

McDonalds college essay



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All businesses have objectives. What these objectives are depends on the type of company it is. With sole traders and partnerships the objectives are governed by the owners. However in public & private limited companies, the shareholders along with the owners are in control of the direction and objectives of the business. A shareholder is someone who has an interest in the company and owns a proportion of it through shares.

This means that they have say in some aspects of running the company. By having shareholders it gives the business a clear direction and enables them to judge their performance. Businesses also have aims to work alongside their objectives. Aims can also be referred to as missions, and businesses often publish a 'mission statement'. Some examples of mission statements include these from two major companies; CCL Computers: "CCL are committed to offering the right product, at the right price and the right time" McDonalds: "McDonalds are committed to providing high quality food, using the best raw ingredients, working with trusted suppliers and ensuring consistent preparation standards" Businesses use the abbreviation SMART to shape their objectives. SMART stands for Specific, Measurable, Achievable, Realistic & Time constrained.

All of the things above help shape the objectives of a company and their direction in the market place. Stakeholders do have a large say in what happens within the company as far as things such as financial decisions and objectives. A company's aims are just as important but these are just two of the factors that can govern what makes company policy. The size of the firm is also an important consideration, as this will govern things such as human and physical resources available to the company.

The age of a business can greatly affect the direction of the company as older businesses are less likely to accept change and so may be slower at re-directing their efforts if the need arises. All of these changes are instigated by internal matters, company's are also affected by external factors. Perhaps the biggest external factor is changing market trends. A sudden change in market trends can mean that the companies aims and objectives become obsolete and have to be re-drawn. This can be a big thing for a company to do and can lead to loss of jobs etc.

A good example of this is the car industry where many jobs have been lost because market demand decreases. If we look at these objectives they can be clearly seen as being SMART. The first objective is a measurable one and also one that can be achieved; it shows how Cornhill Direct is trying to promote its own image and enhance its market status. Cornhills other objectives are specific, wanting to become a household name and becoming a challenge to the competitors. Cornhills owners Allianz have influenced the first objective because Allianz aim to be at the top of the market in any division they own.

Cornhill have also created some time-constrained objectives to try and achieve, they want to double in size by 2005. These time-constrained objectives allow the company to plan in the long term and develop changes in their strategies to compensate for changes in the environment around them, which may compromise the meeting of the business' target. Cornhill has these objectives due mainly to the market around them, the insurance business is a very competitive one and if a company can gain an edge over the competition then it is likely to succeed. Cornhill have used things such as <https://assignbuster.com/mcdonalds-1684-words-college-essay/>

direct marketing and e-commerce to gain this edge and maintain their objective of being one of the leading insurers. Also for a company in such a competitive market to survive it must set itself demanding objectives to ensure it works to its maximum efficiency.

When it comes to analysing their performance, Cornhill use various qualitative and quantitative methods to do so. Each division of the company have their own targets for sales and these are reviewed on a regular basis to ensure that new ideas and objectives are being fulfilled successfully. Also the company often have staff satisfaction surveys to make sure that their staff are happy and an opportunity for the staff to express their opinions and problems. This ensures that the staff can work in the best environment and they work as well as possible. Finally the company as a whole has phone targets, whereby the phones should be answered within an allotted time, these are carried out randomly and the operators are assessed. Cornhill say they have a long-standing objective to look after the community around them and they want to create a safe ; healthy workplace for their employees.

Cornhill strive to use as much recycled material as possible and waste as little energy as they can in the day-to-day running of the company. They are aiming for a waste free business and with the advent of computers they are working on ways to reduce the amount of resources used. Cornhill are continually evaluating the effect of the business on the surrounding communities and they are trying to minimise the damage caused by the company by forming good relationships with the community.