



Building Research Ethos from the Ground up Using McKinsey 7-S Framework: The Case of the Modern College of Business and Science

Rene Y Paquibut¹ 

¹Modern College of Business and Science Sulanate of Oman

Email: rene@mcbs.edu.om



Abstract

The aim of this paper is to document the experience of the Modern College of Business and Science (MCBS) in building its research ethos as a quality management case study. The new strategic plan of MCBS gives focus on Research and Consultancy as one of its five strategic perspectives. Motivated by its aspiration to contribute to the growth and sharing of knowledge, the college embarked on the task of developing a systemic and systematic approach to build the hard and soft elements of institutional research using the McKinsey 7-S Framework. On one hand, the hard elements of strategy, structure, and system were designed through a series of dialogue within the college’s academic community. On the other hand, the alignment of the soft elements of shared values, skills, style, and staff to the hard elements was emphasized in a series of workshops. The outcomes include: 1) Policies and guidelines; 2) Research Agenda; and 3) Mechanisms for results.

Keywords: Institutional research, McKinsey 7-S framework, Quality assurance, Quality management, Institutional accreditation.

Citation | Rene Y Paquibut (2017). Building Research Ethos from the Ground up Using McKinsey 7-S Framework: The Case of the Modern College of Business and Science. Asian Journal of Education and Training, 3(2): 92-96.

History:

Received: 25 September 2017

Revised: 30 October 2017

Accepted: 1 November 2017

Published: 7 November 2017

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Publisher: Asian Online Journal Publishing Group

Funding: This study received no specific financial support.

Competing Interests: The author declares that there are no conflicts of interests regarding the publication of this paper.

Transparency: The author confirms that the manuscript is an honest, accurate, and transparent account of the study was reported; that no vital features of the study have been omitted; and that any discrepancies from the study as planned have been explained.

Ethical: This study follows all ethical practices during writing.

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1. Introduction

The experience of preparing for accreditation took about two years for the Modern College of Business and Science (MCBS). Going through accreditation for the first time was not an easy feat for MCBS especially when the Oman Academic Accreditation Authority (OAAA) only released the final institutional standards and indicators at the end of the first quarter of 2016 (although draft versions were previously made available), about two months before the submission of the self-study report and supporting materials, and about four months before the accreditation visit in September 2016. While waiting for the verdict from OAAA (which would come out end of January 2017 at the soonest), MCBS is taking the initiative to take stock of the experience and share the same for the benefit of other higher education institutions in the Sultanate of Oman.

1.1. Objective

The aim of this paper is to document MCBS's experience in building its research ethos as it prepared for institutional accreditation with special reference to the compliance of OAAA's Institutional Standard 4: Staff Research and Consultancy. More specifically, this paper documents the use of McKinsey 7-S framework in determining the gap between what are required by the standard and what are already in place; and identifying measures to address the gap.

1.2. Method

Bryan (2008) explained that the McKinsey 7-S framework (introduced in the late 1970's and continues to be relevant to this day) was developed by McKinsey consultants to map the interrelated factors that influence the ability of an organization to change. This classic tool paves the way to a better understanding of the complexity of organizations and highlights the critical role of coordination in working towards organizational effectiveness. Jurevicius (2013) suggested that among other common uses of the framework are to facilitate organizational change and help implement new strategy.

The 7-S framework is the interrelatedness of *style, skills, systems, structure, staff, strategy, and shared values*. According to Bryan (2008) *style* refers to the culture of the organization (including leadership style) and answers the question: *How do we do things around here?*; *skills* include institutional and individual skills; *systems* are the processes in answer to the question: *How work is done?*; *structure* focuses on authority relationships; *staff* highlights diversity and talents; *strategy* is the move to gain competitive advantage; and *shared values* are the superordinate goals in answer to the question: *What does the organization tries to achieve?* Figure 1 below shows the interrelatedness of the seven elements.

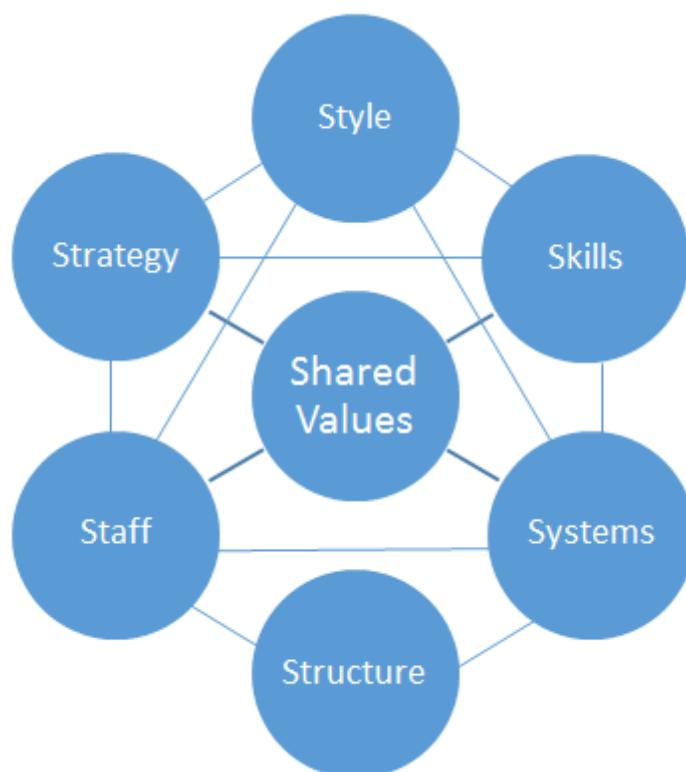


Figure-1. 7-S Framework (www.mckinsey.com)

Mindtools (n.d) categorized the seven interdependent elements into 'hard' and 'soft' elements. *Shared values, skills, style, and staff* are 'soft' elements and they are less tangible and more influenced by culture. *Strategy, structure, and systems* are 'hard' elements and they are easier to be identified and are influenced by management. The following steps are to be followed in using this tool: 1) Gather information on the seven elements; 2) Determine the consistency of shared values with strategy, systems, and structure; 3) Determine how well the hard elements support each other; 4) Find out how well the soft elements support the hard elements; and 5) Continuously adjust for alignment. The steps were accomplished with inputs from the academic community of MCBS through workshops.

2. Results and Discussion

2.1. OAAA Institutional Standard on Staff Research and Consultancy

As provided in Oman Academic Accreditation Authority (2016) Institutional Standard 4: Staff Research and Consultancy establishes that strategic objectives are achieved through well planned and managed research

activities and outputs that are ethical, used in teaching-learning, and reflective of the higher education institution's (HEI) classification. The standard contains nine criteria: *Research Planning and Management*; *Research Performance*; *Research Funding Scheme*; *Consultancy Activities*; *Ethics and Biosafety*; *Intellectual Property*; *Professional Development for Research*; *Research Commercialization*; and *Research-Teaching Nexus*

The criteria *Research Planning and Management* requires a strategic approach to planning and management that aligns with the HEI's classification and mission and guide its activities which are formally approved, adequately resourced and monitored to produce good quality outcomes. In the 7-S Framework, what the criteria requires is the deliberate (*style*) alignment of *strategy* (approach) to *shared values* (mission and institutional classification), *systems* (resource allocation and monitoring), and *structure* (formal approval). The criteria on *Research Performance* requires monitoring and reporting of performance against targets (*systems* and *structure*) and its alignment to institutional classification (*shared values*) and strategic objectives (*strategy*). *Research funding schemes* emphasize the allocation and management of funds for research (*systems*) which are aligned to the strategic objective (*strategy*) and institutional classification (*shared values*) and distributed equitably (*structure*) to research-active staff (*staff* and *skills*). *Consultancy activities* (*staff* and *skills*) are aligned to strategic objectives (*strategy*) and are well managed (*system*) and supported (*structure*). *Ethics and biosafety* ensures that ethical considerations of research activities (*staff* and *skills*) are well managed (*system*) and controlled (*structure*). Ownership of *intellectual property* is clearly identified (*system*) and well managed (*structure*). *Professional development* opportunities (*staff* and *skills*) are provided (*system* and *structure*). Research commercialization is aligned to strategic objectives (*strategy*) and is well managed (*system* and *structure*). And finally, there is *the research-teaching nexus* which refers to a systematic approach (*strategy* and *system*) to ensure activities and outputs have a positive impact on teaching and student learning. Embedded in all of these criteria is the *style* of leadership and organizational culture.

2.2. The 7-S Framework at MCBS

The task of preparing for accreditation involves the conduct of an institutional self-evaluation against the standards established by OAAA. Self-evaluation is challenging and can be all guess-work without an integrating framework. The 7-S framework provided a way of looking at the whole as an interconnection of many parts. The first step in the use of the 7-S framework is to gather information on the seven elements. *Style* is discussed here as the first element which refer to leadership style and organizational culture. On one hand, leadership style is linked to management style which shapes the hard elements of *strategy*, *system*, and *structure*. On the other hand, organizational culture influences the soft elements of *shared values*, *style*, *staff*, and *skills*. This makes *style* a powerful element in the framework because it affects both the hard and soft elements.

According to Mack (n.d) total quality management requires excellent leadership that is defined by the following characteristics: clear goal setting, communicative, aggressive, deeply committed to change, and personally involved. At MCBS, the drive to acquire accreditation started from the owner who is also the Executive Chairman. This was communicated to the Dean of the college as a clear goal. The Dean in turn communicated the same to the management of the college and down the line. Compliance of the institutional standards required major changes, which could only be achieved through a deep commitment to improvement and this was pursued vigorously and aggressively. Ad hoc committees were created to work on the self-evaluation. Transforming committees into effective teams was not easy but a necessary success factor. In the whole process, everyone from the top-down was involved.

Hajian (1992) (as cited by Al-Bourini *et al.* (2013) defined organizational culture as the values of the organization's leaders which influence concrete aspects of the organization. This binds *style* to *shared values* more closely. Tharp (2009) described four types of organizational culture: collaborative (clan), create (adhocracy), control (hierarchy), and compete (market). A clan culture is an open and friendly place to work, likened to an extended family. Adhocracy culture is characterized as dynamic and creative, where risk-taking is encouraged. Hierarchy culture is described as highly structured and formal. And the market culture is results-driven and competitive. According to the study of Gimenez-Espin *et al.* (2013) the 'mixed culture' or the 'culture of quality' which is between the adhocratic and clan cultures would be the most appropriate for a total quality management system. At MCBS, the process of building institutional research in compliance with the OAAA standards on Staff Research and Consultancy has been facilitated collegially and with a creative license. Both the Executive Chairman and the Dean constantly reminded management and staff to consider the organization as a family and welcomed innovation.

The elements of *strategy* and *shared values* are also closely intertwined. MCBS uses the five-year strategic planning cycle. Its current strategic plan covers the period AY 2015-2016 to AY 2019-2020. The planning process begins with the articulation of the college's mission, vision, and values. This connects the *strategy* with *shared values*. MCBS takes off from five strategic perspectives, one of which is the perspective on Research and Consultancy. Cognizance of its identity (MCBS is not a research institute but aspires to be a university), and aligned to its mission of facilitating growth in knowledge and innovation, the college's perspective on research and consultancy sees itself contributing to the growth and sharing of knowledge. Strategic objectives were formulated to clarify this perspective and key performance indicators were agreed to specify the desired results. The strategic plan was further articulated into an operational plan to develop *systems* and responsibilities were assigned to jobs and committees to provide *structure*. This links *strategy* to *systems* and *structure*.

The elements of *skills* and *staff* necessitated an evaluation of the research capacity of the faculty and it was found that there are two groups of *staff* in the college: the group that is already productive and the other group that needs to be engaged. Research productivity requires the right *skills*. The strategic objective on research productivity can be achieved through people (*staff*) engaging in research. This links *strategy* to *skills* and *staff*. The research productivity of the first group is evident in their publications and presentation in conferences. However, there is the second group that has the potential for contributing to research productivity. This classification of *staff* allowed for a more focused identification of needs for capacity building in addition to harnessing and supporting the talents that are available. A capacity building program was designed based on a needs analysis. A Research Agenda was formulated based on interest and expertise. And a mentorship program was initiated to encourage senior

researchers to help younger researchers. Motivation to do research was also recognized as an important component of productivity. Thus, research productivity is included in the performance appraisal system of teaching staff and is considered in the ranking and promotion system of the college. This links *skills* and *staff* to *system*. At MCBS, there is a connection between the quality of staff and recruitment and selection and a bias for research has already influenced the process.

At MCBS, the strategy had to be supported by the right *systems* or processes and *structure*. According to Sachdeva (n.d) good documentation of processes is an essential part of and an expected practice in quality assurance. This was the biggest challenge faced by the college as many of the processes at the onset were found undocumented. Furthermore, the standards criteria required processes that were not yet in place. Therefore, the challenge was two-pronged: whereas existing processes had to be documented, new processes had to be developed and documented as well. Admittedly, this was found as an area of weakness. To address this, efforts were doubled on documenting policies and procedures and developing new ones in compliance with the standards criteria i.e. *Research and Consultancy Policy, Guidelines for Internally Funded Research, Guidelines for Externally Funded Research, and Guidelines for the Use of Intellectual Property*. Having the documented policies and processes officially approved and accessible facilitated their institutionalization (application of policies across the board) and standardization (carrying out the processes as provided to improve suitability (Verwilghen, 1995)). *System* creates responsibilities and accountabilities which can be provided by *structure*. This makes system closely linked to structure. At MCBS, the *Policy Manual* is accompanied by a *Management Structure and Job Descriptions* and the *Committee Structure and Terms of Reference*.

2.3. Consistency of Shared Values with the Hard Elements

The mission of MCBS focuses on facilitating growth in knowledge and innovation. Among its core values is freedom of expression and academic enquiry. The mission and values are further articulated in its strategic plan as a strategic perspective on research and consultancy. Policies and procedures are documented, approved and made accessible to guide the conduct of research and consultancy in the college. And ownership of responsibilities and accountabilities are established in the management structure (including job descriptions) and committee structure (including terms of reference) to guide individuals in the performance of their roles.

2.4. Effectiveness of the Elements in Supporting Each Other

The question on the effectiveness of the hard elements in supporting each other and the soft elements supporting the hard elements can be a discussion in another paper. It will require some time, at least a year, before the effectiveness of the support between and among elements can be determined. With the use of the 7-S framework, MCBS was able to design the contents of the elements as intervention or measure to fill gaps. These require full implementation before an evaluation of their effectiveness can be made. In addition, appropriate tools for measuring effectiveness will be needed. Thus, a full research will be necessary to carry out this task.

2.5. Continuous Adjustment

As mentioned earlier in this paper, the 7-S framework highlights the critical role of coordination in achieving organizational effectiveness. Coordination is necessary for adjustment and it requires the continuous monitoring and evaluation of processes and results. There is therefore a need to embed a system of monitoring (documenting results) and evaluation (measuring performance against targets) and communicating (feedback) these to trigger appropriate response. Figure 2 summarizes the attempt of MCBS in using the 7-s framework.

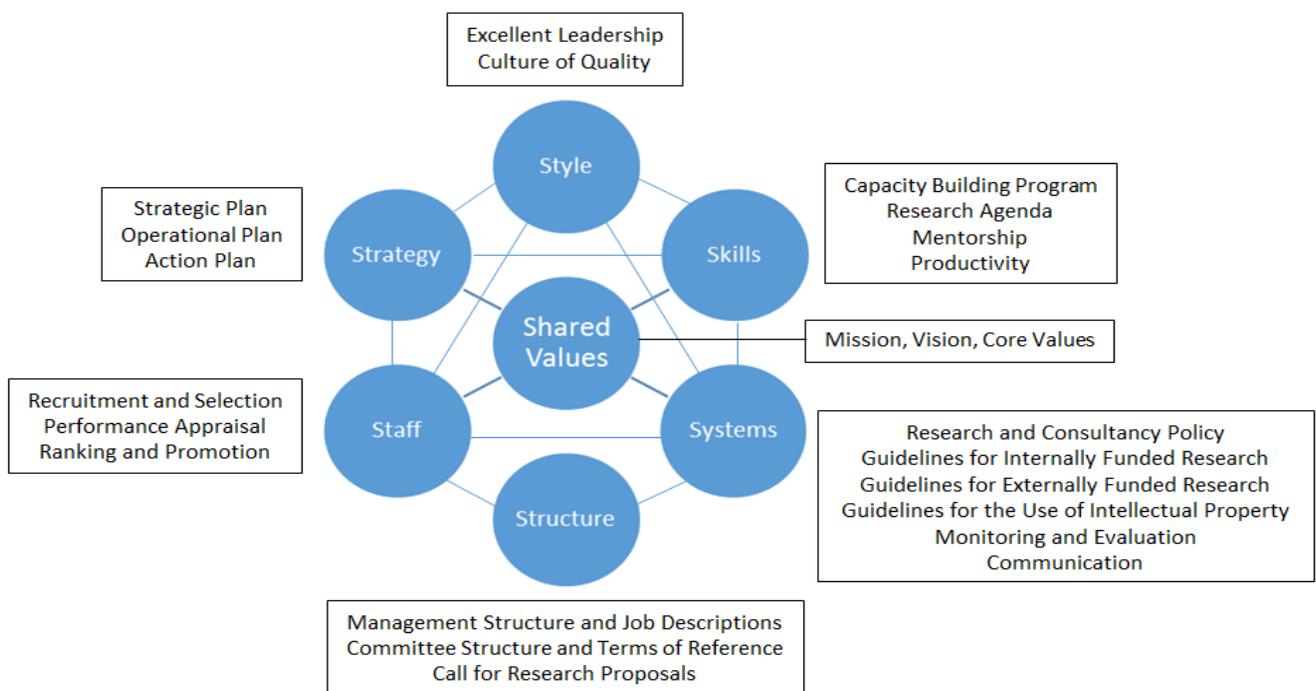


Figure-2. The 7-S Framework at MCBS

3. Conclusion

The McKinsey 7-S Framework was used to make more sense of OAAA's standard on Staff Research and Consultancy and made the preparation for accreditation relatively more manageable for MCBS. By documenting the seven elements, the college was able to identify gaps and develop measures to address these gaps. The result is a cohesive framework where the alignment of the hard elements and the soft elements can be better appreciated.

The use of the framework also facilitates a better understanding of the importance of the role of coordination among the elements for organizational effectiveness. Indeed, the 7-S Framework allowed a more comprehensive view of the whole organization as it attempted to build institutional research from the ground up.

4. Recommendation

The scope of this paper is limited to the experience of MCBS and the analysis used is qualitative. It may be a worthwhile project in the future to use a quantitative approach to determine the effectiveness of the elements in the framework as applied in the college. In addition, the scope of research can be extended to include other HEI's experiences to formulate policy recommendations.

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