

# **A Moderated Mediation Model of Adaptive Leadership between Learning Organizations and Organizational Innovation with the Perspective of Social Schema Theory**

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## **ABSTRACT**

**Purpose:** The unprecedented novel pandemic (COVID-19) affects the organizations' working environment, forcing them to restructure, which becomes necessary for survival in the globalized post-pandemic situation. In line with this, the present study investigates the intervening mechanism of knowledge management practices between learning organizations and organizational innovation. The current study also considered adaptive leadership as a moderator to meticulously examine the impact of learning organizations on knowledge management practices and organizational innovation.

**Design/Methodology/Approach:** The conceptual framework of this study is based on the lens of social schema theory, through which proposed hypotheses were formalized. 306 employees from the manufacturing sector (automobile and pharmaceutical) voluntarily participate. The analysis technique of PROCESS-macro v3.4 was used to analyze data for direct, indirect, interaction, and moderation mediation effects.

**Findings/Results:** It was found that learning organizations had a significant positive direct effect on organizational innovation. Moreover, this direct effect has remained significant after the intervention of knowledge management practices, which shows that knowledge management practices partially mediated the relationship between learning organizations and organizational innovation. It was also found that adaptive leadership moderates the relationship between learning organizations and knowledge management practices. In addition, adaptive leadership was also found to be a positive moderator between the relationship of knowledge management practices and organizational innovation. To this end, analysis reveals that the indirect influence of learning organization on organization was also moderated by adaptive leadership via knowledge management practices.

**Practical Implications:** It is challenging for organizations to stabilize their positions in the highly competitive market in post-pandemic circumstances. This study demonstrates that by adopting the phenomenon of learning organizations, organizations survive in the market and produce innovative products by developing knowledge of their workforce by applying knowledge management practices. Additionally, to boost the morale of the workforce, the role of leadership is imperative, especially in the post-pandemic circumstance where organizations are working to restructure their organizational systems to meet the demands of their customers and in the current era, adaptive leaders become the core source of motivation for the execution of new and novel ideas.

**Originality/Value:** This study extends knowledge to leadership and organizational behavior literature. Moreover, this study answers the calls for research of earlier studies by explaining the impact of learning organization for organizational innovations using the role of leadership and knowledge management practices. This study reveals that higher level support of adaptive leadership leads to higher knowledge management practices and organizational innovation.

**Keywords:** *Learning Organizations, Knowledge Management Practices, Adaptive Leadership, Organizational Innovation, Social Schema Theory*