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## The Office Chart That Really Counts

### Mapping informal relationships at a company is revealing -- and useful

Two years ago, Ken Loughridge, an information technology manager living in Cheshire, England, uprooted his family and moved to the other side of the world. His company, engineering and environmental consulting firm MWH Global, was reorganizing its various information technology offices into a single global division, establishing its main service center on New Zealand's more cost-effective shores and promoting Loughridge to manage the company's worldwide network, system, and desktop needs. "By and large, the staff I'd adopted were strangers," he says.

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To help adjust to his new surroundings, Loughridge took a map with him. A map of his organization, that is. A few months before, MWH had surveyed its IT employees, asking them which colleagues they consulted most frequently, who they turned to for expertise, and who either boosted or drained their energy levels. Their answers were analyzed in a software program and then plotted as a web of interconnecting nodes and lines representing people and relationships. Looking a little like an airline's hub-and-spoke route maps, the web offered Loughridge a map -- a corporate X-ray, in a sense -- to how work really got done among his charges. It helped him visualize the invisible, informal connections between people that are missing on a traditional organizational chart.

Loughridge used the map to identify well-connected technical experts he should immediately visit face-to-face. And six months into the job, when a key manager in the Asia region left the company, he referred back to it, reaching out to the departed managers' closest contacts to help minimize the fallout. "It's as if you took the top off an ant hill and could see where there's a hive of activity," he says of the map. "It really helped me understand who the players were."

#### BIRD'S-EYE VIEW

While not brand-new -- independent consultants and researchers at IBM ([IBM](#)) have been mapping informal networks for a number of years -- the use of social network analysis as a management tool is accelerating. Given the current emphasis on managing talent, companies are hungry for ways to find and nurture their organizations' most in-the-know employees. And as innovation becomes more critical to corporate survival, the tool lets managers survey the informal interactions between different groups of employees that lead to exciting new ideas. Such a bird's-eye view also exposes the glaring gaps where groups aren't interacting but should be. "Making the collaboration visible makes it much easier to talk about," says Kate Ehrlich, a researcher at IBM who studies collaboration.

Management consultants and academics, along with technological advances, are also driving the trend. Accenture Ltd. ([ACN](#)) and Katzenbach Partners LLP have begun analyzing the informal connections in their clients' organizations during the past year. Boston Consulting Group, meanwhile, is using the approach to map ideas: In November, it launched a proprietary software program that tracks its clients', and in some cases their competitors', patents and research papers so BCG people can

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chart their internal and external networks. Many point to University of Virginia management professor Rob Cross as a key player in making social network analysis, which has its roots in sociology, more applicable to practical business needs. Cross has formed a roundtable that boasts 53 members after just 18 months. It counts biggies such as Procter & Gamble ([PG](#)), Merck ([MRK](#)), and Lehman Brothers ([LEH](#)) as participants.

One company in that roundtable is Capital One Financial Corp. ([COF](#)), which began using the maps in October to help maintain links between people with similar jobs after a reorganization along product lines. These online communities for groups such as project managers, credit-risk experts, and even administrative assistants serve as forums for people who don't regularly work together to share best practices. In hopes of drawing more participation, the McLean (Va.) financial services company used the maps to encourage well-connected folks -- those who show up as "hubs" on the map -- to take formal, central roles on the forums.

While knowledge sharing is one of the most common reasons that companies employ the practice, managers are finding other useful applications. Last year, Solvay ([SVYSY](#)), a Belgian pharmaceutical and chemical company, began using maps to help with leadership transitions, or "baton passing," as Philippe Drouillon, a knowledge management project specialist, calls it. "You have a map that you can provide to successors and say: 'These are the interactions I have with the people that you should know,'" he says.

#### FEELING THREATENED

Solvay is also using maps to spur its innovation efforts. In October it held several "scientific days," inviting outside university researchers for two days of face-to-face discussions. To ensure that the occasion wasn't just a one-off with little follow-up, Drouillon and his team mapped its scientists' internal and external networks before and after the event to see where research interests overlapped and where potential existed for collaboration. The hope, says Drouillon, is "to increase our innovation impact" after the event was over. "We wanted to invite connections that could be implemented between [Solvay] scientists, not just outside scientists."

For all of the benefits, charting informal networks can be disruptive. "Leaders feel pretty threatened by this," says Katzenbach principal Zia Khan, speaking of people who hold high perches on the organization chart but are more isolated on the informal map. When using social network analysis, suggests University of Virginia's Cross, it's important to communicate to employees that more connections aren't necessarily better: It's O.K. for some people. such as those who spend a lot of time with customers or

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have expertise in niche areas, to show up on the periphery of the web. Maps can also highlight which employees might be too connected and therefore a potential bottleneck.

Confidentiality is also a touchy issue. A map that reveals who is well-connected and who is not can be destructive if it is shared too widely. "I know who I named, but when I look at the map, I might see [that person] didn't name me back," says Tracy Cox, director of enterprise integration at aerospace and defense contractor Raytheon Co. ([RTN](#)). Now, says Cox, who does network analyses for the company's seven businesses, that hypothetical employee "knows that he is not valuable to his boss. And not only does he know it, but 50 of his closest friends know it, too."

Instead, the maps Cox shares with the groups that he works with are carefully coded; employees are described only by generic characteristics such as job titles. Cox provides a separate list of the group's most connected people to everyone. Individuals can ask to see their portion of the maps and are offered one-on-one coaching to interpret them, but their supervisors aren't allowed to see them.

Are the maps still helpful if individuals' locations aren't revealed? Cross says yes. In 95% of the companies that he works with, only the very top two or three managers actually see a complete map with names. Everyone else can see where silos are occurring, where acquired teams aren't integrating, or where collaboration could be happening but isn't yet. "Putting that diagram in front of everyone is powerful because it's not just the boss who's walking around saying: 'We're not collaborating,'" Cross says. "It's what everyone is saying."

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#### READER COMMENTS

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**Nickname:** Rob/Bob

**Review:** This sound a lot like Gladwell's description of networker and mavens in his books "Tipping Point" and "Blink."

**Date reviewed:** Feb 23, 2006 7:01 PM

**Nickname:** John Schonegevel

**Review:** Our research shows that those people who "contribute through others" are more highly valued than those whose contribution is primarily due to their capability to "contribute independently." And one of the key qualities shown by the former group is that of effective networking.

**Date reviewed:** Feb 23, 2006 3:26 PM

**Nickname:** jheuristic

**Review:** Social network analysis (SNA) is a tool for visualizing relationships and knowledge pathways. It shows a part of the picture. For business, it is important to see the processes and how value is generated, not just the social network. Value networks provide the bridge between business processes and social networks. Value networks show the whole picture. Value

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By Jena McGregor

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