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Designing a model for the development of new small and medium businesses with an emphasis on the social capital of employees

Golnaz Rasouli[1], Seyed Mohamad Zahedi[2], Karamollah Daneshfard[3]

1- Department of Public Administration, Faculty of Management, Tehran Science and Research Unit, Islamic Azad University, Tehran, Iran
2- Department of Public Administration, Public Administration Training Center, Tehran, Iran
3- Department of Public Administration, Faculty of Management, Tehran Research Science Unit, Islamic Azad University, Tehran, Iran

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Abstract

The objective of this research is to design a development model for emerging small and medium-sized enterprises (SMEs) with an emphasis on employee social capital. This study is applicable in terms of its objective, and qualitative in terms of its execution method. The statistical population consists of managers, specialists, and owners of emerging SMEs in Tehran Province, from which 21 individuals were selected by purposeful snowball sampling. Semi-structured interviews were utilized to collect research data, and the data collection process continued until the stage of theoretical saturation. For data analysis, the thematic analysis method was employed. The findings from the thematic network analysis revealed 6 organizing themes, 15 basic themes, and 54 initial codes as the components and categories of emerging SME development with an emphasis on employee social capital. The organizing themes were presented in 6 dimensions, namely: "Administrative Rules and Policies," "Innovative Production Methods," "Human Resources and Organizational Learning," "Empowerment and Knowledge Development of Human Capital," "Financial Support," and "Infrastructure Creation and Development." Emerging SMEs are considered highly effective and fundamental solutions for the comprehensive development of a country; long-term goals must be achieved by relying on the knowledge, expertise, and social capital of employees to foster the development and prosperity of these businesses.

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Publisher: Research Center of Resource Management Studies and Knowledge-Based Business

Corresponding Author: Seyed Mohamad Zahedi
Email: smzahedi@yahoo.com

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Extended Abstract

Introduction

Emerging small and medium-sized enterprises (SMEs) are considered the backbone of the economy, as they lead to employment generation, production, exports, poverty reduction, economic empowerment, and economic development (Mohammadian et al., 2025). These businesses have numerous advantages over large enterprises, including innovation, job creation, and greater flexibility compared to large industries (Nazhadian et al., 2025). In recent decades, unjust sanctions imposed by dominant powers have been one of the obstacles to accessing technical knowledge and up-to-date global technologies for economic growth and development, and have been regarded as a serious point of contention in reducing the competitiveness of economic enterprises (Goderzipoor et al., 2025). Therefore, the Iranian economy faces two categories of obstacles on its path toward achieving the goals of its vision document: first, international risks, crises, and economic sanctions imposed by adversaries; and second, internal structural problems and economic processes, including dependence on fragile oil revenues, an unfavorable business environment, unemployment, and economic recession (Rezvani et al., 2025).

Accordingly, in order to strengthen endogenous growth and enhance economic resilience, general policies for economic development and support for emerging businesses and national production have been announced by authorities with a jihadist, flexible, opportunity-oriented, productive, endogenous, pioneering, and outward-looking approach. One of these directives emphasizes comprehensive attention to the social capital of individuals within organizations and companies (Godarzī et al., 2025). Social capital has been recognized in recent decades as one of the most important topics among scholars in various branches of social and human sciences (Boon et al., 2022). Organizations that invest in their human resources through human resource development programs cannot overlook the importance of the role of social capital (Mishchuk et al., 2024). The foundation of development within an organization lies in the utilization of developed human capital, and social capital is a tool that measures mutual commitment and action among members of a community and represents those organizational characteristics that facilitate coordination and cooperation for mutual benefit (Mesfin et al., 2022). Social capital serves as a resource for group and collective actions and is related to awareness and knowledge, as well as attention to social and political issues, structural-network elements, public trust, formal and informal participation, and societal beliefs and norms (Siswanti et al., 2024).

This study addresses the presentation of a development model for emerging SMEs with an emphasis on employee social capital. The present research seeks to answer the following scientific question:

What concepts, dimensions, and components constitute the development model of emerging small and medium-sized enterprises with an emphasis on employee social capital from the perspective of experts?

Theoretical Framework

Development of Emerging Small and Medium-Sized Enterprises (SMEs)

The term “business” refers to an organization or entity in which individuals engage in economic, industrial, or professional activities. The goal of a business is to organize the production of a good or service. Businesses can operate for the purpose of generating profit or even to advance a social objective without the expectation of return on investment or profitability, such as in the form of charitable or non-profit organizations (Rafaelsen & Lindqvist, 2025).

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Social Capital

In a general sense, social capital refers to a type of investment in social relationships for which the expected return is defined within a market context. Of course, the term "market" is used metaphorically, and its scope may vary across different analyses, including economic, political, social, or labor markets, in which individuals generate expected benefits through engagement in social interactions and networks (Fatihudin et al., 2020).

Raftari et al. (2026) examined social capital as a personal branding strategy for management instructors. The results of their study showed that social capital functions as a personal branding strategy, and the concepts identified as strategic elements represent the common ground between social capital and the interactions and exchanges that shape a personal brand. The process of personal branding through social capital ultimately leads to specific outcomes. A personal brand is the image formed in people's minds as a result of others' interactions with an individual. Therefore, building a strong personal brand requires management instructors to possess social capital.

Nazhadian et al. (2025) investigated the design of a model of entrepreneurial coaching capabilities in small and medium-sized enterprises. The findings showed that, in the existing literature, entrepreneurial coaching capabilities can be identified in two dimensions: coach and trainee. At the end of the open coding process, 262 concepts were labeled, and in the axial coding stage, by reviewing these concepts, subcategories were identified and classified, resulting in the extraction of 53 components from the 262 open codes. In the third stage, selective coding, the components identified during axial coding were analyzed and categorized into 14 main dimensions. The trainees' capabilities included 6 dimensions—entrepreneurial skills, psychological capabilities, strategic capabilities, operational capabilities, cognitive capabilities, and knowledge—comprising 20 components and 103 indicators. The coaches' capabilities included 8 dimensions—specialized knowledge, skills, operational capabilities, emotional capabilities, communication capabilities, functional capabilities, individual capabilities, and cognitive capabilities—comprising 33 components and 159 indicators. Ultimately, the relationships among these capabilities were classified into four categories: key capabilities for knowledge and skill transfer, psychological growth, strategic empowerment, and individual support and development.

Research Methodology

The present study is applicable in terms of its objective, and qualitative in terms of its execution method. The statistical population consists of managers, specialists, and owners of emerging small and medium-sized enterprises (SMEs) in Tehran Province. From this population, 21 individuals were selected by purposeful snowball sampling. Semi-structured interviews were utilized to collect the research data, and the data collection process continued until theoretical saturation was achieved.

Research Findings

Thematic analysis was applied for data analysis. The findings of the thematic network analysis showed that 6 organizing themes, 15 basic themes, and 54 initial codes represent the components and categories of the development of emerging small and medium-sized enterprises (SMEs) with an emphasis on employee social capital. The organizing themes were presented in the form of 6 dimensions, namely: "Administrative Rules and Policies," "Innovative Production Methods," "Human Resources and Organizational Learning," "Empowerment and Knowledge Development of Human Capital," "Financial Support," and "Creation and Development of Infrastructure." Emerging SMEs are considered highly effective and fundamental solutions for the comprehensive development of a country; and in

order to develop and promote these businesses, long-term goals must be achieved by relying on the knowledge, expertise, and social capital of employees.

Conclusion

The present study was conducted with the aim of designing a development model for emerging small and medium-sized enterprises (SMEs) with an emphasis on employee social capital. The findings of this study are consistent and aligned with the results of Nazhadian et al. (2025), Heshmiyan Far (2025), Naji (2025), Promono et al. (2021), John and Vivienne (2024), Raftari et al. (2026), Zhu et al. (2025), Fathi Bajestani et al. (2025), and Mahmoudi and Pourshahabi (2023). Naji (2025) showed that knowledge management strategy has a significant effect on reducing organizational trauma in SMEs, considering emotional intelligence as a mediating variable.

Based on the research results, the following suggestions can be presented:

- Shifting the focus of taxation from the productive sector (especially emerging small and medium-sized industries) toward non-productive sectors (real estate, banking, and import trade).
- Combating corruption, favoritism, and rent-seeking practices, and eliminating channels of large-scale rent-based income generation.

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Conflicts of Interest

The authors declare that they have no financial or non-financial, personal, professional, or institutional conflicts of interest relevant to this work.

Conflicts of Interest

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

Data Availability Statement

The data supporting the findings of this study are available from the corresponding author upon reasonable request.

AI Use Statement

The authors declare that no generative artificial intelligence (AI) or AI-assisted technologies were used in the preparation, writing, or editing of this manuscript.

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Ethics Approval

All procedures performed in this study were conducted in accordance with the ethical standards of the responsible institutional and national research committee.