**Step 1: The 9 S Dimensions**

Strategy

Structure

Systems

Skills

Staff

Style

Shared Values

Synchronization (Marzo Addition)

Sequencing (Marzo Addition)

**Step 2: Key Misalignments for Each S Dimension**

* Strategy

IKEA's global strategy of large-format product doesn't align with Indian market needs. Large-format product such as wardrobes, kitchen modules and multipurpose cabinets underperformed by 60-70% of forecast because of the misalignment between the typical Indian apartment dimensions and the European-standard while small accessories made up 45% of purchases versus the expected 30-35%.

* Structure

Dual reporting lines of the local country heads and global functional leaders created confusion. Role duplication between store-level planning and global merchandising caused friction, and teams operated on overlapping KPIs without shared revenue targets.

* Systems

Fragmented inventory systems between Indian fulfillment and global platforms lacked automated integration. Internal reporting overwhelmed 41% of the managers, and the global communications that were published on European schedules misses Indian reporting cycles.

* Skills

The organization lacked skills in local vendor management, with QA rejection rates at 8.2% versus 1.4% globally. Localization skills were also insufficient, as training sessions were delayed due to lack of localized materials.

* Staff

High middle management turnover of 24.7% within 18 months occurred in store operations, HR, and logistics. Exit interviews cited unclear escalation procedures and inability to localize processes.

* Style

Leadership style created tension between global and local approaches. The "One IKEA Way" manual was criticized for lack of flexibility, and only 32% of local staff felt their input was seriously considered by global management.

* Shared Values

IKEA's values: Togetherness and Simplicity were seen as too abstract in India's hierarchical business culture. This created informal silos between global hires and local managers, undermining cultural integration.

* Synchronization (Marzo Addition)

Critical activities were poorly synchronized. Global communications missed Indian reporting cycles, and the India Market Labs initiative to develop local product format lacked cross-functional staffing and was paused after six months despite being strategically important.

* Sequencing (Marzo Addition)

The timing of initiatives was misaligned. IKEA launched European product formats before understanding local apartment dimensions. The rework and delays affected the new store construction in Mumbai and Bengaluru were delayed by 18 months due to supply chain issues that should have been resolved earlier.

**Step 3: How Marzo Additions Reveal Overlooked Issues**

The two Marzo additions Synchronization and Sequencing reveal critical temporal and procedural alignment issues that the classic 7-S model would likely ignore. While the 7-S framework examines static organizational elements, it also misses how initiatives unfold over time and coordinate across functions.

Synchronization issues are evident in IKEA India's failed (India Market Labs) which lacked dedicated cross-functional staffing and was paused despite its strategic importance. This reveals how even well-designed strategies fail when activities aren't coordinated across departments. Similarly, global communications missing Indian reporting cycles shows procedural mistiming that creates operational confusion.

Sequencing problems appear in IKEA launch of European-sized products before totally understanding the local market needs, and supply chain delays pushing back new store openings by over 12 months. The classic model might identify strategy or structure problems but wouldn't capture these timing missteps that resulted in other alignment issues. These additions highlight that when and how things happen are important as much as what happens.

**Step 4: How Misalignment Spreads**

Misalignment in complex organizations like IKEA India spreads through interconnected influence flows, creating cascading effects. It originates in structural and cultural friction points and propagates through reporting relationships and workflow dependencies.

Structural misalignment in dual reporting lines directly influenced staff turnover (24.7% in middle management), which then affected the skills development and system implementation. When experienced managers left, institutional knowledge for local adaptation was lost, worsening product-market fit issues. Cultural friction between global and local teams created informal silos, undermining shared values and collaboration.

The influence flows bidirectionally: strategy misalignment of wrong product format affected the systems inventory planning and the staff turnover from frustration, while the systems fragmentation of different platforms affected the role duplication structure and the delayed initiatives synchronization delayed initiatives. This created a vicious cycle where misalignment in one area reinforced problems in others, ultimately stalling expansion as seen in the 12-month store delays and declining NPS from 74 to 59.

**Step 5: Suggested Solution for each ‘S’ dimensions**

Strategy: Develop India-specific product sizing based on local apartment dimensions and shift focus to smaller, modular furniture.

Structure: Clarify reporting lines and eliminate role duplication by creating integrated local-global teams with shared KPIs.

Systems: Integrate Indian inventory management platforms with global systems and streamline internal reporting to reduce manager burden.

Skills: Implement localized vendor management training and develop India-specific operational manuals.

Staff: Create clear escalation procedures and career paths tailored to local market needs to reduce turnover.

Style: Establish regular feedback loops where local input directly influences global decision-making.

Shared Values: Translate abstract values into India-specific behavioral examples and bridge cultural gaps through mixed global-local teams.

Synchronization: Create cross-functional teams with dedicated resources for key initiatives like the India Market Labs.

Sequencing: Develop phased market entry plans that resolve supply chain and localization issues before store launches.