

**SURVEYING THE RELATIONSHIP BETWEEN
ORGANIZATIONAL AGILITY AND ORGANIZATIONAL
INTELLIGENCE WITH EMPOWERING HUMAN
RESOURCE**

Case Study: Bandar Imam Special Economic Zone

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Abstract

This study focuses on organizational agility and organizational intelligence with empowering human resource in Bandar Imam special economic zone. Data has collected from 249 employees by through stratified random sampling. To data gathering we used three questionnaires with study of variables. In order to analyze the data resulted from collected questionnaires deductive and descriptive statistical methods are used, and to display some statistical data we used column diagram and in deductive level to test the hypothesis of the research we used Pearson correlation coefficients and multiple regression analysis to compare means of the constructs between variables. Findings show that, that there is a positive relationship between organizational agility and empowering human resource in Bandar Imam special economic zone. Also, we find that there is a positive relationship organizational intelligence and empowering human resource. Finally, multiple regression analysis of variables show that organizational agility dimensions and organizational intelligence dimensions able to predict empowering HR.

Keywords : organizational agility, organizational intelligence, empowering Human Resource

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INTRODUCTION

Organizational intelligence is the capacity of an organization to create knowledge and use it to strategically adapt to its environment or marketplace. It is similar to I.Q., but framed at an organizational level. While organizations in the past have been viewed as compilations of tasks, products, employees, profit centers and processes, today they are increasingly seen as intelligent systems designed to manage knowledge. Scholars have shown that organizations engage in learning processes using tacit forms of intuitive knowledge, hard data stored in computer networks and information gleaned from the environment, all of which are used to make sensible decisions. Because this complex process involves large numbers of people interacting with diverse information systems, O.I. is more than the aggregate intelligence of organizational members; it is the intelligence of the organization itself as a larger system (Halal, 1997).

Every business have purposes like; an ability to make sense of complex situations and act effectively, an ability to interpret and act upon relevant events and signals in the environment ability to develop, share and use knowledge relevant to its business purpose ability to reflect and learn from experience. OI embraces both knowledge management (KM) and organizational learning, as it is the application of KM concepts to a business environment, additionally including learning mechanisms, comprehension models and business value network models, such as the balanced scorecard concept. Organizational intelligence has been defined as "the capacity to sense, make sense, and act in flexible, creative, adaptive ways", (McMaster,1998), as "collaborative problem-solving between people and technical artefacts within and beyond complex enterprises" (Veryard, 2001). and as "how well people put their heads together in a group, team, organization, or community" (Bucavalas, 2003). Harold Wilensky argued that organizational intelligence benefited from healthy argument and constructive rivalry (Gladwell, 2003).

A theoretical framework for Organizational Intelligence (OI), which encompasses the procedural ability of an organization to efficiently process, support, measure and reason through management issues, is proposed. Karl Albrecht (2002) seven dimensions provide for OI, there are: Strategic Vision, Shared Fate, Appetite for Change, Heart, Alignment & Congruence, Knowledge Deployment, and Performance Pressure (Karl Albrecht ,2002)

The concept of "agility" was introduced by researchers of the Iacocca Institute (1991), and, since the first introduction, it has been receiving an increasing attention by both researchers and industrial communities. From 1990s until recently, many publications on the subject have appeared, which, due to its newness, attempt to provide a definition of agility. Organizational agility is a firm's ability to adapt continuously to a complex, turbulent and uncertain environment (Goldman, Nagel, & Preiss, 1995; Jorroff, Porter, Feinberg, & Kukla, 2003).

Many firms now consider organizational agility to be essential for their survival and competitiveness (Lin, Chiu, & Chu, 2006), because it enables them to develop a set of distinctive capacities giving the opportunity to the firm to react in the face of rapid and continuous change and to seize new opportunities.

Agile enterprises react quickly and effectively to changing markets, driven by customized products and services. Moreover, Swafford et al., (2006) says that agility directly affects company's capability to produce and deliver new products in a cost-efficient way Decrease in manufacturing costs, increased customer satisfaction, removal of non-value added activities and

increased competitiveness (Lin et al., 2006) are among benefits that can be achieved through agile strategies. Accordingly, agility, encompassing both companies and the supply chain as a whole according to Ren et al., (2001), is recognized as fundamental for survival in turbulent and volatile markets and to help companies to deliver the right product at the right time to the customers (Agarwal et al., 2007; Lin et al., 2006).

For this they use a set of global indicators which make it possible to estimate the costs and response times of firms facing change (for example: reaction time towards change, capacity to anticipate change, rate of innovation, spending on research and development or training, technological capability, customer satisfaction, individuals' flexibility, degree of decentralization of decision making). On this subject, note that it is more difficult to make a precise evaluation of organizational agility because of the vague and multidimensional nature of the construct. Agility metrics are difficult to define in general, mainly due to the multidimensionality and vagueness of the concept of agility itself. In this paper, a knowledge-based framework is proposed and presented as a candidate solution for the measurement and assessment of manufacturing agility. Given an enterprise, in order to calculate its overall agility, a set of quantitatively defined agility parameters is proposed and grouped into production, market, people and information infrastructures. The combined, resulting, measure incorporates the individual and grouped infrastructure agility parameters and their variations into one calculated value of the overall agility (Tsourvelousdis and Valavanis, 2002).

HR people have stepped up to the plate—an important and necessary step in the growth of the profession. The Society for Human Resource Management now offers education for HR professionals on finance, business strategy, and revenue generation. HR programs at the secondary and graduate level have incorporated business and finance classes into the curriculum. In many organizations, purely administrative tasks have been outsourced to allow HR to focus on the strategic aspects of human resources. Empowerment is an effective approach for improving employee attitudes and work behaviors in a broad range of industries, occupations and geographic regions,” said Profess Seibert (Phillips, 2007).

In summary, empowerment is about enhancement of employees' autonomy in their work, and an increased involvement and influence in decision making. The four dimensions of empowerment in accordance to Spreitzer's (1995) study are defined as follows :

- Meaning: Meaning is the value one places on the importance on a given job, based on the individual's own standards and ideals (Thomas and Velthouse, 1990). It also involves a fit between the job's role and the beliefs, values and behaviours of the individual (Brief and Nord, 1990).
- Competence: Competence is the ability or capability of the individual to perform tasks or responsibilities assigned. Gist (1987) defined competence as the individual's belief in his or her capability to perform activities with skill.
- Self-Determination: Self-determination is the autonomy in which an individual makes decisions about his work. It is therefore, an individual's sense of having a choice in initiating and regulating actions to achieve expected results (Deci, Connell & Ryan, 1989). Examples of self-determination are making decisions on work methods, pace and

effort.

- Impact: Impact is the degree in which an individual can influence strategic, administrative or operating outcomes at work (Ashforth, 1989). It is also an individual's belief that they can have a real impact on organizational outcomes or results.

Mishra (1992) added another dimension to Spreitzer's 4 empowerment dimensions. It was sense of having trust to others (Ghorbani & at el, 2012).

METHODOLOGY

This study focuses on organizational agility and organizational intelligence with empowering human resource in Bandar Imam special economic zone. Data has collected from 249 employees by through stratified random sampling. To data gathering we used three questionnaires with study of variables. Questionnaires reliability was estimated by calculating Cronbach's Alpha via SPSS software that is shown in the table 1.

Table 1. Results of questionnaires reliability from SPSS software

| Variables | Cronbach's Alpha |
|-----------------------------|------------------|
| Organizational Agility | 0.89 |
| Organizational Intelligence | 0.91 |
| Empowering Human Resource | 0.90 |

In order to analyze the data resulted from collected questionnaires deductive and descriptive statistical methods are used, and to display some statistical data we used column diagram and in deductive level to test the hypothesis of the research we used Pearson correlation coefficients and multiple regression analysis to compare means of the constructs between variables and. The analysis has performed with SPSS.

ANALYSIS AND CONCLUSION

Table 2, which present the correlations of each of the eleven items of main hypothesis "There is a relationship between organizational agility and organizational intelligence with empowering human resource in Bandar Imam special economic zone." The results show that organizational agility significantly and highly related with empowering human resource. strong positive correlation was found between this variable ($r=0.816$) and correlation is at the $p \leq 0.000$ level. And also, The results show that organizational intelligence significantly and highly related with empowering human resource. was found positive correlation between this variable ($r=0.519$) and correlation is at the $p \leq 0.000$ level.

Table 2- Pearson's correlation coefficients of variables

| Independent Variables | dépendent Variable | n | Pearson Correlation | Level of sig. |
|------------------------|---------------------------|-----|---------------------|---------------|
| organizational agility | empowering human resource | 249 | 0.816 | .000 |
| organizational | empowering | 249 | 0.519 | .000 |

| | | | | |
|--------------|----------------|--|--|--|
| intelligence | human resource | | | |
|--------------|----------------|--|--|--|

Table 3, which present the correlations of each of the seven items of organizational intelligence and empowering human resource.

| Independent Variables | dépendent Variable | Pearson Correlation | Level of sig. |
|------------------------|---------------------------|---------------------|---------------|
| Strategic Vision | empowering human resource | 0.719 | .000 |
| Shared Fate | | 0.858 | .000 |
| Appetite for Change | | 0.562 | .000 |
| Heart | | 0.138 | .000 |
| Alignment & Congruence | | 0.482 | .000 |
| Knowledge Deployment | | 0.514 | .000 |
| Performance Pressure | | 0.582 | .000 |

The results (Table 3) show that organizational intelligence dimensions and highly related with empowering human resource. The strongest positive correlations was in strategic vision and the weakest in Heart.

Table 4, shows the multiple regression analysis about this question “ Is organizational intelligence be able to predict empowering human resource?

Table 4. Multiple correlation coefficient between organizational intelligence and empowering HR

| | r | R ² | F | Sig |
|--|-------|----------------|---------|-------|
| organizational intelligence dimensions | 0.953 | 0.908 | 341.212 | 0.000 |

According to table 4, Multiple correlation coefficient between organizational intelligence and empowering HR is 0.95 and R² is 0.90. it means that organizational intelligence can predict 65 present of change in empowering human resource. Also F-test is 341.212 and meaningful in p ≤ 0.05 level. We can say that organizational intelligence dimensions able to predict empowering HR.

Table 5 shows the parts regression equation.

| Independent Variables | B | Beta | t | Level of sig. |
|-----------------------|------|------|--------|---------------|
| Strategic Vision | .281 | .016 | 18.075 | .000 |
| Shared Fate | .283 | .014 | 19.543 | .000 |
| Appetite for Change | .252 | .011 | 22.025 | .000 |

| | | | | |
|------------------------|-------|------|--------|------|
| Heart | .008 | .012 | .689 | .491 |
| Alignment & Congruence | -.003 | .011 | -.286 | .775 |
| Knowledge Deployment | -.040 | .020 | -2.055 | .041 |
| Performance Pressure | .039 | .019 | 2.046 | .042 |

Table 6, shows the multiple regression analysis about this question “ Is organizational agility be able to predict empowering human resource?”

Table 6. Multiple correlation coefficient between organizational agility and empowering HR

| | r | R ² | F | Sig |
|--|-------|----------------|--------|-------|
| organizational intelligence dimensions | 0.537 | 0.288 | 19.697 | 0.000 |

According to table 6, Multiple correlation coefficient between organizational agility and empowering HR is 0.53 and R² is 0.28. it means that organizational agility can predict 28 percent of change in empowering human resource. Also F-test is 19.697 and meaningful in p ≤ 0.05 level. We can say that organizational agility dimensions able to predict empowering HR.

Table 7, shows the parts regression equation.

| Independent Variables | B | Beta | t | Level of sig. |
|--|-------|------|--------|---------------|
| Implement Radical Changes | -.007 | .074 | -.099 | .921 |
| Implement Small Changes | -.054 | .058 | -.925 | .356 |
| Organizational Cooperation | -.101 | .048 | -2.106 | .036 |
| Flexibility In Comparison With Competitors | -.012 | .043 | -.280 | .780 |
| | .532 | .171 | 3.120 | .002 |

The results (Table 7) show that highly regression coefficient related to quickly and effectively problems solving dimension. It means that, this dimension have strong predictive power.

Findings show that, that there is a positive relationship between organizational agility and empowering human resource in Bandar Imam special economic zone. Also, we find that there is a positive relationship organizational intelligence and empowering human resource. Finally, multiple regression analysis of variables show that organizational agility dimensions and organizational intelligence dimensions able to predict empowering HR.

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