

MC DONALD'S ORGANISATION

BA Business Management

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Assignment Title: Assessment 2

Behaviour of Employees and Management at an Organisation

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The background of the slide features abstract, overlapping green geometric shapes, primarily triangles and polygons, in various shades of green, creating a modern and dynamic visual effect.

- Group and team behaviours

Mc Donald's currently has more than 30000 restaurants open worldwide and 85% of them are franchised. Performance in activities is influenced by a variety of economic, political, work, professional and motivational factors.

The main categories of professional factors.

- ▶ In the strict sense of the word, professional factors are those factors related to the exercise of a profession: level of training, skills, specific requirement, specific methods, techniques and tools, conduct and ethics.
- ▶ In the literature, the term professional factor is used with different meanings, related to a certain context of analysis. In this context, by professional factors are meant all the factors that depend on the organisation and that have an influence on the increase of the performances in the activity.
- ▶ From the perspective of the relationship with professional performance, then main categories of professional factors are the quality of occupation, with two facets: quality of employment and quality of work.
- ▶ The professional factors that depend on the organisation of the activity are: the form of organisation (example: national institute, institute, economic agent), specific activity, management system (by departments, laboratories, projects), the quality of the management process, the organisational culture and division of labor.
- ▶ Organisational culture refers to the mission, values, specific practices and objectives of the organisation.

Management and resources of the research organisation

- ▶ Management has an important role in ensuring a participatory and collegial climate within the members of the team involved in research.
- ▶ Of leaders in the field, setting clear objectives and performance criteria, evaluating individual performance, transparent and participatory management, recruiting new researchers with a passion for research, providing mentoring and specialisation programs for young people and access to resources.
- ▶ The study by Bland (2005) identified the following important factors in organisations with outstanding performance: a climate of collegiality and mutual exchange of ideas and knowledge between the staff members involved; communicating the objectives effectively to the entire group of staff involved in the activity; open dialogue and debate of scientific issues; open clear and participatory governance in the research institution.
- ▶ Analysed the role and influence of transformational leadership, Keller(2006) involves: inspiration, vision, intellectual stimulation (mentoring)
- ▶ The results show that transformational leadership has a greater role in research projects than development ones, while the initiation structure is a better predictor of performance in development projects.

Consulting staff and involvement in decision-making is a condition for optimal use of human resources.

- ▶ Heinze(2009) analysed the organisational and institutional influences on creativity in scientific research and found that an organisational context characterised by a variety of technical skills, stable financial support, timely access to resources and supportive leadership have positive effects on creativity.
- ▶ First of all the staff has a high level of expertise and a narrow specialisation, the consultation in a specific issue being mandatory. Secondly, organising on research teams and working on projects proposals for competition in all stages preparing proposals for competitions, establishing partnership, establishing the team in the institution, providing the necessary resources to achieve the project and capitalise on the results. Thirdly, in a competitive system it is necessary to harmonise the organisational objectives with those of the projects and individual objectives, of professional performance.
- ▶ Organisational culture can have a positive impact, when it is favorable to professional development, employment, promotion and evaluation of the activity on performance criteria.
- ▶ A positive organisational culture encourages ethical behavior responsible. Emphasising the contributions of members has a constructive role. A negative organisational culture promotes unethical behavior, excessive authoritarianism that inhibits initiative. As such it is a destructive and has a negative impact on performance.

Kok and Mc Donald's study analysed factors related to management and leadership (2017)

- ▶ The results show that many of the factors that contribute to high performance are associated with management at the departmental level: clear research objectives and directions, collegial departmental culture, common values, openness to change, availability and effort to increase performance, communication of organisation initiatives.
- ▶ An important positive effect on performance has the projects developed in international partnership, which allow the approach of some topics of high difficulty and complexity and respond to a greater number of complementary expertise requirements.
- ▶ The financial resources available in the organisation have an important impact on performance, as they condition access to databases with international publications, investments in infrastructure and professional development costs.

The influence of management and leadership organisation resources.

- ▶ Professional quality of department heads
- ▶ Annual monitoring and evaluation of individual performance
- ▶ Leadership style
- ▶ Excessive bureaucracy
- ▶ Development of international partnerships
- ▶ Development of national partnerships
- ▶ Conditions for promotion and retention
- ▶ Performance appraisal and compensation system
- ▶ Management methods practices
- ▶ Organisation resources
- ▶ The quality of human resources
- ▶ Research infrastructure (new competitive technologies)
- ▶ The financial resources of the research organisation

Discussion and conclusions

- ▶ McDonald's mission was as follows to be the best fast food restaurant in the world. To be the best means to offer quality, service, cleanliness and value of remarkable level, so that every customer in any of our restaurants is satisfied.
- ▶ McDonald's vision is to be recognised by consumers as the fast food restaurant that offers the best experience to its customers. Being the best involves in the company perception, reaching and maintaining quality standards, professional service and impeccable cleanliness to build a close relationship with customers.
- ▶ McDonald's general objectives: to be recognised as the fast food restaurant which offers the best quality and experience to its customers; to achieve and maintain high standards of quality, service and cleanliness; revitalising the successful business; increasing turnover by expanding the restaurant chain; achieving long term growth; imposing a certain lifestyle on people, a richer menu, nutritional information and support for physical activity.
- ▶ McDonald's to become all the best place and way to eat.

Discussion and conclusions

- ▶ Objectives set: to provide a unique experience for each customer; to be a socially responsible company; to maintain a close relationship with customers; to find out their opinions, wishes and expectations; to increase sales and profits of all restaurants.
- ▶ Objectives in the short term: the inclusion in the market of new products; in the hope of the subsequent increase of the profit; the modernisation of the restaurant in order to attract many customers as possible.
- ▶ The customer behaviour it is very important in the market industry, because McDonald's is already one the most popular fast food restaurant in the world.
- ▶ The factors what influencing consumer behaviour is:

Discussion and conclusions

1. Cultural Factor - McDonald's according to local tradition and culture because standardised food (for examples in the Arab countries can get grilled halal chicken with Arabic spice and bread, in India new menu for vegetarian people don't consume meat, in Hong Kong teriyaki pork, in Malaysia chicken porridge. Each culture have subcultures as a religion, nationality, geographic, racial group.
2. Social Factor - this affect the buying behaviours because taken of lot time by company to designing marketing strategy. It is important the factors like family, reference group and status (kids advertisement, persons attitude, group what have impression).
3. Personal Factor - can also have impact by consumer buying behaviour because important factors that influence the buying behaviour are: economic, occupation, age, lifestyle, concept. McDonald's target almost come from kids, student, adults and business people.
4. Psychological Factor - four factors affecting the consumer behaviour: motivation, perception, learning and beliefs, attitudes. Motivation can affect the buying behaviour because every person has different needs (physiological, social, esteem, safety needs).

Discussion and conclusions

- ▶ I want to describe the Maslow's needs: physiological needs (food, water, shelter); safety needs (security, protection); social needs (sense of belonging, love); esteem needs (self-esteem, status, recognition); self actualisation needs (self development and realisation).
- ▶ McDonald's created different type of food (burgers, fries, wraps), the customers possesses a different belief and attitude for various products.
- ▶ McDonald's provide a good impression, good service to give their customers to come back again.
- ▶ Referencing: Iacobucci - Marketing Management, Edition 2014
- ▶ Mc Leod - Maslow's hierarchy of needs, Edition 2007
- ▶ Course notes - University, Edition 2003

McDonald's Values

- ▶ Serve
- ▶ Inclusion
- ▶ Integrity
- ▶ Community
- ▶ Family
- ▶ 69 mln customers every day
- ▶ Over 1.7 mln employees
- ▶ Income 2019 - over 6 mld \$
- ▶ franchise-based system

Growth Strategy - Velocity Growth Plan

- ▶ Pillars:
 - ▶ Retain
 - ▶ Regain
 - ▶ Convert
- ▶ Accelerators:
 - ▶ Digital
 - ▶ Delivery
 - ▶ Experience of the future

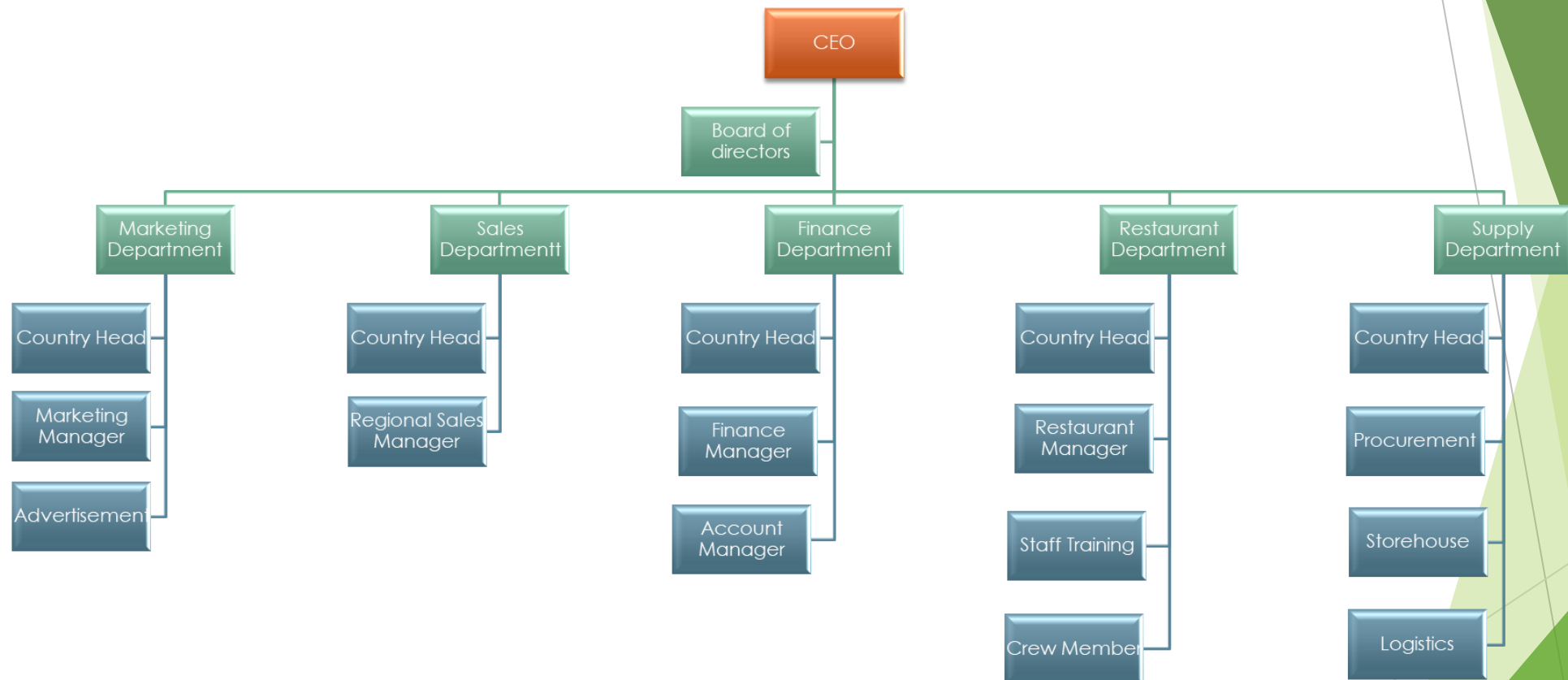


History

- ▶ 1948 - first restaurant in San Bernardino U.S. opened by Richard i Maurice McDonald
- ▶ 1954 - cooperation with Ray Kroc
- ▶ 1955 - April 15, 1955 McDonald's® Corporation begins.
- ▶ 1968 - new product BigMac
- ▶ 1972 - breakfast menu
- ▶ 1975 - McDrive, Sierra Vista w Arizonie
- ▶ 2003 - I'm lovin' it
- ▶ 2014 - Made for you
- ▶ 2017 - McDelivery



Structure



Goals and objectives of McDonalds

- ▶ McDonalds always value their customers. This is the base of setting specific goals and objectives. This portion is to cover different goals and objectives of the organisation as well as how they are established. The description and processes are to be found below.
- ▶ Goal/aim: The aim of McDonalds is serving quality food in an enjoyable and fun environment so that customers are fully satisfied. Adding value to its stakeholders is the key aspect in this process. Again, McDonalds aims for being responsible to the society (Ceil, 2017).
- ▶ How the goal is established
- ▶ McDonalds happens to be a food serving organisation. This is the base to set the first part of the goal. Quality food or good food refers to both tasty and healthy foods. McDonalds is committed to their customers for providing healthy foods cooked from healthy food ingredients. This fulfils the first goal. In order to establish this goal, McDonalds prepared a whole cleaning and sourcing system. Most of the foods are cooked from organic items. This is to ensure the best and healthiest items in town. The second portion of their goal covers food serving environment. The official website of McDonalds uses the term “fun environment” (Cucagna and Goldsmith, 2018). Good food in fun environment means that customers should feel more comfortable enjoying the food at the outlet than taking it as parcels. This goal has been established by setting a unique outlet structure in every corner of the world. McDonalds UK and McDonalds USA do not have much difference in their outlets. They created a certain way to ensure fun environment. Enjoyable food brings friends and families together. By considering more attachment from friend and family, this part of the goal is well-recognized one. The third portion of the goal is being responsible to the society. Corporate social responsibility is a mandatory element for corporations. They have to be responsible and ethical to the society. Shareholders’ concern is the last section in the organisational goal. Shareholders are the major ones to contribute in the organisation. Their satisfaction must be in the principal portion. Satisfied shareholder is possible only if the company earns a good amount of profit. Good food brings customers and satisfied customers can bring better fortune for the organisation (Best, 2020). This is how shareholders are valued in the firm.
- ▶ The whole goal of McDonalds represents an organisation’s mission to be establish as a global brand.

Objectives

- ▶ The firm has some business objectives supporting the organisational goal. These objectives are given as follow:
- ▶ 1. To acquire customer's trust and love: McDonalds cares for its customers. Thereby, their objective includes serving food which customers will love and trust the brand. The goal of quality foods is fulfilled with this objective. This was established for creating brand loyalty. Customer's loyalty towards the brand is considered as a major factor for business organisations. While operating in the UK, McDonalds can get competitive edge from this objective. In order to fulfil and establish this objective, McDonalds has taken a variety of steps. The first step is organising a range of sources to supply fresh food items (Gilbert, 2011). Kitchen's cleanliness and professional service to customers have been key ways to achieve this objective. McDonalds considered a variety of factors while setting the first objective. The importance of ensuring a better employee behaviour is the first one. This is to create a chain of trust and love. McDonalds can enjoy improved customer's experience from this.
- ▶ 2. To satisfy stakeholders: McDonalds claims becoming an organisation that serves more than "just food". The official website of the organisation states that its stakeholders have been prior concerns. Suppliers, employees, and shareholders are maintained carefully. Their satisfaction is the most contributing factor in this case. Again, McDonalds provides a consistent motivation to their employees. Employee retention is well-organised in this organisation. Employee satisfaction is as needed as satisfying suppliers. The firm invests 43 million GBP for training and development purpose only. They care about the community and workers who are putting their services for organisation's development. Training and development opportunities are assured for getting the right amount of appreciation from the organisation (Gilbert, 2011). Again, to serve good food, the firm has to identify sources of good food items. In the entire process, the firm implicates a variety of organisational processes. Both external and internal stakeholders are given importance at McDonalds. Their level of satisfaction is the key in getting a high amount of appreciation. This is how the second stage of objective is to satisfy stakeholders such as suppliers, employees, and shareholders.
- ▶ 3. To contribute the community development: McDonalds has a long tradition to support communities. Mainly, the firm supports local football community and young generation in getting involved in sports activities. The firm puts their best effort for organising such events. Again, local community development means the firm does their best in reducing pollutants. McDonalds has recently changed their packaging from plastic to paper. Aluminium foil is also being recycled in the organisation. McDonalds operates within a wide range of area (Sachs, 2013). Thereby, the contribution must be supported by local authority. These are the cases where the firm stays up to the ground.

How objectives are established

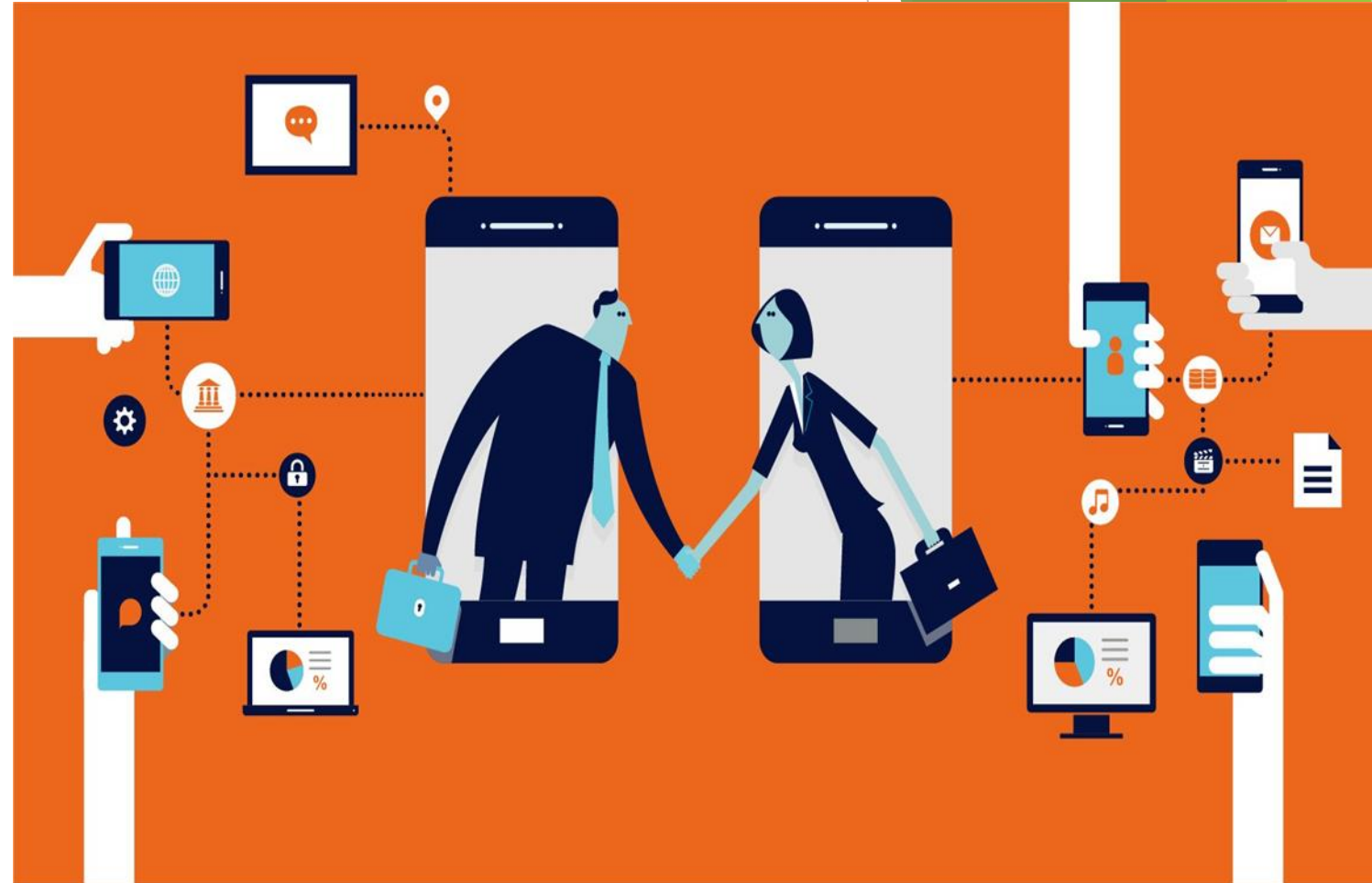
- ▶ A multinational corporation has to maintain some specific rules and obligations while operating in a foreign country. Local involvement is always appreciated. All three objectives of McDonalds specify a good organisational attitude towards the community and stakeholders. Not only by serving good foods but also serving shareholders, employees, and suppliers, the firm is getting better and improved branding. Continuous improvement is being ordained through this condition (Ceil, 2017). These objectives are fulfilled at the same time.
- ▶ The firm wants customer loyalty, community involvement and stakeholder's satisfaction (Sachs, 2013). Each of them is possible only if the firm follows ethical standpoints for a business organisation. At this point of view, McDonalds is becoming a sustainable global organisation operating in the UK with a large coverage. They are approaching to goals and objectives.
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INTRODUCING THE MODERN WORKPLACE



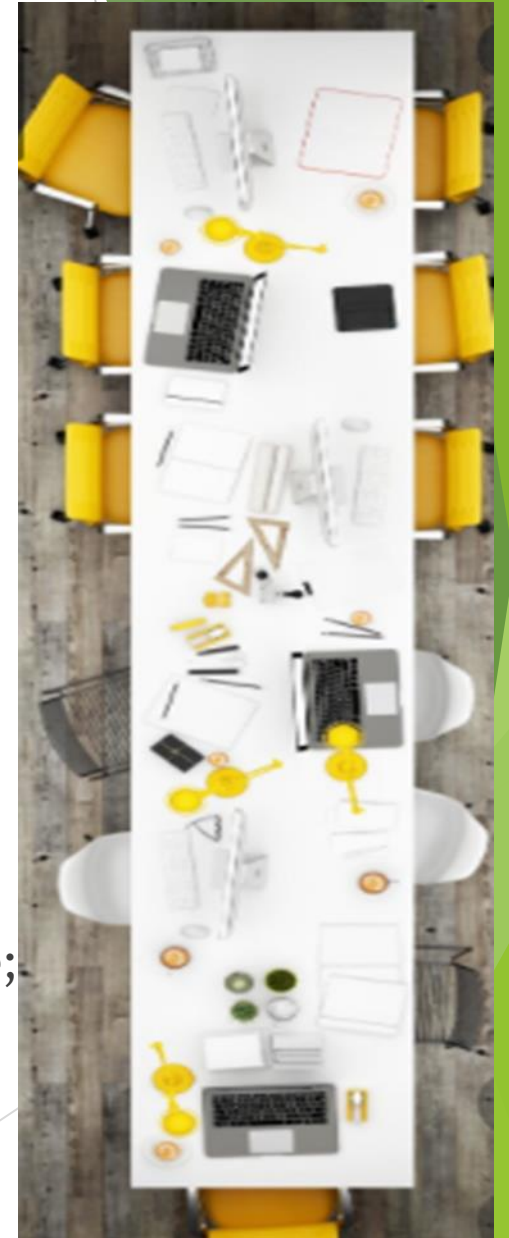
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INTRODUCTION

- ▶ Modern workplace, currently most businesses in all around the world puts their huge effort for making a modern workplace in their business environment.
- ▶ A modern workplace always has some great growth opportunities than other workplaces.
- ▶ This is report discusses the modern workplace of McDonalds company.
- ▶ McDonalds is one of the leading fast food company which currently has very large market share in international fast food industry
- ▶ This report discusses some other aspects of a modern workplace as well, like; leadership and management behaviours, group and team behaviours, motivation and perception etc.



MAIN BODY

- ▶ Background
- ▶ McDonalds is very big company in the fast food industry in the US as well as in the globe.
- ▶ It has a very strong chain of restaurants in across the workplace, with an effective supply chain or distribution channel.
- ▶ Currently effective workforce is one of key reasons behind McDonald's current effective brand image in the market.
- ▶ That's why upper management this company mostly puts its huge efforts in the terms of making an effective and modern workplace.
- ▶ Formulation of this type of workplaces always positively affects to the company's all over growth in the selected market segments.

CONTINUE....

- ▶ Goals and objectives
- ▶ Currently the main goal of McDonalds is to increase its market share with 10% in the global fast food industry. On the other side, McDonalds has some objectives as well. Some key objectives of company are as follows;
- ▶ To provide the best levels of customer service.
- ▶ To retain different talented and skilled employees by making a modern workplace.
- ▶ For systematically utilising various resources to save lots of cost.
- ▶ To maintain extra-ordinary standards of product's quality.



CONTINUE...

- ▶ Leadership and management behaviours
- ▶ Leadership and management behaviours plays very excellent role in the terms of making a modern workplace.
- ▶ In this situation, upper management of this company has always required to take actions towards positively affecting behaviours of various leaders and managers in its business operations.
- ▶ According to many business experts and specialists, there are an effective and ethical culture of workplace always highly contributes in making a modern workplace.
- ▶ In this situation, positive behaviour of various leaders and managers at the McDonalds is very necessary to turn an ordinary workplace into an effective and modern workplace.

CONTINUE....

- ▶ Group and team behaviours
- ▶ Behaviours of teams and groups also affects the modern workplace aspect of McDonalds, so that existing management at this company need to take decisions towards developing behaviours of groups and teams as well.
- ▶ Of course, management of this company has already implemented various theories relating to group and team behaviour development, like; Belbin's theory of team development and Tuckman's theory of group & team development etc.
- ▶ In these theories of group and team behaviour development, the Tuckman's theory of team or development has been discussed below that will definitely support to McDonalds for systematically changing the behaviours of various teams and groups in the terms of creating modern workplace.



CONTINUE....

- ▶ Tuckman's group and team development theory
- ▶ This theory is generally introduced by Bruce Tuckman in 1965.
- ▶ Basically, this theory has included four key stage of development, in which these all stages has been discussed below;
- ▶ Forming: In the forming stage, there are upper management at McDonalds need to inform its various teams or groups about the decided target.
- ▶ Storming: Storming is the second stage, in which the management try to maintain an excellent relationship between various employees within a teamwork or groupwork.



CONTINUE....

- ▶ Motivation and perception
- ▶ Motivation and perception are two key aspects of a modern workplace.
- ▶ Basically, most employees and people always have very positive motivation and perception in a modern workplace, so that these aspects can affect the upper management of a company for making its employees' motivation and perception very positive.
- ▶ Currently Maslow's theory of motivation is a very productive theory, so the existing management at McDonalds also has to use this theory to highly motivate its workforce.



Motivation

CONTINUE....

- ▶ Maslow's theory of motivation
- ▶ This theory was first introduced by Abraham Maslow in 1943.
- ▶ Theory generally includes five prime needs of humans which motivates them in personal life, so that these all needs has been discussed below;
- ▶ Physiological needs: In these needs, mainly key needs have involved of humans, like; air, food, clothes etc. which can highly motivate to people of McDonalds.
- ▶ Safety needs: Safety needs to also highly motivate to people in the company, so this also key needs.
- ▶ Love and belongingness: Love and belongingness aspects also motivates employees in workplace.



CONCLUSION

- ▶ It can be concluded that the management of McDonalds has highly required to make its workplace very modern to gain excellent profit margins and market share in this modern and dynamic world.
- ▶ The management can change its work culture or environment in productive manner for making this type of workplaces.



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