Leader—Member Exchange (LMX) Theory

The LMX theory was first described as "Vertical Dyad Linkage" (VDL). Graen and Uhl-Bien (1995) argued that the LMX theory consists of four stages, wherein each stage is related to and builds upon the previous stages. Leader–member exchange (LMX) theorists argue that leaders in the organization should give more responsibility to their followers, delegate powers, support the sharing of work-related knowledge, and allow participation in decision-making processes. LMX theory is a psychological process variable and plays an intermediary role between transformational leadership and knowledge management.

1. Leader—Member Exchange (LMX) Theory

The LMX theory was first described as "Vertical Dyad Linkage" (VDL) [1]. Graen and Uhl-Bien (1995) argued that the LMX theory consists of four stages, wherein each stage is related to and builds upon the previous stages [2]. Leader–member exchange (LMX) theorists argue that leaders in the organization should give more responsibility to their followers, delegate powers, support the sharing of work-related knowledge, and allow participation in decision-making processes [3]. LMX theory is a psychological process variable and plays an intermediary role between transformational leadership and knowledge management [4]. Research has suggested that transformational leadership traits are predictors of leader–member exchange (LMX) theory [5][6][7][8]. LMX theory identifies the specific roles, interpersonal exchanges, and related functions of organizational employees. From the perspective of transformational leadership, leaders ensure organizational success by transferring the vision, mission, and goals of the organization to their followers [9]. Consequently, LMX theory suggests that leaders establish mutual norms and social exchanges with their followers [10].

2. Transformational Leadership

Leadership approaches should meet the needs and expectations of seasonal and full-time employees. It should be noted that there are differences in the contracts, rules, regulations, and policies applied between the work of full-time and seasonal employees [11]. Bass and Avolio (1994) stated that transformational leadership is an individual-level theory bounded by individuals' perceptions. Additionally, transformational leadership consists of four dimensions related to the behavioral component, which are idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration [12]. Additionally, research indicates that the "effect of spiritual leadership on the three dimensions of customer-oriented boundary-spanning behaviors is fully mediated by spiritual survival and spiritual well-being", ([13], p. 637). A transformational leader has charisma, inspires followers, increases intellectual stimulation, and promotes individualized consideration [14][15]. The transformational leader should establish a system that is focused on knowledge, and develop new transformational methods by acquiring data that are explicit and implicit within the organization [16][17]. Transformational leadership is a management style that focuses on ideas and encourages subordinates' risk-taking behaviors, thus developing a network among individuals [17]. Transformational leaders contribute to subordinates' motivations, provide for their organizational requirements, establish a knowledge substructure, and develop a knowledge management system, in order to ensure knowledge flow by stimulating individualized opinion and intellectual interest [18]. Additionally, a transformational leader influences subordinates by setting both organizational and individual goals [19]. Leaders demonstrate and utilize leadership models, known as either transactional or transformational leadership, that each possesses unique attributes in the context of leading [12]. Transformational leadership positively influences human development and human interaction, and increases teams' motivation and organizational efficiency [20][21][22].

3. Knowledge Management System

Knowledge management is considered a versatile, multidimensional, and controversial concept [16]. In today's world, increasing globalization affects the production of knowledge, and the examination of changes in the competitive

environment demonstrates that knowledge management is a necessity [23]. Knowledge management has the effect of making organizations faster, more innovative, efficient, and effective. In addition, the concept of management is a term that describes the interaction of knowledge in the organization with environmental effects [24]. The ability of an organization to create and use knowledge is considered to be the most important source of sustainable competitive advantage within knowledge-centered institutions [25]. Knowledge is becoming the most significant resource in the world's economy, and it provides a competitive advantage. Knowledge management provides a solution to the challenging paradox of organizations [26]. In today's knowledge-based society, some processes are important to knowledge management, as well as to increasing the production of knowledge, ensuring the flow of knowledge, and interpreting data to accomplish organizational goals [16]. Therefore, knowledge management enables the flow of knowledge that realizes essential competencies within the organization, in order to create, store, share, and evaluate knowledge [27]. The knowledge management infrastructure consists of the organization's structure, technology, and culture. Knowledge management is a process that consists of four sub-dimensions: acquisition, conversion, application, and protection [28]. Research has indicated that the knowledge management process comprises the capture, transferal, and use of knowledge [29]. The knowledge management process consists of acquiring (collecting knowledge), collaborating (sharing knowledge), integrating (combine knowledge), and experimenting (measuring knowledge) [30].

4. Organizational Performance

Organizational performance is seen as the ultimate dependent variable for researchers in many fields, and is used to measure the fundamental productivity of organizations [31]. The measurement methods that are used to measure organizational performance in different studies differ significantly [32]. Leadership characteristics influence the behaviors of subordinates towards accomplishing organizational goals. Therefore, leadership styles can improve organizational performance [33]. Different leadership approaches are required to increase organizational efficiency and effectiveness under changing global conditions. Previous leadership models are now inadequate in today's world, leading to failures when managing complex organizations [34]. Furnham (2002) argued that the appropriate measurement method depends on the quality of leadership [35]. In the study conducted by Lim and Ployhart (2004) on Singapore's army, it was revealed that transformational leadership positively affected team performance [36].

5. Organizational Learning

Organizational learning is defined as a process of the creation and acquisition, dissemination, application, and sharing of knowledge within an organization [37]. According to Nevis et al. (1995), organizational learning is influenced by participatory leadership, systemic thinking, and vision sharing [38]. Additionally, according to research by Garcia-Morales et al. (2006), sharing a vision and team learning are the main issues that affect organizational learning [37]. Organizational learning is a type of leadership in which training is designed and implemented for followers. In other words, organizational learning is the responsibility of the leader. Leaders should create a new environment in which followers can improve their performance, create a vision, and engage in team learning [39].

Organizational learning refers to an organization's ability to maintain or improve performance, and includes knowledge acquisition, sharing, and utilization [40]. The process of organizational learning incorporates the knowledge created by individuals to increase the organizational knowledge repository. Organizational learning is a dynamic process that relies on interaction in a community, in which individuals convert tacit knowledge into explicit knowledge in the organization [16]. The development of the organization's abilities and knowledge repository increases the organization's capability and facilitates organizational learning [39][41].

6. Knowledge Creation Process

Knowledge management is considered an input–output cycle. The process of knowledge management is a phenomenon in which knowledge is used through appropriate methods for accomplishing organizational goals and transforming knowledge into intellectual capital [42]. Lee and Choi (2003) investigated the knowledge creation process adapted from the SECI model, which consists of socialization, externalization, combination, and internalization. The SECI model is a theory that explains the knowledge creation process in four dimensions, and was developed by Nonaka and Takeuchi (1995) [43]. The process of socialization describes how tacit knowledge is transformed into recent tacit knowledge through sharing experiences. The process of externalization converts tacit knowledge into recent explicit knowledge. When tacit knowledge is converted into explicit knowledge, it becomes essential to recent knowledge. The combination process indicates that that explicit knowledge is transformed into more complex explicit knowledge. The process of internalization

is that in which explicit knowledge is transformed into tacit knowledge, and individuals access knowledge that is shared in group discussion, meetings, etc., which is then converted into tacit knowledge [44].

7. Job Satisfaction

Job satisfaction is explained as "a pleasurable or positive emotional state, resulting from the appraisal of one's job or job experiences", ([45], p. 1304). Job satisfaction demonstrates the effective working and emotional satisfaction levels of individuals in their job. Additionally, job satisfaction is recognized as a multidimensional global concept [46]. Job satisfaction and its implications affect job-related variables. Job satisfaction increases the level of motivation, organizational citizenship behavior, job involvement, job performance, etc. On the other hand, it decreases the level of absenteeism, turnover, etc. [46][47][48]. It is observed that more effective organizations meet the needs of their employees, and the more they value their employees, the more work performance increases [49]. Accordingly, the fact that many types of research have been conducted on job performance has revealed that it is important to evaluate both individual job performance and job satisfaction [50].

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