

# **THE POWER OF MINDS AT WORK**

## **Organizational Intelligence In Action**

**KARL ALBRECHT**

**KARL ALBRECHT** is the author of more than 25 books on business performance and personal effectiveness including *Brain Power*, *Added Value Negotiating* and *Service America*. Dr. Albrecht is also the founder and chairman of his own management consulting firm. He specializes in developing new concepts for organizational and personal effectiveness.

The Web site for this book is at [www.karlalbrecht.com](http://www.karlalbrecht.com).

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**MAIN IDEA**

Albrecht’s Law states: “Intelligent people, when assembled into an organization, will tend towards collective stupidity”. This phenomena is widespread. For example, NASA’s climate orbiter mission to Mars in 1999 failed because one group of engineers had been programming in kilometers and kilograms while another group of engineers were programming in miles and pounds. The resulting mismatch – which occurred despite the fact both teams worked in conjunction with each other – meant that an organization filled with highly intelligent people ended up doing something dumb.

To offset Albrecht’s law, organizational intelligence (OI) is needed. OI can be defined in this way: “Organizational intelligence is the capacity of an organization to mobilize all of its brain power, and focus that brain power on achieving the mission”. In practical terms, OI is the antidote to collective stupidity and a deliberate effort to multiply and take advantage of the collective brain power of everyone involved.

While there is no cookbook recipe for how to develop OI, organizations which have it generally exhibit seven key traits which are worthy of emulation and further thought:

- |   |   |   |
|---|---|---|
| The Seven Key Traits of Organizational Intelligence | 1 | <b>Strategic Vision</b> – Everyone knows what the business stands for and values                      |
|   | 2 | <b>Shared Fate</b> – Everyone feels like they have a stake in the outcome                             |
|   | 3 | <b>Healthy Appetite For Change</b> – Everyone is up for a challenge and a new way to act              |
|   | 4 | <b>Extra Mile</b> – The people in the organization are willing to go out of their way to achieve more |
|   | 5 | <b>Alignment</b> – All the organization’s systems help rather than hinder accomplishment              |
|   | 6 | <b>Knowledge Deployment</b> – The organization’s knowledge assets are used effectively                |
|   | 7 | <b>Performance Pressure</b> – Everyone feels obligated to excel rather than watch the clock           |

In short, unless organizations can get smarter by learning how better to harness the aggregate brain power of everyone involved in the business enterprise, they risk being outperformed by others who do precisely that.

**Trait #1 – Strategic Vision** . . . . . Page 2

OI increases when the organization’s leaders can articulate precisely what the business stands for and why that matters. They also must have the ability to reinvent that core concept of success as often as needed.

**Trait #2 – Shared Fate** . . . . . Page 3

When everyone signs on to a common mission, they are able to contribute and OI increases. In the absence of this shared vision, a spirit of “Looking out for number one” will prevail and everyone will try and move the boat in different directions.

**Trait #3 – Healthy Appetite For Change** . . . . . Page 4

Organizations that thrive on change are more likely to have a high level of OI than those that are set in their ways. The more esprit de corps which develops around a shared concept of success, the better because people will make a genuine effort to contribute to the group achievements rather than looking out for number one.

**Trait #4 – Extra Mile** . . . . . Page 5

When people align their own measure of success with the success of the organization as a whole, they will become willing to contribute more and OI will increase. When people are willing to do more than the bare minimum to get by, the organization can move forward quickly.

**Trait #5 – Alignment** . . . . . Page 6

In an intelligent organization, the systems in use – the configuration of roles, goals, rules and tools – help people achieve the objectives. To enhance OI, eliminate any structural deficiencies so everyone becomes aligned towards achieving the common goals.

**Trait #6 – Knowledge Deployment** . . . . . Page 7

In order for an organization to act intelligently, knowledge must flow freely through it. That will require a balancing act between commercially sensitive information and all other types of know-how, information and data. To increase OI, encourage new ideas and new inventions, and allow people to aggressively challenge the status quo if they know of something better.

**Trait #7 – Performance Pressure** . . . . . Page 8

In intelligent organizations, everyone (not just the leaders) feels pressured to deliver results. There is a self-imposed set of high expectations and operational imperatives which are built around the ideal of shared success. As a result, the people are preoccupied with delivering results.

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