

THE NATURE OF NETWORKS

Professional networks within and across organizations can directly impact the success of change initiatives. But to what extent, and why?

When an organization's change initiative project is in trouble, many will turn to a trusted colleague for advice. These conversations can be comforting, but what evidence is there that such relationships have a positive effect on individual and organizational success? The implicit assumptions are that having a large Rolodex is desirable and that strong networks are necessary. But are these assumptions correct? What do networks actually have to do with business performance?

A recent study jointly sponsored by the Northeast HR Association (NEHRA), a New England-based human resources association, and Partnering Resources, a Cambridge-based consulting firm, sought to answer these questions. NEHRA and Partnering Resources were interested not just in networking — the practice of making professional connections — but also in networks themselves. Networks consist of the web of relationships formed within and among organizations in order to solve problems, gain expertise, innovate, strategize and share information. An organization's collective network influences organizational culture, productivity and performance. This study examined the impact of networks on change initiatives. For the purposes of this study, NEHRA and Partnering Resources did not examine the use of social networking tools, such as Twitter and LinkedIn, that people use to build online communities and networks.

NEHRA represents about 3,500 HR professionals within the Northeast region of the United States. These individuals represent all segments of HR, including leaders, generalists, compensation experts, vendors and business partners.

An online survey was sent to all NEHRA members, with 162 members responding. These respondents were mid- or senior-level practitioners: 83 percent have logged more than eight years in the profession, as seen in Figure 1. The majority — 83 percent — work in manager, director or vice president roles, as seen in Figure 2, and 86 percent reported working in organizations with 5,000 or fewer employees. They represent many industries, including healthcare, pharmaceuticals, technology, education, business services, financial services, retail, government and utilities.

Survey Says: Networks Matter

The key takeaways of the survey were as follows:

- Leaders of successful change efforts tend to have strong networks.
- Perceptions of change are more positive when change teams strategize with others, get feedback before rollout and build strong personal networks.
- HR staff tends to use three or more network-building techniques when leading change initiatives. The most popular are identifying how information flows in the organization and identifying key connectors.
- HR staff gravitates toward network-building techniques without formal training in network dynamics.

NEHRA and Partnering Resources asked survey respondents about the success of recent change initiatives in participants' organizations and about the strength of the change leaders' networks, correlating the results. Overwhelmingly, this showed that networks and success are related, indicating a significant relationship between the success of change initiatives and the strength of the networks of the leaders managing the initiatives, as seen in Figure 3.

Ninety-three percent of change initiatives described as completely successful were led by leaders with very strong or strong personal networks. No less-successful change initiatives were led by a leader with a very strong network. On the other hand, the majority of less-successful change initiatives (73 percent) were led by people described as having moderate or weak personal networks. In other words, there is a relationship between the strength of networks and achievement. But what does that mean for the leader seeking to lead a successful project?

How to Engage the Network

People's impressions of change initiatives are more likely to be favorable if leaders do any one of the following during the process:

- Ask informal leaders for support.
- Informally brainstorm or explore ideas with others.
- Strategize how to overcome obstacles with others.
- Get feedback on aspects of the initiative before rollout.
- Have strong personal networks.

FIGURE 1: RESPONDENTS' YEARS OF EXPERIENCE

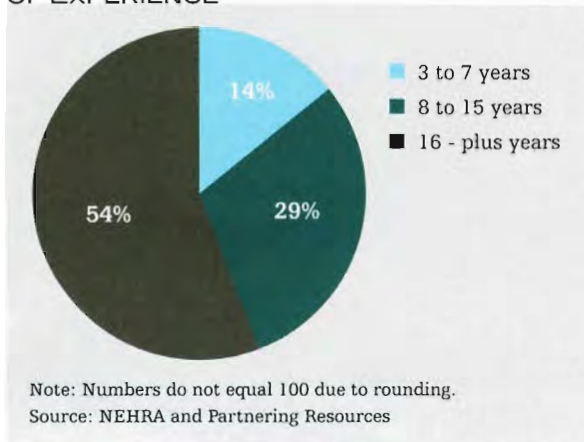


FIGURE 2: RESPONDENTS' JOB ROLES

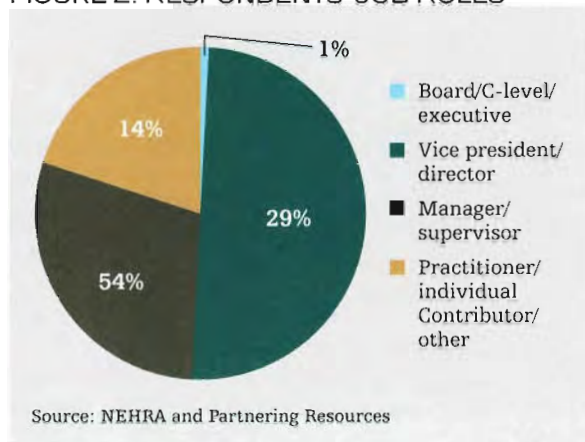
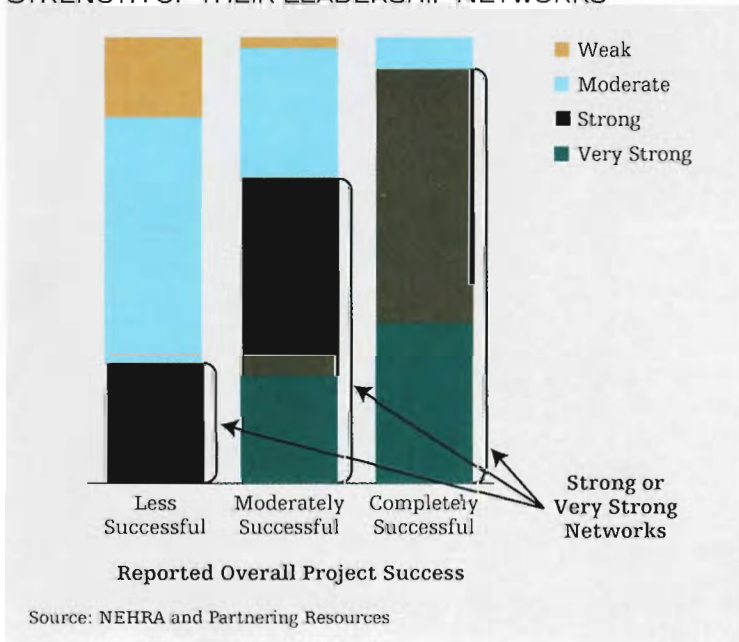


FIGURE 3: RESPONDENTS' RANKING OF THE STRENGTH OF THEIR LEADERSHIP NETWORKS



informal leaders are in the organization? Try asking 10 people, "Who do you trust?" People named multiple times are likely to be informal leaders.

Informally brainstorm or explore ideas with others. At the beginning of the change process, bring informal leaders and stakeholders together to brainstorm how to implement the change. Continue to solicit their opinions about how to improve the process and communicate about the change before critical points in the process.

Strategize how to overcome obstacles with others. Engage people outside the change team when facing a critical hurdle. Ask them to strategize how to overcome challenges and manage risks.

Get feedback on aspects of the initiative before rollout. Before sending out a communication or talking to a group about the change, ask people outside the team for their feedback. Does the message come across clearly? Is there a

better way to explain the change? What faulty conclusions might people draw based on the communication? Often, change team members forget that others haven't been deeply engaged in the change process and neglect to articulate aspects of the change that they understand but haven't yet explained to others.

Interestedly, according to survey respondents, not all of these behaviors correspond with positive impressions of the change initiative after implementation. Only the last three behaviors — strategizing, getting feedback and having strong personal networks — are linked to positive perceptions. In other words, while a change initiative is happening, informal leaders may appreciate being asked for support, and people may enjoy brainstorming. But after the change initiative, strategizing, getting feedback and building strong networks are the behaviors that leave people feeling happy about change.

The following are ways that talent managers can accomplish the aforementioned behaviors:

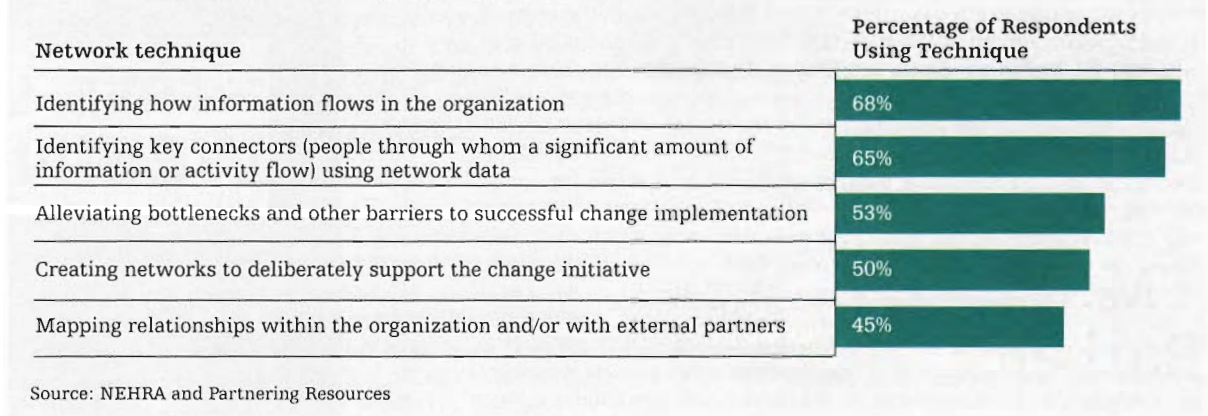
Ask informal leaders for support. Reach out to people who are respected by their peers in the organization and ask for their support. Invite them to be part of a change advisory team, and keep them in the loop with periodic updates on progress. Don't know who the

Build strong personal networks: It's not necessary to know everyone in the organization — unless perhaps the organization is small. But it is important to fill knowledge gaps, reach out across levels and geography, and be positioned to quickly and easily access the people and information needed.

Intuitive Networking
Of those who leveraged networks, more than half (57 percent) used three or more of the five techniques seen

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FIGURE 4: POPULARITY OF NETWORKING TECHNIQUES



in Figure 4. The most popular techniques were identifying how information flows in the organization at 68 percent and identifying key connectors using network data at 65 percent. Other techniques include alleviating bottlenecks and other barriers to successful change implementation; creating networks deliberately to support the change initiative; and mapping relationships within the organization and with external partners. Only 8 percent of survey respondents said that they used none of these five techniques to leverage networks during change.

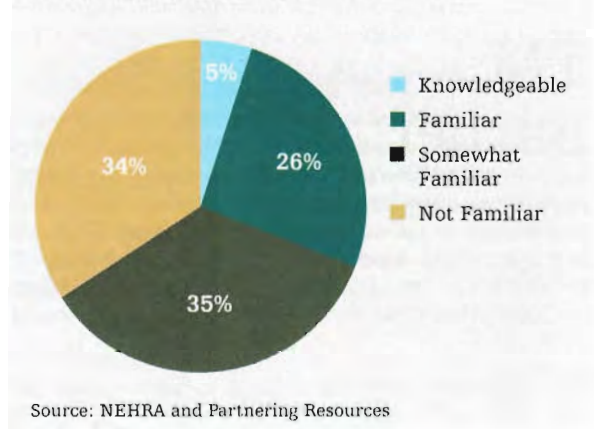
Use of these techniques suggests that HR professionals understand the importance of information flow. They understand that information doesn't always cascade neatly down the organization chart from CEO to individual contributor. Instead, people transmit information through informal paths: They talk with their peers, their allies, their mentors and the people sitting near them.

Savvy change leaders investigate how information actually flows in the organization. They also identify key connectors: people through whom a significant amount of information or activity flows and who serve as hubs for communication activities. These hubs can be social and transmit information about people, events or organizational news. They can also be hubs for expertise in specific areas, conversations about new ways of doing work or solving tricky problems. Smart leaders engage these key connectors to help spread the word about change by doing things like seeking their advice, placing them on steering committees, placing them in pilot groups or asking them to train their peers.

While the survey showed HR professionals using these networking techniques intuitively, it also showed them to be lacking in formal or complete knowledge about the practice of organization network analysis (ONA), as seen in Figure 5.

ONA is the formal practice of mapping, measuring and assessing relationships, connections and information flows between people, groups and organizations. It includes tools, techniques and approaches that can help organizations accelerate change initiatives. Few HR professionals responding to the survey reported having direct experience with ONA. Only 5 percent re-

FIGURE 5: AWARENESS OF ORGANIZATION NETWORK ANALYSIS



ported that they had used ONA techniques and tools in the workplace. Thirty-four percent had never heard the term, while 61 percent were familiar or somewhat familiar with the term but not the practice.

These findings support the results of a 2009 study conducted by consultancy Saba and talent management association the Human Capital Institute that concluded that organizations are actually doing some part of ONA without realizing it. They also suggest an opportunity — and a potential competitive advantage — for HR organizations to apply these techniques more deliberately in the workplace.

The results of this study indicate that for a change initiative to be successful, talent managers need to engage others thoughtfully and build networks. They can't stop after talking to a trusted colleague. They need to reach out to informal leaders, explore ideas with others, strategize how to overcome obstacles and get feedback before rollout. **TM**

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