

The Effect of Leadership Styles on Knowledge Acquisition: A Research on Logistics Firms Operating in Turkey

Elif Tuba Beydilli Ali Çağrı Buran* Hülya Çınar
Kutahya Vocational School of Social Sciences, Dumlupınar University, Kutahya, Turkey

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Abstract

The importance of knowledge and knowledge acquisition has increased in today's business environment due to the challenges in keeping up with the pace of change. Knowledge acquisition is widely accepted as a potential source of competitive advantage for firms and it is related to the leadership styles of business managers. Having different leadership styles distinguishes the approaches for knowledge acquisition processes. Regarding this, in this study, we investigated the effects of the senior executives' leadership styles on knowledge acquisition process in logistics industry. The data collected through a survey from the mid-level managers' working in the logistics firms operating in Turkey. Consequently, we found a relationship between change-oriented leadership characteristics and knowledge acquisition activities.

Keywords: Leadership styles, relations-oriented behaviours, task-oriented behaviours, change-oriented behaviours, knowledge, acquisition.

1. Introduction

The importance of knowledge management has been increasing in today's enterprises day by day. Along with their employees, the enterprises' adapting to their environment and achieving success depend on the knowledge they have. Because, knowledge is a critical source for the enterprises operating in a dynamically-competitive environment. In addition to the knowledge an enterprise has in a high-competition environment (Kumar et al., 2013), the employees' efforts to acquire new knowledge will have an effect on competitiveness and performance of the enterprise (Kurt, 2004; Zhou, et al., 2014). In this context, managers' and employees' approach to acquiring knowledge and their knowledge acquisition skills are important.

Knowledge acquisition refers to an organization's defining new knowledge and acquiring it from external sources and internalizing the knowledge within an organization. (Shi, 2010; Birasnav, 2014; Chang et al., 2015, Holsapple and Joshi, 2002). The ability to acquire knowledge is a key factor to organizational success. Because, this ability helps the enterprise seize and follow opportunities in external environment as well as acquire and collect knowledge (Chang et al., 2015).

Knowledge acquisition process consists of three stages which are extracting the knowledge from external sources, interpreting this extracted knowledge and transferring the interpreted knowledge (Holsapple and Joshi, 2002). With reference to this we claim that knowledge acquisition process has two dimensions namely sources and activities. Sources refers to the external sources that knowledge can be acquired and activities refers to the operations that are interpreting the knowledge and transforming it to usable form within an organization.

Knowledge and capabilities of an enterprise are primarily based on its human and social capital (Hitt&Ireland, 2002). Therefore, it can be said that there is a close relationship between the employees' knowledge and their approach to acquiring knowledge and the managers' leadership behaviours. Because, leaders play a central role in searching, defining, organizing and spreading the valuable information through a variety of channels in order to sustain their business operations, achieve competitive advantage (Wu&Chen, 2012) and implement innovation strategies (Chang et al., 2015; Wu&Chen, 2012). For this reason, the knowledge management processes in an enterprise should be constantly supported by the leaders (Singh, 2011). Indeed, the studies in literature indicate the executives' leadership behaviour as one of the major factors affecting knowledge acquisition activities in organizations (Chang et al., 2015; Wu&Chen, 2012; Singh, 2011; Lord&Shondrick, 2011; Ghahzali et al., 2015).

Leadership is defined as the ability to influence the group for achieving goals or vision (Robbins&Judge, 2007). Therefore, leadership in organizations influences and facilitates individual and collective efforts related to the achievement of the shared goals. Leaders have an impact on the performance of an organization or team (Yukl, 2012). It is seen that there are a lot of studies on leadership behaviour and its effects. However, the fact that there are numerous studies causes to an increase in complexity (Yukl, 2012; Yukl, 1989) and the lack of precise understanding (Jago, 1982). Some of the researches deal with leadership as a feature or behaviour pattern, while others look at it through political or human-oriented perspectives (Northouse, 1997). Jago (1982) divides leadership theories into two categories as theoretical approaches and leadership-oriented structure. According to this categorization, the theoretical approaches consist of general approaches and contingency approaches. Putting an emphasis on universality, general approaches emphasize that leadership and leadership roles are constant and they may be applicable in all circumstances, whereas contingency approaches state that leadership

are shaped based on the circumstances and conditions. Considering leadership theories in the context of leadership-oriented structure, it is seen that they deal with the characteristics or certain behaviours that distinguish leaders from other people (Jago, 1982). The development process related to the leadership theories seems to have been classified as traditional leadership theories (characteristics theories, behavioural theories, contingency theories) especially widely accepted between 1910 and 1980s and the current leadership theories that have been accepted since 1980s (Lee&Chang, 2006).

The studies in the literature about leadership behaviour are classified into four groups as task-oriented, relations-oriented, change-oriented and external (Robbins&Judge, 2007).

According to the classification of leadership behaviours listed in Table 1, the main purpose of the task-oriented behaviour is to achieve objective in an effective and reliable way. The main purpose of relations-oriented behaviour is to increase the quality of human resources and relations also known as human capital. The main purpose of change-oriented leadership behaviour is to increase innovation, collective learning and adaptation related to external environment. The main purpose of external leadership behaviour is to acquire necessary information and resources and to promote and defend the interests of the team or organization (Yukl, 2012). In this study, we deal with task-oriented, relations-oriented and change-oriented leadership behaviours on the basis of this classification.

Table 1: Hierarchical Taxonomy of Leadership Behaviours

Task-oriented	Clarifying Planning Monitoring operations Problem solving
Relations-oriented	Supporting Developing Recognizing Empowering
Change-oriented	Advocating change Envisioning change Encouraging innovation Facilitating collective learning
External	Networking External monitoring Representing

Source: Yukl, 2012: 68.

Task-oriented leaders exhibit a behaviour driven by closely checking whether group members work abiding by the predetermined principles and methods and using their official authorities depending heavily on punitive authority (Zel, 2011; Koçel, 2015.). Task-oriented leaders focus on achieving group assignments and deal with business techniques and content (Robbins&Judge, 2007). In this context, this type of leadership makes it easier to achieve objectives and helps group members to reach their own goals (Saylı&Baytok, 2014). Relations-oriented leaders exhibit a behaviour based on delegation of authority, improving working conditions to increase group members' satisfaction and closely dealing with their followers' personal development and progress (Zel, 2011; Koçel, 2015). Relations-oriented leaders also take the personal needs of employees and interpersonal relations into consideration (Robbins&Judge, 2007). Therefore, relations-oriented behaviours help their followers establish relationships on their own and with each other at ease in any case (Saylı&Baytok, 2014). As for the change-oriented leaders, they exhibit a behaviour based on empowering their followers by giving them opportunities to strengthen their capacity and expand their point of view. They deal with their followers one-to-one. They encourage their followers to take risks, cope with circumstances and use authority. They support their followers' creativity and self-reliance (Taş&Önder, 2010).

A leader's exhibiting one of these leadership behaviours (task, relations or change oriented) may vary depending on the organization structure, activity area, variety of activities (Taş&Önder, 2010), organizational environment and the qualities possessed by the leader (Tengelimoğlu, 2005). However, the leadership behaviour of the leader or executive has a significant impact on employees. So, the adopted leadership behaviour also affects the approach to knowledge acquisition process. It is a fact that powerful and far-sighted leaders are needed in different and key positions in today's organizations. No matter how powerful or far-sighted a leader could be (Eroğlu et al., 2011), if the leader does not carry out any activity for knowledge acquisition from external environment or not encourage employees to acquire and share knowledge, it is hardly possible to speak of the success of the organization. Therefore, today's leaders should create areas where the employees can produce new and different ideas, speak up and respond to complex problems (Singh, 2011) and they should acquire the essential knowledge to realize these.

Although leadership behaviours are reported to have a significant impact on knowledge acquisition process, there are few studies examining the relationship between leadership behaviours and knowledge acquisition process. These studies found a significant relationship between leadership behaviours and knowledge acquisition process (Birasnav, 2014; Chang et al., 2015). Considering this shortcoming in literature, we aimed, in this study, to determine the leadership behaviours adopted by senior executives in the logistics companies operating in Turkey and their impact on knowledge acquisition process.

2. Methodology

2.1. Objective of the Study

In the study, we focused on the effects of senior executives' leadership behaviours on knowledge acquisition process in the logistics industry where an intense competition is experienced and that is always open to innovation and change. In this respect, the main objective of the study is to determine the relationship between the leadership styles of senior executives (in logistics companies) and knowledge acquisition. Accordingly, we aim to determine whether there is a relationship between different leadership styles and the stages of knowledge acquisition process.

2.2. Method

In this study, in addition to the questions for obtaining demographic information about middle level managers in the logistics industry, we used the leadership style scale developed by Ekvall and Arvonen (1991) and validated by Tengilimoğlu (2005). The same scale has been recently applied using 27 items in a doctoral thesis prepared by Diker (2014). In addition, as for the questions about knowledge acquisition, the first four questions were used by Jantunen (2005) and remaining 6 questions were used by Shin (2010). The survey questions were prepared based on 5-point Likert scale. The obtained data were analyzed utilizing SPSS 16.0 software package.

The population of the study consists of the mid-level executives in the logistics companies operating in Turkey. The mid-level executives, who work in the national and international logistics companies based in Istanbul, were selected as the sample since they are sufficient enough to represent the population. The research process involves the 2015-2016 period; during this time, the surveys were conducted with the participation of the mid-level executives working in the national and international logistics companies based in Istanbul. The analyses were carried out using the survey forms returned from 101 mid-level executives working in 40 domestic and foreign-owned logistics companies that sufficiently represent the research population. It is assumed that the participants responded to the survey questions correctly.

We used Alpha reliability test to determine to which extent the obtained data are reliable. In this respect, the lowest accepted rate is 0,60. In this study, α was calculated as 0,894 after the items 2, 3, 4, 5, 6, 8, 12, 18, 20, 22, 23 and 25 (out of 27 questions constituting leadership styles scale) were excluded and the test was repeated. As for the knowledge acquisition scale, the 2nd and 6th items were excluded from the questions constituting the scale and α value was calculated as 0,893. These results indicate that the scale is highly reliable.

2.3. Findings

A total of 101 mid-level executives participated in the survey. The identifying characteristics of the participants are listed in the Table 2.

Table 2. Identifying Characteristics of the Participants

	Characteristics	Frequency	Rate (%)
Age	21-30	48	47,5
	31-40	41	40,6
	41-50	11	10,9
	51 and above	1	1
	Total	100	100
Educational Level	Secondary – High School	4	4
	Associate	9	8,9
	Bachelor's	80	79,2
	Graduate	8	7,9
	Total	100	100
Number of Employees	50 people and below	27	26,7
	51-250	26	25,7
	251-500	20,0	19,8
	501 and above	27,0	26,7
	Missing Value	1	1,0
	Total	100	100
Capital Structure	Local	53	52,5
	Foreign	20	19,8
	Foreign Partnership	28	27,7
	Total	100	100

The factors of the leadership styles scale were determined out of 15 questions and the reliability of factor analysis was tested using “Kaiser-Meyer-Olkin (KMO) Test”. According to KMO Test results, the factor analysis has a high level of reliability ($0,878 > ,500$) (Table 3). The data were subjected to rotation through “Direct Oblimin method” in factor analysis and the factors were obtained by combining the statements that are associated with each other.

Table 3. KMO and Bartlett's Test

Kaiser-Meyer-Olkin Sample Proficiency		,878
Bartlett's Test	Approx. Chi-Square	572,673
	Df	105
	Sig.	,000

The 15 questions about the leadership style were grouped under three factors with factor analysis. Averages, Standard deviations and factor loadings related to the statements are listed in Table 4.

Table 4. Leadership Styles

	Average	Standard Deviation	Factor Loadings
Employee-oriented ($\alpha=0,840$)			
Trust their subordinates.	3,9703	,55598	,714
Attaches importance to comply with the rules and principles.	4,0990	,55687	,671
Respect their subordinates as individuals.	4,0297	,53769	,678
Are very meticulous about the plans in action.	4,1584	,56094	,554
Defend their subordinates.	3,9802	,52878	,704
Give information about the results of the units.	4,0495	,47700	,708
Encourage growth.	4,1386	,54826	,555
Production-oriented ($\alpha=0,772$)			
Create a friendly environment away from debates.	4,1386	,52971	-,549
Have an open and honest method.	4,1089	,59835	-,667
Are consistent.	4,0990	,53861	-,668
Make plans about the future.	4,1980	,52952	-,844
Change-oriented ($\alpha=0,789$)			
Open to innovation.	4,0198	,59967	-,558
Give subordinates the right to speak when making a decision.	3,9406	,54446	-,746
Give clear instructions.	4,0000	,56569	-,755
Put forward new and different ideas in the implementation of operations.	4,0099	,55669	-,736

The factors of the knowledge acquisition scale were determined out of 8 questions upon excluding 2 items out of 10 questions. 8 questions were grouped under 2 factors. The reliability of factor analysis was tested using "Kaiser-Meyer-Olkin (KMO) Test". According to KMO Test results, the factor analysis has a high level of reliability ($0,829 > ,500$) (Table 5). The data were subjected to rotation through "Direct Oblimin method" in factor analysis and the factors were obtained by combining the statements that are associated with each other.

Kaiser-Meyer-Olkin Sample Proficiency	,829
Bartlett's Test	Approx. Chi-Square
	487,546
	Df
	28
	Sig.
	,000

Averages, Standard deviations and factor loadings related to the statements are listed in Table 6.

Table 6. Knowledge Acquisition

	Average	Standard Deviation	Factor Loadings
Sources ($\alpha=0,867$)			
Company management obtains information about competitors on a regular basis.	3,8218	,68405	,736
The management regularly obtains information from research institutions such as universities.	3,7624	,68042	,995
The management regularly obtains information from competitors, customers and suppliers.	3,8416	,64394	,771
Activities ($\alpha=0,887$)			
Best practices in the industry are monitored effectively and adapted to our company.	3,9901	,71407	,777
In our company, development activities are carried out based on the analyzed market needs.	3,9802	,63214	,876
Our company makes investment and evaluations for technical knowledge (know-how) capital.	3,9406	,58003	,836
Our company is in constant pursuit of new knowledge from outside (public institutions, competitors, similar enterprises, customers, etc.).	3,9208	,62743	,726
Our company systematically analyzes customer needs.	3,9604	,59868	,720

Upon determining the factors constituting leadership styles and knowledge acquisition through factor analysis, a regression analysis was used to test the effects of leadership styles on knowledge acquisition. The results were evaluated at 95% confidence level and $p < 0,01$ significance level. Table 7 indicates the results of the regression analysis that was conducted to test the effects of leadership styles on the “Sources” factor of knowledge acquisition.

Table 7. The Effects of Leadership Styles on Knowledge Acquisition (Sources)

Independent Variables	B values	Standard error	Beta values	t values	Significance level (p)
Constant	1,160	,652		1,781	,078
Employee oriented	,215	,195	,139	1,099	,275
Production oriented	,146	,168	,104	,870	,387
Change oriented	,293	,161	,219	1,827	,071
R=,393	R ² =,154		Adjusted R ² =, 128		F=5,897
	p=, 001*				

Analyzing the results shown in Table 7, it is seen that the leadership styles explain 12,8% of the total variance of knowledge acquisition (sources) and the model is significant. Each 1-unit increase in the behaviours based on leadership styles causes respectively to “0,215”, “0,146” and “0,293” increases in the realization of knowledge acquisition (sources) for “employee-oriented”, “production-oriented” and “change-oriented” behaviours. Looking into the coefficients, it is seen that Change-oriented leadership style explains the ‘Sources’ factor of knowledge acquisition more than other leadership styles (0,219).

Table 8 indicates the results of the regression analysis that was conducted to test the effects of leadership styles on the “Activities” factor of knowledge acquisition.

Table 8. The Effects of Leadership Styles on Knowledge Acquisition (Activities)

Independent Variables	B values	Standard error	Beta values	t values	Significance level (p)
Constant	1,249	,552		2,265	,026*
Employee oriented	,081	,165	,059	,488	,627
Production oriented	,239	,142	,193	1,676	,097
Change oriented	,349	,136	,295	2,569	,012*
R=,470	R ² =,221		Adjusted R ² =, 197		
F=9,165	p=, 000*				

Analyzing the results shown in Table 8, it is seen that the leadership styles explain 19,7% of the total variance of knowledge acquisition (activities) and the model is significant. Each 1-unit increase in the behaviours based on leadership styles causes respectively to “0,081”, “0,239” and “0,349” increases in the realization of knowledge acquisition (activities) for “employee-oriented”, “production-oriented” and “change-oriented” behaviours. Looking into the coefficients, it is understood that Change-oriented leadership style explains the ‘Activities’ factor of knowledge acquisition more than other leadership styles (0,295).

Conclusion and Evaluation

The enterprises somehow need to adapt themselves to the rapidly changing world in order to maintain their competitive capabilities. Hence, they need to monitor changing market/environment conditions and should be constantly aware of competitors, customers, markets and etc. Thus, it is possible for enterprises to gain a competitive advantage anticipating opportunities and threats in advance. At this point, the role of business executives and their ability to steer the enterprise –leadership skills in other words– become important and the enterprise’s ability to focus particularly on change and vision comes into prominence.

In this study, we investigated the effects of the senior executives’ leadership styles on knowledge acquisition process in logistics industry where an intense competition is experienced and that is always open to innovation and change. Consequently, there was no difference regarding knowledge acquisition sources among the companies having senior executives with production-oriented, employee-oriented and change-oriented leader characteristics while we found a relationship between change-oriented leadership characteristics and knowledge acquisition activities.

To conclude, the business executives need to have change-oriented characteristics rather than production-oriented or employee-oriented characteristics in order to access and acquire accurate information sources in/for their enterprises in the logistics industry experiencing a rapid change and development in Turkey.

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