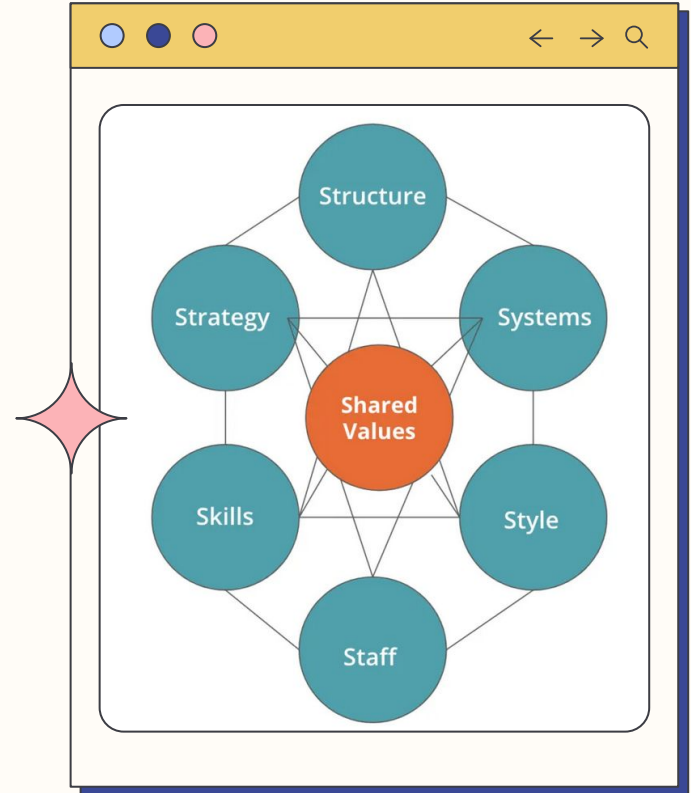




Strategic Implementation 7s framework

McKinsey 7S Model Framework

- It is a tool that analyzes a company's "organizational design"
- It shows how to manage organizational change by focusing on the interactions of seven key elements: Structure, Strategy, Systems, Shared Values, Skills, Style, and Staff.



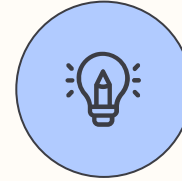


Categories



Hard S elements

They are easily identifiable and influenced by leadership and management.



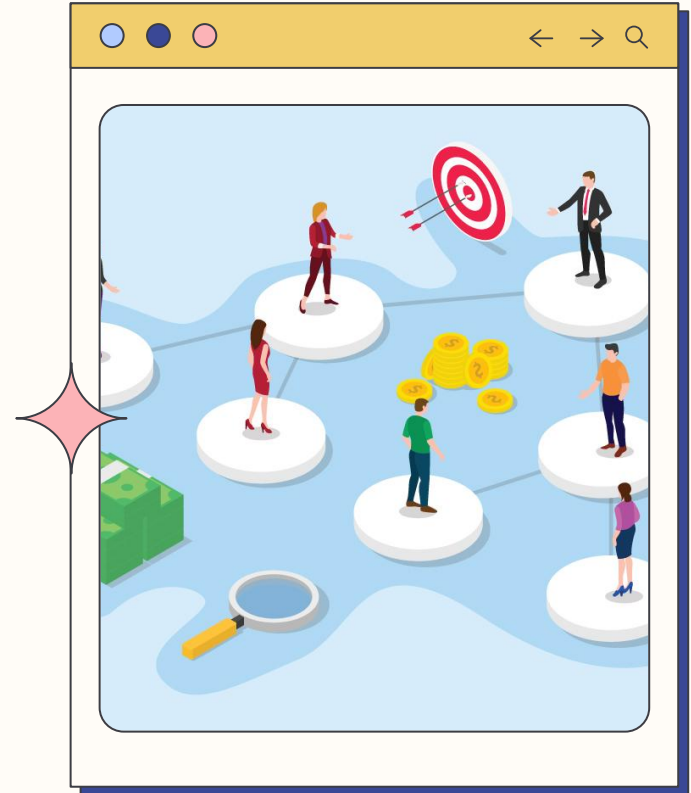
Soft S elements

They are those that are intangible and culture-driven



Structure

Structure or organizational structure refers to a clear chain of command to avoid chaos & confusion. Structure is a simple yet crucial element, as it creates a sense of employee accountability within the organization.

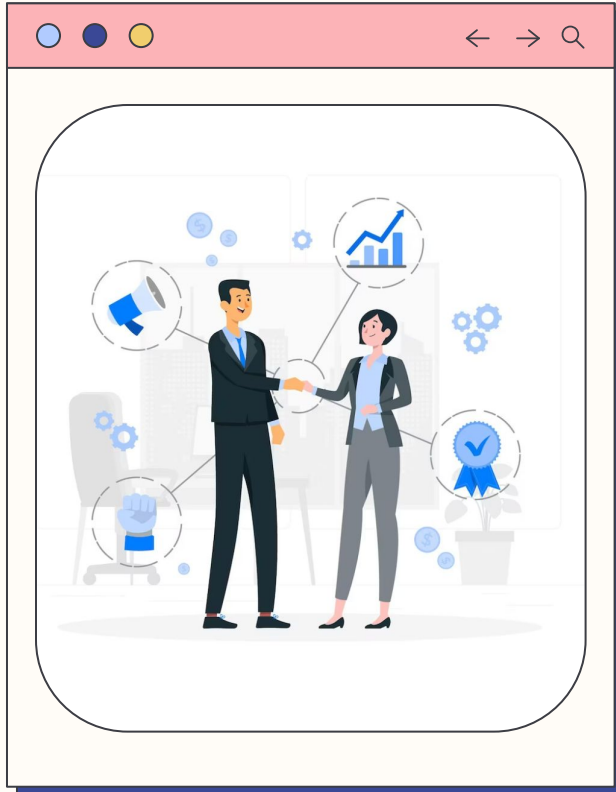




Strategy

The strategy element is a detailed plan that organizations create for successful change implementation and to gain a competitive edge. A well-crafted strategy is aligned with the other six elements of the 7-S model and is reinforced by a strong vision, mission, and values.





Style

The attitude of senior employees in a company establishes a code of conduct through their ways of interactions and symbolic decision-making, which forms the management style of its leaders.





Skill

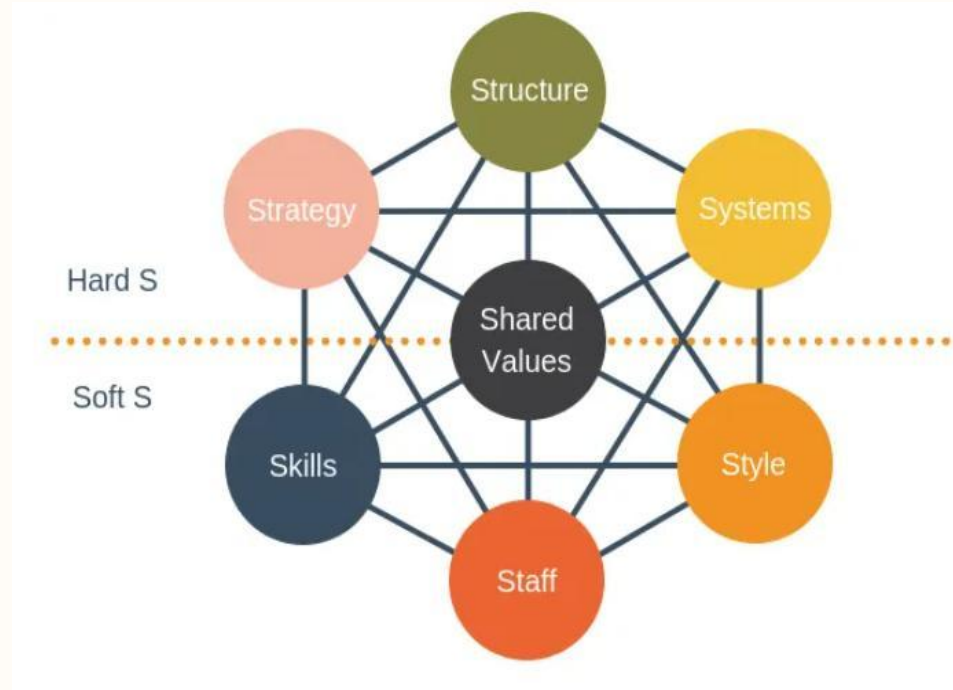
Skills form the capabilities and competencies of a company that enables its employees to achieve its objectives. Skills refer to the abilities of employees to complete tasks. Skills gaps overburden experienced employees who have to pick up the slack for their coworkers' inexperience. It's essential to identify the skill gaps and create relevant employee training programs to bridge these gaps.





System

Systems refer to the business processes and operational procedures employed to complete a business's routine activities. An organization's SOPs consist of such practices and workflows that directly impact productivity and decision-making.





Staff

Staff refers to the people within the organization and how they are managed, developed, and motivated. It encompasses the human resources element of the framework. Staff covers the organization's workforce and how effectively it is deployed and developed to achieve strategic goals. This element represents the talent pool required, the size of the existing workforce, and their motivations. It also considers how they are trained and rewarded within the organization.



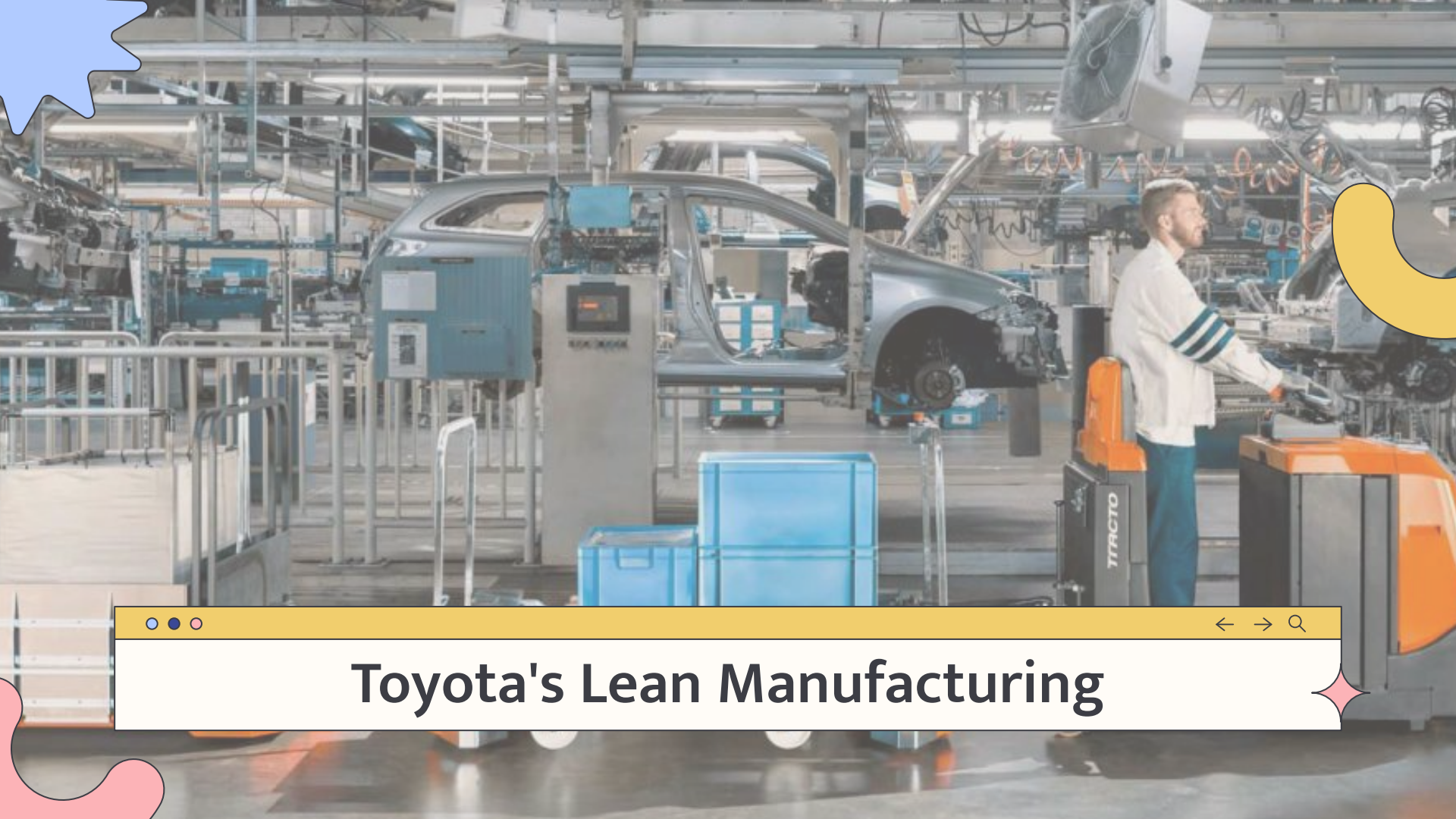


Shared Values

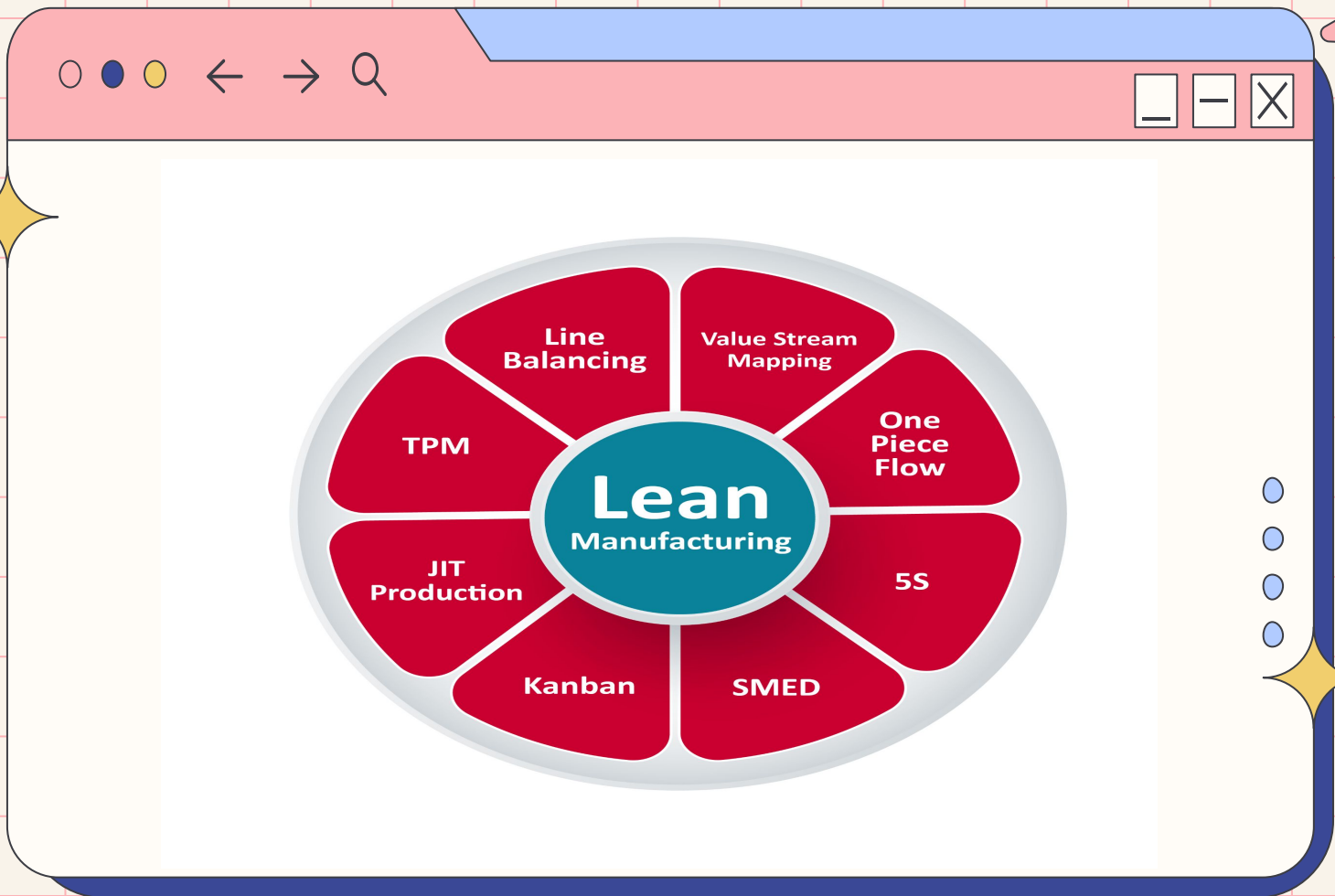
These are the core values governing an **organization's health**. While implementing a change, organizations expect a behavioral modification from their employees, which is only possible in a strong change culture and organizational values.

McKinsey 7 S Model Placing Shared Values in the middle of the model emphasizes that these values are central to the development of all the other critical elements.





Toyota's Lean Manufacturing





Strategy: Toyota's strategy has been consistently focused on efficiency, quality, and customer satisfaction.



Structure: The company's structure emphasizes teamwork and empowerment, with a flat hierarchy and cross-functional teams.

Systems: Lean Manufacturing involves a series of systems, including Just-in-Time production, Kaizen (continuous improvement), and Total Quality Management, designed to eliminate waste and improve efficiency.

Style: Toyota's leadership style is characterized by a strong focus on employee development, teamwork, and continuous learning.

Staff: The company invests heavily in employee training and development to ensure a highly skilled and motivated workforce.

Skills: Toyota's employees possess a deep understanding of Lean principles and techniques, enabling them to contribute to continuous improvement efforts.

Shared Values: The company's values of quality, efficiency, and respect for people are deeply ingrained in its culture.





Limitations

- **Complex Interdependencies:**
- **Lack of Flexibility:**
- **Static Nature:**
- **Overemphasis on Internal Alignment:**

7-S framework is a good diagnostic tool but not always practical for fast, ongoing changes.





Questions

1. How does having the right organization structure help a company achieve its goals?
2. The 7-S framework provides a snapshot of the organization at a specific time, how do you think companies can ensure that they stay aligned as things change? What tools or methods could help?
3. What is lean management and how does it affect organisations?
4. What are soft s and hard s elements ?
5. Why shared values are placed in the centre of the model?





Thanks!