How to Use this Download

• First give the following few pages a review to understand the McKinsey 7s model

• Look at the example model for Accenture, a technology and management consulting firm, to see an implementation of the model

• You can also look at the Kotter Change model as an alternative to the 7S model

• Whether McKinsey, Kotter, or a different model, the core concept is to have the major systems/processes,strategies/goals within an organization in alignment
Overview – Hard S’s

McKinsey developed a new framework for analyzing and improving organizational effectiveness, the 7S model.

The 3Ss across the top of the model are described as ‘Hard Ss’:

- **Strategy**: The direction and scope of the company over the long term.

- **Structure**: The basic organization of the company, its departments, reporting lines, areas of expertise, and responsibility (and how they interrelate).

- **Systems**: Formal and informal procedures that govern everyday activity, covering everything from management information systems, through to the systems at the point of contact with the customer (retail systems, call centre systems, online systems, etc).
Overview – Soft S’s

The 4Ss across the bottom of the model are less tangible, more cultural in nature, and were termed ‘Soft Ss’ by McKinsey:

- **Skills**: The capabilities and competencies that exist within the company. What it does best.

- **Shared values**: The values and beliefs of the company. Ultimately they guide employees towards ‘valued’ behavior.

- **Staff**: The company’s people resources and how they are developed, trained, and motivated.

- **Style**: The leadership approach of top management and the company’s overall operating approach.

In combination they provide another effective framework for analyzing the organization and its activities.
The Goal

The goal of the exercise is to create total alignment between each of the 7 areas.
Example: Accenture

- **Key Success Factors (KSFs)**
  - Scale Advantage
  - High leverage (ratio of partners to non-partners)
  - Consistency of Execution
  - Breadth of IT and IT-Related Skills

- **Structure**
  - Partnership Form of Organization and Governance
  - Global Matrix
  - Geography/Service Line Function/Industry
  - One-Firm
  - Strong Hierarchy

- **Strategy**
  - Stay Ahead of the “Commoditization Envelope”
  - Largest Projects with Largest Clients
  - Global Research
  - Total Business Integrity

- **Systems**
  - State-of-the-Art Knowledge Reuse Systems
  - Extensive Budget and Measurement Systems
  - Extensive Project Management Systems

- **Shared Values**
  - Client and Firm First
  - Methodology Matters
  - One-Firm

- **Skills**
  - Uniform Tools
  - Common Protocols
  - Productization
  - Capacity to Standardize
  - Knowledge Reuse
  - Project Management

- **Style**
  - “Accenture Way”
  - Team Players
  - Execution Oriented
  - Flexible
  - Aggressive
  - Disciplined

- **Staff**
  - Young, Ambitious Undergraduates
  - CPAs
  - Heavy Formal Training (200 hrs./yr.)
  - Promote From Within/Up or Out
  - Frequent Appraisals (3X year)
  - Partners Assigned as Mentors

- **Downloads**
Outline: Your Company’s 7Ss

- Key Success Factors (KSFs)
  - Structure
  - Systems
  - Shared Values
  - Skills
  - Style
  - Staff

Your Company's Structure
Your Company's Systems
Your Company's Shared Values
Your Company's Skills
Your Company's Style
Your Company's Staff
Your Company's KSFs