

MCKINSEY 7S

The McKinsey 7S model is one of the most popular strategic planning tools. Organisations commonly use it to analyze internal elements that affect organisational effectiveness.

The model recognizes 7 elements and considers them to be interlinked. Accordingly, to be successful, the organization should ensure that all these elements are aligned and reinforced. It is difficult to make significant progress in one area without making progress in other areas as well. The model divides these 7 elements into two categories;

Hard elements – Strategy, Structure, Systems (these are easier to be identified and defined and can be directly influenced by the management)

- a) Strategy: The statement of direction, mission, and focus that drives how people inside the organization operate.
- b) Structure: The physical and organizational aspects of the business, including people, skills, knowledge, and culture. The way the organization is physically and formally divided into departments, units, and positions.
- c) Systems: The procedures, policies, structures, and systems govern, organize, and guide people's work. The processes, procedures, and routines that the organization uses to get things done.

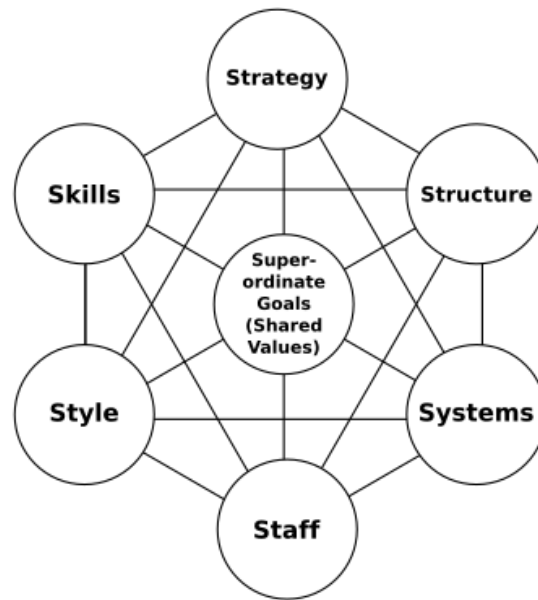
Soft elements – Shared Values, Skills, Style, Staff (these are harder to be defined because they are less tangible, but are just as important as the hard elements).

- a) Shared Values: The core beliefs and principles that the organization's members share. The guiding principles and core values are essential to creating a strong culture.
- b) Skills: The development of people and the organization to achieve its vision and goals.
- c) Style: How people work together, the culture, language, and the “tone at the top” of the organization.
- d) Staff: The people who work for the organization, including their experience, education, and qualifications.

The model can be used:

- a) To support management thinking during strategy implementation and change management

- b) To facilitate changes in the organization
- c) To successfully execute new strategies
- d) To analyze how different key parts of your organization work together
- e) To help align processes







The McKinsey 7S Model²

How to Use the McKinsey 7-S Model

The model can be used to do a gap analysis or to determine the gap between what the organisation is currently doing and what it needs to do to successfully execute the change against the 7 elements.

² McKinsey and Company

	Step by Step Review
Step 1:	<p>Analyze the current situation of your organization</p> <p>This is where you need to understand the current situation of the organization with regard to the 7 elements. Analyzing them closely will give you a chance to see if they are aligned effectively.</p>
Step 2:	<p>Determine the ideal situation of the organization</p> <p>Specify where you ideally want to be and the optimal organisational design you want to achieve, with the help of Management Development Division. This will make it easier to set your goals and come up with a solid action plan to implement the change.</p>
Step 3:	<p>Develop your action plan</p> <p>Here you will identify which areas need to be realigned and how you would do that. The result of this step should be a detailed action plan listing the individual steps you need to take to get to your desired situation, along with other important details such as task owners, timeframe and risks.</p>

McKinsey 7-S	
	Change Team & Technical Working Group
	The McKinsey 7-S review is a group activity. It should be facilitated through a workshop that discusses, agrees on and completes an action plan to close the gaps between the current situation and the ideal situation.
	1-day Strategy Workshop

