

# Research the Strategies of Rural Industrial Revitalization Based on 7-S Theory

-- Taking X City as an Example

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**Abstract:** Since the rural revitalization strategy was put forward, the development of rural industry has made great achievements, while there are also many obstacles such as local Policy of deliberate ambiguity, decentralized management, fragmented system, isolated subject, lack of personnel, and lack of technology. It is urgent to carry out the overall integration and determination to achieve the goal of rural industry prosperity and farmers' prosperity. McKinsey's 7-S theory has holistic and systematic characteristics, which is in line with the current mainstream of rural industrial revitalization. This paper takes the rural industry as the research object, conducts research on X city in Guangxi based on the analytical framework of 7-S theory, analyzes the practical problems existing in the current rural industry revitalization, and then puts forward suggestions such as clarifying strategy, unified management, integrating personnel and innovative technology, reshaping the government's Management style and philosophy.

**Keywords:** 7-S theory; Revitalization of rural industries; Strategies exploration.

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## 1. Question raising

The report of the 20th National Congress of the Communist Party of China proposed to implement the strategy of rural revitalization, emphasizing that the Three Rural Issues are related to the people's livelihood. With the gradual advancement of poverty alleviation work, the revitalization of rural industries has begun to attract social attention and become a hot topic in the academic and political circles. At the social level, the revitalization of rural industries is an important measure to narrow the wealth gap and maintain social stability. The revitalization of rural industries is a necessary step for the Chinese government to achieve governance reform and implement national strategies. In the aspect of rural farmers, rural industry revitalization is an opportunity to improve living standards and toward Common prosperity.

With the introduction of the "Rural Revitalization Strategic Plan" released by the State Council, various provinces and cities have made strategic deployments for rural revitalization based on their own situations. After entering the new century, China's rural industries have undergone nearly two decades of adjustment and exploration, and their comprehensive capabilities have been improved. At the same time, they are also moving towards a more "diversified" and "diverse" trend. However, with the widening gap between urban and rural development, the stratification of the development of primary, secondary, and tertiary industries has become increasingly prominent, some rural industries have evolved into vulnerable industries. In recent years, under the guidance of industrial poverty alleviation policies, some rural industries have achieved new development. However, in some remote areas, rural industries still face practical constraints such as structural imbalance, lack of technology, vague concepts, decentralized management, hollowing out rural areas, and formalized industrial development. The revitalization of rural

industries still remains in a "blood transfusion" model and there are formal issues.

The 7-S theory originated from the level of enterprise management and is a product of modern enterprise management. Its system includes seven aspects: strategy, structure, system, technology, personnel, philosophy, and style. In recent years, it has gradually been applied to government management and reform. For example, Professor Zhang Lirong of Central China Normal University used the 7-S model to explore the public governance paradigm of contemporary Chinese government[1], and Professor Wang Li of Henan University of Economics and Law applied the 7-S model to the system transformation and institutional construction of China's environmental governance[2]. The 7-S theory not only focuses on macro level strategic and conceptual elements, but also covers micro level personnel, technology, systems, and other content. More importantly, the theory emphasizes the overall connection and systematic effects between various elements, which is in line with the current external strategic direction and internal needs of rural industry revitalization, and provides a specific and operable theory for rural industry revitalization.

In summary, this article analyzes the multidimensional difficulties in the revitalization of rural industries from the perspective of 7-S theory. Taking the revitalization of rural industries in X city, Guangxi as an example, it explores from a holistic and comprehensive perspective, in order to explore corresponding strategies and improvement paths.

## 2. The Current Situation of Industrial Development and 7-S Dilemma in X City

### 2.1. Basic information

X City is located in the southwest of Guangxi, with aluminum and manganese industries as the main industries.

Among them, the aluminum industry base is a district level Class A industrial park, covering an area of 23.11 square kilometers. There are 18 manganese production enterprises with an annual output of 120000 tons of electrolytic manganese, 30000 tons of alkaline electrolytic Manganese dioxide and 150000 tons of manganese alloys. In agriculture, X city has a mild climate, abundant sunshine, and abundant rainfall, which provides unique conditions for the development of modern agriculture. Cultivating six varieties of tobacco, sugarcane, vegetables, mulberry, fruit, and medicine, covering an area of approximately 100000 acres, has formed a "6+1" enriching industry for the people. The fruit producing area is 120000 acres, which mainly drives the income growth of northern residents. Tobacco cultivation covers an area of 70000 acres, becoming the main agricultural income for villagers in the southern region. Border trade mainly includes two forms of border small trade and border trade. Export commodities include agricultural machinery, agricultural materials, building materials, household appliances, fruits and general merchandise. Imported goods mainly include iron ore, manganese ore, agricultural and sideline products, wood, and traditional Chinese medicine. Border residents resell goods to the domestic market through low-priced imports to obtain intermediate price differences.

## 2.2. The 7-S Dilemma of Rural Industry Development in X City

The effectiveness of strategic implementation is poor. Strategy is a means, a plan, and a mode of action. [3] At the strategic level, due to resource endowments, geographical location, and policy preferences, the implementation of the rural industry revitalization strategic plan in X city is not smoothly connected at all levels. The strategic planning of rural industries involves multiple levels of departments, and in this process, there is insufficient integration and communication among levels, resulting in the failure to form an organic whole. Mainly presented in the large strategic planning, there is no small strategic planning, there is a large planning at the city and county level, and there is no industrial planning at the township and village level. In addition, X City belongs to a border impoverished area, lacking strong multi-channel funding investment, and many industries have insufficient potential for development, resulting in strange phenomena such as "the army and horses have not moved, and food and grass have taken the lead".

Imbalance in industrial structure. Due to the inherent shortage of some agricultural industries in X city, there are two main problems in rural revitalization. On the one hand, the industrial structure is imbalanced, with faults and separations in the primary, secondary, and tertiary industries. On the other hand, the "enterprise led agriculture" model has flaws. Enterprises are an important driving force for rural revitalization. [4] The revitalization of rural industries follows the enterprise led agriculture model of poverty alleviation, which has both advantages and disadvantages. To some extent, it breaks through the transition from a simple interest relationship between enterprises and farmers to a cooperative and win-win, benefit sharing relationship. However, it is also easy to trigger conflicts of interest between agricultural enterprises. Enterprises are prone to becoming a "sandwich cake" between market interests, the government, and farmers, and are easily trapped in a "multidimensional dilemma" of tripartite tension, leading to interest friction and cooperation disputes.

The industrial system urgently needs improvement. The dual development of urban and rural areas is accelerating the imbalance in resource allocation between urban and rural areas. X City is a region with high difficulty in resource development, and a large number of villagers are going out to work, neglecting the construction of rural industrial systems. For farmers, land is the guarantee for their survival. However, there is a problem of "lack of standardization" in the land transfer system, and the implementation of the "separation of three rights" is not good. At the same time, due to the weak ability and legal awareness of farmers themselves, they have made verbal promises in the distribution of industrial profits and have not been able to enter into effective contracts to protect their own rights and interests. In addition, the industrial ecological protection system has not yet been formed. In order to develop the economy and prosper industries, it is often at the cost of sacrificing the ecological environment. Although the central government has proposed to protect the ecological environment while developing industries, the implementation of its policies is inevitably greatly compromised due to the needs of industrial development in impoverished areas.

The problem of talent shortage is severe. The current reality of X city is that the rural Young adult farmers continue to flow out, and the rural labor force is seriously short, which not only affects the normal development of rural industries, but also causes the weakness and decline of rural characteristic industries. On the one hand, the hollowing out of rural areas is severe. The implementation of rural industrial revitalization relies on superior technology and talent, but a large number of rural elite groups with high cultural quality and strong abilities flow to cities. Based on this, the vitality of rural industries is gradually weakening, the foundation of traditional agricultural economy is slowly changing, and traditional agriculture and labor methods are facing the danger of disappearing. Beautiful villages have become "hollow villages", and the development potential of rural industries is insufficient. On the other hand, there is a shortage of leading talents. The prosperity of rural talents is closely related to the development of industries. The shortage of leading talent resources has become an important factor restricting the development of rural industries. In addition, in the context of the dual urban-rural structure, a large number of rural populations have migrated to cities, resulting in a sharp decrease in rural population, which has led to a series of problems such as industrial hollowing out and land hollowing out.[5] Under multiple factors, the economic benefits of rural industries are low and lack attractiveness.

Insufficient supply of advanced technology. In X city, due to the backward technology of rural industrial infrastructure, many cultivated land lacks advanced irrigation facilities, and the level of Mechanized agriculture is not high. Remote rural areas lack deep processing technology for agricultural products, and the supply of high-quality green agricultural products is insufficient, which limits industrial development. In addition, the revitalization of rural industries involves agricultural technology, the use of machinery, and the use of the internet. Although the internet has entered rural areas, farmers' familiarity with the internet is still limited to watching and listening, and they still have little knowledge of practical operations. According to interviews with some villagers in X city, most farmers can use the internet to read news, but very few use technology for agricultural production.

Lack of distinctive industry brand style. The style of an

industry represents the characteristics and culture of a region, and industrial culture can present its general style and characteristics to people. Influenced by the self-sufficient and fixed industrial style of traditional rural agriculture, the current rural industry in X City has a single and fragmented style, which is mainly manifested in three aspects: first, the "acquaintance" style of industrial participation. Industrial revitalization may seem beautiful, but due to the long-term isolation of rural areas, acquaintance society has become a "hidden rule" for cooperation among farmers. Second, the industrial development model is rigid. The industry of X city mainly adopts the mode of company + cooperative + farmer. The industrial chain is still in the low-end mode, and the Internet technology is not well used to achieve the integration of Internet plus industry. Third, industrial development has not been well integrated with culture. The current rural industries in X city are developed around its unique geographical advantages, such as mulberry and tobacco, but the industry is still stagnant in the pursuit of extensive economic benefits and has not yet formed its own industrial brand.

The concept of sustainable development is weak. Concept is the concept, which is a highly rational summary of people's representation of things or the laws within objective things.[6] On the one hand, due to the dual pressures of performance and result orientation, the government tends to overlook the participation of farmers in promoting industrial revitalization, and decisions related to important interest issues are still in the "elite decision-making" stage, neglecting the significance of village participation. On the other hand, there is a lack of ecological protection concepts. For a long time, industry has been an important way to achieve economic benefits. In order to develop the rural economy, an industrial model has gradually emerged that sacrifices ecology for economic benefits. Neglecting the concept of ecological protection and sustainable development. In addition, there is a conflict between the ideology of small-scale farmers and modern industries. Farmers urgently need to receive profits and returns from their investment in industries. In their latent consciousness, there is a short-term interest view of "only seeing trees, not forests", which inevitably leads to a contradiction between ideals and reality.

### 3. The Roots of the 7-S Dilemma in Rural Industrial Revitalization

**Political level:** weak foundation of village governance and lack of legal system Rural grassroots political organizations play an important role in developing the village level economy and promoting industrial revitalization, and are an important force in maintaining the order of industrial development and promoting industrial development. At present, the foundation of rural grassroots organizations is weak, and the income of the village collective economy is unstable. In the process of promoting the development of rural industries, the village has fallen into the dilemma of "doing things with heart, but no money and no one", which is difficult to play its role in the revitalization and development of rural industries. In addition, the stability and harmony of rural areas are one of the key factors affecting industrial development. Rural issues are complex and diverse, and it is difficult for village level political organizations to avoid various contradictions in management. If not handled properly, it will affect the stability and harmony of rural areas and will

inevitably affect the development of rural industries.

**Economic aspect:** blurred separation of land rights and slow income growth. Land is the foundation of farmers, the foundation on which they rely for survival, and a necessary condition for the revitalization of rural industries. Due to the long-term complexity of ownership issues such as rural land management rights and ownership, a standardized rural land transfer and management system has not been formed, making it difficult for rural industries to maintain and develop in the long term. In addition, the economic efficiency cycle of rural industries is long. In this industrial cycle, farmers lost the land they cultivated, reduced part of their economic income, and were unable to meet the growing Material culture needs of farmers, resulting in the imbalance of some farmers' mentality. A large number of people are moving to cities, and rural industries are "neglected".

**Social level:** Backward infrastructure and insufficient joint efforts in industrial development. The backward allocation of rural facilities is one of the reasons why talent cannot be retained. Due to the low treatment and income of rural doctors, they are unable to meet their daily needs, and most rural doctors are served by elderly people. However, elderly rural doctors stay in the countryside all year round and fail to receive timely training in formal medical technology, making it difficult for rural medical technology to be improved. In addition, rural doctors hold two positions and are responsible for rural medical care while still engaging in agricultural work. In order to enjoy better medical equipment and services, a large number of people have migrated to cities, creating a dilemma for the revitalization of rural industries without anyone. At the same time, with the advancement of poverty alleviation work, the economic strength of most farmers is rapidly increasing, and a small number of farmers are still at a poverty level, leading to the formation of conflicts between the village and the people under this economic income gap. Moreover, the interpersonal network is also an industrial relationship network formed on the basis of industrial division of labor and cooperation. New entrepreneurs will form a network centered around themselves and expand the overall industrial network within a certain location. However, it is difficult for outsiders to break through this industrial network and enter it, thus limiting the development of rural industries.

**Cultural level:** the lack of Cultural resource management and the difficulty of curbing unhealthy tendencies. Compared to cities and towns, there is a serious shortage of cultural infrastructure in rural areas, and villagers lack effective ways to enhance their cultural knowledge, resulting in a rural backwardness pattern. It is difficult for farmers to accept modern industries. In addition, there is a shortage of cultural and entertainment activities in rural areas. Most farmers focus on daily labor and lack attention to the cultivation of their cultural qualities. In addition to the scarcity of rural cultural activity resources and the monotony of farmers' lives, most farmers not only gain cultural knowledge through watching TV after a day of work, but also fill their spiritual needs by playing poker and mahjong. Some farmers even fall into the quagmire of gambling and building superstitions. These potential negative rural customs have to some extent affected the production enthusiasm of farmers and are not conducive to the construction of rural industries.

## **4. Rural Industry Revitalization Strategy Based on 7-S Theory**

### **4.1. Hardware Strategy Framework for Rural Industries**

#### **4.1.1. Clear strategic choices for rural industries**

Firstly, industrial revitalization should have a long-term perspective and be organically linked with the rural revitalization strategy. Avoid neglecting the sustainable development of rural industries due to a rush for results. Therefore, in industrial strategic planning, various levels of government departments should do a good job of connecting according to their own situation. Secondly, the industrial revitalization plan should focus on promoting the integrated development of the primary, secondary, and tertiary industries. At present, some rural industrial chains are relatively short, limited to planting and breeding, lacking processing, storage, transportation, and sales links, resulting in low income. We should guide farmers to integrate the development of primary, secondary, and tertiary industries, actively develop agricultural product processing, e-commerce, and other secondary and tertiary industries, increase farmers' income, and ultimately achieve the goal of rural revitalization. Thirdly, overall planning and coordinated promotion. Develop an overall plan and refine it into the development of townships and enterprises, adapt to local conditions, make reasonable strategic arrangements based on funding and resource development status, and achieve a "clear understanding" of the overall industrial layout, gradually progressing.

#### **4.1.2. Optimize the rural industrial structure**

A reasonable structure is not only the foundation for establishing and exerting the functions of various organizations within the system, but also the only way to achieve the prosperity of rural industries. Firstly, integrate the structure of subject participation to form multiple forms of interest linkage mechanisms. The government should prioritize the employment of farmers and the agricultural industry based on the local industrial structure. Improve agricultural infrastructure and public services, integrate fragmented land with village collective as the main body, accelerate land transfer and the development of agricultural product markets, and advocate for the differentiation of farmers' employment to promote the development of rural industries. Secondly, in response to the phenomenon of scattered traditional village layout and land waste, we will innovate the rural spatial system, reconstruct the spatial pattern of rural production, life, and ecology, and actively explore regional spatial reconstruction models for hollow village renovation, central village construction, and central town relocation. In response to the low production efficiency and decentralized management of traditional rural industries, we aim to develop moderate scale operation in agriculture, establish and support leading enterprises and characteristic industry production bases, improve the agricultural industry chain, and achieve specialization, standardization, scale, and intensification of agricultural production and management. In addition, reshape the integration of the primary, secondary, and tertiary industrial structures. Adapt measures to local conditions and improve the comprehensive development capacity of the agricultural industry. At the same time, we will accelerate the adjustment of rural industries, optimize breeding and breeding agriculture, and accelerate the development of green agriculture and characteristic industries.

To form an industrial structure that fully utilizes rural advantages while meeting market demand, in order to promote the revitalization of rural industries.

#### **4.1.3. Innovate the rural industrial system**

One is to establish a system for ensuring the rights of farmers and provide them with opportunities to contribute their own strength. As an important force and key subject in the revitalization of rural industries, farmers' initiative and participation directly determine the success or failure of rural industrial revitalization. The revitalization of rural industries should focus on achieving the economic interests of farmers as the main goal, and safeguard their right to participation and information by expanding and innovating various channels. In addition, we will improve the industrial profit distribution system and standardize the distribution of the results obtained. The second is to establish a good cooperative communication system to enhance the cooperation and participation level between farmers and enterprises. Increase communication opportunities between enterprises and farmers through institutionalized means, such as regular communication and exchange of opinions. The third is to improve the system of separating the "three rights". Deepen the reform process of rural land system, implement the "three rights separation" system for farmers' land, accelerate the release of the dividends of rural land system reform, and increase the benefits brought by land to farmers. The fourth is to improve the legal system for ecological protection. Incorporate rural ecological protection into the legal system and regulate the production and processing procedures and development scale of rural industries in the form of laws.

### **4.2. Software Strategy Framework for Rural Industries**

#### **4.2.1. Consolidate rural talent resources**

Firstly, improve the level of medical facilities in rural areas and establish a social security system, creating favorable conditions for driving talent to return to their hometowns for employment. The second is to strengthen technical training for farmers, actively introduce industrial projects, and promote investment attraction. Implement policies to encourage and inspire individuals with high technology and knowledge to return to their hometowns for entrepreneurship. The third is to conduct in-depth research, understand the actual situation, and stimulate the potential endogenous motivation of farmers. By visiting farmers and leading enterprises, we can understand the shortcomings of rural industrial development, clarify farmers' needs, and design plans that are in line with farmers' interests and promote enterprise efficiency. This will stimulate farmers' endogenous motivation and enthusiasm, and achieve the revitalization of rural industries. In addition, we will promote cooperation between industry, academia, and research institutions, strengthen collaboration among research institutions, universities, enterprises, and individuals returning to the countryside, promote complementary advantages of large, medium, small, and micro enterprises, and promote a more diverse group of rural innovation and entrepreneurship. Local governments should actively build entrepreneurial clusters of local characteristic industries, improve the governance mechanism of local grassroots organizations, increase financial capital support for migrant workers returning to their hometowns for entrepreneurship, guide the clustering of migrant workers returning to their hometowns for entrepreneurship, promote the development of migrant

workers returning to their hometowns for entrepreneurship, and use industrial clusters to drive the prosperity of rural industries, thus achieving rural revitalization.

#### **4.2.2. Shape the unique style of rural industries**

One is the shift from a single center to a multi-center participation style. Farmers are the "protagonists" in the revitalization of rural industries, and they must unleash their initiative, activate their vitality and potential, avoid simply turning rural areas into investment grounds for entrepreneurs, and avoid farmers' "zero participation". For example, it is possible to establish and improve a system for disclosing and publicizing industrial planning and development matters, ensuring farmers' right to know about industrial development. At the same time, establish an effective system for farmers to supervise the development of industries, enabling them to truly exercise their supervisory power over projects, fund allocation, and use of industrial revitalization. The second is to expand information communication channels and build characteristic industrial brands. Utilize various internet online service platforms to achieve mutual connection and feedback mechanisms between the government and enterprises, between the government and farmers, and between farmers and enterprises, achieve industry information disclosure and sharing, achieve government management process reengineering, and build seamless integration of environmental management in various regions. Adopting a "dual wheel" driving mechanism to achieve both exogenous and endogenous driving. In addition, to create an industrial and cultural integration, forming an industrial brand. Promote the transformation of the current single industry towards deep experience, from simple and extensive to fine quality, and from quantity and scale to quality and efficiency.

#### **4.2.3. Improve rural industrial technology**

To achieve the development of rural industries, it is necessary to introduce high-quality talents, and only high-quality talents can use high-tech means. Firstly, it is necessary to improve the treatment of research talents, increase investment in research talents, ensure the stability and sustainability of the research talent team, and thus drive the overall healthy development of rural industry science and technology. Secondly, integrate training resources, carry out practical technical training for farmers at multiple levels, channels, and forms, accelerate the promotion and transformation of scientific and technological achievements, deepen the construction of modern agricultural industrial bases, accelerate the development of modern agriculture, and provide technological support and service guarantees for achieving the goal of sustained and stable income increase for farmers. In addition, actively promote the entry of e-commerce into rural areas, and accelerate the transformation of traditional business models in rural industries to modernization by utilizing the convenient development advantages of modern logistics such as e-commerce.

#### **4.2.4. Remodeling the concept of rural industrial development**

Firstly, shift from valuing results to valuing participatory processes. A sound political participation mechanism is an important guarantee for realizing citizens' environmental rights and promoting harmonious rural development. Adopting various forms of citizen participation, improving traditional channels of participation such as letters and visits, information disclosure, public opinion surveys, and public hearings. At the same time, create a participation mechanism

of "government guidance + farmer participation + enterprise promotion" to promote good cooperation among the three parties. Secondly, reverse the traditional short-term interests of villagers. As the main body of rural areas, farmers' ideas have a significant impact on the development of rural industries. To achieve the sustainable development of rural industries, it is urgent to change the traditional concept of small-scale farmers among farmers. By promoting the benefits of rural industrial development through village cadres and wealth leaders, we aim to deepen farmers' understanding of modern agriculture and rural industries. Regularly promote the popularization of industrial knowledge in rural areas, effectively disintegrating the short-term interests of industries that exist in the minds of farmers. At the same time, firmly establish the development concept that Clear waters and green mountains. The government should strengthen project management, increase investment in industrial environmental protection, introduce new technologies, strictly implement the negative list of industrial access, and strengthen the leading role of green concepts in rural industrial ecological governance. By improving the construction of rural industrial governance facilities, constructing industrial waste collection ponds, waste treatment stations or landfills, and sewage harmless treatment facilities, the development environment of rural industries can be improved. In addition, a scientific concept of rule of law should be formed to guide. Establish an implementation path led by the rule of law, transform the new concept of rural industrial development into a scientific concept of the rule of law, and achieve the revitalization of rural industries guided by the rule of law. For example, by establishing a legal system for rural industries, constructing core legal mechanisms, and focusing on solving major legal obstacles faced by rural industry revitalization, a combination of "top-level design and grassroots exploration" can be adopted to truly practice the rule of law in rural fields and the hearts of the villagers.

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