

Social Network Analysis: Work and Organization Studies

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What this chapter entails

Social network analysis of labor market

- Job seekers finding a job through weak tie
- Employers fill job vacancies with employee referral

Social network analysis of intra-organizational network

- Structural hole: an egoistic view
- Power: a structural view
- Competitive edge: an utility view

Social network analysis of inter-organizational network

- Interlocking board
- Strategic alliances

Structural hole: an egoistic view

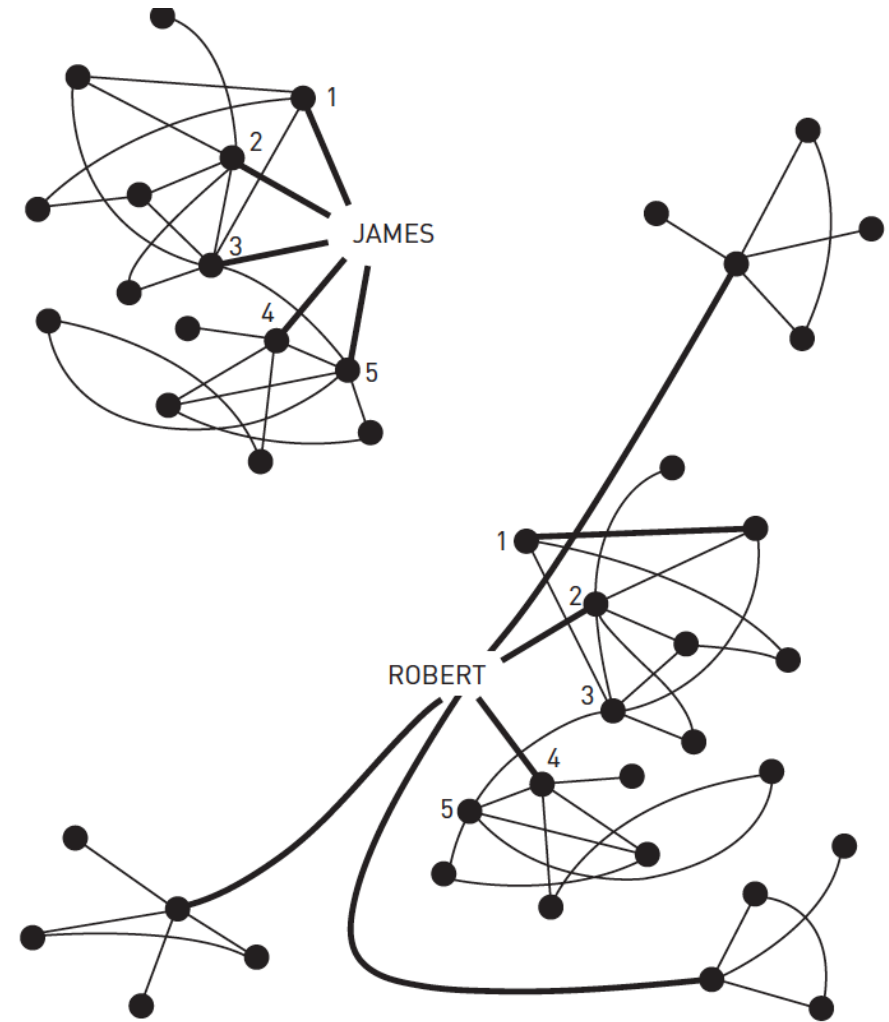
People socialize with others
(lunch/dinner/coffee
hour/drinks/visitations)

When such socialization takes place
inside the organization, intra-
organizational network is formed
among coworkers

Those intra-organizational collegiate
network affects individual chance of
promotion and pay raise through
network configurations

Structural holes

- Structural holes are disconnection between nodes or clusters of nodes

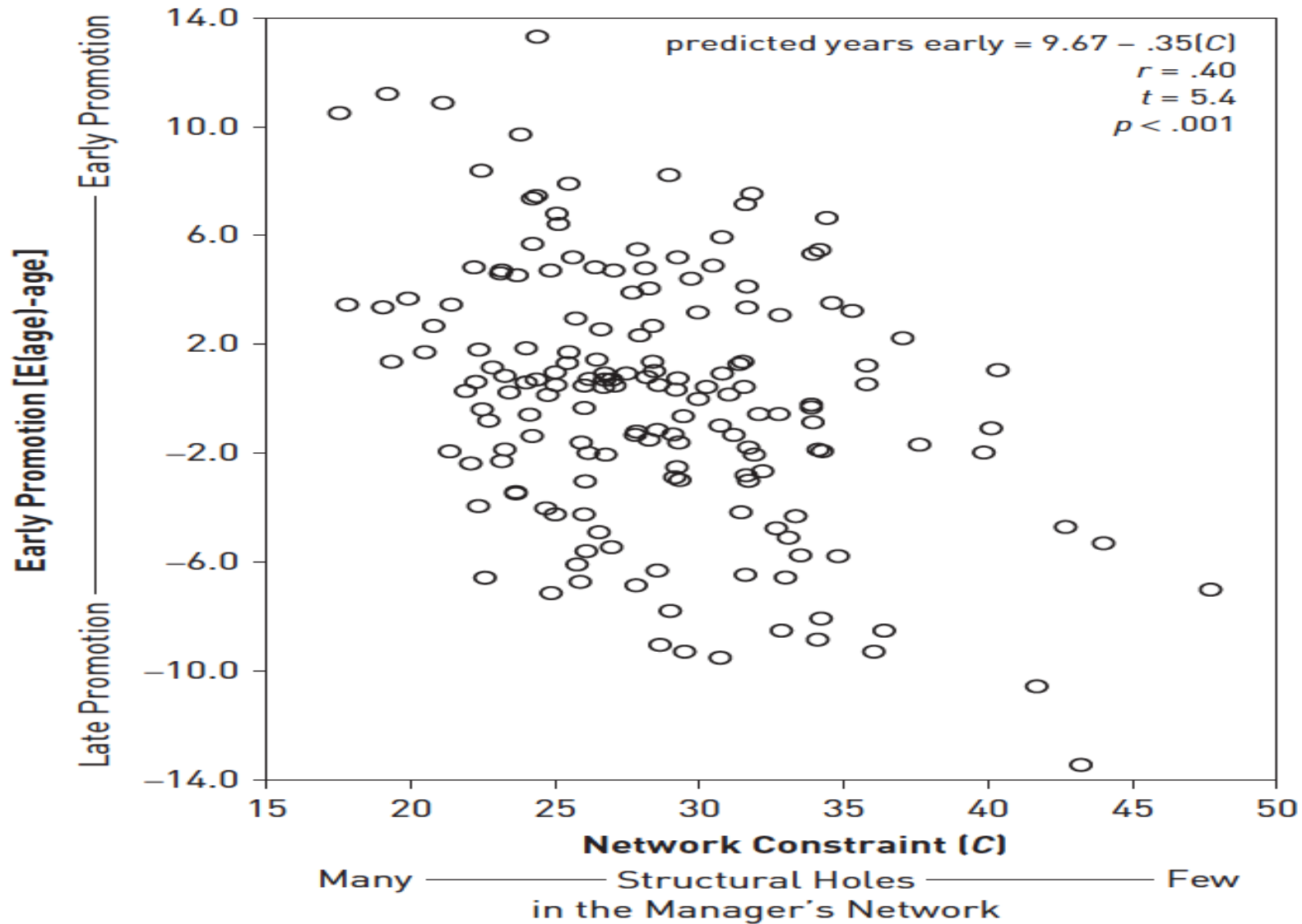


*Thick lines represent a manager's direct contacts.

Robert or James: which one has the leverage?

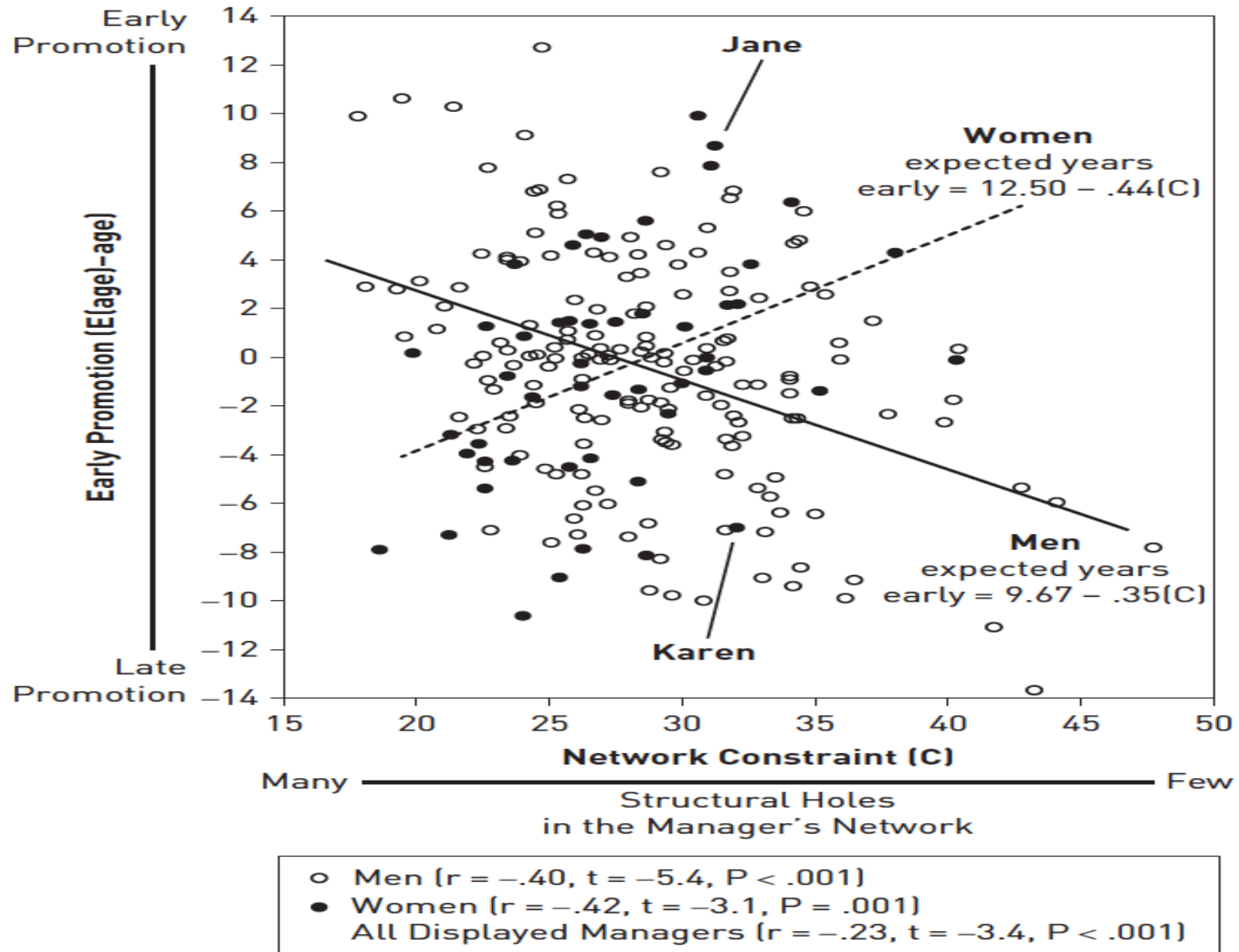
- Robert for sure
 - Information benefits: Robert is exposed to diverse source of information, receiving additive, fresh, and novel messages
 - Control benefits: Robert can play the disconnected clusters off each other, deciding on when, how, to what extent he passes info. between the clusters to exert the best benefits.
- James
 - Information redundancy: rather than receiving new additive info. James's intelligences sources are redundant, resulting in lack of exposure to novel info.
 - No control benefit.
 - But James may have strong supports from such strongly connected redundant network

Roberts win: empirical evidences



Note: Adapted from p. 348 of Burt, R. S. (1997). The contingent value of social capital. *Administrative Science Quarterly*, 42(2), 339-365.

But it is only true to Roberts/James, not to Janes



Why structural holes help men, but hurt women?

Social psychological explanation

- Men are natural player of structural holes, which require competitiveness and aggressiveness?
- Women are more likely to thrive in supportive, nurturing, and dense (even though it is redundant) social network?

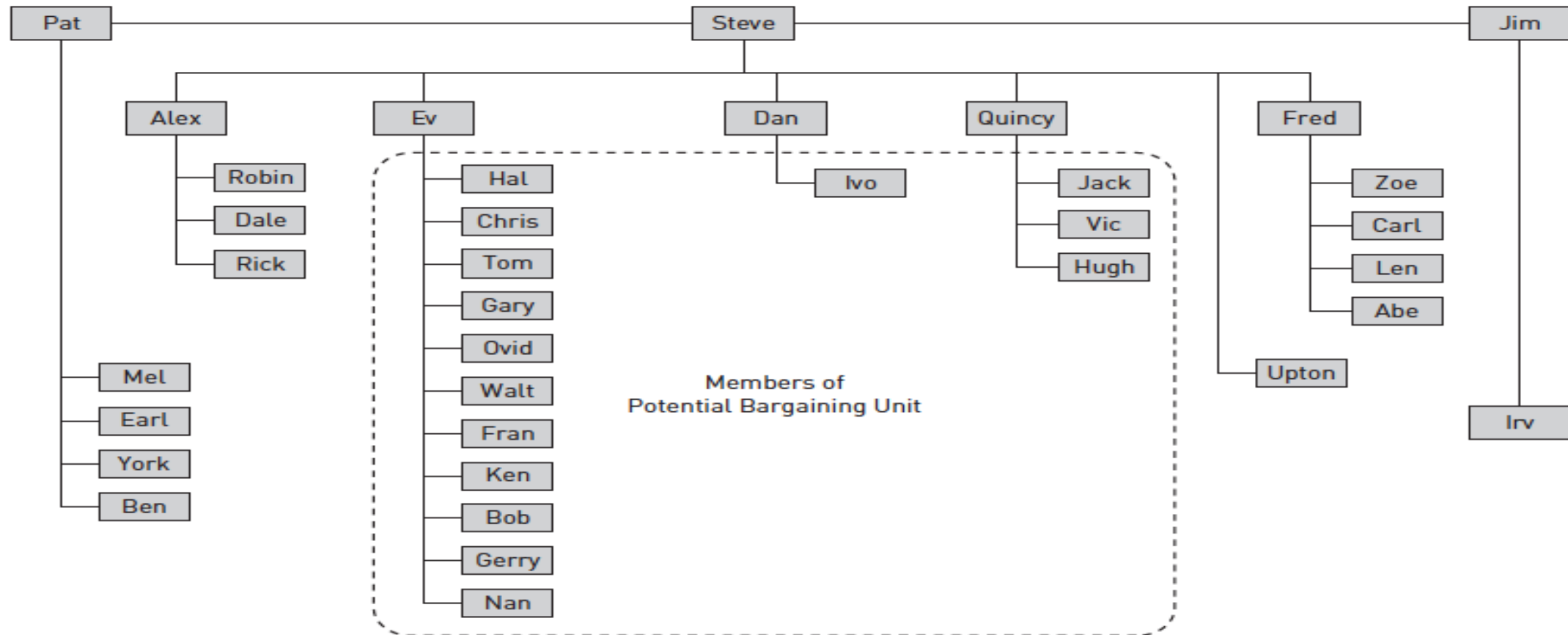
Institutional explanation

- Women are facing glass ceiling, which requires collective voice and force to break. Men are not.

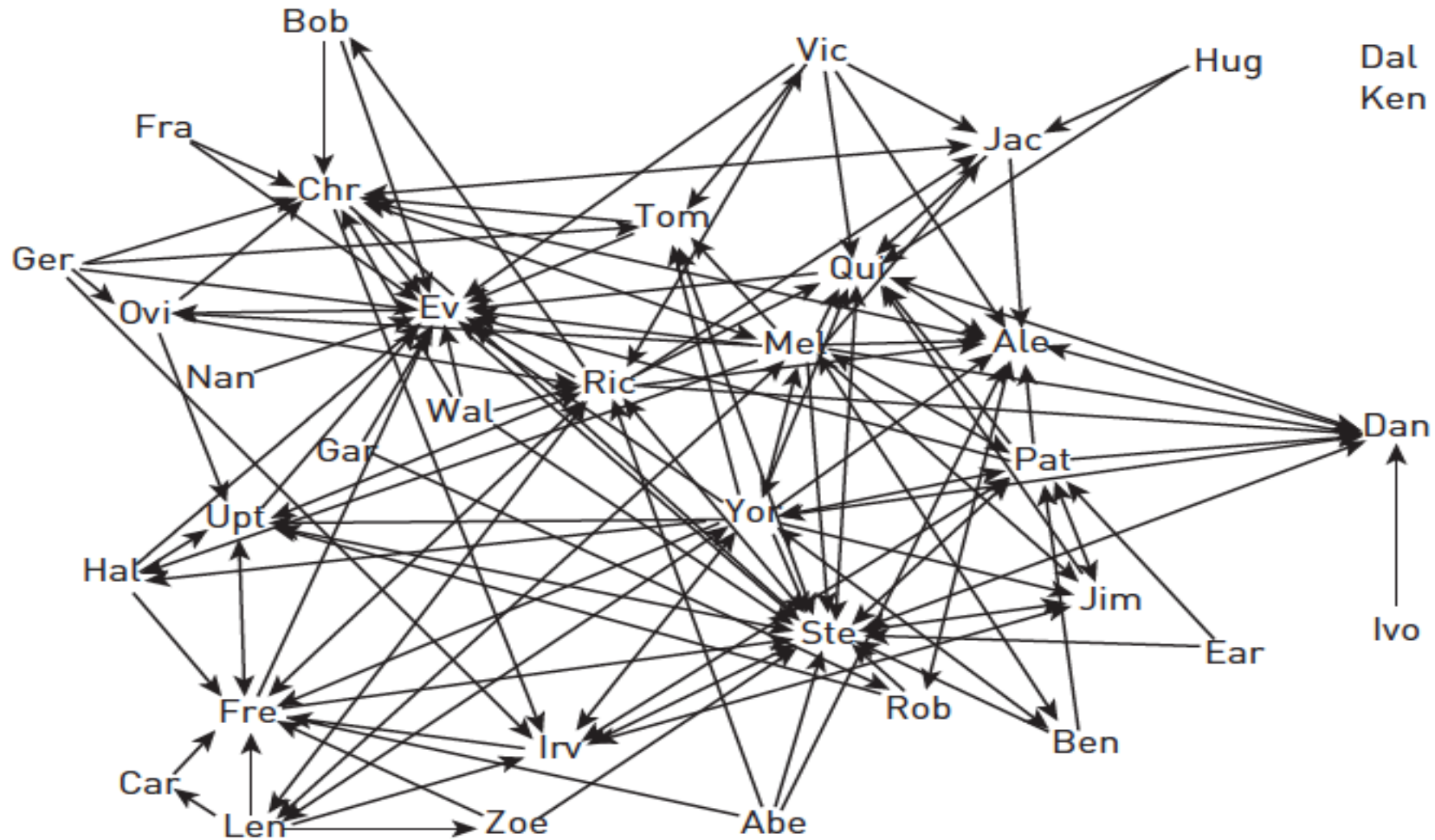
Intra-organizational network: power structure

- Formal chart

FIGURE 5.6 • Organizational Chart of Silicon Systems

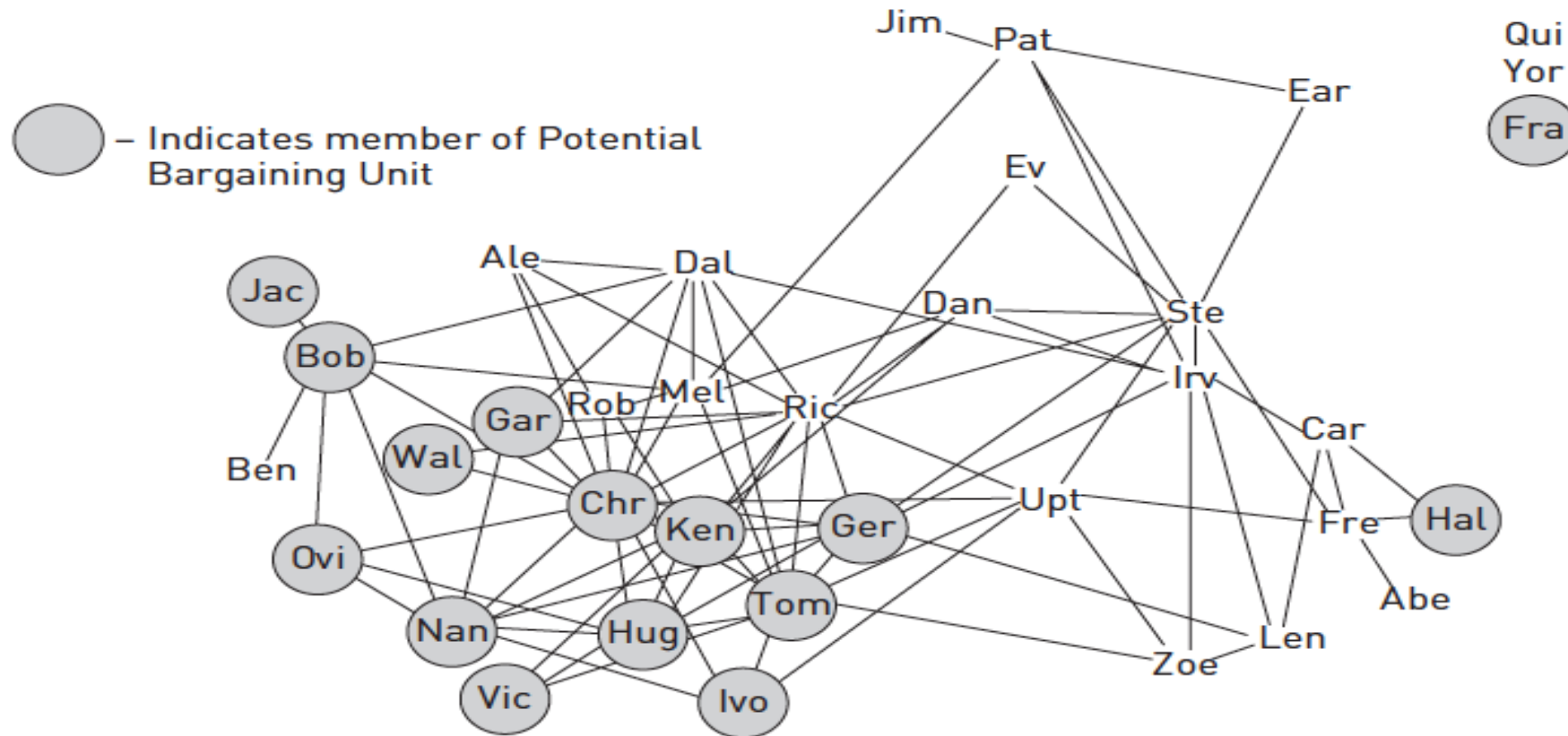


Advice-seeking network



Note: Adapted from p. 228 of Krackhardt, D. (1992). The strength of strong ties: The importance of philos in organizations. In N. Nohria & R. G. Eccles, Eds., *Networks and organizations* (pp. 226–240). Boston, MA: Harvard Business School Press.

Friendship network



Note: Adapted from p. 226 of Krackhardt, D. (1992). The strength of strong ties: The importance of philos in organizations. In N. Nohria & R. G. Eccles, Eds., *Networks and organizations* (pp. 226–240). Boston, MA: Harvard Business School Press.

Why the unionization drive fails?

Union representatives spend much time with Hal and Jack: two peripheral actors in advice and friendship networks

The representative do not spend much time with Chris who is central player in the friendship network

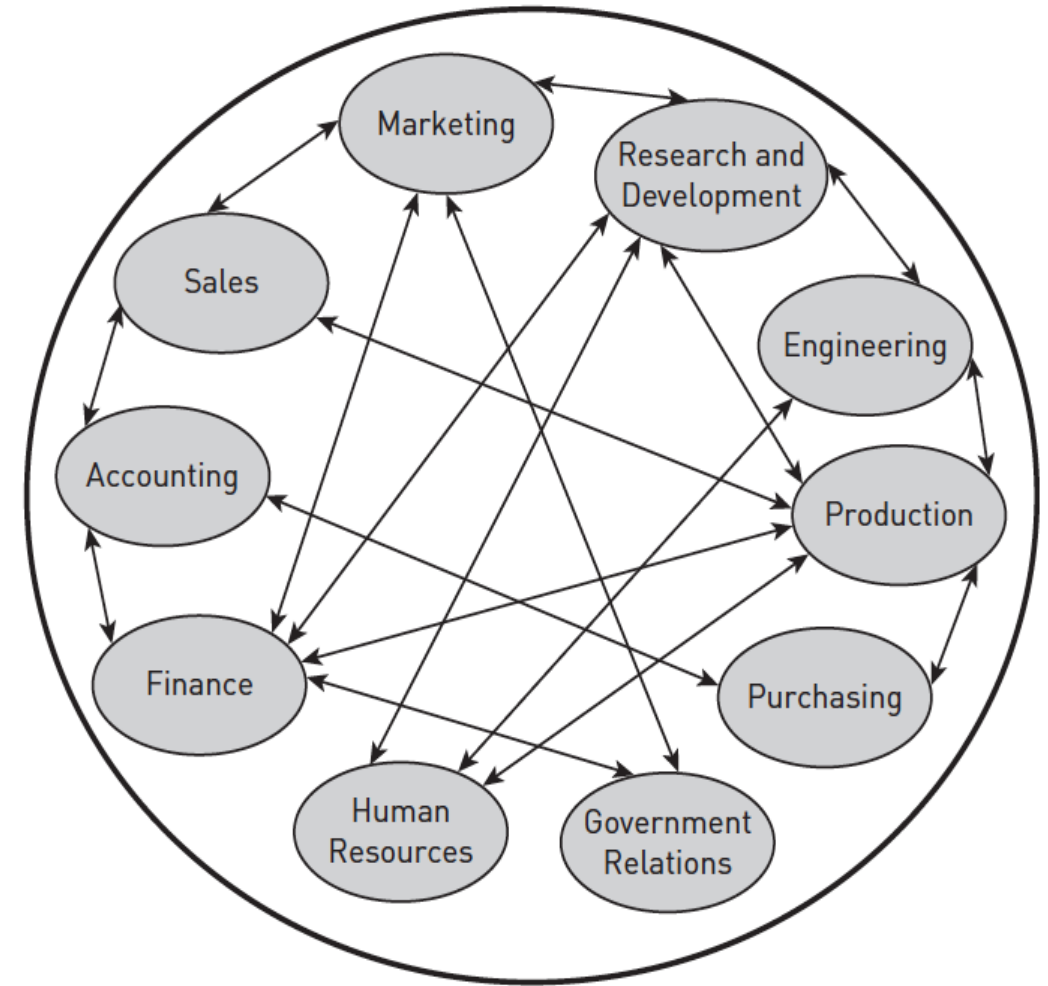
Chris at the time also struggle between his own political stance (pro-union) and his anti-union friends (Robin and Mel).

Failure to activate Chris results in failed attempt to reach all bargaining units.

Had the union representative have the intelligent (network mapping), they would be better positioned to advocate the union drive.

Intra-organizational network between depts. and units

- Networked organizational structures
Lateral collaborations
replace top-down hierarchies

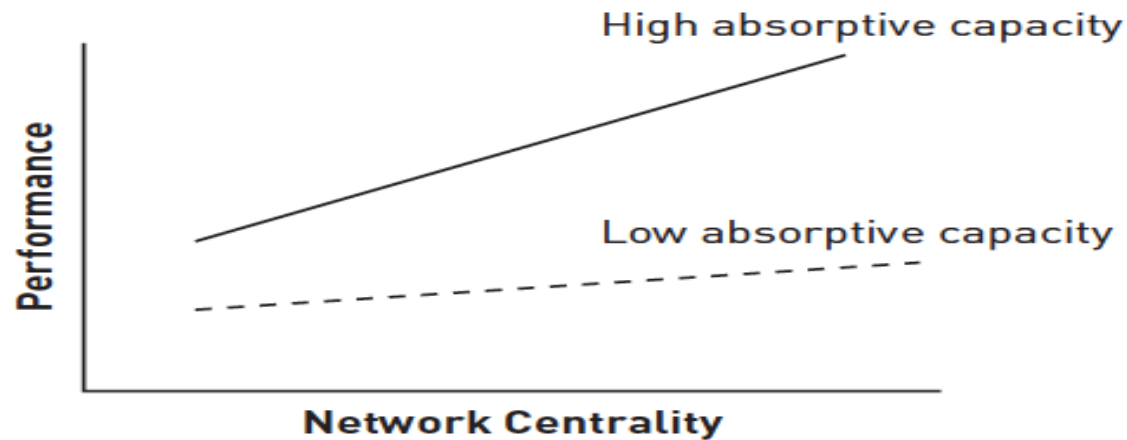
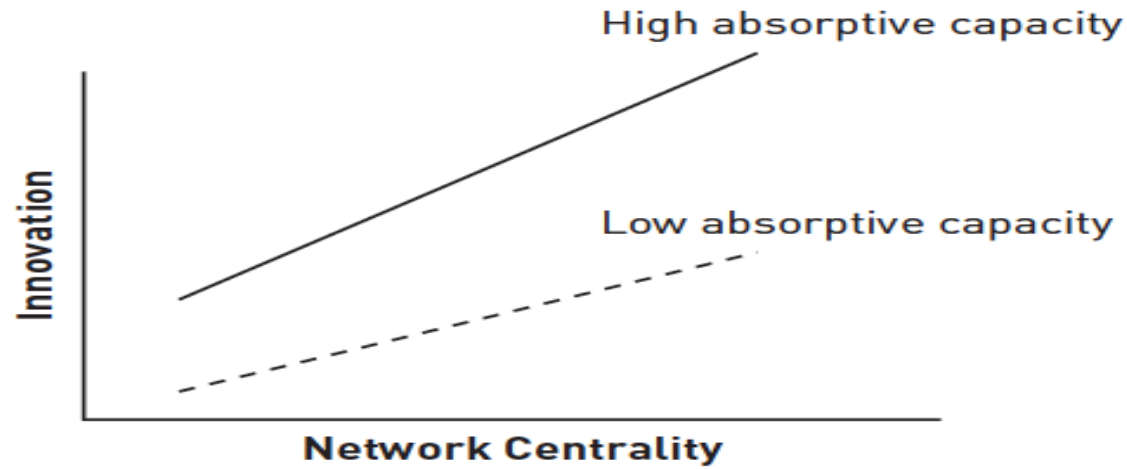


Note: Adapted from p. 207 of Knoke, D. (2001). Changing organizations: Business networks in the new political economy. Boulder, CO: Westview Press.

Direct from Dell: networked sell

One such internal network organization is Dell Computer, founded by Michael Dell in his dorm back in the 1980s. Dell's method runs counter to the traditional mode of production, in which manufacturers make and assemble the parts, ship them to distributors/retailers, and end with products sitting in the shelf to be purchased by customers. Instead, Dell uses the "Direct from Dell" model, in which a customized order from a consumer triggers the production process. Dell relays orders of parts to the suppliers, which ship the parts to Dell for final assembly and shipment to customers. Through such virtual integration of different segments of a production network, Dell ensures fast delivery of customized goods, while minimizing costly inventory.

Intra-organizational interunit ties



Note: Adapted from p. 1002 from Tsai, W. (2001). Knowledge transfer in intraorganizational networks: Effects of network position and absorptive capacity on business unit innovation and performance. *The Academy of Management Journal*, 44(5), 1002.