



# Using Organizational Network Analysis to Accelerate Innovation

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# ***Many of the top global services firms use network analysis to make better strategic decisions***

***Organization Network Analysis (ONA) uncovers the informal relationships that facilitate how work really gets done. Network diagnostics provide unique insights for strategic decision making.***

## **Professional Services**

- Accenture
- Booz Allen Hamilton
- Boston Consulting Group
- CapGemini
- Deloitte
- Ernst & Young
- Government of Alberta
- Hill & Knowlton
- Ketchum
- Maritz
- McCann-Erickson
- McKinsey & Company
- Mercer
- PricewaterhouseCoopers
- RAND Corp

## **Financial Services**

- Abbey National (Santander)
- AIG
- American Express
- Aviva
- Bank of America
- Bank of Montreal
- Capital One
- Cigna
- Citibank
- Fannie Mae
- Goldman Sachs
- IFC
- Royal Bank of Scotland
- T. Rowe Price
- UBS

## **Knowledge Intensives**

- Babcock & Wilcox
- Cisco
- Computer Science Corp
- Fluor
- Halliburton
- IBM
- Juniper Networks
- Microsoft
- Nokia
- Novartis
- Pfizer
- Raytheon
- SAIC
- Schlumberger
- United Technologies

# ***Network analysis is the cornerstone of launching innovation efforts with precision***



- ✓ ***Pinpoint the right people with the right attitudes to drive innovation***



- ✓ ***Understand what innovation success looks like in your context***



- ✓ ***Identify priorities for innovation investment***



- ✓ ***Ensure cross-unit coverage of innovation programs***

# *Using a network perspective reveals actionable results*



- Middle managers most sought for innovation advice held negative attitudes toward innovation. They created a bottleneck in the flow of ideas because they were unable to balance the demands of day-to-day priorities with shepherding new ideas through a vague process.  
– *Media and entertainment*
- High performers had more diverse networks across the organization – which proved to be an important element of their success. Replicating characteristics of their networks increased performance across the company.  
– *Insurance*
- Sales consultants were unaware that their efforts were focused too much on low-value clients thereby leaving revenue on the table by ignoring high-value clients.  
– *Financial services*

## ***Network analysis pinpoints revenue and client impact opportunities***

- Client impact measures were 45% higher in teams with four key characteristics: brokers connected to other teams; one strong executional manager on the team; comprising a mix of new and old members; and connected to other high-performing teams – thus ensuring the introduction of novelty and follow-through.

– *Telecom*

- “The ONA was helpful in realizing why we lacked nimbleness and quick turnaround times for proposals. Creating information conduits across business lines and regions helped us assemble teams more efficiently with needed skills, knowledge, and experience, enabling faster time to market.” They improved sales collaborations: 27% increase in ties generating sales up to \$0.5M; 15% increase for sales between \$0.5M-\$2M and 9% for sales between \$2M-\$10M.

– *Information technology consultancy*



# *Insights gained will solve many strategic problems*

## ***Business units***

- Pinpoint areas of highest promise to focus innovation efforts and resources
- Find gaps in cross-collaboration

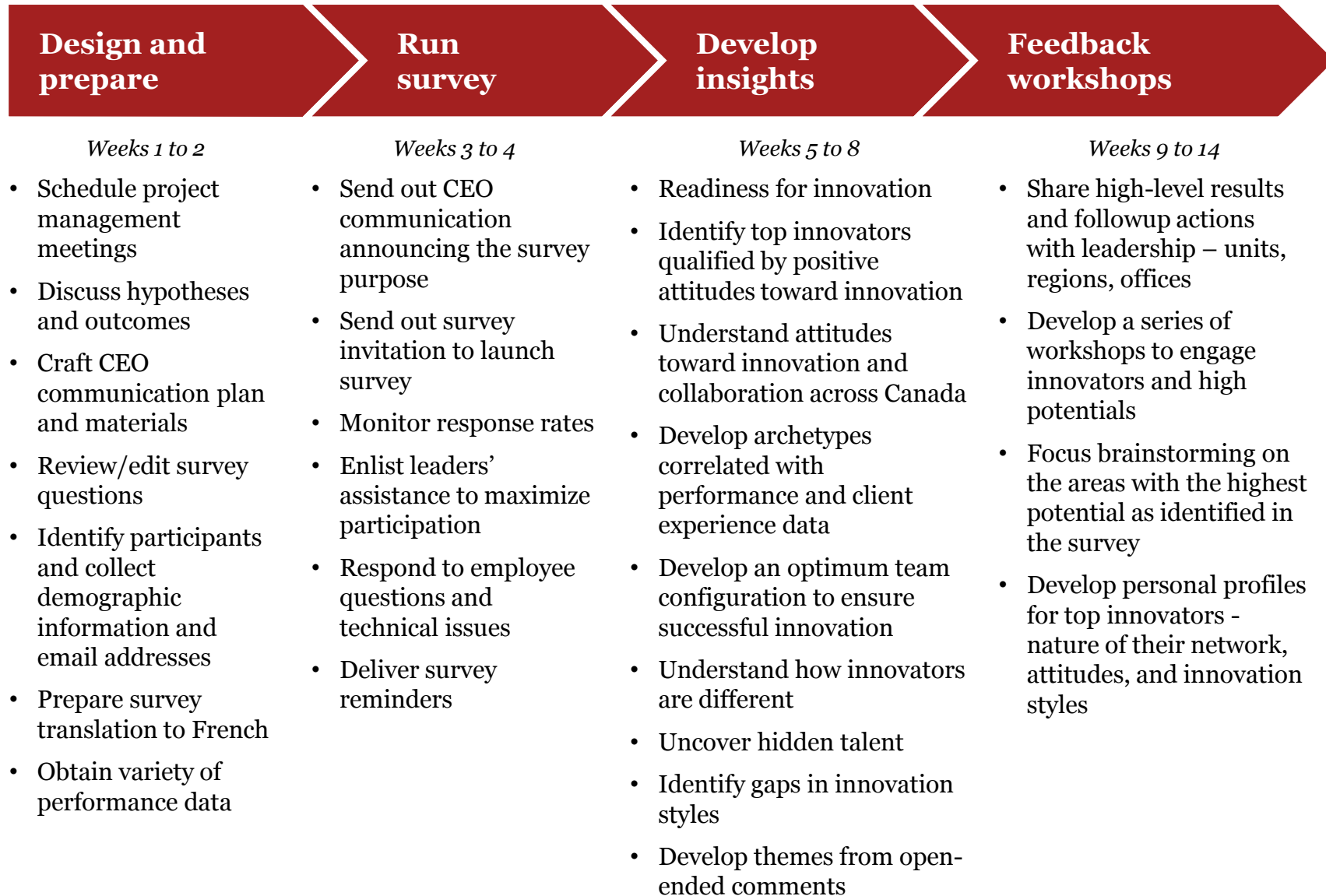
## ***Strategy/PMO***

- Understand how to accelerate the innovation process by identifying gaps in capabilities
- Engage top influencers early in the process and programs

## ***Human capital***

- Identify hidden talent
- Target leadership training
- Understand interaction patterns
- Configure project teams with the right mix of skills

# Innovation network survey workplan



*Sample Illustrative  
Innovation Network Survey*



# *CEO communicates importance of innovation*



- Innovation network survey is announced with a memo from **the CEO**
  - ✓ Provides clarity about purpose of the survey - how it supports overall strategic journey
  - ✓ Shows top leadership commitment to the effort
  - ✓ Deals with early questions employees may have
  - ✓ Gives a brief overview of the process
  - ✓ Stresses that all responses are treated confidentially, but they are not anonymous
  - ✓ Emphasizes everyone's participation
  - ✓ Complemented by other communication channels to inform and excite employees about innovation programs

## ***Welcome and introduction***

Recap the purpose of the survey from CEO comms



As mentioned in the memo from the CEO last week, innovation is one of the top priorities for the future of the company.

This survey will take approximately 15 minutes to complete. You may access it from anywhere - office, home, or via your mobile. Your responses are confidential. Thank you for your participation in this important survey.

If you have any questions or concerns, please contact us.

## ***Opportunities for innovation***

**Where do you see opportunities for combining expertise to bring new ideas to clients within or across functions, units, or businesses?**

	<b>None</b>	<b>Very little</b>	<b>Moderate</b>	<b>High</b>	<b>Very high</b>
Group 1	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Group 2	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Group 3	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Group 4	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Group 5	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Group ...	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## ***Perspective on our cultural readiness for innovation (1 of 2)***

For each of the following statements, please indicate the degree to which you agree or disagree.

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	No opinion
Risk - We should adopt a conservative view when making major decisions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Risk - We should support only projects where the expected return is certain	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Risk - I worry about what will happen if a project is not successful	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Risk - Our leaders are risk-tolerant and willing to learn from failure	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Collaboration - It is difficult to get things done around here	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Collaboration - We are effective at combining or exchanging ideas to create opportunities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Collaboration - It is critical for me to communicate with other units to achieve my goals	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Collaboration – We actively seek ideas from employees at all levels	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## ***Perspective on our cultural readiness for innovation (2 of 2)***

For each of the following statements, please indicate the degree to which you agree or disagree.

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	No opinion
Market shaping – we can accomplish whatever we set out to achieve	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Market shaping – we can have an influence in shaping the structure of the market	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Change - There is a gap between the current way we operate and the way we should operate	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Change - The future of the company will be at risk if we do not change some of the things we do around here	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Trust - Most people can be counted on to do what they say they will do	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Trust - I can depend on the people I work with to consider my best interests	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## ***Your innovation style***

**What kind of innovator are you? What part of the innovation process do you find most interesting and energizing?**

- Clarify - I help others to analyze and formulate their ideas
- Idea generation - I help others come up with new ideas
- Develop - I help others expand their ideas
- Implement - I help others to execute their ideas and get them out to clients
- Broker - I help bridge the gap between initial idea and implementation
- I don't really think of myself as an innovator

## ***Your network of innovators***

**Who do you consider to be a very innovative person in the area of client service or process improvement?**

- Please identify at least one person, to a maximum of 10 people.
- Search by typing the person's first name.
- You will be able to select from over 8,000 of your colleagues in Canada.
- If a name is missing, it may be spelled incorrectly or not included in the scope of this survey.

**After choosing innovators, you will then be asked to identify their most distinctive innovation characteristics.**

1	<input type="text" value="don"/>
2	<input type="text" value="Donna McEvoy"/>
3	<input type="text" value="Donna McDevitt"/>
4	<input type="text" value="Donald Ullrich"/>
5	<input type="text" value="Donald Moore"/>
6	<input type="text" value="Donald Esparza"/>
7	<input type="text" value="Donna Anthony"/>
8	<input type="text" value="Donald Yankowski"/>
9	<input type="text" value="Donald Robison"/>
10	<input type="text" value="Don Minamver"/>

7	<input type="text"/>
8	<input type="text"/>
9	<input type="text"/>
10	<input type="text"/>

## Innovation styles

What type of contribution does each person you selected make to the innovation process? Please select a primary contribution and, if needed, select a secondary contribution.

### Definitions

- Clarify - this person helps you to analyze and formulate your ideas
- Idea generation - this person helps you to come up with new ideas
- Develop - this person helps to expand your ideas
- Implement - this person helps you to execute your ideas and get them out to clients
- Broker - this person helps to bridge the gap between idea and implementation

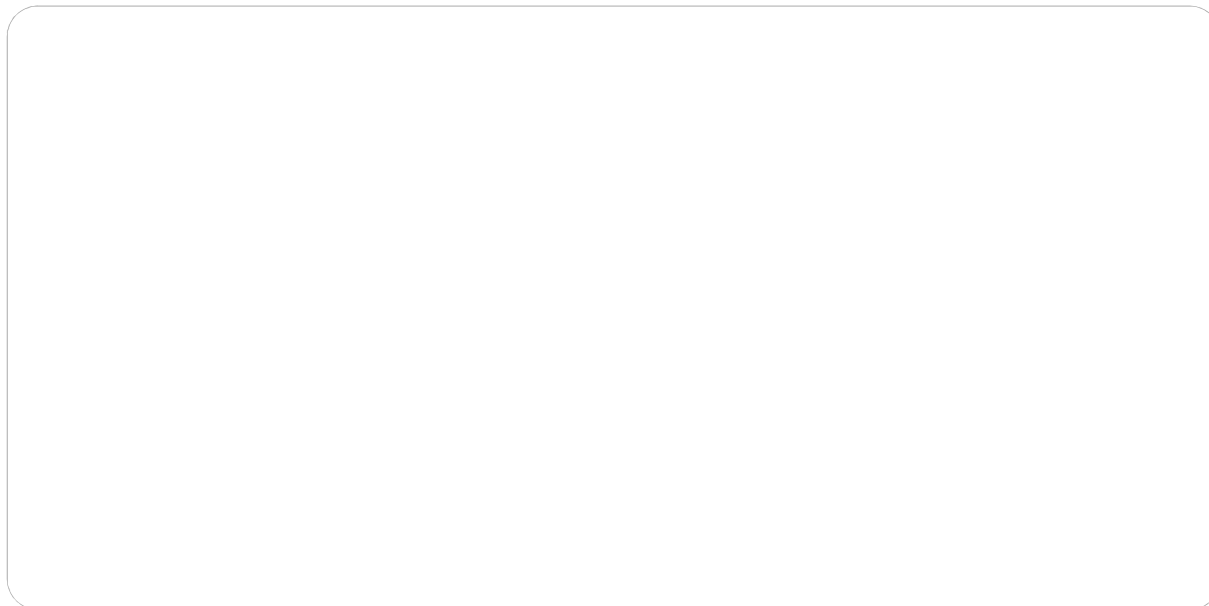
	Primary	Secondary (optional)
Joanna McCann	-- Please Select --	-- Please Select --
Roy Leighton	Clarify	-- Please Select --
Peter Parker	Idea generation	-- Please Select --
Richard Chartrey	Develop	-- Please Select --
Emma Austin	Implement	-- Please Select --
Jonathan Shipperd	Broker	-- Please Select --
Geoffrey James	-- Please Select --	-- Please Select --
Michael Duffet	-- Please Select --	-- Please Select --
Gerald Worrall	-- Please Select --	-- Please Select --
Kenneth Jones	-- Please Select --	-- Please Select --



## ***Perspective on innovation***

Very open-ended  
to elicit a variety  
of ideas

**Please tell us about your perspective on innovation at  
this company.**



**Submit**

*Illustrative  
Survey Insights*

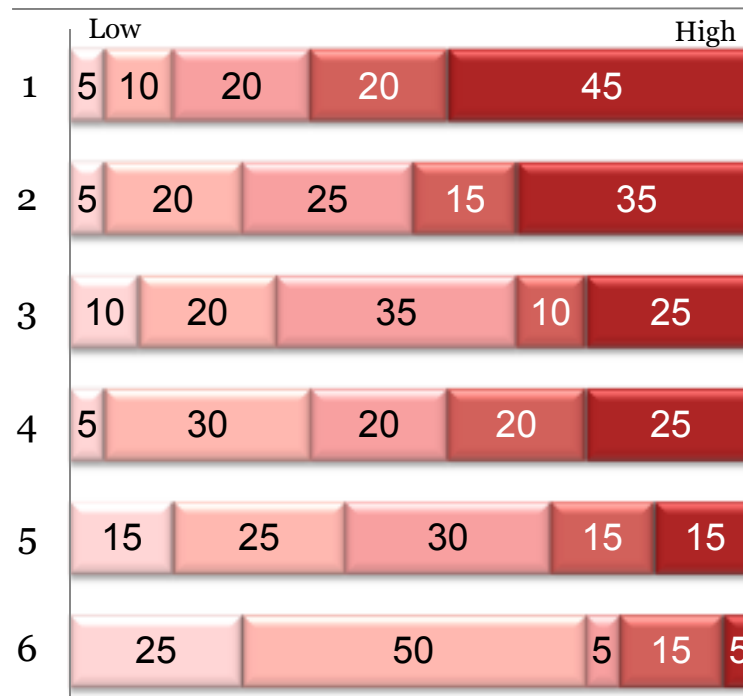
# Focus investment where the opportunities and engagement are highest

Respondents reported that there were many opportunities to work across units and identified **#1 and #2** as having the most opportunities

This information will help us prioritize where to invest funds and effort to ensure the highest impact

Units 1 and 2 represent the highest opportunities for innovation

Percent, N = 875



Where do we prioritize our investment in ideas?

Do we have any ideas in the priority areas?

How many people do we have who are excited by these areas?

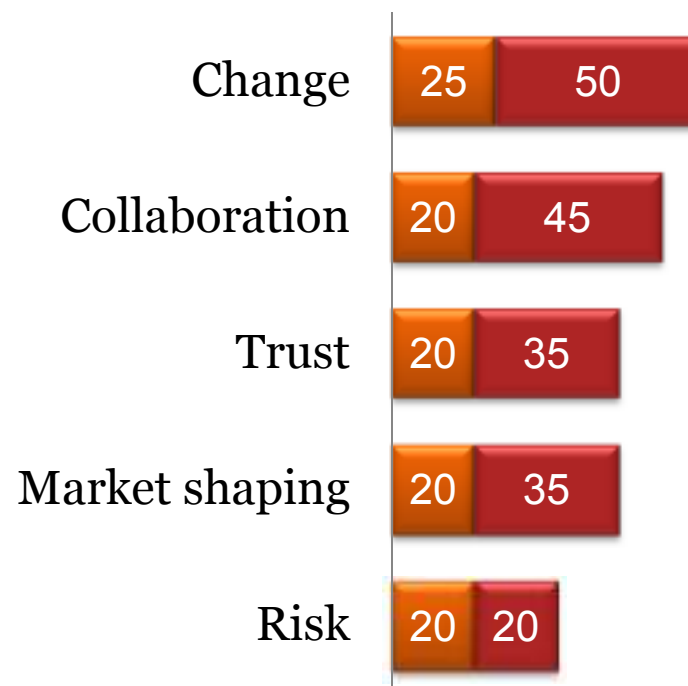
# We are culturally well-positioned to become successful innovators

We have a culture that embraces change and collaborates well. Trust is relatively strong. **Half** of respondents are confident of our ability to shape the market in the future.

Only **40%** believe we are risk takers. A structured approach to innovation will help to mitigate perceived risks.

## Our culture embraces change and collaboration

Percent agree/strongly agree, N = 875



Where are gaps that need to be addressed?

Are some groups more or less risk averse?

How do our top innovators perceive our culture?

Are we ready to innovate?

Is there a difference between high and low performers?

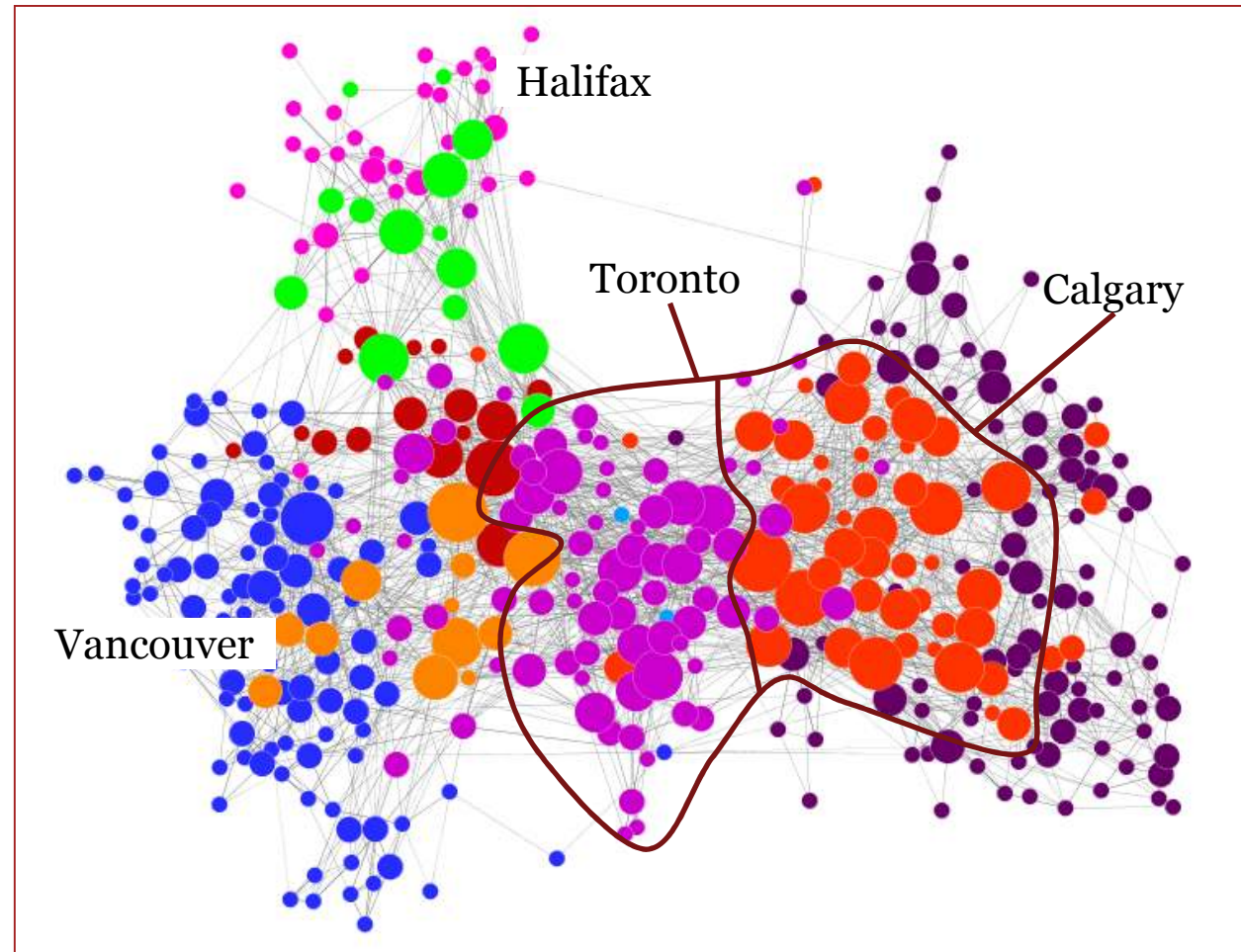
## ***Most top innovators in the network are located in Toronto and Calgary***

We find top innovators (most cited are larger circles) scattered all over the country.

**55%** of innovators are located in Toronto and Calgary.

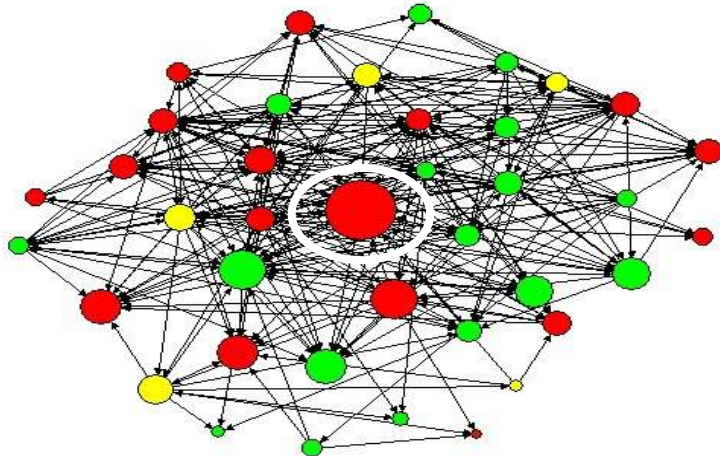
Connections are localized with some silos.

Halifax is not perceived to possess many innovators.



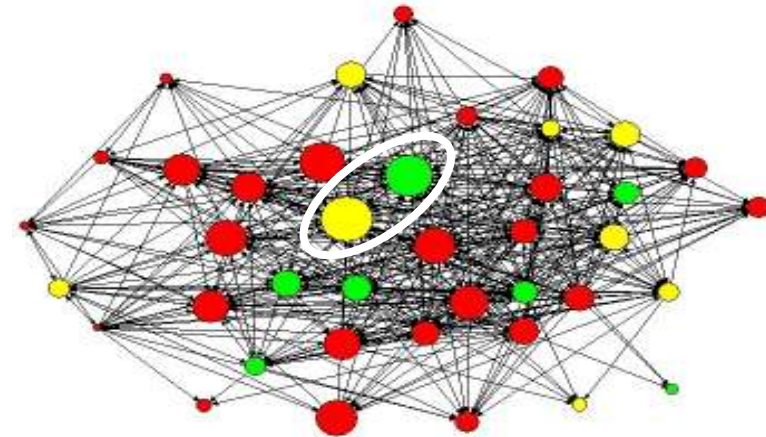
# Network structure is linked with performance - leadership differences are important factors

## Low-performing group

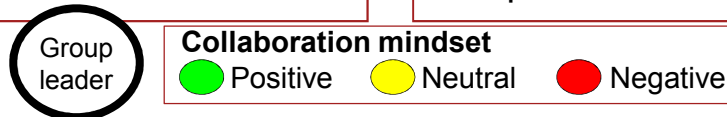


- One leader dominates interactions in this unit and has a negative view of sharing information
- Decision-making bottlenecks and slower information flow may be causing performance problems and reduced leadership effectiveness
- Many people in this unit value increased collaboration in response to current low levels

## High-performing group



- Leaders in this group are more willing to interact and communicate across roles and functions
- Despite this, there are a high number of people who disagree and may be confused as to who holds decision rights
- The group still benefits from more information flowing from leaders which contributes to higher performance



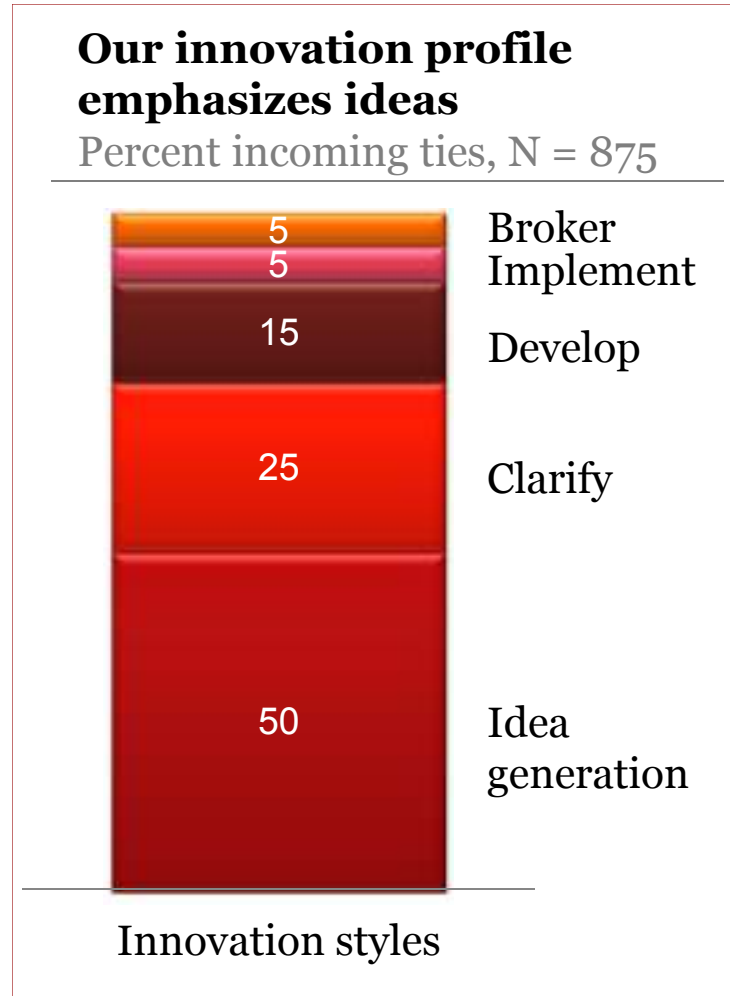
# There is a gap between ideation and execution

## Most top innovators are focused on ideas

Overall, we found that our top innovators placed significantly more emphasis on ideas and not enough on bringing the ideas to market

Only **25%** of innovators are sought by colleagues to develop, implement, or broker their ideas

This helps to explain why only 4 ideas out of 100 generated through the cross-country innovation event have been commercialized



How can we bring good ideas to market?

Can we teach ideators to be executors?

Is there a difference between high and low performers?

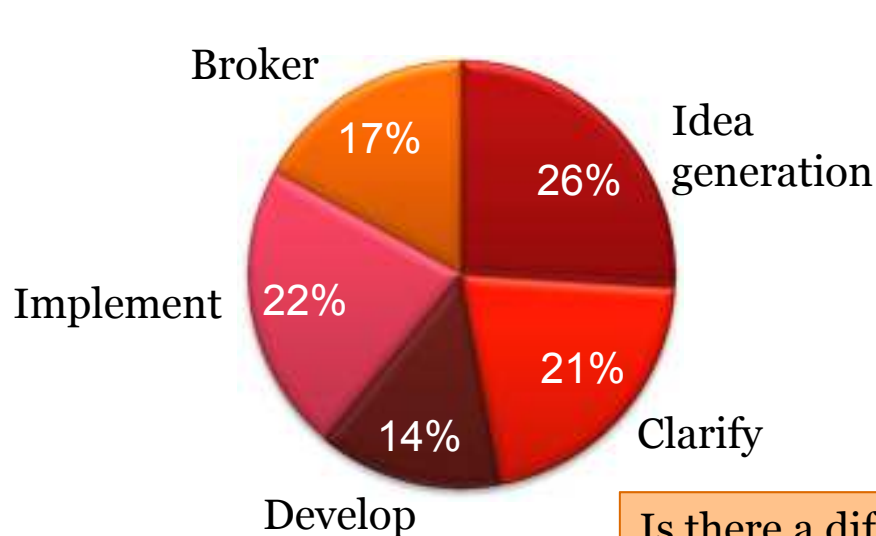
# Innovation archetypes linked to performance

*By linking customer feedback with the styles of top innovators, we were able to create a profile correlated with the highest level of client success.*

**People who had positive customer feedback had a profile balanced along all the phases of innovation**

### High performers

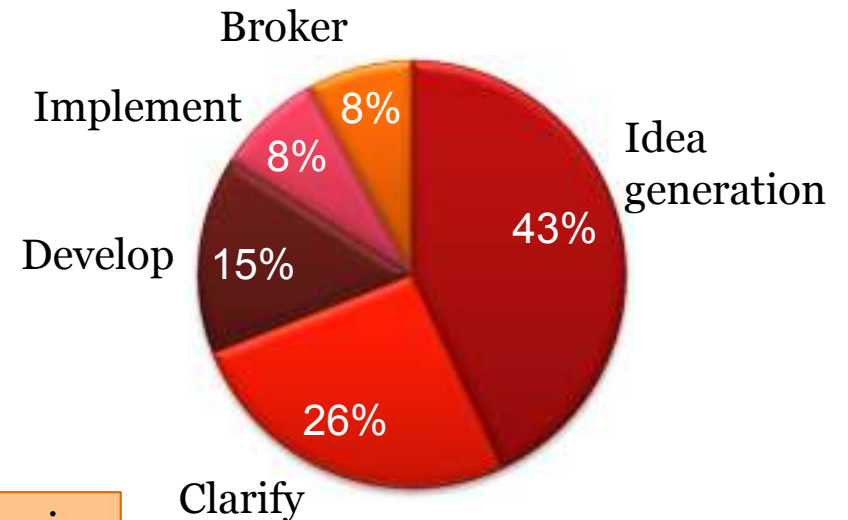
Percent of incoming citations, 100% = 325



**All others were skewed toward idea generation and did not possess enough execution skills**

### Low & medium performers

Percent of incoming citations, 100% = 550



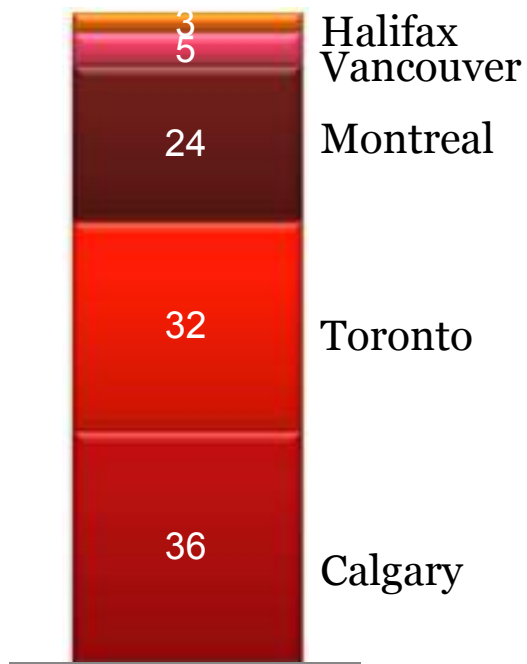
Is there a difference in styles between high and low performers?



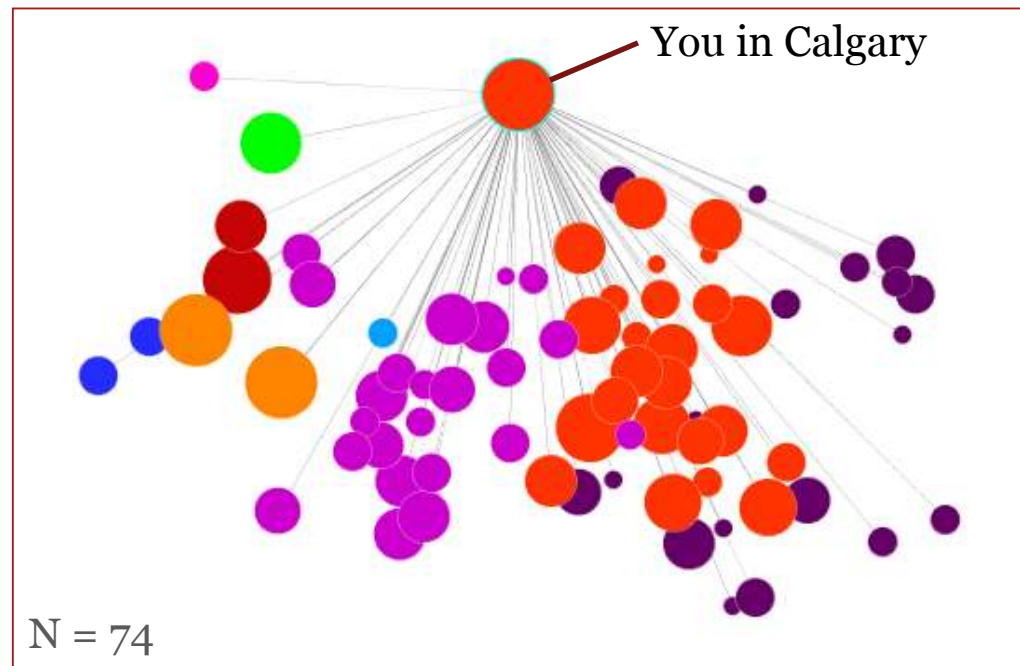
## Personal profile of James Starling

*You have a broad reach in the Canadian network with many connections to Toronto and Calgary. You are also connected to many other highly-connected people.*

**Connections with offices**  
Percent ties, N = 74



Your connections

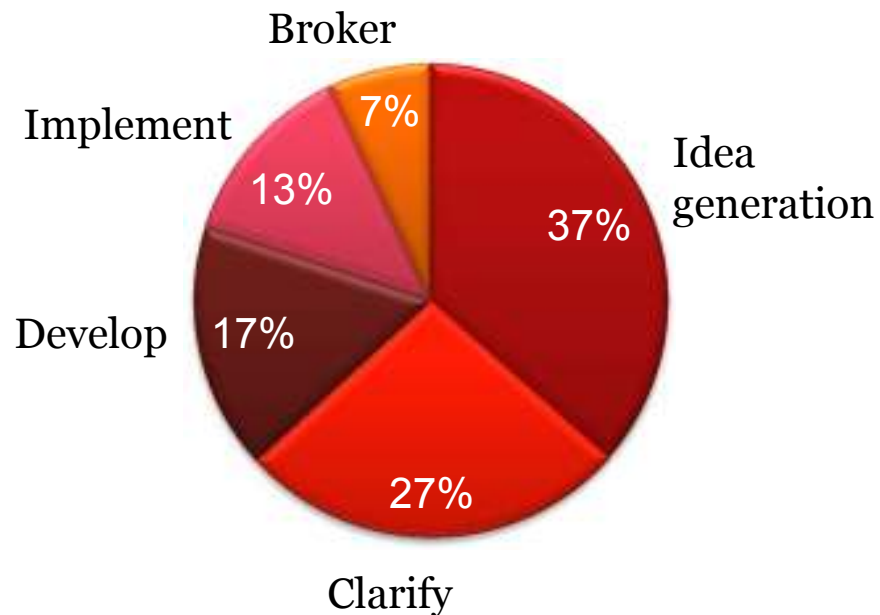


## Personal profile of James Starling

*There is a gap in your approach to innovation where you primarily seek the same kind of input that is sought from you.*

**You are most sought by colleagues for generating and clarifying ideas**

Percent of incoming citations, 100% = 74



**You seek like-minded colleagues and some help with implementation**

Percent of outgoing citations, 100% = 9

