

Ploc for darden restaurant



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Executive Summary This report aims to address the impact and problems to Darden Restaurants Inc. due to loss in fourth quarter of year 2007 and examine strategic analysis for Darden Restaurants Inc. in solving this overarching problem. External environment of Darden Restaurants Inc. have been affected because of this issues, especially the shareholders and the customers of the company. Decreased in sales of the restaurant chains under Darden Restaurants Inc. (Red Lobster, Olive Garden, SteakHouse, The Capital Grille, Bahama Breeze and Seasons 52) causing the decreased in profit of the company, and therefore cannot surpass the expenses made, and thus loss of \$ 55. 1 million was made. With the intention to increase the sales and cut down the expenses for the restaurants, strategic analysis of Darden Restaurants Inc. was done. Planning and controlling functions was used in preparing the solution for this overarching problem.

Recommendation to increase the sales for Darden Restaurants Inc. is to ensure the quality of services given is the best in order to satisfy the customers.

By improving the food quality and customer services, consumer will tend to visit the restaurants more often. Developing in the new menu, adding healthy concept in the menu will attract more health conscious consumer. Although ensuring the customers get good services from ordering, servings and food is very important; budget should be done to make sure no excess expenses. Annual report will be prepared accordingly to observe the company's operation. This report finds that retaining current customers will help in solving the overarching problems.

For controlling, the process of monitoring activities to ensure that the organisation work as what they have planned and also to ensure the activities is done in the ways that brings to accomplishments of organisational goals (Robbins et al. , 2006). Darden Restaurants Inc. 's principle is “ to nourish and delight everyone we serve”, and therefore the company should improve the quality of the food and also customer services. Corporate information, article and the media about Darden Restaurant Incorporate were collected and analysed from the internet.

Website of Darden Restaurant provides a lot of information about the organisation of the country and also the problems that they faced in previous years. Textbook was used to explain theories and concepts of the functions used in this report. Monash University's reading lists provide the journal articles for references in this report also. Discussion Darden Restaurant Inc. fails to spot the analyst forecast, posts loss in fourth quarter. This problem has brings a big impact on the company, and also affected the company's profound specific environment which are pressure group and customers.

Polonsky (1996) stated that every stakeholder has the power to affect the firm. The pressure group of Darden Restaurants Inc. are the shareholders of Darden Restaurant Inc. , who are only concerned about the company's profit; while the customers only think about the quality of the services. Darden Restaurant Inc. 's principle is “ to nourish and delight everyone we serve”, therefore the restaurant chains under Darden Restaurant Inc. should pay more effort on the quality of the food and also the customer services to people. AppleBee's® is one of the competitors of Darden Restaurant Inc. results shows that the AppleBee's® is getting better off in the services

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provided and also the profits they achieving is getting higher and higher. AppleBee's is going to surpass Darden Restaurants Inc. 's share of the global food services market. This situation has creates big treats to Darden Restaurants Inc. Planning Planning is an important managerial function through which managers outline the activities necessary to achieve the goals of the organisation. With the purpose of producing a good plan, setting a goal which is accordingly to the sense of direction to the organisation is very important.

There are two types of planning; strategic planning and operational planning. Strategic Planning Strategic plans are the plans that apply to the entire organisation, establish the organisation's overall goals and seek to position the organisation in terms of its environment (Robbins et al. , 2006). In order to achieve its own principles in his services, Darden Restaurants Inc. should set an organising goal, which is providing the best services to people. This is rather a long term plans which should be practiced all the time.

Setting organising goals is a directional plans, which are plans that are flexible and that set out general guidelines (Robbins et al. , 2006)

Operational Planning Nowadays, people are getting more and more health conscious. Darden Restaurants Inc. should put attention in these issues and try to attract more consumers by implementing new menu for the restaurant chains under Darden Restaurant Inc. Implementing New Menu Inventing a new menu is an operational planning; operational planning specify the details of how the overall goals are to be achieved, it is rather a short term plan - monthly, weekly and day to day (Robbins, 2006).

The new menu for Darden Restaurant Inc. is about healthy food, by using 0 grams trans fat cooking oil to grill the seafood for Red Lobster (FYI: Trans fat is considered the most unhealthy of all fats). Using 0 grams Trans fat oil can also makes the food delicious and then attract more customers, this can be shown through KFC which already using 0 grams Trans fat as their cooking oil (KFC, 2006). By introducing whole “ vege” meals for those vegetarian or for people who are on diet. For people who are on diet, they can consume some low calories meal ike roast beef sandwiches and grill seafood that is less oily and healthier to human body compare to food like deep fry fish fillet which is oily. Other than that, by introducing healthy concept in kiddie meals, such as adding smash potatoes or low calories burgers instead of oily steak for them. Salad which contains raisins and some croutons where kids like can be included in kiddie meals as well. Darden Restaurant Inc. can provide some less sweet and high fibre cake as their dessert; this will attract the kids and their parents to consume more. Customer Loyalty Program