Why Erraz Compliance?

Successful companies of the 21st century live in constant struggle to maintain their leadership in the market, facing important challenges such as technological changes without pause, increasingly shorter life cycles of products and their business models, higher customer expectations, permanent search to reduce costs, talent and knowledge retention, and greater pressure to innovate.

For these reasons, as with any other initiatives, organizations need to constantly undertake minor adaptations or major structural changes. However, despite the efforts, most of the transformations sought, fail (around 70% of transformation processes fail: Forbes, McKinsey.

Why is the failure of permanent adaptability and organizational transformation processes so frequent? The literature provides infinity of reasons that explain this phenomenon. However, the most common factor is the so-called resistance to change. The problem is that this resistance is usually known or expected to occur, but where and why it emerges is less clear.

Why is it so difficult to identify and confront resistance to change, even though it is known to exist? Mostly because formal organizational and process structures only represent part of what really happens in the organization. There are invisible spaces for senior management, where informal interactions between people are generated, in which there is an exchange of knowledge, culture, and an environment for innovation. These spaces, in addition to the hidden leaders that emerge from them, can be the originators and cultivators of that resistance, but at the same time they can provide the best opportunities for many initiatives.

Thus, identifying the informal structure of the organization and the cultural values of your work team is the key to detecting dynamics that are difficult to observe. It is therefore essential to identify where and why resistance to change arises, and understand how knowledge is transferred internally, how innovation happens, or how and who has a greater propensity for collaboration, among others.

Naturally, if the origin or cause of phenomena, such as resistance to change, cannot be identified, it will not be possible to solve them, or take advantage of them. For this we are now offering in **Erraz compliance** our network organizational analysis (**NOA**),a methodology and digital infrastructure that will allow you to know causes and opportunities immersed in hidden dynamics of your organization.

With **NOA** your organization will know and take the pulse of its informal structure of cooperation networks and internal knowledge transfer, since it visualizes the interactions between employees, and between employees and knowledge, information, resources, and tasks. **NOA** identifies tiesof values and cultural affinity among officials while allowing the reinforcement, through its leaders,of values and culture among its members.

NOA is designed to measure the interactions of your organization in a comprehensive and personalized way, it allows you to have a dashboard of indicators that will make it easier for you to monitor and take timely action. Understanding and taking care of the culture of your organization, will enable it to innovate and lead the market.

About NOA

An organization´s value generation and innovation dynamics depend, to a large extent, on the interaction of its intangible resources (intellectual capital). Hence, the true potential of the intellectual capital is not in the mere existence of its components, but in the generation of value, continuous adaptation, and innovation, through the interaction between them. **NOA** is a methodology and infrastructure based on analytical techniques, to observe the organization from the interaction between people, and between people and other components, such as knowledge, resources, and tasks.

NOA reveals the interactions of the components of intellectual capital, allowing their observation, and identification of actions to obtain the greatest benefits and resolve eventual conflicts that may hinder specific strategies, such as change management processes, or knowledgemanagement.

How? Observing the organization, combining **NOA** techniques, intangible resources audit principles, measurements of organizational and individual cultural values, and advanced analytics. **NOA** translates observations, through its models, into visualizations, metrics, and information, directly usable to take specific actions, or as data sources for other analytical models of the organization, for example, people analytics models, among others.

NOA feeds on the observation of the various interactions, obtained in two ways: the first, through forms filled out by company personnel; and the second, taking information from the organization's internal systems. Any system that allows us to identify interactions of the people, knowledge, resources, and tasks components, among others, can be a source of information.

With **NOA**, your company will be able to identify how knowledge is spread among people, who are the hidden leaders that are key to managing changes, who are bottlenecks that hinder the dailyactivities of the company, what knowledge and resources are being wasted, how varied or redundant is the knowledge in the company, who are marginalized people, and risks of knowledge leakage, and others. In addition, it provides a space for each employee in which they can access their own measurements and compare themselves with the rest of the organization.

NOA provides important support to the human capital management processes because the profiles of the employees can be fed so that the system learns and identifies, through machine learning, traits, and characteristics of the personnel for many of its processes such as selection, rotation, retention, and talent management, among others.

The cycle of a project begins with a personalized preparation of the system according to the client'sneeds. The components to be measured are established and the space (cloud deployment) is set up to allow visualization of the processed information. Then, periodic observations are carried out, through which the evolution of the metrics obtained, and the effect of actions or interventions thattake place, can be observed. The process can iterate as many times as the customer wants.

	Start	Diagnostic (metrics)		Diagnostic (metrics)		Diagnostic (metrics)		Diagnostic (metrics)
		Agreed time with client	3-6 months		3-6 months		3-6 months	
		System personalization	Action		Action		Action	