

The background of henri fayols management theory business essay

[Business](#)



INTRODUCTION:-

McDonald is the world's large and leading retailer in fast food services. It serves 47million customers per day and McDonald has more than 30, 000 restaurants in 119 countries. McDonald is one of the most well recognized and world's largest fast food chain. The business of McDonald was started in 1940 with a restaurant that was opened by McDonald brothers Richard and Maurice (dick & mac McDonald) at San Bernardino, California USA. In 1954 Ray Kroc who was milkshake machine salesman, received an order from McDonald brother`s restaurant and he impressed from the menu of the McDonalds brother`s restaurant. Then Ray Kroc gave them an offer that allow me to open new McDonald`s store I will offer you half of one per cent from my income and I will use your name, menu and idea. The McDonald`s brother agreed to final deal so officially, the first McDonald restaurant was opened by Ray Kroc in 1955 at Des Plaines, Illinois USA. In 1960 Ray had started operating 200 McDonald stores in USA. In 1961 Ray bought the dick & mac McDonald`s share of business and in 1965 company become the McDonald corporation.

Source- <http://en.wikipedia.org/wiki/McDonald%27s>

INTRODUCTION TO NEW ZEALAND

McDonald`s business brought to New Zealand in 1974 by shop rite supermarket creator wally morris. The first McDonald`s restaurant was opened in 1976 in porirua, wellington. Now more than 150 McDonald restaurants have been opened in New Zealand. According to the McDonald`s survey one million people come to have meal every week. In New Zealand

80 per cent McDonald`s restaurant are operating by local business men as a franchise and 20 per cent stores are company-owned. I am going to write about McDonald`s manurewa restaurant on the behalf of my research that I gathered by visiting in this store. The manurewa McDonald`s opened on 7/may/1991. Its owner is kim Bartlett. It restaurant was renovated to the current modern store in during 2007 & 2008. It is situated at 207 Great South Road Manurewa, Auckland.

Henri Fayol`s Management Theory:-

Henri Fayol was born in 1841 in Istanbul. He was a famous French management theorist. He proposed Four Management function Theory. Four Management Theory (POLC) :-1. Planning2. Organizing3. Leading4.

ControllingImplementing Henri Fayol`s management theory into the

McDonald`s function of management. Planning:- Planning is the main

function of all function of management. Planning is a process which is about to identify goals and objectives, make strategy and develop plan to achieve that goals. Its mainly about what needs to happen in future and future

programme of the organisation. Planning process includes following :--what

are the goals? -How should the goals be achieved? -How should resources be allocated? In Manurewa McDonald the CEO of restaurant and store manager

do planning and define goals and make strategy, plan to achieve them. They look about their strengths, weaknesses and threats. Manurewa McDonald`s

has tough competition with nearest other fast food store like Kfc and

Subway. So they make plan to prove the best and to increase the product`s

sale. They also plan properly for supply of stock to get delivery on time.

Organizing:- Organizing is the second function of management. Management

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organize all its resources to complete the action of planning process.

Management look at the division of work, coordinate the staff and find best way to handle the tasks. In McDonald management look after the different

types of work division. First of all they determine the tasks and divide the work in workers according to their knowledge and experience like person

with good communication skills work on front to take the orders from

customers. If any worker find any problem he talk to supervisor and

supervisor consult with shift manager. Leading:- The third function comes in

management is leading. In leading, The management responsibility is to

manage the staff to achieve the goal and target of organisation. The

management role is to guide the staff in achieving their personal goal and

career as motivation, communication, directing and resolving conflicts by

this way leading can be gained. In McDonald restaurant the restaurant

(store) manager lead and supervise the restaurant. He has following

functionsMotivating:- Restaurant manager always motivate workers to work

efficiently and to achieve the targets. He gives relief to workers by giving

them different facilities. He provides incentives and reward on good job

performance so in this way he motivate the workers and decrease job dis-

satisfaction. Directing: - The directing is also the important role of leading,

manager direct the staff or team to organise its work and to achieve the best

possible results, he makes the strategies to delivered to staff and new ideas

to make work easy and more productive. Communication: - Effective

communication has major role in maintaining in a productive organised

environment, building positive interpersonal relationships, and problem

tackling. Manager keeps good communication with all departments. He

communicates with other managers and employees to make the good strategies and to improve the self-working system. Resolving conflicts: - The most challenging job for a leader is to resolving the conflicts and issues that can be directly or indirectly has impact on work and goal of company. The conflicts can be within the company or anywhere. Store manager always plays vital role to solve the conflicts. He finds out the reason behind conflicts and resolve by taking proper action on it. Controlling:- Controlling is the last and important function of management. It includes establishing performance standards based on the company's objectives and evaluating and reporting actual job performance. Once management has done both of these things, it should compare the both to determine any necessary corrective or preventive action. Mintzberg's Managerial Roles:- There are the following three role of mintzberg's. 1. Interpersonal role2. Informational role3. Decision making role

Interpersonal role:- interpersonal role are the roles that managers undertake to give direction and supervision to both workers and the company. 1. figurehead role2. leader role3. liasion role

1. Figurehead:- figurehead are leader and manager of organization who has authority and responsibilities in organization. Manager and leaders are expected to be a source of inspiration. In Mcdonald employees and staff look up to them as a person with authority, and as a figurehead and learn many skills from them.

Leader:- This is the role where manager of McDonald provides leadership for their team and staff, their department or entire organization and it's where they manage the performance and responsibilities of everyone in the group.

Liaison:- The McDonald's Managers communicate with internal and external contacts. They need to be able to network effectively on behalf of

organization. Informational Roles:- In the informational role manager collecting the information from different- different sources. After that he distribute that information to the customer as well as who want to make new customer. He gives the information to the customers that which types of food and product company is selling. In the information role mintzberg divided into three types of categories. 1. Monitor2. Disseminator3.

Spokesperson1. Monitor: - In this role manger get the knowledge how can company go in the profit. if he think that he need any change then he talk with the CEO of store. he also monitor the worker team. Sometime worker feel boring their daily job routine. Then he talks with them and change their work or job timetable. 2. Disseminator:- This is where they communicate potentially useful information to their colleagues and their team. 3.

Spokeperson:- Store Managers speaks with Staff to give them instruction and represent the organization. In this role they tell about the company to others and this helps the company in developing. Decisional Roles:- Decisional roles are that roles which are about methods which managers use in planning strategy and utilizing resources. There is four methods of this. 1.

Entrepreneur2. Disturbance handler3. Resource allocator4. Negotiator1.

Entepreneur:- When any new product and meal adds in McDonald then they Quickly add it in the menu and arrange the resources to make it. 2.

Disturbance handler:- Mcdonald's manager are trained and experienced whenever any problem or crisis occur they handle it wisely. 3. Resource

allocator:- McDonald's Restaurant manager and CEO of store set budget for lower level managers and restaurant manager allocate the resources.

Conlusion:- I have analysed the application of Henri Fayol's theory of

management which he defined as Planning, Organizing, Leading, Controlling and Mintzberg's Managerial roles which include Interpersonal roles, Informational role, Decisional roles on McDonald's restaurant. According to me Henri fayol's theory of management is more effective on the business. Its function Planning, Organizing, Leading, Controlling applies effectively for the smooth function of businesses.