The Effects of Network Ties on Relational Social Capital and Knowledge Contribution in Virtual Local Community

Juliana Sutanto, Department of Management, Technology, and Economics, ETH Zürich, Zürich, Switzerland

ABSTRACT

It is widely established that the levels of generalized trust, norms of reciprocity, and identification (collectively known as relational social capital) in a virtual community have a positive effect on a member’s motivation to contribute knowledge in the community. However, little is known on the antecedents of such relational social capital. This study longitudinally investigates the effects of the strength of network ties on the development of relational social capital in a virtual local community in a Southeast Asia country. It also empirically validates the relationship between relational social capital and actual knowledge contribution. Analyzing 98 community members, the author found that the formation of weak ties is significant on the members’ sense of identification with the community, which in turn positively affects their volume of knowledge contributed in the community.

Keywords: Generalized Trust, Identification, Knowledge Contribution, Norms of Reciprocity, Relational Social Capital, Strength of Ties, Virtual Local Community

INTRODUCTION

Communities were once thought of in terms of geographical boundaries ... Now, however, we have the concept of virtual communities. People can interact based upon common interests or goals regardless of their location (Yoo et al., 2002, pp. 55). On one hand, the existence of numerous virtual communities enables people to seek and share information with other people worldwide. On the other hand, there are too many virtual communities to seek and share information in. Overwhelmed, people start to search for and participate in virtual local communities—a group of people who have common interests, concerns, and mutual interdependence by virtue of their living and working in a geographic locality under a common government, and who interact with each other mainly (if not exclusively) through information and communi-

DOI: 10.4018/jgim.2013070103
cation technology (Hunter, 2002). Virtual local communities, such as the expat communities, local dating communities, and local shoppers’ communities, redefine the concept of virtual communities where the geographic location and local culture matter.

Although less abundant, there are still quite a number of virtual local communities competing for memberships and members’ knowledge contributions to sustain interactions in the communities and eventually longevity of the communities. Researchers suggested relational social capital as necessary for knowledge exchange to take place in virtual communities. Individuals may forgo the tendency to free-ride in terms of getting free knowledge due to the influence of relational social capital (Coleman, 1990). Trust (Nahapet & Ghoshal, 1998), norms of reciprocity (Wasko & Faraj, 2005), and identification with the virtual community (Kankanahalli et al., 2005; Nahapet & Ghoshal, 1998) are elements of relational social capital, and they are all shown to be related to motivations to exchange knowledge in virtual communities. However, little is known about how such relational social capital develops in a virtual community setting. Knowing the factors that cultivate relational social capital is a potentially exciting prospect as it would allow us to maximize the growth and transfer of knowledge within virtual communities. This is the objective of the paper. We will draw upon the concepts of network ties to demonstrate that the number of strong and weak ties of virtual community members associates with their degree of relational social capital. Besides investigating the relationship between members’ network ties and relational social capital (trust, norms of reciprocity and identification), we will examine the relationship between their relational social capital and actual knowledge contribution. All these will be done longitudinally in a virtual local community setting; in particular we will longitudinally examine the relationships between members’ network ties, relational social capital, and actual knowledge contribution in a virtual local community in a Southeast Asia country.

In Southeast Asia culture, the group is generally considered more important than individual (Diversity Council 2007). Individual incentive and achievement are not highly valued and may be sacrificed for the benefit of the group, be it family, business, or community. Moreover, saving face is a powerful force affecting communication styles – people tend to avoid individual praise and criticism (Diversity Council 2007). With this local culture in mind, it is interesting to find out whether there is a need for relational social capital to motivate knowledge exchange in the virtual local community. If individuals in this culture tend to be selfless, then they may by default avoid free-riding.

This study can potentially contribute to research by unveiling the antecedents of relational social capital. The study also contributes to virtual community organizers, especially the organizers of virtual communities in Southeast Asia, by checking the importance of community members’ relational social capital on their actual knowledge contribution as well as informing how to cultivate relational social capital (if it is shown to be indeed important).

In the subsequent sections, we will introduce the concepts of relational social capital, strong and weak ties – their differences and measurement techniques. This is followed by the explanation of our research hypotheses, methodology, data analysis and findings. Finally, we will discuss the implications of the findings and conclude the study.

RELATIONAL SOCIAL CAPITAL AND KNOWLEDGE SHARING

Social capital is broadly defined as an asset embedded in relationships of individuals, communities, networks, or societies (Burt, 1997; Leana & Van Buren, 1999). There are three