



STRATEGY TOOL

***Every Finance Professional
Should Know***

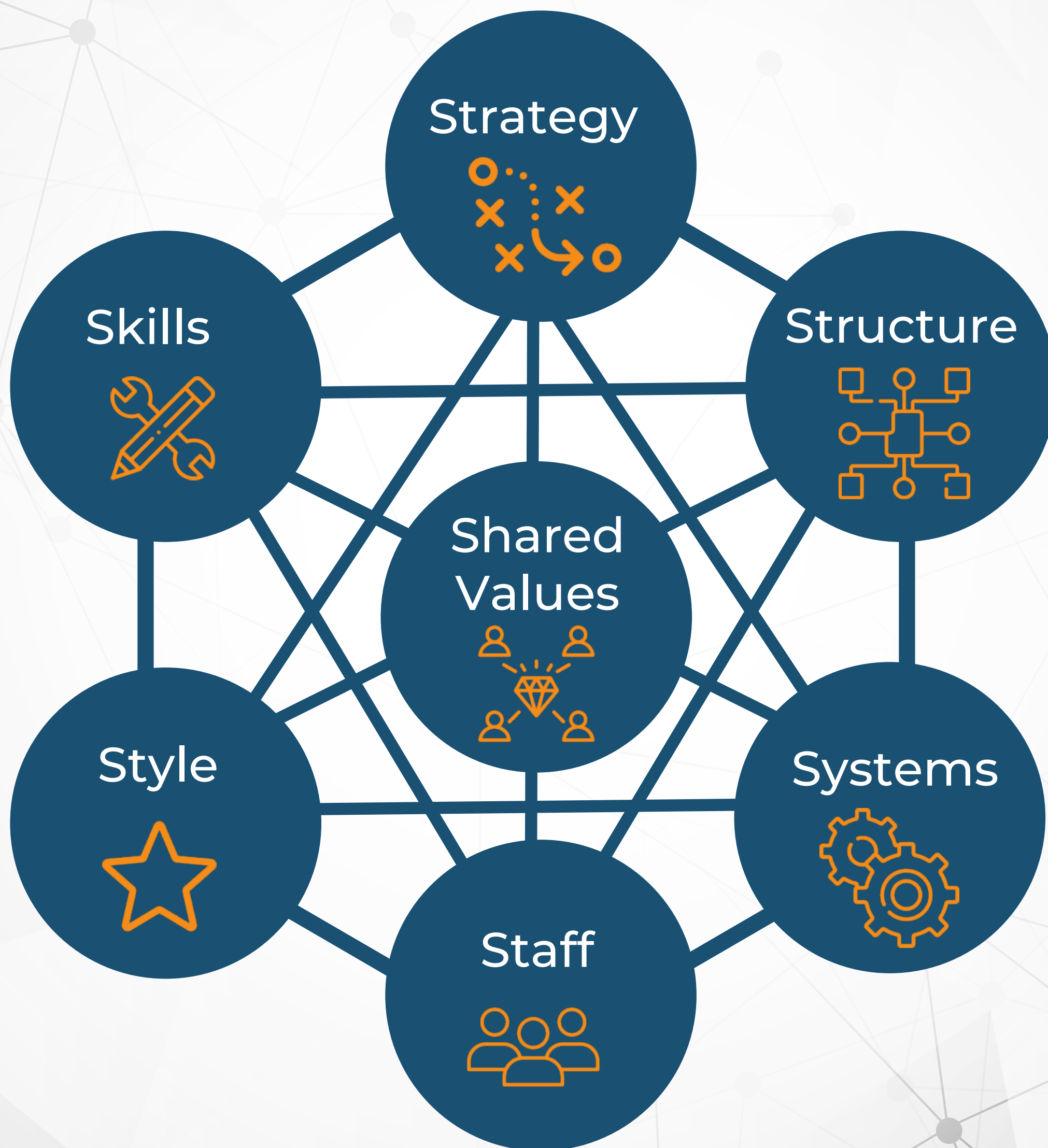


McKinsey
7S Model



What is **MCKINSEY 7S MODEL?**

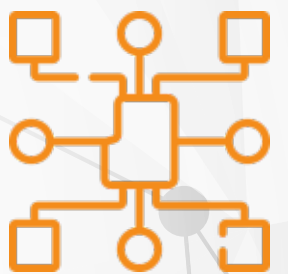
McKinsey 7S Model is one of the most powerful tools to assess the organization's effectiveness in achieving its strategic goals through the interactions of seven key elements – Structure, Strategy, Skills, System, Shared Values, Style, and Staff. The focus of the McKinsey 7s Model lies in the interconnection of the elements that are categorized by “Soft Ss” and “Hard Ss”. “Hard Ss” refers to Structure, Strategy, and system, whereas the remaining elements which are Skills, style, stuff, and shared values considered as “Soft Ss.”.





01 **STRUCTURE**

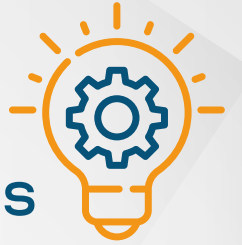
Structure is the way in which a company is organized; how your company is organized (how departments and teams are structured, including who reports to whom).



02 **STRATEGY**

Strategy refers to the organization's plan for building a sustainable competitive advantage over its competitors, reinforced by the company's mission and values.





03 SYSTEMS

Systems refers to the business and technical infrastructure of the company that establishes workflows and the chain of decision-making.



04 SKILLS

Skills form the capabilities and competencies of the organization's employees that enables achieve its strategic objectives.





05 **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 style of leadership adopted.



06 **STAFF**

Staff involves the employees and their general capabilities, and all human resources related to company decisions, such as training, recruiting, and rewards systems.





07 SHARED VALUES

These are the core values of the organization and reflect its general work ethic. It plays an important role in aligning all key elements to maintain an effective organizational design.

