

Effect of organizational intelligence on political behaviors in the organization(Studied case: Parsian Bank)

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Abstract

The present paper is going to do an experimental study in Parsian bank to investigate the effect of organizational intelligence on political behavior in this firm. In doing so, we used author's model. The sample comprises of 234 staff of Parsian bank branches in Tehran city and the sampling method was random cluster sampling method. We used a standard questionnaire with 36 questions to gather data. The questionnaire's validity and reliability had been confirmed and then it was distributed between populations (sample group). The data was analyzed by descriptive and inferential statistics. In descriptive statistics level, we used indexes like frequency, frequency percentage; in inferential statistics level, we used correlation methods, structural equations model, and path analysis. In doing so, we used SPSS and LISREL soft Wares. The

results showed that there is a relationship between organizational intelligence and its dimensions with political behavior in an organization. ($p < 0.05$)

Keywords: organizational intelligence, dimensions of organizational intelligence, political behavior

Introduction

Studying intelligence as an attractive and wonderful concept is not limited to cognitive (conceptual) and personal psychology and so many other fields like Management field pay attention to this concept (Zarei Matin et al., 2007). Not only intelligent people with high levels of intelligence will be successful and efficient in human society, but also conditions will be the same in an organizational world (Gholami et al., 2011). Especially in recent years which are experiencing development of technology and science and also facing new needs and challenges, organizations become more complex and governing them is more problematic; because constant past has been transformed to a fast and ambiguous flow. Therefore, traditional management does not meet the requirements of novel complex organizations any more (Elahian et al., 2009). This is the reason that made Albrekht to call the era after agricultural, industrial and informational eras as the consciousness era

(Carl, 2003). As one of organizational features in new era is having too much information, this increment in the volume of information in organizations and necessity of using this information on decision making caused the appearance and birth of management of organizational intelligence (Halal, 2006). The researches show that there is a relationship between organizational intelligence with positive results like behaviors desired in society & favored relationship with colleagues and family. Therefore, we can say that people with high levels of organizational intelligence can behave properly in a specific organizational situation (Beigzade et al., 2010). As every person's behavior in a specific situation shows his/her insight and awareness and knowledge to that situation or condition and as organizational intelligence shows person's awareness and information about effective factors in organization, so organizational intelligence can be one of the effective factors on people's behavior in an organization.

Literature review

Organizational intelligence

Organizational intelligence was a concept that has been introduced by Carl Alberkht in “minds power” in 2002. He presented a law named “Alberkht's law” which says that when

intelligent people have been selected to work for a firm, they tend to group idleness. Usually organizations hurt themselves more than what their competitors do. Lack of efficient experts, internal arguments, political conflicts in all levels, lack of discipline in organizing, meaningless laws and procedures which are barriers to total usage of minds' power are such harms that an organization can bring to herself (Albert Carl, 2002). In fact, organizational intelligence orients organization's attention to issues which are related to and affect high efficiency and helps organizations to use their potential powers (Stalenski, 2004). There are so many definitions and interpretations for organizational intelligence in scientific texts, but the common point of these definitions and interpretations is the mental ability of the organization to solve the problems and adapt with the environment (Baghi & Shirvani, 2012). In fact, the common feature of all scholars' interpretations about organizational intelligence is concentration over intellectual abilities of the organization, and from their point of view, intellectual awareness and consciousness is the most important factor in organizations' development (Kalj & Clark, 2001).

Definitions of organizational intelligence

Table1. Definitions of organizational intelligence

author	definition	source
Matsudo 1992	organizational intelligence is complex, interactive, accumulated and coordinator of human and machine intelligence sets in the organization that serve as a whole concept	Matsudo, 1992
Halal 2000	organizational intelligence is organization's capability to create knowledge and using it as a guideline to adapt with the environment	Tabarsa et al, 2012

Simik , 2005	organizational intelligence is organization's intellectual ability in solving problems and its focus is on synthesizing technical and human abilities to solve a problem	Simik, 2005
Alberkht, 2003	organizational intelligence is the ability of an organization to use all its intellectual powers and its concentration is over the objectives	Carl, 2003

Organizational intelligence comprises of 7 elements, with four dimensions which constitute knowledge management in interaction (leaders, staffs' interests, solving problems groups' activities, knowledge substructures)

1. Strategic perspective or strategic insight: the capability to create, infer and present the objective of the organization
2. Common fate: when all or most of the staff involve in an activity, they know that what the mission of organization is, they feel that they have a common goal, and each and every person realizes the organization's success forcefully. In such a situation, all the individuals see organizational success as a personal one.
3. Desire (willingness) to change: a change which shows challenge is a scenario of new and exciting experiences. In another words, it is a novel chance to start new activity.
4. Spirit: apart from common fate, spirit element involves too much orientation to standard

5. Alignment and congruence (homogeneity): people and groups should organize themselves to fulfill the mission of the firm. Responsibilities and jobs should be assigned and there should be laws and disciplines for interactions and facing conditions.

6. Usage of knowledge (knowledge usage): nowadays the actions which result in failure or success of an organization depend on gained knowledge, correct future decisions, judgment, intelligence, and common sense of meritocracy in addition to accuracy of the applied information which is associated with the organizational structure.

7. Performance pressure: in an intelligent organization, each of the executers should have and special executive position. But this will have the most influence when it is a set of self-imposed mutual expectations and operational requirements for common success. When people are integrated to fulfill the mission of the organization, there will be an operational culture and each new member can realize a sense of participation as a requirement (Lary & Taheri, 2010).

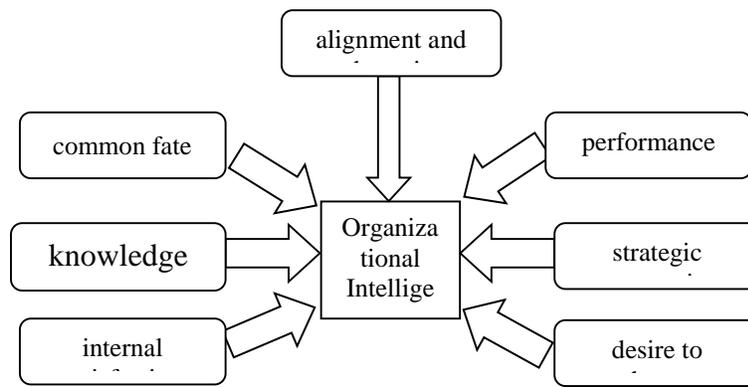


Figure1. dimensions of Carl Alberkht's organizational intelligence (2003)

Alberkht believes that an organization which is moving toward its final potentials should develop all of these 7 key dimensions constantly to have a comprehensive development.

On mathematical viewpoint, basic equation for organizational intelligence (OI) is:

Pure intelligence = available mental power – entropy + syntropy

Entropy: means the organization should pay costs for all its staffs' IQs but it will use only the percentage which includes organizational tax.

Syntropy: when different people with different levels of IQ work together, there will be a synergy which can be used instead of extra costs for IQ. Therefore, we will have higher IQs in comparison with initial costs.

Political behavior

Organizations are made up people with different personal schedules and seem to be devised to have power and influence over others. This is named the manuscript or the games of organizational political world. In political world logical structure is avoided, hierarchy is abused and legal authorities are ignored. The laws of political word have been never written and discussions are rare (Rezaian,

2010). Queen believes that political behavior includes activities which are mostly used to increase the legal power or qualification authority of people and groups (Debrin, 2001). One can say that political behavior is a set of activities which are not formally necessary in the organization but influence the reward distribution and resource allocation in the organization. In other words, political behavior includes activities which happen in an organization to have power or to accept the priorities of authoritarian individual in a situation which lacks safeguard of consistency. In an other words, when personal interests are preferred over organization interests in an organization, potential power of political behavior will change to the actual power (Dargahi, 2011).

Experts believe that political behaviors are adventitious and they may seem contrary to the personal preferences at first sight, but when there is a prohibition for using these tactics, he will use them (Rezaian, 2010). The most important factors of political behaviors in an organization include: ambiguity in objectives, limitation in resources, technological and environmental changes, scheduled decisions and organizational changes (Salaghi and Nazeri, 2010). In fact, we can say that people's

aim in doing such a behavior is finding an exclusive way to influence distribution of advantages and disadvantages inside the organization (Morhead, 2009). Political behavior is known as a source of stress and conflict in job environment and one of its potential negative results is its weak performance on organizational and personal levels. One of the possible results of showing political behavior is mental and physical

absence from job, although some other negative results can appear because of inappropriate realization of organizational hierarchy like weak job relationship with supervisor (Rezaian, 2010). Managers who does not know political behaviors in their organizations, not only loose promotions and rewards, but also will face problems in their jobs (Rezaian, 2010).

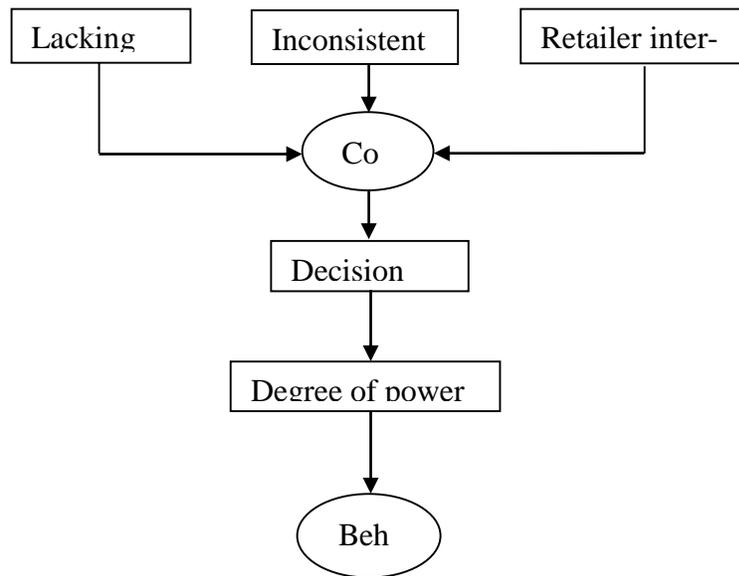


Figure2. Relationships which create political behavior (Rezaian, 2011)

Background

Managing knowledge was theatrically introduced via Peter Drucker’s thought in America, annual report of Skandia Company in Sweden (Rading, 1998) and publication of “creation of knowledge” book in Japan in 1995. So many experts had roles in evolution and development of knowledge management concept and some of the most famous ones are Drucker, straussman & Shenge. Managing knowledge is a challenging process, because realizing its real value is difficult and its desired

usage in a way that brings competitive advantage for the organization is even more difficult. Nowadays, managers try to extract the complied knowledge out of the organizational members’ minds by knowledge management and share it between all the staff. In this sense, the saved knowledge in the systems transforms to a constant usable source which provides consistent competitive advantage for the organization (Hiosman, 2006). In a research named studying the relationship between knowledge management and organizational culture from point of view of faculty of

Kerman medical sciences university , Nikpour used a 70 person sample from that university and concluded that there is a positive correlation between organizational culture and knowledge management and the results showed that organizational mission has the highest correlation coefficient and knowledge creation has the lowest correlation coefficient in that model (Nikpour, 2010).

In a research named effects of organizational culture on knowledge management in

organizations, Ray showed that available models do not present a defensible theoretical framework. Ray used SECI knowledge creation model to identify different dimensions of knowledge management and study positive and negative effects of these dimensions on knowledge creation process (Ray, 2011).

Conceptual model and Hypotheses

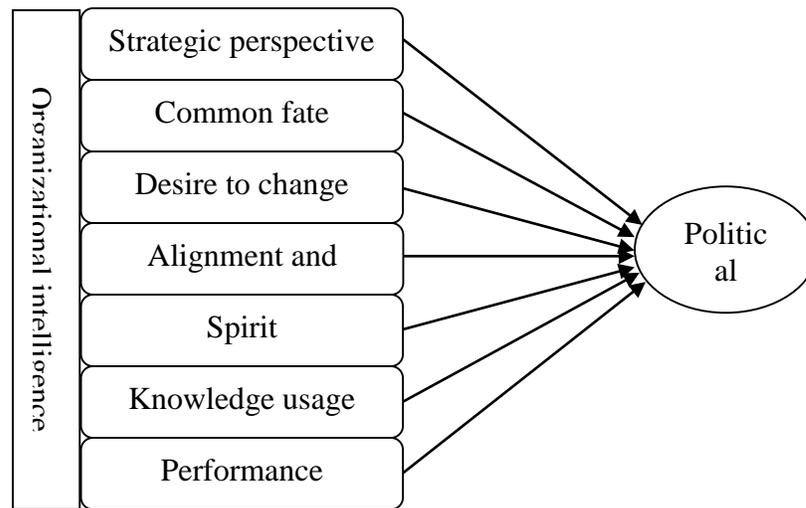


Figure3. Conceptual model (author’s design)

In this research we used Alberkht’s 7 dimension model which has been used to explain organizational intelligence (figure 2) to study the relationship between organizational intelligence and political behavior, therefore, the hypotheses of this research are designed according to these dimensions which includes a main hypothesis which itself comprises 7 subsidiary hypotheses.

Main hypothesis:

There is a meaningful relationship between organizational intelligence and political behavior

Subsidiary hypotheses:

H1. There is a meaningful relationship between strategic perspective and political behavior

H2. There is a meaningful relationship between common fate and political behavior

H3. There is a meaningful relationship between desire to change and political behavior

H4. There is a meaningful relationship between alignment and agreement with political behavior

H5. There is a meaningful relationship between desire and political behavior

H6. There is a meaningful relationship between knowledge usage and political behavior

H7. There is a meaningful relationship between performance pressure and political behavior

Methodology

As the aim of this research is studying the effect of organizational intelligence on political behavior in an organization, it is an applied (in goal) and descriptive survey (for the method of gathering data). Also, as we used structural equations modeling method to test the hypotheses, so, this research is a Co-variance or correlation matrix analysis.

Statistical population and sampling method

The statistical population of this research is staffs of Parisan bank branches in Tehran city. Parisan bank has 154 branches in Tehran city which have 1704 staffs (in north area: 243, northeast: 197, northwest: 233, center: 317, south: 269, southeast: 209, southwest: 236) and we used random cluster sampling method to create our sample group. The population is limited in this research, so we used Cochran formula to calculate the volume of needed sample and obtained number of members was equal to 231. To obtain the number of proper data we distributed 236 questionnaires and 234 have been sent back to us.

Measurement tools: questionnaire

The questionnaire has 2 main parts

a. expertise questions: this part has 36 questions which are divided to two survey tools that measure organizational intelligence and political behavior. The real organizational intelligence sample has been taken from some dimensions of Alberkht's model (2003). Alberkht (2003) introduced organizational intelligence to identify seven required acts which has been used as the theoretical base of this research. This version has 7 Items that have 4 questions for each dimension. Measurement of political behavior is based on 8 designed questions. We asked participants to answer the questions according to the Likert's five-point scale (from "totally disagree" to "totally agree")

b. general questions: these questions have been added to the questionnaire by the author. We tried to gather general and demographic data in this part. This part has 5 questions.

Data Analysis

Reliability of the questionnaire

We used Cronbach's Alpha to determine the reliability of test. This method is used for calculation of internal correlation of measurement tool which measures different attributes.

Table2. Cronbach's Alpha test for variables

Cronbach's Alpha	Variable
0.731	Political behavior
0.957	Organizational intelligence
0.790	Strategic perspective
0.899	Common fate

0.813	Desire to change
0.894	Spirit
0.707	Alignment and agreement
0.837	Knowledge usage
0.751	Performance pressure

As the Cronbach's Alpha value for the variables is higher than 0.7, so we can say that variables of the research has acceptable reliability.

Testing normality of variables

Before entering the stage of testing hypotheses we have to make sure that data are normal, and then use the tests. If the obtained meaningful

level is higher than error which is $\alpha = 0.05$, then H_0 will be confirmed, otherwise H_1 will be confirmed.

H_0 : data are normal (gathered from a normal population)

H_1 : data are not normal (gathered from a not-normal population)

Table3. Kolmogoroff-Smirnoff test for variables

Rate	Variable
0.102	Political behavior
0.179	Organizational intelligence
0.225	Strategic perspective
0.096	Common fate
0.114	Desire to change
0.112	Spirit
0.095	Alignment and agreement
0.208	Knowledge usage
0.298	Performance pressure

As the value of the meaningful level of the variables is higher than 0.05, therefore, H_0 is confirmed, and we conclude that data of the research are normal

Correlation coefficient of the variables

Table 3 shows Pearson's correlation coefficient matrix between variables. It should be noted that usually the relationship between two variables is examined for the results of such tests, if the correlation coefficient between two

variables is less than 0.25, then the relationship between two variables is weak, and if this coefficient is in the interval 0.6-0.25 then the relationship is moderate; and, if this relations is higher than 0.6, then it means that there is a strong relationship between these two variables.

Table4. Correlation Matrix for variables of the research

Variables	1	2	3	4	5	6	7	8
Political behavior		1.00						
Organizational intelligence		0.444**	1.00					
Strategic perspective		0.232**	0.650**	1.00				
Common fate		0.504**	0.907**	0.557**	1.00			
Desire to change		0.267**	0.983**	0.528**	0.776**	1.00		
Spirit		0.323**	0.902**	0.476**	0.811**	0.794**	1.00	
Alignment and agreement 1.00		0.500**	0.848**	0.520**	0.660**	0.714**	0.748**	
Knowledge usage 0.792** 1.00		0.422**	0.882**	0.438**	0.754**	0.721**	0.734**	
Performance pressure 0.691** 0.85455		0.413**	0.891**	0.393**	0.803**	0.783**	0.806**	

** p<0.01 * p<0.05

Results

In studying structural section of the model, we considered relationship between internal and external hidden variables (hidden dependent and independent variables). Here, we examine whether considered theoretical relationships between the variables in the stage of development of conceptual framework is confirmed by the data or not. We considered three problems for this issue.

1. The features (positive or negative) of related parameters to communicational paths between hidden variables show that whether the calculated parameters confirm the direction of supposed relationships.

2. The calculated parameters show that how strong the foreseen relationships are. Here, the estimated parameters should be meaningful (i.e. the absolute value of “t” should be higher than 1.96)

3. Squared multiple correlations (R^2) for structural equations shows variance for each internal hidden variable which is explained by external (independent) hidden variables. The higher the R^2 , the higher the explanation power of variance (Kalantari, 2009)

In this part, you will see the conformational factor analysis and path diagrams (standard weight and meaningfulness of coefficients) of the conceptual model

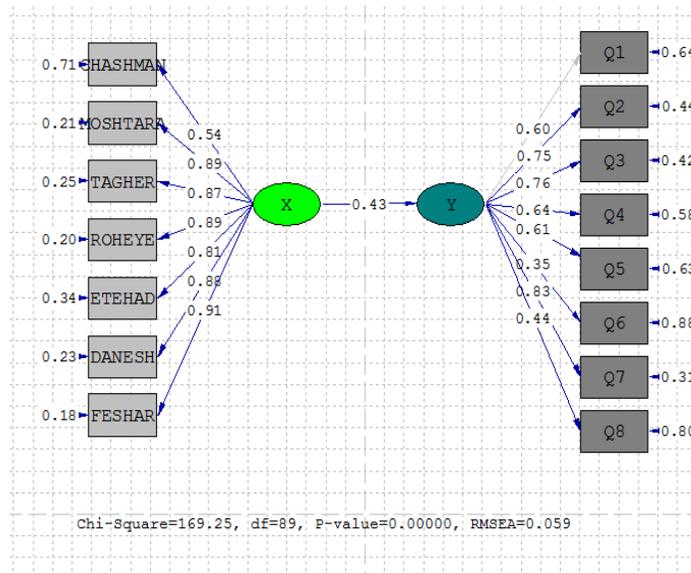


Figure4. Structural equations modeling of conceptual model of the research (standard estimation)

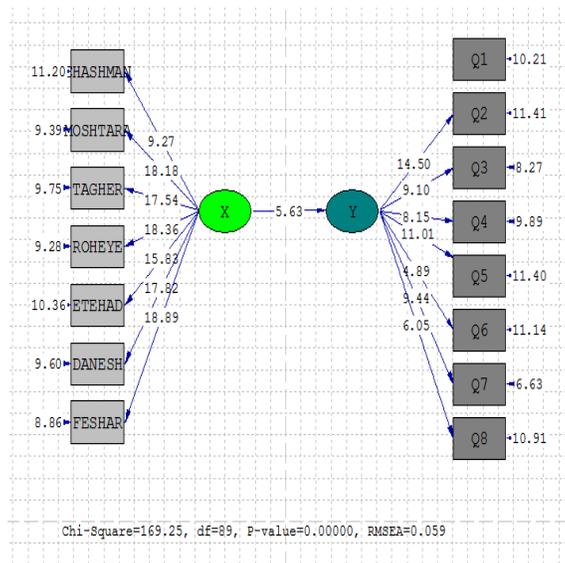


figure5. Structural equations modeling of conceptual model of the research (meaningfulness of the coefficients)

Generally, as working with LISERL software: each of the obtained indexes are not obtained because of suitability of the model of its

suitability, rather these indexes should be interpreted together. Table5 illustrates the most important indexes; all the values of the indexes

show proper and acceptable fit of conceptual model. So, consistent of conceptual pattern

with gathered data is confirmed according to the fitness of research conceptual pattern.

Table5. Model’s fitness indexes

Gained value	Limit	Index
1.90	3 or less	X ² /df
0.94	0.9 or higher	NFI
0.95	0.9 or higher	NNFI
0.96	0.9 or higher	IFI
0.96	0.9 or higher	CFI
0.93	0.9 or higher	GFI
0.059	0.08 or less	RMSEA

Main hypothesis:

There is a meaningful relationship between organizational intelligence and political behavior.

Table6. Path coefficients, t statistic, and determination coefficient (dependent variable: political behavior)

Determination efficient (R^2)	statistic t	Path coefficient (β)	Forecasting variable
0.89	5.65**	0.43	Organizational intelligence

** p<0.01 * p< 0.05

According to the path coefficient = 0.43 and t statistic = 5.65, we can say that organizational intelligence has positive and meaningful relationship with political behavior with 99% certainty.

The value of multiple determination coefficients (R^2) is 0.89. This coefficient examines the forecasting capability of

dependent variable via independent variable. Accordingly, organizational intelligence variable could foresee 89% of changes of political behavior variable.

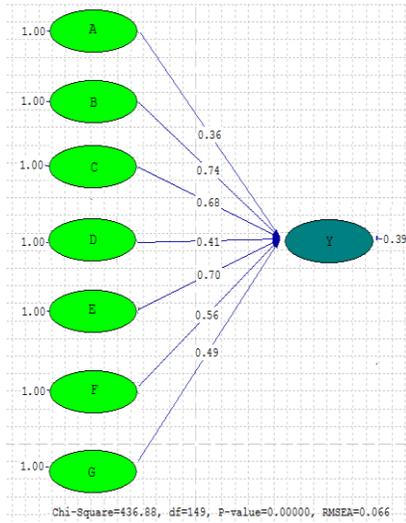


Figure6. Structural equation modeling of conceptual model (standard estimation)

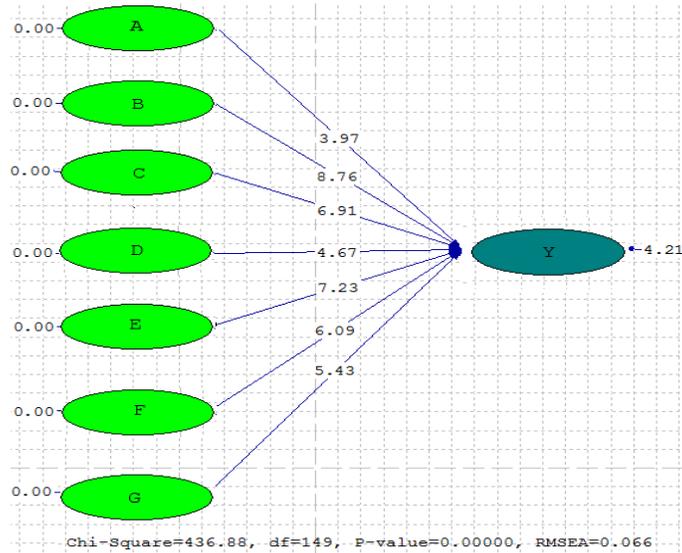


figure7. Structural equation modeling of conceptual model (meaningfulness of coefficients)

Subsidiary hypotheses:

Table7. Path coefficients, t statistic, and determination coefficient (dependent variable: political behavior)

Total determination coefficient (R^2)	Determination (R^2) coefficient	statistic t	Path coefficient (β)	Forecasting variable
0.61	0.130	3.97**	0.36	Strategic perspective
	0.55	8.76	0.74	Common fate
	0.46	6.91	0.68	Desire to change
	0.17	4.67	0.41	Spirit (motivation)
	0/49	7.23	0.70	Alignment and agreement
	0.31	6.09	0.56	Knowledge usage
	0.24	5.43	0.49	Performance pressure

** P < 0.01 * p < 0.05

According to these values: path coefficient = 0.36, t statistic = 3.97; we can say that strategic perspective has meaningful and positive relationship with political behavior in 99% certainty level

According to these values: path coefficient = 0.74, t statistic = 8.76; we can say that organizational intelligence has meaningful and positive relationship with political behavior in 99% certainty level.

According to these values: path coefficient = 0.68, t statistic = 6.91; we can say that desire to change has meaningful and positive relationship with political behavior in 99% certainty level.

According to these values: path coefficient = 0.41, t statistic = 4.67; we can say that spirit (motivation) has meaningful and positive relationship with political behavior in 99% certainty level.

According to these values: path coefficient = 0.70, t statistic = 7.23; we can say that alignment and agreement has meaningful and positive relationship with political behavior in 99% certainty level.

According to these values: path coefficient = 0.56, t statistic = 6.09; we can say that knowledge usage has meaningful and positive relationship with political behavior in 99% certainty level.

According to these values: path coefficient = 0.49, t statistic = 5.43; we can say that performance pressure has meaningful and positive relationship with political behavior in 99% certainty level.

The value of multiple determination coefficients (R^2) is 0.61. This coefficient has the ability of forecasting dependent variable via independent variable. Accordingly, strategic perspective, common fate, desire to change, spirit (motivation), alignment and agreement, knowledge usage and performance pressure variables could foresee 61% of changes of political behavior variable.

Conclusion

This research studied the relationship between organizational intelligence and political behavior. Organizational intelligence includes spirit, strategic perspective, performance pressure, desire to change, alignment and agreement, knowledge usage and common fate & all of these dimensions have meaningful relationship with political behavior in organization. Managers and staffs who enjoy high levels of organizational intelligence seem to realize organizational mission and objectives better, have better relationship with colleagues, subordinates, and customers; also their organizational performance is better and with higher possibility they will show more political behavior. Generally, organizational intelligence naturally drives people to political behaviors to increase the person's sensitivity to organizational needs and others people in the organization (managers, staff, colleagues, customers, and therefore pave the way for development and blossom and help others to reach these objectives. In one hand, a manager should have authority to make others do the

works as the way s/he likes and should depend others to her/himself more to increase his/her own power. Also, s/he should know that power is a two-way path and others especially subordinates try to depend senior authority to themselves. Therefore, there will be a constant challenge. Also, staff of an organization accepts its political nature and foresee others' behavior as investigating their behavior in a political framework and adjust their own behavior according to these personal behavior information. Perhaps, we can say that organizational intelligence is a catalyst in implementation of organizational acts and reacts and reduces time, energy and need costs for attraction, maintenance and development of manpower significantly by facilitating them and paves the way for organizational development and needed changes in the organization. Hence, we can say that the staffs who enjoy higher organizational intelligence try to show more political behavior as they have better understanding of organizational mission and objectives, enough knowledge and better relationships with their supervisors and colleagues. Therefore managers can use political behavior to develop the effective relationships inside bank branches and improve different levels of performance. The role of political behaviors should be thought to the staffs of Parsian bank, so they can use it in a positive manner for the political performance of the bank. As political behaviors cannot be diminished, so a manager who expects no one show such a behavior illustrates his credulity. But we should note that political maneuvers should and can be monitored to have a logical and constructive limitation. The people who go to the ends of political spectrum should be seen as the weak people in group activities. Usually

having moderate political behaviors seems as a survival tool in complex organizations. It should be noted that staffs' political behavior can be used to foresee what will happen, speeding the changes, creating job morale in big projects, and speeding decision makings. One of the negative applications of political behavior is that it will avoid some of the relationships between individuals and organizations, but it also should be noted that this happens to reach the organizational objectives.

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