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DISCUSSION PAPER SERIES

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ABSTRACT

The Interplay between Organizational Structure, Culture and Employees' Socio-Emotional Skills within Their Social Capital

Organization theorists identify organizational social capital as one of the primary building blocks of a potentially powerful resource for improving organizational performance. However, little is known about the impact of the socio-emotional skills of the employees within their social capital and its relationship with other important organizational constructs such as organizational culture and structure. This study is the first to develop an integrated model which in addition to existing organizational constructs (i.e., organizational culture and structure) explicitly accounts for the influence of the social tolerance of employees (i.e., an example of socio-emotional skills within a workplace) on their happiness. In our model, the concept of employee's socio-emotional skill cannot be measured directly. Therefore, we developed two latent hypothetical sub-constructs and we refer to them throughout this paper as social capital (i.e., which at the micro-level points to the interactions and socializations of the employees) and social tolerance (i.e., social tolerance towards others' social status), each of which is measured by its observable indicators. We apply our model to empirical data that we collected from East Asian Social Survey (EASS) only for the year 2012. The data was available for four East Asian countries of South Korea, Japan, Taiwan, and China. Our analysis shows that even though the skill of social tolerance is not observed to increase happiness by itself, it has been observed to show a significant impact on the level of trust among employees. Trust among colleagues also in its own turn significantly impacts the employees' level of happiness. This finding can be applied in empowering the cognitive dimension of social capital within an organization.

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1. Introduction

The complex pattern of communication among the employees in an organization is the product of many layers of context and relevance which act on different scales and lead to the development of employees' social capital. At the micro-level, the term social capital broadly refers to both the formal and informal communication patterns that derive from the relationships among employees in varying social contexts (Lin, 2002). Every organization for example, has a hierarchical structure that defines how the organization operates. This includes the arrangements of the lines of authority, power distance, how responsibilities are distributed, and how information flows within the organization. However, actual patterns of communication among the employees within an organization do not solely follow their positions within the organizational structure. Although analyzing the organizational structure leads to an understanding of how organizational communication channels among employees are formed (i.e., structural dimension (Burt, 2000, Granovetter, 1985)), we cannot neglect the importance of other dimensions of social capital (i.e., relational dimension (Bjørnskov, 2003) and cognitive dimension (Knack and Keefer, 1997, Narayan, 2001, Putnam, 2001)) on the way ongoing communications and knowledge exchanges have been established and conducted.

While the organizational structure defines the arrangements of the lines of authority and the distribution of responsibilities, the organizational culture defines the culture of the work environment in which employees perform their daily tasks and responsibilities. Organizational culture undoubtedly can shape the attitudes of the employees towards communication with others within any organization. However, employees' attitudes are influenced by their personality types, thoughts, and perceptions of the underlying reality within the organization (Newman, 1975, Judge et al., 2001, 2002). Employees make certain decisions (e.g., participating in a knowledge exchange process), if their mindset is positive or negative towards an issue. Therefore, in order to make sense of how employees behave within an organization the management needs to understand employees' work attitudes and how to enrich their socio-emotional skills (Brenner, 1973, Meyer and Allen, 1991).

Socio-emotional development includes an employee's experience and the management of emotions along with their ability to establish positive and rewarding relationships with other employees. A critical part of this socio-emotional development is related to the understanding of employees' social tolerance towards others' social status within an organization. This is of particular importance in social structures that preserve unequal power relationships among individuals (Haller and Hadler, 2006). In the context of organizations, for example, a hierarchical structure of power exists in which key positions are possessed only by leaders. Workers may express decreased job satisfaction and be more likely to quit if they must tolerate managers that do not have the capacity to handle interpersonal relationships judiciously and empathetically (Sy, Tram and O'Hara, 2006). Employees might perceive their level of success as the result of socialization with other employees (i.e., to support their career advancement) and building their social capital. This has become a prominent issue in many countries in Southeast Asia.

Southeast Asian countries such as China, Japan, Korea, and Taiwan have a specific work culture and organization structure. The cultural factors in those countries are represented by a strong hierarchical structure. Socialization among employees is an important part of doing business as it is perceived as a means of establishing a personal relationship between business acquaintances or colleagues. Invitations are not generally part of Southeast Asian culture, in fact, it is an insult to refuse to eat food or drink that is offered. It may imply invidious distinctions between people that otherwise work in a community, therefore, all should

participate in this socialization process, regardless of their social status. As we can see, employees should manage their strong emotions and regulate their own behavior regardless of their social status. Therefore, in this research we are interested to investigate whether the development of social tolerance in employees may impact the level of socialization within their social capital, improve their networks of social relations and consequently their level of happiness.

In the literature, we can find variety of empirical studies on the relationship between various organizational constructs such as organizational structure and organizational culture on the performance of the organizations or the performance of the employees (Child, 1972, Barney, 1986, Zheng et al., 2010). However, little is known about the impact of the socio-emotional skills of the employees within their social capital and its relationship with other important organizational constructs such as organizational culture and structure. Capturing such an interrelation has been left unexplored in the literature and is important for organizations as it might have a direct influence on the happiness of the employees in the workplace which according to the literature ultimately leads to having a better organizational performance (Harter, Schmidt, and Hayes 2002).

Therefore, as the primary objective of this research we are interested to model the employees' social capital in a way to capture variety of dimensions that impact its formation. We develop an integrated model which in addition to existing organizational constructs (i.e., organizational culture and structure) explicitly accounts for the employees' socio-emotional skills within their social capital. In our model, the concept of employee's socio-emotional skill cannot be measured directly. Therefore, we developed two latent hypothetical sub-constructs and we refer to them throughout this paper as social capital (i.e., which at the micro-level points to the interactions and socializations of the employees) and social tolerance (i.e., social tolerance towards others' social status), each of which is measured by its observable indicators. Consequently, we fully develop a model of happiness based on organizational culture, organizational structure, and social tolerance of employees within their social capital.

We apply our model to empirical data that we collected from East Asian Social Survey (EASS) only for the year 2012. The data was available for four East Asian countries of South Korea, Japan, Taiwan, and China. We test our model and the results have been presented separately for each country.

We used Structural Equation Modeling approach to find causal relationships among introduced constructs. The obtained empirical results out of this study provide new information about what causes the employees to be happy or unhappy within an organization. We identify what factors from different organizational constructs are influential to a person's happiness and we quantify their effects and relationships. The results show that trust among colleagues significantly impacts the level of interactions with non-kin others and their level of socialization. Similarly, trust, socialization and interaction with non-kin others significantly impact the employees' happiness. We also find the significant impact of the employees' social tolerance on the trust among colleagues in the cases of Korea and Japan. The significance of organizational structure on happiness is observed in the case of Japan only.

The remainder of this paper is organized as follows. In section 2, we discuss related works and theoretical background on the topic. In section 3, we detail the model and its parameters. Model estimation and experimental results are presented in section 4 and 5. Finally, we present our conclusion and discuss the future work in section 6.

2. Theoretical Background

2.1 Social Capital

During the last decade the concept of social capital has found its way to the context of organizations (Johnson and Burt 2006, Leana and Pil 2006). Social capital is a concept that refers to the ways that people create social networks and social relationships. While it is a concept that refers to the social sphere, social capital is framed in economic terms. It has intangible exchange value, and can be accumulated and owned by individuals and communities (Savage, Tampubolon et al. 2004). Three perspectives on social capital based on the ideas of Pierre Bourdieu, James Coleman, and Robert Putnam exist.

According to Bourdieu (Bourdieu 1986) social capital is defined as "the sum of the resources, actual or virtual, that accrue to an individual or a group by virtue of possessing a durable network of more or less institutionalized relationships of mutual acquaintance and recognition". Bourdieu sees clear profit as being the main reason that actors engage in and maintain links in a network. The actors' potential for accruing social profit and control of capital are differentially distributed. This differential distribution of potential and control (social inequality) is a central notion in Bourdieu's theories. Therefore, it points to cold realities of social capital as an exclusionary device which its users would see it as neutral and rational because it supports the apothegm it's not what you know, it's who you know.

Coleman's definition of social capital (Coleman 1988) comes close to Bourdieu's (1986) but from a completely different point of departure and is an optimistic approach. Coleman's approach leads to a broader view of social capital, where it is not seen only as the sum of the resources held by those on the top of social hierarchies. Social capital is not necessarily owned by the individuals but instead arises as a resource which is available to them. He proposes a model in which social capital is one of the potential resources which an actor can use, alongside other resources such as their own skills and expertise (human capital), tools (physical capital), or money (financial capital). Therefore, its value is available for people of any social class and all kinds of communities, including the powerless and marginalized. Coleman envisioned social capital as a potential resource based on trust and shared values which develops from people associating together and it requires spending time and effort. Coleman adopts a middle line between two theoretical traditions. The first is a functionalist view of social action which is conditioned by social structure. The second is rational theory which suggests that actors' goals are determined by utility-maximizing pursuit of their self-interest. Therefore, he sought to combine the insights of sociology and economic theory, seeing social capital as a way of making sense of the overly rational and individualistic models of traditional economics.

All the theoretical principles suggested or implied by Coleman have provided the main engine for Putnam's formulation of social capital. The central idea of social capital, in Putnam's view, is that networks and the associated norms of reciprocity have value and that they have value for the people who are in them. For Putnam (Putnam 1993a, Putnam 1993b) social capital refers to 'features of social organizations, such as networks, norms and trust that facilitate action and cooperation for mutual benefit and pursuing shared objectives'. Putnam believes that social capital is a quality that can be a facilitator of interpersonal cooperation.

Putnam's and Coleman's definition of social capital are understood as both a structural phenomenon (social networks of friends, neighbors, and colleagues) and a cultural phenomenon (social norms which facilitate collaborative cooperation). Internal social capital

refs to relationships among organizational members while external social capital points to the linkages between the organizations or employees and their external partners. Putnam in this regard speaks of two main components of social capital: bonding social capital and bridging social capital. Bonding refers to the value assigned to social networks between homogeneous groups of people and Bridging refers to that of social networks between socially heterogeneous groups. According to scholars, Burt, Nahapiet and Ghoshal, three key components constitute organizational internal social capital: structural social capital which refers to the connections among actors (has received the most attention in research typically through social network analysis), relational social capital which refers to trust among actors, and cognitive social capital which refers to the level of shared goals and values among actors (Burt 1997, Nahapiet and Ghoshal 1998).

As social capital is a multi-dimensional concept some other researchers argued that social capital has capabilities such as relations' increase that is led to closeness of members in the organization and this leads to further changes in the Organizational Citizenship Behaviors or Extra-role Behaviors (Organ, Podsakoff et al. 2005, Ebrahimi, Karimi et al. 2013, Ellinger, Musgrove et al. 2013).

2.2 Social Capital and Organizational Performance

In the literature we can find variety of empirical studies on the relationship between various organizational constructs such as organizational structure, organizational culture, and the performance of the organizations (i.e., from financial, individual and innovation and learning perspectives). Social Capital similar to organizational structure is increasingly seen as an important predictor of group and organizational performance (Nahapiet and Ghoshal 1998, Adler and Kwon 2002, Leana and Pil 2006, Koohborfardhaghighi and Altmann 2014, 2016). The result of an empirical study (Song-zheng and Xiao-di 2008) on organizational culture, social capital, organizational learning and enterprise knowledge integration capability shows that organizational culture has a positive direct effect on social capital and social capital has a positive direct effect on organizational learning.

Some researchers in this area (Leana and Pil 2006) examined the effects of both internal and external social capital on organizational performance. Statistical results in (Andrews 2010) suggested that cognitive and relational dimensions of social capital are positively related to individuals performance, but that the structural dimension of social capital is unrelated to service outcomes. Further analysis also revealed that organizational structure has complex and contradictory effects on the impact of each dimension of social capital. Decentralization strengthens the positive impact of relational social capital on organizational performance but weakens the impact of cognitive social capital. Collins and Smith showed that each of the three dimensions of organizational social capital have positive and statistically significant direct effects on the revenue and sales (Collins and Smith 2006).

Social capital development within an organization has found its way even on the internet via social networking websites such as Facebook or Myspace. By acting as "virtual" social capital, these platforms form bridging capital, and this is a new area of research. The obtained results of several studies in this area (Ellison, Steinfield et al. 2007, Mandarano et al. 2010) show an interaction between such bridging social capitals and subjective well-being measures.

2.3 Human Attitudes and Behavior

Within an organization employees' attitudes affect their performance. Attitude has a profound impact on the way managers lead people, how employees communicate and collaborate with others, how they contribute to the culture of the work environment, and how they perform their daily tasks and responsibilities. Ultimately, employees' attitudes shape their level of socialization with others, their success and level of happiness. Scholars Zanna and Rempel view attitude as having many causes (Zanna and Rempel 1988). They view attitude not as something stable or predisposed to the individual, but as something that might change based on internal or external cues. According to another study, effective factors such as trust, organizational culture, incentives, and motivation can motivate certain behaviors in an organization (Isfahani, Nilipour et al. 2013). Organizational culture can shape an employee's attitude towards a specific behavior. Therefore, it is logically acceptable that the subjective norm or social pressure exerted on the employees from the organizational culture.

Similarly, the organizational structure can be a more powerful influence on the employees' actions and attitudes (Pierce and Delbecq, 1977, Oldham and Hackman, 1981, Schminke, Ambrose and Cropanzano, 2000). For instance, Oldham and Hackman (1981) examined whether certain properties of organizational structure (i.e., formalization, centralization) influence an employee's behavior in the work context. The results of their analysis suggested that the organizational structure has the potential to attract employees with particular personal attributes which are associated with their reactions and behaviors within the work environments.

Our above-mentioned statements are supported by social cognitive theory and social capital theory as well. Social cognitive theory states that people are driven not only by inner forces, but also by external factors. That is to say, organizational culture and organizational structure with their own environmental factors can represent situational influences and environments, in which employees perform their behaviors. Social capital theory which is the theory of structure and action states that social capital with its three dimensions (i.e., structural dimension (Burt, 2000, Granovetter, 1985), relational dimension (Bjørnskov, 2003), cognitive dimension (Knack and Keefer, 1997, Narayan, 2001, Putnam, 2001)) shape the range of benefits potentially available to individuals which may influence their happiness. Therefore, organizational structure, culture can be influential in the formation of employees' social capital and are powerful sources of influence on their actions and attitudes within a working environment. In this regard, employees by further development of their socio-emotional skills learn to follow the right attitudes and behavior in the workplace which ultimately lead to higher chance of success (Abstract, 1989, Acosta et al., 2017).

Employees' attitudes are also influenced by their own personality types, thoughts and perceptions of the underlying reality within an organization (Newman, 1975, Judge et al., 2001, 2002, Cullen and Sackett, 2003, Pickens, 2005). In this regard, employees by further development of their socio-emotional skills have the higher chance of success due to following the right attitudes and behavior in the workplace (Abstract, 1989, Acosta et al., 2017). The importance of developing the socio-emotional skills of employees within a working environment is highly prized these days due to its significant role in career development, doing one's job, effective leadership, and the tolerance of high levels of stress (Talavera and Pérez-González, 2007). Such skills equip the employees with a greater capacity in social adaptation, network formation, emotional regulation, and low impulsiveness. Therefore, similar to other researchers in this area (Marín and Berrocal, 2006, Cherniss, 2000), we believe that development of the socio-emotional skills promotes the right attitudes and behaviors carried out by an employee in an interpersonal setting. We aim to test whether

social tolerance of employees towards others' social status in the workplace may impact their level of socialization and consequently their level of happiness. In the next section, we discuss the details of the proposed model.

3. Model & Data

As it is depicted in Figure 1, we develop a model for the prediction of employees' happiness based on different organizational constructs such as organizational structure, organizational culture and employee's socio-emotional skills which as we discussed in section 2 are powerful sources of influence on the employees' actions and attitudes within a working environment. In our model, the concept of employee's socio-emotional skill cannot be measured directly. Instead, we collected some factors in our dataset (containing measurement instruments) to measure it. According to our hypothesis, two hypothetical sub-constructs can be used to develop this concept. We name those hypothetical latent sub-constructs as Social Capital and Social Tolerance, each of which is measured by its observable indicators. The former hypothetical sub-construct consists of the factors that show the socialization of the employees and their interactions with others within their social capital, and the latter consists of factors that refer to their social tolerance towards others' social status. We utilized structural equation modelling (SEM) approach because of its ability to impute relationships specified as unobserved constructs (latent variables) from observable variables. With SEM, social capital and social tolerance are the latent variables. The indicators forming the two hypothetical sub-constructs are expected to be highly correlated within each construct, but not between the two constructs. Our model also tests whether social capital and social tolerance are correlated with each other or not. Trust in work colleagues and homogeneity among the members within the organization have been considered as the indicators of the organizational culture. Hierarchical structure is also selected as the main indicator of the organizational structure. We also investigate the role of selected constructs and their factors in the prediction of happiness. The indicators (selected observed variables) for each of the constructs are briefly discussed in the following subsections.

3.1 Employees' Socio-Emotional Skills

Our model (depicted in Figure 1) has two items on the latent variable F1 (i.e., social tolerance), and another two items on the latent variable F2 (i.e., Social Capital). Social Capital points to the socialization of the employees and their interactions with others within their social capital, and social tolerance consists of factors that refer to employees' social tolerance towards others' social status (i.e., if they tolerate people who have lower or higher social status than themselves). In total, these two latent variables together represent the concept of employee's socio-emotional skills. A brief description of the selected items is presented in the following.

Socializations (V4): Frequency of eating out with non-kin others can be influenced by a person's acceptance of invitations, or by a person offering invitations themselves when there is an opportunity to do so. Eating with others is significant because it shows a person's involvement with others when it is not necessary. According to Oh, Chung and Labianca (2004) informal socializing ties help promoting the optimal configurations of social relationships within an organization that promotes the effectiveness of groups.

Interactions (V2): The number of people we interact with in an ordinary day (other than family members), is a significant factor since it can open the door to new relationships and social opportunities, and it can be under our influence to a significant degree because a

person can choose when to be isolated or when to be open to social involvement. Scholars such as Acock and Hurlbert (1993) and Zhu, X., et al., (2013) investigated how social networks affect well-being of individuals through the provision of instrumental aid.

Social tolerance (V11, V12): A person's social tolerance towards those who have greater, or lesser social status is their attitude about their position in a society in relationship to the position of others. In various ways this shows what a person has chosen to think they are owed in various societal roles, and it can significantly affect a person's emotions about the way others behave. Based on the definition of Oxford English Dictionary, tolerance "is he ability or willingness to tolerate the existence of opinions or behaviour that one dislikes or disagrees with". However, as it is discussed in (Lenzerini, 2014) it does not mean the toleration of social injustice, or the giving up one's firmly held beliefs and opinions. It means being free to follow one's own deepest beliefs and opinions, while also accepting that others adhere to their own. This acceptance is especially in situations where there are differences in culture or social status. This in its own turn would be beneficial for individuals within group settings (Talavera and Pérez-González, 2007). According to (Chen, Fu, and Wang, 2009), social tolerance allows cooperation to prevail in an adaptive system. In this area of research, there have been several studies (Jones, 2009, Ragozzino, 2003, Belfield, 2015, Jones, 2015) on how further development of socio-emotional skills is linked to improved outcomes (i.e., higher student achievement, socio-economic outcome, public health, and more socially acceptable behaviors). However, the present study is the first to capture the influence of social tolerance on the happiness of employees in their workplace and its relations with the organizational culture and structure.

3.2 Organizational Structure and Culture

As we discussed organizational structure and culture both have the potential to influence an employee's behavior in the work context. Therefore, we consider one item in our model to depict the status of the organizational structure (i.e., Hierarchical Structure), and another two items which represents the status of organization culture within the working environment (i.e., Trust in work colleagues and Homogeneity). We selected Trust and Homogeneity as two indicators of organizational culture because they are influential in building strong interpersonal relationships among organization members. Hierarchical Structure has also been selected as an indicator of organizational structure where the activities and decision-making are distributed within the organization. A high degree of hierarchy implies that organizational power remains in a small group of the organization and that decisions are taken at the level of the firm as a whole. A brief description of the selected items is presented in the following.

Hierarchical Structure (V14_A): Organizational structure has complex and contradictory effects on the impact of each dimension of social capital. Decentralization strengthens the positive impact of relational social capital on organizational performance but weakens the impact of cognitive social capital. The results of some studies suggest that flatter or more informal organizational structures can encourage better knowledge transfer across the organization (Andrews 2010). Also, configurations of linkages between employees and units in an organization can provide them with further opportunities to gain access to relevant peers with desired sets of knowledge or expertise.

Trust in work colleagues (V15): Trust in work colleagues, or the lack of trust in work colleagues is something a person decides to have based on their experience and knowledge about a person. It is significant because being able to trust ones colleagues can greatly impact

the way a person feels during their work hours. There have been theoretical models that show the important role that trust plays in group processes within cooperative systems (Lewicki and Bunker, 1996, Rempel, Holmes and Zanna, 1985, Butler, 1995, Converse, Cannon-Bowers and Salas, 1993, Tjosvold, 1984).

Homogeneity (V15_A): Heterogeneity and homogeneity among members of an organization is influential in building strong interpersonal relationships. There is less likelihood of having conflict within homogeneous group, but heterogeneity allows members to take greater risks and to be more critical of others' ideas and be better for addressing novel, complex tasks (Whetten 1991).

Summary statistics of the variables used in this paper for the four sample countries are presented in Table 2. Correlations among observed variables are also presented in Table 3.A to 3.D.

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Insert Table2 here

Insert Table 3.A here

Insert Table 3.B here

Insert Table 3.C here

Insert Table 3.D here

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3.3 Data

The data set used in our analysis is collected from East Asian Social Survey (EASS) for the year 2012. Our dataset includes many attributes related to working and living environments within 4 Southeast Asian countries which are South Korea, Japan, Taiwan, and China. In total we have 4,353 observations of individuals in our dataset (1,303 observations for China, 1,053 observations for Korea, 1,394 observations for Japan, and 603 observations for Taiwan). The dataset includes attributes related to social dimensions of working and living environments within which interviewees were living. We selected 8 attributes (variables) out of the existing ones in our model.

4. Model Testing

The model to be tested is shown in Figure 1. In this figure, the undirected relationship (double-headed arrows) represents the covariances among exogenous variables (predictors) of our model. In contrast, the coefficients associated with directed paths are partial regression coefficients. The labels for each parameter in Figure 1, such as C1 for the covariance between latent variables F1 and F2, are added by Amos solution[1]. The data for the four groups (country samples) is held in four separate data files.

<div align="center">

Insert Figure 1 here

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Table 1A to 1D presents the unstandardized path coefficients associated with the regressions which can be used in examining the possible causal linkage between statistical variables. The unstandardized coefficients are the most primary parameters obtained from a multiple regression and the standardized parameters are simply derived from the unstandardized coefficients (Grace and Bollen, 2005). In fact, typically the significance tests associated with

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[1] AMOS is statistical software and an added SPSS module. It is specially used for Structural Equation Modeling, path analysis, and confirmatory factor analysis. http://www.statisticssolutions.com/amos/

regression are tests of the unstandardized parameters. Unstandardized parameters are expressed in the original units of the explanatory and dependent variables. With reference to a simple linear regression, unstandardized coefficients associated with directed paths represent the slope of the relationship. The standardized parameters are simply derived from the unstandardized coefficients and as such not directly tested. Notice that some of the estimates in Table 1A to Table 1D have statistical significance but since several of the paths in Figure 1 are fixed to a value of 1.00, we don't have any p values for them (i.e., represented by "-" in the table). In Amos solution, such paths are present to ensure proper model identification.

The results of our initial analysis in the case of China and with respect to the social tolerance hypothetical sub-construct, show that the two social tolerance factors (V11 and V12) have the highest load on the latent variable F1. With respect to the social capital hypothetical sub-construct, it is also evident that the two factors V2 and V4 have the highest load on the latent variable F2. Analysis of the measurement weights of other countries (case of South Korea, Japan and Taiwan) followed a similar trend, therefore, we just try to fit our general model (i.e., Figure 1) for each country specific data. The modified models reflecting country specificity are presented separately for each country in the result section (i.e., Figure 2 to Figure 5). In each of these pictures, the numbers displayed next to the boxes are estimated variances, and the numbers displayed next to the double-headed arrows are estimated covariances.

The fit measures' results (i.e., the chi-square test, the root mean square error and Tucker-Lewis Index) also have been presented separately in each subsection. The chi-square ($\chi2$) test is an absolute test of model fit, based on which if the probability value (p) is below 0.05, the model is rejected. The other measures of fit such as root mean square error of approximation (RMSEA) (values below 0.06) or Tucker-Lewis Index (TLI) (values of 0.95 or higher) are descriptive measures for the specified models.

5. Analysis of the Results

5.1 Case of China

We tried to improve the model fit by calculating the 'modification indices'. Modification indices indicate how much the chi-square value of a model would drop if the parameter were free instead of constrained. We consider only high values as serious evidence of misfit in this part of our analysis. Examination of modification indices suggested that we should revise the model presented in Figure 1 like the one shown below in Figure 2 to improve the model fit.

Insert Figure 2 here

We selected the largest modification index values in our analysis (i.e., regressions and covariance). The revised model has the following fit indices: χ^2=15.171 and df=12 with a probability value of 0.232, the RMSEA value is 0.014, and the TLI values is 0.985. Therefore, the model fits reasonably well.

As it is shown in Figure 2 and with respect to the social tolerance hypothetical sub-construct, it is evident that the two social tolerance factors (V11 and V12) have the highest load on the latent variable F1. The standardized regression weights of V11 (Low Social Status) and V12 (Higher Social Status) are, respectively, 0.86, 0.50. Additionally, the latent variable F1 explains about 74% of the variance in V11 and 26% in V12. The standardized regression weights of the indicators of the social capital hypothetical sub-construct (V2 and V4) are, respectively, 0.54 and 0.56. Additionally, the latent variable F2 explains about 32% of the

variance in V2 and 30% in V4. According to our obtained results, the correlation coefficient of the latent variables F1 and F2 in the case of China is 0.01.

The full description of the reported results is presented Table 1A. The estimate column in this table shows the unstandardized regression coefficients, while the probability value associated with the null hypothesis that the test is zero is displayed under the Prob. column. Those estimates with statistical significance are presented with "*" marks as different levels in this table. The S. E. column also in this table refers to the standard error of the unstandardized coefficients. The standardized regression weights are presented in Table1_1A.

Insert Table 1A here

Insert Table 1_1A here

According to the obtained results in Table 1A (P ≤ 0.001), the impact of organizational structure on the homogeneity indicator of organizational culture is significant. The result of our analysis shows that trust among colleagues also significantly impacts the level of interactions with non-kin others. Similarly, trust among colleague's significantly impact the employees' happiness. For the full set of results with respect to other P values please refer to table 4, 5 and 6.

5.2 Case of South Korea

Similar to the case of China, we improved the model fit and we revised our model to the one showed in Figure 3. Examination of modification indices suggested that we should revise the model presented in Figure 1 like the one shown in Figure 3 to improve the model fit.

Insert Figure 3 here

We selected the largest modification index values in our analysis (i.e., regressions and covariance). The revised model has the following fit indices: χ^2=12.92 and df=8 with a probability value of 0.115, RMSEA=0.024, and TLI=0.95. Therefore, the test results suggest the model fits reasonably well.

According to Figure 3, the standardized regression weights of V11 (Low Social Status) and V12 (Higher Social Status) are, respectively, 0.58, 0.59. Additionally, the latent variable F1 explains about 35% of the variance in V11 and 35% in V12. The standardized regression weights of the indicators of the social capital hypothetical sub-construct (V2, V4) are, respectively, 0.41, 0.59. Additionally, the latent variable F2 explains about 17% of the variance in V2 and 40% in V4. According to our results, the correlation coefficient of the latent variables F1 and F2 in the case of Korea is 0.15. For the full description of those results and their comparison please refer to Table 1B. The unstandardized regression weights are presented in Table 1B while the standardized regression weights are presented in Table1_1B.

Insert Table 1B here

Insert Table 1_1B here

According to the obtained results in Table 1B (P ≤ 0.001), the impact of the latent variable F1 (the social tolerance hypothetical sub-construct) on the organizational culture (Trust among colleagues) is significant. The result of our analysis shows that trust among colleagues also significantly impacts the employees' level of happiness. Similarly, the latent variable F1 significantly impacts the trust value among colleagues. For the full set of results with respect to other P values please refer to table 4, 5 and 6.

5.3 Case of Japan

Examination of modification indices suggested that we should revise the model presented in Figure 1 like the one shown in Figure 4 to improve the model fit.

Insert Figure 4 here

We selected the largest modification index values in our analysis (i.e., regressions and covariance). The revised model has the following fit indices: χ^2=11.49 and df=10 with a probability value of 0.321, RMSEA=0.010, and TLI=0.997. Therefore, the model fits reasonably well.

According to Figure 4, the standardized regression weights of V11 (Low Social Status) and V12 (Higher Social Status) are, respectively, 0.87, 0.81. Additionally, the latent variable F1 explains about 76% of the variance in V11 and 66% in V12. The standardized regression weights of the indicators of the social capital hypothetical sub-construct (V2, V4) are, respectively, 0.46, 0.47. Additionally, the latent variable F2 explains about 26% of the variance in V2 and 25% in V4. According to our results, the correlation coefficient of the latent variables F1 and F2 in the case of Japan is 0.34. The unstandardized regression weights are presented in Table 1C while the standardized regression weights are presented in Table1_1C.

Insert Table 1C here

Insert Table 1_1C here

Similar to the obtained results in the case of Korea, the obtained results in Table 1C (P ≤ 0.001) shows the significant impact of the latent variable F1 (i.e., the social tolerance hypothetical sub-construct) on the organizational culture (i.e., Trust among colleagues). The result of our analysis shows that trust among colleagues also significantly impacts the employees' level of happiness. Similarly, the latent variable F1 significantly influence V12 (i.e., Higher Social Status). Furthermore, the impact of organizational structure on the organizational culture (i.e., homogeneity) is significant which is similar to the reported results in the case of China. The result of our analysis also shows that trust among colleagues significantly impacts the level of interactions with non-kin others and their level of socialization. For the full set of results with respect to other P values please refer to table 4, 5 and 6.

5.4 Case of Taiwan

Similar to the previous cases, we improved the model fit and examination of modification indices suggested that we should revise the model presented in Figure 1 like the one shown in Figure 5.

Insert Figure 5 here

We selected the largest modification index values in our analysis (i.e., regressions and covariance). The revised model has the following fit indices: χ^2=12.56 and df=12 with a probability value of 0.401, RMSEA=0.009, and TLI=0.994. Therefore, the model fits reasonably well.

According to Figure 5, the standardized regression weights of V11 (Low Social Status) and V12 (Higher Social Status) are, respectively, 0.72, 0.59. Additionally, the latent variable F1 explains about 52% of the variance in V11 and 35% in V12. The standardized regression weights are presented in Table1_1D. The standardized regression weights of the indicators of

the social capital hypothetical sub-construct (V2, V4) are, respectively, 0.41, 0.68. Additionally, the latent variable F2 explains about 19% of the variance in V2 and 46% in V4. According to our results the correlation coefficient of the latent variables F1 and F2 in the case of Taiwan is 0.03. For the full description of those results and their comparison please refer to Table 1D.

Insert Table 1D here

Insert Table 1_1D here

According to the obtained results in Table 1D (P ≤ 0.001), homogeneity among employees significantly impacts the employees' level of happiness. For the full set of results with respect to other P values please refer to table 4, 5 and 6.

5.5 Comparison across Countries

In this study we are also interested to compare the significance of the indicators of the introduced constructs on the happiness of employees across four countries. Later, in this section we investigate the relationship between the introduced organizational constructs which were mainly organizational structure, organizational culture and the two sub-constructs of socio-emotional skills.

The result of our analysis on capturing the significance of the indicators of happiness across four countries is presented in Table 4. The numbers in this table show the standardized regression weights for that specific indicator.

Insert Table 4 here

The significance of the effect of organizational structure on happiness is clearly observed in the case of Japan only. We also find that in the case of Japan, the significance of organizational structure on happiness follows a positive pattern, however, the size of influence is not large (i.e., 0.07). With respect to two different indicators of organizational culture (i.e., Homogeneity and Trust), the results show the significance of the Homogeneity indicator on happiness in the case of Taiwan only. The relationship follows a negative pattern, and the magnitude of the influence is moderately large (i.e., 0.559). That is to say, in the case of Taiwan, when homogeneity among employees decreases (i.e., diversity increases), the level of happiness increases. The results also show the significance of Trust and its positive effect on happiness across all countries. The magnitude of the influence varies greatly across the sample countries, and it is largest in the case of Taiwan (i.e., 0.86). Similarly, our analysis shows the significance of all the indicators of Social Capital sub-construct (i.e., Socialization and Interaction with non-kin others) on happiness across all countries. Surprisingly, we observed that in the cases of China, Korea, and Japan, the relationships are negative which means when the level of socialization and interaction with non-kin others increases the level of happiness decreases in those countries. However, the pattern of the relationship is positive in the case of Taiwan. Furthermore, the size of the influence is not very large in four countries. We also could not find any evidence on the significance of the Social Tolerance sub-construct on happiness across countries.

We also compared the significance of the introduced hypothetical sub-constructs on organizational structure and organizational culture. The results of our analysis are presented in Table 5. In this table, the letter "H" represents the organizational structure. The letter "HO" points to the Homogeneity indicator of the organizational culture while "T" points to the Trust indicator within the organizational culture. The numbers in this table show the regression weights for that specific indicator. As it is shown in this table, the impact of the

Social Tolerance sub-construct on the Trust indicator is significant in the cases of Korea and Japan only. Surprisingly, we observed that the significance follows a positive pattern meaning that as social tolerance of the employees decreases the trust among them also decreases. The magnitude of the influence is not large though. Our results also show that the Social Capital sub-construct has a significant impact on the Homogeneity indicator, but only in the case of Taiwan. The relationship is negative meaning that when socialization and interaction with non-kin others among the employees increases, homogeneity among employees decreases (i.e., diversity increases).

Insert Table 5 here

In this part of our analysis, we aim to compare the significance of the organizational structure and organizational culture on the introduced hypothetical sub-constructs (i.e., Social Capital and Social Tolerance) across four countries. The results of our analysis are presented in Table 6.

Insert Table 6 here

In this table, the letter "I" represents the Interaction with non-kin others indicator of Social Capital sub-construct while the letter "S" points to the Socialization with non-kin others indicator. Similarly, the word "High" represents the High Social Tolerance indicator of Social Tolerance sub-construct while "Low" points to the Low Social Tolerance indicator.

As we can see the impact of organizational structure on the Interaction with non-kin others is significant in the cases of Japan and Taiwan. However, the impact of organizational structure on Socialization with non-kin others is significant in the cases of China and Korea only. Except the case of Taiwan (i.e., 0.54), the size of the influence is not large. In the cases of China and Korea, the impact of organizational structure on Socialization follows a positive pattern, meaning that as hierarchy within organizations decreases, socialization with non-kin others also decreases, and the opposite holds. We also could not find any evidence of the impact of organizational structure on the social Tolerance's indicators across four countries. With respect to organizational culture, we observe the significant impact of the Trust indicator on the interaction with non-kin others in the cases of China, Korea, and Japan. This relationship is positive which means when trust level is reduced among employees their level of interaction with non-kin others also decreases. The magnitude of the influence is not large though.

We also found the significant impact of Trust on Socialization with non-kin others in the cases of Korea and Japan. The magnitude of the influence is not large, but relationship is positive, meaning that, as the trust level goes down their level of socialization also goes down. Furthermore, our result shows that in the case of Korea, Homogeneity indicator significantly influence the level of High and Low Social Tolerance indicators. In the case of China, the previous finding is true only for the Low Social Tolerance indicator. With a small size of the influence, the relationship between Homogeneity indicator and Social Tolerance indicators is positive, interpreted as homogeneity among the employees decrease, their social tolerance also decreases. We also could not find any evidence on the significance of Homogeneity on the indicators of Social Capital sub-construct which is also true on the significance of Hierarchy on the indicators of Social Tolerance sub-construct.

We also compared significance of the organizational structure on organizational culture, and we reported the results in Table 7. The numbers in this table show the regression weights for that specific indicator.

Insert Table 7 here

14

As we can see in this table, in the cases of China, Korea and Japan, organizational structure significantly influences the Homogeneity indicator. The size of the influence is not huge though. In the cases of China and Korea, we also observed a positive relationship between the organizational structure and the homogeneity indicator. That is to say, when the level of hierarchy is reduced the homogeneity is also reduced. However, in the case of Japan we observed a negative relationship between organizational structure and homogeneity indicator. Also, in the case of Korea, organizational structure significantly influences the Trust indicator. The size of the influence is not huge, and the relationship is negative. Based on the way the variables are defined, when the level of hierarchy is reduced the trust value increases.

6. Conclusion and Discussion

Despite the variety of existing research on the potentials and influence of social capital on the performance of the organization (Adler and Kwon, 2002; Leana and Van Buren, 1999; Nahapiet and Ghoshal, 1998; Bourdieu, 1986), little is known about the impact of the socio-emotional skills of the employees within their social capital and its effect on employee's happiness within the organizations.

In addition to knowledge and technical training, social skills, and emotional skills (referred to as socio-emotional skills) are a basic set of skills or key competencies that are valuable for workers to have in order to perform their job. Socio-emotional skills can improve teamwork, motivation, aid in resolving disagreements, and aid in the toleration of stress (Jones, 2005, Ragozzino, 2003). Such skills are essential for teamwork and cooperation with others, and they are beneficial to having a better job performance, satisfaction, and an individual's professional development. Further, there are several studies that identify the role of such skills in mental health and life satisfaction (Weare, 2010).

This study is the first to develop an integrated model which in addition to existing organizational constructs (i.e., organizational culture and structure) explicitly accounts for the influence of the social tolerance of employees (i.e., an example of socio-emotional skills within a workplace) on their happiness. In this research, three key constructs were under study, organizational culture, organizational structure, and employees' socio-emotional skills. We contended that by understanding the organizational culture, organizational structure and socio-emotional skills of the employees, prediction of their happiness is possible. For this purpose, we defined two hypothetical sub-constructs which point to the socializations and interactions of the employees and employees' socio-emotional skills and consequently, we fully developed a model of happiness. The prosed model provided new information about what causes the employees to be happy or unhappy within an organization, by identifying when certain factors from different organizational constructs are influential to a person's happiness and quantify their effects and relationships.

We argued that the tendency for employees to collaborate or to be socially involved more with other employees within an organization is directly influenced by other organizational constructs such as organizational culture, and organizational structure. Having said that, socio-emotional skills of the employees within their social capital may impact their level of socialization. In light of these arguments, we were motivated to investigate two important research questions. The first addresses the relationship between organizational structure, organizational culture, and an employees' socio-emotional skills. The second investigates the role of several factors within organizational structure, organizational culture, and an employees' socio-emotional skills on the level of the employees' happiness.

In order to test our model, we target Southeast Asian countries such as China, Japan, Korea and Taiwan because they have a specific work culture in which the cultural factors are represented by a strong hierarchical structure. Socialization among employees in those countries is an important part of doing business, so employees attribute that to their own success and preferences. We fit our model for each country and the revised model fits reasonably well in capturing variations in the data and explaining the interplay between organizational structure, culture, and employee' socio-emotional skills.

We also could not find any evidence on the significance of the skill of social tolerance on happiness across countries. However, the result shows that trust among colleagues significantly impacts the level of interactions with non-kin others in case of China, Korea, and Japan. The significant influence of Trust on the employees' level of socialization has been observed in the case of Korea and Japan as well. Similarly, trust, significantly impacts the employees' happiness. We also find the significant impact of the employees' social tolerance on the trust among colleagues in case of Korea and Japan. The significance of organizational structure on happiness is observed in case of Japan only. In this study we also paid attention to the relationship between the introduced organizational constructs which were mainly organizational structure, organizational culture and the two sub-constructs of socio-emotional skills. The direction of causality is of great importance in this case. Does organizational structure affect organizational culture, is it the other way around or are both true at the same time, i.e., does there exist a two-way causal relationship between the two constructs?

As we observed, in case of China, Korea and Japan, organizational structure significantly influences the Homogeneity indicator of organizational culture. Also, in the case of Korea, organizational structure has significant influence on the Trust indicator of organizational culture. However, we could not find any evidence that the indicators of organizational culture impact the organizational structure. The summary of our results also show that organizational structure affects the level of interaction with non-kin others in the cases of Japan and Taiwan. Except the case of Taiwan (i.e., 0.54), the size of the influence is not large. We also could not find any evidence on the impact of organizational structure on the social Tolerance's indicators across the countries.

With respect to organizational culture, we observe the significant impact of the Trust indicator on the interaction with non-kin others in the cases of China, Korea, and Japan. We also found the significant impact of Trust on Socialization with non-kin others in the cases of Korea and Japan. Furthermore, our result shows that in the case of Korea, the Homogeneity indicator significantly influence the level of Social Tolerance indicators.

With respect to our introduced sub-constructs, the results show evidence of the impact of the Social Tolerance sub-construct on the Trust indicator of the organizational culture in the cases of Korea and Japan. Our results also show that the Social Capital sub-construct has a significant impact on the Homogeneity indicator, but only in the case of Taiwan. Therefore, we could not find any proof for the existence of two-way causality relationship among the constructs.

Finally, our analysis shows that even though the skill of social tolerance is not observed to increase happiness by itself, it has been observed to show a significant impact on the level of trust among employees. Trust among colleagues also in its own turn significantly impacts the employees' level of happiness. The skill of social tolerance while not sufficiently shown to increase happiness by itself, can be thought of as one kind of socio-emotional skill that is valuable for employees to have in the job market and in their personal lives. Socio-emotional skills have been shown to increase performance, job satisfaction, reduce stress, and increase

life satisfaction. Therefore, it seems likely that further research which accounts for a broader range of socio-emotional skills (including skills like social tolerance), would give greater understanding about the relationship between such skills and an increase of happiness, emotional well-being, and job performance. The significant impact of the social tolerance on the trust among employees can be applied in empowering the cognitive dimension of social capital within an organization which consequently leads to having a better workplace performance. That is to say, further trainings of the employees on the development of the socio-tolerance skills lead to an increase in the level of trust among the workforces within an organization. This is of particular importance in organizations that preserve unequal power relationships among the employees (Haller and Hadler, 2006). In the context of organizations, for example, a positive relationship between workplace performance and employee trust has been found (Gould-Williams, 2003, Mayer 2005, Brown, 2015). Therefore, social tolerance can be considered by the management and HR professionals as an enabler of trust-building among work forces within an organization.

We plan to incorporate data from western culture in our further research. In the extension of the current study, we plan to create a composite index of happiness based on different socio-emotional skills which positively or negatively impact the employees' attitudes and perceptions about their surrounding work environments and estimate how it affects their performance level. Identifying the factors which cause changes in employees' attitudes and perceptions about their surrounding work environments can help managers in understanding of how the communication channels within an organization are formed and why further trainings on the development of socio-emotional skills are needed within an organization to deliver an effective performance management process.

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Table 1A. Regression Weights: (China)					
Indicators		Constructs	Estimate	S.E.	Prob.
V15	<---	F1	-0.048	0.027	0.076
V15_A	<---	V14_A	-0.122	0.023	***
V2	<---	F2	1		-
V2	<---	V15	-0.283	0.077	***
happiness	<---	V15_A	0.019	0.021	0.373
V11	<---	F1	1		-
V12	<---	F1	0.493	0.178	**
happiness	<---	V15	0.169	0.038	***
happiness	<---	V14_A	0	0.018	0.982
V12	<---	V15_A	-0.038	0.019	*
happiness	<---	F2	-0.104	0.044	*
V4	<---	F2	0.673	0.324	*
happiness	<---	F1	-0.07	0.039	0.068
V4	<---	F1	0.135	0.068	*
V12	<---	V2	-0.032	0.011	**
V4	<---	V14_A	-0.032	0.011	**

***. Significant at the 0.001 level.
**. Significant at the 0.01 level.
*. Significant at the 0.05 level.

Table 1_1A. Standardized Regression Weights: (China)			
Indicators		Constructs	Estimate
V15	<---	F1	-0.07
V15_A	<---	V14_A	-0.15
V2	<---	F2	0.56
V2	<---	V15	-0.10
happiness	<---	V15_A	0.03
V11	<---	F1	0.86
V12	<---	F1	0.50
happiness	<---	V15	0.12
happiness	<---	V14_A	0.00
V12	<---	V15_A	-0.05
happiness	<---	F2	-0.12
V4	<---	F2	0.54
happiness	<---	F1	-0.07
V4	<---	F1	0.10
V12	<---	V2	-0.07
V4	<---	V14_A	-0.04

Table 1B. Regression Weights: (Korea)					
Indicators		Constructs	Estimate	S.E.	Prob.
V14_A	<---	F1	0.191	0.088	*
V15_A	<---	V14_A	-0.093	0.035	**
V15	<---	V14_A	0.079	0.025	**
V15	<---	F1	-0.334	0.077	***
happiness	<---	V15_A	-0.005	0.026	0.858
happiness	<---	V15	0.227	0.039	***
happiness	<---	V14_A	0.013	0.03	0.677
happiness	<---	F2	-0.24	0.087	**
V2	<---	F2	1		-
V4	<---	F2	1.074	0.579	0.064
V2	<---	V15	-0.119	0.058	*
V4	<---	V14_A	-0.094	0.033	**
happiness	<---	F1	-0.007	0.093	0.937
V4	<---	F1	0.247	0.185	0.182
V4	<---	V15_A	0.073	0.028	*
V11	<---	V15_A	-0.059	0.023	**
V4	<---	V15	-0.041	0.018	*
V12	<---	F1	0.899	0.179	***
V11	<---	F1	1		-
V12	<---	V15_A	-0.041	0.018	*

***. Significant at the 0.001 level.
**. Significant at the 0.01 level.
*. Significant at the 0.05 level.

Table 1_1B. Standardized Regression Weights: (Korea)			
Indicators		Constructs	Estimate
V14_A	<---	F1	0.10
V15_A	<---	V14_A	-0.08
V15	<---	V14_A	0.10
V15	<---	F1	-0.21
happiness	<---	V15_A	-0.01
happiness	<---	V15	0.19
happiness	<---	V14_A	0.01
happiness	<---	F2	-0.15
V2	<---	F2	0.41
V4	<---	F2	0.59
V2	<---	V15	-0.06
V4	<---	V14_A	-0.09
happiness	<---	F1	0.00
V4	<---	F1	0.11
V4	<---	V15_A	0.08
V11	<---	V15_A	-0.08
V4	<---	V15	-0.03
V12	<---	F1	0.59
V11	<---	F1	0.58
V12	<---	V15_A	-0.06

Table 1C. Regression Weights: (Japan)					
Indicators		Constructs	Estimate	S.E.	Prob.
V15	<---	F1	-0.154	0.032	***
V15_A	<---	V14_A	0.076	0.020	***
happiness	<---	V15_A	0.041	0.029	0.161
V11	<---	F1	1		-
V12	<---	F1	0.874	0.076	***
happiness	<---	V15	0.186	0.031	***
happiness	<---	V14_A	-0.057	0.022	*
V12	<---	V15_A	0.023	0.018	0.196
happiness	<---	F2	-0.179	0.068	**
V2	<---	F2	1		-
V4	<---	F2	0.481	0.222	*
V4	<---	V14_A	-0.006	0.021	0.767
happiness	<---	F1	-0.089	0.048	0.062
V4	<---	F1	0.023	0.102	0.819
V4	<---	V15	-0.117	0.030	***
V2	<---	V14_A	-0.144	0.045	**
V2	<---	V15	-0.400	0.063	***

***. Significant at the 0.001 level.
**. Significant at the 0.01 level.
*. Significant at the 0.05 level.

Table 1_1C. Standardized Regression Weights: (Japan)			
Indicators		Constructs	Estimate
V15	<---	F1	-0.14
V15_A	<---	V14_A	0.10
happiness	<---	V15_A	0.04
V11	<---	F1	0.87
V12	<---	F1	0.81
happiness	<---	V15	0.16
happiness	<---	V14_A	-0.07
V12	<---	V15_A	0.02
happiness	<---	F2	-0.17
V2	<---	F2	0.46
V4	<---	F2	0.47
V4	<---	V14_A	-0.01
happiness	<---	F1	-0.07
V4	<---	F1	0.02
V4	<---	V15	-0.10
V2	<---	V14_A	-0.08
V2	<---	V15	-0.17

Table 1D. Regression Weights: (Taiwan)					
Indicators		Constructs	Estimate	S.E.	Prob.
V15	<---	F1	-0.213	0.109	0.05
V15_A	<---	F2	0.333	0.142	*
happiness	<---	V15_A	0.129	0.038	***
V11	<---	F1	1		-
V12	<---	F1	0.770	0.320	*
happiness	<---	V15	0.204	0.063	**
happiness	<---	V14_A	0.030	0.032	0.343
happiness	<---	F2	-0.160	0.073	*
V2	<---	F2	1		-
V4	<---	F2	0.985	0.538	0.068
happiness	<---	F1	-0.054	0.068	0.431
V2	<---	V14_A	-0.187	0.063	**
V2	<---	V15	-0.207	0.152	0.173
V15_A	<---	V15	1.787	0.761	*
V15	<---	V15_A	-0.696	0.360	0.053
V15	<---	F1	-0.213	0.109	0.05

***. Significant at the 0.001 level.
**. Significant at the 0.01 level.
*. Significant at the 0.05 level.

Table 1_1D. Standardized Regression Weights: (Taiwan)			
Indicators		Constructs	Estimate
V15	<---	F1	-0.068
V15_A	<---	F2	-0.145
happiness	<---	V15_A	0.559
V11	<---	F1	-0.097
V12	<---	F1	0.025
happiness	<---	V15	0.860
happiness	<---	V14_A	0.501
happiness	<---	F2	0.121
V2	<---	F2	0.001
V4	<---	F2	-0.050
happiness	<---	F1	-0.122
V2	<---	V14_A	0.541
V2	<---	V15	-0.072
V15_A	<---	V15	0.095
V15	<---	V15_A	-0.067
V15	<---	F1	-0.035

Table 2. Summary statistics of the variables

Code	Variable definition	China (1,303 obs)		Korea (1,053 obs)		Japan (1,394 obs)		Taiwan (603 obs)		Minimum	Maximum
		Mean	Std Dev	Mean	Std Dev	Mean	Std Dev	Mean	Std Dev		
V2	Number of People You Interact in an Ordinary Day: Other than Family Members and Relatives	1.97	1.57	2.39	1.39	3.16	1.70	2.79	1.66	1.00	8.00
V4	Frequency of Eating Out with Non-kin Others	0.76	1.53	1.53	1.67	2.29	1.56	1.01	1.54	0.00	6.00
V11	Social Tolerance: Those Who Have Higher Social Status	2.50	1.09	2.89	1.03	2.64	0.80	2.73	0.98	1.00	5.00
V12	Social Tolerance: Those Who Have Lower Social Status	3.27	2.29	2.94	2.20	2.47	2.18	3.36	2.14	1.00	9.00
V15	Trust in Work Colleagues	3.30	2.25	2.47	2.18	2.09	1.97	3.23	2.10	1.00	7.00
V14_A	Hierarchical Relationships Among Members in Organizations Respondent Participated	2.59	2.05	2.44	2.21	2.53	2.01	2.59	1.80	1.00	9.00
V15_A	Homogeneity Among Members in Organizations Respondent Participated	2.85	1.95	2.72	2.17	2.02	1.95	2.73	1.80	1.00	9.00
happiness	General happiness	1.99	0.75	2.63	1.02	1.61	1.08	3.02	1.10	1.00	5.00

Table 3.A Correlations among Observed Variables (China)

Variable Name and Definition		v2	v4	v11	v12	v15	v14_A	v15_A	happiness
Number of People You Interact in an Ordinary Day: Other than Family Members and Relatives	v2	1							
Frequency of Eating Out with Non-kin Others	v4	.306** .000	1						
Social Tolerance: Those Who Have Higher Social Status	v11	.006 .826	.082** .003	1					
Social Tolerance: Those Who Have Lower Social Status	v12	-.053 .056	.030 .280	.433** .000	1				
Trust in Work Colleagues	v15	-.106** .000	-.038 .168	-.057* .040	-.032 .246	1			
Hierarchical Relationships Among Members in Organizations Respondent Participated	v14_A	-.001 .972	-.057* .041	.025 .360	-.021 .450	.030 .274	1		
Homogeneity Among Members in Organizations Respondent Participated	v15_A	.036 .200	.060* .030	-.050 .071	-.073** .008	.014 .615	-.145** .000	1	
General happiness	happiness	-.081** .004	-.076** .006	-.072** .009	-.029 .304	.128** .000	.001 .978	.024 .381	1
**. Correlation is significant at the 0.01 level. *. Correlation is significant at the 0.05 level.									

Table 3.B Correlations among Observed Variables (Korea)

Variable Name and Definition		v2	v4	v11	v12	v15	v14_A	v15_A	happiness
Number of People You Interact in an Ordinary Day: Other than Family Members and Relatives	v2	1							
Frequency of Eating Out with Non-kin Others	v4	.259** .000	1						
Social Tolerance: Those Who Have Higher Social Status	v11	.073* .017	.130** .000	1					
Social Tolerance: Those Who Have Lower Social Status	v12	.013 .664	.083** .007	.352** .000	1				
Trust in Work Colleagues	v15	-.088** .004	-.120** .000	-.091** .003	-.138** .000	1			
Hierarchical Relationships Among Members in Organizations Respondent Participated	v14_A	-.029 .344	-.082** .008	.056 .068	.070* .023	.079* .011	1		
Homogeneity Among Members in Organizations Respondent Participated	v15_A	.008 .792	.084** .006	-.080** .010	-.048 .119	.026 .394	-.081** .009	1	
General happiness	happiness	-.078* .011	-.115** .000	-.050 .103	-.020 .517	.196** .000	.027 .379	-.002 .945	1
**. Correlation is significant at the 0.01 level. *. Correlation is significant at the 0.05 level.									

Table 3.C Correlations among Observed Variables (Japan)

Variable Name and Definition		v2	v4	v11	v12	v15	v14_A	v15_A	happiness
Number of People You Interact in an Ordinary Day: Other than Family Members and Relatives	v2	1							
Frequency of Eating Out with Non-kin Others	v4	.246** .000	1						
Social Tolerance: Those Who Have Higher Social Status	v11	.162** .000	.164** .000	1					
Social Tolerance: Those Who Have Lower Social Status	v12	.136** .000	.169** .000	.709** .000	1				
Trust in Work Colleagues	v15	-.192** .000	-.130** .000	-.118** .000	-.125** .000	1			
Hierarchical Relationships Among Members in Organizations Respondent Participated	v14_A	-.082** .002	-.004 .893	.042 .114	.030 .268	.021 .426	1		
Homogeneity Among Members in Organizations Respondent Participated	v15_A	.028 .303	.029 .280	-.012 .642	.017 .528	.026 .324	.100** .000	1	
General happiness	happiness	-.115** .000	-.114** .000	-.140** .000	-.115** .000	.175** .000	-.065* .016	.031 .254	1
**. Correlation is significant at the 0.01 level. *. Correlation is significant at the 0.05 level.									

Table 3.D Correlations among Observed Variables (Taiwan)

Variable Name and Definition		v2	v4	v11	v12	v15	v14_A	v15_A	happiness
Number of People You Interact in an Ordinary Day: Other than Family Members and Relatives	v2	1							
Frequency of Eating Out with Non-kin Others	v4	.289** .000	1						
Social Tolerance: Those Who Have Higher Social Status	v11	.041 .320	.045 .268	1					
Social Tolerance: Those Who Have Lower Social Status	v12	-.013 .750	-.038 .357	.424** .000	1				
Trust in Work Colleagues	v15	-.112** .006	-.078 .054	-.077 .059	-.049 .229	1			
Hierarchical Relationships Among Members in Organizations Respondent Participated	v14_A	-.129** .001	-.067 .101	.024 .552	.020 .632	-.054 .189	1		
Homogeneity Among Members in Organizations Respondent Participated	v15_A	.061 .133	.084* .039	-.079 .051	-.103* .011	.096* .019	-.070 .087	1	
General happiness	happiness	-.057 .159	-.097* .017	-.066 .107	-.028 .498	.168** .000	.026 .532	.139** .001	1
**. Correlation is significant at the 0.01 level. *. Correlation is significant at the 0.05 level.									

Table 4. Comparison of the Significance of Indicators on Happiness across Countries

Construct	Indicator	China	Korea	Japan	Taiwan
Organizational Structure	V14_A (Hierarchy)	0.00	0.01	-0.07***	0.501
Organizational Culture	V15_A (Homogeneity)	0.03	-0.01	0.04	0.559***
	V15 (Trust)	0.12***	0.19***	0.16***	0.860**
Social Capital (F2)	V2 (Interaction)	-0.12*	-0.15**	-0.17**	0.121*
	V4 (Socialization)	-0.12*	-0.15**	-0.17**	0.121*
Social Tolerance (F1)	V11 (Low Social Status)	-0.07	0.00	-0.07	-0.122
	V12 (High Social Status)	-0.07	0.00	-0.07	-0.122

***. Significant at the 0.001 level.
**. Significant at the 0.01 level.
*. Significant at the 0.05 level.

Table 5. Comparison of the Significance of the Introduced Hypothetical Sub-constructs on Organizational Structure and Organizational Culture

Construct	Organizational Structure				Organizational Culture							
	China	Korea	Japan	Taiwan	China		Korea		Japan		Taiwan	
Organization	H	H	H	H	HO	T	HO	T	HO	T	HO	T
Social Capital (F2)											* -0.145	
Social Tolerance (F1)								*** -0.21		*** -0.14		

***. Significant at the 0.001 level.
*. Significant at the 0.05 level.
Note: The letter "H" represents the organizational structure. "HO" points to Homogeneity indicator of organizational culture while "T" points to the Trust indicator.

Table 6. Comparison of the Significance of Organizational Structure and Organizational Culture on the Introduced Hypothetical Sub-constructs																	
Construct		Social Capital (F2)								Social Tolerance (F1)							
		China		Korea		Japan		Taiwan		China		Korea		Japan		Taiwan	
		I	S	I	S	I	S	I	S	High	Low	High	Low	High	Low	High	Low
Organizational Structure	H		** -0.04		** -0.09	** -0.08		** 0.54									
Organizational Culture	HO									* -0.05		* -0.06	** -0.08				
	T	*** -0.10		* -0.06	* -0.03	*** -0.17	*** -0.1										

***. Significant at the 0.001 level.
**. Significant at the 0.01 level.
*. Significant at the 0.05 level.
Note: The letter "H" represents the organizational structure. The letter "HO" points to Homogeneity indicator of organizational culture while "T" points to the Trust indicator. The letter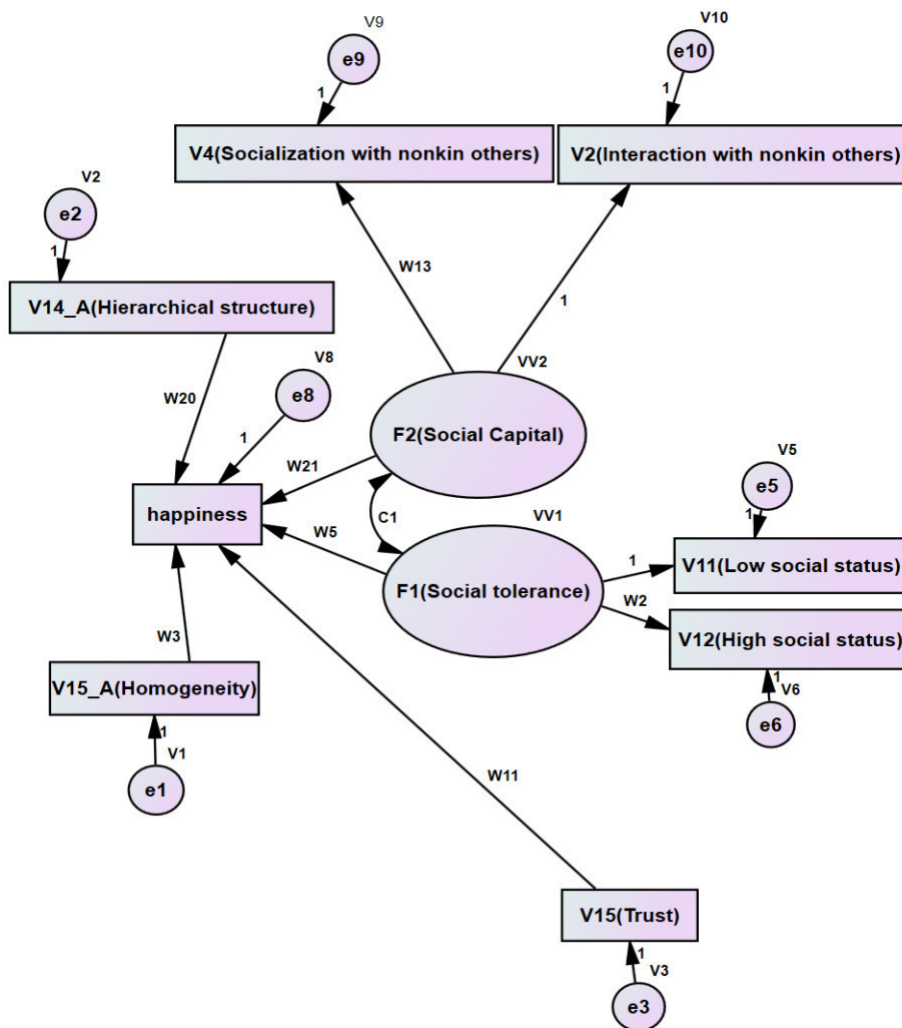 "I" represents the Interaction with non-kin others indicator of Social Capital sub-construct while "S" points to Socialization with non-kin others indicator. "High" represents High Social Tolerance indicator of Social Tolerance sub-construct while "Low" points to the Low Social Tolerance indicator.

Construct	Organizational Culture							
	China		Korea		Japan		Taiwan	
	HO	T	HO	T	HO	T	HO	T
Organizational Structure (H)	*** -0.15		** -0.08	* 0.1	*** 0.10			

Table 7. Comparison of the Significance of Organizational Structure on Organizational Culture

***. Significant at the 0.001 level.
**. Significant at the 0.01 level.
Note: The letter "H" represents the organizational structure. The letter "HO" points to Homogeneity indicator of organizational culture while The letter "T" points to the Trust indicator.

Figure 1. A depiction of our structural equation model, including measurement of three structural parts. Latent variables are drawn as ovals. Measured variables are shown as squares. Glossary of variables: e (error term), v (variance), Vi (factors or observed variables), w (regression weight), and c (covariance).
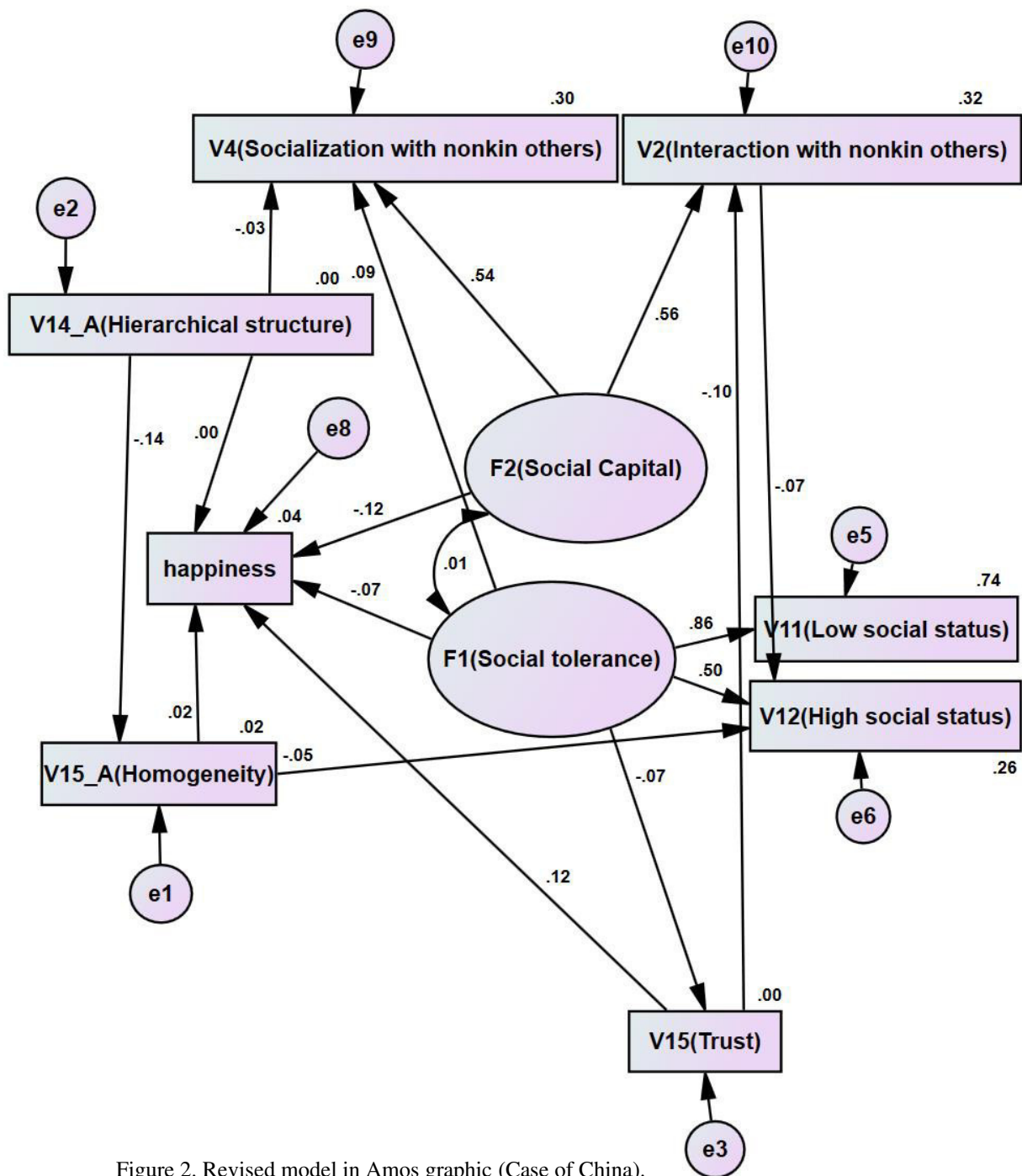
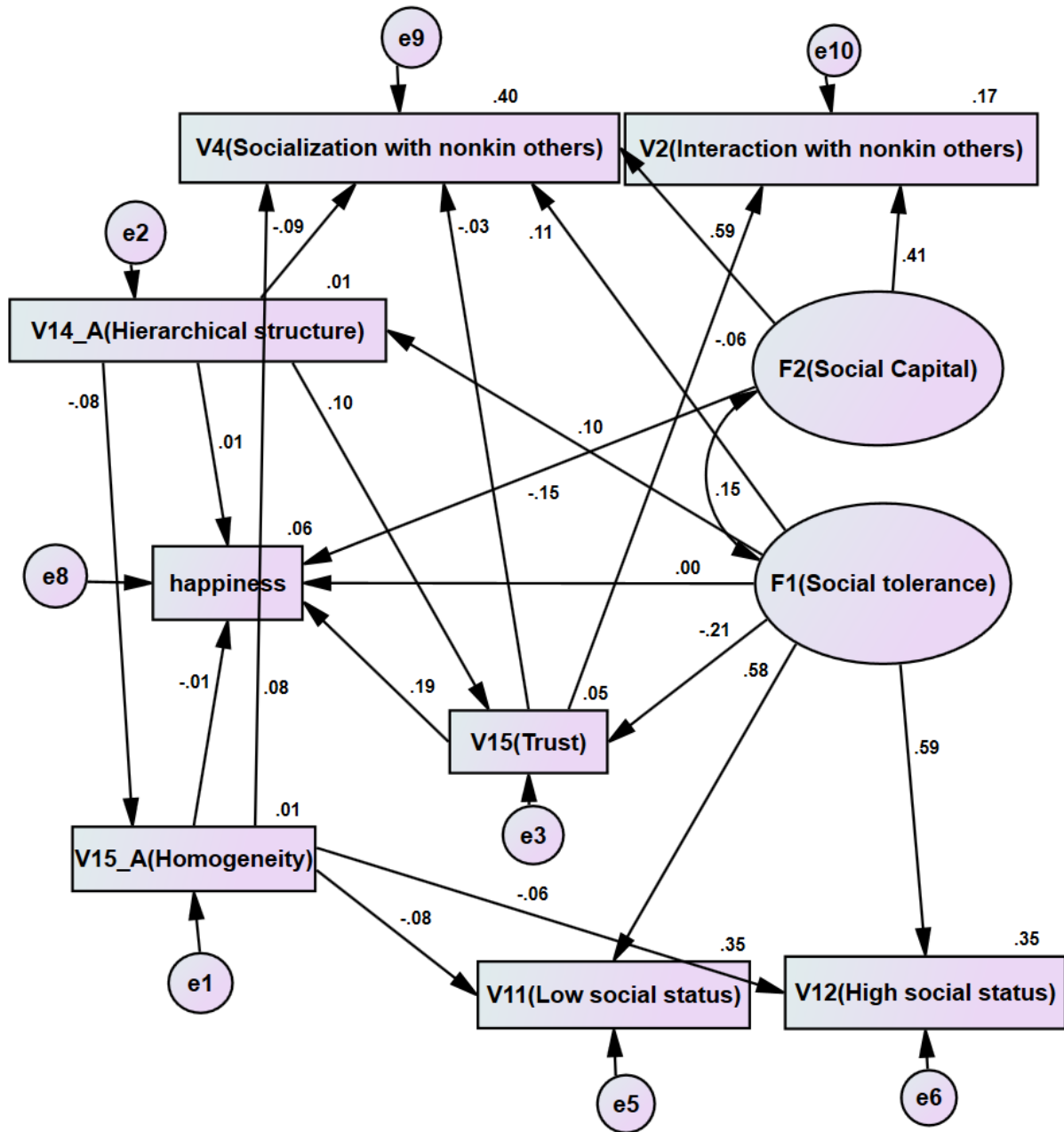Figure 2. Revised model in Amos graphic (Case of China).

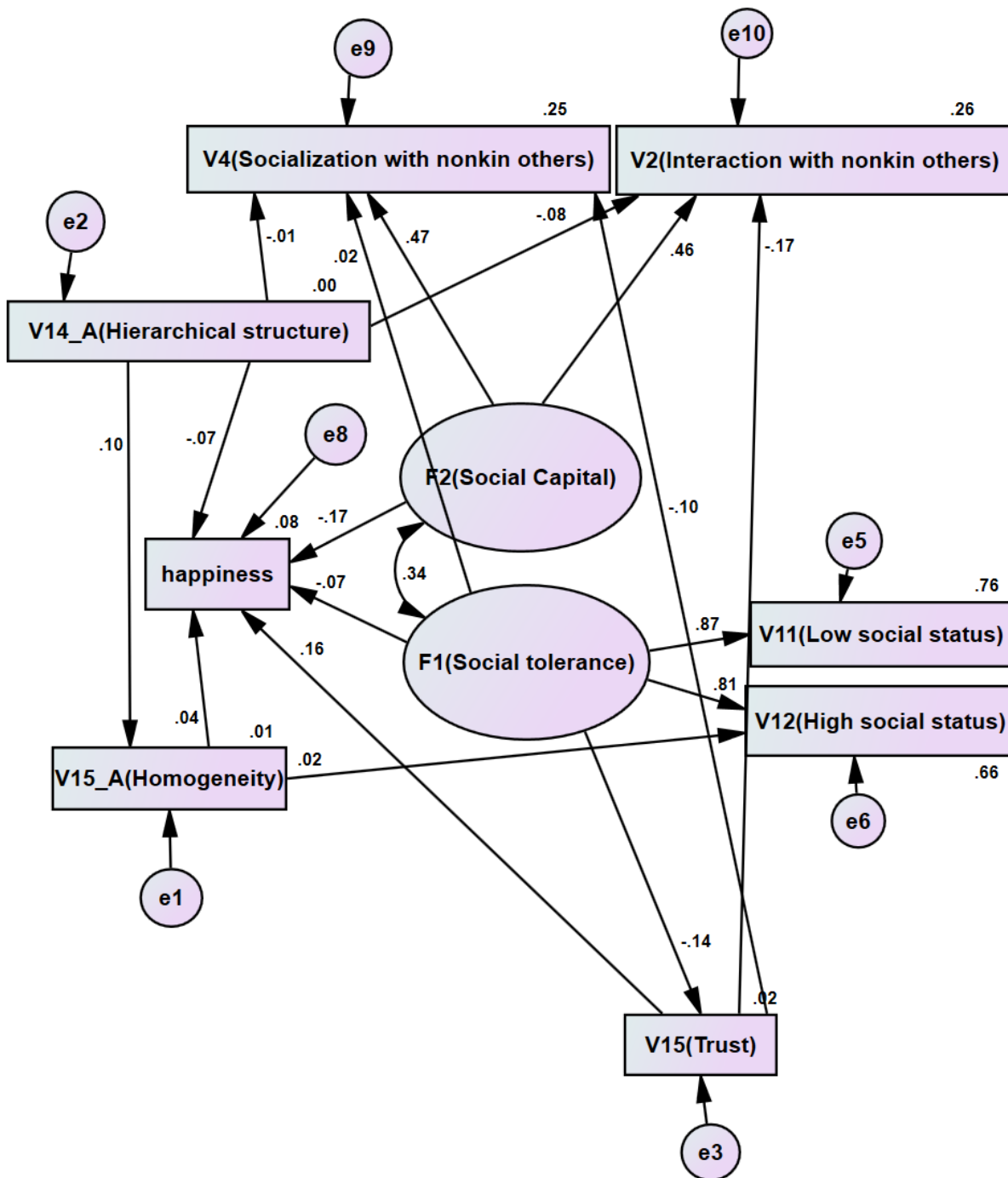Figure 3. Revised model in Amos graphic (Case of Korea).

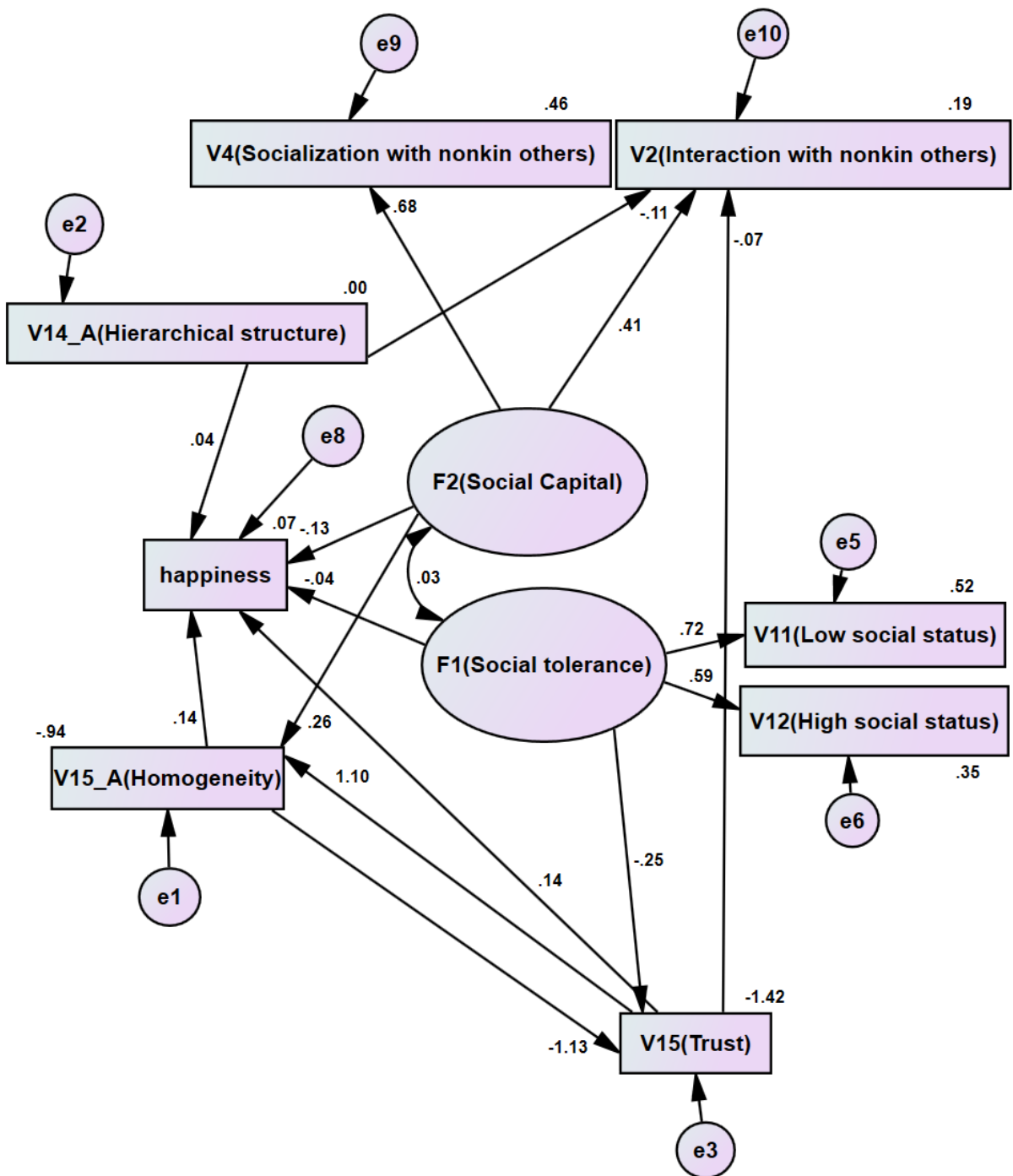Figure 4. Revised model in Amos graphic (Case of Japan).

Figure 5. Revised model in Amos graphic (Case of Taiwan).