

Informal Networks Linked to Success of Change Initiatives

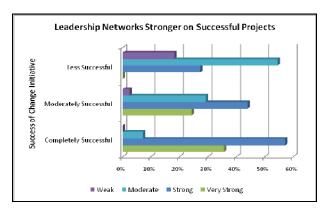
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Those who have wondered whether networking actually makes a difference now have an answer to their question. A recent study sponsored by NEHRA and Partnering Resources looked at how informal networks affect change in organizations.

Often described as the organizational grapevine, informal networks actually extend much deeper into the organization. They include not just social connections, but also the interactions used to solve problems, gain expertise, innovate, strategize, and share information. Every organization has informal networks, yet few know how to understand their dynamics and harness their abilities. This study, one of the first in the HR community, examined the impact of informal networks on change initiatives.

Change Initiative Success Linked to Strength of Personal Networks

The answer to the question about whether networking makes a difference: yes! The study showed a significant relationship between the success of a change initiative and the strength of the personal networks of the leader(s) managing the initiative.

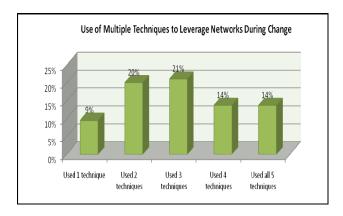


93% of completely successful change initiatives were led by leaders with very strong or strong personal networks. Not one change initiatives described as less successful was led by leader(s) with strong or very strong personal networks.

On the other hand, the majority of less successful change initiatives (73%) were led by people described as having moderate or weak personal networks.

HR Professionals Use Multiple Techniques to Leverage Networks during Change

94% of survey respondents used at least one technique related to leveraging informal networks during their change initiatives. Of those, over half (57%) used three or more techniques.

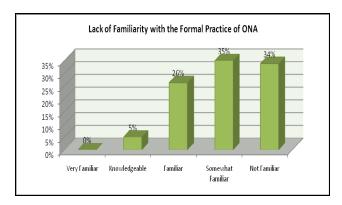


The most popular techniques were identifying how information flows in the organization (67.5%) and identifying key connectors (people through whom a significant amount of information or activity flows) using network data (65%). Use of these techniques suggests that HR professionals understand the importance of information flow during change and that certain people have significant influence over the success of change initiatives.

The other techniques used were alleviating bottlenecks and other barriers to successful change implementation (52.5%), creating networks to deliberately support the change initiative (50%), and mapping relationships within the organization and/or with external partners (45%).

HR Isn't Familiar with the Practice of Network Analysis

While HR professionals overwhelming reported use of techniques related to leveraging informal networks, few were familiar with the practice of organization network analysis. Organization network analysis (ONA) is the formal practice of mapping, measuring, and assessing relationships, connections, and information flows between people, groups, and organizations.



Only 5% reported that they had used ONA techniques and tools in the workplace. 34% had never heard the term, while 61.3% were somewhat familiar with the term. These findings support the results of a recent Saba / Human Capital Institute study that concluded that organizations are actually doing some part of ONA without realizing it.

Informal Networks Perceived as Less Helpful Making Decisions, Solving Problems, and Giving Advice

In a surprising result, survey respondents identified their formal networks as more helpful giving advice than their informal networks. Given the strength and pervasiveness of informal networks in organizations, one might assume that people find these support systems to be helpful during change initiatives. However, survey respondents overwhelmingly reported that those formally involved in change initiatives were more helpful than those outside the formal change teams.

Formal leaders involved in change efforts were perceived as most helpful when overcoming challenges (43%), making decisions (52%), and giving personal advice (38%). Peers and subject matter experts (SMEs) involved were both helpful overcoming challenges and giving personal advice, although less helpful than formal leaders. SMEs were more helpful making decisions than peers.

Implications for HR Professionals and Change Initiatives

The findings of this research study have several important implications for HR professionals:

 HR professionals need to continue building their networks and encouraging leaders within the organization to build their networks as

- well. These efforts can pay off since there is a connection between strength of networks and change initiative success.
- HR professionals have an opportunity to formalize their knowledge and broaden their effectiveness by learning about the practice of organization network analysis. While most HR professionals surveyed use ONA techniques, implementing proven tools and techniques could increase efficiency and impact.
- 3. Change initiatives are dependent on leaders for moving the project forward, making decisions, and giving personal advice. The catch is to make sure that those leaders are accessible to others on the change team and available to help. Implied in survey results is that leaders are needed to play an active role on change initiatives, not simply sponsor projects from afar. HR can help by encouraging leaders to limit the number of change efforts they sponsor and to allocate time to supporting the initiatives they do sponsor.

About Sponsors and the Survey

About 3,500 HR professionals, representing large and small companies in all industries within the region and individuals providing products and services to the HR community, comprise NEHRA's membership base. A total of 162 NEHRA members responded to the online survey, which was conducted from April 27 to May 11, 2009.

These implications represent the initial analysis of survey results. Detailed results and a full report are forthcoming from NEHRA / Partnering Resources and will be available on both www.nehra.com and www.partneringresources.com.

NEHRA is New England's premier human resources association. Since 1985, NEHRA has provided HR professionals with programs, information, and relationships that stimulate professional growth and enhance workplace contributions. The mission of the Northeast Human Resources Association is to lead, advance, and influence the management of human resources and its impact on organizational success. For more information, visit www.nehra.com.

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