The main purpose of this study is to propose a conceptual model of Knowledge Management (KM) processes and analyze the effects of these processes on leadership based on data collected from Turkey. The empirical evidences show that five main KM processes namely knowledge generation and development, knowledge codification and storage, knowledge utilization, knowledge sharing and knowledge distribution can be constituted into a useful model.

Our research findings revealed that there is a positive linear correlation between KM processes and leadership except knowledge codification and storage.

Keywords: knowledge management, knowledge management processes, leadership.

I INTRODUCTION

The rise of knowledge economy and socio-economic transformation of the societies have led knowledge to be the fundamental means of wealth and prosperity (Drucker, 1993; Hope and Hope 1997; Bozbura, 2007). From the business perspective, knowledge seems to be a key factor for organizations’ success in the long run (Mansell and Wehn, 1998; Stewart, 2001; Tat and Hase, 2007). Due to that, leveraging the knowledge resources effectively and efficiently appears to be a vital issue in order to gain the competitive advantage and to ensure the sustainable development for the societies, as well as for the organizations (Nonaka, 1998; Davenport and Prusak, 1998; Storey and Barnett, 2000). A variety of case studies, (DeSouza and Awazu, 2006) applications (Marques and Simon, 2006; Park and Kim, 2006) and a rich literature support the belief that knowledge management (KM) plays a significant role in managing business successfully (Cortes, et. al., 2007) In this study, the concept of KM is analyzed in terms of its processes. Hence, the main purpose of this study is to compose a useful and comprehensive model for KM in terms of its core processes and analyze the empirical evidences of these processes on leadership performance based on data collected from services sector, Turkey.

II KNOWLEDGE MANAGEMENT

Recently, the field of knowledge management has emerged as an area of interest in the academic and organizational practice. The literature reveals a rapidly increasing number of studies and researches covering many different disciplines and areas of interest to academicians and practitioners (McAdam and Mcreedy, 1999). There is a vast number of definitions with more or less common in characteristics (Lytras, et al., 2002) and emphasizing several different aspects of KM. Obviously to view all the definitions and aspects of KM is beyond the scope of this study. It will be useful however, to remember some of them selectively.

According to Malhotra (2000) “KM embodies organizational processes that seek synergetic combination of data and information processing capacity of information technologies, and the creative and innovative capacity of human beings”. Malhotra (2000) also mentions that KM requires reconsideration of everything in the organization and caters to the critical issues of organizational adaptation, survival and competence in face of increasing discontinuous environmental change.

Martensson (2000) on the contrary, emphasizes the importance of intellectual capital and defines KM as “management of the intellectual capital controlled by the company”. Beijerse (1999) to add, focuses on the value of intangible assets and defines KM as “the art of creating value from an organization’s intangible assets”. Gottschalk (2000) moreover, underlines the ownership of knowledge and according to his point of view KM is “unlocking and leveraging the knowledge of individuals so that this knowledge becomes available as an organizational resource that is not dependent on those same individuals”.

O'Dell and Grayson (1998) brings another perspective to the field by describing KM as “a conscious strategy of getting the right knowledge to the right people at the right time and helping people share and put information into action in ways that strive to improve organizational performance”. Beckman & Liebowitz (1999), in addition, defines KM as “the formalization of and access to experience, knowledge and expertise that create new capabilities, enable superior performance, encourage innovation and enhance customer value”.

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http://www.kmice.cms.net.my/
Keeping all of these in mind, it is possible to make a more process-oriented definition of KM such as: “KM is the systematic management of all activities and processes referred to generation and development, codification and storage, transferring and sharing, and utilization of knowledge for the organization’s competitive edge”.

III LEADERSHIP
Leadership has become very important since the twentieth century. Many scholars from different areas have noticed this subject and made researches about it. Especially; social psychology, sociology, politics and behavioral sciences have been interested in this subject. According to Mumford (1906), “The relation of the function of leadership to the science of sociology.” From different perspectives, leadership has been discussed by the scholars like being an autocratic leader or democratic leader. Some of them tried to identify the process that how a leader can be effective or not. Some scholars declared that the leaders had specialties which made them different from other people. All of these researches developed different leadership theories (Alderfer, 1977; Podsakoff et al., 1990; Bass, 1985; Ingram et al., 2005; Zhen & Yuqi Qiang, 2012; Mumford, 1906).

There are different “leadership” definitions in literature however many scholars agreed upon that there was no certain definition of this subject. (Stewart, 2006). According to Burns (1977), “Leadership is the reciprocal process of mobilizing, by persons with certain motives and values, various economic, political, and other resources, in a context of competition and conflict, in order to realize goals independently or mutually held by both leaders and followers.”

Many scholars discussed that the leadership was a collective subject. There are three important topics for a leader to consider. First one is the leader’s position power which is necessary for a leader to control his or her followers and to earn respect. Second one is the relation between the leader and the followers. Because of that the whole process is mutual, an effective leader should manage the relations with the followers. His or her effectiveness is depended on it. For example, transformational leaders have emotional relations with their followers which have to be very powerful. The last one is the task structure which can make followers to understand correctly how they should work and achieve the goals. It is the leader’s responsibility to encourage people to believe that the task can be managed to do by using his or her talents and attitudes (Burns, 1977; Yafang, Shih-Wang, & Hsien-Jui, 2009; Avolio & Gardner, 2005; Fiedler, 1972; Avolio, 2007; Seligman, 1980; Jung & Avolio, 2000; Bennis, 1982).

The leadership theories were developed by the scholars over the time. The process started with the Big man theory which was included in the Trait approach. After that, the Behavioral approach and the Situational approach were discussed. Development of these theories made scholars to explore new leadership styles. In 1978, Burns published his work about transactional and transformational leadership. Further modifications of the Transformational leadership came from Bass and Avolio who used the notion “charisma” about this subject which had been discussed by Weber previously. According to transformational leadership style, the leader has a closer relationship with the followers which is emotional and the leader’s aim is to improve the followers’ skills to facilitate to achieve the goals by helping them. This leadership style has been discussed by the scholars in this century (Nikezic, Puric, & Puric, 2012; Odumeru & Ogbonna, 2013; Bass, 1999; Yukl, 1999).

IV RESEARCH OBJECTIVES AND METHODOLOGY
Based on the discussion of the above literature review, we propose a conceptual model of KM processes. The effects of leadership on KM performance have been analyzed in several studies (Politis, 2001; Delen, et al., 2013; Zaim and Zaim, 2008). However, there are comparatively less studies that evaluate the effects of KM processes on leadership. Hence we suggest that KM processes have direct effects on the leadership.

A. Survey Instrument
The survey instrument is composed of questions relating to the knowledge management processes and leadership. The conceptual definition of KM processes construct was adopted from work of Zaim et al.(2007). They developed a multi-item scale to operationalize the knowledge management processes in services sector. The questionnaire was finalized discussing with a panel of experts and academicians. The final version of the scale was used in the study of Turkyilmaz, et al. (2009). Each item was rated on a five-point Likert Scale anchored at the numeral 1 with the verbal statement “strongly agree” and at the numeral 5 with the verbal statement “strongly disagree”.

B. The Sample
The sample of this research was determined using judgmental sampling which is a form of convenience
sampling in which the population elements are selected based on the judgment of the researcher. Convenience sampling attempts to obtain a sample of convenient elements where the selection of sampling units is left primarily to the interviewer. This technique is recommended for less expensive and less time consuming researches.

Data collected from the companies in service sector in Turkey. Service sector can be defined as “the portion of the economy that produces intangible goods” (Investopedia, 2013). According to economic development stages of the countries, as income per capita rises, agriculture loses its primacy, giving way first to a rise in the industrial sector, then to a rise in the service sector. According to World Bank Report, These two consecutive shifts are called “industrialization” and “post-industrialization” and growing economies are likely to go through these stages. Furthermore, for the high-income countries, particularly, in the last few decades, service sector has emerged as the most dynamic and innovative sector that dominates the economic growth and wealth production (Triplett and Bosworth, 2004).

The questionnaires have been distributed to 2000 employees working in services sector in Turkey and 1068 useful ones were returned.

V ANALYSIS AND DISCUSSION
The data analysis was conducted in two steps:

- Performing an exploratory factor analysis (EFA) with varimax rotation to determine the underlying dimensions of tacit knowledge.
- Measuring the direct impact of knowledge management processes on leadership performance of the company managers.

A. Exploratory Factor Analysis (EFA)
The EFA on the 33 knowledge management items yielded 5 factors with eigen values greater than 1. All items were loaded on these 5 factors. Based on the item loadings, these factors were respectively labeled as knowledge generation and development (factor 1, KG), knowledge codification and storage (factor 2, KC), knowledge utilization (factor 3, KU), knowledge sharing (factor 4, KS) and knowledge distribution (factor 5, KD).

B. Hypothesis
It is assumed that there is a positive linear relationship between knowledge management processes and leadership performance of managers. In order to test these hypotheses a linear model is constituted and a regression analysis is performed using “Ordinary Least Squares Estimates” technique. Our main hypotheses in this study is:

H1: leadership performance increases if knowledge management processes increase.

\[ Y_{\text{lp}} = \beta_0 + \beta_1 \text{KG} + \beta_2 \text{KC} + \beta_3 \text{KU} + \beta_4 \text{KS} + \beta_5 \text{KD} \]

C. ANOVA (F) Test
The next step is assessing the significance of the model using ANOVA (F) Test that shows the combined effects of all the independent variables in the regression model. In order to consider the model to be significant, the general acceptance is that the significance level should be equal or less than %5 (α ≤ 0.05). As shown in table 1 the model is significant.

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>362,11</td>
<td>5,00</td>
<td>72,42</td>
<td>189,9</td>
<td>0,00</td>
</tr>
<tr>
<td>Residual</td>
<td>380,57</td>
<td>998,00</td>
<td>0,38</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>742,68</td>
<td>1003,00</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Furthermore, the adjusted R² (coefficient of multiple determination) is 0.49 which means almost 49% of dependent variable –leadership performance- can be explained by knowledge management processes.

D. Regression Analysis
Finally, the effects of knowledge management processes on leadership performance are going to be analyzed using “t-test” partial regression coefficients. The standardized regression weights for all variables except knowledge codification and storage are significant at the 0.05 level (table 2).

Among the knowledge processes evaluated, knowledge generation and development has the most significant effect on leadership performance followed by knowledge utilization. Knowledge sharing and distribution have comparatively less effect on leadership. On the other hand there is no meaningful relationship has been determined between knowledge codification and storage and leadership performance.

<table>
<thead>
<tr>
<th>Mode l</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>B</td>
<td>Std. Error Beta B Std. Er.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
VI CONCLUSION

There is a significant concern about KM by the academicians, researchers and practitioners. However, the application of KM in Turkey is not well structured yet. As a result, it is not easy to construct a useful KM model for the organizations in Turkey.

First of all, this study intends to clarify the core processes of KM and establish a useful KM model for the organizations in Turkey. The empirical evidences show that five main KM processes namely knowledge generation and development, knowledge codification and storage, knowledge utilization, knowledge sharing and knowledge distribution can be constituted into a useful model.

Secondly our study aims to examine the relationship between KM processes and leadership. Our research findings revealed that there is a positive linear correlation between KM processes and leadership except knowledge codification and storage.

Thirdly, the comparative effects of KM processes on Leadership have been analyzed. Among these processes, knowledge generation and development appeared to have the most significant effect on leadership.

In the end, even though KM is one of the most promising issues of the newly emerging knowledge era, it requires a phenomenal change of understanding for the practitioners as well as for the academicians. One thing for certain is that if the organizations in Turkey intend to survive in the increasing global competition, they have to give more emphasis on KM applications.

REFERENCES


