

***Journal of Administrative Management,  
Education and Training (JAMET)***

**ISSN: 1823-6049**

**Volume (12), Special Issue (3), 2016, 191-199**

**Available online at <http://www.jamet-my.org>**

**Citation:**

R.Nazarian, M.Beheshtifar, The Study of Moderating Role of Intellectual Capital in Relationship between Communication Capabilities and Confidence among Employees at Islamic Azad University of Kerman Province, Journal of Administrative Management, Education and Training, Volume (12), Special Issue (3), 2016, pp. 191-199

# **The Study of Moderating Role of Intellectual Capital in Relationship between Communication Capabilities and Confidence among Employees at Islamic Azad University of Kerman Province**

*Raheleh Nazarian, Malikeh Beheshtifar*

## **ABSTRACT**

*The aim of this study was to examine the mediating role of intellectual capital in the relationship between communication capabilities and confidence of employees at Islamic Azad University of Kerman province. The population of the study consisted of all the personnel of Islamic Azad University of Kerman, the number is 1135. To determine the sample size of the sample, 287 were selected. Three questionnaires were used to collect information: connectivity by 92 hundredths and 92 hundredths of reliability, confidence, individual questionnaire with validity of 96 hundredths and 95 hundredths reliability, and validity of the questionnaire intellectual capital by 93 hundredths and 92 hundredths of reliability. To analyze the data, the structural model and PLS was used. Results showed that there is a relationship between connectivity and interpersonal confidence (and all its components) with communication capabilities. IC with reliable connectivity between employees (and the components of honesty and competence) reduced. But the role of intellectual capital in the relationship between communication capabilities has no staff loyalty. Therefore, it is suggested to improve the confidence of employees in the workplace, communication capabilities provide context for growth.*

*Keywords: intellectual capital, communication, Communication Capabilities, Confidence*

## **Introduction**

Confidence between management and employees will have a great impact on the quality of management, so the decline of confidence in organizations is one of the things that lead to employee's discouragement and apathy and causes implementing programs with low speed (Gholipour et al., 2009). Low levels of confidence makes the employees divert the flow of information within the organization and suspicion and unconfident spread among staff and wiped out open and honest communication within the organization and has not a good quality of decisions. Also, unconfident among employees due to negative consequences such as low yield, high turnover tends to be high and unseen. So identifying the factors that cause unconfident in staff is necessary. Communication capabilities are factors that can affect the individual confidence. Effective and proper communication in organization is always important component of management success. Communication capabilities seek to communicate with their target customers and buy again in the future and encourage others to do better. The best approach to maintain customer is

creating more satisfaction in customer and what he considered to be valuable, as a result customer loyalty to the organization become strong. Customer's relationship management also seeks to provide more value for the customer and the achievement of tangible and intangible benefits arising from this relationship. Communication capabilities play a key role in increasing sales and revenue or profit, progress in access to new markets, improved innovation in relationships. Improving communication capabilities in order to maintain relationships in an environment that characterized by dynamic markets or change in relationships requirements is essential. Especially the issue for the most part that is responsible for procuring customers is small, important and details. Communication capabilities where provider's minor connectivity in connection with unlimited clients You can also share a relationship through fees or interest income, new production capabilities and risks to create value, may be reform innovation and creating value (Abadi Joo, 2014). On the other hand, intellectual capital is a valuable asset that is recognized as an intangible asset of an organization. Intellectual capital providing a new resource base through the organization competed. Today, natural resources and assets and prosperity of all communities and organizations are evident, but having the management and intellectual capital in turbulent and challenging environment is the key to success (Zahedi and Lotfi Zadeh, 2009). The results of this research at universities are important from several aspects. The survey shows that confidence is a reasonable relationship of organization with the environment. If the organization is to restore confidence, so that the environment confidence to it, can increase the rationality of risk associated with the organization. Confidence leads to increase in response to environmental demands in the organization; the confidence will create synergy in the organization. The employees' confidence in management and organization reduced, managers should pay more expenses to control employee behavior that is resulting in less gain. The important thing is that the manager and staff considers the importance of confidence, how to promote it and their role in building confidence. Also, communication capabilities on organizational outcomes affected employees; it has a significant impact on the achievement of organizational goals. Focus on intellectual capital as the most important asset in the knowledge and abilities of employees and people who are working in the organization. According to the abilities and talents of employees and use these capabilities that employees feel the organization's identity and values and more passion to work in the organization and this investment can have a positive effect on communication and confidence.

According to the above, this study tries to answer the main questions as follow:

1. How is the status of relationship in communication capabilities and employee's confidence at Islamic Azad University of Kerman province?
2. How is the status of mediating role of intellectual capital in communication capabilities and employee's confidence at Islamic Azad University of Kerman province?

### **Research theoretical framework**

In this study, the communication capabilities as reliable predictor variables and the criterion variable, and intellectual capital as a mediating variable are investigated. Communication capabilities seek to create relations with customers who shop organization in the future again and

encourage others to do so. The best approach to keeping customers is to create more customers' satisfaction and what is considered valuable to her, should be considered as a result customer's loyalty in the organization become strong (Abadi Joo, 2014). For the measurement communication capabilities of the Zuhdi (2013) model with three components:

1. Communication with clients
2. Communication within the organization
3. Communication with other organizations is used.

Also, confidence in the corporate environment has been defined as: a belief that the other party on the condition that the company can gain advantage will act in accordance with the best interest of the company, although the opportunistic, in order to earn profits for their company comes at a cost.

The definition of confidence as a belief (faith) knows that can be both good and bad on the other side accrues. Here confidence puts against to "unconfident" (Lagzian et al., 1998). Organizational confidence components according to Panahi (1998) include: 1 Honesty 2 Competency 3 Stability 4 Loyalty

According Bontis (1998) three dimensions of intellectual capital are: (1) human capital, structural capital (2) and (3) relational capital, Zolin, Fruchter, & Hinds (2003) in their article noted that communication can lead to increased perceived confidence. Also, Morgan & Hunt (1994) showed that communication can directly affect the confidence (Abadi Joo, 2014).

### **Research methodology**

This study in term of aim is an applied research and in term of methodology is cross-correlation research. In this study, data collection and data collection method is field research (questionnaires).

The population of this review consisted of all staff at the University of Kerman which was 1135 people. According to the calendar of short-term educations in district 7 in Kerman in 2012, we have 11 university branches are activated at the provincial level, total number of employees in these unit were 1135 people. Sample size using Cochran formula, 287 persons was selected. Then, using stratified random sampling proportional to sample size, study sample was calculated for each academic unit. Three questionnaires were used to collect data:

A) Communication capabilities questionnaire: to assess employee's communications capabilities used and consists of three components: communication with clients, communication within the organization and communication with other organizations. For five-choice questions (strongly agree, agree, somewhat agree, disagree and strongly disagree) is designed. 5 score for I completely agree option, Agree score of 4, Score 3 for somewhat agree, I disagree score 2 and strongly disagree score of 1 is assigned.

B) Confidence questionnaire: the confidence questionnaire has 22 questions. Questions 1 to 7 on honesty, 8 to 12 on the merits, 13 to 17 related to stability and 18 to 22 is related to loyalty at this questionnaire Likert-scale was used. Expressions used in this study designed as: strongly agree, agree, somewhat agree, disagree, and strongly disagree

(C) Intellectual capital questionnaire: Intellectual Capital is derived from the Bontis theory and its dimensions include: 1 human capital, 2 structural capitals and 3 relational capital.

Expressions used in this study designed as: strongly agree, agree, somewhat agree, disagree, and strongly disagree. Using the content validity, the validity of communication capabilities questionnaire 0.92, individual trust 0.96 and intellectual capital 0.93 calculated. Using Cronbach's Alpha, the reliability of intellectual capital questionnaire 0.92, individual trust 0.95 and communication capabilities were 0.92. In this study to describe the data collected, using frequency tables and bar charts, a description of the demographic indicators and hypotheses presented. To analyze the data using structural equation modeling, smart pls 2 software and spss software version 19 was used and the significance level was set at 0.05.

**Findings**

Quantitative variables are described in Table 1.

**Table 1.** Descriptive indices of the variables and its components (n =287)

Variable	Average	Standard deviation	Middle	Skewness	Elongation	Minimum	Maximum
Intellectual Capital	93.2	70.0	84.2	58.0	09.1	00.1	00.5
Human Capital	74.2	78.0	66.2	61.0	91.0	00.1	00.5
STRUCTURAL capital	73.2	87.0	75.2	50.0	29.0	00.1	00.5
Relational capital	33.3	80.0	25.3	02.0-	14.0	00.1	00.5

Variable	Average	Standard deviation	Middle	Skewness	Elongation	Minimum	Maximum
Confidence	74.3	75.0	77.3	42.0-	14.0-	09.1	00.5
Honesty	75.3	81.0	85.3	43.0-	21.0-	29.1	00.5
Merit	73.3	78.0	78.3	27.0-	18.0-	00.1	00.5
Stability	85.3	86.0	80.3	45.0-	42.0-	00.1	00.5
Loyalty	65.3	91.0	80.3	40.0-	39.0-	00.1	00.5

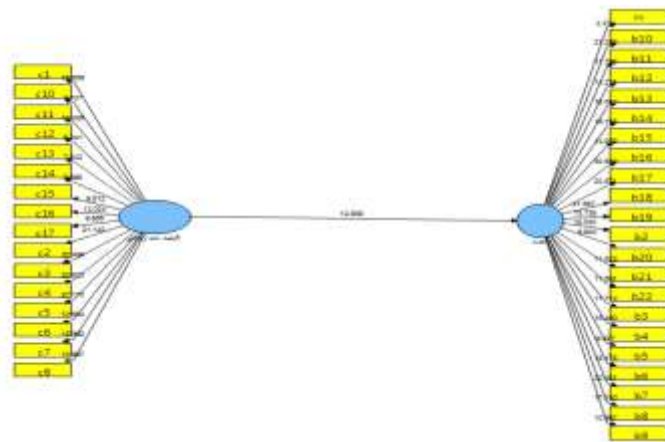
Variable	Average	Standard deviation	Middle	Skewness	Elongation	Minimum	Maximum
Communication capabilities	64.3	70.0	64.3	11.0-	51.0-	00.2	00.5
Communication capabilities with client	92.3	80.0	00.4	63.0-	24.0	00.1	00.5
Communication within the organization	70.3	76.0	80.3	21.0-	47.0-	80.1	00.5
Communication with other organizations	40.3	87.0	42.3	14.0-	49.0-	00.1	00.5

**Data analysis using structural equation modeling**

In this section using structural equation modeling (SEM) approach for a closer look at the research hypotheses, partial least squares (PLS) with Smart PLS 2 software in a two-part test measurement model and structural model test is used. Fitness structural model using Z coefficients as the

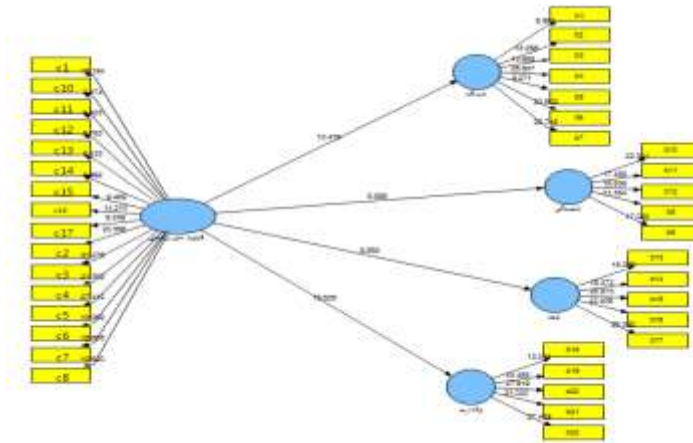
coefficients should be more than 1.96 so as to assure its significant at 95% confidence level confirmed. As it is clear in Figure 4-2, Z significant coefficients are variables that are most Significant coefficient of 1.96 at 95% confidence level confirmed. And significant coefficient Z related to \* communication capabilities and intellectual capital variable, 2.101 is calculated which are large enough to show more than 1.96 at the 95% confidence level can be variable impact of intellectual capital as a mediating variable confirmed.

**The main hypothesis 1:** there is a significant relationship between communication capabilities and employee's confidence at Islamic Azad University of Kerman province. As indicated in Figure 1 Significant coefficient Z between communication capabilities and employee's confidence variables is 12.889 that is greater than 1.96, which shows the relationship between communication capabilities and employee's confidence.



**Figure 1.** The relationship between communication capabilities and confidence along with significant coefficients Z

**The main hypothesis 2:** there is a significant relationship between communication capabilities and employee's confidence with mediating role of intellectual capital at Islamic Azad University units of Kerman province. As indicated in Figure 2 Significant coefficient Z between communication capabilities and intellectual capital variables is 2.101 that is greater than 1.96, at the 95% confidence level the impact of intellectual capital as a mediating variable confirmed. In other words, at 95% confidence level can be confirmed that intellectual capital moderated the relationship between communication capabilities and employees' confidence.



**Figure 2.** The relationship between communication capabilities and confidence dimension along with significant coefficients Z

**The main hypothesis 3:** there is a significant relationship between communication capabilities and employee’s honesty at Islamic Azad University units of Kerman province.

Significant coefficient Z between communication capabilities and employee’s honesty variables are 10.479 that is greater than 1.96, that shows the relationship between communication capabilities and employee’s honesty. Standardized coefficient of path between communication capabilities and employee’s honesty variable is 0.542 that shows the relationship between these two variables and also suggest that communication capabilities explain 54% of changes of employee’s honesty directly.

**The main hypothesis 4:** there is a significant relationship between communication capabilities and employee’s merit at Islamic Azad University units of Kerman province. Significant coefficient Z between communication capabilities and employee’s merit variables are 8.886 that is greater than 1.96, that shows the relationship between communication capabilities and employee’s merit. Standardized coefficient of path between communication capabilities and employee’s merit variable is 0.542 that shows the relationship between these two variables and also suggest that communication capabilities explain 52% of changes of employee’s merit directly.

**The main hypothesis 5:** there is a significant relationship between communication capabilities and employee’s stability at Islamic Azad University units of Kerman province.

Significant coefficient Z between communication capabilities and employee’s stability variables are 8.893 that is greater than 1.96, that shows the relationship between communication capabilities and employee’s stability. Standardized coefficient of path between communication capabilities and employee’s stability variable is 0.529 that shows the relationship between these two variables and also suggest that communication capabilities explain 52% of changes of employee’s stability directly.

**The main hypothesis 6:** there is a significant relationship between communication capabilities and employee’s stability at Islamic Azad University units of Kerman province.

Significant coefficient Z between communication capabilities and employee's loyalty variables are 13.525 that is greater than 1.96, that shows the relationship between communication capabilities and employee's loyalty. Standardized coefficient of path between communication capabilities and employee's loyalty variable is 0.626 that shows the relationship between these two variables and also suggest that communication capabilities explain 62% of changes of employee's loyalty directly.

**The main hypothesis 7:** there is a significant relationship between communication capabilities and employee's honesty with mediating role of intellectual capital at Islamic Azad University units of Kerman province.

Significant coefficient Z between communication capabilities and intellectual capital is 2.54 that are greater than 1.96, at the 95% confidence level the impact of intellectual capital as a mediating variable confirmed. In other words, at 95% confidence level can be confirmed that intellectual capital moderated the relationship between communication capabilities and employees' honesty. Standardized coefficient of path between communication capabilities and intellectual capital and employee's honesty is 0.216 and also suggest that intellectual capital reduce the relationship between communication capabilities and employees' honesty.

**The main hypothesis 8:** there is a significant relationship between communication capabilities and employee's merit with mediating role of intellectual capital at Islamic Azad University units of Kerman province.

Significant coefficient Z between communication capabilities and intellectual capital is 4.712 that are greater than 1.96, at the 95% confidence level the impact of intellectual capital as a mediating variable confirmed. In other words, at 95% confidence level can be confirmed that intellectual capital moderated the relationship between communication capabilities and employees' merit. Standardized coefficient of path between communication capabilities and intellectual capital and employee's merit is 0.259 and also suggest that intellectual capital reduce the relationship between communication capabilities and employees' merit.

**The main hypothesis 9:** there is a significant relationship between communication capabilities and employee's stability with mediating role of intellectual capital at Islamic Azad University units of Kerman province.

Significant coefficient Z between communication capabilities and intellectual capital is 1.495 that are lower than 1.96, at the 95% confidence level the impact of intellectual capital as a mediating variable confirmed. In other words, at 95% confidence level cannot be confirmed that intellectual capital moderated the relationship between communication capabilities and employees' stability.

**The main hypothesis 10:** there is a significant relationship between communication capabilities and employee's loyalty with mediating role of intellectual capital at Islamic Azad University units of Kerman province.

Significant coefficient Z between communication capabilities and intellectual capital is 1.053 that are lower than 1.96, at the 95% confidence level the impact of intellectual capital as a mediating variable confirmed. In other words, at 95% confidence level cannot be confirmed that intellectual capital moderated the relationship between communication capabilities and employees' loyalty.



## **Discussion**

The findings showed that there is a significant relationship between communication capabilities and employee's confidence at Islamic Azad University of Kerman province. Communications capabilities are looking to connect with target customers in the future receive services from the organization. The best approach to maintain customer is creating more satisfaction in customer and what he considered to be valuable, as a result customer loyalty to the organization become strong.. Many studies have confirmed the impact of confidence (Kottial, 2008, Thomas et al, 2008, Huang et al., 2008, cited in Lagzian et al., 1998). Results of these findings are consistent with Zeffane, Tipu and Ryan (2011), Ishaya & Macaulay (1999), Bulu & Yildirim (2008). Zeffane, Tipu and Ryan (2011), in their studies found that there is a relationship between communication capabilities and organizational confidence. According to the researchers, communication within the organization creates opportunity for confidence. Ishaya & Macaulay (1999) in his review concluded that a variety of communication behaviors can affect levels of confidence in a group. Bulu & Yildirim (2008) in their article noted that people with different levels of confidence, communication show different behaviors. So it is expect to increase communication and connectivity capabilities, increase the employee's confidence through honesty, competence, loyalty. The findings showed that the relationship between intellectual capital and communication capabilities reduce employee's confidence. Intellectual capital is the quest for effective use of knowledge (final product) against (raw material).

*Ross et al from the perspective of intellectual capital includes all processes and assets is usually not shown on the balance sheet, also includes all intangible assets (such as trademarks, patents and exploitation and brands) are considered in the modern accounting method (Roos & Roos, 1997: 426-413, cited in Beheshti Nia, 2014). According to the intangible assets, cannot be expected that he can rely on the relationship between connectivity and the individual employees who are examined, is effective. On the other hand it can be argued that other confounding variables under control are not achieved could exacerbate this regard. Variables such as employee's attitudes, culture and organizational structure....*

With regard to the relationship between intellectual capital and employee's confidence, recommended employees in communication within the organization (through the ability to communicate with the director - enjoy communicating with colleagues - participating in the colleague's discussions - the ability to participate in decision-making - the ability to influence the director ), relationship with other organizations (know good communication - the communication of information with other agencies - understand the expectations of other organizations - awareness of the demands of other organizations - the ability to interact with the central agencies - the ability to express the demands of a growing organization, enhance - the ability to communicate with others-people organizations and the ability to communicate with the leaders of other organizations), and the relationship with the client (by the desire to communicate with clients - ability to communicate grams - the ability to influence the decisions of clients - the ability to deliver services to clients) in a way that create confidence between them.

## References

- Abadi joo, 2014, investigated the relationship between the improvement of human resources and communications capabilities personnel executive Haz Kerman, public administration master's thesis, Islamic Azad University in Rafsanjan
- Arabaci, I.B., 2010, The effects of depersonalization and organizational cynicism levels on the job satisfaction of educational inspectors, *African Journal of Business Management* Vol. 4(13), p. 2802
- Beheshti Nia Tarzan, AS., 2014, examined the relationship between intellectual capital and the ability to resolve the conflict in the province Red Crescent Organization, Master Thesis, University of Rafsanjan.
- Bulu, S. T., & Yildirim, Z. (2008). Communication Behaviors and Confidence in Collaborative Online Teams. *Educational Technology & Society*, 11 (1), 132-147.
- Gholipour, A., 2001, the sociology of organizations: sociological approach to organization and management, Tehran: Organization of Study and Compilation of Humanities Books, the publisher. Tehran .
- Ishaya, T., & Macaulay, L. (1999). The role of confidence in virtual teams. *Electronic Journal of Organizational Virtualness*, 1, 140-157.
- Lagzian, M, Mortazavi, R, Kazemi, H., 1998, the conceptual model of organizational relationships based confidence and transparency and appropriate control mechanisms, *management message Journal*, vol 28, p 188
- Panahi, d. Ebrahim Poor, in 1998, the work ethic and the factors affecting it. *Insight Magazine*, Issue 39, 140-108.
- Mirsepassi, N., 1997, *Human Resource Management (Proceedings)*, Tehran, Shervin publication.
- Zeffane R, Tipu S, Ryan J, 2011. *Communication, Commitment & Confidence: Exploring the Triad* , *International Journal of Business and Management*, 6( 6); June
- 

RAHELEH NAZARIAN, Department of Accounting, Kerman Branch, Islamic Azad University, Kerman, Iran

Corresponding Author Email :rh.nazaryan@gmail.com

MALIKEH BEHESHTIFAR, Assistant Professor, Department of Management, Rafsanjan Branch, Islamic Azad University, Rafsanjan, Iran