

Free essay on mcdonalds sustainability

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McDonald's Corporation is one of largest foodservice retailers in the world. The Company was established in 1940 and headquartered in the U. S, but following its internationalization strategy it has grown rapidly over the years. Besides, the Company has followed a unique business model, operating restaurant as an affiliate, a franchise, or the corporation itself. Currently, the company operates in more than 118 countries, running more than 35, 000 native restaurants, serving millions of customers every day (McDonald's, 2013). Arguably, the food industry is one of the most regulated industries, and more than often companies operating this industry tend to be under scrutiny in all aspects. Particularly, the issue of sustainability has emerged as one of the elements through which companies are gauged, and perhaps, a significant factor when it comes to competitiveness within the market.

Mcdonald's is one of those companies that have been in the center of focus when it comes to sustainability issues. Therefore, the focus of this paper is to assess how sustainable McDonald's Corporation is in its operations.

McDonald's is well known for the milestones it has made towards ensuring it remains within the sustainability framework. Thus, the Company has made vivid changes all through its operation history in the attempt to be sustainable. Lately, the company has rooted sustainability in its business model, which explains why its sustainable determinations have maintained a positive impact in the community (Andria 2013). Indeed, the top management of the Company recognizes the importance of embracing sustainability as far as the growth of its business is concerned. The Company's management perceives embracing technology not only as doing what is right, but also as a significant impetus of future success (McDonald's,

2013).

The consumers have considerable influence on how a company undertakes its operations. Especially, it is almost impossible for a company to survive in the market if it does not take into account the needs of the customers (Ferrel, Ferrell & Fraedrich 2005). Lately, in addition to other strategies, observing sustainability acts as a pulling force as far as customer attraction is concerned, because it makes a company more appealing to the customers, which makes them to identify themselves with the company. McDonald's is among the companies that have managed to establish a close relationship with their customers through incorporating sustainability issues in its business as such, showing a sense of care to the customers (Gunther, 2011).

McDonald's' sustainability can be assessed in five major areas namely; nutrition and well-being, environmental responsibility, sustainable supply chain, community, and employee experience. Nutrition and well-being is the major area that the Company is always scrutinized, considering that it is operating in the food industry (McDonalds 2010). In the past, McDonald's has become under serious criticisms on how it deals with the increasing food-related disorders (Salisbury, 2011). However, the Company has taken various measures to maintain its image and promote its brand in the market following such criticisms. For instance, in addition to a continuous improvement on the menu items, the Company always provides information on nutrition components of their food to allow customers to make correct choices as far as their diet is concerned (Epstein, 2008).

Besides, specific attention is given to what is offered to the children, as well

as how the same is communicated to the children and parents. Besides, McDonald's is aware of the increasing problem of obesity/overweight, which most people argue fast foods are responsible in one way or the other. Thus, the Company always takes such issues seriously and tends to work towards bringing a positive influence in the campaigns against obesity and other healthy eating related problems (McDonald's, 2013). This include investing in sensitizing campaigns on educating both the potential and existing customers on how to and the importance of embracing healthy eating habits. Furthermore, the Company always participates in charity campaigns initiated by the government and non-governmental organizations on matters related to the health of the people in the society.

Sustainable supply chain is another area that the Company has identified in promoting its sustainability. As a result of its size, McDonald's has maintained a multifaceted web of supply chain comprising of both the direct and the indirect suppliers (King, 2012). To ensure efficiency in managing such multifaceted system, the Company work closely with direct suppliers with a common interest as far as values and vision on sustainability is concerned. The suppliers are required to meet certain standards which have been set by the Company in terms of safety, quality, efficiency, as well as sustainability (McDonald's, 2013). Besides, it has established a partnership relationship with its suppliers on identifying, understanding and dealing with sustainability challenges facing the industry in general, through which a sustained improvement has been witnessed over the years.

McDonald's sustainability is also reflected on its environmental responsibility. It embraces the "Less is More" in dealing with issues related

to environmental conservation. This includes utilization of less energy, less waste, and fewer emissions. The Company perceives environmental preservation efforts as the right thing for the planet as well as long-term financial stability. To achieve this, it has concentrated in three major issues. First is sustainable packing as well as waste management (Dey, & Srinivasan, 2011). There is continued research on how the Company could reduce the negative effects of their consumer packing on the environment. In addition, it encourages proper waste management in their restaurants. In the past, the Company became under pressure from environmentalists with regard to its waste generation and disposal. In response, it established a partnership with the Environmental Defense Fund, in designing packaging materials that have no harm or little if at all there is, on the environment. Perhaps, this has also led to concentration on recycling strategies in its production system (McDonald's, 2012)

Second is energy conservation. The Company has turned its attention to utilization of environmental friendly energy sources, which has contributed to a reduction of not only the impact on the environment, but also the cost of production (Rogers, 2013). The company has been committed on its agenda of attaining of its target of substituting its electricity consumption with renewable energy, such as wind energy, by approximately 30 percent in the United States (Ward, 2012). In addition, various McDonald's franchises in Japan have been taking part in an energy-saving campaign making use of various green technologies with an objective of cutting down the emissions of greenhouse gases. Lastly is the Green Restaurant Design. The Company has set strict measures to be observed by its franchisees, on how their

buildings should be designed to enhance environmental efficiencies (Rogers, 2013).

The fourth area through which McDonald's' sustainability can be assessed is on how it associates with the community within which it is located. As part of its corporate social responsibility, the Company has been attending to and giving back to the communities. In fact, it considers reaching out and giving back to the community as part of its heritage and values. Globally, it has intended to create a difference via four key ways: partnership and sponsorship both local and global, the Ronald McDonald's House Charities, disaster relief, and involvement in communities through owner/operators (McDonald's, 2013).

Through the Ronald McDonald House Charities, that Company has managed to develop, establish, and support programs that offer resources and stability to families to enhance the well-being of their children. In terms of sponsorships, it is always involved in supporting local and international events, for instance, FIFA World Cup and Olympic games. In addition, McDonald's has played a significant role in various areas that have been affected by disasters, such as the most recent earthquakes in Haiti and China (Werbach, 2009).

The last aspect of sustainability of McDonald's is associated with its employees. The Company, together with its franchisees, has employed about 1.8 million individuals globally (Henriques & Richardson, 2004). To this far, the Company recognizes the importance of its employees in promoting its growth and business in general. Therefore, it has designed a system that helps in developing and retaining a diverse, involved, and talented

workforce. To realize this objective, its policies and programs have given priority in three key issues: respect and inclusion, employee value proposition, and talent management. Focusing on the aspect of respect and inclusion has enhanced creation of a culture of diverseness and inclusiveness, which makes employees to identify themselves with the Company (Kate, 2013). With employee value proposition, the Company improves its commitment to promote the commitment levels of the employees. On the other hand, talent management plays a crucial role in attracting, developing, and retaining talented individuals at various levels within the organization.

In conclusion, the main focus of this essay was assessing how sustainable McDonald's Corporation is. Based on the above discussion, it is evident that the company has made milestones towards promoting sustainability within its business operations. Especially, it has made remarkable efforts in establishing a sustainable supply chain. In addition, it is also sustainable in other areas such as the environment, employees, the community, and nutrition and well-being.

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