

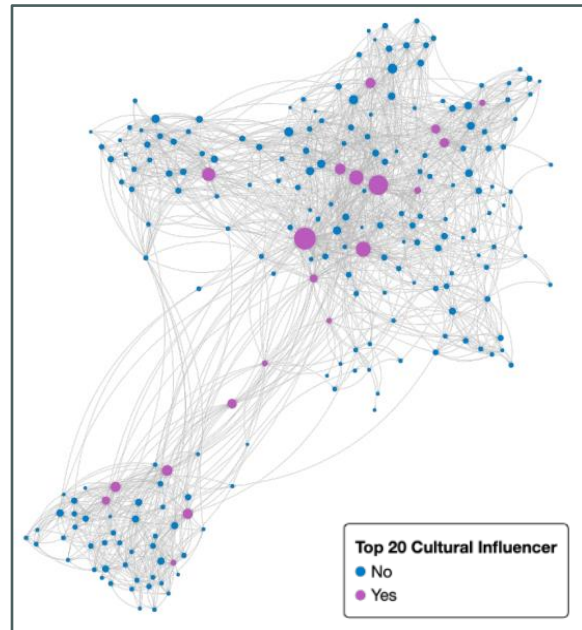
## I. Introduction to Organizational Network Analysis

Organizational Network Analysis (ONA) is a structured, algorithmic approach to illustrating how information flows throughout an organization.

**Through data integration and surveys, an interactive visualization is created that can answer the following:**

- Which employees are sought out the most?
- Who helps connect business units?
- Who is on the periphery?
- And more

Figure 1 shows cultural influencers in an organization and their internal connections. The larger the *node*, or circle, the more connections/relationships they have.



**Figure 1**

## II. Benefits

Emphasizing communication for its own sake and leveraging formal messaging pathways are not enough to optimize performance. Forced attempts to encourage collaboration without specific goals results in meetings and handoffs that do not add value, an increased volume of emails or messages that go unread, and internal sites that do not effectively disseminate information. Adding additional collaboration tools is more likely to reinforce communication silos than they are to address the underlying structural issues that caused the silos to form.

**Organizational Network Analysis provides the necessary insights for leaders to optimize their companies by assessing how tasks are *actually* completed and focusing on the key relationships that drive meaningful value.**

When these informal networks are known, managers and executives are enabled to perform three vital tasks:

- I. Align teams to strategic value
- II. Optimize their processes
- III. Adjust to and prepare for change



## III. Types of Organizational Network Analysis

### Active ONA

Utilizes relationship-based surveys comprised of questions such as:

- Who are five people you most often turn to for advice?
- Which of your colleagues do you need more access to?
- Which of the people you mentioned provides you with information that is critical for you to do your job?

The surveys are brief, taking between 5-10 minutes to complete. Once finalized, the results begin to show the informal networks that exist within a company. Active ONA can also leverage existing data such as Employee Engagement surveys or Performance Evaluations.

#### **Active ONA is best used for:**

- Discovering high-potential (HIPO) employees
- Understanding employee engagement
- Cultural & Collaboration assessments
- KESI (Knowledge, Energy, Support, Innovation) metrics for each employee
- Identifying influential employees for successful change management

### Passive ONA

Collects data behind-the-scenes via secure integrations with your company's collaboration tools and communication platforms to analyze over 20 network metrics. The result is a digital footprint showcasing how information is transmitted within your organization.

#### **Passive ONA is best use for:**

- Providing a near real-time view into collaborations
- Work pattern analysis
  - Identifying how patterns are changing while implementing new processes or technologies

#### **Data sources used:**

- Microsoft Office 365, Slack, Salesforce, Workday, Google Workspace, and more
  - *Please note that no access to email or message content of any kind is required, only metadata is needed for ONA*

Active and Passive ONA can be utilized on their own or together but provide deeper insight when used in tandem. The ensuing use cases leverage both forms to highlight the synergy between the two.



## IV. Benchmarking Network for Optimal Performance

By visualizing the flow of communications within a company, ONA provides insight into the relationships and interactions that are critical for high performance.

**Assessing individuals, teams, business units, and the enterprise as a whole, allows leaders to benchmark the network alignment, workflow processes, and communication patterns of the organization to facilitate improvement initiatives that are often unexplored.**

### Active ONA

When ONA brought to light several operational inefficiencies and communication gaps in their organization, one of the world's largest providers of energy services<sup>1</sup> created communities of practice to address them by:

#### 1. Optimizing Expertise Allocation

- Thereby creating capacity for critical employees to aid elsewhere as well as identifying where additional expertise is needed.

#### 2. Transference of Best Practices

- New operating standards implemented in North America decreased cost by 50%, and these methods were shared with other regions resulting in increased savings.

#### 3. Improving Employee Development

- Rotational programs and mentorship initiatives further facilitated best practice transfer and improved productivity metrics.

#### 4. Establishing / Enhancing Strategic Connections

- New standards and more effective decision allocation decreased the average response time for critical decisions from 30 days to only 3.

### Quantifiable Benefits

ONA gave the company the insights needed to make demonstrable improvements to multiple Key Performance Indicators (KPIs)<sup>1</sup>:

- Discovering high-potential (HIPO) employees
- Understanding employee engagement
- Cultural & Collaboration assessments
- KESI (Knowledge, Energy, Support, Innovation) metrics for each employee
- Identifying influential employees for successful change management



The Network Analysis provided the ability to identify problems and use those insights to inform actionable solutions. Reforming internal training, rigorous process improvement, change management, and enhanced organizational development all played a crucial role in solving the issues once they were diagnosed.

## V. Reducing Bottlenecks with ONA

As effective employees mature in their role, they become sought out due to their positive impact & enhanced knowledge. **When this process continues, these employees become involved in so many efforts that the same positive attributes that cause leaders to include them, result in them becoming bottlenecks.** Their own work rates and efficiency as an individual, cause inefficiencies for the organization as they are leaned on too heavily.

ONA brings to light overloaded employees who play a key role in many processes and working relationships. Table 1 illustrates this by showcasing the top five performers from a survey of a transportation planning team consisting of 30 employees with 20 unique processes.

### Employees were asked the following:

- Who was required to complete a process?
- Who was consulted (defined as providing valuable insight) in at least one step?
- If they thought of that person as a mentor

Employees considered critical to 50% of processes, in this case 10 or more, represent a potentially overloaded employee. Streamlining decision delegation, or additional training for others, is likely to create capacity for them to help elsewhere. The change may also reduce the time needed to complete the process resulting in additional efficiency gains.

Name	Tenure	Required	Consulted	Mentoring
Ray Jenkins	12	17	18	11
Patty Smith	7	12	11	25
Jamie Gomez	9	8	12	22
Jeremy Anderson	8	9	12	12
Quinn Harper	5	7	10	9

*Table 1*



## Impact to Companies

Reducing these types of overlooked inefficiencies also addresses two other potential challenges:

1. Overworked employees are more likely to burnout and leave, resulting in the additional costs (both financial and hours spent) of hiring to fill their role.
2. Successions planning for senior employees with highly centralized responsibilities and specialized knowledge that may put the company at risk if it were lost. This risk is further compounded if their tasks keep them so busy, they are unable to spend time mentoring or training others.

## VI. Reducing Attrition-Based Knowledge Loss

The cost of an employee leaving a company can be 2-3x that of the outgoing employee's salary<sup>2</sup>. For high performers, the cost can be even higher. By taking into consideration the results of passive and active ONA, the likelihood of attrition projected can be assessed.

### **Surveys may ask employees (on a scale from 1-5):**

- How often do you feel overwhelmed?
- Do you feel fairly compensated?
- Do you feel supported by your immediate manager?
- Are you satisfied with your opportunities for career growth?
- Do you feel recognized for your work?
- Have you considered leaving the company in the past year?

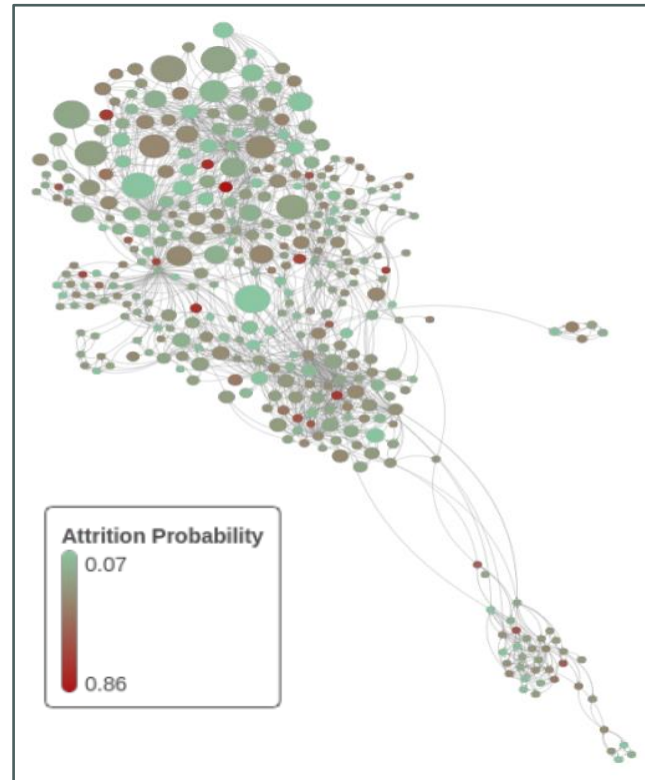
An ONA may find that employees on the periphery of the network are unsatisfied, or those with too many incoming connections correlate with being overwhelmed and potentially at risk for burnout.

## Results

Figure 2 shows the results of combining passive and active ONA. **By showing employees who are at a high risk of leaving the organization, targeted initiatives can begin to improve satisfaction and engagement.** Results may also bring to light ineffective onboarding, broken processes, and training that is not preparing employees.

By combining these insights with additional data, such as the results in Table 1 the show how many processes an employee is involved in, the company can further focus their efforts to retain high performers.

Additional network assessments can be performed to monitor the progress of these initiatives once they have begun.



*Figure 2*

## VII. Effective Onboarding

On average, **companies spend almost \$100K annually on onboarding employees<sup>3</sup>, but only 12% of employees believe their company has a good onboarding process<sup>4</sup>.** One study found that new hires can take anywhere from 1-2 years to become fully productive<sup>5</sup>. The resulting inefficiency causes new hires to feel unproductive and disengaged, while their more experienced colleagues continue to take on additional stress due to the increased workload.

**Insight provided by active and passive ONA can provide a framework that helps external new-hires and employees who are promoted internally by emphasizing the necessary connections and relationships that will allow them to thrive in their new role.**

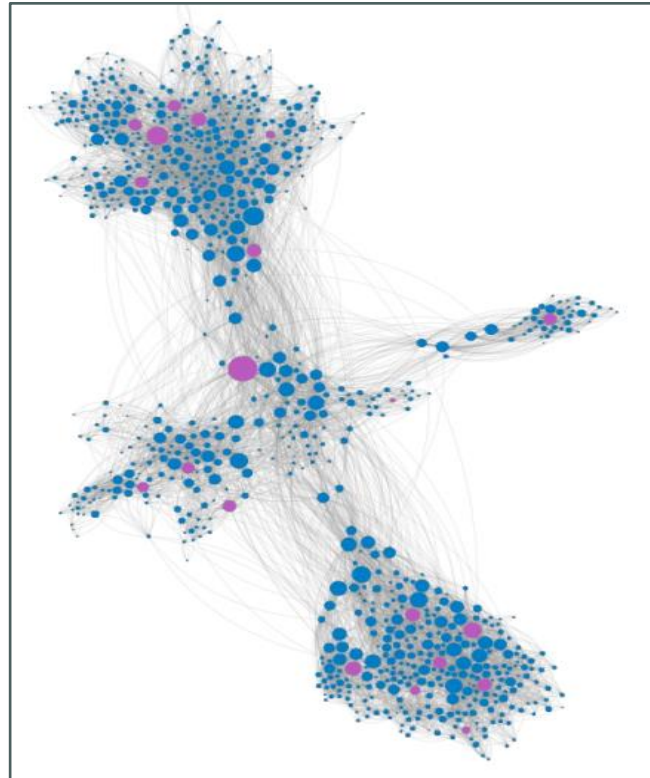
## ONA Applications

In Figure 3, the purple nodes represent 20 individuals through which 617 people, or 68% of the organization, can be reached.

**These individuals are ideally placed to be onboarding mentors who assist colleagues in their transition to the company.** Onboarding mentors can dramatically improve the performance of new hires by helping to connect the onboarding material to applications in their new role.

One leading technology company found that 97% of new hires said their mentor helped them feel more productive when they met with them over eight times during their first 90 days<sup>6</sup>.

The benefits of a mentor system can be further compounded by ensuring new hires are able to shadow projects and ask questions early in their career.



*Figure 3*

This approach shifts the focus from exposing new hires to information through self-study or large group sessions, to an emphasis on network and relationship building that facilitates increased personal knowledge transfer. The result is employees who are not only effectively onboarded, but thoughtfully integrated into their new team and the organization.



## VIII. Summary

**ONA facilitates both bottom-up and top-down improvement efforts that deliver tangible results by:**

1. Promoting effective collaboration and targeted communication
  - Defined as reducing the cycle time before a problem is identified and resolved and disseminating relevant and timely information
2. Reducing connections that do not provide value or over complicate processes
  - Defined as interactions that do not promote solutions or revenue
3. Enhancing onboarding & upskilling processes
4. Reducing knowledge drain and the impact of knowledge silos
5. Improving succession planning for attrition or retirement

## Conclusion

**The answer to the problems that companies face as they adapt and navigate the challenges of hybrid workforces, digital transformation initiatives, and the competition to attract and retain talent, is not to adopt another piece of software promising to solve these issues.** Any organization that must collaborate as they provide goods or services is likely to see positive returns as they focus on enhancing their flow of information.

Cohesive teams who excel at sharing critical data points in a timely fashion will deliver superior results to those who do not, but **applying technical solutions to non-technical issues only gives the illusion of improvement.** To truly address the source of problems, a deeper understanding of an organization's own internal dynamics is necessary. The insight gained through ONA provides a competitive advantage that allows leaders to see the foundations of their company.

ONA's ability to enhance the application of traditional process improvement and change management practices further highlights the need for organizations to utilize this methodology in recognizing and understanding the composition of their ever-changing networks.





## IX. References

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