

2/2 7-S MODEL

What is it?

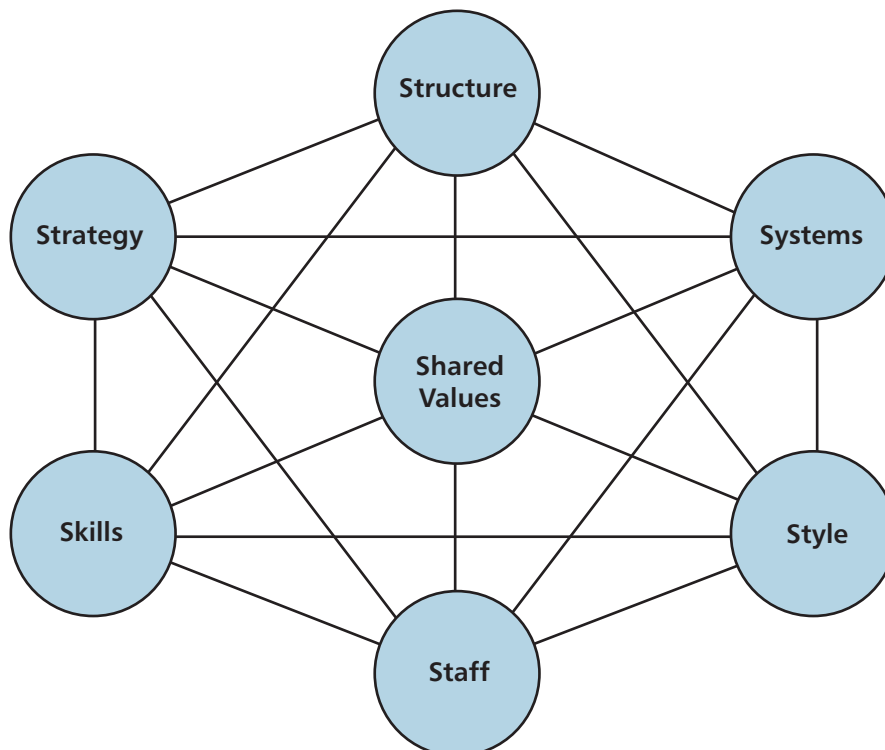
The 7-S framework describes 7 key interdependent organisational variables that need to be taken into account in organisational design. It forces practitioners to think not only about the "hardware" of an organisation - its strategy and structure - but also about the "software" - its management style, systems and procedures, staff, skills and shared values (ie. culture).

The 7-S model has proved to be a useful tool for analysing internal issues within an organisation.

However, it does not take into account the impact of the external environment on these 7 variables. While it is not as robust as the Burke-Litwin model (see 4/3), many find it easier to remember, use and communicate.

The authors developed the model in the context of their research into the key attributes of excellent private sector organisations. They identified 8 attributes:

- *A bias for action*: Built in devices to ensure a responsive, action-oriented approach
- *Close to the customer*: Listen to customer to ensure quality of outputs and service. Autonomy and entrepreneurship: Support creative and innovative people
- *Productivity through people*: Treat staff with respect and as most important asset
- *Hands-on, value driven*: Strong organisational philosophy throughout organisation
- *Stick to the knitting*: Focus on core competencies and areas of expertise
- *Simple form, lean staff*: Avoid complex structures (e.g. matrix), keep top level lean
- *Simultaneous loose-tight properties*: Autonomy with centrally-promoted core values



How do I use it?

- Use the 7-S Framework as a basis for discussion of organisational design with key stakeholders in the organisation and relevant experts. Special attention should be paid to the relationships between the 7 variables
- Gather data on each of the areas based on desk research and interviews with key stakeholders throughout the organisation
- Summarise findings in a report for senior staff. This report can then be used as a basis for identifying which boxes relate to which executives and managers, and can be useful in helping them understand the complex performance and change issues they are trying to manage
- Key questions to include are summarised in the table below
- As noted above, one of the key weaknesses of the 7-S Framework is its failure to look at the external environment. In practice, there are a number of external issues that need to be considered during the design phase, including for example:
 - Supportive legislative structures: Do new laws need to be introduced to enable agency formation?
 - Wider policy context: How does the institutional reform being implemented fit with other reforms in progress?
 - Other aspects of the wider institutional context: For example, how do informal institutions in society (such as "patronclientelism", gender relationships, etc) impact on the organisation's culture and design?

Area	Examples of Key Questions
Strategy	Clarity of vision and goals that guide the organisation? Extent to which these are shared amongst planners? Level of participation in formulation of these?
Structure	Organisation of functions? Definition of roles and responsibilities? Mechanisms for participation of key stakeholders - staff, other Ministries and civil society? Systems Effectiveness of the human, financial and technology systems that support objectives? Nature of incentives within HR and budgeting policies and procedures.
Staff	Effectiveness of staff utilisation? Adequacy of staff resources? Level of staff motivation? Factors that would increase job satisfaction?
Skills	Nature of task requirements and individual skills/knowledge needed for task effectiveness? Adequacy of the task-skills match? Opportunities for training/knowledge sharing?
Style	Leadership style of Ministers/senior civil servants and relationship with staff? Extent to which there is a supportive environment for staff? Level of communication?
Shared Values	Nature of the overt and covert rules, values, customs and principles that guide organisational behaviour? Extent to which core professional values are internalised?

Reference: Peter and Waterman: "McKinsey 7-S Framework".