Chapter 11
Organizational Intelligence Scale for Business Organizations in Chaotic Situations

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ABSTRACT

One of the key roles of the present era in the management of an organization is intelligence. This influences the management of employees as well as applicability of human capital within the organization at a particular time. The significance of intelligence to both employees and organizations for the smooth operation of the organization cannot be overemphasized. It not only depicts the theoretical bases of intelligence in organizations but it also outlines the practical reflections at workplace. The purpose of this study is to develop a new scale that can be adopted in the evaluation of organizational intelligence based on management and competence in decision-making within firms in as far as trade, industry, finance and services tailored to transformation of companies operating in the business sector is concerned. Equally, a new methodology for testing the consistency of financial data of the companies in relation to this scale will also be introduced.

INTRODUCTION: CONCEPTS OF ORGANIZATIONAL INTELLIGENCE

Organizational Intelligence

The concepts of Organizational Intelligence and its Cycle have been explored (Alves et al 2009, Nazem et al 2014, Ponraj et al 2009). Different authors and scholars who have handled the concept of intelligence

have submitted varying elements of indicators to the following effect. Raymond Cattell and John Horn suggest that the concept of intelligence should be divided as follows:

- Fluid intelligence includes reasoning ability, memory capacity, and information process speed. It involves such skills as those requiring spatial and visual imagery and is generally believed to be less affected by experience and education than is crystallized intelligence.
- Crystallized intelligence concerns the application of knowledge to problem solving and require reasoning and verbal and numerical skills and is generally believed to be affected by experience and formal education.

Robert Sternberg's Triarchic Theory was concerned with how intelligence is used, particularly in problem solving, as well the abilities it includes. The theory deals with:

- Componential intelligence includes components important to acquisition of knowledge, use of problem-solving strategies and techniques, and meta-cognitive components for selecting strategies and monitoring progress toward success.
- Experiential intelligence is reflected both in creatively dealing with new situations and then combining different experiences in insightful ways to problem solving.
- Contextual intelligence is reflected in the management of daily affairs.

Howard Gardner's seven intelligences divided intelligence into seven abilities:

- Linguistic ability.
- Logical-mathematical ability.
- **Spatial Ability:** Navigating spatially; forming, transforming, and using mental images.
- **Musical Ability:** Perceiving and creating rhythm and pitch patterns.
- **Bodily-Kinesthetic Ability:** Motor coordination and movement skills.
- **Interpersonal Ability:** Understanding others.
- **Intrapersonal Ability:** Having self-understanding, a sense of identity.

Equally worthy noting are the five steps in the process of intelligence building which include: direction, collection, processing, dissemination as well as continuous review and evaluation.

Organizational intelligence is one of the new concepts. There are many questions on organizational intelligence, affecting factors and its relation with managers` performance. It is possible to find various concepts of organizational intelligence in literature, but all are bounded by one feature: the organization's capability to adapt to its environment and apply its knowledge (De Angelis 2013). Citing Cho (2002), De Angelis (2013) contends that OI as a continuing activities that consist of environment sensation, perception development, and generating meaning through interpretation, using memory of past experience to help awareness and taking action based on the developed interpretations.

Accordingly efforts to define organizational intelligence have been abound (Erçetin 2000, 2002, 2005) as an ability of the organization to take decisions about ordinary and extra-ordinary situations (Mason, 1996), as cognitive capacity referring to the synergic complementation of human and information systems (Kull, 1997), as the problem solving capacity of an organization (Halal 1997), and as the total ability

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