

The Role of Transformational Leadership and Knowledge Management in Organizational Innovation of Schools

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Abstract

One of the most significant prerequisites for an innovative school is the presence of transformational leaders and knowledge sharing. The primary purpose of this study was to determine the effect of the transformational leadership on organizational innovation with the mediating role of knowledge management. It applied research by orientation, descriptive research by purpose, survey research by strategy, causal research by nature, and a questionnaire in terms of data collection methods. Data were collected from 265 school principals, expert officers and deputy managers at the Department of Education of Dasht-e Azadegan county, Khuzestan province, Iran. As the target population was small, census sampling was adopted and all the 265 members participated in the survey. For data collection, the Multifactor Leadership, Organizational Innovation, and Knowledge Management Questionnaires were used, whose reliability (using Cronbach's alpha) was estimated to be 0.89, 0.93, and 0.91, respectively. Factor analysis was used for validity assessment. For data analysis, structural equation modeling in Amos software was employed. The results showed that components of intellectual stimulation, idealized influence, inspirational motivation, and individualized consideration, both directly and through the mediating role of knowledge management, influence organizational innovation of schools.

Keywords: leadership style, knowledge management, organizational innovation, transformational leadership.

Роль трансформационного лидерства и управления знаниями в организационной инновации школ

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Аннотация

Наиболее важными предпосылками для инновационной школы являются наличие трансформационных лидеров и обмен знаниями. Цель настоящего исследования – определить, какое влияние на организационные нововведения оказывают трансформационное лидерство и управление знаниями. По социально-культурной ориентации настоящее исследование является прикладным, по цели – описательным, по стратегии – опросным, по своей природе – экспериментальным. Метод сбора данных – опрос. Данные были собраны у 265 директоров школ, экспертов и заместителей руководителей отдела образования округа Дешт-э-Азадеган провинции Хузестан. Из-за небольшой целевой совокупности в исследовании приняли участие все 265 человек. Для сбора данных использованы опросники по многофакторному лидерству ($r = 0,89$), организационным инновациям ($r = 0,93$) и управлению знаниями ($r = 0,91$). Анализ надежности выполнен по методу Кронбаха. Для оценки валидности использовался факторный анализ, для анализа данных – моделирование структурными уравнениями в программе Amos. Результаты показали, что интеллектуальное воздействие, вдохновляющая мотивация и индивидуальный подход как напрямую, так и опосредованно, через управление знаниями, влияют на организационную инновацию в школах.

Ключевые слова: лидерский стиль, управление знаниями, организационная инновация, трансформационное лидерство.

Introduction

Organizations underpin today's society. Management and leadership are essential for the dynamism and development of organizations and are of particular significance for resistance to organizational decline. The actions and behaviors of authorities and officials deliberately or unconsciously affect the attitude of employees (Erkutlu, 2008). Due to recent scientific advancements and technological developments, organizational management has deviated from its conventional pattern and taken on a more dynamic form (Jung, Wu, & Chow, 2008; Arvand, Darvish, & Nikbakht Nasabadi, 2017). Thus, new factors are required for organizations to be able to harness employees' creative thought and intellectual capabilities; the most important of these is transformational leadership (Yang & Yan, 2016; Shirzad, Divbandi, & Yavari, 2015).

Leadership is the ability to influence employees' attitudes, capabilities, and beliefs in a way that contributes to organizational goals (Gibson & Deem, 2016). Transformational

leadership originally derives from the charismatic leadership theory and many experts maintain that the primary motive for leadership is the desire to transform. Organizations led by leaders who have effectively put the principles of transformational leadership into practice often experience innovative development and organizational creativity. As a result of adopting transformational strategies, such organizations facilitate convergence, encourage teamwork, and boost morale among employees (Salimzadeh, Veiseh, Mohammadi, & Abedini, 2016).

Transformational leadership is recognized as one of the most effective leadership approaches in knowledge organizations (Asoh, Belardo, & Crnkovic, 2007; Kheirandish & Kameli, 2011; Taheri & Soltani, 2017). Extensive research has been conducted on predictor variables of organizational innovation. Similarly, transformational leadership is considered a vital prerequisite and a determining factor for organizational innovation (Jiang & Li, 2009 & Mirkamali & Choopani, 2011). In addition to transformational leadership, attention must be paid to organizational culture to maintain the current state and promote innovation in organizations (Ju, Li, & Lee, 2006; Mokhtari Dinani, 2015; Barnes, Christensen, & Stillman, 2013). Organizations need to adopt effective strategies to control and adapt to changes, with the aid of transformational leaders (Hoy & Miskel, 2012). The term “transforming leadership” was first used in a broad sense by Burns (1978), a political scientist. Later, Bass and Avolio extended his ideas and established the concept of transformational leadership (Yang & Yan, 2016). Knowledge, as the cornerstone of innovation and organizational productivity, is of paramount importance. One of the main objectives of an organization is to provide an environment in which employees can extend and exchange their knowledge. In this sense, knowledge management facilitates communication and interactions involved in innovative processes. Innovative capabilities are influenced by the ability of organizations to interchange knowledge and technology-based skills and gain experience. Thus, knowledge sharing, as a key step in knowledge management, is a fundamental part of the innovation process in an organization. Knowledge sharing comprises a set of beliefs and behaviors which promote learning among individuals or within an organization (Ju, Li, & Lee, 2006; Rastgari & Maghsoudi, 2016)). Knowledge management is defined as the acquisition of knowledge by the right people at the right time and place to make maximum use of knowledge and work towards the achievement of organizational objectives. In recent years, organizations have opted for integrating customer relationship management with knowledge management, as it plays a pivotal role in efficient customer relationship management (Al-Hakim & Hassan, 2011, Bai, Ghanbarpoor Nosrati, & Hoseini Nia, 2015).

In a competitive environment, transformational leadership enables organizations and companies to function properly in a turbulent and unpredictable environment through the adoption of innovative practices. Consequently, the main question to be addressed by this research is: What effect does the transformational leadership style have on organizational innovation concerning the mediating role of knowledge management?

Theoretical background and hypothesis

Idealized influence includes cherishing values, inspiring views, encouraging risk-taking, sharing difficulties, and earning subordinates’ trust (Gibson & Deem, 2016; Rastgari & Maghsoudi, 2016). Knowledge sharing refers to the culture of knowledge-based interactions that entails the exchange of tacit and explicit knowledge as well as employees’ experiences and skills between organizational units or within the entire organization (Wong & Aspinwall, 2004).

A leader’s influence focuses on the social aspects of the organization and hence differs from the manager’s influence. Through the concept of idealized influence, leaders

transcend their personal needs to focus on the team for the benefit of organizational goals, demonstrate confidence and power, foster strong relationships via open communication with the followers on their principles and convictions, develop shared visions and deep commitment, encourage followers to vie in a healthy competitive environment, enhance their capabilities in exchange for monetary or non-monetary rewards, and value collectivism over individualism by building teams and teamwork-based reward systems. This provides an ideal role model for the followers, thereby creating a sense of unity and coherence among team members. Experts of organizational behavior believe that leaders' behavior contributes to the cultural role model of the organization. In line with knowledge culture and through proper acquisition, transfer, distribution and utilization of knowledge, the leader must serve as a superb exemplar of a knowledge worker and imbue this spirit into the working environment of the organization. According to (Crawford, 2005; Nouroozi, Majazi Dalfard, Azhdari, Nazari Shirkoohi, & Rezazadeh, 2012 & Taheri & Soltani, 2017), transformational leadership is positively associated with knowledge management.

Inspirational motivation is a transformational leader's ability to inspire desirable behavior among followers (Ju et al., 2006 & Rastgari & Maghsoudi, 2016). Development of complete mutual trust and high levels of motivation rather than controlling the subordinates are key goals in inspirational motivation, making the followers feel that they are an essential part of the organization and are to be trusted. This aspect is directly linked to the professional commitment of knowledge workers in an organization as well as the leader's influence on knowledge workers.

According to Bass and Avolio, intellectual stimulation enables leaders to stimulate creativity and encourage followers to view obstacles as opportunities and think of new, innovative ways of solving problems using logic and reasoning (Rastgar & Maghsoodi, 2016). With intellectual stimulation, followers are stimulated to re-evaluate their basic assumptions and old values, inspire others to look at organizational issues from different viewpoints, devise new ways of performing tasks, and analyze the principles of re-engineering processes. Delegation of tasks to employees and analysis of tasks from various perspectives generate new knowledge, open up new horizons in attitude towards issues, and facilitate the adoption of solutions proposed by the followers.

Transformational leaders provide individualized consideration to their followers as mentors and treat them with respect and dignity. Individualized consideration, as one of the mechanisms of new leadership theories, is attained when the leader pays special attention to each individual, recognizes their needs and abilities, develops plans to nurture their capabilities, and devotes time to guide and educate them to promote knowledge sharing. This positively influences the followers' learning abilities, development, accomplishment, and commitment as they benefit from the leader's guidance, training and support. Transformational leaders are inspirational and assist followers to strive for difficult goals and avoid conventional techniques (Nouroozi, et al. 2012 & Birsnav, 2014).

Based on these theories, the main hypotheses of this research are as follows:

1. The leader's idealized influence significantly affects organizational innovation in the department of education.
2. The leader's inspirational motivation significantly affects organizational innovation in the department of education.
3. The leader's individualized consideration significantly affects organizational innovation in the department of education.
4. The leader's intellectual stimulation significantly affects organizational innovation in the department of education.
5. Knowledge management plays a mediating role between transformational leadership and organizational innovation in the department of education.

Review of literature

Several studies have been conducted in the context of the impact of transformational leadership on organizational innovation. Some of these address the mediating role of knowledge management. For instance, Taheri and Soltani (2017) investigated the relationship between transformational leadership and knowledge management in a study entitled “The relationship between transformational leadership and knowledge management in social security organization”. Their findings confirmed the association of transformational leadership with knowledge management. According to (Prasad & Junni, 2016), chief executive officer transformational behaviors have a positively influence on organizational innovations; However, the organizations’ transformational leadership in dynamic environments is more effective. Rastgar and Maghsoodi (2016) conducted a study entitled “The impact of transformational leadership on organizational innovation: the mediating role of knowledge sharing”. According to their results, transformational leadership with the mediating role of knowledge sharing positively and significantly influences organizational innovation. A study by Le & Lei (2018) entitled “The mediating role of trust in stimulating the relationship between transformational leadership and knowledge sharing processes” revealed that trust acts as a mediator in the relationship between transformational leadership and knowledge sharing. Birasnav (2014) carried out a study entitled “Knowledge management and organizational performance in the service industry: The role of transformational leadership beyond the effects of transactional leadership” and indicated that transformational leadership has positive effects on knowledge management and organizational performance. Nouroozi, et al. (2013) conducted a study entitled “Relations between transformational leadership, organizational learning, knowledge management, organizational innovation, and organizational performance: An empirical investigation of manufacturing firms” and demonstrated that transformational leadership has a direct impact on organizational learning and knowledge management. Organizational learning influences knowledge management, transformational leadership influences organizational innovation and organizational performance. Organizational learning and knowledge management affect organizational innovation. Also, organizational learning and organizational innovation directly affect organizational performance. In a study by Crawford (2005) entitled “Effects of transformational leadership and organizational position on knowledge management”, the relationship between transformational leadership, organizational position and knowledge management was empirically examined. To this end, 1046 adults participated in a questionnaire. Their findings highlighted the significant relationship between transformational leadership and knowledge management, as well as the effect of knowledge management on organizational position. (Wang & Wang, (2012) conducted research entitled “Knowledge sharing, innovation, and firm performance” and demonstrated that both methods of knowledge sharing facilitate innovation and performance. Explicit knowledge sharing significantly influences innovation speed and financial performance, whereas tacit knowledge sharing significantly influences innovation quality and operational performance. The results of a study by Camps & Rodriguez, (2011) entitled “Transformational leadership, learning, and employability” revealed that a positive relationship exists between worker-perceived organizational learning and employability perception in firms. Transformational leadership significantly influences the worker’s learning and employability. Employability could be regarded as an individual phenomenon. Also, transformational leadership affects performance at a group level. Kamasak & Bulutlar, (2010) conducted a study entitled “The influence of knowledge sharing on innovation” and showed that collection and sharing of knowledge significantly affect innovation. Khan, Rehman, & Fatima, (2009) carried out a study

entitled “Transformational leadership and organizational innovation: Moderated by organizational size” and underlined that the size of an organization significantly moderates the association between all aspects of organizational leadership (idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration). Furthermore, transformational leadership significantly influences organizational innovation. Gumusluoglu & Ilsev, (2009) conducted a study entitled “Transformational leadership and organizational innovation: The roles of internal and external support for innovation” and pointed out that transformational leadership positively influences organizational innovation. This is a significantly important finding as it has been identified in small and micro-firms, while previous studies focused were mostly focused on large firms. Moreover, the external support of innovation significantly moderates this impact. The relationship between transformational leadership and organizational innovation was particularly stronger when external support was higher compared to when no external support was present. Jung et al. (2008) found that a positive relationship exists between transformational leadership and organizational innovation, based on the findings of their study entitled “Towards understanding the direct and indirect effects of CEOs' transformational leadership on firm innovation”. In a study conducted by Morales & Mendes, (2006) on the “Antecedents and consequences of organizational innovation and organizational learning in entrepreneurship”, it was found that organizational learning and organizational innovation collectively enhance organizational entrepreneurship and promote competitive advantages. A study conducted by Aragon, Morales, & Pozo, (2007) entitled “Leadership and organizational learning's role on innovation and performance: Lessons from Spain” revealed that organizational learning has a stronger direct impact compared to transformational leadership in their study. Nevertheless, leadership significantly and strongly affects organizational learning, whereas it indirectly influences innovation. Furthermore, innovation significantly affects performance. Brayant, (2003) carried out a study entitled “The role of transformational and transactional leadership in creating, sharing and exploiting organizational knowledge” and suggested that transformational leadership could be influential in knowledge creation and sharing at individual and group levels, whereas transactional leadership could be more influential in knowledge utilization at the organizational levels. A study conducted by Darroch & McNaughton, (2002) on “Examining the link between knowledge management practices and type of innovation” showed that knowledge acquisition and responding to knowledge have greater significance for innovation than knowledge distribution. Politis, (2001) conducted a study entitled “The relationship of various leadership styles to knowledge management” and found that leadership styles that encourage interactions and corporate decision-making are significantly associated with efficient knowledge management.

Methodology

Setting of the study

The characteristics of the study were applied research by orientation, descriptive research by purpose, survey research by strategy, causal research by nature, and a questionnaire in terms of data collection methods.

Participants and procedure measures

The target population included 265 school principals, expert officers, and deputies from three educational stages at the Department of Education in Dasht-e Azadegan County. The elementary school principals comprised 29 women (mean age=33 years) and 71 men (mean age=38 years) with 93 bachelor's, 6 master's and 1 doctoral degree, involving a total of 100 individuals. The secondary school principals comprised 22 women

(mean age=35 years) and 33 men (mean age=39 years) with 48 bachelor's, 5 master's and 2 doctoral degrees, involving a total of 55 individuals. The high school principals were 22 women (mean age=36 years) and 28 men (mean age=44 years) with 35 bachelor's, 11 master's and 4 doctoral degrees, involving a total of 50 individuals. The expert officers and deputies of the department of education included 6 women (mean age=41 years) and 54 men (mean age=44 years) with 41 bachelor's, 16 master's and 3 doctoral degrees, involving a total of 60 individuals. In total, 79 women (mean age=35) and 186 men (mean age=40.8) with 217 bachelor's, 38 master's and 10 doctoral degrees, involving a total of 265 individuals participated in the study. As the target population was small, census sampling was adopted and all the 265 individuals participated in the survey.

Data analysis

Knowledge management was evaluated by the use of the Jashapara (2004) questionnaire which includes variables of knowledge creation, storage, sharing, and utilization. Organizational innovation was assessed using the Organizational Innovation Questionnaire by Jurfi et al. (2013) which comprises 10 questions. Questionnaire validity was examined by interviewing experts and university faculty members. Also, questionnaire reliability was estimated to be higher than 0.7 using Cronbach's alpha, indicative of desirable reliability.

A questionnaire was used for data collection whose content reliability was evaluated using confirmatory factor analysis. For confirmatory factor analysis and structural equation modeling, the standard load factor was calculated. The correlation matrix of the studied variables is presented in Table 1 below.

Table 1. The inter-correlation matrix between the study variables and N (Number of participants)

		<i>Intellectual stimulation</i>	<i>Idealized influence</i>	<i>Inspirational motivation</i>	<i>Individualized consideration</i>	<i>Organizational innovation</i>	<i>Knowledge management</i>
Intellectual stimulation	Correlation R ² Sig.	1					
Idealized influence	Correlation R ² Sig.	0.659* 0.434 0.000	1				
Inspirational motivation	Correlation R ² Sig.	0.532* 0.283 0.000	0.864* 0.746 0.000	1			
Individualized consideration	Correlation R ² Sig.	0.520* 0.270 0.000	0.707* 0.499 0.000	0.772* 0.595 0.000	1		
Organizational innovation	Correlation R ² Sig.	0.305* 0.093 0.000	0.360* 0.129 0.000	0.346* 0.119 0.000	0.389* 0.151 0.000	1	
Knowledge management	Correlation R ² Sig.	0.557* 0.310 0.000	0.806* 0.649 0.000	0.739* 0.546 0.000	0.609* 0.371 0.000	0.499* 0.249 0.000	1

*p<0.05

The matrix shows the linear correlation between the variables of the study. According to the results presented in Table 1, the pairwise correlation between research variables is appropriate for the model. It is important to note that when the correlation between the variables is too high, the variable seems to be redundant, whereas the results provide a good degree of correlation. In the following, standard coefficients of the structural equation model are used to measure the impact of the four components of the transformational leadership style on organizational innovation with the mediating role of knowledge management (Figure 1).

Results

Model fitness must be assessed before confirming the structural relations of the model. In other words, model fitness indices need to be considered to evaluate the extent to which a model accords with reality based on the theoretical framework and background of the proposed model. Model fitness is an indication of the extent to which variance-covariance data of a sample conform to the structural equation model. The research model was assessed according to the fit values determined by fitness indices. To evaluate the fit of the proposed model based on Amos software outputs and draw valid conclusions, some indices needed to be measured. Based on the results, the model used in the present research is properly fitted with a goodness fit index (GFI) of 0.91.

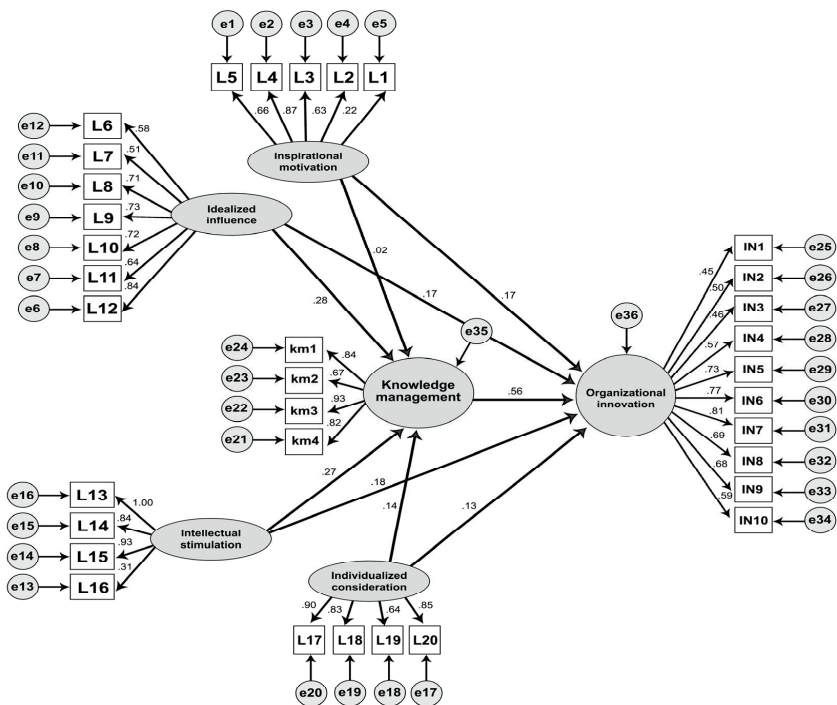


Figure 1. Structural Equation Model in the estimation of standard coefficients mode.

The insignificant value of RMSEA in this model (0.041) gives a good explanation for the covariance. Below, the direct and indirect effects of the independent variable on the dependent variable are shown (Table 2).

Table 2. Regression coefficient and the significance level of the studied variables

	Variable	Regression coefficient	Significance level
Direct impacts	Impact of idealized influence on organizational innovation	0.17	p <0.0001
	Impact of inspirational motivation on organizational innovation	0.18	p <0.0001
	Impact of individualized consideration on organizational innovation	0.13	p <0.0001
	Impact of intellectual stimulation on organizational innovation	0.17	p <0.0001
Indirect impacts	Impact of idealized influence on organizational innovation with the mediating role of knowledge management	0.84	p <0.0001
	Impact of inspirational motivation on organizational innovation with the mediating role of knowledge management	0.29	p <0.0001
	Impact of individualized consideration on organizational innovation with the mediating role of knowledge management	0.70	p <0.0001
	Impact of intellectual stimulation on organizational innovation with the mediating role of knowledge management	0.54	p <0.0001

Q1. Does idealized influence have an impact on organizational innovation in the department of education?

According to the results obtained from the structural equation model and based on the standard coefficients of Figure 1, the regression coefficient for the effect of the idealized influence variable is 0.17, which is significant (p <0.0001). Therefore, it could be argued that the variable of idealized influence as one of the components of the transformational leadership style has an effect on organizational innovation in the department of education.

Q2. Does inspirational motivation have an impact on organizational innovation in the department of education?

The regression coefficient for the effect of the inspirational motivation variable is 0.18, which is significant (p <0.0001). It is concluded that the variable of inspirational motivation, as one of the components of the transformational leadership style, has an effect on organizational innovation in the department of education.

Q3. Does intellectual stimulation have an impact on organizational innovation in the department of education?

The regression coefficient for the effect of the intellectual stimulation variable is 0.17, which is significant (p <0.0001). It is concluded that the variable of intellectual stimulation as one of the components of the transformational leadership style has an effect on organizational innovation in the department of education.

Q4. Does individualized consideration have an impact on organizational innovation in the department of education?

The regression coefficient for the effect of the individualized consideration variable is 0.13, which is significant (p <0.0001). It is concluded that the variable of individualized consideration as one of the components of the transformational leadership style has an effect on organizational innovation in the department of education.

Q5. Which of the transformational leadership components has the greatest impact on organizational innovation?

The highest regression coefficient for the effect of transformational leadership components on organizational innovation is related to the inspirational motivation variable, which is significant ($p < 0.0001$). It is concluded that the variable of inspirational motivation is the most influential component of the transformational leadership style on organizational innovation in the department of education.

Q6. Does knowledge management have a mediating role between transformational leadership and innovation?

The indirect impact of transformational leadership on organizational innovation is evident through the mediating role of knowledge management. Also, the indirect effect of idealized influence is 0.84, which is significant ($p < 0.0001$) and distinctly different from its direct effect. The indirect effect of inspirational motivation is 0.29, which is significant ($p < 0.0001$) and different from its direct effect. The indirect effect of individualized consideration is 0.70, which is significant ($p < 0.0001$) and different from its direct effect. The indirect effect of intellectual stimulation is 0.54, which is significant ($p < 0.0001$), and varies from its direct effect.

Discussion

As noted earlier, transformational leadership uses components of idealized influence, inspirational motivation, intellectual stimulation and individualized consideration to facilitate knowledge management and promote organizational innovation. Also, this style of leadership makes fundamental changes to employees' attitudes and perceptions to accelerate progress towards organizational goals. Hence, the present study aimed to evaluate the effect of transformational leadership on organizational innovation with the mediating role of knowledge management. The results of the first, second, third and fourth hypothesis revealed that idealized influence, inspirational motivation, intellectual stimulation and individualized consideration positively and significantly influence organizational innovation. These findings are in line with the studies of Morales & Mendes, (2006), Aragon, et al. (2007), Jung et al. (2008), Khan et al. (2009), Gumusluoglu & Ilsev, (2009) and Camps & Rodriguez, (2011). Therefore, transformational leadership, was identified as a vital prerequisite and a determining factor for organizational innovation.

To facilitate organizational innovation, leaders are encouraged to pay special attention to the followers' needs, afford opportunities for them to grow and enhance their personal development, create a supportive and collaborative atmosphere to increase satisfaction, inspire trust and commitment to managers and organizational goals, develop a clear vision, and establish communicative collaboration between followers and leaders.

The results of the fifth hypothesis indicated that transformational leadership (idealized influence, inspirational motivation, intellectual stimulation and individualized consideration) positively and significantly influence knowledge management. These results correspond to the findings of Bryant (2003) and Politis (2001). As transformational leadership enhances knowledge management, it is recommended that organizations adopt this style and inspire trust in organizational goals, set clear objectives, ensure satisfaction and job security among followers, pay attention to subordinates' needs and educate followers on the processes of knowledge management to promote knowledge sharing and boost productivity in the organization.

The results of the sixth hypothesis highlighted that knowledge management performs a mediating role in transformational leadership and organizational innovation. These findings are in agreement with the studies of Kamasak and Bulutlar (2010), Darroch

and McNaughton (2002) & Wang and Wang (2012). Because knowledge management accelerates organizational innovation, it could serve as a powerful tool to respond to intense competition innovatively. It is recommended that leaders create a safe and dynamic work environment and educate senior experts and project managers to increase their awareness of knowledge management techniques and regularly assess their level of organizational knowledge. Also, they should ensure proper documentation of the findings and experiences of their followers using motivational tools. In this way, and by using information systems to record, store and recover information, leaders can lay the groundwork for management and sharing of knowledge in the organization. The main finding of the present study underlines the indirect, positive and significant impact of transformational leadership on organizational innovation with the mediating role of knowledge management. In consequence, it could be noted that through the adoption of the transformational leadership style, the workforce could function at its highest knowledge capacity and work collaboratively towards organizational innovation and gaining competitive advantage. All in all, based on the present and previous studies, it could be concluded that a transformationally-led organization displays a greater tendency towards generating novel ideas and achieving innovation.

Conclusion

The most important features of the present era are uncertainty, complexity, globalization, and technological advances. Success in these situations often requires changes in performing and managing organizational activities and tasks. In this sense, the presence of efficient and innovative leaders can help educational systems better achieve their goals. The results of this study showed that the transformational leadership style has direct and indirect effects on the organizational innovation owing to the mediating role of knowledge management. Transformational leaders have been introduced as one of the key elements of successful organizations with high capabilities of coping with increasing environmental changes and mitigating future risks. In addition to studying and explaining the theory of transformational leadership and its progress, the effect of this leadership style on the components of organizational change management, organizational culture, organizational learning, and knowledge workers was investigated. Transformational leadership has a close relationship with each of these components and creates a positive impact on them. Transformational leaders are looking for innovation and in this way they use the information and knowledge available in the organization. Knowledge management in organizations can pave the way for innovation and help transformational leaders. Therefore, in light of the effect of idealized influence on organizational innovation in the department of education, it is recommended that leaders welcome innovative behaviors of employees, avoid assigning fault to subordinates and help resolve their problems. Concerning the impact of inspirational motivation on organizational innovation in the department of education, it is suggested that leaders pay special attention to subordinates' feelings and appreciate their inner emotions. Considering the impact of intellectual stimulation on organizational innovation in the department of education, it is recommended that managers adopt and apply organizational humanistic theories and collaborative decision-making to help employees gain organizational innovation, maintain a fast pace, and demonstrate firm commitment and loyalty to their organization. Considering the impact of individualized consideration on organizational innovation in the department of education, it is suggested that leaders provide more face-to-face interactions, pay attention to employees' thoughts and opinions, listen to their comments and criticisms, and establish continuous direct communication to promote organizational innovation. Given the mediating role of knowledge management between

transformational leadership and innovation, it is recommended that more effort be made in the implementation of knowledge management in educational organizations. Through knowledge management, employees of the department of education could be transformed into knowledge workers and hence innovation will be induced and well maintained in the organization.

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