International Journal of Studies in Business Management, Economics and Strategies
Volume 4, Issue 10, October- 2025
ISSN (E): 2949-883X
Scholarsdigest.org

THE RELATIONSHIP BETWEEN TRANSFORMATIONAL LEADERSHIP AND THE QUALITY OF STRATEGIC DECISION-MAKING: THE ENHANCING ROLE OF KNOWLEDGE MANAGEMENT

Haider Hassan Reda
General Directorate of Education in Diyala
Email: Haidar.hasan1203a@coadec.uobaghdad.edu.iq

Hussein Qusay Abbood
Department of Financial and Banking Sciences /
College of Administration and Economics / University of Baghdad / Iraq
Email: Hussein.hussein1205@coadec.uobaghdad.edu.iq
ORCID ID: https://orcid.org/0000-0002-0069-6795

Mahdi Hanon Hussein
Central Bank of Iraq

Abstract
This study examines the relationship between transformational leadership and the quality of strategic decision-making, with a particular focus on the enhancing role of knowledge management. Transformational leadership is widely recognized for inspiring vision, fostering innovation, and encouraging collaboration; however, its impact on decision-making quality remains contingent on how effectively organizations manage and utilize knowledge. Drawing on leadership and knowledge management theories, this research explores how leaders who motivate and empower their teams can improve strategic decision outcomes when supported by robust knowledge management practices. The study highlights that transformational leadership, when integrated with systematic knowledge acquisition, sharing, and application, significantly enhances the accuracy, creativity, and timeliness of strategic decisions. The findings underscore the importance of cultivating knowledge-driven leadership to ensure organizational resilience, adaptability, and long-term competitiveness in complex and dynamic environments.

Keywords: Transformational Leadership, Strategic Decision-Making, Knowledge Management, Organizational Performance, Leadership Effectiveness.

Introduction

Financial institutions, particularly central banks, are witnessing rapid and dynamic transformations due to regulatory, technological, and market-related challenges. This

necessitates the presence of effective leadership capable of guiding strategic performance efficiently. Transformational leadership is one of the modern leadership styles that has proven effective in empowering and motivating employees, while fostering a flexible organizational environment based on participation and intellectual influence. Consequently, the need for sound strategic decisions—reflecting a precise understanding of the changing environment and grounded on robust informational and knowledge-based foundations—is increasingly emphasized.

The literature highlights the importance of transformational leadership in enhancing decision-making quality, especially when complemented by systematic investment in knowledge management, which has itself become a key component of the organizational knowledge infrastructure. This relationship is particularly significant in high-sensitivity work environments, such as central banks, where strategic decision-making serves as a critical tool for guiding performance and achieving stability.

From this perspective, the present study aims to analyze the relationship between transformational leadership and the quality of strategic decision-making, while examining the enhancing role of knowledge management as a mediating variable capable of supporting the impact of leadership on critical decisions, based on a practical context represented by the middle-management employees of the Central Bank of Iraq.

Research Problem

The research problem lies in the fact that strategically-oriented organizations, such as the Central Bank of Iraq, often face difficulties in achieving high-quality decision-making despite the presence of advanced leadership styles. This raises the following question: To what extent does transformational leadership influence the quality of strategic decision-making, and what role does knowledge management play in enhancing this relationship?

Significance of the Study

1. It addresses recent and interrelated variables within a sensitive strategic environment.
2. It contributes to guiding decision-makers in the Central Bank to understand the impact of transformational leadership on the quality of their decisions.
3. It highlights the role of knowledge management as an effective strategic mediator.
4. It supports financial organizations in developing integrated leadership and knowledge models that enhance organizational performance.

Research Objectives

1. To analyze the impact of transformational leadership and its dimensions on the quality of strategic decision-making among middle-management employees in the Central Bank of Iraq.
2. To measure the role of knowledge management in enhancing the relationship between transformational leadership and decision-making quality.
3. To provide a practical framework that helps improve strategic decisions through the development of leadership and knowledge management.
4. To propose scientific recommendations that support the decision-making environment in financial organizations.

1) **Transformational Leadership Concept**

The concept of transformational leadership was first developed by the American scholar James Burns (1978) in his book "Leadership", where he replaced the concept of transactional leadership with transformational leadership. He defined it as an attempt to challenge subordinates and motivate individuals, groups, and organizations to strive for improvement. Initially, Burns emphasized transformational leadership as a means of enhancing mutual understanding between the leader and employees. In 1985, he further developed the theory of transformational leadership, providing a deeper understanding of the interaction between leaders and employees, which is managed in a way that supports achieving both organizational and personal goals (Agbarakwe & Okocha, 2021:265).

Transformational leadership is considered both a concept and an administrative approach imbued with inspirational motives, collective sense of mission, and heightened awareness of objectives, vision, and enlightened ambition, aiming to transform followers' personal values and self-concepts into a higher level of needs and aspirations (Afsar et al., 2016:10). Moreover, transformational leadership is recognized for its ability to communicate effectively and realize organizational vision, thereby enabling the construction of a healthier organizational culture with higher commitment and employee performance productivity (Ahmad et al., 2024:44).

2) **Dimensions of Transformational Leadership**

1. Idealized Influence: Idealized influence is considered a charismatic element of transformational leadership. Charisma is defined as the ability to "inspire vision", or as a style in which employees trust their leader, are motivated by their behavior, adopt their values, and commit to achieving the organization's vision, mission, and objectives (Abun et al., 2020:359). Idealized influence refers to the behaviors of transformational leaders that elicit the trust, admiration, respect, and desire of followers to emulate the leader. Through these behaviors, transformational leaders demonstrate that their subordinates' needs take precedence over the leader's personal gains or interests (Chebon et al., 2019:135).
2. Inspirational Motivation: Transformational leaders possess the ability to inspire and exert a direct positive influence on employees, encouraging them to work collaboratively, respond to task-related instructions and responsibilities, and believe in their own capabilities to achieve objectives. Employees are expected to feel a sense of purpose, which fosters a mindset oriented toward accomplishment (Nuel et al., 2021:172).
3. Intellectual Stimulation: Transformational leadership enables employees to engage in creative and innovative problem-solving, think critically, and address potential organizational threats. Intellectual stimulation involves soliciting new ideas and innovative solutions from subordinates, involving them in decision-making processes, and encouraging experimentation with new methods. Transformational leaders do not criticize employees' ideas, even if they differ from the leaders' own perspectives (Abun et al., 2020:360).
4. Individualized Consideration**:** Individualized consideration refers to the extent to which leaders provide support, encouragement, and training to employees. This dimension reflects the leader's empathy and democratic approach in recognizing individual differences related

to employees' needs and desires, paying particular attention to their personal requirements (Nuel et al., 2021:172).

3) **Knowledge Management Concept**

Knowledge and its management are considered critical elements for organizational success, as they enable organizations to identify, collect, and apply knowledge to improve outcomes. Theories on organizational knowledge have varied between the "possession" perspective, which views knowledge as a tangible asset that can be stored and utilized, and the "practice" perspective, which considers knowledge as a product of social and contextual interaction. Knowledge emerges as a strategic asset according to the resource-based view due to its value, rarity, and difficulty of imitation. It is shaped by cumulative organizational interactions and experiences, which are integrated into organizational processes and behaviors.

The literature distinguishes between explicit knowledge, which is codified, transferable, and storable, and tacit knowledge, which is experience-based and not easily articulated. Tacit knowledge forms the foundation for organizational innovation and development (Olan et al., 2022:607).

Despite the crucial role of academics in knowledge creation and sharing, studies indicate challenges related to knowledge hoarding in academic institutions, making knowledge management an emerging and essential research agenda for improving performance and innovation (Al-Kurdi, 2020:217). Knowledge management can be defined as all activities conducted based on knowledge acquired individually and collectively, both inside and outside the organization, including primary and secondary knowledge-related activities, with the nature of these processes varying from one organization to another (Alharithy, 2015:728).

4) **Dimensions of Knowledge Management**

1. Knowledge Generation: Knowledge generation refers to the accumulation of experience within individuals, which is partially or largely difficult to articulate, or can be organized into more explicit content. Knowledge is generated through the interaction and intersection of tacit and explicit knowledge, as it emerges from interactions between individuals or between individuals and their environment (Chou & Tsai, 2014:206).

2. Knowledge Storage: This involves organizing and preserving acquired knowledge in databases, documents, and information systems that facilitate its retrieval later. Proper storage contributes to minimizing knowledge loss during employee turnover or project completion (Okafor et al., 2019:3).

3. Knowledge Transfer: Knowledge transfer encompasses a variety of interactions between individuals and groups, both within and across teams, and from groups to the organization. Transfer can occur either unidirectionally or through multidirectional exchanges (Paulin & Suneson, 2019:83).

4. Knowledge Application: Knowledge application refers to organizational processes that enable the use of knowledge in ways that improve operations and develop new products. The primary goal of knowledge application is to integrate internally and externally acquired knowledge to advance organizational objectives (Ode & Ayavoo, 2020:2).

5) **Concept of Strategic Decision-Making Quality**

The quality of strategic decision-making is considered a critical determinant of an organization's ability to survive and adapt in changing business environments. According to Marinos & Rosnim (2017:5), such decisions are highly complex, made under conditions of uncertainty, non-recurring, and formulated by senior organizational leaders, with consequential impacts on the organization's trajectory.

Strategic decision-making quality is defined as decisions made by top management to determine the overall direction of the organization, including its vision, mission, and long-term objectives. In urgent situations, decision-makers rely on strategic decisions characterized by decisiveness and speed to respond to unforeseen events, ensuring the organization's survival and long-term organizational welfare (Tabesh & Vera, 2020:3).

Strategic decision-making represents an intersection between management science and leadership art. It requires a combination of rationality, comprehensiveness, and political acumen, passing through stages that include information acquisition, generation of alternatives, and selection of the appropriate decision (Karlsson & Sumar, 2022:6).

6) **Dimensions of Strategic Decision-Making Quality**

1. Decision Rationality: This refers to the extent to which managers and decision-makers gather relevant information and analyze it systematically and rationally before making a strategic decision. Decision rationality reflects a behavioral pattern characterized by logical approaches to achieving objectives (Elbanna & Child, 2007:565).
2. Decision Importance: This dimension refers to the significance or impact of a strategic decision on the organization, and its relation to sensitive future outcomes, such as major consequences resulting from delays or errors in decision-making. Highly important decisions are often managed more rationally and systematically due to their critical nature (Elbanna & Child, 2007:567).
3. Decision-Related Uncertainty: This refers to the clarity of the information required, the difficulty of predicting decision outcomes, and the ambiguity of procedures to be followed. Increasing uncertainty in decision-making reduces the level of rationality, due to the challenges of logically evaluating uncertain situations (Elbanna & Child, 2007:577).
4. Decision motive: The intention or context in which the decision is made, whether in response to an opportunity or to address a crisis, as the nature of this motive affects the way the decision is managed (Elbanna & Child, 2007: 578).

7) Research Population and Sample Description

The research population comprised employees working in the middle management of the Central Bank of Iraq. The study employed a purposive sampling method, with a sample size of 100 employees. The researcher distributed an electronic questionnaire (Google Form), receiving 89 valid responses, representing a response rate of 89%, all of which were suitable for statistical analysis. The questionnaire was distributed over the period from February 1, 2025, to August 1, 2025.

8)

9) Description of Sample Characteristics

Table 1 presents the personal characteristics of the study sample, including gender, age, years of service, and educational attainment for the 89 respondents. The table provides detailed statistics, including the total number of respondents, offering a comprehensive overview of the demographic profile of the sample.

Table (1): Description of the Research Sample

No.	Variable & Category	Frequency	Percentage
1	Gender		
	Male	51	57.3%
	Female	38	42.7%
Total		89	100%
2	Age		
	Less than 30 years	14	15.7%
	30–39 years	25	28.1%
	40–49 years	30	33.7%
	50–59 years	15	16.8%
	60 years and above	5	5.6%
Total		89	100%
3	Years of Service		
	Less than 5 years	10	11.2%
	5–9 years	15	16.8%
	10–14 years	22	24.7%
	15–19 years	14	15.7%
	20 years and above	28	31.4%
Total		89	100%
4	Educational Attainment		
	Diploma	5	5.0%
	Bachelor's	8	8.9%
	Higher Diploma	17	19.1%
	Master's	25	28.1%
	Doctorate	34	38.2%
Total		89	100%

It is evident from Table (1) that:

1- **Distribution of the research population according to gender**

The results of the questionnaire revealed that male respondents outnumbered females, as they represented **57.3%** of the sample, while the remaining **42.7%** were females. This indicates that the surveyed community relies more heavily on males in carrying out tasks, duties, and daily organizational activities. The following figure illustrates the distribution of the research sample respondents by gender.

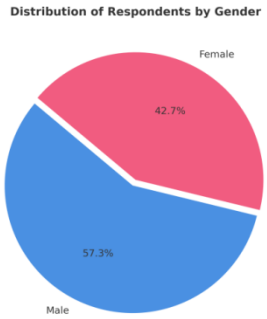

Figure (2): Distribution of the research sample by gender

2- Distribution of the research sample by age

The results of the questionnaire revealed that the majority of the research sample fell within the age group (40–49 years), representing (33.7%), followed by the age group (30–39 years) with (28.1%), then the age group (50–59 years) with (16.8%), followed by those under 30 years of age with (15.7%), and finally the age group (60 years and above) with (5.6%). The findings indicate that the research community relies on young individuals with experience, skills, and knowledge in their field of specialization, in addition to older individuals whose presence contributes to more mature decision-making and responses, owing to their expertise and long years of service in the institution. This diversity strengthens the research by incorporating the perspectives of most age groups.

The following figure illustrates the distribution of the sample by age.

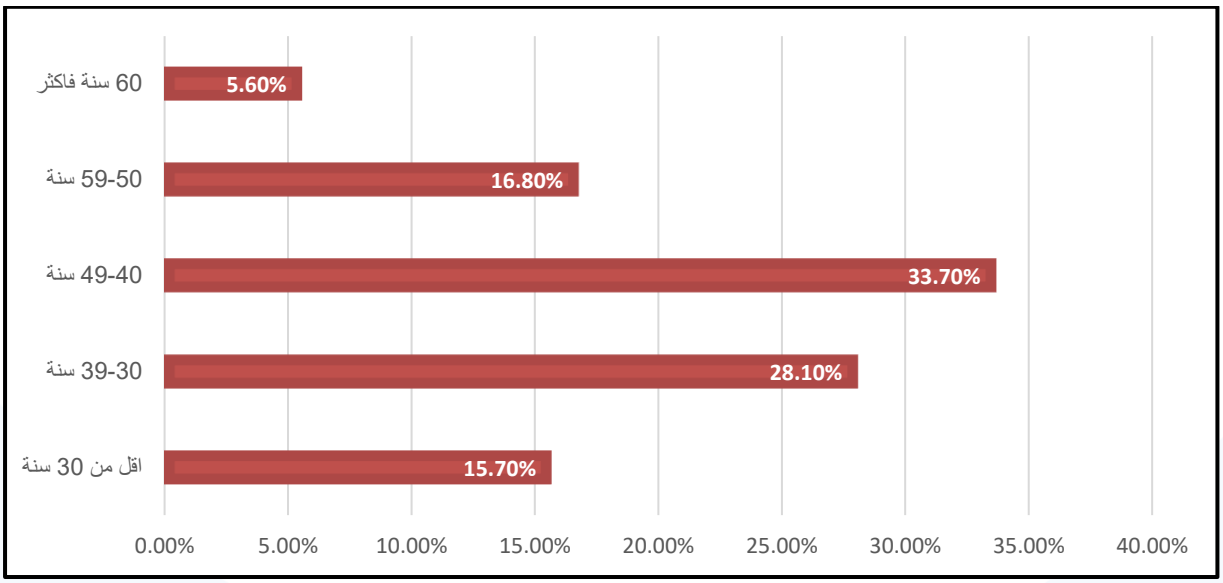

Figure (3): Distribution of the research sample by age

3- **Distribution of the research sample by years of service**

The results of the questionnaire indicated that the majority of the research sample, representing 31.4%, had 20 years or more of service, followed by those with 10–14 years of

service at 24.7%, then 5–9 years at 16.8%, 15–19 years at 15.7%, and finally less than 5 years at 11.2%. The researcher notes that years of service play a significant role in contributing constructive ideas based on extensive experience. This demonstrates that the surveyed sample possesses intellectual maturity, which strengthens the research, particularly in terms of understanding and responding accurately to the questionnaire items. The following figure illustrates this distribution.

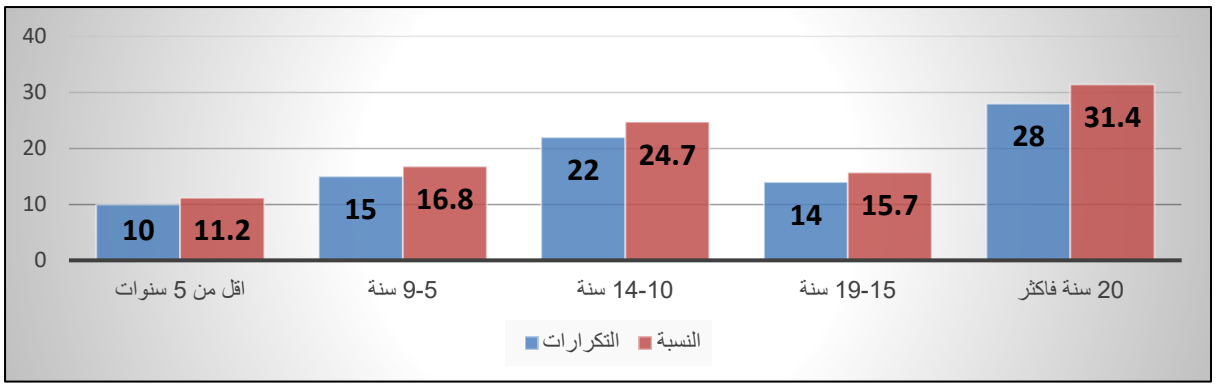

Figure (4): Distribution of the research sample by years of service

4- **Distribution of the research sample by educational attainment**

The questionnaire results indicated that Doctorate degree holders represented the highest proportion at 38.2%, followed by Master's degree holders at 28.1%, then Higher Diploma holders at 19.1%, Bachelor's degree holders at 8.9%, and finally Diploma holders at 5%. The researcher notes that the sample members possess the ability to make appropriate decisions based on their educational level and academic qualifications, as they have the capacity to understand and comprehend the questionnaire items and sufficient scientific knowledge to answer its questions. This enhances the accuracy and objectivity of responses, which positively reflects on the study's final results. The following figure illustrates this distribution.

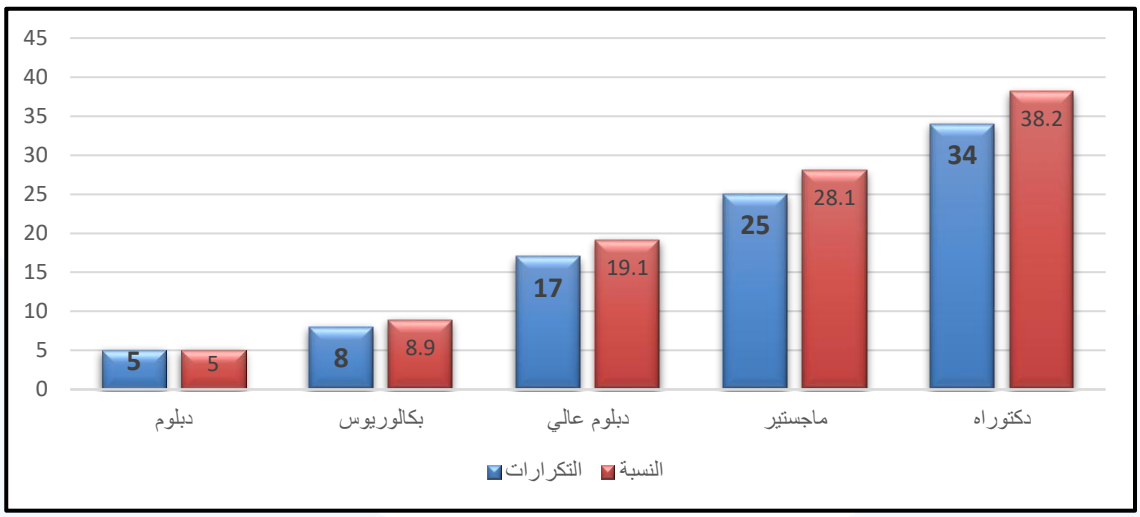

Figure (5): Distribution of the research sample by educational attainment

Normal Distribution and Construct Reliability of Dimensions and Variables

The results of the normal distribution presented in Table (2) indicate that all values of the skewness and kurtosis indices fall within the statistically acceptable range (±1.96), which demonstrates that the data approximately follow a normal distribution. This confirms that the respondents' answers regarding the dimensions of transformational leadership, knowledge management, and strategic decision-making quality are balanced and not significantly skewed toward either end of the scale. Accordingly, the use of statistical analyses based on the assumption of normal distribution—such as regression analysis, path analysis, and correlation coefficients is supported, thereby enhancing the validity of the study's findings.

Moreover, the results of the internal consistency analysis (Cronbach's Alpha) show that all dimensions and variables range between 0.691 and 0.830, which lies within the statistically acceptable range (0.6–0.84). This indicates good internal consistency among the items of each scale, reflecting the reliability of the instruments used to measure the study's concepts and confirming their suitability for subsequent statistical analysis, whether in hypothesis testing or model building. This represents a positive indicator of the quality of the questionnaire design.

Table (2): Normal distribution and construct reliability of dimensions and variables

Dimension / Variable	Skewness	Kurtosis	Result	Reliability
Idealized Influence	0.047	-0.142	Normally distributed	0.782
Inspirational Motivation	0.142	0.119	Normally distributed	0.731
Intellectual Stimulation	0.031	-0.147	Normally distributed	0.714
Individualized Consideration	0.124	0.165	Normally distributed	0.760
Transformational Leadership	0.015	-0.131	Normally distributed	0.823
Knowledge Generation	-0.005	-0.158	Normally distributed	0.801
Knowledge Storage	0.160	-0.139	Normally distributed	0.773
Knowledge Transfer	-0.153	-0.110	Normally distributed	0.720
Knowledge Application	-0.133	0.052	Normally distributed	0.785
Knowledge Management	0.100	-0.179	Normally distributed	0.830
Rationality in Decision-Making	0.161	0.106	Normally distributed	0.718
Decision Importance	0.035	-0.123	Normally distributed	0.700
Decision Uncertainty	0.037	0.122	Normally distributed	0.691
Decision Driver	-0.112	-0.042	Normally distributed	0.725
Strategic Decision-Making Quality	-0.022	-0.163	Normally distributed	0.808

Correlation between Dimensions and Variables

The correlation results presented in Table (3) indicate the existence of statistically significant relationships between the dimensions of transformational leadership and the dimensions of strategic decision-making quality, with correlation coefficients ranging between (0.469) and (0.680). This reflects a clear impact of transformational leadership on improving decision quality.

Moreover, knowledge management in its various dimensions demonstrated strong correlations with the dimensions of decision quality, as the correlation coefficients ranged

between (0.498) and (0.695), indicating its pivotal role as a mediator in strengthening the relationship between the independent and dependent variables.

The highest values were recorded for overall knowledge management (0.695) and rationality in decision-making (0.671), highlighting the significance of knowledge in enhancing the rationality and effectiveness of decisions.

Overall, the findings reveal that transformational leadership contributes to strengthening knowledge management practices, which in turn positively affect the quality of strategic decision-making. This supports the theoretical model hypothesis based on knowledge mediation.

Table (3): Correlation of dimensions and variables

Dimension / Variable	Rationality in Decision-Making	Decision Importance	Decision Uncertainty	Decision Driver	Strategic Decision-Making Quality
Idealized Influence	0.622**	0.578**	0.503*	0.596**	0.635**
Inspirational Motivation	0.590**	0.544*	0.488*	0.565**	0.614**
Intellectual Stimulation	0.601**	0.570**	0.491*	0.573**	0.628**
Individualized Consideration	0.579**	0.538*	0.469*	0.552**	0.609**
Transformational Leadership	0.650**	0.618**	0.547**	0.620**	0.680**
Knowledge Generation	0.631**	0.589**	0.510*	0.602**	0.663**
Knowledge Storage	0.603**	0.575**	0.498*	0.587**	0.648**
Knowledge Transfer	0.614**	0.582**	0.505*	0.593**	0.658**
Knowledge Application	0.622**	0.590**	0.519*	0.608**	0.669**
Knowledge Management	0.671**	0.638**	0.553**	0.644**	0.695**

Hypothesis Testing

1- **Testing the First Main Hypothesis:**

As shown in Table (4), the results of the effect test confirm the validity of the first main hypothesis, which states that "Transformational leadership has a statistically significant effect on the quality of strategic decision-making."

The calculated F-value reached 15.67, which is higher than the critical F-value (4.00) at a significance level of 0.01, indicating a significant effect of the independent variable (transformational leadership) on the dependent variable (strategic decision-making quality).

Moreover, the coefficient of determination ($R^2 = 0.320$) indicates that transformational leadership explains 32% of the variance in strategic decision-making quality, which is considered an acceptable proportion in behavioral studies and reflects a strong explanatory relationship between the two variables. The regression coefficient ($\beta = 0.566$) also shows a relatively high value, demonstrating a direct and positive impact of transformational leadership on decision quality.

This conclusion is further supported by the significance level (Sig = 0.000), which is less than 0.01, confirming that the observed effect is genuine and not due to chance. These results suggest that leaders who adopt transformational approaches, such as future-oriented vision, motivation, and individualized interaction, positively influence high-quality strategic decision-making.

Accordingly, the first main hypothesis is accepted at the overall level, supporting the proposed theoretical model of the study.

Table (4): Results of testing the first main hypothesis

Dimension	Dependent Variable	Regression Coefficient (β)	Coefficient of Determination (R^2)	Calculated F	Tabulated F	Sig	Significance
Transformational leadership	Prudence in Decision Making	0.531	0.282	13.78	4.00	0.000	Significant
	Importance of Decision	0.487	0.237	11.45	-	0.000	Significant
	Decision-Related Uncertainty	0.459	0.211	9.96	-	0.001	Significant
	Decision Motivation	0.505	0.255	12.34	-	0.000	Significant
Quality of Strategic Decision Making		0.566	0.320	15.67	-	0.000	Significant

2- **Testing the Second Main Hypothesis:** It is evident from Table 5 that the results of the effect test support the validity of the second main hypothesis, which states that "Knowledge management has a statistically significant impact on the quality of strategic decision-making." The calculated F value reached 17.34, which is higher than the tabulated F value (4.00) at a significance level of 0.01, indicating that the effect is real and not due to chance The coefficient of determination ($R^2 = 0.350$) indicates that knowledge management explains 35% of the variance in the quality of strategic decision-making, which is relatively high and reflects the strength of the effect. The regression coefficient ($\beta = 0.591$) shows a strong and positive direct impact of knowledge management on enhancing strategic decisions These results suggest that knowledge management processes—such as generation, storage, transfer, and application—effectively contribute to supporting the strategic decision-making environment by providing accurate information, reducing uncertainty levels, and increasing confidence in critical decisions. Accordingly, these findings confirm the acceptance of the second hypothesis at the overall level and reinforce the vital role of knowledge management in making sound and effective strategic decisions.

Table 5: Results of Testing the Second Main Hypothesis

Dimension	Dependent Variable	Regression Coefficient (β)	Coefficient of Determination (R^2)	Calculated F	Tabulated F	Sig	Significance
Knowledge management	Prudence in Decision Making	0.553	0.306	14.92	4.00	0.000	Significant
	Importance of Decision	0.498	0.248	12.67	-	0.000	Significant
	Decision-Related Uncertainty	0.461	0.212	10.05	-	0.001	Significant
	Decision Motivation	0.527	0.278	13.85	-	0.000	Significant
Quality of Strategic Decision Making		0.591	0.350	17.34	-	0.000	Significant

3- **Testing the Third Main Hypothesis:** The results of the mediation test presented in Table 6 indicate that transformational leadership has a direct and significant effect on the quality of strategic decision-making ($\beta = 0.177$, $p < 0.001$). However, the indirect effect through knowledge management was much stronger ($\beta = 0.660$, $p < 0.001$), reflecting a robust mediation effect.

The total effect (direct + indirect) showed that transformational leadership contributes substantially to enhancing the quality of strategic decision-making ($\beta = 0.844$), demonstrating that integrating knowledge management into the relationship significantly increases the leadership effect. Since all values were statistically significant at the 0.01 level, and the 95% confidence interval (both lower and upper bounds) did not include zero, we confirm the presence of a strong partial mediation effect of knowledge management Accordingly, the third hypothesis, which states that knowledge management enhances the relationship between transformational leadership and the quality of strategic decision-making, is accepted.

Table 6: Results of Testing the Third Main Hypothesis

Direction of Effect	Estimate	Std. Error	z-value	P	Lower CI	Upper CI
Transformational Leadership ← Strategic Decision-Making Quality	0.177	0.050	3.429	< .001	0.074	0.276
Transformational Leadership ← Knowledge Management ← Strategic Decision-Making Quality	0.660	0.059	11.124	< .001	0.541	0.773
Total Effect	0.844	0.051	15.968	< .001	0.730	0.935

Conclusions

1. Transformational leadership has demonstrated a direct and significant effect in enhancing the quality of strategic decision-making within the work environment of the Central Bank of Iraq.
2. The dimensions of transformational leadership, such as idealized influence and inspirational motivation, play a key role in supporting the rational processes of decision-making among senior leadership in the bank.
3. Knowledge management has proven to have a pivotal role in improving decision quality by organizing information and facilitating its circulation among employees of the Central Bank of Iraq.
4. The results revealed a strong explanatory relationship between knowledge management practices and the maturity level of strategic decisions.
5. Knowledge management has been shown to be an effective mediator capable of enhancing the impact of transformational leadership on the outcomes of decisions made by senior management.
6. The study indicated that integrating effective leadership with knowledge management creates a more stable and transparent decision-making environment.
7. The findings underscore the importance of integrating leadership and knowledge dimensions to ensure the sustainability of prudent strategic decisions, particularly at the Central Bank level and in organizations more broadly.

Recommendations

1. It is essential to adopt a transformational leadership style within organizations to enhance the level of strategic thinking among decision-makers.
2. Raise awareness of the importance of knowledge as a pivotal element in making effective and well-informed strategic decisions.
3. Develop a flexible knowledge-based administrative system that supports the timely flow and utilization of knowledge.
4. Train administrative leaders in skills to motivate employees and foster individual creativity within the organizational decision-making context.
5. Encourage organizations to design organizational structures that support the integration of leadership and knowledge management.
6. Position knowledge management as a fundamental pillar within strategic performance development plans in both public and private sectors.
7. Conduct periodic assessments of leadership effectiveness and knowledge management maturity, as well as their impact on decision quality, to ensure continuous improvement.

References:

1. Abun, D., Basilio, G. J. Q., Magallanes, T., Quadra, M. B., & Encarnacion, M. J. (2020). Transformational leadership style of supervisors/heads as perceived by the employees and the attitude of employees toward the school. Technium Soc. Sci. J., 13, 357.

2. Afsar, B., Badir, Y. F., Saeed, B. B., & Hafeez, S. (2017). Transformational and transactional leadership and employee's entrepreneurial behavior in knowledge–intensive industries. The International Journal of Human Resource Management, 28(2), 307-332.
3. Agbarakwe, C. B., Amah, E. P., & Okocha, B. F. P. (2021). An Analysis of the Concepts of Transformational Leadership and Transactional Leadership: The Way Forward?. International Journal of Research and Innovation in Social Science, 5(08), 265-272
4. Ahmad Fauzi et al (2024), The Impact Of Principle's Transformative Leadership On Organizational Culture, Commitment, Behavior And Performance Productivity, Educational Administration: Theory and Practice, 30(5), 7686-7694, Doi: 10.53555/kuey.v30i5.944
5. Al-Kurdi, O. F., El-Haddadeh, R., & Eldabi, T. (2020). The role of organisational climate in managing knowledge sharing among academics in higher education. International Journal of Information Management, 50, 217-227.
6. Chebon, S. K., Aruasa, W. K., & Chirchir, L. K. (2019). Effect of inspirational motivation and idealized influence on employee performance at Moi teaching and referral hospital, Eldoret, Kenya. International Journal of Business and Social Science, 10(7), 131-140.
7. Chou, Shih – wei & Tsai, Yu – Hung, (2014), Knowledge creation: individual and Organizational perspectives, Article in gournal of information science
8. Elbanna, S., & Child, J. (2007). The Influence of Decision, Environmental and Firm Characteristics on the Rationality of Strategic Decision-Making. Journal of Management Studies, 44(4), 561–591. doi:10.1111/j.1467-6486
9. Marinos, G., & Rosni, N. (2017). The role of intuition in executive strategic decision making. (Doctoral dissertation).
10. Mohammed, A. (2015). Knowledge Management Process in several organizations: Analytical Study of modeling and several processes. Procedia Computer Science, 65, 726-733.
11. Nuel, O. I. E., Ifechi, A. N., & Emmanuella, U. I. (2021). Transformational leadership and organizational success: Evidence from tertiary institutions. Journal of Economics and Business, 4(1).
12. Ode, E., & Ayavoo, R. (2020). The mediating role of knowledge application in the relationship between knowledge management practices and firm innovation. Journal of Innovation & Knowledge, 5(3), 210-218.
13. Okafor, L. I., Chinyere, B. N., & Patrick, O. O. (2019). Knowledge management strategies and firm performance in telecom firms in Nigeria. ProQuest Dissertations Publishing.
14. Olan, F., Arakpogun, E. O., Suklan, J., Nakpodia, F., Damij, N., & Jayawickrama, U. (2022). Artificial intelligence and knowledge sharing: Contributing factors to organizational performance. Journal of Business Research, 145, 605-615.
15. Paulin, D., & Suneson, K. (2012). Knowledge transfer, knowledge sharing and knowledge barriers–three blurry terms in KM. Electronic Journal of Knowledge Management, 10(1), pp82-92.
16. Sumar, A., & Karlsson, J. (2022). Exploring Strategic Decision-Making: A Qualitative Study of How Top Management Respond to Economic Turbulence. (Doctoral dissertation).

17. Tabesh, P., & Vera, D. M. (2020). Top managers' improvisational decision-making in crisis: a paradox perspective. Management Decision, 58(10), 2235-2256.

Article Information

Article History:

Received: xx / xx / xxxx
Accepted : xx / xx / xxxx
Available Online: xx / xx / xxxx
Page no : 00 – 00

Keywords:
Transformational leadership, knowledge management, quality of strategic decision-making

Correspondence:
Hussein Qusay Abbood:Researcher name

:Email
Hussein.hussein1205@coadec.uobaghdad.edu.iq

Abstract

This research aims to understand the importance of the role of transformational leadership in enhancing the quality of strategic decision-making through knowledge management. The main research problem was represented by the important question: Is there an influential relationship between transformational leadership and the quality of strategic decision-making through the enhancing role of knowledge management? To explain the relationship between the research variables, three main hypotheses were formulated. To achieve the research objectives, a descriptive analytical approach was used to survey the opinions of a number of employees working at the Central Bank of Iraq. The sample included (100) individuals, and responses came from (89) individuals out of the distributed total. The intentional sampling method was used, and their opinions were surveyed using a robust electronic questionnaire. The statistical program (SPSS, 26) and (Amos,25) was used to analyze the data. The researchers reached several conclusions, the most important of which is the enhancing effect of knowledge management on the relationship between transformational leadership and the quality of strategic decision-making. The research concluded with a number of recommendations that organizations can benefit from.

Appendix (1)
Questionnaire

Dear Respondents,

The researchers aim to conduct a study entitled: **"The Relationship between Transformational Leadership and the Quality of Strategic Decision-Making: The Enhancing Role of Knowledge Management."**

To accomplish this study, we kindly request you to complete the attached questionnaire by marking (√) next to the option you find most appropriate and providing your opinions for each item, after carefully reading the following notes:

1. Your responses will be used solely for scientific research purposes, and there is no need to mention your name.
2. Objective and accurate opinions are required, as there are no right or wrong answers.
3. For each item, you will find alternatives ranging from: Strongly Agree, Agree, Neutral, Disagree, Strongly Disagree.
4. The researchers are fully available to answer any questions regarding any item or statement that you find unclear in the questionnaire.

With utmost respect and appreciation.

ographic Information

❖ **Gender:**

- Male
- Female

❖ **Age:**

- Under 30 years
- 30–39 years
- 40–49 years
- 50–59 years
- 60 years or older

❖ **Education:**

- Diploma
- Bachelor's Degree
- Higher Diploma
- Master's Degree
- Doctorate

❖ **Years of Service:**

- Less than 5 years
- 5–9 years
- 10–14 years
- 15–19 years
- 20 years or more

Section Two: Research Variables

First: Independent Variable – Transformational Leadership

NO	Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	Idealized Influence					
1	The leader's conduct is characterized by high professional values that make him a role model within the bank.					
2	The leader is committed to achieving the objectives of the Central Bank in ways that reflect integrity and responsibility.					
3	I feel proud and confident working under his leadership, as he represents a positive example to be emulated					
	Inspirational Motivation					
1	The leader links the achievement of the bank's objectives to ethical and professional values and principles.					
2	The leader enhances my understanding and awareness of the bank's core objectives and continuously clarifies their importance.					
3	The leader makes us feel the significance of our roles and instills in us the spirit of teamwork and collaboration.					
	Intellectual Stimulation					
1	The leader encourages me to express my ideas and opinions freely, even if they differ from his.					
2	The leader motivates us to exchange views, participate in decision-making, and take responsibility.					
3	The leader explains the overall vision of the work and gives us the freedom to implement the details creatively.					

	Individualized Consideration					
1	The leader is keen to provide training and development opportunities for employees to enhance their competencies.					
2	The leader strives to understand my professional needs and assists me in fulfilling them.					
3	The leader expresses appreciation for my efforts and participates with us in social and personal occasions					

Mediator Variable (Enhancer): Knowledge Management

NO	Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	Knowledge Generation					
1	The bank encourages employees to propose new and innovative ideas to improve performance.					
2	A supportive work environment is available to develop creative solutions to daily problems.					
3	Employees are motivated to contribute to the development of processes and policies through their suggestions					
	Knowledge Storage					
1	The Central Bank relies on electronic systems and databases to effectively store and organize knowledge.					
2	Stored information and knowledge are updated regularly to ensure accuracy and currency.					
3	Employees can easily access stored knowledge when needed					
	Knowledge Transfer					
1	The Central Bank provides effective communication channels for knowledge sharing among employees.					
2	Employees are encouraged to share their expertise and knowledge with colleagues.					
3	Regular meetings are held to exchange best practices and lessons learned					
	Knowledge Application					
1	Employees are enabled to use available knowledge to improve work quality and decision-making.					
2	Regular training is conducted to enhance employees' ability to apply knowledge in their daily practices.					
3	The Central Bank benefits from collaboration with external entities to apply specialized knowledge in work areas.					

Third: Dependent Variable: Strategic Decision-Making Quality

NO	Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	Prudence in Decision-Making					
1	Management relies on precise analysis of information before making strategic decisions.					
2	Available options are evaluated logically before the final decision is made.					
3	Important decisions are based on clear scientific foundations and reliable information.					

Decision Importance						
1	I notice that some decisions I participate in directly affect the course of the Central Bank.					
2	Important decisions receive special attention from management and are handled with greater focus.					
3	Decisions with broad impact are given sufficient time and analysis before implementation					
Decision-Related Uncertainty						
1	I sometimes face difficulty in making decisions due to unclear or changing information.					
2	Rapid changes in the work environment affect the clarity when making certain decisions.					
3	In some cases, decision outcomes are unpredictable or uncertain.					
Decision Motivation						
1	Some decisions in the bank are made in response to crises or emergency situations.					
2	I sometimes participate in decisions aimed at exploiting new opportunities to enhance the bank's position.					
3	The decision-making approach changes depending on whether it arises from a challenge or an opportunity					