

The business factor of mcdonalds planning



MacDonald s is the largest food chain in the world and is number one in annual sales. MacDonald also offers a variety of products keeping in view the socio-religious factors. They also offer drive-through services for customers on the move, promoting itself as a time efficient company.

Business factors Growth of MacDonald:

McDonald s has been looking for a growth strategy for a very long time. And their foreign operation amount for more than half the company s revenue. MacDonald has over 30, 000 restaurants over 100 countries in the world today. And they maintain the top position in the fast food industry for the past 50 years.

Their sale roses to 5. 8% at the restaurant chains European outlets in 2006, boosted by the United Kingdom launch of a new bacon burger and a price game in Germany. MacDonald s performed strongly in other markets, reflecting its steady recovery from sharp sales down turn in 2002.

They have added healthier option to its menu to try to attract more and new customers. Over the past few years, MacDonald has been offering a wider range of salads and fruits as well as premium strength coffee to gain more customers.

The trading sales of Macdonald s have risen to 6. 3% in the fourth quarter and were up 5. 7% for 2006 as a whole. This was achieving through a better strategies by making the meals relevant and affordable to the customers.

MacDonald Business Declines after 2006:

The company was hit by the global economic slowdown and scarcer over the safety of beef in overseas markets. MacDonald faces a further criticism over the effect of its products on the health of consumer. But instead MacDonald continues to be ambitious with plans to add more than a thousand restaurants this year to its chain of 30, 000 outlets worldwide.

The company was critics about the product of their foods and how its affect the people health by contribution to the fattening of the people . this was a very serious case with lead MacDonald to think of a better strategy to retain their customer and also help the people on the health product.

Business changes of Macdonald

After going through allot of complains and critics about the product, the company sales started to drop down and the management now thought of a better strategy to retain their customer and also make them happy.

The company now introduce a LOW-FAT yogurts and a choice of salads will be among the new lines on offer.

Customer service will be improved and the firm will stop its rush to open new restaurant and concentrate instead on keeping customer and attracting new ones to existing branches.

MacDonald labour cost control and business competitors:

The company have tried to control their labour cost by employing the right people to do the job properly to over shadow their competitor. During the critic of their product, other little restaurant started coming out and crating

names to them self. But now MacDonald get the right people with the right skill to provide a better customer services to their customer in other to retain them and get new once. They also provide a better technology that will make it quicker and easier to serve their customer and keep them happy.

2. 2 Human Resources Requirement

Before Macdonald would open a new branch, they have to take a good look on the following;

? Identifying personal requirement of every staffs should be the first thing.

? The numbers of staffs they need in the company at a particular time. The number of staffs can help improve the company sales. Companies don t like running short of staffs; there prefer having enough staffs that will provide a better services to their customers. Macdonald always knows the right time to get more staffs for assistance especially during lunch break. They make sure customers are served in a good way and a fast way.

? Skills: the skills of staffs can also be important. Employee skill can help the company to provide faster services and render a better customer services.

? Experience: working experience is another important Human resources requirement. Someone with a good working experience always does the job well because he/she has done the job before and was corrected before.

Macdonald make sure their staffs under go through a special training before there can start serving the customer. This will help the company to render the best services to the people.

? Qualification: this is another human resources requirement that help to give the worker confident on what they are doing. The qualification of every staffs will determine how the staffs are going to render and learn more about the company. It will also determine how a staff can render a better communication with the customer and the managements of the company. Someone with a degree is going to have more self confident in doing the business than someone with a high school certificate.

These are the requirement the organisation need to look into to achieve its objectives. The Human Resources Requirement can be very important in every organisation.

Organisation Requirement:

This can be internal or external;

Internal: labour requirement can be is what the organisation should consider. The number of labour the organisation needs at a particular time and place. Labour can be very important in every organisation in other to render a better services.

Skill Requirement: These are the skills the company need to provide to improve and increase their sales. With the skills, a good marketing strategy can be made and it will help to increase the sales of the company.

Good working Environment: The working environment is another important human resources requirement. A good working environment will enable the worker to provide quicker and better quality goods and services to the customer.

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Good communication between the manager and staffs: They should be a better communication between the staffs and manager in other for the management to get the staffs opinions about the product and services they are rendering. In MacDonald, it is very hard for you to point out who is the manager and who are the staffs. The relationship with manage are so close that every worker keep smiling to themselves. The good relationship between the staffs and the managers can also help the company to get to their goals.

EXTERNAL FACTORS:

Government Policies: The government policies are big issues that affect every company. The government can make a change at any time and this will affect every business and the economy.

Employment: Employment is a big issue that is hitting the United Kingdom economy now. The increase in VAT and the cut in benefit have also affected the people. So the increase of unemployment has raised more.

Education: MacDonald providing Education for staff to give more ideas about the economic and organisation is very important. But not all organisations are willing to do that especially with the increase in fees and vat.

Training: This is another important thing that most company love to do. Sending of staffs to special training, letting them to attend seminars. etc will also help the organisation to reach their objective because the staffs will know more about business and will be able to render better services.

Demand for labour: with the increase in vat and the cut in benefit, we find out that the demand for labour became very high. Everybody wants to work to get money. Not alot of people are spending much now. Everyone is trying to save money.

Supply for Labour: the demand for labour is high and the supply for labour is low. Not alot of company are willing to employ staffs now because of the changes made by the government. Every organisation is trying to lower their expensive and purchase. s

2. 3 HUMAN RESOUCES PLANS FOR MAC DONALDS

HR S ROLE

Purpose

STRATEGIC FRAME WORK

MC DONALD

PEOPLE MEASUREMENT

Our role is to foster a high performance culture that is supported by our talented and engaged people and organisational resources essential for sustaining superior business performance. We will achieve this by designing processes, providing tools, and transferring knowledge to our leaders required for developing and continuously improving such a culture.

Recruitment and selection

Employment

Experience

/development

Employee

Talent/skills

Rewards

Employment images The overall aim is to obtain at minimum cost the number and quality of employees required to satisfy the human resources need of the organisation.

Provides a positive employment experience through respectful employment treatment and compliance with labour and employment laws. and also developing the staffs by providing training and allowing them to attend seminars.

Establish a strong talent management plan to identify and develop talent at all levels while creating a diverse workforce

Implement the global total reward strategy to support a strong pay for performance culture

Communicate a compelling Mc Donald s employment brand that tell our story and builds respect for Mc Donald s.

Employee commitment

External Best Employer Recognition

Employee pride -----Customer experience-----
competitive advantage

These plans generally serve one of the two purpose either they provide direction for those organisation that have not integrated Human Resource Management into strategic plan or they are used as implementation plans which support Human Resources Management goals, Strategic, and Measures.

These plans are particularly important to those organisations that do not integrate Human Resources Management into the wide plan because it helps them map out where they want the Human Resources.

Most of these plans focus on internal Human Resources office program activities and the HR always try to accomplish their mission to enable them achieve their objectives.

2. 4 How Human Resources plan contribute to meeting the MacDonald objectives:

Staff retention: Macdonald tries to keep their staffs and give them promotions to enable them become a manager of a branch someday in the future. Staff retention is very important to most organisations. This will help the staffs to know what really is happening within the organisation and try to suggest a best opinion to fight that out.

Employee development: this is another important human resource plan. Employee development is another best way to improve customer services in the company. Providing the employee with training and good skills on how to render a good service can keep the employee and customer happy. And it will help the organisation to reach its objectives.

Up skilling: This is the act of providing worker extra training to make them better. For example sending staffs to additional training and meetings. Up skilling will also help the company to have the best staffs that will render the best services to their customers.

Re skilling: This is the act of teaching someone something new especially an unemployed person. Re skilling will help the person to get ideas about the company and how to render better services.

Macdonald Human Resource planning is concerned with getting the right people, using them well and developing them in order to meet the company goals. In order to meet their objectives, MacDonald aim successfully, it is necessary to identify the means of using people in the most effective way and to identify any question that are likely to occur for example recruiting the best people and coming with solutions.

3. 1 THE PURPOSE OF STRATEGIC HUMAN RESOURCES MANAGEMENT IN AN ORGANISATION

In simple terms, an organisation s human resources management strategy should maximize return on investment in the organisation s human capital and minimize financial risk. Human Resource seeks to achieve this by aligning the supply of skilled and qualified individuals and the capabilities of the current workforce, with the organisations ongoing and future business plans and requirements to maximize return on investment and secure future survival and success. In ensuring such objectives are achieved, the human resources function purpose in this context is to implement the organisation human resource requirements effectively but also pragmatically taking

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account of legal, ethical and as far as is practical in a manner that retains the support and respect of the workforce.

Recruitment and Selection: According to Edwin B. Flippo, Recruitment is the process of searching the candidate for employment and stimulating them to apply for jobs in the organisation.

Selection is the process that leads to employment of persons who possess the ability and qualification to perform the jobs which have fallen vacant in an organisation.

The recruitment and selection has help MacDonald to bring in the best and right people to do the job well and lead them to achieve the objectives.

Health and Safety: This is the procedure for identifying workplace hazards and reducing accidents and exposure to harmful personnel and exposure to harmful personnel in accident prevention, accident response, emergency preparedness and use of productive clothing and equipment.

Equity and Diversity: These are two distinct concepts which work together to encourage a workplace that values difference in individuals and fairness. Workplace diversity maintains the basic principle of equity and therefore, includes measures of remedy any employment-related.

Training and Development: it is very important that new employees are given adequate training. Macdonald provides the best training and development for their staffs to enable them to give out the best services to their customer.

Pay: Macdonald is a big restaurant with so many branches around the world and help to reduce the unemployment around us. The Company give a good pay to their staffs and encourage them to work.

Performance: The Company always chose a right time to check the performance of their workers. The performance of the worker can help the company to make the right changes at the right time and the right department of the workers. These has help MacDonald to build a better services.

3. 2 THE REGULATORY REQUIRMENTS ON HUMAN RESOUCES POLICIES IN AN ORGANISATION:

The Employment Act 2008 Strengthens, Simplifies and clarifies key aspects of United Kingdom employment law. The Act brings together both element of element of the previous government s employment relation strategy increasing protection for vulnerable worker and lightening the load for law abiding business.

The Employment Relation Act 2004 is mainly concerned with collective labour law and trade union rights. It implements the fining of the review of the employment relations act 1999, announced by the secretary of state in July 2002. The centrepiece of the 1999 act was the establishment of a statutory procedure for the recognition of trade unions by employers for collective bargaining purpose.

Employment Right Act 1996(ERA) was passed originally by conservative government 1996. It consolidated a number of previous statutes dating from

the contracts of employment act 1963. It deals with right that most employees can get when they work, including unfair dismissal, reasonable notice before dismissal, time of rights for parenting, redundancy and more.

Work and families: choice and flexibility, which was published in October 2005. It aims to establish a balanced package to right and responsibilities for both employers and employee In line with the government better regulations agenda. The work and families legislation will:

Extend maternity and adoption pay from six months from April 2007, toward the goal of a year s paid leave by the end of the parliament.

Extend the right to request flexible working to carer of adults from April 2007.

The Equal pay act 1970 is an act of the United Kingdom parliament which prohibits and less favourable treatment between men and women in terms of pay and conditions of employment. It was passed by parliament in the aftermath of the 1968 ford sewing machinists strike.

National minimum wage act 1998 : An Act to make provision for and in connection with a national minimum wage, to provide for the amendment of certain enactment relating to the remuneration of persons employed in agriculture; and for connected purposes.[31st July 1998]

The Disability Discrimination Act 1995(c50) is an act of the parliament of the United Kingdom which has now been repealed and replaced by the equality act 2010. Formerly, it made it unlawful to discriminate against people in

respect of their disabilities in relation to employment, the provision of goods and services, education and transport.

The EU working time directive (2003/88/EC) is a European Union Directive, which creates the right for EU workers to a minimum number of holidays each year, paid breaks, and rest of at least 11 hours in any 24 hours work while restricting excessive night work and, a default right to work no more than 48 hours per week. It was issued as an update on an earlier version on 22 June 2000. Excessive working time being a major cause of stress depression and illness, the purpose of the directive is to protect people health and safety.

Data protective Act 1998 an act to make new provision for the regulation of the processing of information relation¹¹ to individuals including the obtaining, holding, use or disclosure of such information. [16 July 1998]

How is Mc Donalds regulation policy management

Under the employment right and responsibility MacDonald doesn't give equal right and selection. They prefer to employ the younger once rather than a old once due to the fact that young once are more energetic and fast than the older once and this is a discrimination.