Chapter 5.5
A Social Network Perspective on Knowledge Management

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INTRODUCTION

Social networks—the sets of relations that link individuals and collectives—have implications for the speed and effectiveness with which knowledge is created and disseminated in organizations. Both social networks and knowledge management (KM) are complex, multifaceted phenomena that are as yet imperfectly understood. Not unsurprisingly, our understanding of the interface between the two is similarly imperfect and evolving. There are, however, a number of foundational concepts upon which existing thought converges as well as a body of emerging research that offers practical and conceptual guidance for developing the kind of network best suited for managing different kinds of knowledge. In this article, we introduce rudimentary network concepts, briefly recapitulate KM and organizational learning concepts related to networks, and then explore some of the interfaces between social networks and KM.

RUDIMENTS OF SOCIAL NETWORK ANALYSIS

There are two fundamental dimensions of social networks: transactional content and configuration. These in turn have both direct and indirect interactions on each other and on knowledge dissemination if not on both creation and transfer of knowledge. Configuration refers to “shape” of a network (Nelson, 2001). For instance, some networks look like stars, with actors connected only to a central person. Some look like spider webs, with a dense center, but with some connections...
between peripheral actors (Handy, 1995). Other networks, such as those typified by unrestricted markets, exhibit more random patterns.

Important for an individual within a network is the degree to which he or she fills a “structural hole” between members of the network. A structural hole refers to a gap in a network which isolates one set of actors from another. Individuals whose personal ties bridge such gaps can exercise a “brokerage” role which benefits them personally and facilitates the flow of information and resources through the network. There are at least two other important configurational aspects of an individual’s networks; centrality and structural equivalence. Together they constitute what Galaskiewicz and Wasserman (1993) identified as the core constructs defining of social structure:

1. **Actor centrality** is the degree to which the ties in a network converge upon an individual actor. Thus, if actor A is connected to everyone in a network and no other actors entertain ties to each other, actor A has maximum centrality. Centrality has been measured in various ways from simple counts of socio-metric nominations to measures based on the number of geodesics linking each actor, but space will not permit a discussion of these nuances. Common to all measures is the idea that central actors can reach or directly contact other members of the network more easily than less central actors.

2. **Structural equivalence** is the degree to which the patterns of individual networks are similar. People who are tied to the same people are said to be structurally equivalent. For instance, two professors who team teach the same course would have rather similar patterns of ties, at least with their students. Supervisors on a day and night shift in the same factory also would have somewhat similar network patterns. Because strict equivalence is quite rare, scholars have sought to develop less constraining definitions of equivalence. Actors with similar network structures but with connections to different actors are said to have “regular equivalence” for instance. An example would be quarterbacks on opposing football teams. In practice, equivalence is usually measured using clustering algorithms which group similar network patterns together.

3. **Bridging relationships** are idiosyncratic relationships that link otherwise unconnected groups or individuals. This concept is very similar to both Burt’s brokerage and Freeman’s “betweenness” constructs.

To Galaskiewicz and Wasserman’s constructs must be added a fourth—the concept of density. Density refers to the overall number of contacts in a network compared to the number of ties possible. In a “sparse” network, there are few connections between people. In a “dense” network everyone is connected. Density is expressed as a ratio of realized to possible ties. The network of four people sharing six ties has a density of 1. One containing three ties has a density of .5. The overall density of a network or a network’s subregion is closely related to virtually every other network dimension.

Transactional content refers to the kind of relationship that exists between two actors rather than the shape of the network or the actor’s position within the network. Many types of relationship are possible, including influence, information exchange, advice, emotional support, antagonism, and exchange of goods and services. However, to date, the most commonly used way to classify the transactional content of a network is the concept of “tie strength” developed by Grannovetter (1973). In addition to formalizing the concept of tie strength, Grannovetter was perhaps the first to recognize the relationship between tie strength, network configuration, and the dissemination of information.