

REDESIGNING AN ORGANIZATION OF A CONSTRUCTION COMPANY

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ABSTRACT

The early years of company X were successful, and the company was able to grow into the successful enterprise that it is today. On the other hand, as the company grows, the challenges it faces become more complex, which has led to inefficient operations for the company. The problems stem from company X ineffective business organization as well as its inability to adapt to changing times and circumstances. The problems are showing up in their financial performance, which has shown a drop in revenue, which has stopped the company from growing. Internal observation will be used in this study to help figure out what the real problems are and what company X should do next. The 7S McKinsey model will be used to figure out what needs to be changed in terms of reorganization. We will look at the organization's strategy, structure, system, style, people, skills, and shared values. Seven company X employees were interviewed, and after the interview results are coded it was shown that their desire for the 7S is not align with the company's current state, which shows that the company needs to change. Lewin's Three Stages of Change model is used to redesign organizations once the change that was wanted has taken place. It will be used to figure out what steps company X should take to change their organization in a way that will work, starting with unfreezing, then making changes, and ending with freezing the transformation of the organization.

INTRODUCTION

From 2014 through 2019, the average annual growth rate of the value of construction work carried out by companies in the construction industry in Indonesia was 18.2 percent (El Rayess et al., 2019). This is higher than the average GDP growth rate of 5.03 percent that Indonesia experienced during the same time period (BPS – Statistics Indonesia, 2021). As shown by the graph in Figure I, the demand for the construction industry is growing at a rate that is higher than the overall growth rate of the country, despite the fact that the rate of economic growth in Indonesia is remaining relatively constant (Tambunan, 2008).

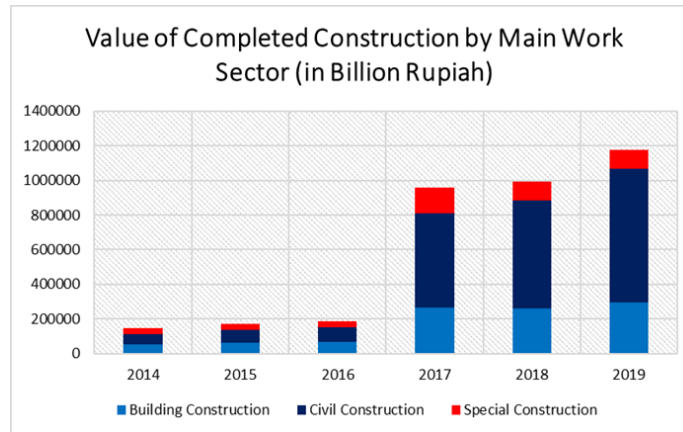


Figure 1. Value of Completed Construction

Source: BPS

The number of construction companies that are active in the field in Indonesia may be able to provide some insight into the available supply for the industry. Up until the year 2019, the number of construction companies that fall into the midsize category increased at a rate of approximately 5% each year. In the year 2020, there was a first-ever decrease in the number of medium-sized construction firms as a direct result of the pandemic. Nevertheless, the number of construction businesses increased by 21% from the year 2020 to the year 2021, successfully overcoming the effects of the pandemic for the first time in a year (BPS – Statistics Indonesia, 2021). Even though the number of medium-sized construction businesses in Indonesia has decreased as a direct result of the pandemic, the trend continues to rise as a result of the increased demand for new buildings as a response (Herwany et al., 2021).

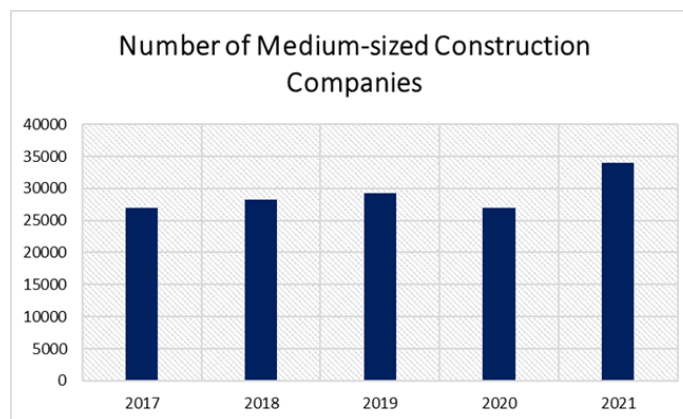


Figure 2. Number of Medium-sized Construction Companies

Source: BPS

Company X, a construction company with headquarters in Jakarta that got its start as an MEP (mechanical, electrical, and plumbing) contractor specializing in specific projects, is one of the companies that are operating in this market. Company X is one of the businesses that are involved in this market. In the beginning, Company X's operations ran without a hitch; however, as the company expanded into a construction company of a medium size, Company X realized that as the company progressed, internal issues would become more complex.

Company X had to come to terms with this discovery in order to move forward. As time went on and company X progressed, it was inevitable that it would come to terms with this realization. They require a new strategy in order to adapt to the expanding phase, particularly in regards to the structure and system that needs to be adapted to the business process and organizational function in order to accomplish the organizational goals. It is essential that they do this in order for them to be able to adapt. When an expanding company needs to make changes on the inside, such as to how divisions work, how they talk to each other, or how they share information with all their employees, the best thing to do is to redesign the organization. The goal of reorganizing organizational action is to make team members better able to adapt to changes in their industry so that the business can run more smoothly and effectively. In addition, it keeps the company's core values and connects all the divisions based on what they do. Also, it suggests that a lot of changes need to be made to the way the organization works to reach its goals.

The company's chief executive officer is becoming more and more aware of the fact that the day-to-day operations of the organization are not going as smoothly as they should be. This was evident from the company's financial condition prior to the COVID-19 pandemic even in the year 2020, when the construction industry was still operating because of its role as a vital sector. Since COVID-19 Pandemic that has hit the whole world can be an economic challenge, and Indonesia is no exception (Meita & Malau, 2023). In addition, this was the case even before the pandemic. Company X, which has been operating for the past twenty years, ought to have progressed to the next stage of their organization's development by this point in time in order to keep pace with their competitors.

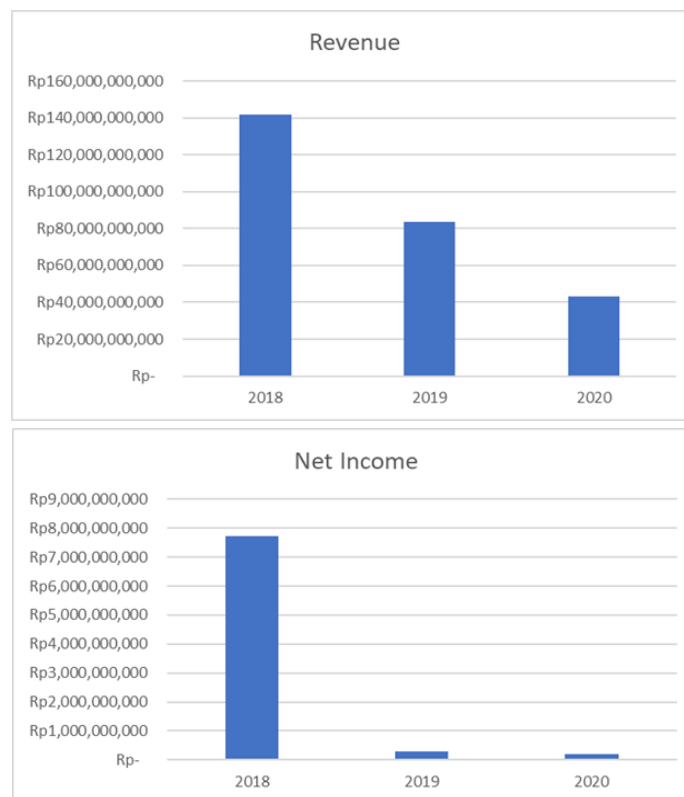


Figure 3. Company X Revenue and Net Income

Source: Company's Financial Report

The decline in revenue and net income from 2018 to 2020 is the most obvious problem that has arisen for company X in terms of its business operations, as can be seen in Figure 4. This decline is expected to continue until at least 2020. As a direct and immediate consequence of the falling income, the profit margins, which are anticipated to be quite low in the years 2019 and 2020, have been negatively impacted. On the basis of the information that has been presented, one might draw the conclusion that the company is experiencing sluggish growth or that its operations are not doing very well.

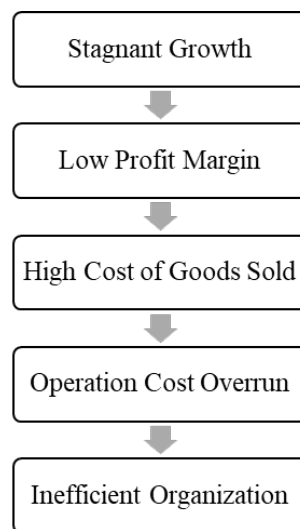


Figure 4. Five Whys Diagram

According to the findings of the investigation into the company's business issues, they are facing a growth that is unchanging. The method known as "five whys" is utilized in order to ascertain the primary reason for it. According to Figure 4, the reason for the lack of progress in terms of growth is a low profit margin, particularly in the most recent years. The high cost of goods sold or, in the context of the construction industry, the project cost is the factor that is causing it, and it was caused by operation cost overrun, which was initially caused by inefficiency in the organization. The factor that is causing it is the high cost of goods sold.

METHOD

In order to find a solution to the problem that the company is experiencing, a qualitative approach is being used in the research that is being conducted. An investigation technique for gaining an understanding of a social or human issue is referred to as a qualitative study (Moleong, 2021). This type of study is characterized as being built on the construction of a complex, holistic image through the use of words, reporting specific views of facts, and being carried out in a natural setting (Creswell, 2017).

Coding is an additional method that is used to analyse the results of the interviews. According to (Saldaña, 2014), the purpose of coding is to obtain words or phrases that either determine the existence of significant psychological facts, capture the essence of facts, or identify psychological characteristics that emerge strongly from a number of language or visual data collections. These words or phrases can be obtained by coding.

The use of coding as a method that can be employed to accomplish these goals is one option. It is possible that the data will arrive in a variety of formats, some of which include, but

are not limited to, interview transcripts, participant observation field notes, journals, documents, literature, artefacts, photography, videos, website correspondence, and email exchanges, to name just a few of the possible examples that could occur. As a consequence of this, coding is a stage that takes place in the middle of the phase in which the data are gathered and the phase in which they are analysed in greater depth. As shown in Figure 5, the coding path will eventually lead to a theory that is complementary to the qualitative process.

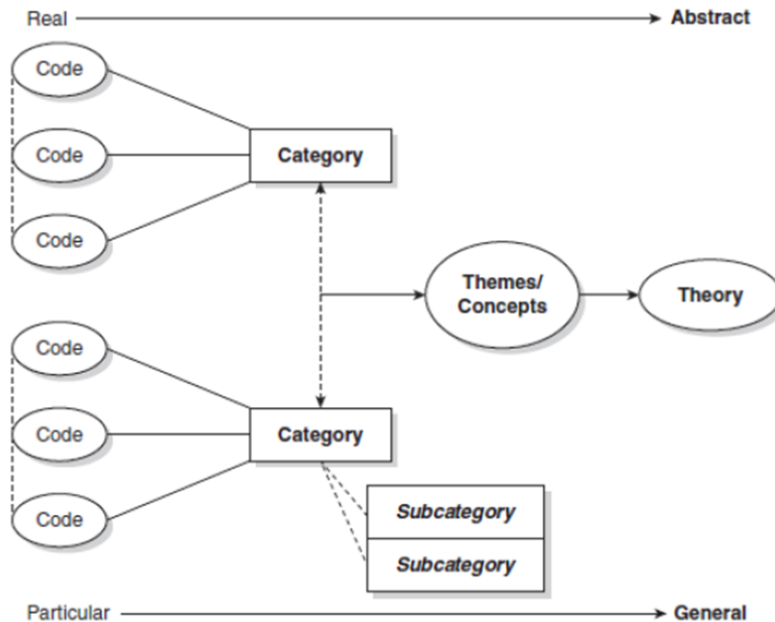


Figure 5. The Coding Model Path Leads to Theory building for The Qualitative Inquiry Process (Saldaña, 2014).

In order to collect the information necessary for understanding company X, interviews were conducted with seven of the company's stakeholders. Starting with their President Director, moving on to their Marketing Director, Project Coordinator, Finance Manager, Marketing Manager, and Project Manager, and finishing up with their Finance Officer at the end of the chain. Every single person who took part in the research was questioned using the same set of seven inquiries, which collectively represent the 7S component of the McKinsey Model (Limor, 2021; Rahmasari et al., 2022)

Because it is necessary to first report the primary problem and facts about the company in order to solve the current issue, qualitative descriptive analysis is appropriate for this research because it is necessary to report the primary problem and facts about the company first. After that, the condition must be evaluated using data obtained through interviews and observations in the real world.

In order to compile all of the data required for this investigation, information will be gleaned from a variety of primary and secondary sources. We will be conducting interviews with members of company X's staff as well as management in order to gather information from within the company that can be used as primary data. These interviews will take place in the coming days. This is done in order to provide the company's Board of Directors, managers, and staff with a more in-depth understanding of the problem that the business is currently facing. Due to the fact that the interview is predominately based on the 7S McKinsey model, you can anticipate that the

conversation will result in you gaining more knowledge regarding both soft and hard "S"s. The following is a list of interview questions that should be asked of stakeholders in company X in order to collect primary data:

1. **(Strategy)** What should we do to solve the problem our company is currently facing?
2. **(Structure)** What structure do we need to execute the strategy?
3. **(Systems)** What business system do we need to use or invent to implement the strategy?
4. **(Style)** What leadership style and cultural qualities will help us to achieve a strategic objective?
5. **(Staff)** How should we help our colleagues in their growth?
6. **(Skills)** What are the specific skills that will help us? What skills do we need to develop?
7. **(Shared Value)** Which of our corporate value helps us? Why we do it that way?

Utilizing information that has already been compiled in the form of written documentation is an approach to data collection that is referred to as secondary data, and it is an alternative method. The financial report and company profile of company X are being used as the secondary data source for this particular instance. The organizational structure of the company will be discussed in both the company profile and the financial report. This information will be included in both documents. The report on the company's finances will include information pertaining to the company's current financial situation.

RESULTS AND DISCUSSION

It is not possible to directly analyze the audio data that was collected during the interview; these are the steps that need to be taken before beginning to code:

A. Setting up raw data to be verbatim

The information that has been compiled does not qualify as raw data because it does not include recordings (either audio or video), photographs, or any other types of unprocessed images or observations of any kind. The information that needs to be coded is the information that already exists as words, a collection of signs that the researcher has converted into sentences, or other signs that can create a linguistic and visual image (Saldaña, 2014).

Following the collection of the audio data, it is subsequently transcribed or otherwise converted to text format. The resource person from company X is given a subject marker in the form of a code for the data set that is currently being converted into a transcript at this point in time.

B. Facts consolidation

The researcher moves on to the next step, which is to establish the facts, once they have completed the process of constructing the framework for the data administration. The purpose of the method that is referred to as "facts consolidation" is to extract psychological facts from the data that was gathered in order to classify these facts as "facts separately." Information that needs to be validated can be gleaned from any and all of the data that is currently available, such as interview transcripts, field notes, videos, documentation, and any and all other data that is already in existence (Saldaña, 2014).

After the data have been transcribed into text, the information is then collected on the basis of the facts that are associated with the data. The data that was obtained from the interview transcripts were compiled, which allowed for the subject sentence to be well

organized. This was made possible as a result of the compilation. After that, an interpretation will be carried out in the form of a categorization in the direction of a topic or idea.

C. Collection of similar facts

The accumulation of pertinent information is a process that can be described as "both natural and deliberate." Even though one of the primary goals of deliberative coding is to uncover repetitive action patterns and subject meaning consistency found in a variety of documented data sets, it is natural for researchers using deliberative coding to obtain "subject repetitive action patterns" and subject meaning consistency. This is because it is natural for researchers to obtain "subject repetitive action patterns" and subject meaning consistency (Saldaña, 2014).

After the compilation of facts using all of the data has been finished in depth, the next step is to collect comparable facts. The purpose of collecting comparable data is to evaluate the reliability of psychological data derived from interviews or other verbatim data. This can be accomplished by comparing the data to one another. The systematic categorization of the facts that emerges as a result of collecting related facts makes it much simpler to recognize the overarching themes that can serve as the basis for narratives based on the data.

D. Define categorization

The interpretation of the conclusion of the analysis as the categorization is something that can be done after looking at the collection of facts as well as the interrelationships between the facts. This can be done after the conclusion of the analysis has been interpreted. The interconnectedness of these facts will also be assisted by an interpretation code, which will ensure that the categorization of words, phrases, or sentences will accurately reflect different variants of similar facts. The process of arriving at a diagnosis in the field of psychology after taking into consideration the primary symptoms and the facts that have been gathered can be compared to the categorization process in the field of psychology (Saldaña, 2014).

E. Concept building and narrating

After the researcher has amassed a sizable number of classifications, the next step is to ascertain the primary requirements; in other words, which classifications are the most important in delivering a solution to the research issue? (Saldaña, 2014).

After obtaining the categories of all of the interview results, the following step will be to construct the concept, and then to narrate it into a conclusion. This will be done before moving on to the next step. The work that will be completed is going to look like this. It will be necessary to use it as a benchmark in the future to determine how to solve problems and make recommendations. The following is a recapitulation of the findings that were obtained as a result of the coding that was performed:

Table 1
Company X 7S Interview Results

Company X 7S Interview Results	
Strategy	Rationalization or internal/organizational improvement
Structure	Functional Structure
Systems	Participative System
Style	Democratic Leadership Style

Company X 7S Interview Results	
Staff	Colleagues Support
Skills	Hard Skills
Shared Value	work smart, caring, loyal, integrity, commitment

F. McKinsey 7S Model

After determining what is required for organizational change based on the findings of interviews with a number of company X's stakeholders, an alignment is performed by determining whether what is desired is in line with the conditions that are currently in place. This is done in order to establish whether or not the desired outcome is in line with the existing circumstances. In order to provide a solution for alignment based on the findings of the interview, the following are presented in the same order as they are in the table located above.

Table 2
Company X 7S Alignment

Company X 7S Alignment		
	Current Conditions	Aligned?
Strategy	Pricing strategies (Cost Focus)	No
Structure	Simple structure	No
Systems	Directive order	No
Style	Centralized decision making	No
Staff	Separated by project teams	No
Skills	Hard Skills	Yes
Shared Value	work smart, caring, loyal, integrity, commitment	Yes

1. Strategy

Using the 7S Model that was developed by McKinsey, the first step in the process of implementing organizational change is to identify the most appropriate strategy with which to deal with the existing challenge and establish a competitive advantage (Suwanda & Nugroho, 2022). However, based on the alignment of the results of the interview with the current conditions, there is a difference: at the moment, company X has a cost focus strategy or low pricing strategy, which is a mandatory strategy in the construction industry; despite this, the results of the interviews are leaning toward rationalization or internal organizational improvement. This difference is due to the fact that company X has a cost focus strategy or low pricing strategy, which is a mandatory strategy in the construction industry. This distinction can be traced back to the fact that the findings of the interview were adjusted to consider the existing circumstances.

In order for an organization to initiate the process of formulating or deciding upon a strategy for itself, the organization must first conduct an analysis of two conditions about itself, as stated by (Luo et al., 2009; Porter, 1996). This is required in order for the organization to begin the process. which is the external factor, which is the analysis of the industry, and the internal factor, which is the capabilities of the company's resources. which is the external factor, which is the analysis of the industry.

The first analysis is about the position that company X holds within the industry according to Porter's Five Forces analysis. This analysis is comprised of rivalry among competitors, the threat of new entrants, the threat of substitutes, the bargaining power of supplier, and the bargaining power of buyers. Utilizing this analysis tool, one can evaluate the competitiveness of an industry (Porter, 2008).

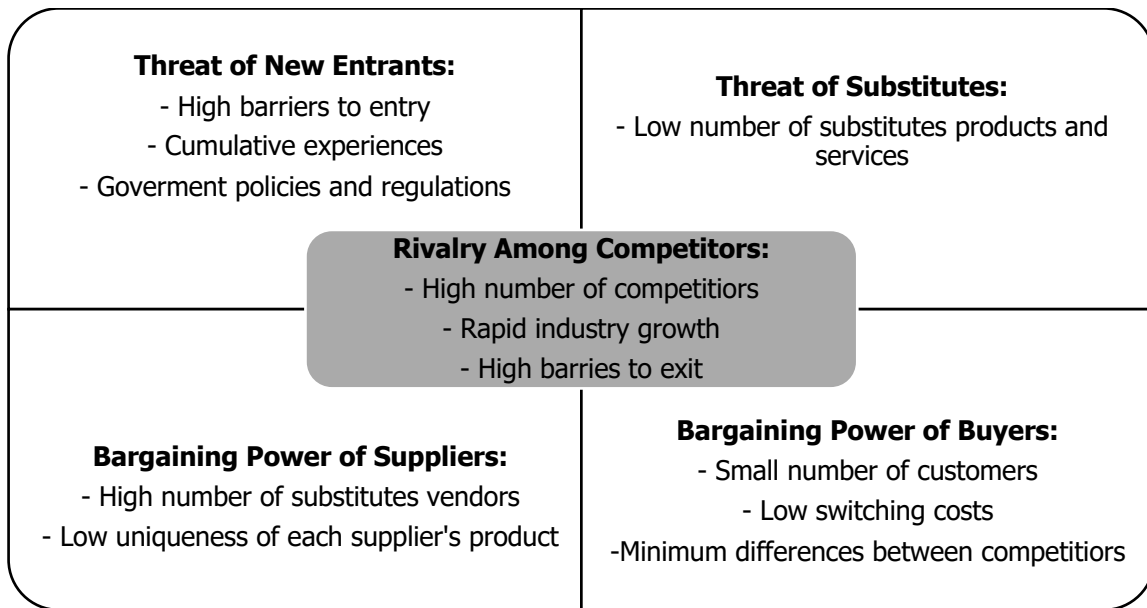


Figure 6. Analysis Tool

**Table 3
Results of Analysis**

Forces	Level
Threat of New Entrants	Med
Threat of Substitutes	Low
Rivalry Among Competitors	High
Bargaining Power of Suppliers	Low
Bargaining Power of Buyers	High

Following the implementation of the industry analysis, it is possible to say that there are two forces that are considered to be strong. These forces are the competition that exists within the industry as well as the bargaining power of buyers. In that case, the strategy that should be proposed for company X should be to combat these two forces from the perspective of the industry, considering either the rationalization or the improvement of the company's internal resources.

After that, a SWOT analysis was carried out in order to learn more about the internal and external conditions of company X. A technique for strategic planning and management known as SWOT or TOWS can assist an individual or organization in identifying their respective strengths, weaknesses, opportunities, and threats (relative to business competition or project planning) in order to better plan for or compete in those arenas. This can be done in order to improve the individual's or organization's ability to plan for or compete in those arenas. There are a few names for it, some of which include situational assessment and situational analysis (Wehrich, 1982).

Table 4
SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • 20 years of experience • Always get the job done (never on a blacklist) • Partnering with many suppliers • Authorized dealer of a major brand 	<ul style="list-style-type: none"> • Lack of man management capability • Short of skilled people • Limited budget
Opportunities	Threats
<ul style="list-style-type: none"> • Expansion to other field in the industry • Indonesia rapid development 	<ul style="list-style-type: none"> • Minimum differences between competitors • Emerging competitions • More strict regulations from the government

Based on the SWOT and Porter’s Five Forces analysis and Porter’ generic strategies, it is better for company X to go for Cost Leadership strategy and have a rationalization of the organization to help achieving efficiency. These are some of the suggestions to rationalization strategy to get to cost leadership in the industry:

- a) Develop HR management capabilities, this could help company X have competent employees, which enhances efficiency of cost.
- b) Maintain good reputation with costumer and suppliers, this will provide a good raw material price and a repeat order from the costumer.

Those two factors could tackle the high-level forces and weaknesses of company X and in the end help to achieve a Cost Leadership in the industry.

2. Structure

The next “S” in 7S McKinsey model is structure, which based on the result of the interview and the current conditions are not aligned. Current company X’s structure is quite unclear or could be assumed as a simple structure.

According to (Ahmady et al., 2016), a simple structure is a collection of adaptable relations that is relatively simple because it has a low degree of separation between them. This makes the collection of adaptable relations relatively straightforward. Formality is not required, and the members of such an organization are able to create organization charts that put the emphasis on those in leadership positions (Bratton, 2020). Because the management hierarchy and the distribution of tasks are decided upon through consensus, coordination and supervision are not formalized and are instead carried out in a hands-on manner (Lewis, 2019). This is because of the nature of the decision-making process. Because of the current structure, which is depicted in the figure that is located above, the President Director of company X tends to directly participate in the decision-making process at every level of the structure. The level of supervision provided by all managers is also extremely low, and the organization as a whole is quite informal.

As a result of the recent retirement of the Operational Director and the absence of the Financial Director, the President Director is now directly responsible for making all of the strategic decisions. Due to the fact that the managers are heavily involved in the field, the Marketing Director here is also responsible for covering the operational and engineering activities. Based on the interview results of the stakeholders, the ideal structure for company X is the Functional Structure. This structure has characteristics such as (Ahmady et al., 2016):

- a) Fulfill the increasing needs of function
- b) Activities are classified based on position functions
- c) Functions based on shared goals and dependent tasks
- d) Limiting rework for efficiency

So, with the three new crucial functions of COO, CFO, and HR, here is the proposed new organizational structure for company X. Which is based on the functional structure that functions based on shared goals and classifications of positions based on functions.

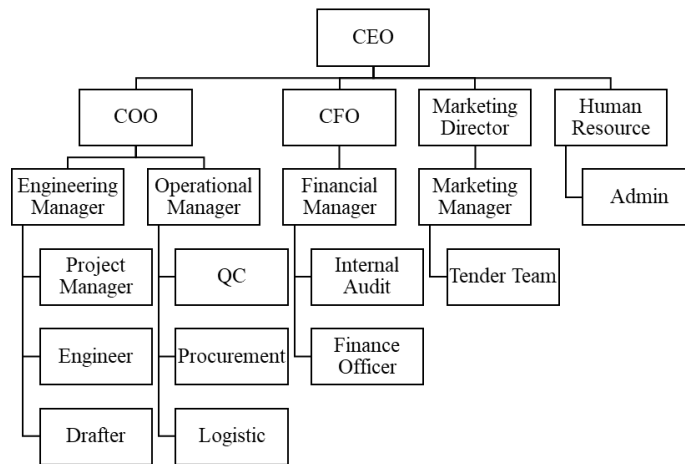


Figure 7. New Organizational Structure for Company X

3. System

The third "S" in the 7S McKinsey Model is system, and the result of the interview showed that the stakeholders of company X want a participative system that is not aligned with the current directive system. Where, according to (Jones et al., 2015), participatory management may provide a more productive working environment by:

- a) Promotes a sustainable management
- b) Reducing social conflicts, such as by doing away with competition
- c) Allowing for the management process to consider local values and knowledge
- d) Increased productivity as a result of increased job satisfaction

Based on the participatory system, here is the proposed new system for company X business process:

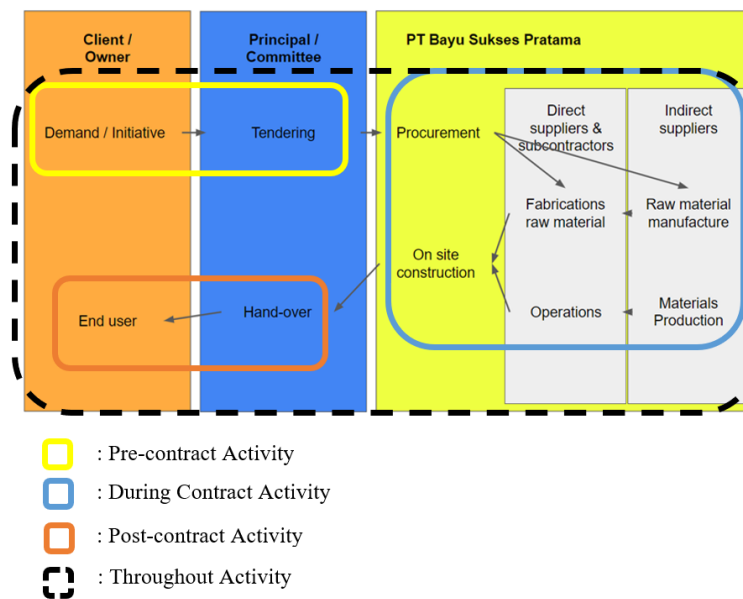


Figure 8. Proposed New System for Company X

The purpose of the proposed participative system for company X is to instill full confidence and trust in each and every employee, as well as to increase productivity by fostering a sense of unity and contentment among those employees. With the intention of maintaining a high level of communication while preventing direct competition between workers.

The pre-contract, during-contract, and post-contract phases of this business process proposal each consist of three primary activities. With the top management constantly keeping an eye on everything and providing feedback on how things are going.

4. Staff

Another one of the McKinsey model's soft "S"s is called "staff," and its primary focus is on the specific employee as well as the ways in which the company can aid the employee in their professional growth. It was discovered, on the basis of the categorization of the result of the interview, that the stakeholders' preferred method of providing support for the staff is to have the colleagues support them, which is not aligned with the current situation. This was discovered as a result of the fact that the stakeholders' preferred method of providing support for the staff was to have the colleagues support them. There are a variety of things that might play a role in whether or not you have the support of your coworkers. The following is a system that the stakeholders who will be involved in implementing it have suggested:

- a) Provide a system that triggers team building among employees,
This could benefit employees by improving their skills through training and teamwork among them.
- b) Knowledge sharing with a more experienced employee,
Providing solidarity through generations and learning more about one another
- c) Communication and collaboration,
Two-way communication to respect other abilities in their fields and provide a useful input for others.

d) Be open to performance feedback.

As a team, it is a good opportunity to have colleagues tell us about our performance and things that need to be improved.

5. Skill

According to the perspectives expressed by the overwhelming majority of the sources, the capabilities that company X needs to cultivate and demonstrate in order to be successful are hard skills. When it is directly related to technical ability and when it is able to be measured, such as in the form of a certificate, participation in training can result in the acquisition of this skill. The following is a list of certifications and practical skills that may be presented in order to help company X meet all of its qualification requirements:

a) Certificate of Expertise (SKA)

Certificate of expertise (SKA) is a certificate issued by LPJK and given to construction experts who have met competency requirements based on scientific discipline, function and/or certain expertise. Based on the SKA qualifications, it is divided into 3 (three) levels, namely:

Young SKA (Have at least 3 years' experience)

Intermediate SKA (Have at least 5 years' experience)

Main SKA (Have at least 10 years' experience)

This certificate is essential for the company that is going to enter the construction industry. Not only does it serve as evidence that the employees are qualified, but it also satisfies a requirement for tendering work.

b) Skill Certificate (SKT)

Skills Certificate (SKT) is a certificate issued by LPJK and given to skilled construction workers who have met competency requirements based on scientific discipline, function and/or certain skills. Based on the SKT qualifications, it is divided into 3 (three) levels, namely:

Grade 1 has a minimum education of senior high school/equivalent.

Grade 2 has at least junior high school education.

Grade 3 has at least elementary school education.

Skill certifications is needed for the site workers to be able to work in a certain project.

c) Occupational Safety and Health (K3)

Occupational safety and health (OSH), also known as occupational health and safety (OHS), occupational health, or occupational safety, is a multidisciplinary field that focuses on the safety, health, and welfare of people while they are at work. Other names for this field include occupational health and safety (OHS), occupational health, or occupational safety. Occupational health, occupational safety, and occupational health and safety are all names that have been used to refer to this subfield (i.e., in an occupation). These phrases additionally describe the objectives that ought to be accomplished in this industry. A program for occupational safety and health has the objective of creating a working environment for employees that is not only risk-free but also beneficial to their health. In addition, members of the general public who could be harmed as a result of the conditions in the workplace are safeguarded by the Occupational Safety and Health Administration (OSHA).

Certification to the K3 standard is now required of all businesses operating in the construction industry. According to OSHA (2012), the construction industry is one of

the most dangerous professions to work in and has the highest death rate of any other profession. The risk of falling is by far the most common contributor to accidental injuries. Utilizing appropriate protective gear, such as guardrails and helmets, and taking precautionary safety measures, such as inspecting temporary stairways and scaffolding, are both effective ways to lower the probability of being involved in an accident.

6. Shared Value

Shared value is at the center of the 7S McKinsey Model, which also includes other "S" components. According to the findings of the interviews, each of the stakeholders named at least one of the corporate values held by company X as values that were incorporated into the day-to-day operations of the organization. The following is a list of their corporate values:

a) Working Smart

Encouraged all ranks to be able to work smarter and faster, promote innovation, and efficiency are based on the spirit of the best products and quality.

b) Caring

Maintain respectful relations with clients, partners, suppliers, and employees.

c) Loyal

Work collaboratively with employees, partners, suppliers, and clients to solve problems and achieve goals.

d) Integrity

Exhibit honesty and integrity at all times.

e) Commitment

Dedicated to the success of our clients, partners, and employees.

To complement company X's corporate value, a vision and mission statement are needed. Because the organization is still lacking in those, it needs to have more solid goals with all stakeholders. Having a vision and mission is fundamental for a company to go in the same direction. The proposed vision and mission statements are as follows:

Vision

To be the construction industry's leading company, renowned for quality and innovation, committed to our employees and the communities in which we operate, and the contractor of choice in our market.

Mission

Understand our client's need for on-time, within-budget delivery of high-quality buildings. We will be recognized for being innovative and collaborative, growing our team, maintaining long-term relationships with our customers and supply chain, and contributing to the community in which we operate.

G. Lewin's Change Model

After using the McKinsey 7S model to bring about the desired changes in the organization, it will be necessary to implement change management in order to assist the company in undergoing transformation. Lewin's Change model will be utilized in the process

of effecting change at company X. The following steps, which must be carried out in order to use the change model, are as follows:

1. Unfreezing

- a) Encourage the replacement of old behaviors

Once it has been determined, with the assistance of the 7S McKinsey model, which aspects of the organization require modification, the Chief Executive Officer (CEO) will communicate with the other directors in order to persuade them of the new aspects of the organization that will be implemented. This will be done in order to convince them of the new aspects of the organization that will be implemented.

- b) Ensuring a strong support from management

It is the duty of the Chief Executive Officer (CEO) to see to it that all of the company's directors and top management are on board with any and all ideas for instituting change.

- c) Manage and understand the doubts and concerns

Other company X stakeholders receive explanations and are helped to understand them from the Board of Directors and managers. This is done with the intention of addressing concerns and questions regarding the change plan.

2. Change

- a) Implement the change

The next step, which will take place after the plan for the change has been conveyed to all of the relevant parties, will be to gradually put it into effect.

- b) Help employees to learn new points of view

During this period of transition, all directors and managers will assist their coworkers and employees in adjusting to the new perspective brought about by these changes and applying it in their work. This assistance will be provided by the directors and managers to their employees and coworkers.

3. Refreezing

- a) Changes are reinforced and stabilized

After the adjustments have been implemented, they will subsequently undergo maintenance and inspection to ensure that they continue to operate normally. This will continue for as long as necessary. The ability of upper management to always apply new change values on a daily basis is one of the ways. This is one of the possible approaches.

- b) Develop ways to sustain the change

During the process of putting these changes into effect, there will be a review and evaluation carried out on a regular basis in order to guarantee that the changes will continue to be sustainable.

H. Implementation Plan

A timeline for the implementation plan is required in order to carry out the process of implementing changes to company X in a manner that is organized. In order to put organizational change arrangements into action, the following is a plan for implementation with a time span of six months:

Table 5
Implementation Timeline

No	Action Plan	M1				M2				M3	M4	M5	M6	PIC
		W1	W2	W3	W4	W1	W2	W3	W4					
Unfreezing														
1	Informing the BOD that the company will have some changes	x												CEO
2	Gather a "change team" with the BOD and the managers		x											CEO
3	"Change team" address the transformation plan to all stakeholders			x	x									Change Team
Changing														
4	Start the implementation of change					x								Change Team
5	Provide helps to stakeholders in adjusting with the transformation						x		x		x			Change Team
Refreezing														
6	Reinforce the change by applying it in the regular job task							x		x	x	x	x	Change Team
7	Regular review and evaluate the change							x			x		x	CEO

The Chief Executive Officer (CEO), each of the Directors, and the Change Team each play important roles in directing the action plan schedule for the transformation in order to provide support for the action plan that has been planned. This is done in order to provide support for the action plan that has been planned. If company X wants to be successful in accomplishing the objectives that it has set for itself, it is absolutely necessary for them to keep all of the parties involved regularly informed of any changes that may occur. providing assistance to all parties involved in the process of undergoing changes and transformations, as well as evaluating and reviewing changes over the long term in order to improve the effects of changes, is an important aspect of change management.

CONCLUSION

After considering everything that was covered in the chapter that came before this one, there are a few different inferences that can be made based on the findings of this research. One of these is the realization that even the most successful businesses will face challenges during the expansion phase of their operations at some point. Company X is one of the companies that runs into difficulties when it is first expanding its business operations. During the course of their observations, they came across the issue that causes organizations to function in an inefficient

manner. Company X needs to go through a transformation in order to become a successful organization and to be able to adapt to the changes in the industry.

After company X identifies the root cause problem that needs to be solved in the organization, the 7S by McKinsey tools help determine what factors need to be analyzed and what changes need to be made within the organization by conducting interviews with the stakeholders, including the CEO, Marketing Director, Project Coordinator, Marketing Manager, Project Manager, Finance Manager, and Finance Officer. These interviews help determine what changes need to be made after company X identifies the root cause problem that needs to be solved in the organization. "Strategy," "Structure," "System," "Style," "Staff," and "Skills" are the seven components that make up the "Seven Ss." "Shared Value" is the eighth component. In order for Company X to accomplish all of their goals, they need to evaluate all of the different variables and figure out which ones need to be changed.

After a decision has been made regarding modifications to the 7S factors, Company X is required to carry out a series of steps in order to contribute to the overall success of the transformation. According to Lewin's change model, which provides support for the change management procedure that ultimately results in transformation, the three primary stages of the change implementation process are unfreezing, changing, and refreezing.

When it comes to making changes to the company's organizational structure, the following are some recommendations for company X: (1) determine which aspects of the current circumstance need to be modified or adjusted, using the outcome of the implementation of the 7S McKinsey model as a guide, (2) while undergoing the process of transformation, modify each step in the process in the appropriate order while using Lewin's change model as a reference point, (3) within company X, create what are called "change teams," and then work together with those teams to successfully carry out the organizational change, (4) carry out on-going evaluations of the advancements that are being made in the transformation, and (5) these tools, such as the 7S McKinsey change model and Lewin's change model, can be utilized in upcoming scenarios, such as when the company faces a new challenge or when the decision is made to expand.

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