.

5.3 Structural Social Capital and Sales Growth

Egberi & Omogbiya (2021) conducted a study to explore the relationship between structural capital and growth strategies of some selected quoted service companies in Nigeria. A sample of 297 employees of quoted service companies were used while questionnaire was used as instrument of data collection. Ordinary Least square estimation technique was used for data analysis. The result shows that structural capital has positive and significant effect on growth strategies.

An empirical study on the relationship between intellectual capital and financial performance with evidence from an Iranian company fails to find strong association between structural capital and sales growth (Ahangar, 2020). Measures of company's performance are growth in sales, profitability and employee productivity while intellectual capacity was measured by structural capital and human capital. Purposive sampling technique was employed to select one famous Iranian company. Profits and Loss account as well as balance sheet for a period of 30 years (1980-2009) were analyzed using multiple regression technique.

Mihi-Ramirez et al (2019) investigated the mediating role of perceived support in the relationship between structural social capital and entrepreneurial intention. The authors employed a survey questionnaire and collected data from 330 Mexican undergraduate students. They measured structural social capital using network density and node size. The results demonstrate that structural social capital has a direct and positive effect on sales growth.

5.4 Structural Social Capital and Customer Satisfaction

The findings of an empirical study conducted on 117 manufacturing firm operating in the apparel industry in Brazil indicate that structural social capital has positive relationship with customer satisfaction and that structural social capital is important to achieve benefits in the buyer-seller relationship (Celestini et al, 2018).

Seo et al (2020) carried out a study to determine how social network services (SNS) affected hotel chefs' job satisfaction and to offer a practical method for lowering chef turnover and preserving the hospitality industry's long-term economic viability. The objective was to empirically test and analyze the impact of SNS on hotel chef job satisfaction using the social capital theory. 130 chefs at Michelin-starred restaurants in

Seoul, Korea, received surveys. Statistical evaluations were performed using SPSS and AMOS. The findings show that while bonding social capital does not significantly affect people's social presence, bridging social capital has a significant impact on it. Additionally, there is a positive correlation between bonding and bridging social capital and chef job satisfaction.

The relationships social capital and life satisfaction in rural senior older adults has been investigated (Wang et al, 2022). The Social Capital Questionnaire (SCQ) and a self-designed questionnaire were administered to the participants. Structural equation modeling was implemented to analyze the relationships between mental health, social capital and life satisfaction in rural senior older adults. The structural equation model worked well. Social capital has a direct positive prediction on satisfaction.

Elshaer and Azazz (2022) investigated the role of innovative behavior on the influence of structural social capital on customer satisfaction amongst employees of travel agencies and five stars hotels, Greater Cairo, Egypt. This study is one of the first studies that investigated the direct impact of three dimensions) networks ties, configuration and stability) of structural capital on customer satisfaction with innovative behaviour mediating the relationship. The findings of the study show that network ties, network configuration and network stability have positive and significant effects on customer satisfaction and that innovative behavior act as a partial mediator in the relationship between structural capital and customer satisfaction.

5.5 Structural Social Capital and Competitiveness

In a study on social capital as competitive resource, structural social capital was found to have significant positive effect on competitiveness (Vinayachandran & Ambily, 2020). In this study, which is purely descriptive and analytical in nature, 90 MSME operating in the food and plastic sectors in District of Ernakulam, Ernakulum being a commercial hub of Kerala State, India were selected from the list provided by the Director of Industries and Commerce

In a casual explanatory research design using saturated sampling technique, 223 mining companies who are listed in Indonesia Stock Exchange were selected for the study effects of intellectual and structural capital on competitiveness (Handayani & Karnawati, 2019). Classic assumption test using Kolmogorov-Smirnov test, multicollinearity test, autocorrelation test and heteroscedasticity test were used to analysed the data. The finding shows that structural capital has a positive effect on competitiveness.

Tardon (2020) conducted a study on the effect of structural capital on value addition which promotes competitiveness in timber and related industries value chain was conducted in Galicia, Spain. In this study, the wood industry was divided into 3 groups namely: extraction, conversion and finished products. Panel data was used to measure the value addition created by structural capital for the period 2002 – 2018. The

result indicates that the effects of structural capital on companies in the extraction companies produces significant effects on value addition, while remaining two sectors structural capital show no significant effects on value addition.

6. Conclusion

Social capital and its many dimensions remains a veritable asset available to entrepreneurs to develop and harness to start and run profitable businesses. Literature review has shown that social capital aligns well with entrepreneurial success in many industries, showing significant positive effect on entrepreneurial success. The different dimensions of social capital namely relational social capital, cognitive social capital and structural social capital have various degrees of contribution to social capital effect on business performance. Individually, each of the three dimensions of social capital show significant effect on entrepreneurial success. It is recommended that entrepreneurs, policy makers, and management consultants take cognizance of social capital and its three dimensions to promote business development and national economic growth most especially in the wake of global inflation and hostile business environment.

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