



# The Complete ONA Playbook for Senior Leaders

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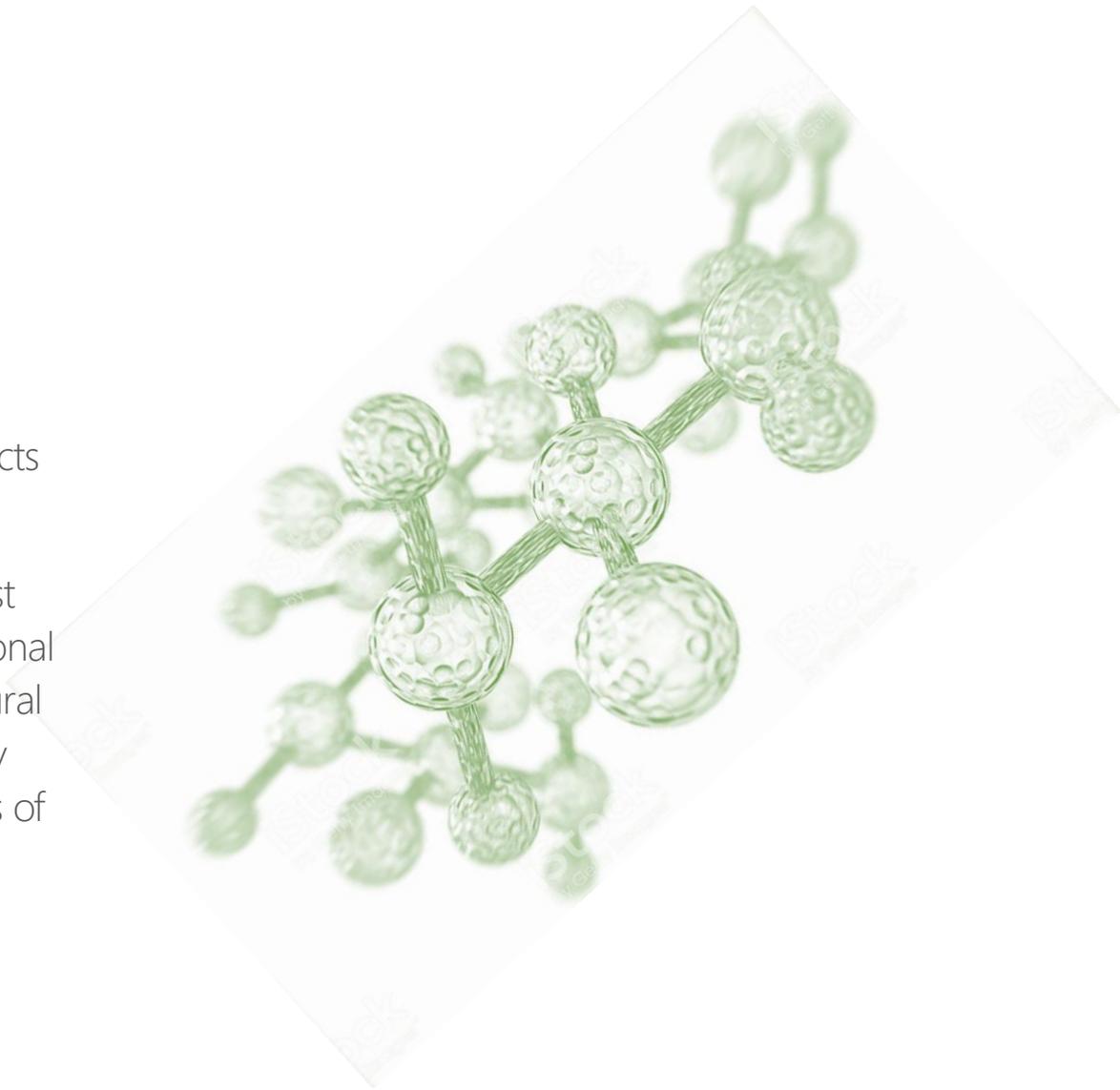
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# INTRODUCTION

## The Ubiquity of Networks

Network analysis has become ubiquitous in science. It is applied by physicists to study the relationships between cosmic bodies in outer space. Chemists use it to dissect molecular structures. Even entomologists employ it to appreciate the complex behavior of social insects such as ants, termites, and hornets.

Despite these fascinating applications, the most interesting and informative may be organizational network analysis. Organizations provide a natural setting for leveraging network analysis to study complex social behavior. Grounded in decades of research and practice, there is no debate surrounding the importance of network characteristics for predicting key employee



# INTRODUCTION

outcomes (e.g., performance, engagement, or potential) as well as organizational outcomes (e.g., innovation, operational efficiency or financial return). The purpose of this document is to provide a summary of ONA and its benefits to enterprises and their senior leaders.

## How can companies benefit from ONA?

The contents of this e-book will help you answer this question. Over the next 4 chapters, we'll address:

- What is ONA?
- What are its key business applications?
- What does an ONA entail?
- What are some real-world examples?

Next up, defining ONA.

# CHAPTER 1: WHAT IS ONA?

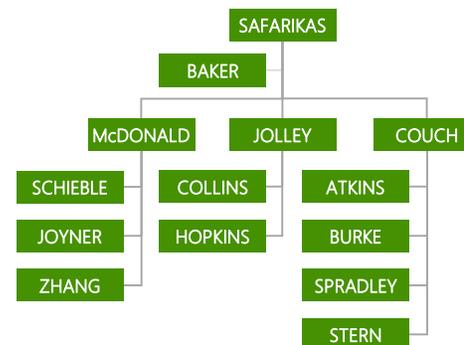
## Defining ONA

Organizational network analysis (ONA) is a tool used to map the informal relationships between organizational personnel and other stakeholders. In essence, organizational networks consist of nodes, which are the people contained within the network itself, and links, which are the relationships that exist between those individuals.

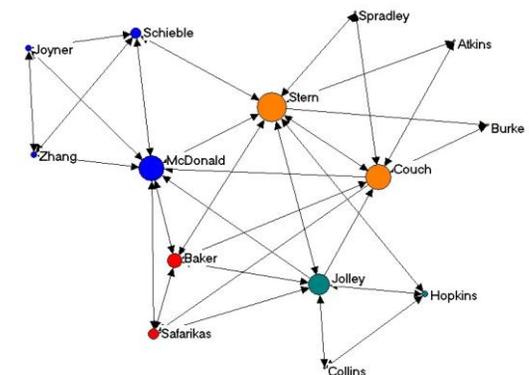
Relationships between colleagues can take many forms. ONA uncovers networks related to task completion, such as problem-solving, decision-making, brainstorming, and innovation. It also examines interpersonal aspects of the

For example, from the organizational chart below, we may decide that Stern is a relatively unimportant member of the group. The network of informal relationships, however, tells a different story. It shows that Stern is, in fact, a critical player who facilitates communication across the three sub-teams. This is typical of network analysis; often, it shows that the true work occurs outside of the organization's formal structure.

ORGANIZATOINAL CHART



INFORMAL SOCIAL NETWORK



## CHAPTER 1: WHAT IS ONA?

relationships, such as emotional support, career development, and trust. By mapping each of these informal networks in conjunction, ONA casts a wide net on a company's workforce to better understand how it functions and performs on multiple levels.

As we show next, ONA provides the insight to assist with any number of human capital-related challenges your company may be facing.

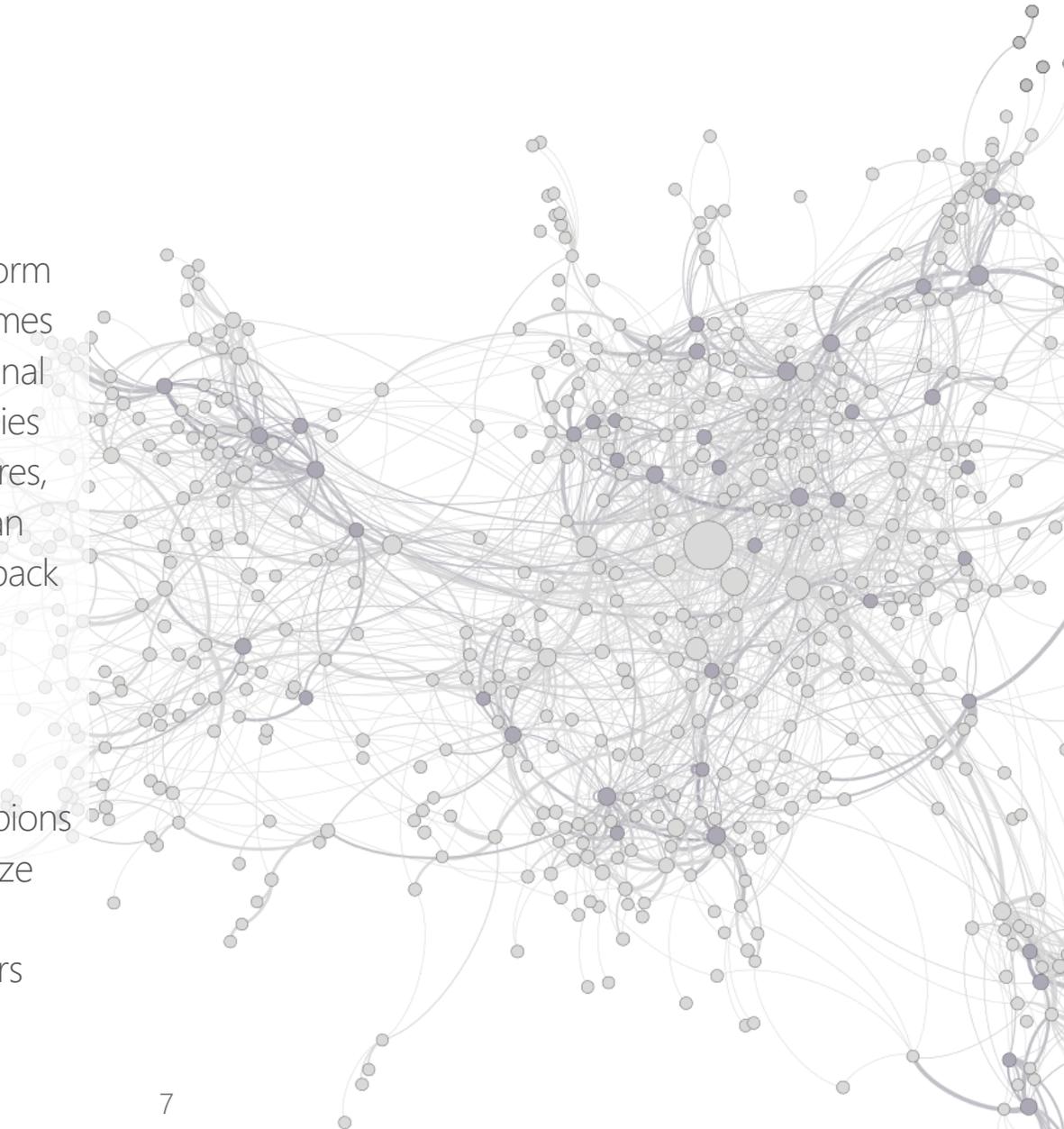
## CHAPTER 2: ONA BUSINESS APPLICATIONS

### Use ONA to Drive Value

Successful human capital strategies rely on insightful data. Traditionally, this data—in the form of level, tenure, performance ratings, etc.—comes from HRIS tools mapped to formal organizational structures. However, in contemporary companies with flatter and/or more matrixed work structures, employees rely more on informal networks than formal reporting relationships, ONA can peel back the formal structure to examine, interpret, and optimize these important informal networks.

#### 1. Accelerate organizational transformation

Change efforts are never easy. Locating champions for your initiative can go a long way to maximize your efforts. ONA can help you identify the smallest set of trusted and respected influencers



## CHAPTER 2: ONA BUSINESS APPLICATIONS

who together can build buy-in and win the commitment of the broader organization. Often, leaders lack visibility to these critical influencers, particularly at lower levels of the organization.

### 2. Reduce voluntary turnover

Talented employees are always looking for new work opportunities. However, those who are embedded in social support systems, collaborate with their peers, and maintain strong relationships with their boss are the ones most likely to stay. Using a validated predictive algorithm, ONA can help identify the A players who are most likely to leave so that you can intervene before it's too late.

ID	Label	Manager	Division	Respect Centrality	Trust Centrality	Emp./Mgr. Rel. Strength	Career Dev. Relationships	Talent Risk
190	Paddy Dougherty	Allen Roche	Supply Chain	1	0	0	0	0.96
108	Aasiyah Buckley	Benedict Hess	Finance	0	3	0	0	0.92
517	Uwais Nguyen	Tomas Reid	Supply Chain	2	0	0	0	0.91
480	Tiya David	Logan Krause	Data Analytics	0	0	2	0	0.86
139	Harpreet Winters	Asiyah Whiteley	Supply Chain	4	1	0	0	0.81
8	Emyr Dickens	Christie Bauer	Supply Chain	3	17	5	0	0.72
9	Peter Rees	Brandy Clarkson	Supply Chain	1	3	5	0	0.71
24	Elen Blackwell	Siena Meza	R&D	9	18	0	0	0.69
44	Hamid Reilly	Cillian Osborn	Market Research	1	2	4	1	0.67
23	Akeem Leon	Tegan Middleton	R&D	10	0	0	0	0.65

## CHAPTER 2: ONA BUSINESS APPLICATIONS

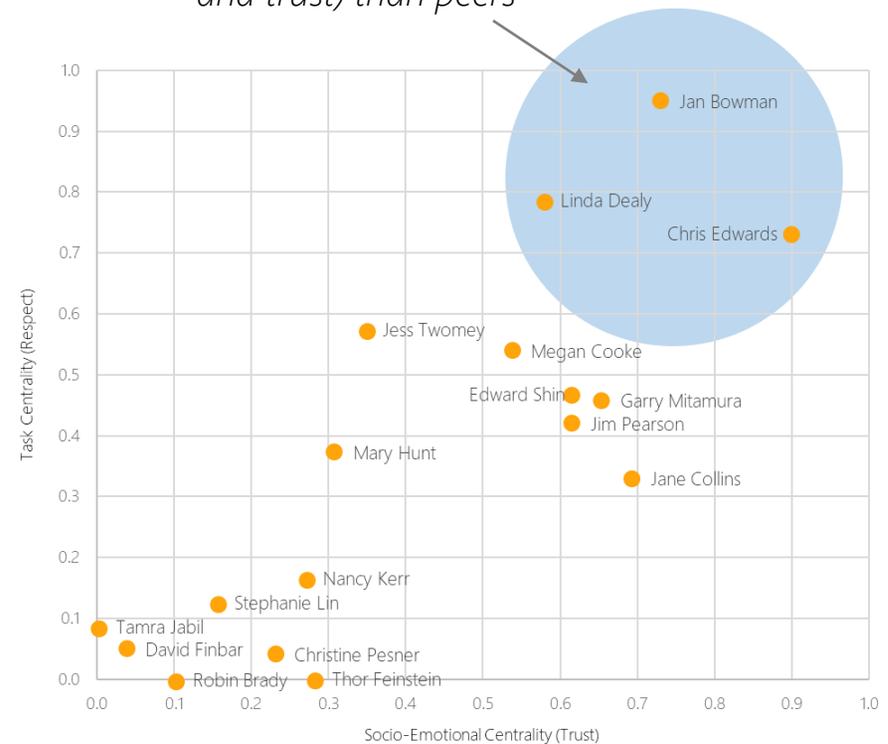
### 3. Build your leadership pipeline

ONA can pinpoint high-potential leaders using data and insights that stretch far beyond traditional performance management systems. By capturing the informal levers of influence and followership within teams and departments, you can identify emergent leaders earlier in the game and with greater confidence.

### 4. Improve customer engagement

Looking for ways to improve customer experience? ONA can help by revealing the customer-facing networks within your organization. This process ensures the right people are interfacing with the customer at the right times, demonstrates which employees would benefit from a clearer line of sight to the end user, and uncovers an organization's key opinion leaders who have the most impact on the customer.

*Greater leadership capability (e.g., respect and trust) than peers*





While each diagnostic is unique, an ONA typically encompasses the following four steps:

1. Preparation
2. Data Collection
3. Insights Generation
4. Reporting & Next Steps

From start to finish, you will want to budget one month for your ONA.

## CHAPTER 3: RUNNING AN ONA

### Getting it Done

Although the benefits of Entromy's ONA solution are wide-ranging, the process is simple and straightforward.

#### 1. Preparation

The preparation phase includes defining the project scope, importing HRIS data, and sending out project communications. Scoping involves defining the population of interest for the ONA initiative (e.g., Sales department, Executive Leadership Team, entire company). Next, information on relevant employees (e.g., name, email, position, team, department, organization) is securely imported into the Entromy platform. Finally, up front communications are sent to the participants about the purpose, requirements, and expected outcomes of the engagement.

# CHAPTER 3: RUNNING AN ONA

## 2. Data Collection

While there are many ways to collect ONA data, Entromy employs a secure, web-based survey that uses the Entromy Insights Platform. Well-designed surveys eliminate the 'noise' associated with other methods, such as collecting email or instant messaging traffic. In addition, many of the important, more nuanced discussions between employees occur face to face and aren't captured through electronic transmissions. Moreover, any concerns about the reliability of respondents' self reports can be mitigated by checking for reciprocity between survey respondents.

ONA surveys can be administered standalone or ONA questions can be integrated into an existing survey. Most ONA administrations only require a small number of questions (i.e., 7 – 15). Examples include:

- “Who can you count on to stand by you when you're in a difficult situation at work?”
- “Who do you turn to for guidance about your own career development?”
- “If I had increased access to the following individuals, I could perform my job better.”

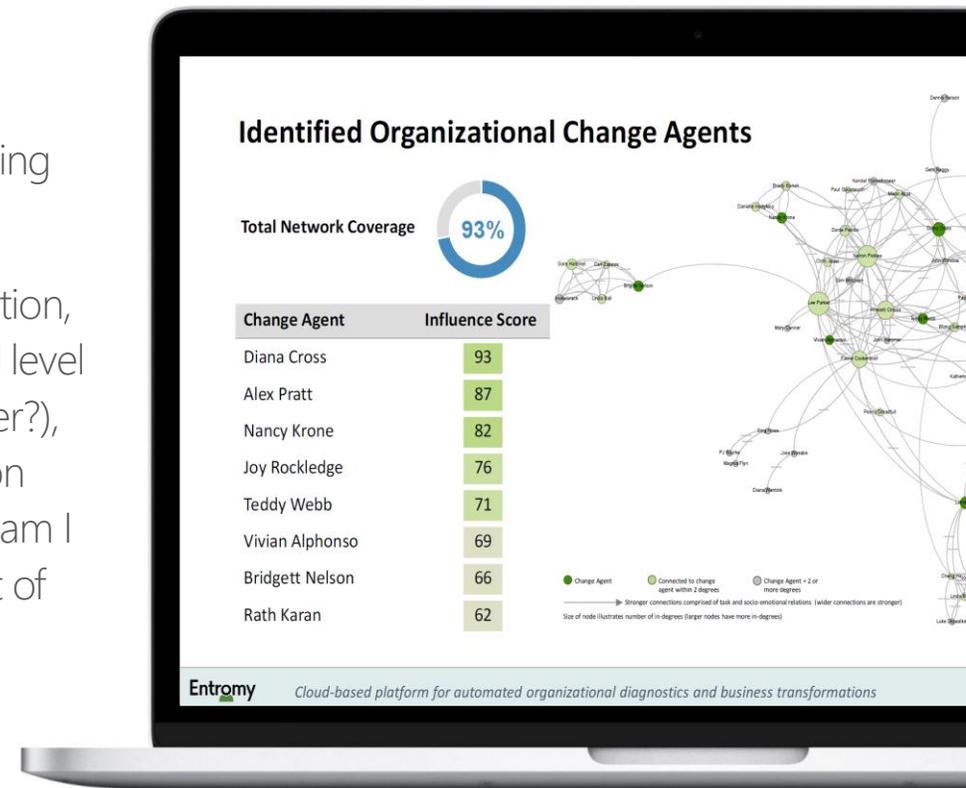
One factor to keep in mind when administering an ONA survey is that ONA surveys require high response rates; ideally, 80% or higher. Like any good survey, this mean making certain employees understand the value and how the data will be used as well as enrolling senior sponsors to champion the effort.

## CHAPTER 3: RUNNING AN ONA

### 3. Insights Generation

Once the data has been collected, Entromy analyzes it to discover key insights. Insights are packaged and presented based on the specific business application (pinpointing influencers to accelerate organizational transformation, finding retention risks, identifying emerging leaders, etc.).

In addition to analyzing the data based on business application, insights can be uncovered and shared at the organizational level (e.g., how are my departments collaborating with each other?), at the team level (e.g., how can I improve communication on the medical affairs team?), and at the individual level. (e.g., am I seeking out new ideas and best practices from a diverse set of external stakeholders?).



## CHAPTER 3: RUNNING AN ONA

### 4. Reporting & Next Steps

After generating the insights, we meet with clients to review the findings and recommendations. This provides clients with the opportunity to ask questions, align on next steps and request any additional data analysis.

A key component of this step is agreeing on what data will be provided back to survey respondents. In our experience, it is important to share the outcomes of the survey with those who participate. This sends the message that their feedback matters and helps build commitment and buy-in to any resulting organizational changes.

## CHAPTER 4: ONA CASE STUDIES

### 1. Pinpointing Influencers to Drive Organizational Transformation

Our \$12B professional services client had grown through acquisition and was comprised of multiple, independent operating units. The company's future strategy, however, required that the organization integrate its different expertise and centralize governance. Key to the transformation was winning the hearts and minds of employees, many of whom were not in favor of the change.

We conducted an ONA of the organization's top 4 levels and used the resulting data to calculate **the optimal set of mid-level employees (33 total) across all operating units who could collectively influence 85% of the broader organization**. Our client termed these employees "Catalysts" and leveraged them to gain the support of colleagues for the transformation.

The evidenced-based approach ensured the Catalyst selection process was objective and reduced the number of Catalysts senior leaders would otherwise have chosen. As a result, our client was able to significantly reduce their change management expense and accelerate their transformation.

## CHAPTER 4: ONA CASE STUDIES

### 2. Accelerating Innovation

The Consumer Packaged Goods division of a Fortune-500 life sciences company sought to use innovative product packaging to increase consumer product sales by 10%. This goal required R&D, Marketing, and Manufacturing to work seamlessly. The teams were fragmented, however, by functional and geographic silos. As a result, efforts to develop innovative packaging had failed, costing millions and delaying product launches by up to 12 months.

We used ONA to analyze how the functions were working together. The results showed exactly where collaboration was breaking down, highlighted bottlenecks, and generated specific improvement opportunities. The data-driven analysis and network visualization immediately motivated employees to change their behavior and informed the creation of a new, cross-functional innovation process and governance framework. As a result, **collaboration between functions increased 105%, the time required to develop new packaging was reduced by 4 months, and our client anticipated \$70MM** in incremental annual revenue.

## CHAPTER 4: ONA CASE STUDIES

### 3. Discovering Emerging Leaders

Our client faced a leadership shortage that threatened to derail their growth plans. Complicating matters, the client was made up of multiple operating divisions, each of which conducted performance management and succession planning in its own, ad hoc way. As a result, the client lacked confidence in their ability to identify top talent and struggled to flexibly deploy talent across the enterprise.

We conducted an ONA of the company's top 4 levels. The analysis identified which employees were most trusted and respected by their colleagues and therefore best positioned to lead. Based on these insights **our client immediately expanded their leadership pipeline by 30%.**

Using the same network data we also pinpointed succession candidates for each of the firm's senior leadership positions. The objective, data-based approach gave the CEO the confidence to choose specific individuals to fill critical roles.

# CONCLUSION

## A CONNECTED WORLD

We live in an increasingly networked world. Organizations are responding to the increased complexity and pace of change by building agile organizations that rely on empowering employees to make efficient and impactful decisions. As a consequence, the ways in which employees work with one another to make those decisions, solve problems, and provide guidance and support to one another can differentiate your company from its competitors. ONA is uniquely positioned to capture the relationships that truly matter for your company's success. It delivers a clean and comprehensive snapshot of your organization's informal networks and provides the actionable insights to improve engagement, reduce turnover, identify high potentials, leverage change agents, and more.

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### About Entromy

Entromy is a leading software company that delivers real-time nuanced insights for critical business decisions powered by AI and natural language processing. Used by consultants, private equity and executives, the Entromy Insights Platform eliminates weeks of effort in change management, business transformations and M&A by automating diagnostic, analysis and executive report preparation to understand business, employees or customers.

[www.entromy.com](http://www.entromy.com)

### About Contemporary Leadership Advisors

Contemporary Leadership Advisors is a management consulting firm comprised of behavioral scientists and business experts who help organizations create value by selecting and developing the right leaders, driving senior team effectiveness, and designing aligned and agile organizations.

[www.cladvisors.com](http://www.cladvisors.com)