

Business case: mcdonald's

Business, Company



Companies conduct Organizational Diagnosis by gathering and evaluating information the problems being faced by them to achieve effectiveness. There are many procedures that are used by a company to collect information in order to find out a solution to a problem. Diagnosis tools are also used for motivating the employees. These tools basically help the management of a company to identify a problem persisting in a company so that problems that were being overlooked can be easily identified. Let's consider an example of a physician.

When a patient comes to a physician for any treatment, he first examines the patient properly, takes his tests required for the suspected illness. After the patient's information is evaluated, he gives his prescription so that the disease can be cured. This same process takes place in the case of organizations as well (Tichy, Hornstein & Nisberg, 1977).

All these models can help an organization develop and improve the understanding of organizational behavior in different ways. It also helps to categorize and interpret data about an organization and provide a common language that is easy to understand.

There are many types of Organizational Diagnosis Models. The names of these models are Force Field Analysis, Leavitt's Model, Likert System Analysis, Open System Theory, Weisbord's Six-Box Model, Congruence Model for Organization Analysis, McKinsey 7S Framework, Tichy's Technical Political Cultural Framework, High Performance Programming, Diagnosing Individual and Group Behavior, Burke-Litwin Causal Model(Howard, 1994).

The Congruence model is more or less alike Leavitt's model and Weisbord six-box model and follows the rules of the open system theory. The Nadler-Tushman Congruence Model is useful in determining the “congruence” of each system of an organization. Nadler-Tushman suggests a cause-effect linkage to some extent. (Burke & Litwin, 1992).

From all the models mentioned above, Nadler-Tushman Congruence Model is the strongest in terms of its inputs, throughputs and outputs. It is also more consistent with open systems theory. The congruence model states that the organizations are open social systems within a larger environment. They are dynamic bodies and change is not only possible but it also occurs. It also assumes that both organizational behavior and interactions occurs different levels such as the individual or group level and the systems level. Here, I will consider the example of McDonald's.

An environment is created by all the factors such as the institutions, groups, individuals, events, and so on, that are outside the organization being analyzed, but that have a potential impact on an organization creates.

Resources are the different types of assets an organization owns or has access to. These can be both tangible and intangible assets. The tangible assets include the human resources, capital and information while the intangible resources are the recognition and the goodwill of an organization in the market.

The past behavior and activities influence an organization's history greatly. The effectiveness also affects the functioning of the organization.

McDonald's began in 1940 and was started by Dick and Mac McDonald in San Bernardino that is in California. McDonald's is one of the largest chains of fast food restaurants in the world and it serves almost 47 million customers daily. This fast-food chain offers a somewhat wide variety of food such as burgers, chicken products, French fries, breakfast items, soft drinks, milkshakes and desserts and now has also begun to offer salads, wraps and fruit (McDonalds' Corporation, n. d.).

The type of strategy adopted by an organization is one of the most important inputs to the organization. The strategies are the decisions about how the organizational resources will be configured to meet the demands, constraints, and opportunities within the context of the organization's history.

Most of the McDonald's restaurant franchises have included a play area for children and most of their advertising is targeted on the children. They have also redesigned their franchises by giving a natural style but more importance has been given to comfort. This was done by introducing lounge areas and fireplaces, and by removing the hard plastic chairs and tables. They offer counter and drive-through service with indoor as well as outdoor seating.

McDonald's have even started off with McCafés that provides high quality coffee to the customers. There are also some locations of McDonald's that are near to the gas stations.

The outputs of these inputs affect the individual, group and inter-group behavior of an employee and the system functioning of an organization.

Absenteeism, lateness, turnover, the levels of satisfaction, drug usage, and off-the-job activities which impact performance of the employees shows their individual behavior towards the organization.

Group and inter-group behavior is determined by inter-group conflicts, collaboration, and the quality of communication between the group members.

System functioning is the accomplishment of the desired goals of an organization. These can be achieving the target ratio of production. Other than production, there can be return on investment, utilization of available resources and adaptability to external environmental demands.

Every organization is influenced by the environment and the environment is created by the stakeholders of the organization. The history of an organization is another factor as to predict the future about an organization; the past must be carefully studied. The past trends show how an organization may perform in the future. Every organization adopts two types of strategies i. e. the corporate strategy and the business strategy. The former includes the portfolio decisions and the latter includes the decisions that help to configure the resources of the organization in respect to its demands, threats, constraints and opportunities.

These four inputs i. e. the environment, resources, organizational history and strategies do interact each other in different ways.

Every type of task assigned to an employee requires different levels of skills and knowledge and even the skills in the individuals who are given these tasks vary from person to person. The performance of an individual will be more effective depending on how much the skill and knowledge of the

person to whom the task is assigned matches with the skill required to perform that particular task and this would in return reflect on the performance.

The only thing that seems to be negative in this model would be the fact the proponent was not able to consider the link or the connection between the “paired links” or those system parts that are paired together based from their congruence to one another

Resources are very essential for any organization that exists. Either it is the human resource or the capital; an organization cannot stay for long even if one of them goes missing. Organizational history of any organization is also important as goodwill is another factor because of which an organization gets recognition in the competing world.

The organizational strategies that an organization adopts reflect a lot on its performance and profits. Environment plays a major role in motivating the employees and motivated employees are always good for any organization.

The congruence model provides a graphic depiction of the organization as a social and technical system. It does not favor any particular structure neither it suggests to use the competitor's strategy but to follow the most successful strategy that is the most effective for the organization. It helps to understand change as it allows one to predict the impact of change. It also shows comparisons of the output with the expectations. It also helps to organize what one thinks about the situation in the organization. (Wyman, 2003).

References

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