

The 7s framework essay sample



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This paper is targeted to anyone interested on further information regarding BlackBerry (investor, prospective employee, management) and is written from the point of view of a former employee. The overarching theme of the analysis is the organizational challenges facing BlackBerry in its competitive environment, where it has already seen a collapse in its share price and reduction of its employees. In an attempt to reverse the decline, the company embarked on a series of organizational changes in an effort to stay relevant and regain its former glory.

The overarching framework for the analysis is the 7-S framework, which identifies key components of organization success and sets standards for their operation. These standards will be contrasted with what was actually observed at BlackBerry. A further analysis will be done on two elements of the 7-S framework: skills and strategy. These will be further examined using Barney's framework on sustainable competitive advantage and Porter's Five Forces. Conclusions will be reached on what BlackBerry is doing right, and where it is in need for improvement across all components identified by the overarching framework.

Its sustained competitive advantage will be examined, its industry's profitability scrutinized and recommendations made on how the company should position itself going forward. In the last four months of 2012 I was lucky enough to be employed at BlackBerry (then technically still Research In Motion), where I completed my second co-op from within the heart of the company at its R&D headquarters in Waterloo, Ontario. I bore witness to a company in transition. Following a lay-off of nearly a third of its employees, a

collapse in its share price, and a fresh onslaught of competition, the company was against the ropes.

It had decided upon a new strategy, a new structure, and new way of doing business by the time I arrived – and I had a front row seat to watch the drama unfold. Reflecting on my time at BlackBerry, it felt appropriate to dive deeper and to study with greater granularity what was happening around me. The company was in the process of completely reinventing itself, and it is because of this an all-encompassing framework such as Waterman, Peters, and Phillips’ “ The 7-S Framework” is the perfect tool to guide my analysis.

The 7-S Framework The 7-S Framework The fundamental thinking behind the 7-S Framework is the core belief that organizational strength isn’t merely derived from choices made regarding the firm’s structure and strategy, but rather from multiple, contributing factors. While both structure and strategy are inherent parts of an organization’s effectiveness, the 7-S framework correctly identifies them as but part of the overall solution. The others include systems, style, skills, staff, and superordinate goals.

From the framework’s diagram we can see two of its fundamental principles: its interconnected nature, and lack of hierarchy. The former details how all components of the framework are connected to one another. It emphasizes the transcending importance of not just how these components function in isolation, but how they work together and contribute to the “ bigger picture”. The lack of hierarchy, on the other hand, reaffirms the equality and equivalence between the terms; reinforcing the notion that no component is of greater significance than another.

This may sound counter-intuitive, especially with the modern focus on strategy, but using Fortune magazine's argument that as many as "90% of carefully crafted strategies don't work out" as evidence, we can assume that other important factors are at play (or we're just really bad at developing strategy). Starting at the top of the diagram of the 7-S framework we first come to structure.

Typically thought of as simply how we divide tasks and responsibilities up between different levels of an organization, it is just as critical, if not more so, to examine what we emphasize and how effectively we coordinate. The development process at BlackBerry was driven by incremental software updates called "target releases", and the upcoming release (along with its associated deadline) was consistently emphasized by management and team leads in a very efficient manner. While this vertical dissemination of information and goal-setting was an effective use of BlackBerry's structure, their coordination left something to be desired.

Each team relied on other teams to get different elements of their "source code" ready to be promoted for the "release". However each team, operating what resembled their own little fiefdom, gave priority to their own work and not to assisting other teams. This led to certain teams being "blocked" – causing bottlenecks in the development process which wasted valuable developer resources. The lack of coordination built into BlackBerry's structure hampered productivity and led to development targets being missed. Systems, both formal and informal, were a critical part of the workday at BlackBerry.

Every meeting, regardless of size, was set-up through Microsoft Outlook – which was synced to everyone’s personal BlackBerry device. Extensive security, payroll and technical support systems were also in place, which were irreplaceable for day-to-day functioning. The technical support system was available to assist with troubleshooting problems with your computer or mobile device, while security mandated everyone have their badge on them at all times, (which were used to open key-coded doors). Another important system was the one used by management to solicit input and feedback from employees.

This involved a detailed questionnaire that included open-ended questions that were used to both gauge where the company was at, and measure its progress through time. The third component of our framework is “ style”. It is important not to confuse this simply as being an extension of management’s personality – it isn’t. Instead it is an extension of how management act (what they do). It can be observed by both how management spend their time, in addition to their symbolic behavior. At BlackBerry, management displayed a robust and positive demeanor even when times were tough.

Most of management had their office out in the open and easily accessible for the average employee. They frequently stopped by your workstation to solicit opinions and feedback on recent initiatives and general working conditions. Even senior management, starting with CEO Thorsten Heins, made himself available to employees during “ town hall meetings” that were on location in Waterloo in addition to being streamed to employees worldwide. This management “ style” helped breed a culture of openness

and family at BlackBerry – one where employees weren't afraid to speak up if they saw an area in need of improvement.

In addition to this symbolic behavior, management's " style" was also determined by how they spent their time. BlackBerry's management was keenly focused on details to a far greater degree than most comparable corporations. This could be construed as either a positive or a negative. On the one hand, they remained aware of what was going on " in the trenches" of development, acutely aware of how progress was being made with an impressive degree of granularity. Conversely, management tended to get " bogged down" in details amid accusations of micromanaging.

This element of BlackBerry's " style" is left over from its young start-up days where the Co-CEOs use to walk around amongst employees and even tackle technical problems themselves. While it's refreshing to see management involved at tackling problems at such an intimate level with employees, the reality is managers need to focus on the higher-level problems that pose significant challenges to the organization as a whole. Staff, or more specifically employees of a company, are a critical component to any business' success. Without them, the best strategic plans can go awry, and the perfectly structured business can collapse.

They are as critical as any factor in determining whether a company will reach its goals or succumb to failure. At BlackBerry, the importance of their employees cannot be understated. While they are a device manufacturer, they derive their value and profit-generating capabilities from services such as device management solutions, software, and hardware design. They

operate in the highly-competitive mobile device business, and it is only through the constant innovation generated by their employees that they can remain relevant. Traditionally, managing people has been done using two different approaches.

On one hand there are pay scales, formal training and incentivized schemes, while on the other there is the “softer” approach focusing instead on morale, attitude and motivation. Blackberry opted for the former strategy. They used formalized training to acquaint employees with new software programs, and pay incentives to ensure key fixtures of management and development teams stayed on. However the approach has not been as successful as the company would have liked. Key individuals have continued the exodus that began 12 months ago, and young students out of university have left for offers at other tech companies.

Using our 7-S framework we can hypothesize that this has been in part because of how BlackBerry manages its employees. Instead of using the traditional methods, the company should consider its “people” a valuable resource to be managed and developed prudently. Specifically, young employees that will become the managers of tomorrow need to be protected and nurtured to have their potential realized. If BlackBerry were to follow this approach it may find a favorable improvement to its employee turnover rate in addition to long-term employee satisfaction.