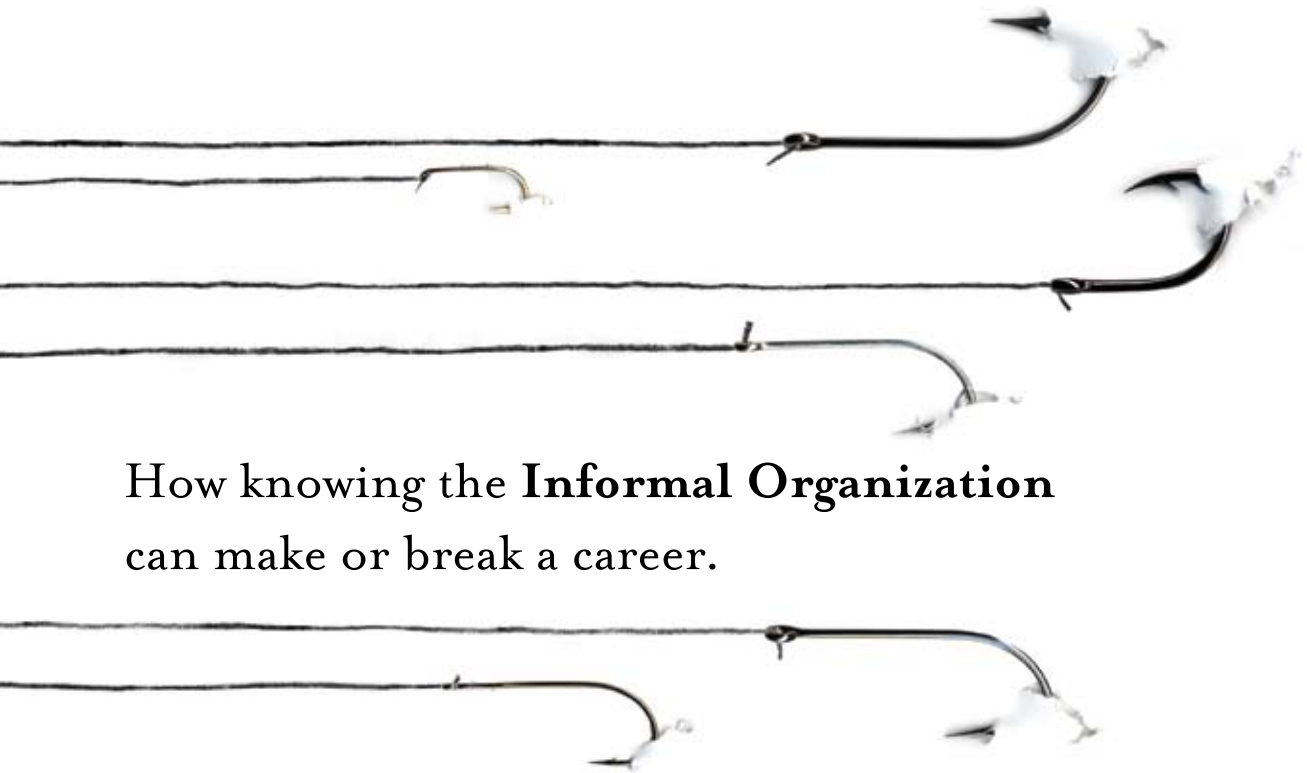


Hooked

In



How knowing the **Informal Organization** can make or break a career.

SUCCEEDING IN A NEW POSITION REQUIRES
UNDERSTANDING THE WAY THINGS REALLY WORK.
OFTEN, IT'S JUST AS IMPORTANT TO "GET
SMART" ABOUT THE INFORMAL SIDE OF THINGS
AS IT IS TO LEARN THE FORMAL PROCESSES
FOR HOW THINGS ARE SUPPOSED TO RUN.

*U*nlike the formal organization, the informal organization has to be experienced to be understood. The natural learning curve at any company is evidence of how much relies on informal networks – and how good a company is at making these networks accessible to outsiders. It's relatively easy to get up to speed on who reports to whom and where official decisions

Notice of Termination

(Do NOT complete for transfer or promotion to another department)

All Faculty and Staff members are requested to visit the Human Resources department prior to leaving to ensure proper termination of benefits and coverage.

Name John Doe Social Insurance No. 000-00-0000

Forwarding Address _____ Full-Time
(For T4 purposes) _____ Part-Time

Job Title Department Manager Reasons for Termination:

Resignation Retirement Discharge

Department Name _____ Other, Specify _____

Start Date 02/16/06 Termination Date 11/12/06

The following information is considered confidential and as you can see by the design and distribution of this form, the following section is for the use of the Human Resources and your department only.

Details regarding termination John Doe has been ineffective at accomplishing the goals and objectives that he and his manager set earlier this year.

Signature _____ Dated _____
Department Head/Chair

Note:

It is the responsibility of the Department Head/Chair or delegate to obtain keys and other property from the terminating individual.

John had difficulty adapting to how we do things here
- Jaime R.

are made, but it's harder to articulate the back channels of advice-giving, and the necessary players who need to be included in every tough

RISING STARS NEED BROAD

NETWORKS OF INFLUENCE

conversation. The currency of the formal organization is authority and accountability; the currency of the informal is relationships and trust.

The current shift from a business environment focused on formal elements like hierarchy and accountability to one focused on effectiveness places a new demand on employees – the imperative to figure out how to get things done in an increasingly complex environment. Rising stars need broad networks of influence. Access to unfiltered information – e.g., “the secret map” that shows which levers to pull – helps them master the invisible organization, and allows them to begin performing to the best of their abilities at earlier points in their careers.

An ex-consultant was brought in as the senior vice president (SVP) of Human Resources

to get up to speed. Of all her efforts to do that, she found the most useful to be a long lunch date with a fellow SVP, also a newcomer with about a year of tenure. This colleague spent the entire lunch explaining how things actually worked at the company, with much of the emphasis on the distinctions between “what they’ll tell you” and “what I’ve learned is true.” In less than two hours, he gave her the ins and outs of the organization, who to watch out for, and who to reach out for. In essence, he handed her a map of how the critical decision-making happened, and a

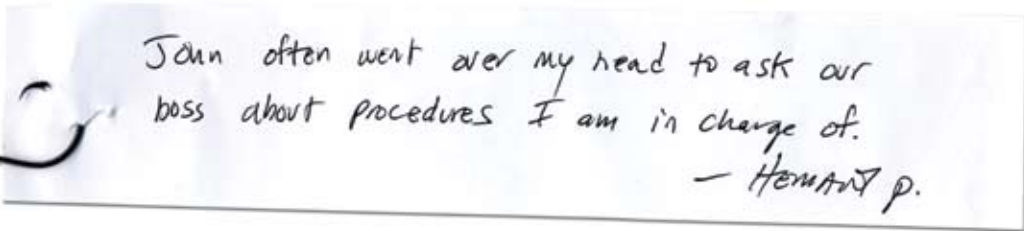
THIS COLLEAGUE SPENT THE ENTIRE LUNCH EXPLAINING HOW THINGS ACTUALLY WORKED AT THE COMPANY, WITH MUCH OF THE EMPHASIS ON THE DISTINCTIONS BETWEEN “WHAT THEY’LL TELL YOU” AND “WHAT I’VE LEARNED IS TRUE.”

framework for understanding the success factors that helped particular projects come to life.

Over the course of her first year, the guidance from that conversation provided immeasurable value. The HR SVP often

for a Fortune 50 financial services firm to lead an overall change program with an aggressive timetable for the HR function. As an experienced hire with an enormous task in front of her, she was under intense pressure

cringed at the thought of the pitfalls she would have encountered if not for the words of her fellow SVP. For example, he had pointed out that, contrary to what several memos in her “assimilation briefing book” suggested, HR did



John often went over my head to ask our boss about procedures I am in charge of.
- Hemant P.

not have much influence over headcount. In the world painted by the memos, HR led the headcount process—collecting needs across the organization, consolidating them for discussion with the COO, and communicating decisions back to the business unit and functional heads. What the memos did not reveal—but her SVP colleague did—was the reality of the situation. In truth, headcount decisions were made by the Controller. Historically, HR had rubber stamped the needs projected by the business, absent any rigorous attempts to remove

Understanding this unwritten process allowed the SVP to avoid innumerable gaffes and missteps. She could prioritize building a relationship with the Controller, and she could pace her recommendations to change the current process until she had the opportunity to build a base of support. Eventually, she earned far greater trust than her predecessor had enjoyed, and she was able to move the organization towards a more straightforward function in which the HR function was actually a key player rather than a rubber stamp.

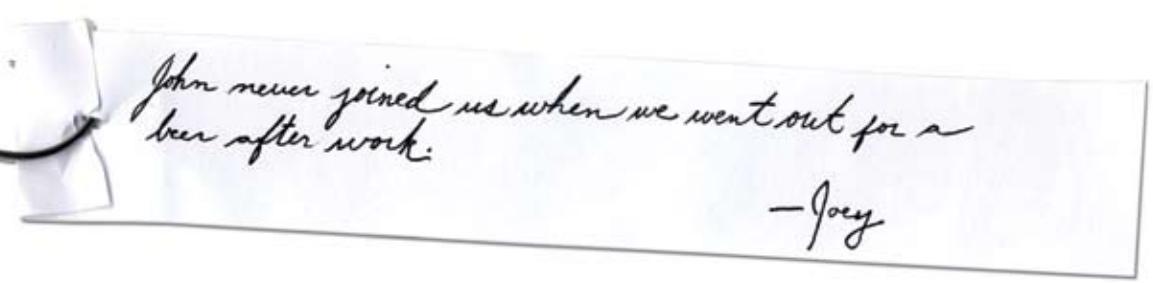
THERE ARE TIMES WHEN IT IS MOST VALUABLE TO
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TENSION BETWEEN THE FORMAL AND INFORMAL
(OR THE VISIBLE AND THE INVISIBLE).

inevitable inflation. The memos created a face-saving illusion of HR's formal role; the invisible "workaround" allowed the real headcount decisions to remain with the line heads.

At first blush, this SVP's story seems to be a call to arms for direct discourse. Why not name the elephant in the living room, rather than develop a complex, secret workaround— isn't that an enormous waste of an organization's energy and resources? As we know, though,

I'm sorry it didn't work out, but I just couldn't break through at this place. No one would teach me the "secret handshake".

— John Doe



John never joined us when we went out for a beer after work.

-Joey

every organization is criss-crossed with precisely the kind of tripwires that the SVP encountered – and pointing to them and declaring their existence isn't always the best and most strategic move. There are times when it is most valuable to simply acknowledge and understand the tension between the formal and informal (or the visible and the invisible). The curiosity the SVP felt about this workaround was productive. She was able to build relationships with those around her, develop a strong network, and come up with a solution that played to everyone's strengths.

Building relationships and leveraging your network sounds a lot like Daniel Goleman's theories of emotional and social intelligence. But it is not just about emotions and awareness (although they do play a role). It is more like an organizational quotient, an OQ – a true understanding of all the elements (formal and informal) that make an organization tick. A measure of how successful a particular employee is in companies today could certainly be measured by an OQ. People with high OQ are not only aware of organizational dynamics but are also aware of the difference between formal and informal organizations. They view

themselves as responsible for both and don't attempt to make them the same. Perhaps most importantly, they leverage them to their advantage and are savvy about doing so. ♦

HOW HIGH IS YOUR OQ?