Positive Human Tacit Signal Approach and Competence System Intelligence in Organization

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1. Introduction

Ghoshal et al. (2000) have showed that people’s knowledge and competence will be increasingly critical for organizational success. The one who can recognize both human needs and emotional intelligence, but also is able to confront and lead people will probably be more successful with organization and work demands. However, the system complexity exists and human being such many-sided entity that organizational purpose may not be easily completed by traditional approaches and leadership (e.g. Stacey, 2001; Kets de Vries, 2006). In this context, thematic new approaches and designs are needed in order to tackle and develop the emotional intelligence in workplaces. In this chapter the positive human tacit signal approach and competence system intelligence are studied in order to recognize, develop and manage emotional intelligence in the workplaces. Also the importance of positive is studied to serve human leadership.

Our framework is organizational human capital development that is accomplished by leading positive human tacit signals and competencies in intelligent workplaces. The concept of positive has here major connotations like a focus on positively deviant performance, a focus on strength rather than weakness, a focus on virtuousness, and a focus on human experience and performance (Syväjärvi et al., 2005; Cameron, 2008; March, 2010). Human tacit signals approach and analyse are needed to identify organization development needs and to raise competence system intelligence. Tacit signals are based on employees’ tacit knowledge and those will give guiding information for core competences improvement (Kesti & Syväjärvi, 2010). Positive human tacit signals and competence system intelligence are connected to the organizational development process in order to gain an effective organization change based on optimal workplace solutions.

Human tacit signals are rather well linked to system intelligence that consists of interrelated competencies or capacities (e.g. Luthans & Youssef, 2007). Thus it is possible to perceive and develop the “positive”, but simultaneously to recognise the hidden human behaviour that might prevent the intelligence. As stated the current viewpoint is linked to both system intelligence and management in organization. System intelligence refers here to the sensitivity between competence environment and human. It shows human capabilities and experiences (incl. knowledge) but also invoke more positive performance. Now system
intelligence is in accordance with emotional intelligence as the latter involves the ability to carry out reasoning about emotions and the ability to use emotions and knowledge (Mayer et al., 2008).

In addition, several years ago the centre of debate in both management and leadership studies was on what managers actually do and what is the nature of their work. However, nowadays workplaces and people are indeed under many changes and also the work itself is changing. Many of these instabilities also put a heavy stress on people and human capital centred management (Luthans & Youssef, 2009; Syväjärvi & Stenvall, 2009) and thus to emotional intelligence in workplaces. As organizational environments indeed are highly changing and turbulent there seems to be possibilities to well lead working societies to positive development. Therefore alongside the positive human tacit signals, we are after parallel leadership that may recognize affirmative strength, experience and performance and thus will be able to confront workplace situations with emotional intelligence (Spector & Fox, 2002; Cameron, 2008).

So is it possible to perceive and improve positivity, human-based well-being and system intelligence in order to gain sensitive and well performing workplaces? This has significant relevance for public policy, complex organizations, various knowledge-intensive workplaces and finally for humans (Stacey, 2009; Syväjärvi & Stenvall, 2010; Lewis, 2011). Given the weighty implications of abovementioned question, it is almost certain that one must move beyond cross-sectional and borderless research, and move towards approaches that account for extraordinary or new processes and methods. In our understanding when emotionally engaged to work, when giving the value for human experience and when executing the caring leadership one might be more likely to feel good and competent, and to have a sense of belonging and taken care. Also the emotional intelligence research has various concepts that are all valued here as overall study of the emotional intelligence (Salovey et al., 2009; Di Fabio & Palazzeschi, 2009). However, the tacit signal approach is now studied in order to see how organization detect, utilize and lead positive human tacit signals and how competence system intelligence with certain organization and government characters is specifically related to the emotional intelligence in workplaces.

2. Organization tacit knowledge utilizing approach

The organization is a complex and intelligent system that can be illustrated by applying various metaphors and models (e.g. Stacey, 2001). It has been shown with complexities and signal information that the spatial spread detection accompanied by knowledge collection is vital (Syväjärvi et al., 1999). Currently with human tacit signal and knowledge in organization it is important to pay attention to individual interaction and connectivity. Humans have learned to interact across space, time and many boundaries as such actions and connections create possibilities of cooperation and conflict (Stacey et al., 2000; Syväjärvi & Stenvall, 2009; Lewis, 2011).

Nagamachi (2008), as an example, has presented a model for developing industrial safety in which the innate reasoning of a person is illustrated with a model that has been divided into three sections. The lowest level is Akamiso, which comprises emotional experiences and subconsciously influences the actions of a person. In the middle of is the area of conscious management, while the highest level is Shiromiso to describe conscious practical activity.
Further, actions guided by the Akamiso level can be both impulsive without conscious management and neglectful to safety. In addition, it has been studied how emotional intelligence (Mayer et al., 2008) could be modelled or conceptualized in such way that it can be tackled more easily also to workplaces. For example, Di Fabio & Palazzeschi (2009) showed how emotional intelligence is related to career decision difficulties and they found the inclusive importance of emotional intelligence and how it is vital to construct relationships and to understand emotions. Salovey et al. (2009) have divided emotional intelligence to four branches, i.e. perceiving emotions, using emotions, understanding emotions and managing emotions.

Abovementioned approaches can be applied to describe the tacit knowledge interaction and connection processes of an organization. Those highlight emotional intelligence in organizational environment and describe quite well the challenges in detecting, recognizing, learning and managing competencies. Kesti (2010) recognize three levels which are separated with barriers that act as filters preventing interaction, connectivity and knowledge from one level to another. The tacit knowledge inventory, comprised of feelings and experiences, is situated at the lower level of the triangle, describing the large amount of tacit knowledge to be perceived. In the middle of the triangle is the level of rational thinking, using and understanding on which one's emotions and experiences are conceptualized for possible further needs. The highest level is the area of primary action where the on-going is processed, reflected and managed. The amount of primary actions is limited as we are incapable of doing or handling too much at once.

![Fig. 1. The tacit knowledge interaction and learning where tacit knowledge is conceptualized into action.](image)

The levels interact with each other over the filtering barriers. Therefore the filtering barrier between each of the levels of thinking creates a threshold for the flow of knowledge from one area to another, but might also hinder interaction and connectivity. There is an awareness barrier between tacit information and rational thinking. If the barrier is too opaque the tacit knowledge will not be able to ascend to the conceptualizing level. On the other hand, if the barrier is too transparent we will overanalyse or not identify our emotions and actions and thus, cause additional pressure to conceptualizing. The filtering barrier
prevents becoming overloaded so that all emotional issues would not cause excess pressure. Finally when rational conceptualizing leads to action, the action doing barrier needs to be crossed. The action often requires sufficient motivation, creative tension and openness with pleasant and unpleasant experiences. The action doing barrier is lower in cases where the action is interesting and pleasant than in cases where the action is unpleasant and difficult.

The cognitive capability, collectiveness, behavioural self-management, shared experience and mutual appreciation are just few examples of the emotional intelligence that may either weaken barriers or create sufficient energy to facilitate the barrier crossing. Therefore inherent characters, external interventions, openness and human interaction, but also a group have great significance for complex adaptive work systems. When there is a healthy and happy work community then barriers are lower for positive outcomes and change. These can be innovative and unique, therefore creating new ideas and experiences that are recorded as tacit knowledge.

Kesti (2010) points out that the action doing barrier can be lowered by choosing a sufficiently concrete goals and actions that can be realized and indeed experienced in a workplace. Collective appreciation and agreement on an important issue will more probably motivate to take action. As an example, when a group succeeds in problem-solving then the amount of harmful stress is also reduced. This promotes the balance between negative and positive for human capital, which in turn highlight the awareness barrier. The interest of management and leaders towards the development is important because it lowers both the awareness barrier and the action doing barrier. In workplace the agreement on a schedule and follow-up procedures create an appropriate amount of positive tension.

![Diagram](https://www.intechopen.com)

**Fig. 2.** The effect of the organization on the increase and utilization of tacit information.

Several research studies indicate that organizations that are committed to their employees and promote the tacit knowledge base to increase are the most successful ones in a long term (Collins & Porras, 1994; de Geus, 1997; Liker, 2004). Tacit knowledge utilization model illustrate the meaning of sustainable positive organization development fostering workplace
collaboration in development rather than defending and explaining the problems away. All this are in accordance with the idea of emotional intelligence and positive psychology appreciative inquiry and leadership (e.g., Cameron, 2008; Lewis, 2011; Haslam et al., 2011). Indeed appreciative inquiry principles value human tacit knowledge, contextual reality, dialogue, awareness and positivity in human collaboration (Fredrickson, 2001; Gergen & Gergen, 2004). In interactive and learning organization errors are prevented better and actions are continuously developed. These can be learnt and even achieved both systematic and efficient use of the positive tacit signal approach.

3. The positive, human tacit signals and intelligence

The background with “positive” is in both psychology and leadership studies. Leadership is grasped later on as one key theme, but indeed the positive psychology gives fundamentals for what makes life and also the working life significant. The term positive psychology has its’ roots in 1950’s. It was reintroduced as more attention needed to be paid to the good in human and changing workplaces (Seligman et al., 2005). Hence, the positive psychology has valuable impact on both humans and performance in organizations. Positive psychology has clear links to emotional intelligence in workplaces. Humans are after meanings in even more complex life situations. They care about the quality or nature of life and what will make, for example, a good working life for them. In workplaces, an individual as well even an organization needs to look after for holistic perspective in order to create meanings for them and for those they care (rf. Perttula, 2009).

According to Cameron (2008), the positive in organizational setting is keen about such deviant performance and successful performance that exceed standard. It has also an affirmative bias and thus strength, optimism and support overwhelm the opposite. Thirdly the tendency towards virtuousness (e.g. trust, optimism, love, care, forgiveness) is important as the good condition is possible with the positive and it might have an expectant influence to emotional intelligence in workplaces. All these are also essential in case of human tacit signals. These three connotations involve effective adoption to organizational environment. Nevertheless this does not mean that negative, disturbing or otherwise unwanted situations are neglected.

In organizational settings, however, some will rush to judgement on these important issues and offer oversimplified answers. Lewis (2011) indicates how positive psychology having elements of organizational life offers us an ethically viable choice with premises of organization and leader or manager. It is emphasized here that the experience plays a vital role for positive and human tacit signals when those are related to emotional intelligence in workplaces. The positive and human tacit signals give value to the human experience (incl. knowledge, intuition, beliefs, learning, etc.) as it shows interpretation of both life and working life. Human beings have desire to make sense of their experience and in complex workplace settings this means stability and change, but also positive and negative. Thus a certain kind of ambivalence is an important feature to explain the positive and human tacit signals in workplaces. In final, the concept of positive has a focus on positively deviant performance, a focus on strength and optimism rather than weakness and pessimism, a viewpoint towards virtuousness, and indeed a focus on human experience and performance (Syväjärvi et al., 2005; Cameron, 2008; March, 2010).
The importance of positive human tacit signal in the domain of emotional intelligence is quite profound. In short, the emotional intelligence indicates competence to identify, assess, and control the emotions of one and of others. The positive human tacit signals are connected to emotional intelligence as those refer to personal guiding abilities and experiences that can be used at improving the human competencies at working society (Stone, 2002; Kesti, 2005). Human competencies are needed for an individual to perform a work properly and thus a competency refers typically to abilities and behaviors. In working societies these employee opinions or experiences are related to competence development needs and to help solving problems which are important for the positive development, leadership and emotional intelligence. As emotional intelligence (Salovey et al., 2009) represents here the ability to perceive, appraise, and express emotions accurately and adaptively, thus aforementioned four connotations reflect the ability to understand, access, generate, control and process positive emotions in workplace. For example, the leader who wants to create an emotionally intelligent activity can start by helping the team raise its collective self-awareness (Goleman, 2007).

It seems that collective emotional intelligence is characteristic for top performing workplaces and positive energy (Wheelan, 2005). How to detect the positive and human tacit signal? By tacit signal approach it is possible to relate the human competence success factors with positive spiral and thus, for example, to minimize the risk of low human competence utilization. The mind set at tacit signals is to measure development needs so that the result will help hermeneutic improvement. Mind set is human positivism comparing to statistical Likert inquiries that find out the situation but do not help humans in improving it. Tacit signal approach is based on the dichotomy scale, consisting two interrelated guiding forces (Kesti & Syväjärvi, 2010).

When measuring the competence development needs, the positive performance is achieved when these forces are both optimally utilized and therefore in balance. This approach of two interrelated guiding forces is included at the the Yerkes-Dodson (1908) law of tension-performance relation (an inverted U-curve). The pressure – performance relation is recently studied and verified in several research studies (Abercrombie et al., 2003; Goleman, 2007; Putkonen, 2009). It is important basis of human performance and thus to emotional intelligence development. The principle of interrelated and opposing factors affecting at organization, and even multitude dichotomies, are affecting on organization’s knowledge creation (e.g. Nonaka & Takeuchi, 1995; Losada & Heaphy, 2004). The competence system intelligence is further discussed in later parts.

3.1 The tacit signal inquiry connection to inverted U-curve

The Yerkes-Dodson law describes excellently this dichotomy in practice at the personal tension – performance correlation. Each human has personal best performance that correspond their 100 % performance at each measured competence area. Using this scale the focus is not to measure absolute competence against some fixed scale but rather relative and situation-based personal scale from 0 to 100 %. Each human is bodily and knowledgeable psychophysical being and tied at time and to own situation, context, identity and categorization (Haslam et al., 2011).
Fig. 3. Figure illustrates the principle of inverted U-curve in competence analyzing.

At figure 3 the point a) illustrates the situation where the person has not enough challenges and feels bored. Therefore self-esteem might be lower and it is linked to poorer performance. Person needs more challenges for increasing creative pressure to activate doing things, which typically increase performance. However, it is essential to proceed in balance so that the pressure does not exceed too much. If pressure gets too high the situation can turn to the opposite side of the inverted U-curve and quite often anxiety and stress might follow (point b). (Kesti 2007)

Fig. 4. Tacit signal relative performance scale phenomena when the challenges are increasing.

At figure 3 the point b) illustrates the situation where the person is under harmful stress and does not feel able to survive over situational challenges. Anxiety causes such stress that is harmful for mind and body. As a symptom the person tends to forget things and the body
immunity resistance decreases. For example, one classical symptom is cynicism which might be destructive for happy working community (Wu et al., 2007). The situation can be improved by decreasing the stress by improving the quality of doing. This may mean new workload distribution in the group so that person is able to improve the quality of chosen tasks. New workload arrangement may also change the situation to the opposite side of the inverted U-curve which actually may be good way for persons’ performance development.

The position at inverted U-curve is constantly changing. Also the altitude of personal curve changes depending on the competence area and situation. Because the performance is measured by asking the development need and being after positive, the analysis is relative which means that it can change in different situations. For example if organization implements new challenging strategy and targets, the situation is changed and more development needs may rise. This phenomenon was found empirically at our cases, and thus is under further studies.

The tacit signal approach can be described by using inverted U-curve. The situation at the inverted U-curve can be measured by asking the person’s experience about the development need concerning the competence attribute. For example “working community meeting practices” are one competence attribute at the team culture competence. A person may feel that this competence is not positively utilized since there is need for further development and therefore the opinion or one’s experience is at the right side of the inverted U-curve.

Fig. 5. The tacit signal method connection to inverted U-curve.

The guiding factors are chosen so that they follow the dichotomy principle. Hence, one guiding force is guiding to more straightforward actions (e.g. quantitative) and the other is more related to emotions (e.g. qualitative) thus guiding to dialog between the parties and individuals. The positive human tacit signal competence analysis use the sin-curve following the formula

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C = sin(πi/8 * x)  \hspace{1cm} (1)

where x is tacit signal inquiry guiding opinion/experience. Kesti (2005)

Fig. 6. The tacit signal inquiry analysing.

The tacit signal inquiry consist several competence attributes that are validated to be important for the organization and thus supporting the positive goals. Each person gives guiding opinion or experience about the possible development need on each item. There is possibility to choose only one guiding option in the dichotomy scale and thereby the inquiry triggers the tacit signal for retrieving the possible deviance in desired balance. In this context Nonaka and Takeuchi (1995) have pointed out this fundamental idea as:

"Written primarily for the academic reader, our discussion here revolves around our observation that organizational knowledge is created by transcending a multitude dichotomies presented throughout our book."

and

"We maintain that any adequate theory of knowledge creation must contain elements of both".

These guiding factors are related to each other meaning that when the quantity is increased it affects to the quality and therefore the activating is done utilizing best practices. Correspondingly when quality is improved then it affects to the quantity. For example, the meeting practices quality development might first need more time to learn positive way and unlearn harmful habits. When new meeting practices are adapted it can decrease the time consumption. Besides the dichotomies related to positive improvement actions there is other balancing process to be considered and balanced. This other essential dichotomy is the interaction between self and other (e.g. Losada & Heaphy, 2004; Haslam et al., 2011).

3.2 Tacit signal inquiry and analysing

The current tacit signal approach is in accordance with the appreciative inquiry as it is an organizational development method that engages humans to detect, recognize, change and
improve performance (Cooperrider & Srivastva, 1987). Each employee gives their tacit signal opinions or experiences (total feedback) which are combined to the working society collective knowledge of necessary development needs. People are reflecting their “self” in the group where the development is done together in constructive dialog between others. The tacit signal inquiry is needed to get the balancing feedback for starting the balancing process (see Senge, 2006) for working society and organization wide performance development. The balancing means also that both positive and negative feedbacks are valued. For example in case of leadership competence improvement, it needs the leader and each group member’s collaboration for success.

Fig. 7. The tacit signal inquiry example.

High performance organizations prevent possible problems in advance (Blanchart & Thacker, 2004; Fenwick, 2006; Mankin, 2009). This requires the organization culture where certain triggering events are enough for starting the improvement actions for preventing the performance problem. Blanchart and Thacker (2004) point out that performance problem may or may not actually exist; it is enough that one or more decision makers believe it does. Fenwick (2006) argue that the traditional assumption that observed problem, such as a task being carried out incorrectly, can be corrected simply by training is flawed. The performance problem – observed or suspected – can be due to wide range of factors and therefore it is difficult to isolate (Wexley & Latham, 2002; Gilley et al., 2002; McClernon, 2006).

Present approach has been found useful at the organization development purposes for it provides positive feedback about the human-based development needs. It seems that the
tacit signal gives guiding information for improving the competencies (Kesti & Syväjärvi, 2010). However, analyse itself only guides to improvement, providing information for conceptualizing the problems to improvement actions. It should be noted how alongside measurements such collective and qualitative practices (i.e. meetings, discussions, and group forums) are performed that truly value human experiences and the importance of human interaction. The approach supports the idea of inverted U-curve, and practical cases have shown that measured competencies correlate with the organization performance.

Fig. 8. Figure illustrates the tacit signal analysing principle in measuring working group collective competence. The 70% competence level is the alarm zone so that all competence attributes should be over it.

The analyse show if the group’s collective development need is below the chosen alarm level (e.g. 70 %) which is the triggering level for urgent competence attribute development. The analyze result at the semicircle tells following essential information for the development purposes:

1. Competence level and development need
2. The homogeneity or heterogeneity of each opinion/experience compared to others
3. The direction of development need
Opinions or experiences are visualized by an analyzer. The inquiry and analyzing is done by internet-based human resource information system (Kesti et al., 2008), where software is provided as a service (SaaS). In the analyzing the measured competences are shown at competence semicircular scale. Competence development semicircle radius is divided by number of individual answers. Therefore in bigger group one employee opinion has less meaning to group collective sum of opinions but always each person experiences have same importance weight. Tacit signals are gathered anonymous from each working society. The mathematical formula for balanced total competence for the entire group is illustrated in formula 1 as follows

\[
C_{RI1} = \sum_{i=1}^{N_x} (P_i \times \sin(\frac{\pi}{8} \times S_i)) = \sum_{i=1}^{N_x} (P_i \times \sin(\alpha))
\]

where
- \(C\) = group competence
- \(P\) = group member competence potential
- \(S_i\) = tacit signal guiding opinion from the inquiry, \(S_i \in (0 \ldots 8)\)
- \(\pi/8\) = angle interval at the semicircle opinion scale
- \(\alpha\) = angle of the potential segment of a line \((0 \leq \alpha \leq \pi)\)
- \(N_x\) = number of group member answers

Inquiry of this kind provides a reliable procedure and tool for measuring human competence, in relation to set goals and continuous interaction for optimizing the probability for attaining goals. Competence in this connection refers to the essential work capability of a person, work team or organization, in other words, human resources to attain the given goal. With the help of the tacit signal inquiry an organization can set goals that are in balance with the human competence of the team realizing those positive goals. As the tacit signals help finding the corrective actions towards desired direction, for example, the knowing – doing gap can be decreased (Pfeffer & Sutton, 2000). Performance improving comes from doing the right actions based on the data or information of the organization (Syväjärvi et al., 2005; Syväjärvi & Stenvall, 2010). As an example, if it is known that the leadership should be improved then one is able to activate the optimal improvement actions. The personnel can be brought to improve the working society competences and the management is informed of the probability for the realization of the goals and the possible needs to improve the organization competences in advance.

The inquiry is anonymous, providing mechanism where employees can inform possible non-compliances without fear of retribution. Before the tacit signal inquiry is launched the competence attributes are agreed with management and employee representatives. The tacit signals are measured concerning the organization performance drivers as positive human competencies. These competencies are management, leadership, culture, skills and processes, forming the organization system intelligence model. Thus tacit signal inquiries form a set of competences that are established as behavioral guidelines for effective organization performance. Therefore the inquiry is also important in order to give a more holistic and qualitative perspective for governance.
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4. Human competence system intelligence

According to Schein (1985) the one of the most important tasks of the management is to support the culture in which the work communities are able to develop continuously and are able to react positively to the constant changes in the business. However it is common that leaders do not get adequate and honest information about the problems in the organization operations (Goleman, 1998). And when management knows what should be done to improve organization performance they usually have difficulties to implement the knowledge to practical improvements. Pfeffer and Sutton (2000) indeed describe the phenomenon so that there is knowing-doing-gap, which may lead to wrong decisions and thus prevent the optimal development of the organization.

The organization is build from the people who work together to achieve their objective. Goleman (1998) points out that only the group which wants and is able to operate together can be more efficient and more innovative than its individuals on their own. Thus even if the organization consisted of strong individuals, it can be weak as a system. Each organization group form a sort of microcosmos where defensive reasoning and other routines that are used to explain the problems are embedded. Senge (2006) and Argyris (1985) point out that the defensive routines are harmful because they tend to block the necessary development. Hence, it follows according to Senge (2006) that

“To understand how an organism works we must understand its balancing process – those that are explicit and implicit”.

and

“In general, balancing loops are more difficult to see than reinforcing loops because it often looks like nothing is happening.”

The tacit signals analyse help finding out the defensive routines that make the organization development difficult. For example the management culture may prevent team level improvements because the foremen have no real power for deciding the improvement actions. Teams may have adapted to this so that matters which require developing will not be brought out (awareness barrier).

When the organization system is in balance it is developing continuously and is easier to manage to the hoped direction. For example Senge (2006) has described the phenomenon so that when the system is in balance, the power vectors inside the organization will be lined in the same direction towards the target. In the approach of system intelligence those internal power vectors can be seen as the tacit signal competence vectors from each individual working team as shown in Figure. This also shows the interactive and situational relationship between sensitive and mutual working groups.

Fig. 9. is illustrating the organization system intelligence phenomena where organization performance towards the target is composed from group individuals force vectors. Based on Yerkes-Dodson law of pressure-performance reverse U-curve, every worker has their individual capacity regarding every competence. Tacit signal approach indicates the utilized performance capacity and which direction it should be developed, in other words should be lined to achieve the target.
Currently, and previously, we have counted on the study of complex adaptive systems (Stacey, 2001; Lewis, 2011). Thus the system intelligence approach considers how individual behaviour affects to competences which are both self-directed and interdependent. Human competence system intelligence means that human capacities, interaction and experience are central elements for performance. Dooley et al. (2004) argue that competencies establish the behavioral requirements needed to be successful in a given profession or task. Blanchard and Thacker (2004) describe that competences are relatively general in nature so they are applicable to a different jobs and hierarchical levels and they are adaptive to changing demands. According to Özcelig and Ferman (2006), the competencies are focused on organization goals and they incorporate feelings and emotions.

The organization is a complex adaptive system which also consists of organizational human success factors. These can be identified as key competencies in organization. The model of the system intelligence of the organization is based in the following optimal competencies (Kesti & Syväläri, 2010):

- Management (management board and strategy capabilities)
- Leadership (workplace and positive leadership capabilities)
- Culture (situational and cultural workplace capabilities)
- Skills (work abilities and know-how)
- Processes (work methods, learning and interactions used for creating value)

The management should determine the vision and strategy of the organization, but also it should provide the necessary conditions for the development of the organization. The
management is responsible that the structure of the organization is suitable to the situation and the abilities of the staff are in adequate balance with strategic objectives. Leaders organize operative work and responsibilities to the workers and should support working society’s development in individual and group level. Culture refers in this context to the internal operational and situational settings in organization. In the work community everyone should be able to experience appreciation and collective competence. Skills refer to abilities and individual competencies that can be like the know-how either explicit or tacit. Processes are the work practices together which consist of methods interactions and learning possibilities at workplace. Usually these produce (like other elements) create value to beneficiaries (internal or external) and, for example, management should get high quality information from organizational processes for their decision making (Collins, 2001; Syväjärvi & Stenvall, 2009).

Thus system intelligence competencies are interrelated and affecting to each other. In positive spiral the management supports leadership and affect to culture. Leadership builds the culture and affects to humans. Team culture speeds up skills improvement and affect to processes. Good personal knowhow helps describing effective processes and gives initiatives to management. From effective processes the management gets high quality information for decision making and clear processes helps leadership. For example, knowhow is not always the problem as the interaction in utilizing the existing knowledge might need action. Furthermore in some organizations the process
development is forced too much in case where development focus should be on leadership development.

It has been noticed that system intelligence model had both positive and negative interrelated competence connections (Mayer et al., 2008). In negative spiral, quite often the management does not support the leadership and thus neglected leadership support has an effect to team culture. Typically the humble interaction at the team does not support knowledge sharing and is negatively at processes and their development (Krone et al., 2009). Thus if knowhow is not shared but instead protected, the defensive mechanisms might disturb innovativeness which is important for organizational processes and management. If processes are not in order the management does not get high quality information for decision making. In final, the unclear processes cause mistakes and chaos affecting negatively to leadership which are often blamed.

Research has been done in many public and private sector organizations. These studies at several action research study cases support the competence system intelligence model practical benefits in understanding the phenomena of defensive routines and behavioral actions which otherwise would be difficult to see. For example, at one SME organization the tacit signal development process was carried out. Staff gave several written comments which support the tacit signal competence analysis like:

- The managing director has too much management responsibilities over every department.
- There is no clear line at the management.
- For some the tasks and tittles are not in accordance with what is required.
- The independent deciding power of some departments is too small, the chief level person has not been appointed. Sometimes this lowers the motivation as the foreman’s attitude is:”I’m not doing it, because it’s not my task”.
- More courage to the investments is needed.
- Do the foremen lead workers or the opposite?
- We have strong individuals at work, whose work dare not to comment. The counteractions can be so strong that rather leave not to say about improvement ideas, when there is possible conflict ahead.
- When there has not been the development discussion, there is no personal development plans either.

Above qualitative examples show how competence analysis using system intelligence model indicate essential human related risks that otherwise could remain unnoticed. The system intelligence model provides method for identifying the probable risks so that management can communicate the optimal actions for mitigating the risks. Therefore system intelligence model can be linked to effective governance procedures of risk management and organization performance improvement. In our longitudinal study, we found positive interactions when the managing director showed interest at the team development by coming just to say hello to the development meeting. The management behaviour had once again positive effect on team members’ motivation for innovating improvement actions, which was easy to observe (rf. Bezuijen et al., 2009). There are many similar cases showing that indeed there seem to be certain hermeneutic interaction between the competencies that is important to identify at organization improvement as an intelligent system. The mental model for the organization system intelligence utilizes the mental model of five elements interrelationship (Kesti, 2007).
The competence relations need to be opened. At system intelligence model the competencies are interrelated and mutually interactive. There can be identified a positive spiral where management supports the leadership and has positive effect on the culture, the leadership builds the culture and promote personnel skills, good collaboration (culture) speeds up the skills improvement and affects positively to processes, and good personal skills help to describe effective processes and provide initiatives for the management, and finally from effective processes the management receives high quality information for decision-making, and good processes help leadership performance.

At competence system intelligence model negative spiral could go like this: the management does not support the leadership and may have negative influence on the team culture. Poor co-operation within the team does not activate knowledge sharing and this has negative effect on processes development. Once again if the know-how is not shared but protected, the defensive mechanism usually hinders innovativeness which hinges processes development and management possibilities to get necessary initiatives. If organizational processes are not in order, the management does not mine data or receive information for optimal governing (e.g. Syväjärvi & Stenvall, 2010). Furthermore, poorly performed processes will cause mistakes and waste labour which have a negative impact on the leadership.

We have approached the competence system intelligence that it is specifically linked to emotional intelligence with ability-based viewpoints. Thus competencies are seen as elements for emotionally intelligent workplaces and those help one to make sense of and navigate in organizational environment. Additionally the system intelligence method has been found useful in understand the complex organization system and seeing the development challenges especially among and between people (e.g. Lewis, 2011). Organization system intelligence model increase the social awareness in form of social cognition for understanding how social organization system works. So the competence
system intelligence takes into account organization’s environmental pressures and demands (Bar-On, 2001; Di Fabio & Palazzeschi, 2009) even though there is a stress on competencies. Especially at organization changes it is important to implement actions to support the organization emotional intelligence. Both strategic and working group level improvement needs can be detected using the positive tacit signal analysing. It is based on individuals’ tacit knowledge concerning the competencies development in linkage to social and emotional intelligence.

To conclude, the current approach of positive human competence system intelligence is in good accordance with the positive initiative at workplaces, i.e. more precisely in line with the positive prospect and change, the positive psychology and experience, and with the positive leadership (e.g. Seligman et al., 2005; Syväjärvi et al., 2005; Cameron, 2008). The current approach has four major connotations that include the concept of positive: a focus on positively deviant performance, a focus on strengths rather than weaknesses, a focus on virtuousness, and finally a focus or value on human experience. Also in relation to emotional intelligence, it should be noted the importance of complex adaptive systems. Hence, the latter offer an analogy of how competencies are in touch with interaction between people and some competencies are overlapping or even redundant.

5. Positive tacit signal development and leadership

It was debated about the positive in earlier section three, but now it is considered how to develop and lead tacit signals. Goleman (2007) has studied the emotional intelligence of the working societies and found out that it seems to be one of the most significant factors affecting to the human performance. In an intelligent society members appreciate each other and want to improve the quality of the working life in constructive cooperation and thus utilizing emotion intelligence. According to Losada and Heaphy (2004), the group members’ positive feelings increase the work community performance. When workers have positive feelings more than three times more than negative, the performance of the group increases strongly. Also it seems that working group that has good balance between dichotomies self-group and question-answer is able to create more positive feelings than negative.

In fact, there are many studies about positive behaviour and development that indicate how increasing contribution of positivity is touch with to desirable work-related outcomes (Luthans & Youssef, 2007). Hassard and Kelemen (2002) argue that knowledge can be seen as a set of cultural practices situated in and inextricably linked to the material and social circumstances in which it is produced and consumed. When a person is facing the new situation they evaluate the situation and start sense making process based on past experience and knowledge (Weick, 1995). In well-known study Argyris (1985) identified single and double loop learning where single loop learning could be seen as a process of correcting the fault using past experience and double loop learning as preventing the fault from happening again by creating new knowledge based on thorough reflection.

Communication is definitely one key factor in both organizational commitment and knowledge development. Elias (2009) found that positive and affective commitment together with the growth need strength is vital for the attitude toward organizational change. This highlights interactive relationship between leader and employee. Also group members should have positive mental attitude towards knowledge sharing and possibilities.
for open constructive discussion, which Nonaka and Konno (1998) describe with the knowledge creating concept of BA. Senge (2006) recognize three critical dimensions for team learning at the organization environment: 1) team members have motivation and ability to think insightfully about complex issues, 2) there is common need for innovative, coordinated action, and 3) there is ability to share practices and skills between the other teams at the organization. All this about attitudes, communications and the importance of balancing feedbacks at the organization are those that can give essential information for the start of balance process.

The social consciousness will be created when humans compare their own observations with the observations and ideas made by others (Festinger, 1954). Perttula (2009) has described a holistic perspective of psycho-social work that presumes human to exist and actualize as a whole. March (2010) indicate that intelligence normally entails two interrelated but different components, i.e. the effective adaptation to an environment and the elegance of interpretations of the experiences of life. These opinions are mostly based on experiences and therefore the interpretation of the human experience has a great influence on almost everything. This is the case with the growth need strength as when employees with strong needs for growth are given the opportunity to develop then such an opportunity is thought to be rewarding and increases affective organizational commitment (Elias, 2009). In addition to previous, the tacit knowledge is described as personal, context-specific, and therefore hard to formalize and communicate. The latter is supplemented Polanyi’s (1967) action oriented concept of knowledge by assuming that knowledge is created through the interaction between tacit and explicit dimensions.

The current positive tacit signal process has following phases:

**PHASE 1: Management and planning**

Development process is planned and organized with management, leaders and employee representatives in order to guarantee good attitudes and commitments. Targets are set and the important human capabilities as essential competences are defined and agreed for tacit signal analysis. Only those competence attributes are included that are essential for organization performance. Management and HR specialists are coached for human capital development.

**PHASE 2: The tacit signal collection**

Tacit signals are collected from each working group of the organization. Signals are important collective balancing feedback that is needed for balancing process. Results are analyzed using the tacit signal development semicircle competence analysing method.

**PHASE 3: Strategy development meeting**

Strategic development focus is chosen according to organization tacit signals and mutual commitments.

**PHASE 4: Development meetings at working communities**

According to the group tacit signal analysis each organization group agree their own optimal improving actions with follow-up responsibility and time-schedule. Ideas and improvement actions are inquired and written down. These represent the group “BA”, true workplace experiences and knowledge creation conversion process phases 1, 2 and 3.
PHASE 5 Follow-up and support

Actions implementation is followed up and supported by managers and leaders. Leadership forums are held where each leader presents their group improvement actions and possible problems or success. An internet based communication tool is used for action follow-up and best practices sharing. This phase correspond the knowledge creation process phase 4.

![Diagram of development process schedule](image)

Fig. 12. The tacit signal development process schedule.

To make this development process effective for organization improvement there are four main factors to optimize. Firstly, all the improvement actions should be started as soon as possible from the beginning of the process. This motivates the participants and the improvement actions are able to affect to the organization performance as soon as possible. Secondly, the time consumption of the participants should be optimized so that the invested time for development gains more benefits than what it eats the organization capacity to make revenue and gross margin. Thirdly, people interact and share with their experiences as
complex and demanding situations are managed by holistic perceptions and mutual understandings. Fourthly, the focus is on positive development as optimal improvement actions are valued. Development phases are shown in figure.

Some studies indicate that the difference between great and mediocre activity lies in the way how people face conflicts and complexities, and how they succeed with solving, interacting, responding and adapting those (e.g. Argyris, 1985; Stacey et al., 2000; Senge, 2006). Our experience from several cases where tacit signal process has been implemented supports finding that sensitivity to intervene in the matters which require attentions are learned behaviour models (Latane & Darley, 1969). The interference with the matters which require attention depends a lot from how humans have experienced or learned to be intervened. Therefore the successful implementation of positive tacit signal process can be seen as one implemented improvement action where the optimal improvement actions are agreed collectively. The development process creates certain mode of operation that stimulates, for example, opportunities for reflection, dialogue, creativity, learning and finally emotional intelligence throughout the workplace. However, in the core of positive tacit signal development is also the leadership.

The positive tacit signal development needs equal actions with leadership. At the same time it should be noted that the social construction of organizational realities might too easily or traditionally elevate the leadership to a lofty status and level of significance (rf. Meindl et al., 1985). It is not easy to build a comprehensive leadership approach in case of positive tacit signal development and emotional intelligence. It is not even our goal, but still the “great leadership” should note that human behavior, situation and organizational perception are not only about trying to fix what is wrong or dysfunctional in workplace and among employees. In fact preceding is recognized, but leadership should mean a more balanced perspective as it is more focusing on positive and the real nature of human experience.

In addition, the leadership quite typically linked to somewhat contingent and sensitive work situations. The contingency approach indicates that leadership is the product (and on the other hand produce itself) of a perfect match between particular and certain circumstance. Leadership is thus related to personality and situational factors that determine how humans experience and behave. Both contingency and situation are important to notice, but those are neither fixed nor beyond the realm of psychology (Haslam et al., 2011). Now a kind of caring leadership is presented alongside the positive tacit signal development. Caring leadership is a strength-based approach to workplace situation, human and overall management. The caring leadership is in line with the positive initiative at workplaces, i.e. more precisely in line with the complex adaptive system thinking, the positive prospect and change, the positive psychology and experience, and with the positive leadership (e.g. Stacey et al., 2000; Cameron, 2008; Kesti & Syväjärvi, 2010). This approach has four major connotations that include the concept of positive:

- a focus on complex situations together with human interaction,
- a focus on deviant human performance,
- a focus on human competencies,
- a focus on human experience and authenticity.
Emotional and intelligent workplaces do not necessarily need leadership to survive, but organizations with leadership are more likely to sustain or be successful. Current approach to leadership is needed in order to highlight the human bias, identity and development in workplace. It also has clear link to emotional intelligence in workplaces. Indeed the leadership is interested in what really goes on in organization and with human being. Leadership is not only for organizational performance and success but also strongly after and for human experience and intelligence. Thus the intelligence involves both the beauties of crafting understandings of experience and the efficiencies of adaptation (March, 2010). The positive leadership emphasizes organizational advantages and how to influence humans, but the current view even is more authentically and additionally keen about human and self, shared identity and human interaction. Nevertheless, any definition or approach to leadership ultimately rests on one’s theoretical commitments. The positive tacit signal process seems to support emotional intelligence as in situations humans need to solve, adapt and to response multiple conceptual and behavioural complexities.

6. Conclusions

We have studied the positive human tacit signal approach and competence system intelligence. This is done in order to understand how positive human tacit signals are detected and used, but also in order to realise how competence system intelligence is related to emotional intelligence in workplaces. Experiences were seen in the core of human positive tacit signals and competence system intelligence. Additionally we found how positive human tactic signals and competence system intelligence are affecting and modifying the role of leadership in increasingly complex adaptive organizations and emotionally intelligent workplaces.

The positive human tacit signal approach works as an organizational development process that has gone through the evolution of systematic improvement (Kesti, Syväjärvi & Stenvall, 2008). This has been done by using massive and empirically grounded research data. At first there was an expectation that by method the guiding opinions or experiences can be measured for management since, for example, the tacit signal dichotomy scale seems to support the decision making. When essential capabilities can be recognized and improved then they form key competencies that are suitable for learning and growth scorecards and thus those are part of effective management and leadership. The tacit signal approach indeed gives guiding holistic information about human competencies and development.

According to current approach, it is possible to both detect and gain positive signals and performance (like optimism, hope, support, flexibility and interaction) that value human being as an individual and interactive subject. This does not mean that negative, disturbing or otherwise unwanted situations are neglected (Losada & Heaphy, 2004; Cameron, 2008). In knowledge-intensive and emotionally intelligent organizations and workplaces, the current approach enables positive meaning, positive climate, positive interaction and positive experiences. In human tacit signal approach it can be seen both individual and interactive development needs and also guiding values that will support in seeing and choosing the positive action in relation to emotional intelligence. All these are important viewpoints to
manage with positive as organizational behaviour, psychology and leadership research has proposed that effective applications are needed to these purposes (Syväjärvi et al., 2005; Luthans & Youssef, 2007; Salovey et al., 2009).

The competence system intelligence was one key element in current study. We have seen that competence embraces various capabilities to perform needed tasks in organization. The competence-based approach was driven by factors that described and tackled organizational system intelligence in accordance to positive emotional intelligence in workplaces. Despite the central role of competence, there is such confusion surrounding the concept that it is almost impossible to impute a coherent theory in this context. However, the competence system intelligence can be related to the study that takes the organization as a complex adaptive system (e.g. Stacey, 2009). Additionally competence thus captures such positive elements that are related to personal and interpersonal intelligence, but are fundamentally behavioral and susceptible to learning and experience. At the end, the complex adaptive system offered a good analogy of how experience should be fundamental element to be added or weighted more heavily among, for example, the positive organizational scholar studies.

Human experience is thus stressed as it pays attention to social reality or awareness of an organization. This reality, like experience, means subjective guidance so that both individual and collective positive relations are valued. Subjective experience has been viewed as falling outside the sphere of human-based organizational study. At least to some degree this has been a reality also in positive organizational scholarship. Our viewpoints emphasize the meaning of experience as one determinant of social reality in organizations. The human experience has an emergent and adaptive nature, but it is shaped by both person and environment. Hence, now positive and subjective experience is seen as differentiated and integrated so that it originates from intuition, knowledge, belief, competence, etc. The tendency of the experience toward complexity means here that adaptation and response are like sources of positive as well as new competencies or abilities for optimal action in relation to existing goals. The abovementioned is thus related to emotional intelligence (see also Mayer et al., 2008).

Individual and group competencies increase social awareness and positive capabilities, which can be linked to various development actions. The current approach is in good accordance with some earlier studies (Luthans & Youssef, 2007; Haslam et al., 2011). Haslam et al. (2011) underline the importance of both social identity and self-categorization, when it is vital to experience that one belongs to certain social workgroup together with some emotional and value significance to him or her. Also the process of experiencing self as human being and an interchangeable person is highlighted. Luthans and Youssef (2007) have indicated how positive state-like capacities are more flexible and thus open to change and development. For example, the social awareness increases motivation for solving the problems and might decrease the dissonance. Present approach followed the principle of inverted U-curve showing that both individual and group collective development competencies will guide to positive awareness’s and improvements.

Quite much debate has been in leadership studies that concentrate on what and how leaders actually act or on the complex nature of leadership environment. These are still obvious and important viewpoints, but furthermore we put more pressure on leadership that cares about
situational interaction, positive performance, human competencies and expediencies. Nowadays workplaces and people are under many changes and also the work itself is changing. Thus the caring leadership is able to facilitate emotional intelligence, meaningful work and happy work communities. Arnold et al. (2007), for example, have showed similar findings with leadership and psychological well-being as they found clear relationships among leadership, meaningful work and human well-being. Also leadership studies indicate that leader behavior with expectations (pygmalion effect) and people engagement have positive relation to human performance (Bezuijen et al., 2009).

Current approach seems to help the leaders to initiate the positive change process where problems can be turned to development needs and further to possibilities and optimal improvement actions. As problems are solved in constructive way, they will create positive feelings and so increase the group performance. This is in good accordance with findings about the growth need strength and the knowledge sharing in both change and knowledge intensive organizations (Elias, 2009; Krone et al., 2009). Current findings support the conclusion that the tacit signal process strengthens the group’s emotional intelligence as the group members learn to solve problems constructively. Systematic development seems to create a certain mode of operation that stimulates opportunities for reflection, dialogue and sharing, creativity and workplace innovations throughout the organization. Thus tacit signal approach seems to be rather well in line with Appreciative Inquiry perspective that intention is to discover, understand, and foster innovations in social-organizational arrangements and processes (Cooperrider & Srivastva, 1987).

In final, the competence system intelligence illustrates how emotional intelligence might be perceived, but also how it can hinder or flourish workplace performance and experience. When existing complex human related outcomes can be conceptualized then one is able to develop corrective or supportive actions for situational demands. It seems that situational needs can be identified by using tacit signals approach, which instead seems to support hermeneutic positive problem solving but moreover human experience with the intelligence space. Many times organizational challenges are complex and thus sustainable solution or change requires such actions that give a great value to subjective and emotional human being. There are indeed many implications for organization and leadership research, but surely more research is needed in the fields of leadership psychology, positive organizational behavior and human experience-based organization. Future research should observe even more how various identities and human relations could be lead and how present type of or corresponding optimal interventions effect on multidimensional performance and employee wellbeing. More research is needed to explain optimal interventions that follow positive developments, competence system intelligences, and finally sensitive work communities.

7. References


Positive Human Tacit Signal Approach and Competence System Intelligence in Organization


Yerkes, R.M., & Dodson, J.D. (1908). The Relation of Strength of Stimulus to Rapidity of Habit-Formation. *Journal of Comparative Neurology and Psychology*, 18, 459-482.
Emotional intelligence is an emerging construct for applied research and possible interventions, both in scholastic, academic and educational contexts, organizational contexts, as well as at an individual level in terms of people’s well-being and life satisfaction. From the presented contributions, it emerges how this volume is characterized by an interest to give an international overview rich of stimuli and perspectives for research and intervention, in relation to a promising variable of current interest, such as emotional intelligence. The goal is that this book further contributes to the affirmation of a particularly promising variable, such as emotional intelligence, which requires a greater interest and attention in both research and application field.

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