



## THE RELATIONSHIP BETWEEN THE ORGANIZATIONAL INTELLIGENCE AND THE PERFORMANCE OF MANAGERS

Shahram Gholami  
Dep. of Educational Management  
Islamic Azad University,  
Garmsar Branch, Garmsar, IRAN  
[shahram.gholami@ymail.com](mailto:shahram.gholami@ymail.com)

Sepideh Safaee  
Iranian National Tax administration, Tehran, IRAN  
[sepidehsafaee@gmail.com](mailto:sepidehsafaee@gmail.com)

### Abstract

Organizational intelligence is one of the issues that is new, interesting and more considerable. There are many questions about the organizational intelligence, the factors affecting it and its relation to performance of managers. The question always asked by managers is how to work smarter?

This study examined the relationship between the organizational intelligence and the performances managers of educational groups in the universities of Garmsar in the 89-90 school year.

The method of the research is applied and the data collection was descriptive correlation. Statistical population includes all educational managers group in Garmsar universities that those numbers is reported 40.

The research tools include Albrecht intelligence questionnaire (2003) and a report form of the managers performance that was created by the researcher.

For data analysis, descriptive statistics and inferential statistics such as regression by SPSS was used.

No significant positive relationship was found between the general organizational intelligence and the performances managers of educational groups. But the stepwise regression indicated that application of knowledge (one of the components of organizational intelligence) is a significant predictor of managers performance in human resources part (one of the sections of managers performance).

**Conclusions:** It should be noted equally to all component of organizational intelligence That will ultimately lead to improve performance and productivity.

**Key Words:** University, performance managers, department manager.

### INTRODUCTION

Human as the most exalted creature was always wonderful and creative in universe. He can be the origin of useful effects for his society with the power of thought and idea that God bestowed him and with learning science and wisdom during his life. People's lives are suffused with the organizations. Nowadays organizations face with wide and rapid changes in political, cultural, social, technological and economical environment.



Organization's successful reaction in a dynamic and variable atmosphere depends on their abilities to provide concerned information and finding suitable solutions for the problems which they pose. Under these conditions, theoreticians and organizational managers focus on one aspect based on designing of what is called thought abilities of an organization (Simic,2005).

Albrecht claims that after the first, second, and third waves (agriculture, industry and information), the fourth wave is consciousness and brain (Albrecht, 2003).

Similarly in human world and in this turbulence life, there are successful and efficient human beings who have bountiful intelligence, surely organizational world is the same, especially in this age of the development of science, technologies, and the emergence of needs and new challenges, the organizations and managing then will be more complicated and difficult.

The majority of administering managers believe that knowledge is the most blessing in the organization. They believe that the brain and mental consciousness and the awareness are the main principles in their organization that cause of competition in the organization, since they make attempts to enjoy organizational intelligence to gain a true competition (Liebowitz, 1999).

Today in this world the promotion organizational intelligence is one of the undeniable necessities for most of the organizations in order to increase their capabilities through information acquisition and analysis and also by increasing knowledge and providing awareness.

Increasing organizational intelligence causes that the organizations analyze their surrounding information quickly and meticulously and enable them to share the results in a useful way and to make information available to the decision makers in appropriate times. This matter accelerates the exchange of information and knowledge in organization and improves the effectiveness of thought and group decision making markedly.

The amounts of organizational intelligence are different and variable like human beings. It means that a series of external and internal factors effect its growth and emergence. Also the organizations present an amount of intelligence like human beings. Some of the organizations are so dull. They can not even recognize the powerful signals from their surrounding changes and they are unable to respond to these stimulants. These organizations learn slowly and repeat their previous faults without interpretation.

Organization existence philosophy depends on human life. The human beings blow spirit in organizations body, move it and manage it. Therefore, human sources are the most valuable source for organizations. They form organizational decisions and offer solutions and ultimately solve their problems. They materialize the productivity and give sense to the efficiency and effectiveness. This description shows that since human sources pass the main part of its life as employer, worker or managers in organizational environment, it's natural to pay more attention to them.

Manager's responsibilities make them act efficiently and effectively. The main reason to employ managers is that they help the organization members to achieve the goals of group attempts. Organizational intelligence helps you to recognize your organizational weak points and to strengthen your positive points. The organizational intelligence is looking for the measurement of organizational consciousness condition to recognize their abilities and weaknesses; Then, based on the outcomes determines to offer vital strategies to improve organizational intelligence and organizational operation. Organizational intelligence with depending on human intelligence, is an unlimited source of thought capitals that if recognized and managed correctly, it can increase its flexibilities. Also with providing an appropriate situation, it paves the way for creating knowledge management and organizational learning and promotes the power of giving idea, creativity and innovation.

Also the university as one of the important training institutions should promote its capabilities and abilities for the sake of fulfillment of its goals to train the generation that is looking for development and pave the way to achieve the goals with suitable mechanism that are appropriate for people and society. The organizational

intelligence theory helps the university to promote its thought abilities as an intelligent organization and enables it to make its commissions come true intelligently.

### Knowledge viewpoints

Some of scientists examine the organizational intelligence from the knowledge viewpoints. The knowledge, behavioral and emotional-social viewpoints are the three subjects of organizational intelligence and the general goal is that we know how different ideologies and association of idea can offer a comprehensive interpretation from organizational intelligence in management and organizational development literature.

Organizational intelligence is a social process whose fundamental theories are based on absolute individual intelligence which is being ignored up to now. The usage of individual intelligence couldn't specify social nature of organizational intelligence (Akgun, 2007).

### Matsuda viewpoints

The organizational intelligence consists of complex, relational, piled up and coordinator collections of human intelligence and mechanics of organization as the whole (Matsuda, 1992).

### Liebowitz viewpoints

Based on his opinion organizational intelligence consists of all intelligent that are used to make a common viewpoint, renovation process (examination) leading the whole system (Liebowitz, 1999).

### Simic viewpoints

Based on his opinion organizational intelligence consists of thought ability of an organization to solve the organizational problems that focus a mixture of human and technical abilities to solve the problems (simic, 2005).

### Albrecht viewpoints

Based on this viewpoint organizational intelligence consists of organizational capacity to apply all its brain powers and the focus of that brain powers on its commission. He believes that generally organization damage themselves more than being injured by their rivals.

Lack of skill in performance, administrative wars, political contests, organizing disorder and nonsense policies are the obstacles to the organization progress (Albrecht, 2003).

Karl Albrecht believes that organizational intelligence consists of seven components which are as follows:

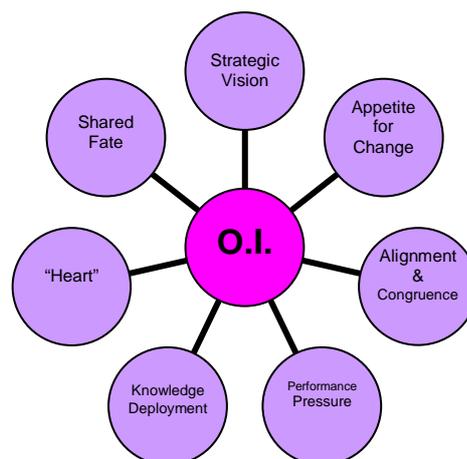


Figure 1: Seven Indicators of Organizational Intelligence (Karl Albrecht 2002)

1. Strategic Vision: It refers to the capacity of providing goals.
2. Shared Fate: It means having a common goal, unanimity and coordination with the goals.
3. Appetite for Change: Flexibility capacity and more compatibility with environmental changes.

4. Heart: It shows the tendency to the activity beyond the standard.
5. Alignment and Congruence: Elimination of contradictions and promotion of individual energy appropriate for achieving common goals.
6. Knowledge Deployment: The ability of creation, transition, organizing, participating and applying knowledge.
7. Performance Pressure: Forming the culture in which each new member who join the organization feels cooperation binding toward job.

There are different ambiguities about organizational intelligence, the effective factors and its relation with manager's performance, in a way that make some researchers do researches about it.

Managers always ask this question how to act more intelligently.

The main problem of this research is to investigate whether there is any relationship between organizational intelligence and manager's performance.

As it was mentioned above, organizational intelligence consists of seven Components.

Consequently the purpose of this research is whether there is any relationship between organizational intelligence and its Components with manager's performance?

Implementation of such applied research can lead to promotion of manager's knowledge and prepare a suitable situation to increase their performance, because each person performance in every situation indicates person's knowledge and awareness toward that situation or special matter. With respect to the people organizational intelligence is the sign of person awareness and information in relation with effective factors on organization, so organizational intelligence can be one of the effective factors in person performance, because in every organization the role of manager as one of the important leadership factors is undeniable. So the investigation of the relationship between organizational intelligence and the manager's performance seems necessary.

#### RESEARCH METHOD

The research statistical community, consists of the whole managers of different educational groups at Azad university, Payam Noor university and Azad university of Garmsar within the second half year 89-90. The numbers is reported as forty. According to the limitation of statistical community, the research was conducted upon the whole study community as field research.

The research tools consist of:

- organizational intelligence questionnaire (Albrecht, 2003) that includes thirty six question and it measures general organizational intelligence and its seven components
- The form that is a work report about the performance of educational groups and measures manager's performance in three parts including hiring faculty, educational activities and research and scientific activities.

Cronbach's alpha index indicates that reliability of organizational intelligence is %92 and its indicators are between %73 to %88. The validity of the 36 item reported as greater than 0.3 that is confirmed by Kohansal and colleagues. Also the content of work reporting form was confirmed by five professors.

In order to analyze data, we used descriptive and inferential statistic as regression by the use of SPSS statistical software.

## FINDINGS

Table 1: Multivariable regression results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
(Constant)	58.697	19.720		2.977	.006	18.529	98.865
Strategic Vision	2.310	2.155	.522	1.072	.292	-2.079	6.699
Shared Fate	1.595	1.990	.319	.801	.429	-2.459	5.650
Appetite for Change	.027	1.860	.007	.014	.989	-3.761	3.815
Alignment and Congruence	2.248	2.049	.367	1.097	.281	-1.926	6.423
Knowledge Deployment	4.669	2.287	.874	2.041	.050	.009	9.328
Performance Pressure	.998	2.340	.114	.426	.673	-3.768	5.764
<b>OI</b>	<b>-1.818</b>	<b>1.199</b>	<b>-2.102</b>	<b>-1.516</b>	<b>.139</b>	<b>-4.261</b>	<b>.625</b>

Table 1 is related to the examining of the main question (Is there any relationship between organizational intelligence and manager's performance?) indicated that no significant positive relationship was found between the general organizational intelligence and the performances managers of educational groups. But Knowledge Deployment (one of the components of organizational intelligence) is significant predictor of manager's performance in hiring faculty (one of the sections of manager's performance).

### The findings of the sub-questions

1. Is there any relationship between the strategic vision and the manager's performance?

Table 2: F test for linear relationship between the strategic vision and the manager's performance

	Model	Sum of Squares	df	Mean Square	F	Sig.
a. Predictors: Strategic Vision	Regression	199.597	1	199.597	.668	.419 <sup>a</sup>
b. Dependent Variable: Hiring faculty	Residual	11352.803	38	298.758		
	Total	11552.400	39			
a. Predictors: Strategic Vision	Regression	4637.174	1	4637.174	.032	.859 <sup>a</sup>
b. Dependent Variable: Educational Activities	Residual	5484254.326	38	144322.482		
	Total	5488891.500	39			
a. Predictors: Strategic Vision	Regression	2378.339	1	2378.339	.891	.351 <sup>a</sup>
b. Dependent Variable: Research and Scientific activities	Residual	101383.561	38	2667.988		
	Total	103761.900	39			

According to table No. 2 there is not a meaningful relation between the Strategic Vision and manager's performance.

2. Is there any relationship between the Shared Fate and the manager's performance?

Table3: F test for linear relationship between the shared fate and the manager's performance

Model		Sum of Squares	df	Mean Square	F	Sig.
a. Predictors: Shared Fate Dependent Variable: Hiring faculty	b. Regression	589.146	1	589.146	2.042	.161 <sup>a</sup>
	Residual	10963.254	38	288.507		
	Total	11552.400	39			
a. Predictors: Shared Fate Dependent Variable: Educational Activities	b. Regression	135376.196	1	135376.196	.961	.333 <sup>a</sup>
	Residual	5353515.304	38	140881.982		
	Total	5488891.500	39			
a. Predictors: Shared Fate Dependent Variable: Research and Scientific activities	b. Regression	1050.234	1	1050.234	.389	.537 <sup>a</sup>
	Residual	102711.666	38	2702.939		
	Total	103761.900	39			

According to table No. 3, there is not any meaningful relation between the Shared Fate and the manager's performance.

3. Is there any relationship between the Appetite for Change and the manager's performance?

Table 4: F test for linear relationship between the appetite for change and the manager's performance

Model		Sum of Squares	df	Mean Square	F	Sig.
a. Predictors: Appetite for Change b. Dependent Variable: Hiring faculty	Regression	938.132	1	938.132	3.359	.075 <sup>a</sup>
	Residual	10614.268	38	279.323		
	Total	11552.400	39			
a. Predictors: Appetite for Change b. Dependent Variable: Educational Activities	Regression	46703.376	1	46703.376	.326	.571 <sup>a</sup>
	Residual	5442188.124	38	143215.477		
	Total	5488891.500	39			
a. Predictors: Appetite for Change b. Dependent Variable: Research and Scientific activities	Regression	2334.872	1	2334.872	.875	.356 <sup>a</sup>
	Residual	101427.028	38	2669.132		
	Total	103761.900	39			

According to table No. 4, there is not any meaningful relationships between the Appetite for Change and the manager's performance.

4. Is there any relationship between the Heart and the manager's performance?

Table 5: F test for linear relationship between the heart and the manager's performance

	Model	Sum of Squares	df	Mean Square	F	Sig.
a. Predictors: Heart b. Dependent Variable: Hiring faculty	Regression	1013.635	1	1013.635	3.655	.063 <sup>a</sup>
	Residual	10538.765	38	277.336		
	Total	11552.400	39			
a. Predictors: Heart b. Dependent Variable: Educational Activities	Regression	137843.675	1	137843.675	.979	.329 <sup>a</sup>
	Residual	5351047.825	38	140817.048		
	Total	5488891.500	39			
a. Predictors: Heart b. Dependent Variable: Research and Scientific activities	Regression	1131.507	1	1131.507	.419	.521 <sup>a</sup>
	Residual	102630.393	38	2700.800		
	Total	103761.900	39			

According to table No. 5, there is not any meaningful relation between the Heart and the manager's performance.

5. Is there any relationship between the Alignment and Congruence and the manager's performance?

Table 6: F test for linear relationship between the alignment and congruence and the manager's performance

	Model	Sum of Squares	df	Mean Square	F	Sig.
a. Predictors: Alignment and Congruence b. Dependent Variable: Hiring faculty	Regression	106.443	1	106.443	.353	.556 <sup>a</sup>
	Residual	11445.957	38	301.209		
	Total	11552.400	39			
a. Predictors: Alignment and Congruence b. Dependent Variable: Educational Activities	Regression	5738.379	1	5738.379	.040	.843 <sup>a</sup>
	Residual	5483153.121	38	144293.503		
	Total	5488891.500	39			
a. Predictors: Alignment and Congruence b. Dependent Variable: Research and Scientific activities	Regression	562.704	1	562.704	.207	.652 <sup>a</sup>
	Residual	103199.196	38	2715.768		
	Total	103761.900	39			

According to table No. 6, there is not any meaningful relation between the Heart and the manager's performance.

6. Is there any relationship between the Knowledge Deployment and the manager's performance?

Table 7: F test for linear relationship between the knowledge deployment and the manager's performance

	Model	Sum of Squares	df	Mean Square	F	Sig.
a. Predictors: Knowledge Deployment b. Dependent Variable: Hiring faculty	Regression	124.231	1	124.231	.413	.524 <sup>a</sup>
	Residual	11428.169	38	300.741		
	Total	11552.400	39			
a. Predictors: Knowledge Deployment b. Dependent Variable: Educational Activities	Regression	476.426	1	476.426	.003	.955 <sup>a</sup>
	Residual	5488415.074	38	144431.976		
	Total	5488891.500	39			
a. Predictors: Knowledge Deployment b. Dependent Variable: Research and Scientific activities	Regression	1420.449	1	1420.449	.527	.472 <sup>a</sup>
	Residual	102341.451	38	2693.196		
	Total	103761.900	39			

According to table No. 7, there is not any meaningful relation between the Knowledge Deployment and the manager's performance.

7. Is there any relationship between the Performance Pressure and the manager's performance?

Table 8: F test for linear relationship between the Performance Pressure and the manager's performance

	Model	Sum of Squares	df	Mean Square	F	Sig.
a. Predictors: Performance Pressure b. Dependent Variable: Hiring faculty	Regression	455.622	1	455.622	1.560	.219 <sup>a</sup>
	Residual	11096.778	38	292.020		
	Total	11552.400	39			
a. Predictors: Performance Pressure b. Dependent Variable: Educational Activities	Regression	53296.684	1	53296.684	.373	.545 <sup>a</sup>
	Residual	5435594.816	38	143041.969		
	Total	5488891.500	39			
a. Predictors: Performance Pressure b. Dependent Variable: Research and Scientific activities	Regression	174.814	1	174.814	.064	.801 <sup>a</sup>
	Residual	103587.086	38	2725.976		
	Total	103761.900	39			

According to table No. 8, there is not any meaningful relation between the Performance Pressure and the manager's performance.

## DISCUSSION AND CONCLUSION

We can generally conclude that organizational intelligence seems so weak in our studying organizations, and they should equally concentrate on all of the components of organizational intelligence so that their resultant

which become manifest as the organizational intelligence will be improved. In this way good performance and productivity will occur at the end.

But the findings of research showed that the Knowledge Deployment is a significant predictor of managers' performance in hiring faculty members. Therefore it is necessary to know that the resultant of Knowledge Deployment has a meaningful and important share in hiring faculty part of manager's performance.

Hence the managers who believe their abilities in using one of the components of the organizational intelligence as the Knowledge Deployment, sound be more successful in preparing the hiring faculty area. That's why we can bring up this matter that the organizations which pay more attention to this component have suitable and better strategy in attracting powerful and specialized forces. So we can observe better human relationship in our work environment if we can improve the level of the component of Knowledge Deployment usage there. According to this subject the most effective person in an organization is the one who goes on learning and educating constantly and tries to improve his ideas, skills and knowledge.

Various researches have been done in the organizational intelligence the results of which are harmonious. For example Vedadi and his co-worker's research (2011) showed that among the components of organizational intelligence, Knowledge Deployment has most correlation with the crisis management. Also Khodadadi and his co-worker's research (2011) shows that among the components of organizational intelligence, Appetite for Change, Heart and Knowledge Deployment can lead us to an acceptable productivity. Salasel and his co-worker's research (2010), Nouruzi and vaezi (2011), Bagherzadeh and Akbari Dibavar (2011) showed that Strategic Vision has undesirable situation, and Nouruzi and Vaezi (2011) concluded that the studying sample in Strategic Vision and Shared Fate have undesirable situation.

Satari Ghahfarokhi (2008), Salasel and his co-worker's research (2010) found out that there is a negative relation between the component of Appetite for Change, Alignment and Congruence, Knowledge Deployment, Performance Pressure and other research component.

Lefter, Prejmerean and Vasilache (2008) and Satari Ghahfarokhi (2008) also found out that in the organizational intelligence components, the Heart component does not have a good situation.

Generally the organizations should not be merely satisfied with employing the intelligent people, on the contrary they should create conditions so that the people can train their potential abilities and actually use them toward the aim and mission of the organization.

The organizations should be able to strengthen their competitive potentiality in this competitive world. It will be necessary for the managers and leaders to look at organization in another new point of view so that they suppose it as an alive creature. Karl Albrecht (2003) believes that employing intelligent people in the organization can not guarantee the success and development of the organization towards its rivals. When intelligent people gather in an organization, there will be stupidity and dullness, because every intelligent person acts individually and neglects his duty to reach the reality and elevation of the organization. It is natural that every intelligent person keeps his knowledge for himself and does not like to transfer it to the others, and in order to do his duty he constantly demands the organization something irrationally, and perhaps the organization is not able to create a searching and seeking environment for him so that he can use his talents and intelligence properly. As a result he may feel dissatisfied and it may result in many bad consequences that has no profit for the organization and because of this dissatisfaction he as well as other employees reduce their concern and undertaking towards the organization that has no profit for them.

Albrecht believes that the only way to solve this problem is using a new concept for the organizational intelligence in the 21<sup>st</sup> century. He has explained it in his book called "The power of minds in working" (2003) and believes that if every organization has the ability to harmonize and combine and concentrate on the total forces of the organization so that they use their talents, the organization will be able to reach its mission. Therefore it is completely necessary to pay attention to this subject matter for reaching the organizational success, creating desirable organizational environment and atmosphere and efficient criterion will be necessary



so that the active workers and managers can do their jobs properly. If every employee knows that his ideas, experiences and suggestions are heard and noticed, they will have tendency to exchange and transfer their knowledge and they will be encouraged to benefit others from his knowledge and inner talents. Moreover the employee feels more dependent towards their organization and tries to increase its productivity.

By creating seven basic components and necessary background for moving towards, the collective intelligence can be obtained.

By entering the knowledge era, for obtaining the opportunity in the searching environment we must move toward improving the organizational intelligence and obtaining this important goal is possible by installing the knowledge management.

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