

Mckinsey 7S Questions

Strategy

1. In what kinds of markets does the business compete and how are these markets changing?
 - Types of Customers
 - Local Market
 - Regional Market
 - Global Market

2. What are the firm's sustainable competitive advantages and how are they changing?
 - Technical Leadership
 - Cost
 - Quality and Reliability
 - Service
 - Knowledge of the Market
 - Control of Distribution Channels
 - Monopoly Power through Government Policy
 - Artificially Protected Market
 - Government Connections

3. How do the basic elements of the business system work, and where are the key leverage points? How might these change?
 - Technology
 - Product Design
 - Procurement
 - Manufacturing
 - Distribution and Selling
 - Service

4. How has the firm deployed its major resources and how is this changing?
 - Funds
 - Management
 - Service, Selling or other Distinctive Capabilities
 - Market Position

5. What are the firm's overriding strategic priorities?
 - Protect Existing Market Share
 - Penetrate New Markets
 - Enhance Value to Customers by Lowering Production Cost, Improve Product/Service or Greater Technology Edge
 - Acquire or Move Into New Business or Technology
 - Change the Game

6. How does the firm secure needed support from its other major constituencies and how is this changing?
 - Employees
 - Distributors and Retailers
 - Suppliers of Funds
 - Suppliers of Materials and Equipment
 - Key Governmental Bodies

Structure

1. How is the company/team divided?
2. What is the hierarchy?
3. How do the various departments coordinate activities?
4. How do the team members organize and align themselves?
5. Is decision making and controlling centralized or decentralized? Is this as it should be, given what we're doing?
6. Where are the lines of communication? Explicit and implicit?

Skills

1. What business activities that are crucial to its successes is the firm good at performing and how are these changing?
2. What business activities that are crucial to its success is the firm weak in performing and how are these changing?
3. What important management activities must the company perform much better than it does now?
 - Business System Functions
 - Nonbusiness System Functions
 - Employee Relations
 - Staff Development
 - Government Relations
 - Special Management Challenges
 - Multi-Product Line Management
 - Acquisition Management
 - Resource Deployment
 - Divestment
 - "Privatization"
4. Is this an "excellent" firm?
 - Action and Execution Focus
 - Close to the Customer
 - Productivity Through People Focus
 - Simple Form, Lean Staff
 - Stick to their Knitting
 - Hands-on, Value-Driven
 - Simultaneous Loose-Tight Properties

Shared Values

1. How do people in the firm describe the ways in which it is distinctive?
2. How do people in the firm describe what is key about "how we do things around here?"
 - Controlling Considerations in Decision Making
 - Impact of Priority Customers
 - Internal Political Considerations
 - Financial Attractiveness
 - Impact on Market Position
 - Donor or Government Requirements or Expectations
 - How Important Constituencies are Dealt with
 - How Things get done
 - How decisions are made
 - What preoccupies senior management
3. What things get the most and the least top-management attention and how is this changing?
 - Business Functions
 - Markets and product Lines
 - Organizational Units
 - Projects

- Threats
 - Cost Versus Value to Customer
 - Shore Versus Long Run
 - Internal Versus External
4. Does management give much importance to the firm's culture and shared values?
 5. Does the firm have a true guiding concept that is
 - Directional
 - Fundamental
 - Plausible
 - Achievable
 - Shared
 6. And does the guiding concept fit with the strategy and skills of the firm?

Systems

1. What are the most important management processes that top management uses to run this firm?
 - Annual Strategy and/or Performance Review
 - Monthly or Quarterly Operating Reviews
 - Capital Investment Approvals
 - "Kitchen-Cabinet Sessions"
 - "Management by Walking Around"
2. What are the most striking characteristics of these processes?
 - Formal versus Informal
 - Financial versus Substantive
 - Staff versus Line-Dominated
 - Multilateral versus Bilateral
3. What managerial functions are most and least emphasized in the conduct of these processes and what are the trends?
 - Path Setting
 - Problem Finding
 - Decision Making
 - Execution
 - Interpretation
4. What are the most important information systems in the firm? What variables are monitored and controlled most closely?

Style

1. What is top management's apparent view of its own principal value-add?
 - Monitor, review and ensure results
 - Make sure others answer tough questions before they make decisions
 - Make tough decisions directly
 - Stay on top of internal operations
 - Identify issues for attention
 - Relate with outside world
 - Maintain internal conditions for effective function
 - Chart course and set direction
2. For people in the firm, what are the most-watched indicators of top-management expectations and values?
 - Recent decisions
 - More or less formal pronouncements
 - Informal questioning routines
 - Praise and promotion or criticism
3. How does top management make decisions?
 - Wide consultation versus narrow consultation versus solitary decision making

- Reliance on data and analysis versus trusted counsel versus lessons of experience
4. How does top management seek to motivate employees?
- Orders
 - Compensations and perquisites
 - Personal relations
 - Hoopla
 - Participation and team spirit
 - Internal competition

Staff

1. What are the demographics of the management group and how are they changing?
 - Functional and business unit experience within the company
 - Educational background/professional discipline
 - Experience outside the company
 - Religion, political party, age, sex, regional factions
2. What kinds of things are current senior managers known for and what is the "next generation" of managers known for?
 - Important accomplishments
 - Interests and personal crusades
 - Connections
3. Where in the firm are the strongest managers found? The weakest?
4. How much importance does the firm really give to its people?
 - Emphasis on development planning, performance appraisal, training, etc.
5. What is the top-management structure and how is it changing?
 - One man versus CEO/COO versus team
 - Collective executive versus collection of top managers of various organizational units
 - Government representation or oversight
 - Board as review versus deliberative versus directive body
6. Are "special" structural devices used?
 - Task Forces
 - Full time versus part time
 - Volunteers versus draftees
 - Reports versus results
 - Czars
 - Project managers
 - Quality circles
 - Management "panels" or "boards"
7. How does this firm deal with functions that could be internal or external and how is this changing?
 - Distribution and sales
 - Materials supply, subassembly, etc.
 - Technology supply