

THE STAR MODEL

DOCUMENTATION
ANDERS OLOFSSON
160602





WHAT IS THE STAR MODEL?

- Its an organisational design framework
- For analyse, design and change
- Its designed by Jay Galbraith in the 70:s
- Design policies fall into five categories
- Why is this important for you?
- It can help you to a strategic level





THE STAR MODELS FIVE CATEGORIES





GROUP EXERCISE





Strategy

- The organisations formula for winning
- Determines direction through mission, vision, goals, objectives and values.
- It defines the criteria for selecting an organisational structure.
- The strategy defines the ways of making the best trade-offs between alternatives – to prioritize



Direction



Structure

"When people talk about organisation the often mean structure"



Determines the location of decision making power.

Structure policies can be subdivided into:

- specialisation: type and number of job specialities
- shape: the span of control at each level in the hierarchy
- distribution of power: the level of centralisation versus decentralisation
- departmentalisation: the basis to form departments (function, product, process, market or geography).

Power

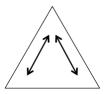




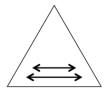
Processes

The flow of information and decision processes across the organisation's structure. Processes can be either:

vertical through planning and budgeting



 horizontal through lateral relationships, designed around the workflow



Information and work-



Strategy HR Policies People Structure Power Rewards Processes Motivation Information

Rewards

Purpose is to align the goals of the employee with the goals of the organization

It provides motivation and incentive for the completion of the strategic direction

The organization's reward system defines policies regulating salaries, promotions, bonuses, profit sharing, stock options, and so forth

Motivation



HR Policies People Structure Power Rewards Processes

Motivation

Direction

People

Human Resources policies of recruiting, selection, rotation, training, and development.

In the appropriate combinations – produce the talent required by the strategy and structure of the organization, generating the skills and mind-sets necessary to implement the chosen direction.

Builds the organizational capabilities to execute the strategic directions

Produce required talent

Information



REAL LIFE EXAMPLES OF THE UTILIZATION OF GALBRAITH'S STAR MODEL





THE PREFERRED DESIGN PROCESS IS COMPOSED IN THE FOLLOWING ORDER

- a strategy
- b structure
- c key processes
- d key people
- e roles and responsibilities
- f information systems
- g performance measures and rewards
- h training and development
- i career paths





SUMMARY

- The Star Model can help you to a strategic level
- Organisation is much more than structure
- The different categories works as a system
- And has to be aligned
- Start with the strategy





THANK YOU FOR YOUR ATTENTION!

Anders Olofsson Growth Consulting Group

Contact:

E-mail: anders.olofsson@growthconsultinggroup.se

Phone: +46 (0)761 86 83 13

Linkedin: https://se.linkedin.com/in/olofssonanders



