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Organizational Network Analysis

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- Organizations are social systems with boundaries
- Like any social systems, the social networks of individual permeate within and outside the boundaries
- Who are in these networks?
 - Colleagues in the same group
 - Colleagues from other groups within the same org
 - Ex-colleagues
 - College mates
 - Perhaps friends and family

Social Capital

Since different networks contain different levels of social capital, researchers are interested in finding out:

- What are the different kinds of benefits?
- How can these benefits be captured?

Social capital operates at three levels:

- Individual
- Group / Organization
- Society / Inter organizational

Importance of networks in Orgs.

- It was found that in a consulting company with extensive data warehousing system populated by a active knowledge management software
 - 85% of the managers contacted other people for knowledge that was critical for the successful completion of the project
- Consistent finding in literature is that who you know often has a great deal to do with what you come to know

Importance of networks (Contd.)

- One reason why people talk to other people, as opposed to accessing online documents is that:
 - Tacit and system dependent knowledge is not easy to document/code
 - Even if it can be codified, changes in the context from its original use will require changes. These changes are rarely spelled out by the online sources
 - People prefer interacting with other people and like to seek information orally as opposed to seeking out written documents

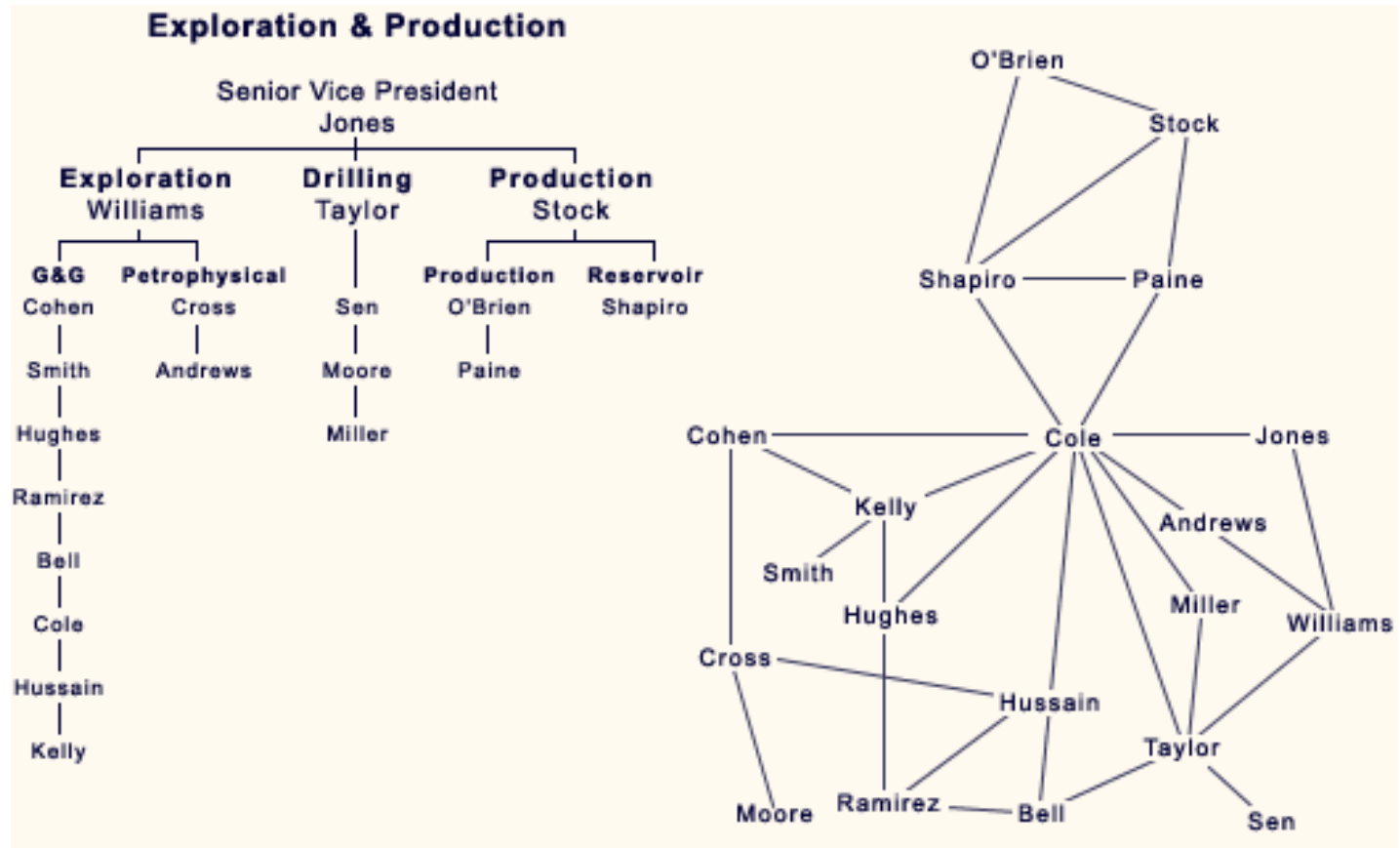
Organization Network Analysis

- Org communication : Formal & Informal
- Formal networks : are mapped
- ***Informal networks : are not mapped***
- ONA helps in mapping informal networks

ONA (Contd.)

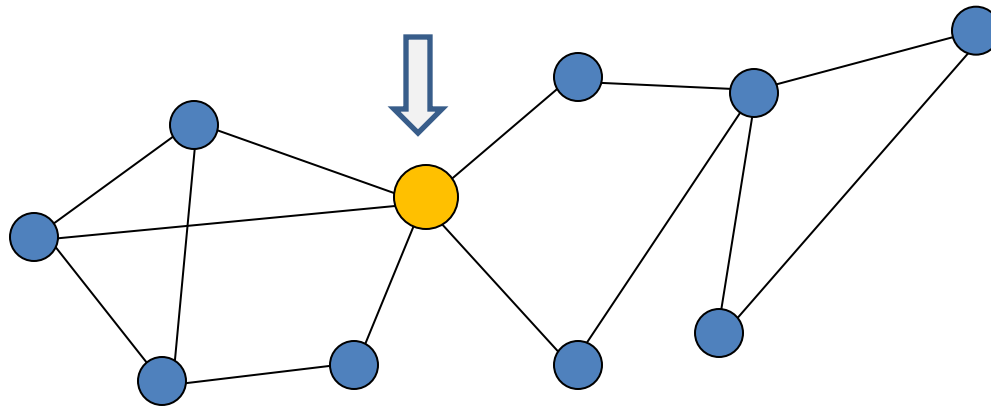
- Act as X-ray into inner workings of an organization
- Makes invisible patterns of information flow visible
- Identify strategic important groups

Organizational Networks



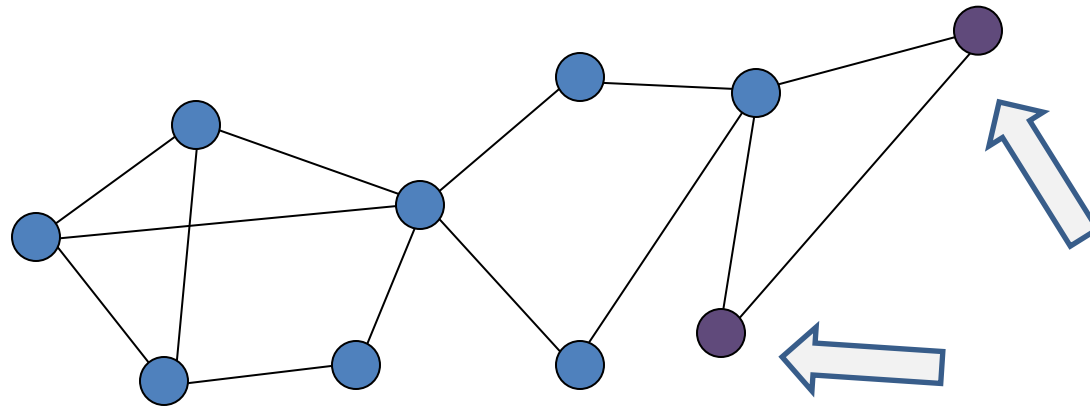
ONA (Contd.)

- Identifying people that are central in networks who can impact a group's communication can help a manager to take steps to improve communication



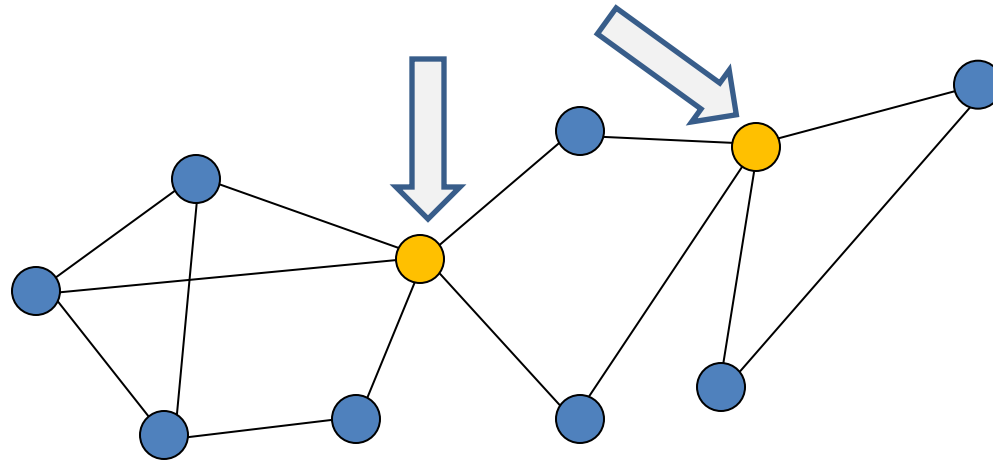
ONA (Contd.)

- Understanding who is peripheral and crafting ways to engage these persons ensures
 - all the expertise that exists within groups is utilized
 - Lesser employee turnover



ONA (Contd.)

- Identifying potential fragmenting junctions in organizations can help integrate disparate groups



Methodology

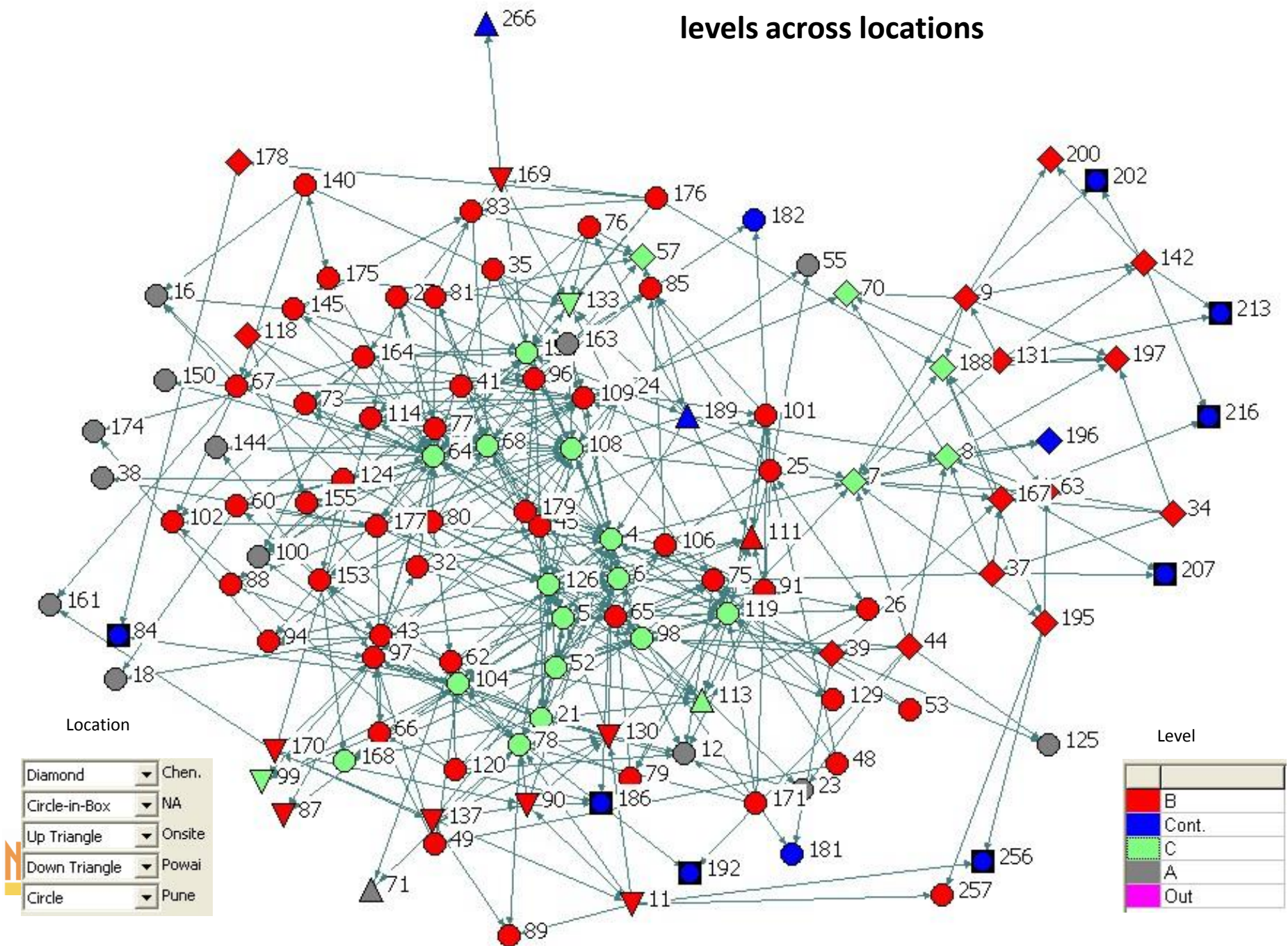
- Used a “name generator” instrument
- Was first used by Burt in the 1985 GSS – a nation wide survey to identify **personal** networks of Americans
 - *From time to time, most people discuss important matters with other people. Looking back over the last six months – who are the people with whom you discussed an important **personal** matter?* (Baily and Marsden, 1999, pg. 288)
- In this study, this instrument was used for three different networks
 - Work related communication networks
 - Innovation communications networks and
 - Problem solving networks

- Results of a study conducted in a IT services company based out Pune, Mumbai and Chennai

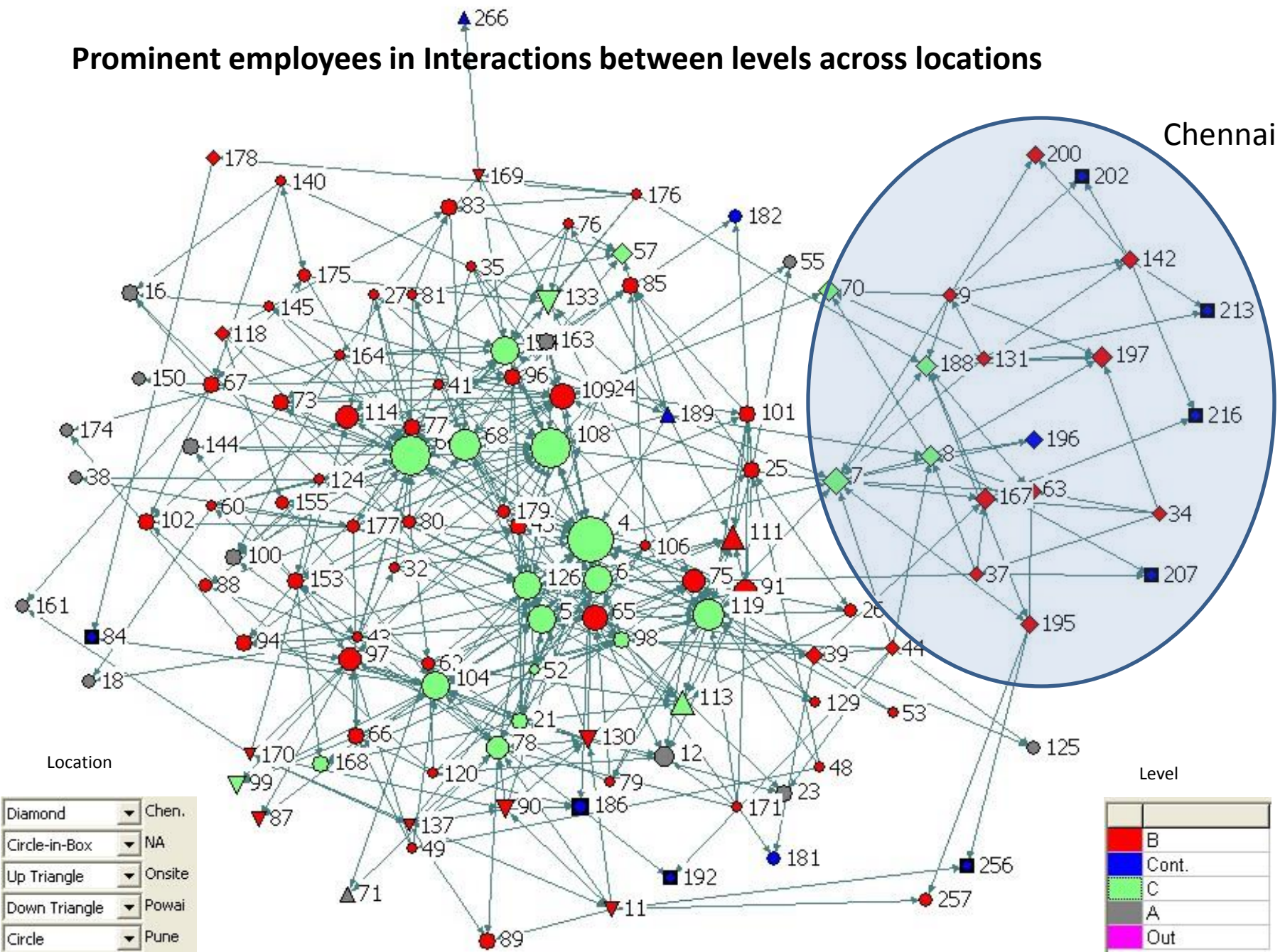
Network patterns in Communication networks

(go to people for getting work done)

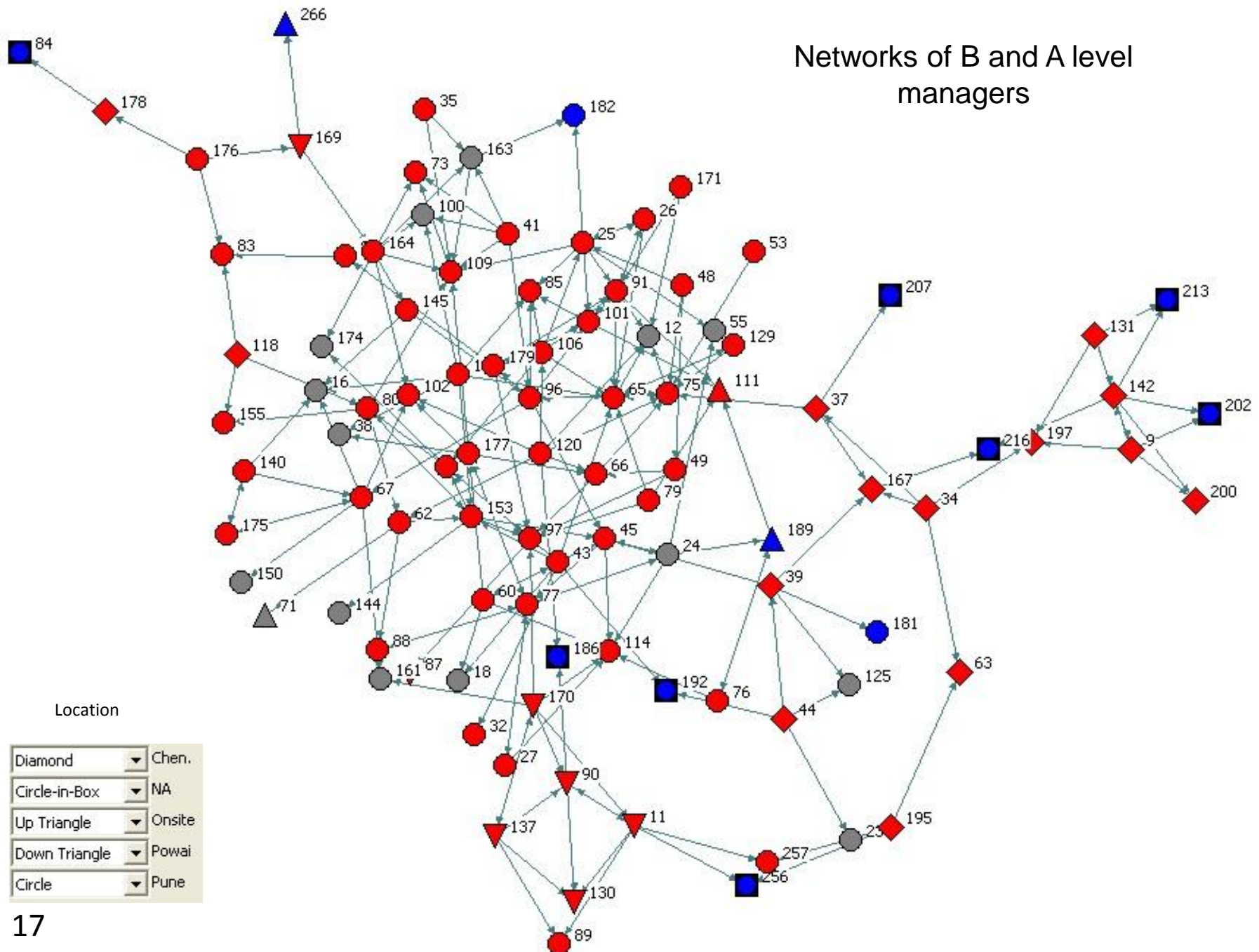
Interactions between all levels across locations



Prominent employees in Interactions between levels across locations

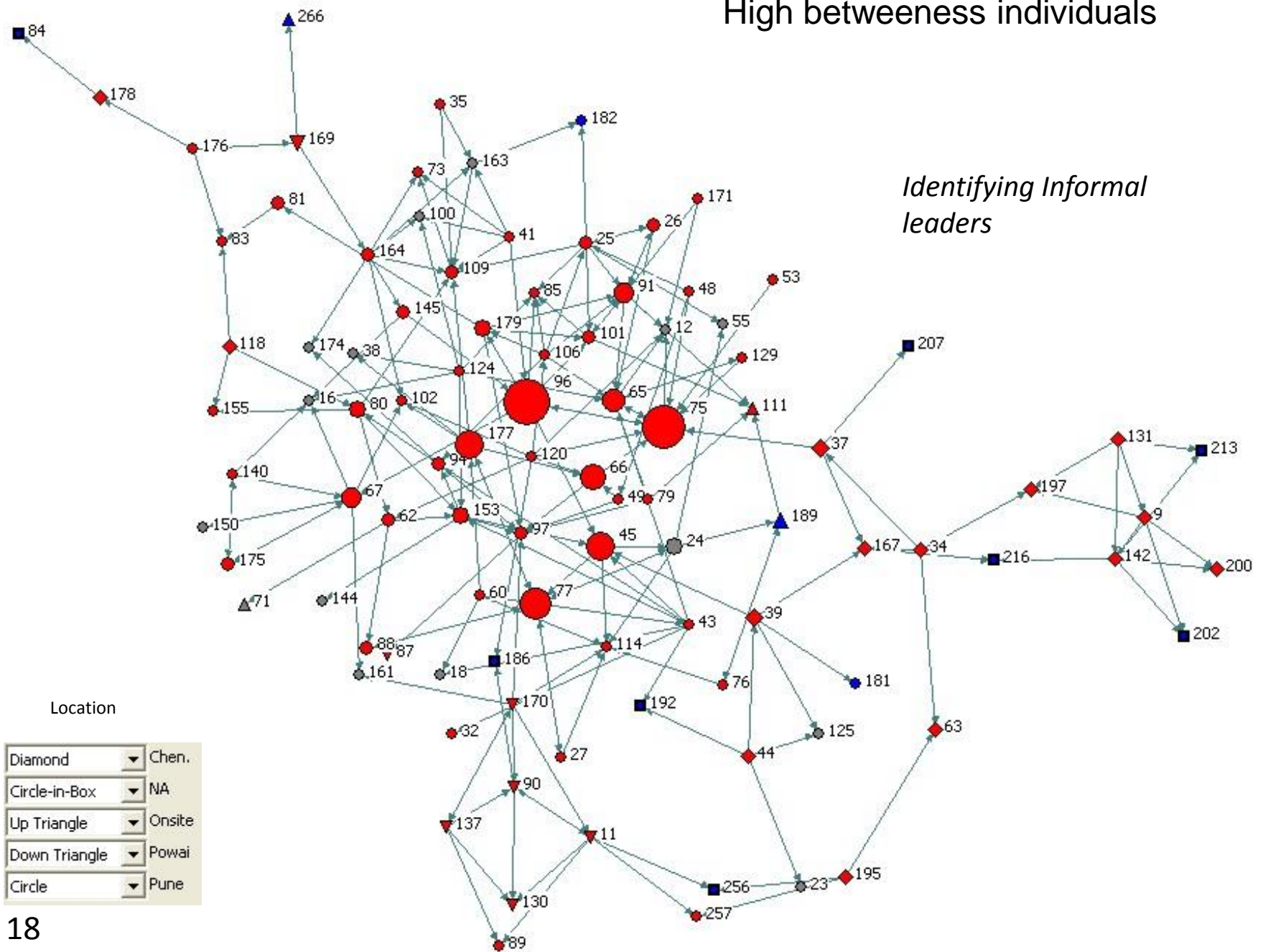


Networks of B and A level managers



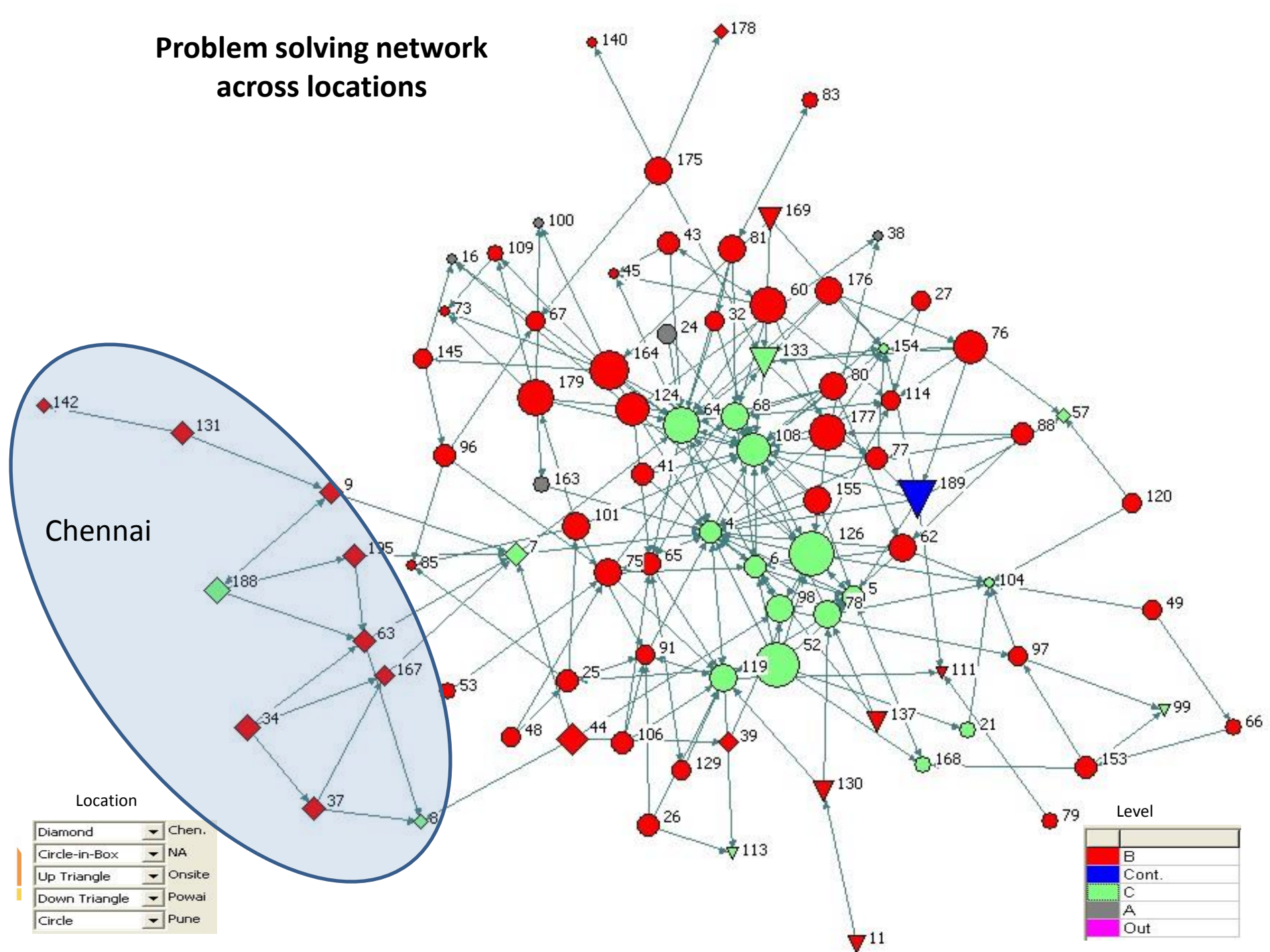
High betweenness individuals

Identifying Informal leaders



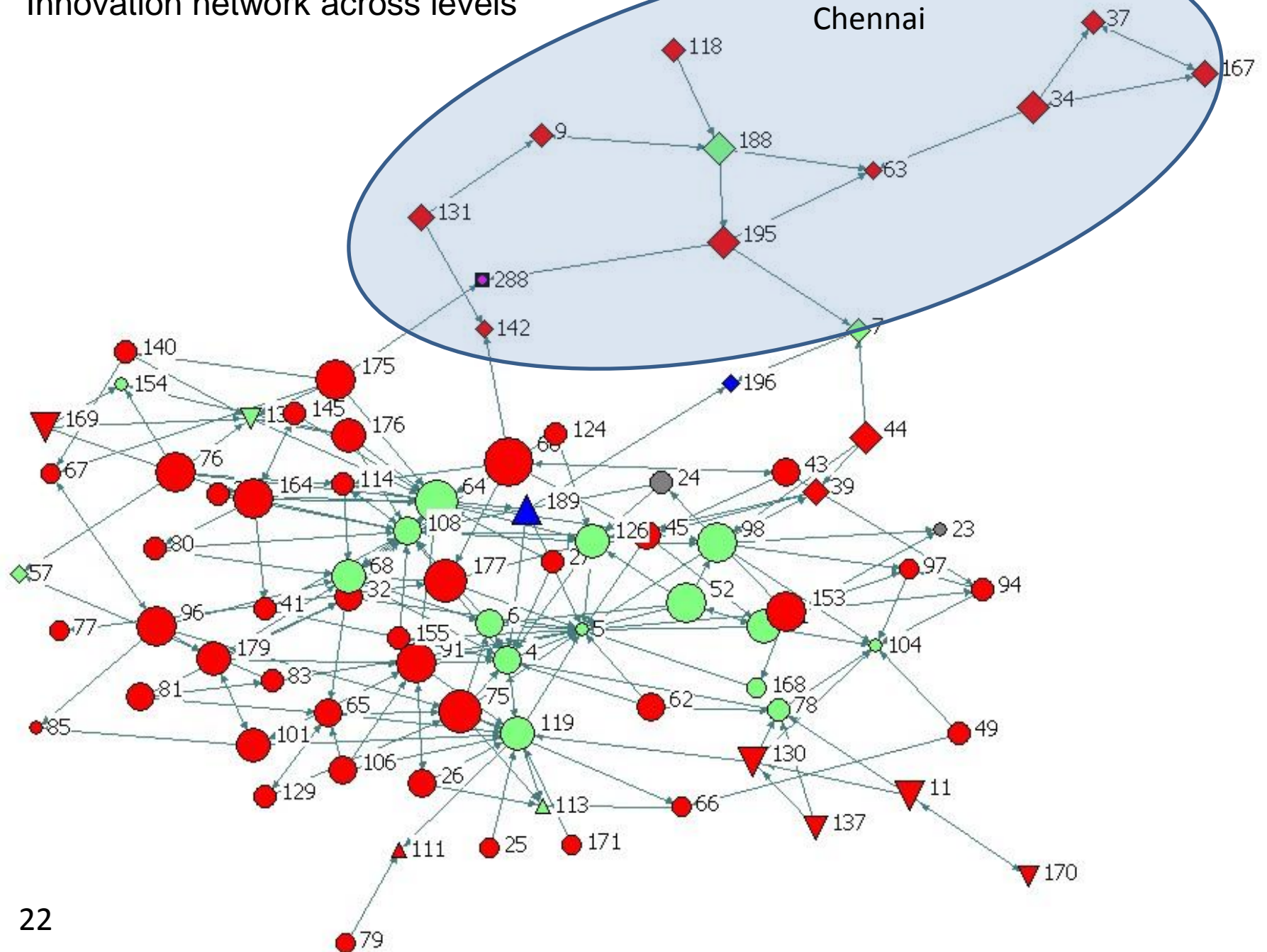
Network patterns in problem solving networks *(go to people when in a problem)*

Problem solving network across locations



Network patterns in innovation networks (go to people to discuss innovation)

Chennai



Social Isolates in Communication networks

S.No	ID	Outgoing Ties
1	120	10
2	124	10
3	176	9
4	171	9
5	34	8
6	41	8
7	44	7
8	131	6
9	165	5
10	48	5
11	118	4
12	35	4
13	53	4

Situations where network analysis has been used

Organizational change

- Identifying key influencer for strategic change or restructuring
- Monitor integration of staff following mergers and acquisitions

Communities of Practice

- Detecting and bridging gaps
- Measuring return on investment

Organizational effectiveness

- Aligning collaborative activities with strategic objectives
- Team building

Bridging Relationships

- Mergers and acquisitions
- Partner strategy

Business reasons for a network analysis

Leadership development

- Identifying high performers
- Succession planning

Innovation

- Connecting people and ideas
- Identifying key energy sources in an organization

Knowledge management

- Identifying expertise
- Assessing connectivity and access of existing knowledge assets
- The lost knowledge problem

- Thank you and ???