

# COMMUNITIES OF PRACTICE AND RELATIONAL CAPITAL OF DEPOSIT MONEY BANKS IN RIVERS STATE, NIGERIA

Obichere Stanley Chijioko

Department of Management, faculty of Management Sciences  
University of Port Harcourt, Choba, Rivers state, Nigeria.  
stanleyobichere@gmail.com

Gift Worlu (Ph.D)

Department of Management, faculty of Management Sciences  
University of Port Harcourt, Choba, Rivers state, Nigeria.  
Chimaonuoha2005@yahoo.co.uk

## ABSTRACT:

This study examined the relationship between Communities of Practice and Relational Capital of deposit money banks in Rivers state, Nigeria. The cross-sectional survey was adopted and a total population of five hundred and twelve (512) from twenty (20) deposit money banks in rivers state, Nigeria, was covered. A sample size of two hundred and twenty-five (225) were drawn from the population. The simple random sampling technique was utilized in the study. However, only 215 copies of questionnaires retrieved were completely filled and used for the study. The Spearman rank were used to analyze the bivariate hypothesis while the Partial correlation was used in determining the moderating influence of Organizational Culture on the relationship between the variables. The result of the bivariate analysis revealed that Mutual Engagement has a significant relationship with Social trust and Institutional trust while the multivariate hypothesis reveals that Organizational Culture moderates the relationship between Communities of practice and relational capital. Based on the findings, it was concluded that enhancing Organizational culture, individuals are able to communicate with other individuals or groups and exchange knowledge by using a

range of information and communication technologies which will help attract and retain well talented workforce which will subsequently result in increased performance and organizational profitability. The study recommended among others that the management of deposit money banks should create a climate where employees can share their past personal work-related experience or mistakes as such will enable others to avoid repeating such mistake which will thus enhance the fortune of the organization.

**Keywords:** Relational, Capital, Communities, Practice, Organizational, Culture, Mutual, Engagement.

## INTRODUCTION:

When interacting with each other, we should evaluate our communication mediums and determine whether the pros outweigh the cons. Similar to the way many individuals form networks at work, networks in companies bring together various groups. One the other hand, communication networks are repeated patterns of communication which are used by work team. In studies, researchers have established five specific types of groups for small groups (Griffin, 1999). When a manager has been identified, there would be a change in the communication, role of the leader, and

effectiveness of the company. The leaders of a society build a centralized network if they can manage fewer simple tasks and give more advanced tasks to individuals or groups. There is research that indicates that it has an impact on creating and sustaining harmony in communities.

The communication pattern of an organization is made up of both vertical and horizontal linkages (Cornelissen, 2014). Vertical communication typically takes place between managers and their subordinates and may take place at two separate levels of the organization namely 'upward communication' and 'downward communication' (Cornelissen, 2014). At the workplace, upwards communication occurs when emails are sent between boss and employee, while downwards communication occurs when information flows down the hierarchy from an employee's boss down. Horizontal communication (often called inter-group communication) includes anyone at the same level with regards to the company. This may include workers from many different organizations (Cornelissen, 2014). The horizontal (or lateral) communication style fosters collaboration because it is the model by which teamwork can be achieved. In order to work successfully in the field of collaborative pursuits, people must interact with each other.

Electronic communication can have a greater impact on administrative and organizational communication compared to traditional methods. For example, authors, academics, persons in the profession, and people in the technical writing sector have been researching the impact of new technology on employment (Kiesler, 2014). Some people believe that structured communication is the biggest shortcomings in our culture. They claim that electronic communication plays a vital role in providing people with better opportunities of spending time and engaging with others. This is because people are online for the

majority of their (work) time while they participate in productive activities. Whilst it is useful to do some research and find out from the internet if this is valid, we cannot disregard electronic communication in our lives. Besides the technical advancements available, speculations about the degree and the conditions in which electronic communications can cultivate or undermine a sense of community in the workplace and elsewhere have been magnified. Employees that are not only connected by e-mails, but also ones who are connected by virtual environments, form "communities" that differ in significant ways from other communities to which they may belong (Kiesler, 2014). According to Heintz' (1992) view, the electronic world is a small world in the sense that people work and live very close to each other. This, he maintains, results in the hierarchy of supremacy to be replaced by networking and collaboration. This is not the full image of the new technology. Perry's (1992) view is that electronic mail, being global in terms of communication, has made the disparities between physical distance and social distance vanish. As a result, he argues that the business world has changed from formal hierarchies to informal networks. Thus, one can infer that the growth and effectiveness of an organization depends upon the successful use of a computer and other electronic means.

Community of practice is not a modern way of organizing; it's an initial approach to research how people learn. As participants work in interdisciplinary teams, they can, from one hand, apply their knowledge, the group's one, to the real problems and, from the other side, they can carry back to the community new insight they had gained by working in teams of expert in different subjects.

The most fundamental factors for generating added value in the organization are delivery networks and customer retention and

loyalty. In relation to retailers, wholesalers and, in particular, Banks these forms of capital exist. As part of this form of capital, client loyalty can be considered. Initially known by the name of consumer capital, the idea of relational capital was eventually transformed into relational capital (Roos & Roos, 1997), which included relationships with other stakeholders and business knowledge required to attract and retain customers (Nonaka & Takeuchi, 1996). This capital consists of all assets that control the environmental relationship of the company and includes the client, shareholder, supplier, government, state department, and competitor relationships. Although customer capital is the most important aspect of relational capital, it is only this aspect that should not be considered. Relational capital, as an aspect of intellectual capital, is not individually present, but in relation to human capital (managers' capital, employees' capital) and structural capital. As a consequence of well-thought-out actions, relational capital arises - it relies on strategic decisions and coordinated actions.

The creation and development of relational capital is significantly reduced to the creation of conditions that would allow ties between the members of a given organization and between the organization and its surrounding subjects to be initiated, formed, developed and retained.

### **Statement of the Problem:**

Communities of practice are effective, but these are not highly prevalent perhaps because it is not easy to develop and sustain or to align them with the rest of the organization. Here the role of power dynamics comes to play, which says people of one category do not want others to come in.

At time, group thinking becomes the challenge for communities of practice, as people start working with the same thought process and constrain individual growth and

creativity (Li et al, 2009). Alignment of Communities of practice goal and the organization goal is a challenge (cox, 2005). To develop the acumen of how communities of practice develop the organizational value system, communities of practice can be taken as a force for procuring of social capital.

Lack of leadership support is another problem that has been identified in communities of practice. Leadership support is very important and plays a major role in the creation of supportive conditions that encourage effective learning communities (Hairon, et al 2014). Leadership support within learning communities plays an important role for the creation of helpful conditions that would inspire the functions of a service organization like in banks. Shifting traditional patterns of interaction to collaborative one, building networks of trust and helping others in the workplace from isolating themselves from collaborative learning require appropriate leadership support (Steyn, 2013).

Another challenge is psychological dimension. Colleagues who are not sure of their content knowledge and pedagogical content knowledge do not want to participate in learning communities and collaborative activities. This is because of fear of exposure and criticism from their colleagues as they do not want invasion of their privacy

### **OBJECTIVE OF THE STUDY:**

The objective of the study is to examine the relationship between Communities of Practice and Relational Capital of deposit money banks in Nigeria.

### **Study Variable and Conceptual Framework:**

In this paper, Communities of Practice is the predictor variable with its dimensions as Mutal Engagement while our criterion variable is Relational Capital Development with its measures as Social Trust and Institutional Trust.

**Functional relationships and Model Specifications:**

**Functional Relationships:**

This paper reiterates its objectives which are to establish functional relationships between two measures of dependent variables which are Social Trust and Institutional Trust and the dimensions of the independent variable which is Mutual Engagement. For this work, we will develop a model specification and a functional relationship. Premised on this, the paper is expressed in the functional relationships as follows:

- RC = f(CoP) .....Function 1
- RC = ST, IT.....Function 2
- CoP = ME.....Function 3

Where;

- RC = Relational Capital
- CoP = Communities of Practice
- ST = Social Trust
- IT = Institutional Trust
- ME = Mutual Engagement
- OC = Organizational Culture

**Conceptual and Operational Framework:**

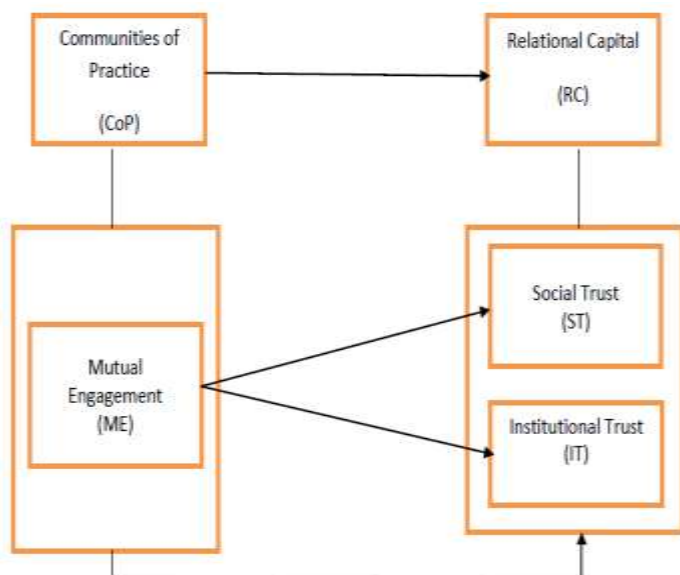


Figure 1: Conceptual and Operational Framework on Communities of Practice and Relational Capital of Deposit Money bank in Rivers state, Nigeria.

Source: Desk Research, 2021

**Research Hypothesis;**

Based on our research framework, the following hypotheses are formulated.

- Ho1:** Mutual Engagement has no significant relationship with the Social Trust of deposit money banks in Rivers state, Nigeria.
- Ho2:** Mutual Engagement has no significant relationship with Institutional Trust of deposit money banks in Rivers state, Nigeria.

**LITERATURE REVIEW:**

**Concept of Communities of Practice (CoP):**

A community of practice is a group of people who share a desire to learn, to strengthen their clinician-patient relationship, and to create a practice of shared care through their practices (Brown & Duguid, 1991). CoPs are described as groups of people who share a concern, a set of problems, or a passion about a subject, and who deepen their knowledge and expertise by interacting on an ongoing basis. CoPs illustrate the seemingly fluid essence of their practice by describing the informal, autonomous, and self-organizing. CoPs are generally interpreted as large group of people who talk constantly about the related problems or issues by agreeing and negotiating a consensual practice (Wenger et al., 2002).

CoPs are effective because they learn from each other and coordinate practice. Meetings of this nature are different from others since they only act as if they were members of project teams, working groups and social networks. They inspire others to learn and improve the world, because they always learn and do. CoPs may be helpful because they are characterized by community, a group of people bound by spirit and character. CoPs are extremely self-reinforcing. Members remain active because of the intrinsic advantages of learning in a community and the benefits of

teamwork. Many neighborhood associations are formed spontaneously. CoPs may look very different from one another from the outside, but on the inside, it is practice that sets them apart from other classes (Wenger, McDermott & Snyder, 2002).

Community of practice is not a modern way of organizing; it's an initial approach to research how people learn. As participants work in interdisciplinary teams, they can, from one hand, apply their knowledge, the group's one, to the real problems and, from the other side, they can carry back to the community new insight they had gained by working in teams of expert in different subjects.

Communities of practice are created by community of people who participate in a collaborative learning process in order to solve major problems in the domain of their interest (Wenger & Snyder, 2000). In summary, communities of practice are groups of people who share mutual passion, concerns or interest (Wenger, 2004).

Communities of practice are composed of, domain, community, and practice (Wenger et al., 2002). Domain may be defined as on important issues and problems that members face frequently. It means that there is transparency to designing the practice. Community refers to the connections and relationships that are formed due to frequent touch. It establishes the social and political infrastructure required for learning. Practice involves the components of art, ability, task, and operation. Wenger et al. (2002) defined CoPs as ideal knowledge systems because of the convergence of these elements together. CoPs are groups of people that, as they support each other, can also learn more about the best practices relevant to their occupation. As communities cultivate knowledge, production skills, and creativity, these communities bring value to the members and organizations (Por & van Bekkum, 2004).

The aim of CoPs is not to plan and execute training programs, but rather to enhance the ability to learn. Members of a Community are able to use knowledge, share their insights, test new ideas, and make changes to the past method (Saint-Onge & Wallace, 2003).

Liedtka argued that CoP offers an incentive for organizations to build meta-capabilities which could further promote their competitive advantage. Using meta-capabilities to develop new capabilities for performance (Saint-Onge & Wallace, 2003). According to Saint-Onge & Wallace (2003), CoPs are enriched by both learning and cooperation. Learning is the opportunity to learn new knowledge. Collaboration is an important tactic to expand market knowledge. Both of these are equally significant. CoPs contribute to the enhancement of organizational cultures that promote learning and cooperation across boundaries. Communities of practice serve as social structures that bind diverse skills, perspectives, and knowledge, enabling individuals to think differently and engendering mutual learning.

The three attributes essential to international communities of practice according to Wenger, McDermott and Snyder (2002) are confidence, autonomy and dedication.

### **The Domain:**

A group of people is not just a network of contacts between people. Its identity is upheld by a common domain of interest. If you are affiliated with knowledge domain then you have standard competencies. Experts in this domain are not generally regarded as experts in other areas of community-making and decision-making. Youth gangs may have a huge impact on getting by on the streets. I think their intellect helps them to be very creative and valued by others.

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### **The Community:**

It is observed in the domain members "promote" each other with "interests." This is the mechanism by which the markets operate. They create unity that allows them to learn from one another, they care about one another's recognition. A web site does not inherently constitute a community of practice. Co-workers do not become a community until they establish mutual interests. Claims processing workers in an insurance company and high school students could have something in common, but unless they connect and learn together, they do not have a community of practice. Indeed, members of the community of practice do not usually meet frequently. The Impressionists, for example, used to meet in cafes and studios to explore the art style that they came up with together. These experiences will become necessary for grooming them for establishing a community of practice.

### **The Practice:**

Also, a community of practice can not necessarily be a community of people who share a specific interest, such as people interested in particular movies or books. A community of practice is a group of knowledgeable and qualified practitioners. To solve such challenging circumstances, they establish common practice and ways of addressing from one another. This is really time-consuming. A single conversation with a stranger is not enough to create a common sense of identity and community of practice. Development can be shared.

Practice may or may not be self-conscious. The "windshield wipers" engineers at a car maker put in concerted effort to gather and record lessons learned. Nurses may attend frequently at hospital cafeterias for lunch, but they may not realize that their lunches are one of their key sources of knowledge about how to care for patients. Despite all of the variety of

matters and situations, they have a clear practice for the transactional mediation.

Informative decision making. So, because tacit knowledge, or prior knowledge, exists in the person's mind, it's up to the individual to apply it. When attempting to obtain source from patients, it is normal for individuals to believe like they are being viewed as a means to an end, that they will receive anything in exchange for their knowledge, that they will be appreciated for their input. Another main issue for Knowledge sharing is that employees' knowledge from their previous job always transfers over to their current one. If two employees share tacit knowledge with one another, it has the potential to help keep the experienced employees' knowledge alive even after they have left the company. Minbaeva (2005) made an evaluation of the factors which contribute to the likelihood of acquiring knowledge and at the same time the climate which promotes knowledge sharing. The possibility of receiving knowledge includes both the individual's ability and motivation. In the implementation of this norm, the following considerations are considered: a) prior knowledge of the recipients and b) the strength of the committed effort.

### **Mutual Engagement:**

Mutual Engagement occurs when people creatively spark together and enter a state of group flow. In mutual engagement, participants are engaged with both the product at hand and with others in the collaboration, which could characterize as group flow. Engagement can affect employees attitudes, absence and turnover levels and various studies have demonstrated links with productivity, increasingly pointing to a high correlation with individual, group and organizational performance, a success measure through the

quality of customer experience and customer loyalty, (Baumruk, 2006).

### **Concept of Relational Capital:**

Brooking (1996) argues that stakeholders, their loyalty, and distribution networks that are linked to relational capital include consumer assets. It is suggested in the subject literature that properly formed relationships exert some impact on life and the degree of organizational development (Edvinsson, Malone, 2001), contribute to the gain of each party and the generation of a relative rent (Stańczyk-Hugiet, 2011), competitive advantage, competition, access to important, unique resources (Ford, Gadde, Hakansson, Lundgren, Snehota, Turnbull, 1998). This means that collaboration enables businesses to actively minimize operating costs, share risks, develop unique knowledge, gain market access and pass technologies. Relationships are presumed to be characterized as order influence, which involves relatively permanent transactions, resource flow and other contacts that occur between two or more organizations and between a given organization(s) and its environment. Relationships are a binder that incorporates the additional resources held by the business partner, thus enhancing their competitiveness and creativity. It can therefore be inferred that a relationship is a particular resource developed on the basis of knowledge held, and its particular character is determined by variables such as time, realization, development or satisfaction. A consequence of the decision to create cooperation is the participation of resources in order to achieve goals, as well as the taking of concrete actions (Kale, Singh, Perlmutter, 2000; Uzzi, Lancaster, 2003). Relational resources are characterized by the fact that they are present on the edge of an organization and the environment, and the capacity to create and use relationships on the

basis of collaboration between organizations is their nature. Relational capital, therefore, is a result of the capacity to establish and develop lasting relationships. Mutual confidence, accountability, transparency, social bonds and shared principles of institutions are a prerequisite.

Relational capital, according to Stewart, uses business knowledge to gain and maintain stakeholders; in other words, relational capital is the future capacity gained by an entity through external, intangible influences. While Hubert Saint-Onge first introduced the word "relational capital," its meaning was transformed over time into "relational capital" through the emergence of new meanings. The new definition involves the knowledge concealed in all corporate relationships with stakeholders, rivals, vendors, unions, and government (Bontis, 1999). Relational capital involves the organization's partnership with external and internal beneficiaries, according to Roos et al. (1997). In addition, stakeholder-related business orientation is seen as an obvious indication of relational capital. Market orientation is characterized as developing market intelligence at different organizational levels regarding the current and future needs of stakeholders, according to Kohli and Jaworski (1990).

Relational capital benefits from the relationship between the company and clients, partners, shareholders and other stakeholders that are vital to the success of the organization (Bontis, Crossan, & Hulland, 2002). Shih, Chang, and Lin (2010) contended relational capital as the relationship between organisations, clients, suppliers, contractors, and other associated partners. Relational capital was described by Low (2000) as the transfer of knowledge from an institution to an outside world. Skills such as client relationships and customer loyalty and trust play an important role in the development of relational capital (Isaac,

Herremans, & Kline, 2010; Sharabati et al., 2010). For example, the greater the degree of customer satisfaction and confidence, the stronger the relationship with consumers would be, which ultimately increases the value of the company.

Relational capital serves as a bridge and catalyst for the activity of intellectual capital, which is a key, important and deciding factor in the transformation from intellectual capital to market value and is thus essential and decisive in the organization's business success. Without consumer capital, market value or organizational efficiency may not be achieved. Customer capital has a direct relationship with the success of the company. We should rely on the help of human capital, structural capital, and creative capital to attract consumer capital. The most important aspect of intellectual capital in generating added value is consumer capital, which involves internal and external partnerships with the organization's beneficiaries and is a determining factor in the transfer of intellectual capital to market value (Nonaka & Takeuchi, 1995).

The most fundamental factors for generating added value in the organisation are delivery networks and customer retention and loyalty. In relation to manufacturers, retailers, wholesalers and, in particular, consumers, these forms of capital exist. As part of this form of capital, client loyalty can be considered. Initially known by the name of consumer capital, the idea of relational capital was eventually transformed into relational capital (Roos & Roos, 1997), which included relationships with other stakeholders and business knowledge required to attract and retain customers (Nonaka & Takeuchi, 1996). This capital consists of all assets that control the environmental relationship of the company and includes the client, shareholder, supplier, government, state department, and competitor relationships. Although customer capital is the

most important aspect of relational capital, it is only this aspect that should not be considered. Relational capital, as an aspect of intellectual capital, is not individually present, but in relation to human capital (managers' capital, employees' capital) and structural capital. As a consequence of well-thought-out actions, relational capital arises - it relies on strategic decisions and coordinated actions.

The creation and development of relational capital is significantly reduced to the creation of conditions that would allow ties between the members of a given organization and between the organization and its surrounding subjects to be initiated, formed, developed and retained.

Relational capital involves building partnerships and sharing knowledge with the various stakeholders of the company (Cabrita, 2009). Business intelligence within the enterprise should be extended horizontally and vertically so that the various levels of the organization can respond to market developments in a timely and proper manner (Bontis, 1999). In essence, relational capital, as a bridge and connection in the process of intellectual capital, is a deciding factor in the conversion of intellectual capital to market value and, as a consequence, the organization's business efficiency. The market value or the organization's economic success cannot be accomplished without relational capital. The growth of relational capital therefore relies on the help of human and structural capital (Chen et al., 2004).

Relational capital relies on internal and external variables. Exo- and endogenous relational tools are its origins, as well as those put outside and within an entity. In addition, external and internal conditions are affected by relational capital. Significance is ascribed to the business model, held capital and transactional costs within the framework of external conditions. Formal and informal interactions



between employees and stakeholders, as well as factors occurring within the organizational environment, are embraced by the process of relational capital development. There is an opportunity to access sufficient resources that promote the shaping of the commonality of interests through appropriate expenditure on the development of external and internal relationship networks.

### **Social Trust:**

This is the belief in the honesty, integrity and reliability of others. It is simple enough concept to describe. Social trust acts as a foundation for cooperation, contributes to social integration and harmony among people, leads to life satisfaction.

Social trust is one of the most important elements of the contemporary life. Trust has many different meanings with more diverse significance. Sometimes, trust indicates of some social life, and often reveals some parts of personal life. Some researchers consider trust as such important element that suggest the survival of the human societies and groups is contingent upon it. The amount of social trust differs from one society or organization to another and various clarifications have been made in this regard. Coleman argues that trust is one of the most essential components of social capital (Coleman, 1990).

In the inter-personal, abstract and expert relations, however, social trust has proved to be a crucial element for progress and on the other hand, it is necessary for social contacts development. Trust also provokes synergy and contribution and it is just in such situation that it can in the face of the existing problems, make differences and accomplish the social contract.

### **Institutional Trust:**

Trust between individual and/or collective actors is based on the decision of one

party to rely on another party under conditions of risk. The trustor permits his or her fate to be determined by the trustee risks that he or she will experience negative outcomes.

Institutional trust is a form of individual or collective action that is constitutively embedded in the institutional environment in which a relationship is placed, building or favorable assumptions about the trustee's future behaviors vis-a-vis such conditions.

### **Organizational Culture:**

The culture of an organization is its personality and character. Organizational culture is made up of shared values, beliefs and assumptions about how people should behave and interact, how decisions should be made and how work activities should be carried out. Key actors in an organizational culture include its history and environment as well as the people who lead and work for it.

An understanding of organizational culture is essential for effective leadership. Leaders and managers will be better placed to implement strategy and achieve their goals if they understand the culture of their organization. Strategies that are inconsistent with organizational culture are likely to meet with resistance and will be more difficult or even impossible to implement, while strategies that are in line with it will be easier to pull into effect and more likely to succeed, it is also important to understand the existence culture of an organization when thinking of introducing changes.

It is often difficult to specify what exactly drives a particular culture, but easier to observe its effect. In practice, it should also be recognized that while an organization may have an umbrella culture, broadly defining how things should be done and what is acceptable, the subsidiary cultures can emerge based on work roles or other allegiances. Inevitably culture is what is experienced and interpreted

subjectively by individuals in the context of their own beliefs, and also their perspective on the organization. Some facets may have more relevance for some people than others depending on their roles. To gain an understanding of the culture of an organization, its written and unwritten rules should be examined alongside the relationships, values and behaviors displayed by its people.

**RESEARCH METHODOLOGY:**

**Research Design:**

In this research, the cross-sectional survey which is a type of the quasi experimental research design was adopted. The cross-sectional survey provides a snapshot of the outcome and the characteristics associated with it at a given point in time. This research design is preferable in this study because the research intend to generate real fact without intentional manipulation of the variable. Furthermore, this research design was used because the variables were not under the control of the researcher.

**Population of the Study:**

The target population of this study are the 20 deposit money banks in Rivers state. However, the accessible population consist of 512 employees from 20 deposit money banks under review in Rivers State. A branch each was randomly selected for the study. The information made available to the researcher by the management personnel of the banks is as shown in table 3.1;

Table 1 Population Distribution

S/N	Name of Bank	Number of Employees
1	Eco Bank Plc.	25
2	Fidelity bank Plc.	25
3	First City Monument Bank	22
4	First Bank Plc.	32
5	Guarantee Trust Bank Plc.	27
6	Access bank Plc	30

7	Heritage Bank	27
8	Key Stone Bank	23
9	Polaris Bank Plc.	22
10	Standard Chartered Bank	20
11	Stanbic IBTC Nigeria Limited	25
12	Sterling Bank	28
13	Union Bank	24
14	Unity Bank Nigeria Plc.	31
15	United Bank for Africa	28
16	Wema Bank Plc	24
17	Zenith Bank Plc	28
18	Citibank Nigeria ltd	27
19	SunTrust Bank Nigeria Plc	25
20	Globus Bank	19
Total		512

**Source:** Field Survey (2021)

**Sample/Sampling procedure:**

The simple random sampling technique will be used in this study. This technique will be employed because it gives a sample that is a true representative of the entire population. The Taro Yàmene (1967) formula will be used to arrive at the sample size of the study. The formula is given below.

$$n = \frac{N}{1+N(e)^2}$$

Where

n = sample size

N = population size

e = error measurement

$$n = \frac{512}{1+ 512 (0.05)^2}$$

$$n = \frac{512}{1+ 512 (0.0025)}$$

$$n = \frac{512}{2.28}$$

$$n = 225$$

A total sample size of 225 respondents will be covered in this study. The rationale for questionnaire distribution will be determined through the use of Bowley’s (1964) individual sample formula in computing the individual sample proportions of the accessible population for each firm. The formula for individual sample is stated below.

$$nh = \frac{nNh}{N}$$

Where: nh = the number of units allocated to each firm

n = the total sample size

$N_h$  = the number of respondents  
 $N$  = the population size

**Data Collection Method:**

Primary data will be collected through the use of questionnaire. The copies of questionnaire will be in two parts, the first part will deal with personal and demographic representative of the respondents. While the second section will produce response regarding idea of the respondent as it relates to the variables under study. The questionnaire will be personally administered to the randomly chosen employees, in the 20 banks studied. Similarly, the questionnaire is versatile, and the respondents are free to express their view because of the possibility of not being identified (Baridam, 2001). The secondary data will be gotten from textbooks, journals and internet materials.

**Test of Validity and Reliability of the Instrument:**

In this work, face and content validity will be appropriate to validate the instruments because the approval of the instrument was based on the subjective evaluation by experts. Additionally, the items will be verified by experts in this field of study particularly the project supervisor. To test the reliability of instrument, the items were subjected to Cronbach’s Alpha Test for reliability. A measure is said to be reliable if it is consistently reproducible. To ensure reliability of the research instrument, the Cronbach alpha was used to test the reliability through the aid of statistical package for social sciences (SPSS). Hence, only the items that return alpha value of 0.7 and above were considered by the researcher. The Cronbach value of the items are given below.

**Method of Data Analysis:**

The data collected will be analysed using quantitative method. This is a situation where the data is analysed based on facts and figures obtained from respondents in the field. The Spearman Rank Order correlation will be used to analyse the bivariate hypothesis. This will be used because the variable is on ordinal scale and the study intends to examine relationship between relationship between two variables. Furthermore, the partial correlation will be used to test the moderating influence of Organizational Culture in order to ascertain how it moderate the relationship between Communities of Practice and Relational Capital. The formula for Spearman Rank order correlation co-efficient is given as:

$$r = \frac{1 - 6\sum d^2}{n(n^2 - 1)}$$

Where:

- r = Spearman Rank Value
- n = Number of respondents
- d = difference between ranks
- d<sup>2</sup> = Squares of differences

The collected data will be statistically analysed, with the aid of Statistical Package for Social Science Software (SPSS). The acceptance or rejection standard on tested hypotheses will be based on the values of correlation coefficient (rho) and p-value at 0.05 degree of freedom. Thus, reject the null hypothesis (H0<sub>1</sub>) if the p-value is less than 0.05 otherwise accept. Also, the closer the standard deviation to +1 or 0, the stronger or weaker the positive relationship between the variables respectively.

**Test of the Hypotheses:**

**Bivariate Analysis:**

The Spearman Rank Order Correlation Coefficient was used to test the correlations and strength of relations. This technique is valid in light of the need to determine how Communities of Practice contributes to

relational Capital in an organization. The criteria used are the coefficient to determine the direction of relationship (where > 0.5 is positive and < 0.5 is negative) and the significance level to know how significant this observed relationship is.

The decision rule is:

$p < 0.05$  significant level = accept the alternate hypotheses

$p > 0.05$  significant level = accept the null hypotheses

A total of twelve bivariate hypotheses were tested.

Table 2: Mutual Engagement and Social Trust

		Correlations		
			Mutual Engagement	Social Trust
Spearman's rho	Mutual Engagement	Correlation Coefficient	1.000	.448**
		Sig. (2-tailed)	.	.000
		N	198	198
	Social Trust	Correlation Coefficient	.448**	1.000
		Sig. (2-tailed)	.000	.
		N	215	198

\*\* Correlation is significant at the 0.05 level (2-tailed).

Source: SPSS Output, 2021

**Ho1: There is no significant relationship between Mutual Engagement and Social trust of deposit money banks in Rivers State, Nigeria.**

**HA1: There is a significant relationship between Mutual Engagement and Social trust of deposit money banks in Rivers State, Nigeria.**

The result of the analysis in Table 1 shows a significant level  $p < 0.05$  ( $0.000 < 0.05$ ), this means that there is a significant relationship between Mutual Engagement and Social trust. A correlation value of  $r = 0.448$  implying that there is a moderate positive relationship between. This entails that as one variable increases the other increase, that is, an increase in Mutual Engagement will lead to a corresponding increase in the level of Social

Trust. The study therefore observes that there is a positive and significant association between Mutual Engagement and Social trust. In light of this, the study therefore rejects the null hypothesis and accept the alternate hypothesis that that there is a significant relationship between Mutua Engagement and Social Trust of deposit money banks in Rivers State, Nigeria.

Table 3: Mutual Engagement and Institutional Trust  
Correlations

			Mutual Engagement	Institutional Trust
Spearman's rho	Mutual Engagement	Correlation Coefficient	1.000	.253**
		Sig. (2-tailed)	.	.002
		N	198	198
	Institutional Trust	Correlation Coefficient	.253**	1.000
		Sig. (2-tailed)	.002	.
		N	198	198

\*\* Correlation is significant at the 0.05 level (2-tailed).

Source: SPSS Output, 2021

**Ho2: There is no significant relationship between Mutual Engagement and Institutional Trust of deposit money banks in Rivers State, Nigeria.**

**HA2: There is a significant relationship between Mutual Engagement and Institutional Trust of deposit money banks in Rivers State, Nigeria.**

The result of the analysis in Table 2 shows a significant level  $p < 0.05$  ( $0.002 < 0.05$ ), this means that there is a significant relationship between Mutual Engagement and Institutional trust. A correlation value of  $r = 0.253$  implying that there is a positive relationship between Mutual Engagement and Institutional trust. This entails that as one variable increases the other increase, that is, an increase in Mutual Engagement will lead to a corresponding increase in the Institutional trust. The study therefore observes that there is a positive and significant association between Mutual Engagement and Institutional

Trust. In light of this, the study therefore rejects the null hypothesis and accept the alternate hypothesis that that there is a significant relationship between Mutual Engagement and Institutional Trust of deposit money banks in Rivers State, Nigeria.

Table 4: Descriptive Statistics for Organizational Culture

Items	N	Minimum	Maximum	Mean	Std. Deviation	Level of Agreement
OC 1	215	1	6	3.76	3.251	High
OC 2	215	1	6	4.92	1.925	High
OC 3	215	1	6	4.71	1.524	High
OC 4	215	1	6	4.53	1.646	High
OC 5	215	1	6	4.30	1.452	High
Valid N (listwise)	215					

Source: SPSS Output, 2021

(OC = Organizational Culture)

Table 4 gives a descriptive statistic of the items of Organizational culture. The item with the highest mean is OC 2 ( $\bar{x}=4.92$ ), which shows that they strongly agree that the organization make decisions with my interests in mind. Following this is their strong agreement to OC 2 ( $\bar{x}=4.92$ ), which shows respondents agreement to the notion that the organizational culture gives confidence to employees and moderates the relationship between communities of practice and relational capital. The third most agreed item can be seen in the light of OC 3 ( $\bar{x}=4.71$ ), which shows respondents agreement to the notion that the mutual engagements increases performance. Following this is the agreement by respondents to OC 4 ( $\bar{x}=4.53$ ) which shows that respondents agree that their organization always treat me fairly and impartially. And lastly, OC 5 showed the least mean value ( $\bar{x}=3.76$ ), which implies that employees agree that Institutional trust affects organizational performance.

### CONCLUSIONS AND RECOMMENDATIONS:

As organizations grow in size, geographical scope and complexity, it is increasingly apparent that sponsorship and

support of communities of practice, groups whose members regularly engage in sharing and learning based on common interests can improve organizational performance.

Although many authors assert that communities of practice create organizational value, there has been relatively little systematic study of the linkage between community outcome and the underlying social mechanisms that are at work.

To build an understanding of how communities of practice create organizational value, we suggest thinking of a community as an engine for the development of relational capital. We argue that social capital resident communities of practice lead to behavioral changes, which in turn positively influences business performance. We identified mutual engagement as associated with communities of practice and the social trust and institutional trust as measures to relational capital.

Drawing from the findings and conclusion of this study, the following recommendations are proffered as follows, enhancing Organizational culture, individuals are able to communicate with other individuals or groups and exchange knowledge by using a range of information and communication technologies which will help attract and retain well talented workforce which will subsequently result in increased performance and organizational profitability. The study recommended among others that the management of deposit money banks should create a climate where employees can share their past personal work-related experience or mistakes as such will enable others to avoid repeating such mistake which will thus enhance the fortune of the organization.

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