

ORGANIZATIONAL NETWORK ANALYSIS

HUMAN CAPITAL ASSESSMENT

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What is an Organizational Network Analysis (ONA)?

Beneath the surface, organizations are comprised of "networks" of employees connected to one another. When visualized, these networks appear similar to complex, beautiful spiderwebs (see *Figure 1*). The image evoked from a "network diagram" is quite different from what one observes in a traditional organizational chart. A traditional organizational chart shows how organizations determine hierarchies (levels of seniority from top-to-bottom), while a network diagram demonstrates how work gets done and which individuals are most influential. The key to improving organizational performance is to ensure that employees are most optimally connected to one another to facilitate efficient collaboration.

How can we determine who is communicating with whom, where gaps in communication exist, and how knowledge is shared within an organization? Organizational network analysis (ONA) is a valuable analytic method to measure and analyze connectivity among employees. The outcomes from an ONA can be used to optimize collaboration within an organization. Better understanding and harnessing the power of organizational networks can have a positive influence on organizational performance, organizational effectiveness, employee motivation, and employee engagement.¹

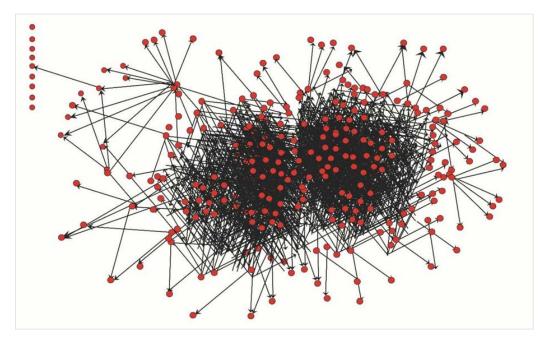


Figure 1: Organizational Network Diagram

¹ Cross, R., & Parker, A. (2004). *The Hidden Power of Social Networks*: *Understanding How Work Really Gets Done in Organizations*. Boston, MA: *Harvard Business Review* Press



Using ONA in Business

ONA is "a descriptive, empirical research method for mapping and measuring relationships between people, groups, and organizations with the resources, knowledge, and tasks that are used to perform work."² ONA helps leaders visualize the information flows within an organization, across functions or divisions, and between different organizations. For example, returning to *Figure 1*, the individual members of the organization (red dots) and the ties between them (the lines connecting them) are clearly illustrated. Note the two clusters of employees toward the center of the diagram; these individuals have many connections who are also connected to many people. All around these two clusters, though, are several employees with zero, one, or two connections, as shown on the periphery of the diagram. By revealing inefficiencies and information gaps in the networks, leaders have the necessary information to effectively manage and optimize their organizations' networks.

ONA can be used by leaders to understand how information flows within and between organizations, and how *effective and efficient* this flow is. For example, it can help to identify well-connected, under-connected, and over-connected employees; silos; experts; energizers; and can demonstrate which employees make the most effective decisions. Identifying these employees is a first step to allow leaders to make changes to the organizational structure, move employees to maximize their effectiveness based on how connected they are, and even to make major changes in how the organization conducts talent management.

About CHCI

CHCI provides business solutions through "best and next" practices in strategic human capital management. CHCI provides measurable, real-world strategies that support your organization to attract and retain high-performing people, build a diverse and inclusive workplace, and leverage individual and team performance throughout the enterprise. For more information, or if you have any questions, please contact Anne Loehr, Executive Vice President: anneloehr@centerforhci.org or (571) 970-4250, Ext. 113.

² Merrill, J., Bakken, S., Rockoff, M., Gebb, K., & Carley, K. M. (2007). Description of a Method to Support Public Health Information Management: Organizational Network Analysis. *Journal of Biomedical Informatics*, 40, 422-428.