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## Social Capital's Role in Organizations Functioning in the Generation Z Era

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Submitted 08/09/24, 1st revision 20/10/24, 2nd revision 06/11/24, accepted 15/12/24

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### **Abstract:**

**Purpose:** The aim of the article was to understand the role of social capital in the functioning of contemporary organizations from the perspective of Generation Z.

**Design/Methodology/Approach:** The research was exploratory in nature. The study used the diagnostic survey method, survey technique and survey questionnaire tool. The study was conducted using the CAWI (Computer Assisted Web Interviewing) method. The sample included 229 respondents.

**Findings:** Generation Z representatives value trust in the organization, however, in their first jobs, only a few feel the ability to rely on others or receive support within the organization. This may be due to the short-term employment relationship. However, the young generation is convinced that trust, positive relationships and reliable cooperation are important for the success of the organization. Despite their short experience on the labor market, most Generation Z representatives have already experienced a number of mechanisms supporting the building of relationships between members of the organization.

**Practical Implications:** The results of the study provide valuable information for potential employers hiring Generation Z employees in both the private, public and non-governmental sectors. Understanding the approach of the young generation to social capital and its components may influence the strategies of organizations that employ or plan to engage Generation Z representatives in their activities.

**Originality/Value:** Social capital is based on values such as trust, mutual understanding, positive relationships and reliable cooperation. Generation Z, as currently entering the job market, has its own feelings about the essence of the above values in the functioning of organizations in which young people are or will work. The originality of the study is the assessment of social capital from the perspective of the young generation, which does not yet have a long experience on the job market, and which is a generation with different expectations, which makes them a unique research group.

**Keywords:** Social capital, generation Z, trust, organizations, building relationships.

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**JEL Classification:** J24, M50.

**Paper type:** Research article.

## **1. Introduction**

Social capital functions in the theory of sociology, management, and economics. Apart from theory and publications, it exists primarily in society. Among other things, as neighborly cooperation in rural areas, which reduces the costs of producing goods and generates income. This is the phenomenon observed and defined as social capital by Lyda J. in 1916 (Hanifan, 1916, pp. 130-138).

However, as Sierocińska (2011) emphasizes, the concept of social capital is characterized by a high degree of difficulty in its use to describe the functioning of societies, entities or economies due to the multitude of definitions and the immeasurability of this phenomenon. An additional difficulty in the concept of social capital seems to be similar phenomena occurring in social networks, which are mistakenly called social capital (Paldam, 2000; Woolcock, 2001; White, 2002; Halpern, 2005; Portes, 2009).

Social capital, as defined by Robert Putnam (1995), is those features of social organizations, such as networks (arrangements) of individuals or households and their associated norms and values, that create externalities for the entire community. Francis Fukuyama (2001), in turn, defined it as a set of informal values and ethical norms shared by members of a specific group and enabling them to cooperate effectively.

According to J. Coleman (1988), social capital is an attribute of small groups in which strong relationships are established. People join groups to achieve their own goals, but at the same time, as interpersonal bonds are created in small communities, an additional quality appears - social capital - which becomes a resource for everyone and everyone, even new members of the group, can benefit from it. Social capital, in this sense, is not created by people consciously, but is a result of the creation of strong bonds in small communities, which were established because of having individual goals.

French sociologist Pierre Bourdieu defined it as a set of real and potential resources that are associated with having a permanent network of more or less institutionalized relationships supported by mutual acquaintance and recognition. This is equivalent to membership in a group – which provides each of its members with support in the form of capital owned by the collective, credibility that gives them access to credit in the broadest sense of the word (Wall *et al.*, 1998).

The above-mentioned definitions formulated by recognized sociologists (Bourdieu, Coleman) and political scientists (Putnam, Fukuyama) are known in the literature as the most accurate attempts to put into words an extremely complicated phenomenon of first building and then justified use of one's social capital. The concept of nepotism is often associated with social capital.

Described in the literature as a phenomenon of favoring family members, close friends or people connected by personal relationships when making decisions of a professional, social or political nature (Safina, 2015; Tytko *et al.*, 2020; Kaushal *et al.*, 2021). Previous studies relating to the phenomena of nepotism, cronyism or finally social capital in this area concerned the occurrence of this phenomenon in both public and private enterprises (Jaskiewicz, 2013; Popczyk, 2014; Safina, 2015; Ignatowski, 2016; Kitapçı, 2017; Popczyk, 2018; Wibawanto *et al.*, 2020; Bekesiene *et al.*, 2021).

Defining nepotism or similar concepts such as favoritism or cronyism is extremely difficult and troublesome, and at the same time correctly identifying these phenomena can have a huge impact on the functioning of society, organizations, but also families, or individuals (Mulder, 2013).

Favoritism and nepotism described in the media around the world cause negative feelings in citizens, and consequently a lack of trust (Svendsen, 2006). As Olszewski (2009, p. 174) notes, especially in relation to state offices, state-owned enterprises or other administrative establishments, where only competences and skills should count, for example due to the missions fulfilled by these institutions, and not family connections or acquaintances.

## **2. Social Capital and Its Role in Organizations - Literature Review**

Social capital and nepotism share a common foundation in human relationships and trust. Both phenomena are based on the use of social ties as resources to achieve goals. Both social capital and nepotism can lead to better access to information, resources, and support in various contexts – from professional life to everyday functioning. They also share the ability to influence social structures and decision-making processes, although the intentions and effects of these influences differ significantly (Fukuyama, 2002).

The main difference between social capital and nepotism lies in their ethical dimension and social consequences. Social capital is a social resource that promotes cooperation, building trust, and the common good within different groups or communities. It is seen as a positive phenomenon that strengthens society. Nepotism, on the other hand, although also based on relationships, operates by excluding people outside the circle of acquaintances and leads to injustice and limiting equal opportunities (Isaed, 2016).

In practice, while social capital supports inclusiveness and social growth, nepotism creates barriers and inequalities, often harming both individuals and institutions (Woolcock, 1998; Ramady, 2016). The media may suggest that any form of support based on networks of acquaintances is a manifestation of protectionism, ignoring the fact that social capital is based on trust, cooperation and mutual benefits, not on the exclusion of others.

Such a narrative in the media not only blurs the differences between these concepts, but also undermines trust in the positive role of social capital, creating an image of social relations as a tool for inequality and corruption. As a result, both concepts lose their proper meaning in the public debate, which may make it difficult to properly understand and analyze them in the social and institutional context.

The difficulty of understanding and defining what social capital is and what its role is results from different interpretations of this term in different cultures. This makes it difficult to analyze. Social capital is difficult to grasp both in terms of how it is built and what effects it brings in practice. In particular, there is a lack of consensus on how organizations can effectively develop it and what specific benefits (or challenges) result from it. These difficulties were, among others, the reason for undertaking research to determine how social capital is perceived and understood by organizations, and what role it plays in their functioning.

As Jarmłowicz and Kościński (2005, p. 31) emphasize, the rapidly changing reality forces contemporary organizations to search for effective ways of gaining a competitive advantage over other entities in the economy. Achieving such an advantage may result in better results of the conducted activity than those of competitors and, as a result, allows for achieving market success. In turn, Pempas emphasizes the role of non-governmental organizations, which contribute to the increased activation of local communities, and therefore constitute an important factor in the development of social capital.

In an organization, social capital is a resource that refers to the quality of interpersonal relations in a given organizational culture (work environment). It includes various aspects that affect the effectiveness of the organization's operations, including: the quality of relations between organization members, principles and norms of cooperation, network of contacts and level of trust, which together affect the effectiveness of the company's operations.

One of the key pillars of social capital is trust. Trust between employees enables the free exchange of knowledge and experience, which translates into the organization's innovation and flexibility in responding to changing market conditions (Golińska-Pieszyńska, 2010). It is the basis for building relationships and cooperation within the organization and society. In the literature, trust is defined as a belief in the predictability of other individuals' actions and their intentions, which helps reduce uncertainty and risk in interpersonal interactions (Putnam, 2000; Fukuyama, 1995).

Trust supports the effective functioning of an organization by facilitating the exchange of information, increasing the willingness to take joint actions, and reducing the transaction costs associated with monitoring and control. A high level of trust in an organization leads to synergy between its members, strengthening the effectiveness of decision-making processes and employee involvement (Nahapiet and Ghoshal, 1998).

In addition, trust reduces the need for excessive control, which reduces operating costs and increases job satisfaction. A well-developed network of relationships between organizational members promotes a better flow of information, increases employee involvement, and facilitates decision-making processes.

A high level of trust and positive interpersonal relations in an organization significantly promote the willingness of its members to share information, which in consequence leads to an increase in their involvement in the implementation of assigned tasks and general organizational activity. Positive relations and trust make employees more motivated and more connected to the organization. This promotes the implementation of tasks, facilitates decision-making, and strong social capital reduces the risk of conflicts.

Networks of contacts, both internal and external, are another important aspect of social capital in an organization. They allow for quick access to information, resources and opportunities for cooperation with other entities, which can lead to the creation of synergies and increased competitiveness in the market. It is worth noting that social capital is not static and requires constant nurturing. Investing in the development of relationships between employees, promoting trust and shared values contributes to building strong social capital, which is the basis for the organization's lasting success.

Nahapiet and Ghoshal (1998) draw attention to the unique organizational capacity of social capital, which creates and facilitates the creation of new intellectual capital. The researchers point out that organizations, as institutional environments, support the development of high levels of social capital and it is thanks to more dense social capital that companies, within certain limits, have an advantage over markets in creating and sharing intellectual capital. Sitko – Lutek and Pawłowska (2008, p. 18) state that intangible resources of organizations play an important role in the 21st century economy.

Previously, organizations focused their attention mainly on material and financial resources, treating intangible resources as components that are not very measurable economically and do not translate into measurable benefits for the organization. The constantly changing environment, however, has forced companies to look at intangible resources in a new way. Its uniqueness lies in its ability to integrate and mobilize social resources, such as trust, cooperation norms or networks of contacts,

which support the flow of knowledge and enable its joint creation and sharing within the organization.

Social capital strengthens innovation processes because it reduces communication barriers, increases openness to information exchange and supports the creation of relationships based on reciprocity. Organizations have understood that it is social capital and the competences held that significantly affect the creation of organizational value, generating profits, and achieving a competitive advantage on the market. According to the authors, social capital is a key factor enabling increased effectiveness and efficiency of people's actions, cooperation and learning.

Sitko – Lutek and Pawłowska (2008, p. 18) point out that there is a relationship between social capital and the competencies of management staff, because these competencies are one of the elements of human capital and, on the other hand, their improvement makes it possible to increase the value of social capital. Modern organizations have new opportunities to enrich their social capital by employing a new generation of employees, known as Generation Z.

Generation Z includes people born after 1995, up to 2010. Social capital in the context of Generation Z takes on a specific character due to the differences in their attitudes, values and ways of functioning in organizations. Generation Z, raised in the digital era and globalization, is characterized by high adaptability to technology, as well as a specific approach to social relations, which are often built in a virtual environment (Tolstikova *et al.*, 2020; Haddington *et al.*, 2021).

Therefore, social capital in this group is largely based on technological networks and the ability to communicate effectively in digital channels. This ability, combined with their openness to diversity and global perspectives, favors the creation of cooperation networks that go beyond the traditional boundaries of the organization. Representatives of Generation Z also show a strong expectation of transparency, equality and authenticity in professional relationships, which can strengthen trust and cooperation norms in organizations, which are the basis of social capital (Chillakuri, 2020; Barhate and Dirani 2022).

### **3. Research Methodology**

The main goal of the article was to understand how Generation Z perceives values related to social capital and their importance in the functioning of organizations. The research and analysis focus on assessing the impact of social capital elements on the functioning of organizations employing or associating representatives of Generation Z.

The key goal was to understand how people born in the years 1995-2010 perceive trust, the possibility of self-reliance, mutual positive relations among employees or members of a given organization in the context of their functioning in these units.

The results can provide valuable information on the importance of taking initiatives integrating employees, building trust between them by the management staff of organizations employing or associating people from Generation Z. Answers to the following research questions, which indicated issues requiring explanation and resolution, were helpful in achieving the objective:

- *RQ1. How does the level of trust between team members affect the effectiveness of the organization?*
- *RQ2. To what extent do programs supporting employee integration (e.g. training, integration meetings) affect the development of social capital?*
- *RQ3. Does the level of social capital in the organization correlate with employee engagement and satisfaction?*

The following research hypotheses were put forward in the article:

- Hypothesis 1: A higher level of trust between team members positively affects the effectiveness of the organization.
- Hypothesis 2: Social capital in organizations, including trust and relationships between employees, significantly affects job satisfaction among Generation Z.

The presented study used literature analysis and the diagnostic survey method, survey technique and survey questionnaire tool. The study was conducted in the form of an online survey using the CAWI (Computer Assisted Web Interviewing) method. The survey questionnaire contained 14 questions, which the study group answered anonymously.

The study was exploratory in nature and concerned a group of pupils and students aged 18-25, classified as Generation Z. The survey was conducted between October 2022 and February 2024, and 229 respondents took part, including 169 women (73.8%), 53 men (23.1%) and 7 people identifying as non-binary (3.1%).

The conclusions were formulated based on statistical data analysis and induction methods. 229 people completed the survey, of which 173 were used for the study. 56 respondents declared that they had never worked or been members of any organization or association.

Understanding what organizations the respondents have or have had contact with was extremely important in drawing correct conclusions from the study.

Table 1 presents the respondents' answers about the nature of the organizations they were/are members of. This question was open-ended, so the respondents entered the type of organization individually.

**Table 1.** *Type of organization of which respondents are/were members*

Type of organization	% answers
A social media management company	12
Fast food restaurant	8
Restaurant/cafe/buffet	8
Clothing store	8
Bank or financial institution	8
Advertising agency	8
Family sales company	6
A non-governmental organization that collects funds to help people/animals.	5
An association for addicts	5
Medical/rehabilitation facility	5
Transport/forwarding/passenger transport	5
A volunteer organization that helps homeless people in the field	4
Budget unit of the office/agency type - customer service	4
Warehouse/order handling	4
Budget unit of the office/agency type - technical work	4
Cosmetic drugstore	2
Furniture store	1
Pet shop	1
A company dealing with tourism - organizing holidays for children and young people	1
University/private/public school	1

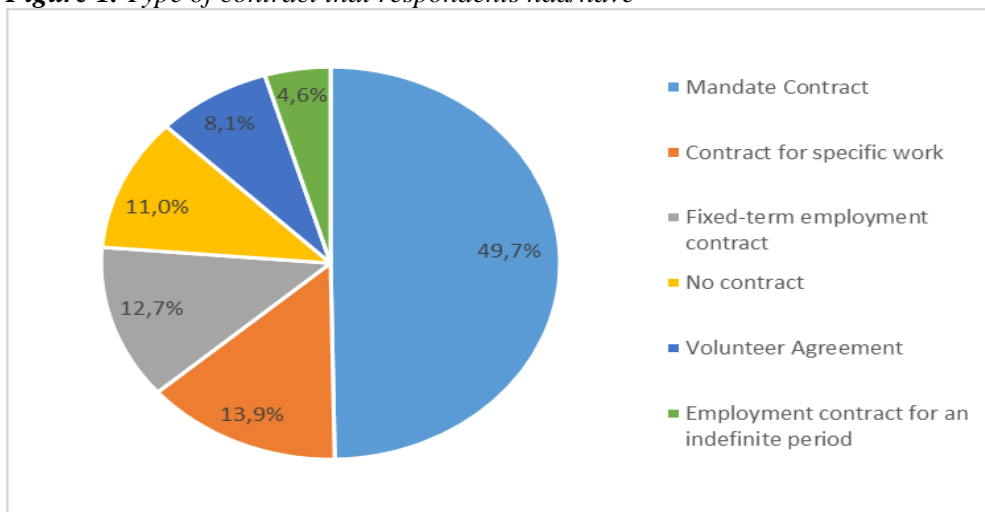
**Source:** *Own research.*

The types of organizations indicated by the respondents were very diverse. They included both commercial and service companies, budgetary, local government and non-governmental entities. The respondents were also asked to indicate the type of contract they were associated with the organization (Figure 1).

Taking into account the respondents' answers from Table 1 and Figure 1, it can be concluded that a small fraction of respondents were/are permanently, long-term or permanently associated with the organization. It should therefore be clearly stated that in the case of people aged 18 to 25, the paid work they do is often work with a high employee turnover rate, occasional work, seasonal work, part-time or less-time work, which they often have to reconcile with education or other duties.

Participation in various organizations or associations also at this age tends to be short-term due to the fact that young people at this stage of life are still searching for their path and are at the stage of checking what they will find themselves in in the future and what really interests them.



**Figure 1.** Type of contract that respondents had/have

Source: Own research.

## 4. Research Results and Discussion

### 4.1 Trust as the Foundation of Social Capital in an Organization

The foundation of social capital is trust between individuals and groups. It enables open cooperation, reduced transaction costs and better risk management (Pretty and Ward, 2001; Nooteboom, 2007).

One of the important aspects of trust in an organization is the ability to rely on and cooperate with other members of the organization (Lam *et al.*, 2021). The surveys analyzed the frequency with which respondents can rely on other coworkers or members of the organization. The results indicate a varied level of trust within the organization, which can affect the effectiveness of cooperation and the functioning of teams (Afsar *et al.*, 2021).

The vast majority of respondents (52.6%) indicated that they can rely on others sometimes, which suggests the presence of moderate but irregular support in the organization. Such a result may indicate differentiated relationships in the team, where not all members of the organization feel sufficiently integrated or do not experience constant support in their daily work. The result, in which 8.1% of respondents stated that they can always rely on other colleagues or members of the organization, is interesting from the point of view of trust in the workplace.

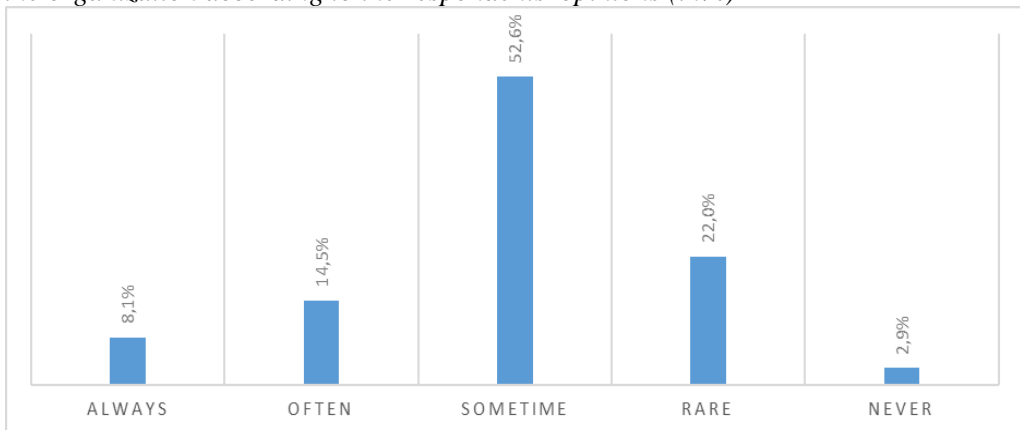
Although this is a relatively small percentage, it nevertheless suggests that there is a group of people who experience a high level of trust within the organization. In such conditions, cooperation is more effective, and team members are more willing to share knowledge and support. The existence of strong interpersonal bonds in the

organization may be evidenced by the fact that members feel comfortable, have clearly defined norms of cooperation, and their relationships are based on mutual respect and trust. It may also indicate well-developed mechanisms of communication and cooperation, which promote the effectiveness of teams and the organization as a whole.

However, it should be remembered that only a small proportion of respondents indicated "always", which suggests that such conditions are more likely to occur in smaller, more integrated groups, and not necessarily in the entire organization. On the other hand, as many as 22.0% of respondents answered that they can rarely count on help from others, which may indicate potential problems with internal integration or a lack of sufficient trust in professional relationships.

In turn, only 2.9% indicated that they can never rely on others, which is a minimal percentage, but may still suggest the occurrence of serious difficulties in building relationships based on trust in the organization. The dominant group of respondents assessed the possibility of relying on others as sporadic, which may suggest the need to strengthen interpersonal ties and work on building greater trust in organizational structures (Figure 2).

**Figure 2.** Frequency of the possibility of relying on other co-workers/members of the organization according to the respondents' opinions (in%)



**Source:** Own research.

The data analysis shows a significant variety in the assessments of the level of trust in the organizations to which the respondents belong. The dominant category is the "average" level of trust, which suggests that for most of the organizations surveyed, trust is present, but does not reach extreme values. The average level of trust in their organization is assessed by as many as 62.4% of respondents.

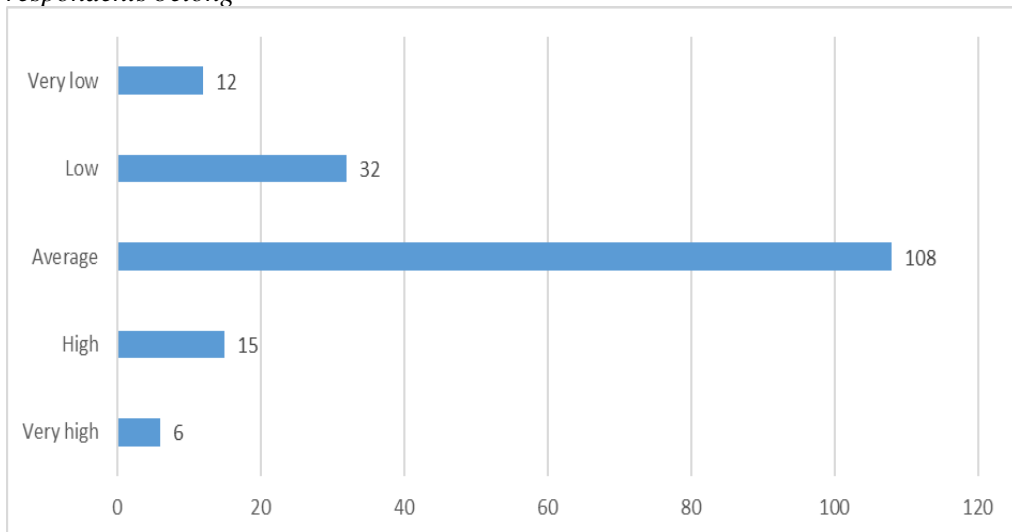
This result indicates that for most of the organizations surveyed, trust is neither exceptionally high nor very low. An average level of trust means that there is a

certain level of cooperation, but there are also areas that may require improvement in terms of building a more advanced culture of trust. Such organizations may be characterized by relative stability in the relationships between members, but also require further development to strengthen interpersonal bonds and improve the effectiveness of cooperation.

This situation may be related to the previously described unstable bond with a given organization, short-term or seasonal work (e.g., a holiday break from studies). At the same time, there is a noticeable group i, in which trust is perceived as low (12 respondents) or very low (32 respondents), which may indicate problems related to communication, cooperation or structural difficulties in the organization. In which trust is perceived as almost non-existent, which may pose a serious challenge in terms of cooperation and organizational effectiveness.

Organizations with very low levels of trust may struggle with communication problems, a lack of openness, or ambiguity in goals and procedures. Only a small proportion of respondents rate their organizations as having high or very high levels of trust, suggesting that in many cases, organizations require further development in building strong and effective interpersonal relationships. This means that only a few organizations have an exceptional level of trust that can be the foundation for effective cooperation and high organizational effectiveness. A very high level of trust suggests strong interpersonal bonds, transparency in action, and a willingness to take on challenges in an atmosphere of mutual support and openness (Figure 3).

**Figure 3.** Assessment of the level of trust in the organizations to which the respondents belong



**Source:** Own research.

Respondents were asked to answer a question about the impact of trust, positive relationships, and reliable cooperation on the success of the organization. This question was open-ended, so the respondents' answers were coded according to the statements that were repeated in the answers. They were then divided into four groups: the most positive, moderately supportive, neutral, and negatively charged. Table 2 presents sample statements for the four response categories.

**Table 2.** *Examples of respondents' answers about the role of social capital in the success of an organization*

Code A Answer Examples	Code B Answer Examples
<p><i>Only these elements influence the success of the organization.</i></p> <p><i>These aspects are crucial to an organization's success.</i></p> <p><i>The best products and services will not bring success to a company if the team does not function well.</i></p> <p><i>Without relationships, trust and cooperation, no business will achieve success.</i></p> <p><i>Coordinated employees are the key to the success of any organization.</i></p>	<p><i>Social capital is important, but a company's success is determined by its competitiveness.</i></p> <p><i>It is worth building social capital in the organization so that employees can work better.</i></p> <p><i>Social capital is important because it reduces employee turnover in an organization, which in turn reduces costs.</i></p>
Code C Answer Examples	Code D Answer Examples
<p><i>Relationships, trust and cooperation are a nice addition to financial matters.</i></p> <p><i>Social capital can help a company succeed, but the most important thing is its market strategy.</i></p> <p><i>These aspects can influence success, but only to a moderate extent.</i></p>	<p><i>It makes no difference when it comes to the success of the company.</i></p> <p><i>An organization will be successful if it has innovative products, services and strategy, and social capital does not necessarily guarantee success.</i></p> <p><i>On the contrary, competition increases the effects.</i></p>

**Source:** *Own research.*

#### **4.2 The Role of Management in Building the Social Capital of an Organization**

In order to support the building of relationships between members of an organization, numerous mechanisms can be implemented to facilitate this process. The arrangement of these activities should be the responsibility of the management staff of a given organization. Currently, not all organizations use activities that contribute to building social capital in the unit.

Therefore, it was important to identify the presence and scope of organizational activities that are aimed at supporting and developing interpersonal relationships within the organization. The respondents were asked to indicate which of the above-mentioned activities are implemented in their workplaces, which allows for the assessment of the social capital management strategy and the quality of cooperation.

Moreover, the possibility of adding their own answer allowed respondents to indicate additional, non-standard initiatives that may also facilitate building interpersonal bonds in organizations. Respondents could choose more than one answer. Respondents had 10 answers to choose from among the mechanisms supporting building relationships between members in the organization.

It should be emphasized that there was no definition of a given activity in the possible options, so respondents marked their answers according to their own feelings about a given activity and its idea. Most people indicated that the organization in which they currently work or worked in the past implemented a feedback and recognition system (28.8%).

This means that in almost 1/3 of the organizations in which respondents were or still are, a mechanism was used based on mutual appreciation of their achievements by co-workers through, among others, recognition boards or applications for sending praise.

This mechanism aims to build positive relationships through mutual support of co-workers and adding motivation to each other. In practice, this mechanism is implemented, for example, by members of the organization voting for the most helpful person/the most likeable employee/the best motivating colleague.

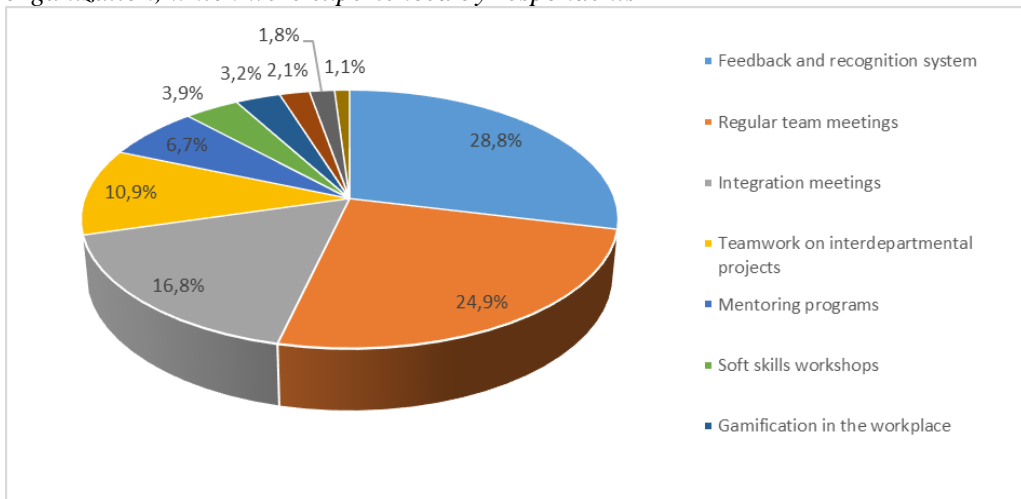
The second most frequently chosen answer was regular team meetings. Almost ¼ of respondents (24.9%) responded that they had experienced regularly organized meetings during which ideas could be shared, work progress discussed and problems in the organization solved.

This activity can take the form of daily stand-ups or weekly team meetings. 16.8% of respondents responded that they had encountered integration meetings organized in their organizations, such as joint outings, team games, cooking workshops or theme nights aimed at building relationships outside the formal work environment.

The less frequently indicated answers included: teamwork on projects, mentoring programs, soft skills workshops, gamification, relaxation zones, well-being programs and building rituals (Figure 4).

The role of management in supporting the development of relationships between members of the organization was also analyzed. All respondents declared that, in their opinion, people in management positions should actively support building positive relationships among the staff. Representatives of Generation Z considered that taking such actions should be the responsibility of the leader/manager/leader.

**Figure 4.** Mechanisms supporting building relationships between members of the organization, which were experienced by respondents



Source: Own research.

## 5. Key Values and Behaviors in Organizations for Generation Z

Trust, as the foundation of healthy relationships between employees, can have a significant impact on decision-making processes, communication and innovation in an organization, while positive relationships and cooperation promote team integration and increase motivation to work together (Kacperska and Łukasiewicz, 2022).

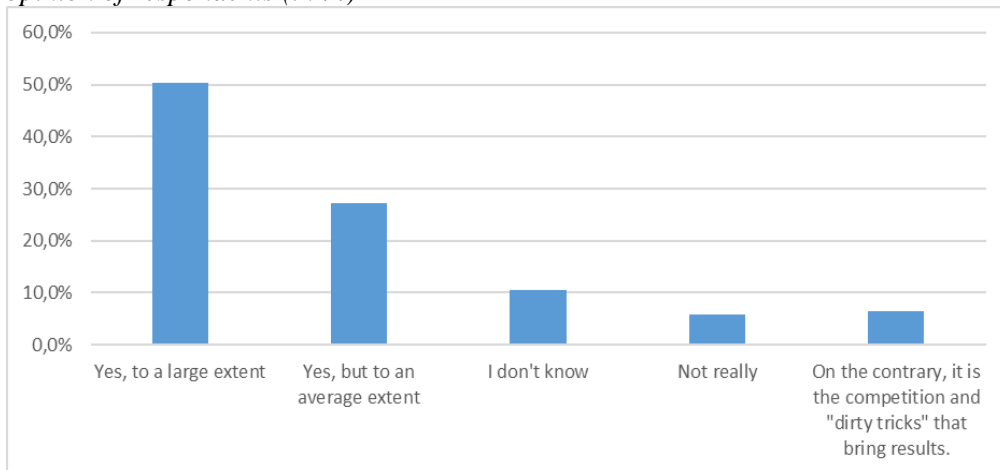
Understanding how respondents perceive the role of these key elements of social capital in achieving organizational goals and improving the effectiveness of the organization was the subject of the study. The aim was to identify how these factors are perceived by organizational members, as well as their potential impact on long-term organizational development and success. It was assessed to what extent these relationships affect the success of the organization.

Based on the results, it can be concluded that the majority of the survey participants (50.3%) considered that these elements have a significant impact on the success of the organization, indicating a high degree of impact of these factors. Another 27.2% of the respondents noticed an average impact, which suggests that although these aspects are important, they do not have decisive importance in assessing the success of the organization. 10.4% of people expressed doubts about the relationship between these factors and organizational success, unable to answer the question unequivocally.

In turn, 5.8% of respondents stated that the impact of these factors on the success of the organization is limited, and they may even be less important in comparison with

other practices, such as competition, indicating the more competitive nature of the organization. On the other hand, 6.4% of respondents indicated a negative assessment, suggesting that competition and "dirty plays" may bring greater effects than the aforementioned elements of cooperation (Figure 5).

**Figure 5.** Assessment of the level of influence of trust, positive mutual relations, and reliable cooperation among members of an organization on its success in the opinion of respondents (in %)



**Source:** Own research.

In an organization, it is important to determine the importance of shared values perceived as important to employees. Values in an organization are a set of principles, beliefs, and norms that shape the way a company acts, interacts, and makes decisions (Akpa *et al.*, 2021

They are the foundation of organizational culture and influence employee behavior, management style, and the atmosphere in the company. There are many values that can be present in organizations, but some of the most frequently mentioned are: trust, respect, honesty, cooperation, responsibility, equality, transparency, openness, sustainability, etc. (Lansing *et al.*, 2023). It seems interesting to learn what values are important for Generation Z.

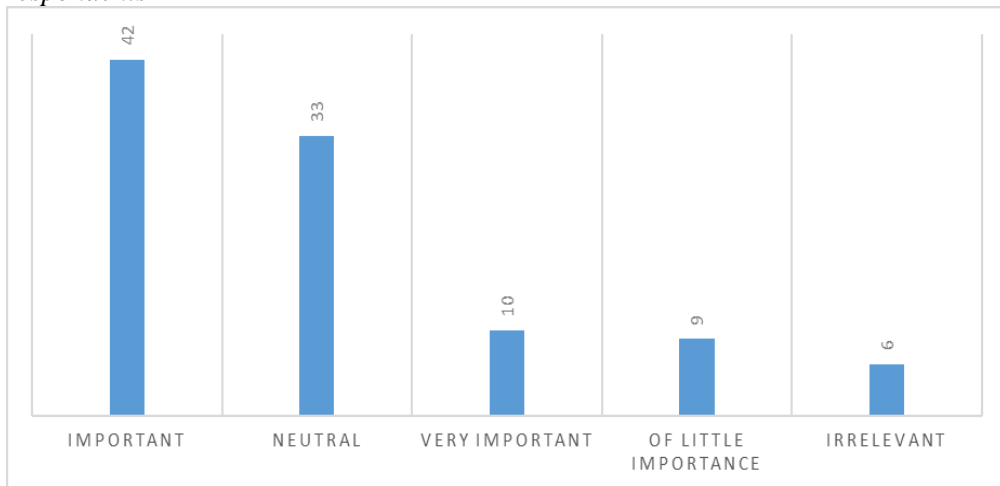
The results indicate a fairly positive perception of shared values in organizations, although they are not treated as the most important element of the organization's functioning.

The diversity of responses, including a large percentage of people indicating "neutrality", suggests that shared organizational values in many cases do not play a key role in motivating employees, but are rather one of many elements that create organizational culture. The largest number of people declared that shared values in the organization are important to them (42%).

This answer suggests that organizational values are perceived as important, but not necessarily as decisive for everyday work or relationships in the organization. It can be assumed that for this group of respondents, shared values are an important element that influences their commitment, but they are not a dominant factor in everyday organizational functioning.

In turn, 1/3 of respondents answered that they are neutral for them. Some respondents from Generation Z do not have a strong opinion on the role of shared values in the organization. This may indicate that for this group, organizational values are rather something secondary, which do not have a major impact on their motivation or attitudes towards the organization. Values may be accepted, but they do not directly affect commitment to the life of the organization (Figure 6).

**Figure 6.** The importance of shared values in the organization in the opinion of respondents



**Source:** Own research.

Generation Z, those born between approximately 1995 and 2010, bring a unique approach and values to the job market that are different from previous generations (Guillot-Soulez and Soulez, 2014; Kroenke, 2015; Muster, 2020; Karácsony *et al.*, 2020). This generation grew up in the digital age, which makes them very familiar with technology and its impact on everyday life. Young workers from this group are flexible and quick to adopt new technological tools, which makes them valued in dynamic, innovative work environments.

At the same time, due to growing up in a global world of information, they are more aware of social and ecological issues, which affects their professional preferences - they look for employers who share their values and are committed to social responsibility. Despite their young age, Generation Z is confident in their values and expectations towards employers (Ragin-Skorecka and Faler, 2024). They want a job that will allow them to pursue their passions, but at the same time avoid excessive



stress and burnout. They are open to change and are not afraid to quit if their job does not meet their expectations, which means that employers have to work harder to gain their commitment and loyalty (Lassleben and Hofmann, 2023).

Generation Z is redefining the relationship between employee and employer, expecting a partnership approach, transparency and authenticity in communication. Considering the specificity of Generation Z, it can be said that it expects other values offered by the management staff of the organization (Böhlich and Axmann, 2020; Hutanu *et al.*, 2020).

Social capital, which refers to resources resulting from interpersonal relationships, trust, social norms and networks of contacts that enable individuals and groups to cooperate effectively, is a competitive advantage for organizations that take care of building it. Generation Z, currently entering the labor market, values trust, which is the foundation of lasting relationships and promotes joint action. In addition, the values that the organization professes are important for these young people and it is important that they are consistent with the values that Generation Z professes.

## **6. Conclusions**

The role of social capital is changing in modern organizations. These changes are particularly visible in the context of the new generation of employees from generation Z. This change introduces a different approach to cooperation, communication, and building relationships in the workplace. Research shows that social capital plays a key role in building effective and integrated teams.

Social capital, understood as a network of trust, cooperation, and social norms, is gaining in importance. It is the basis for building lasting and effective bonds between members of an organization, which has a direct impact on its success and ability to adapt in a dynamically changing market.

From the data analysis we can draw the following conclusions:

- When entering the job market, Generation Z values organizations that build trust, are transparent and open. Generation Z prefers organizations where trust is the basis for cooperation, and the values of the company are consistent with their own beliefs, which can be crucial for motivation and commitment to long-term projects.
- The research results indicate a large variation in the level of trust in organizations. Most respondents from Generation Z assess the level of employment as average, which suggests that organizations require further development in this area. However, there is a group of employees who experience a high level of trust, which has a positive impact on cooperation, motivation and organizational effectiveness.

- There is a need to strengthen interpersonal ties and develop mechanisms supporting cooperation in the area of strengthening trust. These activities are of particular importance in the context of the increasing role of trust in managing organizations, especially in a dynamically changing work environment, which is characterized by frequent changes, team projects and international cooperation.

The study enabled positive verification of the hypotheses formulated in the work. For most representatives of Generation Z, a higher level of trust between team members has a positive impact on the effectiveness of the organization's functioning. Additionally, representatives of Generation Z confirmed that social capital in organizations, including trust and relationships between employees, significantly affects job satisfaction.

## **7. Recommendations**

Employers from both the private and public and non-governmental sectors should prepare their organizations for the influx of new employees representing Generation Z. In this regard, it is worth taking care of trust in the organization, as well as providing, among other things, regular feedback for young employees or providing them with the opportunity to acquire new skills and participate in mentoring programs. It is also important for management to support the involvement of Generation Z employees in projects that have a real social impact, because young people from this generation often choose companies that operate in accordance with their values.

## **8. Limitations**

The limitations of the research presented in this article result from several key factors such as:

The research sample of the study was based on a limited number of respondents in a specific age range (Generation Z only), so the results may not be representative of the entire population.

Respondents' opinions may be highly subjective and based on their limited knowledge of social capital. The results may reflect only short-term experiences of being members of the organization due to the young age of the respondents.

The questions may not have included more complex issues, such as the social and ecological consequences of social capital, or differences in its perception depending on the length of service in a given organization.

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