

## **Impact of Transformational Leadership on Tacit Knowledge Management through Organizational Culture and Motivation: A Case of Petroleum Industry in Pakistan**

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### **Abstract**

*Leaders attempt to provide opportunities for the development of organization through leadership style. Transformational leadership is one such style that integrates the factors of “sympathy, consideration, understanding, associating and invention (Jin, 2010). Tacit knowledge is an essential factor in the growth of any organization and it provides a momentous part of all the properties compulsory to organizational growth. Tacit knowledge is now considered as a competitive advantage in organization. The study focuses on the impact of Transformational Leadership (TL) on Tacit Knowledge Management (TKM) in the existence of Organizational Culture (OC) and Motivation (M). Quantitative research design is used along with stratified random sampling type of probability sampling technique. Data was collected from 255 respondents as middle level managers, lower level managers, and technicians to examine the model in the petroleum industry of Pakistan. Furthermore, data was tested through correlation and regression analyses. The results proved positive impact of TL on TKM which means that enhancing participation of staff in Leadership, the participation of employees in TKM increases. The relationship role of mediating variables was also positive which means that OC and M have very crucial role in the work environment Viz-a-viz human resource and performance of organization.*

**Key Words:** Transformational Leadership, Organizational Culture, Competitive Advantage, Tacit Knowledge Management

### **Introduction**

This study aims to examine the potential impact of transformational leadership on tacit knowledge management in the context of Petroleum Industry of Pakistan. Additionally, the study will discover the role of mediating variables such as motivation as well as organizational culture between the transformational leadership and tacit knowledge management. Managing tacit knowledge is identified as bringing competitive advantage, and many organizations incorporate tacit knowledge management as a strategy (Davenport, & Völpe, 2001). Researchers suggest

effective tacit knowledge management is the way to steer core competencies to achieve competitive advantages (Hlupic, Pouloudi, & Rzevski, 2002).

Transformational leadership has positive impact on tacit knowledge management (Politis, 2002; Crawford, 2005) on organizational culture (Singh, 2008) and motivation (Avolio, 1999; Sosik, Avolio, & Kahai, 1997). Organizational culture has positive impact on tacit knowledge management (Kumar, Jain, & Tiwary, 2013; Oliver, & Reddy Kandadi, 2006). The gap is the mediating role of motivation (MacNeil, 2003) and organizational culture (Ardichvili, Maurer, Li, Wentling, & Stuedemann, 2006) in relation of the transformational leadership and tacit knowledge management (Humayun, & Gang, 2013; Hansen, Mors, & Løvås, 2005). So, the main determination of this study is to check this gap by studying the mediating roles of proposed constructs.

Transformational leader assists employees to make sense out of variation (Gan, Ryan, & Gururajan, 2006). The modality of transformation is established on sympathy, accepting, vision, and thought. Transformational leadership is a requisite in growing technological change. Attitude and conduct should be goal of transformational leader. The basic cause of technological transposition disappointment is fear. In the competitive environment, an organization is required having ability to absorb members' knowledge and it can capitalize on it by finding its competitive strength (Smith, Collins, & Clark, 2005). Some kind of knowledge creation can be tacit knowledge directed through conversation, and mobilization. Thus, to convert tacit knowledge into explicit knowledge is known a prerequisite to knowledge elaboration that it may be a contribution of organization's knowledge network (Herschel, Nemati, & Steiger, 2001). A company may enhance capability through integration of tacit knowledge in business practices (Rasula, Vuksic, & Stemberger, 2012).

### **Problem Statement**

Reluctance of employees to share tacit knowledge and perception that tacit knowledge sharing will bring opposing effect on their careers are two main factors as a barrier in managing tacit knowledge in organizations (Malik, 2008). It is important to look leadership style and policy preparation to recognize the problem. Due to lack of trust companies have problem in tacit knowledge management (Ives, Torrey, & Gordon, 2000). So, the study aims to evaluate the impact of Transformational Leadership on Tacit Knowledge Management in the Petroleum Industry Sector of Pakistan.

### **Research Questions**

1. What is the impact of Transformational Leadership on Motivation, Organizational Culture, and Tacit Knowledge Management?
2. What is the impact of Motivation and Organizational Culture on Tacit Knowledge Management?
3. What is the relationship role of Motivation and Organizational Culture as mediators with independent and dependent variables?

### **Literature Review**

Transformational leadership has strong relationship with tacit knowledge management behavior (Singh, 2008). Transformational leadership has a link with employees' commitment (Chen, 2011). Transformational leader strengthens the capability of individual by means of providing moral and technical support (Bertocci, 2009). Transformational leader strives to make

the threats and failure as opportunities for learning (Avolio, & Bass, 2001). Transformational leadership is valuable in quick variations and assists in training for future crises (Bass, & Riggio, 2006; Al-Husseini, & Elbeltagi, 2016). Job satisfaction of employees strongly links with leadership behaviors.

Transformational leadership holds positive impact on tacit knowledge learning of staff (Politis, 2002; Crawford, 2005). Transformational leadership is viewed as one of the most powerful modern leadership theories (Bono, & Judge, 2003) The strong point of transformational leadership is based upon a process where leaders motivate employees (Burns, 1978) and it assists to bring best appropriate performing of organization (Saenz, 2011). Such leader is capable to increase group cohesion, commitment of organization, and job satisfaction (Mohammad, Al-Zeaud, & Batayneh, 2011).

Transformational leaders have capacity to shape helpful environment for employees in organization to facilitate conversation networks, group spirit, confidence, and knowledge sharing (Northouse, 2011; Lynch, 2012). They try to shape modifications which enhance performing and organization success, create higher efficiency and meet expectations (Jandaghi, Matin, & Farjami, 2009). Transformational leader has more influence on personal creativity of persons than transactional leadership (Crawford, Gould, & Scott, 2003). It enhances job satisfaction more than transactional and laissez-fair (Pihie, Sadeghi, & Elias, 2011; Bodla, & Nawaz, 2010).

Tacit knowledge is like a bold as well as sure common sense of something – the fact, the act, or the state of understanding (Singh, 2008). Tacit knowledge becomes subconsciously unspoken or applied, hard to clear, established in straight act and expertise, and shared in talking, fable telling, etc. Information may be captured, and saved into digital form where tacit knowledge depositories maintain just within confidential sockets. Tacit knowledge becomes contrast of explicit knowledge; therefore, it does not become simply codified, and transmitted straight like documents, blue prints, and methods (Kreiner, 2002). Tacit knowledge is conserved into the head of employees and it is hard to assign and explain. Tacit knowledge explains personal, subjective, and intangible (Hislop, 2013). It is gathered from training, learning, and practice, and established over communications, workshops, work teaching, and public interrelation (Von Krogh, Nonaka, & Rechsteiner, 2012). Various dimensions of tacit knowledge can be known through following popular SECI Model.

### **Socialization**

Employees obtain tacit knowledge by help of public experience such as workplace interactions or dwelling into similar atmosphere (Nonaka, & Toyama, 2015). Individuals interact in groups to make it possible to share knowledge through process of socialization (Kumar, Jain, & Tiwary, 2013).

### **Externalization**

After obtaining tacit knowledge employees attempt to rationalize and articulate. Tacit knowledge is built explicit so that it may be shared with other to be the foundation of new knowledge such as thoughts, pictures, and printed papers (Nonaka, & Toyama, 2015). Information Technology may influence the employees` motivation to articulate the tacit knowledge into the externalization procedure (Oye, Salleh, & Noorminshah, 2011).

### **Combination**

In this style, the spoken knowledge is composed, treated, reconfigured, and distributed among followers as new explicit knowledge. Joining the spoken way knowledge, ideas are shaped and then dispersed (Oye, Salleh, & Noorminshah, 2011). In the combination procedure, “defense

of knowledge takes place to form the base for circulation so that members can consider and form a consensus on which pieces of explicit knowledge or combinations thereof are truly worthwhile.

**Internalization**

The developed explicit knowledge is applied and utilized in practical situations by means of act, exercise, and likeness that it may benefit someone (Nonaka, & Toyama, 2015). The explicit knowledge is transmitted in tacit knowledge through employees utilizing it. Employees obtain new tacit knowledge that may be utilized as stock in a new socialization method to another round of knowledge creation. Through the externalization and combination styles, employees attain explicit knowledge through system and these schemes can influence employees` motivation in the internalization process.

**Motivation and Tacit Knowledge Management**

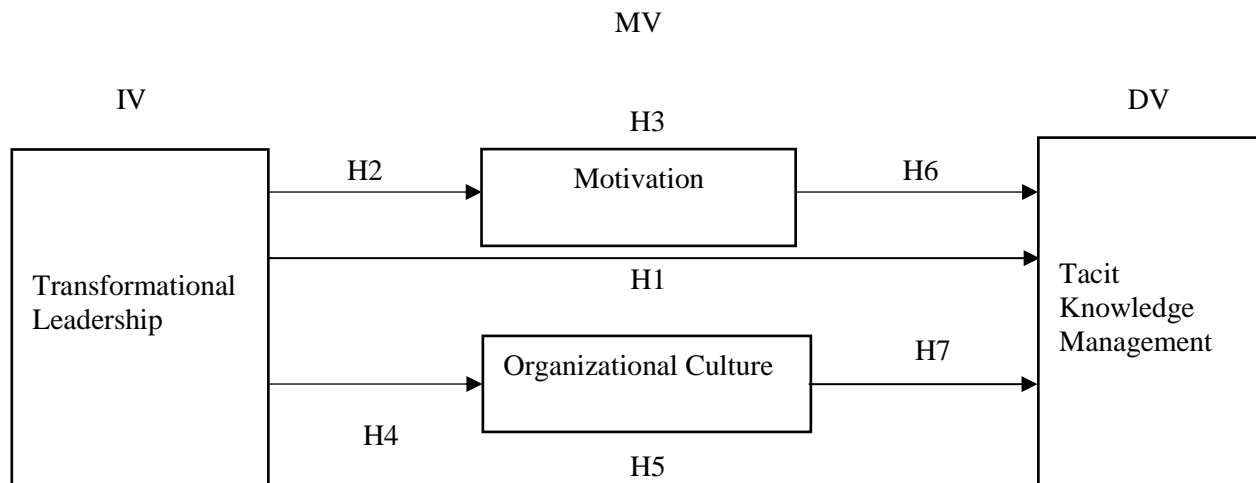
Motivation is aspiration to perform, act, pursuing goal and campaign (Ahmad, Abbas, Latif, & Rasheed, 2014). The word motivation is from Latin word *notes*, a form of verb, meaning to move, influence, affect, and excite (Re'em, 2011). Motivation belongs to thought, intention, and personal selection. Motivation determines how much an employee persists regarding taking on objectives. It can be explained as elements which influence employees to perform and get the wanted results.

**Organizational Culture and Tacit Knowledge Management**

Organizational culture acts as enabler of tacit knowledge sharing behavior in an organization. It is achieved by means of being open to change and being inventive (Kathiravelu, Mansor, Ramayah, & Idris, 2014). Public vision is important factor of culture which will affect tacit knowledge sharing. Through top management support, self-efficacy, successful communication, market coordination, intrinsic motivation, and assistance to other are important for creating tacit knowledge sharing behavior (Mueller, 2012). There is positive relationship between the organization culture and tacit knowledge sharing behavior (Ruppel, & Harrington, 2001).

**Proposed Research Model**

On the basis of the literature reviewed, following theoretical framework was proposed to find the impact of Transformational Leadership on Tacit Knowledge Management in the existence of mediating role of Organizational Culture and Motivation.



## Hypotheses

- H<sub>1</sub>: Transformational Leadership significantly affects Tacit Knowledge Management.  
H<sub>2</sub>: Transformational leadership has a significance impact on motivation.  
H<sub>3</sub>: Motivation mediates the relationship between Transformational Leadership and Tacit Knowledge Management.  
H<sub>4</sub>: Transformational Leadership significantly affects Organizational Culture.  
H<sub>5</sub>: Organizational Culture mediates the relationship between Transformational Leadership and Tacit Knowledge Management.  
H<sub>6</sub>: Motivation significantly affects Tacit Knowledge Management.  
H<sub>7</sub>: Organizational Culture significantly influences on Tacit Knowledge Management.

## Research Design

The study followed positivist approach and is quantitative in nature. Conducted in Petroleum Industry Sector of Pakistan, the target population was employees (middle, lower level managers, and technicians) of Oil and Gas Nashwa Plant in Karaka District Khyber Pakhtunkhwa, Pakistan. The study sample was around 320 employees of Oil and Gas Plant of Nashwa in Karaka District. Stratified random sampling was used and data was collected through questionnaire in Nashwa Plant. Five-point Likert Scale was used to measure the study's variables where 1 stands for strongly agree and 5 for strongly disagree. Statistical Package for Social Science (SPSS) was used for analysis. Different type of tests like demographic, descriptive statistics, correlation, and regression analysis was used to test hypotheses.

## Analysis and Discussion

Total numbers of 320 questionnaires were distributed in the Oil and Gas Plant of Nashpa in Karak District Khyber Pakhtunkhwa, Pakistan. Three hundred and five responses to questionnaire were received. Fifty questionnaires were found incomplete. 255 questionnaires were used in the study. Response rate was 79% which is very good. Table below shows Reliability Analysis. Value of alpha coefficient 0.7 and high is appropriate for an instrument (Cassady, & Johnson, 2002).

Table 1: Reliability Assessment of TL, OC, M, and TKM

S.No	Factors	N of Items	Cronbach's Alpha
1	TL	16	0.975
2	OC	12	0.974
3	M	12	0.931
4	TKM	15	0.979

Sixteen items measure transformational leadership (TL) through four dimensions. The Cronbach's alpha for TL is 0.975 that shows there is highest consistency among transformational

leadership items. Organizational culture (OC) comprised of four dimensions. Value for OC is 0.974 and measured through twelve items. Therefore, it is most acceptable value with respect to interior consistency among the organizational culture items. Motivation is measured through twelve items that further comprised of four dimensions with 0.931 represents high interior consistency among motivation items. Tacit knowledge management (TKM) comprised of five dimensions and measured through fifteen items, reliable at 0.979.

**Correlation analysis**

Table 2: Correlation of TL, OC, M, and TKM

		TL	TKM	OC	M
TL	Pearson Correlation	1	.964**	.968**	.947**
	Sig. (2-tailed)		.000	.000	.000
	N	255	255	255	255
TKM	Pearson Correlation	.964**	1	.973**	.949**
	Sig. (2-tailed)	.000		.000	.000
	N	255	255	255	255
OC	Pearson Correlation	.968**	.973**	1	.947**
	Sig. (2-tailed)	.000	.000		.000
	N	255	255	255	255
M	Pearson Correlation	.947**	.949**	.947**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	255	255	255	255

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Table 2 represents the correlation among TL, OC, M, and TKM in this study with respect to middle level managers, lower level managers, and technicians. TL and TKM: TL and TKM are significant strongly correlated at value  $p= 0.000$  and the correlation is 0.964. TL and OC: TL and OC are also significant strongly correlated at value  $p= 0.000$  and the correlation is 0.968. TL and

M: TL is strongly correlated with M, at value  $p=0.000$  and correlation is 0.947 that both show strong correlation. OC and TKM: OC is significantly positive correlated with TKM at value  $p=0.000$  and correlation is 0.973 that show both have strong correlation. M and TKM: M is also significantly positive correlated with TKM at value  $p=0.000$  and correlation is 0.949. It shows strong correlation.

**Regression Analysis**

*Table 3: Model Summary of TL and TKM*

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.964 <sup>a</sup>	.930	.930	.14790

a. Predictors: (Constant), TL

Model summary confirms relationship between TL and TKM with correlation at (R=0.964). R square value 0.930 means that independent variable TL forecasted 93% variation in the dependent variable TKM.

*Table 3: ANOVA of TL and TKM*

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	73.782	1	73.782	3.373E3	.000 <sup>a</sup>
	Residual	5.534	253	.022		
	Total	79.316	254			

a. Predictors: (Constant), TL

b. Dependent Variable: TKM

ANOVA at F statistics 3.373E3 and significance at 0.000 means that B coefficient will keep non-zero value.

Table 4: Regression between TL and TKM

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	.231	.073		3.153	.002
	TL	.952	.016	.964	58.078	.000

a. Dependent Variable: TKM

Beta 0.964 confirms TL yields 0.964-unit movement in response to unit change in TKM, t value 58.078 and p value 0.000 put consequence in line with the first hypothesis of the study.

### Regression between TL and M

Table 5: Model Summary of TL and M

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.947 <sup>a</sup>	.897	.897	.16887

a. Predictors: (Constant), TL

Model summary shows a strong correlation between the TL (predictor variable) and M (outcome variable) R= 0.947. R sq value means TL (independent variable) forecasted 89.7% variation in the M (dependent variable).



Table 6: ANOVA of TL and M

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	62.985	1	62.985	2.209E3	.000 <sup>a</sup>
	Residual	7.215	253	.029		
	Total	70.200	254			

a. Predictors: (Constant), TL

b. Dependent Variable: M

ANOVA with F statistics 2.209E3 and significance at 0.000 means coefficient of B will be non-zero.

Table 7: Regression between TL and M

Model		Unstandardized Coefficients		Standardized Coefficients		Sig.
		B	Std. Error	Beta	t	
1	(Constant)	.368	.084		4.395	.000
	TL	.880	.019	.947	46.996	.000

a. Dependent Variable: M

Beta above 0.947 means one-degree TL (predictor variable) moves 0.947 degree in M (outcome variable), t 46.996 and significance pose result in line with 2<sup>nd</sup> hypothesis of the study.

### Mediation Regression among TL, M, and TKM

Table 8: Model Summary of TL, M, and TKM

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.971 <sup>a</sup>	.943	.942	.13435

a. Predictors: (Constant), M, TL

Table represents a strong correlation of TL and M with TKM (R= 0.971). TL and M in combine regression forecasted 94.3% variation in the TKM (outcome variable).

Table 9: ANOVA of TL, M, and TKM

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	74.768	2	37.384	2.0713	.000 <sup>a</sup>
	Residual	4.549	252	.018		
	Total	79.316	254			

a. Predictors: (Constant), M, TL

b. Dependent Variable: TKM

ANOVA supports 3<sup>rd</sup> hypothesis as F statistics 2.0713 becomes significant at p 0.000 i.e. coefficient of B will keep a value of non-zero.

Table 10: Regression among TL, M, and TKM

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients		
1	(Constant)	.095	.069		1.378	.170
	TL	.627	.046	.635	13.498	.000
	M	.370	.050	.348	7.389	.000

a. Dependent Variable: TKM

Beta 0.635 through placing motivation in regression which previously was 0.964 without mediation, at same significance level as p values in both situations are greater than 0.05 which satisfies the condition of limited mediating; the value of t comes in the satisfactory area. Thus, it means that M mediated the impact of TL on TKM.

### Regression between TL and OC

Table 11: Model Summary of TL and OC

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.968 <sup>a</sup>	.937	.937	.14189

a. Predictors: (Constant), TL

Model shows the relationship between TL and OC is strong at R= 0.968. R sq value is 0.937 means that TL (independent variable) forecasted 93.7% variation in the OC (dependent variable).

Table 12: ANOVA of TL and OC

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	75.756	1	75.756	3.763E3	.000 <sup>a</sup>
	Residual	5.093	253	.020		
	Total	80.849	254			

a. Predictors: (Constant), TL

b. Dependent Variable: OC

ANOVA provides evidence at F statistics and p .000 so coefficient of B follows non-zero value.

Table 13: Regression between TL and OC

Model		Unstandardized Coefficients		Standardized Coefficients		Sig.
		B	Std. Error	Beta	t	
1	(Constant)	.170	.070		2.410	.017
	TL	.965	.016	.968	61.343	.000

a. Dependent Variable: OC

Coefficient of B shows that unit increase in TL (predictor variable) gives 0.968 Unit increase in OC (outcome variable), t value 61.343 and p 0.000 stabilize the relationship. Result becomes in line with the 4<sup>th</sup> hypothesis.

**Mediation Regression among TL, OC, and TKM**

*Table 14: Model Summary of TL, OC, and TKM*

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.977 <sup>a</sup>	.954	.954	.11991

a. Predictors: (Constant), OC, TL

Model signals strong correlation of TL and OC with TKM (R= 0.977). Value of R sq 0.954 means TL and OC collectively forecasted 95.4% variation in the TKM (outcome variable).

*Table 15: ANOVA of TL, OC, and TKM*

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	75.693	2	37.847	2.632E3	.000 <sup>a</sup>
	Residual	3.623	252	.014		
	Total	79.316	254			

a. Predictors: (Constant), OC, TL

b. Dependent Variable: TKM

ANOVA confirms the claim as F statistics 2.632E3 is significant at p 0.000 so coefficient of B will keep a value of non-zero.

*Table 16: Regression among TL, OC, and TKM*

Model		Unstandardized Coefficients		Standardized Coefficients		Sig.
		B	Std. Error	Beta	t	
1	(Constant)	.127	.060		2.118	.035
	TL	.361	.053	.366	6.820	.000
	OC	.613	.053	.618	11.529	.000

a. Dependent Variable: TKM

The coefficient of B value in the table above is 0.366 through placing OC in regression which was 0.968 without mediation. This change occurred at the same significance level as p values in both situations are greater than 0.05 which satisfies the condition of limited mediating; the value of t comes in the satisfactory area. OC mediated the impact of TL on TKM vivifying 5<sup>th</sup> hypothesis.

**Regression between M and TKM**

*Table 17: Model Summary of M and TKM*

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.949 <sup>a</sup>	.901	.901	.17600

a. Predictors: (Constant), M

Model witnesses a strong correlation between the M (predictor variable) and TKM (outcome variable). Value of R sq, means M (independent variable) forecasted 90.1% variation in the TKM (dependent variable).

*Table 18: ANOVA of M and TKM*

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	71.479	1	71.479	2.308E3	.000 <sup>a</sup>
	Residual	7.837	253	.031		
	Total	79.316	254			

a. Predictors: (Constant), M

b. Dependent Variable: TKM

ANOVA conforms to proposition as F statistics is significant at p 0.000 thus coefficient of B will keep a value of non-zero.

Table 19: Regression between M and TKM

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.146	.090		1.613	.108
	M	1.009	.021	.949	48.037	.000

a. Dependent Variable: TKM

Coefficient of B means a single rank change in M (predictor variable) yields 0.949 change in TKM (outcome variable), value of t at p 0.000 stabilize the relationship. Result becomes in line with 6<sup>th</sup> hypothesis.

### Regression between OC and TKM

Table 20: Model Summary of OC and TKM

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.973 <sup>a</sup>	.946	.946	.13025

a. Predictors: (Constant), OC

Model summary table shows the relationship of OC and TKM. It is a strong correlation between the OC (predictor variable) and TKM (outcome variable) R= 0.973. The value 0.946 means OC (independent variable) forecasted 94.6% variation in the TKM (dependent variable).

Table 21: ANOVA of OC and TKM

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	75.025	1	75.025	4.423E3	.000 <sup>a</sup>
	Residual	4.292	253	.017		
	Total	79.316	254			

a. Predictors: (Constant), OC

Table 21: ANOVA of OC and TKM

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	75.025	1	75.025	4.423E3	.000 <sup>a</sup>
	Residual	4.292	253	.017		
	Total	79.316	254			

b. Dependent Variable: TKM

ANOVA supports relationship as F value is significant at p 0.000 which means the coefficient of B will keep a value of non-zero.

Table 4. 4: Regression between OC and TKM

Model		Unstandardized Coefficients		Standardized	T	Sig.
		B	Std. Error	Coefficients		
1	(Constant)	.169	.065		2.599	.010
	OC	.963	.014	.973	66.503	.000

a. Dependent Variable: TKM

Coefficient of B shows a unit movement in OC (predictor variable) produces 0.973 change in TKM (outcome variable), the value of t 66.503 and value of p 0.000 stabilize the relationship. Result becomes in line with 7<sup>th</sup> hypothesis of the study.

## Conclusion

Crux of the study was to investigate the impact of transformational leadership on tacit knowledge management in existence of organizational culture and motivation. According to previous studies transformational leadership has significant positive influence on tacit knowledge management, organizational culture and motivation. Strength of transformational leadership reflects in service delivery, responsiveness to external environmental challenges and change. Tacit knowledge on other hand needs to be prudently managed for diffusion and harnessing a learning organization. The transformational leadership emerged as an innovative device in context of tacit knowledge in technology-savvy sectors like Petroleum industry. There emerged a way forward to absorb tacit knowledge and create new knowledge to make strength for their competency in the market.

The research tested seven hypotheses to investigate the questions and achieve research objectives. All hypotheses were accepted positively. TL and TKM indicated positively significant influence (H1) i.e. employees' participation in Transformational Leadership increase their involvement in Tacit Knowledge Management. TL and M indicated significantly positive relationship (H2). So, providing tangible and intangible rewards to employees AT workplace are the main factors in increasing motivation level. The limited mediating role of M between TL and TKM in regression procedure aids positive impact of TL on TKM (H3). M and TKM indicated positive and significant relationship (H4) which means that providing more opportunity in employees' motivation increases their participation in tacit knowledge management.

Study finds out partial mediating impact on relationship role of OC between TL and TKM in the regression process with TL and the positive consequence of TL raised on TKM (H5). TL and OC have been found significantly related which means that participation in TL the leader attempts to manage quality instructing, training, character building, distributive justice, and career development to increase the satisfaction and morale in OC. OC and TKM have been found significantly related depicting that increasing facilitation and support for staff increases the satisfaction of employees in TKM. It shows clues that will clarify dynamics of performance and outcome enhancement. Organizations with stronger leadership bonds maintain competitive advantages, increase interactive understandings and capitalize on effective knowledge accumulation on face of uncertainty.

### **Practical Contribution**

Study at hand, contributes framework describing transformational leadership behavior, organizational culture, and motivation to improve tacit knowledge management. It is important to mention that TKM emerged as significant factor in maintaining competitive advantages. Some vivid traces of performance indicators were found in the context of specific case of petroleum industry. The organization fulfills the needs of employees regarding work enrichment and provides intrinsic motivation leading to individual and organizational success. Managers encourage knowledge sharing behaviors of employees.

It is recommended that leaders should value tacit knowledge by motivating questioning, and research and development endeavors. Leaders must establish trust among employees and help in investigational acquisition of knowledge so that the organization may maintain a stable competitive position.

Leaders and managers of the petroleum industry of Pakistan need to maintain the satisfaction of employees and provide cooperative work environment to increase participation of staff in TKM. There is a need to maintain the increase of TL through participation of members, training and harnessing cultural diversity.

### **Future Research Directions**

Study unveiled the direct impact of proposed independent variables on dependent ones in addition to two mediating variables. For knowledge managers, it is recommended to consider the relationship between transformational leadership and tacit knowledge management in multiple organizations in future studies. Sample size can be increased and survey can be collected with numerous sectors of the industries. In each single construct of the study, some more dimensions can be added on experimental Basis. Longitudinal study can yield Long-term impact assessment of model in knowledge industries. Some variables like cross functional dynamics, communication, competitive environment, and leader's characteristics may be taken as mediating variables in future endeavors.



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