

This report is going to be analysing how an organisation's structure, culture, and cooperation with stakeholders can enhance organisational performance. Firstly, what is an organisational structure? An organisational structure is how a business organises their staff to represent the different layers of management. There are two main types of organisational structure used in businesses which are 'Tall and Flat'. A tall structure has many layers of management. 'Businesses with this structure use a top-down approach (BBC,2023).' Within the tall structure it is clear to see who is responsible for which tasks. This structure requires a lot of middle managers. The flat structure has only a few layers of management. Decisions are made more quickly as there are less managers to consult.

Organisational culture is very important within a business. 'Organisational culture is generally understood as all of a company's beliefs, values and attitudes, and how these influence the behaviour of its employees (BBC).' The culture effects the customers experience of the company, this is "the Collection of traditions, values, policies, beliefs and attitudes that constitute a pervasive context for everything we do and think in an organisation" McLean & Marshall (1993). Corporate culture is one of the key drivers for the success or failure of a business. A well-structured organisational structure can help boost any business to success. In the Deal and Kennedy cultural model they had suggested that the overall basis of corporate culture contains six elements. History, is the traditions of the past and the core values the organisation was built on, values and beliefs are what the shared values of what the organisation stands for are, rituals and ceremonies are things employees do everyday together such as Friday nights out together to gain more trust and connections, stories are another element in which helps employees know what is expected from them and what they stand for in the business, hero figures are the employees and managers role models in which other members look and take inspiration from to become a better worker, finally, the cultural network is another element that is the informal network within the organisation, these are people with different personalities who share information within the business.

Stakeholder cooperation is about the stakeholder engagement as well as the community. it's in everyone's best interests to 'work closely together to ensure that the project delivers the best possible outcomes (Hendricks).' The organisational structure and culture can be linked as how a business is structured can have an impact on the performance as well as how it's managed. If an organisation is strictly hierarchical, with the decision making centralised at the top, this can impact the company's culture by the lack of freedom at the lower levels. A decentralized power structure means 'there is more room for employee input into decisions. Employees are more accountable, because they have more responsibility. They work more independently, because they do not always need approvals from upper management to proceed' (Masters, T). This report will be looking at how the company McDonalds use these elements to enhance their business performance.

McDonald's is the biggest food service retail chain operator. McDonalds tall hierarchy is the most prominent feature, 'with decision-making authority flowing from the top down through a clear chain of command (SS UK).' This company also has separate divisions for different areas of the business such as marketing, finance, and operations. By having this

structure, it allows the business to focus on these specific areas while still maintaining centralised control and standardization. The hierarchical organisational structure is where there is a clear chain of command in which the decision-making authority flows from the top down. This divisional structure is where McDonalds have divided into different departments for efficiency and quality. McDonalds overall structure is designed to 'ensure efficiency and consistency across its many franchises and locations around the world, while also allowing for some flexibility and innovation in response to local market conditions and customer preferences (SS UK).'

McDonalds organisational culture supports people, learning, and diversity which aims to bring out human resource development, operational efficiency as well as productivity. This company states on their website that they love to promote flexibility, opportunity, equality, and development. This is really good to hear as most consumers would be engaged and comfortable with the ethical background going on within the company. They also state that 'McDonald's employees come from all walks of life but share a common approach: positivity. We know that happy employees help to make happy customers, so we want you to enjoy your work. And we're certain you will.' In the UK McDonalds serves over 3.8 million people every day (McDonalds 2023).

This company regards their suppliers, customers, and employees as its main stakeholders. These stakeholders make a huge impact on the business performance and operations. Employees are the internal stakeholders of McDonalds, and this company are one of the largest employers in the world. McDonalds employees are the wheels that keep driving them to success every day. Without these workers, the business wouldn't exist, but there was a report in which showed that their employees over in the USA had protested because of poor working conditions as well as low pay (Alfonseca K. 2021). The organisation works with a number of suppliers in order to run their operations in which includes food/ non food items. The reason why these suppliers are so important is because they provide the business with a great number of materials to run the restaurant. If they fall out with these suppliers, they may have to change the quality, or look of the food and packaged products, this may have a negative impact on their customer base as it's something different and not what the customers are used to. Poor quality and delay may affect the customers satisfaction in which needs to be avoided. Organisational culture is very crucial for the performance of employees, having a culture that badly treats staff affects the way the organisation is run and can cause problems like the protests back in 2021 for underpaid and not looked after staff. Having a cultured structure that is facilitating will attract in more workers and therefor provide a more positive experience for their customers. McDonald's is one of the largest employers in the UK and Ireland with over '1390 company owned and franchised restaurants serving nearly 4 million customers per day. One of their greatest strengths stated is their diversity; they have 129,000 employees ranging in age from 16 to 91 (WM).'

The stakeholders are the people who have an interest, claim or stake within the organisation. Customers would be the external stakeholders of McDonalds, no customers, no revenue. These stakeholders are important is they impact the growth of the company. An example of this would be the new food put out on the menus, these customers are always

engaged and interested to try out these new products such as the new double McPlant vegan option burgers, as well as the double McChicken burgers they bring out for limited time. Customers are also more interested in McDonalds because of the positive feedback they gain and receive. This feedback from the stakeholders also holds an insight to what products or services are doing well for the company, and which are not making an interest impact, this benefits the company's performance as they're giving the customers more of what they want and less of what they don't want.

McDonalds suppliers are the internal stakeholders of this company. These suppliers are other companies that supply the restaurant their foods and drinks. The company states about their suppliers "We treat our suppliers, very intentionally, as partners. This allows us to understand, over time, how each other's businesses work, the challenges that we face and how we can work together to drive efficient and effective supply chains. Long-term partnership also gives our suppliers the security and confidence to invest in their businesses and it gives us the long-term guarantee of an ongoing supply of all our menu ingredients. Ultimately this helps us to drive quality and value for our customers. So, whenever you step into a McDonald's restaurant, you're never out of luck (McDonalds 2018)." Having a positive relationship with suppliers is very beneficial to the company as they're constantly giving their consumers the same taste and quality food that they're used to all the time in which attracts and interests them to come back. This not only improves customer service and satisfaction, but also efficiency.

McDonald's enhance their performance with their stakeholders by having structure, thinking about everyone's culture globally and co-operating with their staff to gain a good representation of the company. Overall organisations can enhance their employee's performance by using different structures such as a tall and flat. Methods like these can make a business run smoothly which boosts everyone's moral. McDonald's uses a tall hierarchy method which encounters decision making through their high demand of customers. This popular fast food chain restaurant also supports different ethnic backgrounds by promoting food to different customers such as those that are vegan or vegetarian. This makes their average '3.8 million customers happy (McDonald's, 2023) bringing in a higher income for McDonald's in which puts other competitive fast-food organisations at risk such as, Burger King, Subway, Wendy's, and KFC. Another key element that is most effective for the success and organisational performance of the business to remember is to look after and have a good reputation/relationship with stakeholders within the business. The key to a consistent, flowing, happy, positive, and efficient thriving business that McDonalds have shown the way to, is prioritising customers, suppliers, and staff with equality, and importance.

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