

## The relation between the organizational intelligence and organizational agility (Case study: employees of municipality of Tabriz)

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### Abstract

Organizational intelligence is the capacity of an organization to mobilize all its intellectual capability and focusing that capability for achieving its missions. Agility means successful identification of competition (speed, flexibility, innovation, quality and profitability), integration of resources and appropriate actions in the knowledge environment and with fast changes through providing customer friendly products and services. This research is practical in terms of the purpose and is descriptive and correlational in terms of method. For gathering information in the theoretical literature section, authentic journals and specialized books have been used. Also for gathering information two questionnaires of organizational intelligence of Albrecht (2003) with 24 questions and reliability of 0.91 and agility questionnaire with 22 questions and reliability of 0.86 has been employed. The statistical population of the research includes all the employees of municipality of Tabriz that with the Cochran's formula the sample size is calculated to be 196. For analyzing the information SPSS 21 software and Pearson's correlation test is used. All the research hypothesis are verified and the findings indicate the significant relation between the organizational intelligence and its dimensions with organizational agility among the employees of municipality of Tabriz.

**Keywords:** Organizational intelligence, Organizational agility, Organization.

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## **Introduction:**

As in the human world and in the wavy life of human beings, those are successful who have opulent intelligence and can overcome the problems of life with that, definitely in the organization world the situation is the same. Specially today with respect to the progress of sciences and techniques and emergence of new needs and challenges, organization become more complex and their management is harder. This concept is more important when we accept that in the contemporary organizations, intelligence has an effective role in the performance alongside intelligence of human beings and machines. One of the factors which can combine the human and machine intelligence in the modern complex organizations is the organizational intelligence.

Organizational intelligence by relying on the human intelligence is an unlimited capacity which can provide the ideal goals of human beings in reaching the peaks of knowledge with use of potential and actual facilities. In the human world and in the fluctuating life of human beings, those are successful and entrepreneur who have affluent intelligence and high degree of intelligence quotient.

T. Matsuda (1993) from Japan is one of the authors of organizational intelligence theory. he defines the organizational intelligence as the combination of the two factors of human intelligence and machine intelligence. From the viewpoint of Matsuda, organizational intelligence is generally a set of mental capabilities of an organization. Therefore the organizational intelligence of Matsuda has two components. Organizational intelligence as a process and organizational intelligence as a product.

Organizational intelligence means having the pervasive knowledge from all the factors that effect the organization. Having a deep knowledge regarding all the factors such as customers, competitors, economic environment, operation and processes of the organization which have great influence on the quality of managerial decisions.

Managerial activities and performances shall be for the purpose of survival of the organization and focus on the organizational intelligence. Nowadays with the absolute confidence can be said that identification and employment of organizational intelligence can increase the competitiveness power of an organization and differentiate the organization in relation to the others. The necessity of investigating the organizational intelligence at the moment is a response to the current situation and need of the managers. The organization with use of organizational intelligence, increases the efficiency of employment of existing information structures and develop the operational information for usage of managers.

According to Goldman et al (1995), organizational agility means giving value to the customer, preparedness for confronting changes, paying attention to skills and creating participation. Itken et al (2002) defines organizational agility as the ability to identify the need, fast response, flexibility and concurrent production.

In fact organizational agility can easily cause significant change in the focus, diversification and renovation of business for accelerating the achievement of a specific goal; in a way that can create valuable opportunities for the organization. These organizations can precede in the competition and the key to this issue is strategic planning which represents a wide map of abilities, capabilities and main skills of the organization; Therefore each section determine the policies for increasing the organizational agility based on its specific strategies.

Agile organization combines the processes and people with the advanced technology and the needs of the customers to present services with high quality is quite short time. Agility constantly pays attention to the performance of the personnel and the organization, value of the products and services and opportunities

for attracting customers and requires permanent preparedness to confront the fundamental and surface changes and agile organizations are always ready to learn new things in order to increase profitability resulting from new opportunities. Agility creates an essential ability in order for the organization to sense, receive, observe, analyze and predict the changes in the environment. Therefore an organization is agile if it has a wide view about the new global order and confronts the turmoils with its abilities and competencies and seize the advantage aspects of trends.

The purpose of the current research is investigation the relation between the organizational intelligence and organizational agility in the employees of municipality of Tabriz.

## **Literature and history of research**

### **Intelligence**

David and Kessler, American psychologist state that: intelligence means rational thinking, logical action and effective behavior in the environment. In defining the intelligence there is no consensus among the psychologist and they have used its specification for defining this concept. Some consider the intelligence to be the ability to adapt with the environment and others reckon intelligence to be the understanding of cause and effect relation.

### **Organizational intelligence**

Is the capacity and capability of a company to move all of its mental power and focus them on achieving its mission.

Jung (2009) believes that organizational intelligence means the combination of knowledge and skills related to tangible and intangible assets for reaching the objectives of an organization.

Organizational intelligence in the Karl Albrecht's view (2003) is the talent and capacity of an organization for mobilizing its mental abilities to reach the organizational mission.

Organizational intelligence refers to acquiring the knowledge from employing human, computer and other instruments and the related knowledge in the environment of the organization (both internal and external environment).

### **Organizational agility**

Agility is the main competitive tool for all the organizations in the uncertain and always changing business environment. When agility is accepted, important questions should be asked including: What exactly is the agility? How it can be measured? How empowerment can adapt agility? How can effectively help agility? Agility is the ability to design a dynamic organization to identify the change in the internal and external resources and keep the performance above the average level.

The final feature of performance above the average level is the inevitable factor of agility. Many companies can keep their performance above the average in short term but the real issue is the sustainable maintaining of this.

## **Research hypotheses**

### **Main hypothesis**

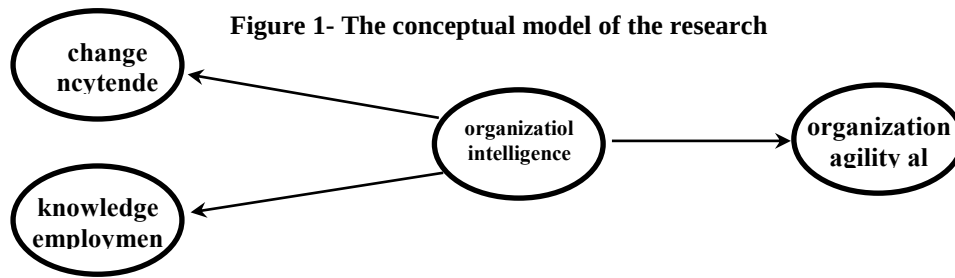
There is a positive and significant relation between the organizational intelligence and organizational agility of the employees of municipality of Tabriz.

### Minor hypotheses

1- There is a positive and significant relation between the change tendency and organizational agility of the employees of municipality of Tabriz.

2- There is a positive and significant relation between the knowledge employment and organizational agility of the employees of municipality of Tabriz.

The conceptual model is represented in the figure 1.



### Research methodology

This research is practical in terms of the purpose and is descriptive and correlational in terms of method. For gathering information in the theoretical literature section, authentic journals and specialized books have been used. Also for gathering information two questionnaires of organizational intelligence of Albrecht (2003) with 24 questions and reliability of 0.91 and agility questionnaire with 22 questions and reliability of 0.86 has been employed. The statistical population of the research includes all the employees of municipality of Tabriz that with the Cochran's formula the sample size is calculated to be 196. For analyzing the information SPSS 21 software and Pearson's correlation test is used.

### Analysis of information

#### Main hypothesis:

**There is a positive and significant relation between the organizational intelligence and organizational agility of the employees of municipality of Tabriz.**

H0: There is no significant relation between organizational intelligence and organizational agility of employees.

H1: There is significant relation between organizational intelligence and organizational agility of employees.

**Table 1- The Pearson's correlation coefficient for the main hypothesis**

| Variable                    | Significance level | Correlation coefficient | Number |
|-----------------------------|--------------------|-------------------------|--------|
| Organizational intelligence | 0.000              | 0.573                   | 196    |
| Organizational agility      |                    |                         |        |

With regards to the significance level in the table 1 which is 0.000 and because this amount is lower than the significance level of 0.05, then it can be verified that with 0.95 confidence there is a significant relation between organizational intelligence and organizational agility which confirms the H1 hypothesis and according to the resulted correlation coefficient of 0.573, it can be expressed that the relation between the two variables is positive meaning that with the increase of organizational intelligence, the organizational agility also increases.

### **First minor hypothesis:**

**There is a positive and significant relation between the change tendency and organizational agility of the employees of municipality of Tabriz.**

H0: There is no significant relation between change tendency and organizational agility of employees.

H1: There is significant relation between change tendency and organizational agility of employees.

**Table 2- The Pearson's correlation coefficient for the first minor hypothesis**

| Variable               | Significance level | Correlation coefficient | Number |
|------------------------|--------------------|-------------------------|--------|
| Change tendency        | 0.000              | 0.682                   | 196    |
| Organizational agility |                    |                         |        |

With regards to the significance level in the table 2 which is 0.000 and because this amount is lower than the significance level of 0.05, then it can be verified that with 0.95 confidence there is a significant relation between change tendency and organizational agility which confirms the H1 hypothesis and according to the resulted correlation coefficient of 0.682, it can be expressed that the relation between the two variables is positive meaning that with the increase of change tendency, the organizational agility also increases.

### **Second minor hypothesis:**

**There is a positive and significant relation between the knowledge employment and organizational agility of the employees of municipality of Tabriz.**

H0: There is no significant relation between knowledge employment and organizational agility of employees.

H1: There is significant relation between knowledge employment and organizational agility of employees.

**Table 3- The Pearson's correlation coefficient for the second minor hypothesis**

| Variable               | Significance level | Correlation coefficient | Number |
|------------------------|--------------------|-------------------------|--------|
| Knowledge employment   | 0.000              | 0.641                   | 196    |
| Organizational agility |                    |                         |        |

With regards to the significance level in the table 3 which is 0.000 and because this amount is lower than the significance level of 0.05, then it can be verified that with 0.95 confidence there is a significant relation between knowledge employment and organizational agility which confirms the H1 hypothesis and according to the resulted correlation coefficient of 0.641, it can be expressed that the relation between the two variables is positive meaning that with the increase of knowledge employment, the organizational agility also increases.

## **Discussion and Conclusion**

Organizational intelligence is a new concept in the field of organization and management. In the information age, the power of mind has prevailed over the power of hand. With the uncertain, complex and dynamic situations of today, employing the organizational intelligence and paying attention to the learning in the organization can increase the competitiveness power of an organization.

From the systematic point of view, the organizational intelligence is the intellectual ability of an organization for solving the organizational problems with the focus on combining the abilities of human and technique.

An agile organization combines the organizational processes and people with the advanced technologies to satisfy the needs of the customer for presenting high quality products and services in a short period of time. This issue is realized when the agility is supported by the leader of the organization constantly and as a strategy.

The purpose of the current research is to investigate the relation between the organizational intelligence and organizational agility of the employees of municipality of Tabriz with a descriptive and correlational method through the Pearson's test by testing the hypotheses. As it was explained all the hypotheses were verified and the findings indicate the significant relation between the organizational intelligence and its dimensions with the organizational agility of the employees of municipality of Tabriz.

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