Network Management

by Karen Stephenson

Many companies consist of networks that cross over many cultures, languages and identities. This article is an examination of the underlying complexities (and challenges) that companies face when implementing globalization procedures.

Globalization is perforce an integrating strategy. Yet, many companies and countries have optimized on homogeneity by default, leaving heterogeneity as a latent strength. This abstract idea is made concrete in the following quote from an executive of a global firm: "That's how I build a team: around a common view of the world." Sounds sensible, but when translated into action the executive selected team members which looked similar to each other and similar to him. This common behavior arises from an ancient principle: "You don't look like me, you don't dress like me and you don't think like me; therefore I don't want to know or understand you." Such an opposition to diversity comes from a fetish for the familiar or "like seeing like" and is fundamentally tribal and resistant to globalization efforts. Yet viewed in a positive light, this form of interpersonal similarity increases communication, improves the predictability of behavior and fosters relationships of trust and reciprocity.

However justifiable and harmless this behavior appears, in global settings it masks a fundamental fear of differences. It takes a concerted effort for individuals to understand, appreciate and leverage interpersonal and cultural differences into team productivity and profitability: "You don't look like me, you don't dress like me and you don't think like me, therefore I want to know you in order to learn something new." In reshaping the firm to meet the challenges of globalization,

competitive advantage may increasingly depend on integrating and leveraging that latent strength by diversifying organizational and global networks.

What is a network? In today's popular literature and business press, there is a lot of talk about social and organizational networked the role they play in fomenting change. Typically, this literature focuses on the notion of "networking" as action-oriented, i.e., network as a verb. In this light, networking behavior produces relationships and those relationships provide greater access to instrumental resources, i.e., and politics.

There is a second meaning to network, however, and it is far more profound than the first. If one imagines a network as a noun, that is, as an organizational structure, then the next logical question to ask is: are there any recurring or predictable structures and what role do these structures play in forming or maintaining a company or country culture? We are all well aware of the existence of communications channels or networks that honeycomb organizations. Messages and judgments course silently and unseen in networks which connect people and organizations. We have all been a part of one and surprised by a few. What if these networks have predictable patterns, and what if they could be accurately identified and diagnosed so that tasks could be accomplished efficiently and effectively?

The short answer is: Yes, it can be done! A culture can be X-rayed for its networks. Once identified, networks can be efficiently managed to affect the rate and substance of any change. One way to make abstract networks more concrete is to borrow from the biological sciences. For example, although everyone's genetic make-up is different, the basic building block of genetic material is DNA and the structure of DNA is the same for everyone. In like fashion, every organization's networks are different, but the basic building block of every network is the "kite network" and the kite network has the same structure in every organization.
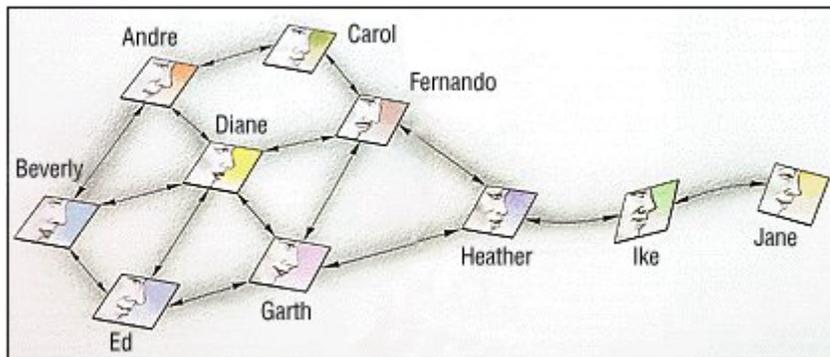
To illustrate this, the kite network is depicted in the figure. There are three "central" nodes in the kite network (Diane, Heather, and Fernando and Garth) and I call these three nodes "culture carriers". In other words, every culture is comprised of networks and every network will have these three nodes. The individuals who occupy these positions do so by virtue of their deep-seated (not necessarily long-standing) relationship of trust with most members of the organization. Typically these individuals are "invisible" to members of the hierarchy or grossly underestimated in terms of their ability to influence and persuade others to do their bidding.

Let's take a look at the figure and describe the three culture carriers in more detail. The most intuitively obvious node in the kite network is Diane because she is centrally connected to the greatest number of people in the network. She is a "hub" and generally unaware of her centrality. The second most intuitively obvious position is Heather. Although not connected to as many people as Diane, Heather is usually very much aware that she is on a critical pathway connecting parts of the organization. This "gatekeeping" role is critical to the organization's functioning. When reorganizations or mergers fail, it is generally because the Heathers of the world took it upon themselves to obstruct the change, that is, they became a bottleneck. A bottleneck is only one of two possible functions of the gatekeeping position. When Heather facilitates and approves the speedy passage of needed information, she is adding value and hence a "broker" of information. Thus gatekeepers can be either brokers or bottlenecks in the network. The third central position is Fernando and Garth. Both are identified because both are structurally equivalent in the kite network. Normally Fernando and Garth are connected to everyone in the network by the shortest number of paths. As filters of information, they are the de facto "pulse takers" of the organization, knowing what everyone is

saying and doing.

Let's review the main concepts. Every culture is resistant to change largely because it is comprised of similar groupings of people who share the same goals and ways of working; to put it in the words of the executive, they share "a common view of the world". Globalization efforts often fail because competing corporate (some might say "tribal") loyalties prevent organizations from effectively working together. However, tribal loyalties can be understood because they stem from: the culture, and every culture has within it these recurring network structures. Thus the key to unlocking the structure of a culture lies in decoding its networks. The key is this: each and every network has three pivotal nodes which if properly identified can be used to change any culture. Whether new cultures emerge or old cultures merge, locating the culture carriers (Diane, Heather, and Fernando and Garth) can be critical to an efficient and effective outcome. By identifying and incorporating the culture carriers into the change process, the rest of the network and logically, the rest of the culture, will be dramatically affected.

How do you begin to implement this network knowledge? Let's look at globalization. How does one efficiently and effectively globalize? From the human resource perspective, language, manners, dress codes, etc. (i.e., the "cliff notes of culture") are required knowledge.

But in addition to protocol, you must dig deeper into the structure of culture by finding the networks and culture carriers that hold culture in place. Once identified, you can deploy these culture carriers strategically in the same way you would play a hand of cards you have been dealt. For example, use Diane to announce the change. Make sure Heather supports the changes. After the change is implemented, revisit with Fernando and Garth to ensure that communications are what you think they should be. After all, if the culture carriers are convinced that globalization is the right thing to do, their opinion will carry more weight than all the communications programs in the world. Let the network work for you rather than you working against the network. To appoint a high performance team, anoint it for success by including a few Heathers, Dianes and Fernando/Garths. In this way, these culture carriers as critical members of the team will help galvanize the team during difficult times and when the team must perform work remotely.

Working in a virtual world with less and less face-to-face contact will no doubt affect the way we develop trust with one another and form networks. Having said that, let

me remind you that for many millennia humans have been "cheek by jowl" around the campfire in face-to-face interactions.

Merely using new technology will not unravel many millennia of cultural programming and evolution in a revolutionary "twinkling of an eye" as some popular writers suggest. This being said, however, there is little doubt that we are on the edge of great cultural change precisely because computer technology is becoming part of our cultural programming and heritage. Just look at how our children are now using computer technology to communicate remotely through the Internet in our schools! How will this technology which intermediates face to-face contact affect the way we have historically formed trust relationships? Although video conferencing (which approximates face-to-face interaction) augments discussions and decision making in many companies, many executives agree that it is not like a roundtable discussion. The face of culture is still a human face precisely because old habits are hard to break.

Remember, the infrastructure of culture is the network. Invisible, networks make culture resistant to change. Yet these very networks, when the key pivotal positions are revealed, can unleash powerful change. Accelerate any globalization effort by mining your company culture for the rich human resources in the networks!