

Leading global foodservice mcdonalds

[Business](#), [Company](#)



Introduction The organisation we are going to look in this assignment is McDonalds. McDonald's is the leading global foodservice outlet with more than 33, 500 local restaurants serving approximately 69 million people in 119 countries each day. More than 80% of McDonald's restaurants worldwide are owned and operated by independent local men and women. http://www.aboutmcdonalds.com/mcd/investors/company_profile.html McDonalds has developed its operation to a very high level of efficiency over years it has been operation.

One main reason is that McDonalds keeps innovating its current process design, flows, data capture, and interactions between sections, resource allocation, process technologies and its supply chain. By looking at McDonalds, we have witnessed a culture of change due to the innovative ideas McDonalds has been coming up all the time. This company not only innovate in its operation and food production process, but it innovate every single aspect of the business from physical evidence, management to the customer service.

McDonalds has been working for ages on its QSC, that is quality, service and cleanliness, but they have even changed this to QSC&V where V stands for value which once again shows they do not hesitate to change. Current Process Design - Batch Processes The current process design at McDonalds would be Batch Processes McDonald's uses a batch process to cook its burgers. Adopting batch process means that the speed of delivery relies on the speed and experience of the staff working at the moment. Burgers at McDonalds are cooked on a large platen, in batches of 8 for Hamburgers, 6 for Quarter Cheese and 4 for Big Macs.

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Two or more batches may be cooked at one time and they can happen on various stages of cooking. This makes it important that a crew of McDonalds is required to manage the grill solely during busy time. The burgers are hand dressed which again need one crew to work on that station on busy times. When there are two batches being done in different stages of cooking, the speed is vital to keep the production moving. Interaction between departments At McDonalds, the restaurant is divided between different sections which would be Kitchen area, indoor service area, drive thru and the dining area known as the lobby. By observing the day to day activity at a McDonald's restaurant, you would notice that every most of the sections are related to each other, which means one section rely on the second section. For example, the service area can not finish an order until kitchen supply service with a burger. The interaction between areas (departments) could be better understood when we look at the layout observation that would follow. At McDonalds there is no individual department by its own that we can do an observation on.

As service and kitchen area closely related in McDonalds, we would like to concentrate on the Service and Kitchen area as an observation. Areas at McDonalds chosen for observation • Kitchen • Indoor Service Area In McDonalds Restaurant the layout in the kitchen has been designed in other to ensure speedy preparation of quality food in less time. It also designs its layout keeping in mind the health and safety, increased visibility by customers, minimised supervision. Another factor that is considered is the cost of production which also depends on the layout.

McDonalds Layout - these are the main areas at McDonalds Kitchen - McDonalds restaurant Layout - Product Layout McDonalds have a product layout as we can see they have a standardise operation and repetitive assembly of their products. With this layout design they are able to have a better synchronization even on the different activity line, have a better control and product planning become easier. In this type of layout, even less skill level staff can work where one particular person who will be performing the operation. There are only few changes done rarely due to standard production line up.

In this layout the flow of material take place smooth and continuously. Kitchen Layout - Product Layout Steps of production - Division of Labour At McDonalds, there is a high degree of division of labour. In order to produce one hamburger, 4 staff will be required based on a McDonalds kitchen layout, where each staff will perform a particular task in making the burger as mentioned below. If we look at the production of a Hamburger based from the above diagram, its production would starts at point 1 which is the Toaster, where the buns are toasted for 35 seconds by one person working only at the toaster.

During quite time they may perform two or more tasks, but at busy period, they would perform one task. After the buns have been toasted, it goes to the next level of production which is point 2 at the Dressing Table where a second person would dressed the toasted buns from the condiments already stocked up on the dressing table which would take 45 seconds. At the same time the dressing starts, the person at the grill at point 3 place the frozen burger patty on the grill which is automatically set for 45 seconds. By the

time the meat is ready after the 45 seconds on the grill, the dressing would be finished as well.

Then the dressed toasted buns is moved from point 2 to point 3, that's mean from the dressing table to the side of the grill where the cooked meat patty will be placed on the dressed buns. The Hamburger will then be moved to point 4 which is the production display cabinet, where the person working at the production control at point 4 will wrap the hamburger after having check for quality standards. Staff working on the service area at point 5 will then take the hamburger from the production display cabinet at point 4 to complete their order to give to the customers.

Please note that other burger will also follow the same process going from point 1 to point 5. Also McDonalds has been separated in two sections which are the Beef products cooking area and Chicken products cooking area, where the process is almost the same on both side. Production on chicken side also starts at point 1. At point 1A, frozen chicken are cooked at stored directly at point 3 for assembly, this step can also take place in between production. At point 1B the buns are toasted and dressed at point 2 and the same flow continues. The Precedence diagram for the production of a hamburger

The total production time would be 1 minutes 30 seconds for a burger to reach service. Volume variety The epitome of high volume variety hamburger production is MacDonald's, serving more that 52million customers in more than 100contries counties round the world each day. The volume variety dimension is at the heart of its service and thus has very important implications for the way MacDonald's operations are organized.

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MacDonald's has instinctively grasped the underlying idea of through put time and thus, applied it in its Speedee Service System.

The restaurant operating scheme they developed has been widely adopted and refined over the past half century. The ethos of the assembly line remains at its core. The grills at McDonald's have big steel hoods that swing down and grill hamburgers on both sides at once. The burgers, chicken, French fries, and buns are frozen when they arrive at a McDonald's. Service - At MacDonald's the customer maximum waiting time is usually three minutes and thirty seconds and staff are advised to alert the manger for assistance if there are three or more customers per line.

The new process demands that customer's maximum line time should be 2minutes Thus, using Little's law, Through put time = $WIP \times Cycle\ time$ Cycle time = $\frac{Throughput\ time}{WIP}$ Cycle time for the process = $\frac{3.5}{3} = 1.2\ minute$ Thus a customer should emerge from the process every 1.2 minute on average. On the other hand, given that management requires every customer to be served in every two minute, Thus the number of servers required = $\frac{2}{1.2} = 2$ Hence, 2 server would be needed to serve three customers in two minutes. Every second counts.

Each delay, bottleneck and unnecessary step reduces output and highlights the need for efficient workflow processes. McDonald's has embraced the importance of managing processes, by ensuring that every second is accounted for in the making of each product. Service time is critical to McDonald's success, as McDonald's tries to increase customer satisfaction within the competitive fastfood industry. The plan to get food to customers quicker, and keep increasing the market share that McDonald's won in the <https://assignbuster.com/leading-global-foodservice-mcdonalds/>

recession, means that each second really does matter. Process Mapping
Ordering a meal at MacDonald's

To order a meal at MacDonald's usually it takes six service steps. (1) Greet the customer (2) Take the order (3) Receive payment (4) Assemble the order (5) Present the order (6) Thank the customer and invite them to return On the other hand work flow process will take the following shape Take order Take payment Preparation begins Customer waits Packaging and inspects If the right items are placed Customer takes food Technologies at McDonalds Today various organization are using technology is the main tool through which not only increased the efficiency level but also increase their profit and growth.

In current scenario various innovative companies are thinking that how we will improve our speed and efficiency level to satisfy the customer demands. Due to market changing trends and new innovation in market, compel the operations of the organization to reshape their layout process and strategy to overcome the 21th century demand and challenges. MacDonald is the world leading innovator organization in current scenario. But there is no doubt that currently McDonald faces various challenges and problems.

Today McDonald have the huge challenge that how to increase the speed to deliver quick food. And how McDonald will beat the queue? There are various organizations which are currently using different methods and equipment to deliver excellent service. [pic] As part of McDonald's ever-increasing process development, the company is testing a self-serve kiosk in Europe, which may prove popular with diners seeking to customize meals and limit their time in

queues. The downside may be the time needed to read the screens of choices.

McDonald's Director of operations and POS technology, Laurie Gilbert, said that the system is easy to learn and may cut as much as 10 seconds off the current workflow. Approximately 5,000 restaurants out of the company's 32,000 locations are trialling the new software. McDonald's currently aims to serve most customers within 90 seconds of taking their order. In order to speed up times at drive-through windows, staff at the McDonald's Innovation Centre spent years incorporating an automated soda fountain that fills cups as soon as an order is placed into the workflow.

When this same crew discovered that hot drinks needed more milk, they added refrigerated storage below the McCafe coffee makers to speed up efficiency. These two improved services have led to the processing of as many as five extra cars per hour in the drive-through queue. Cooking instructions are not only printed in the manual, they are often designed into the machines. A McDonald's kitchen is full of buzzers and flashing lights that tell employees what to do. At the front counter, computerized cash registers issue their own commands.

Once an order has been placed, buttons light up and suggest other menu items that can be added. Workers at the counter are told to increase the size of an order by recommending special promotions, pushing dessert, pointing out the financial logic behind the purchase of a larger drink. While doing so, they are instructed to be up -beat and Recommendations Three improvements that can be introduced in McDonalds Even though McDonalds

has always looked forward towards innovation, there are still some areas of improvement on which I would like to discuss below.

McDonalds has two main channel of delivering food to its customers. One is from counter and the second one is Drive Thru. The always busy counters and a huge number of cars spending around 3 to 5 minutes in the drive thru has forced a part of the fast food market not to eat in McDonalds. McDonalds should be coming with concrete solution to get people serve quicker than before. Front Counter Service - Self Ordering kiosk - In every McDonalds outlet In every restaurant the self ordering kiosk should be introduced.

Here customers can save the queue and instead order their food from self-ordering boots, that is they enter which ever food they like from the menu and pay to the machine and obtain an ordering number and wait for their number to be called at a collection point. The advantage from this method would saving the decision and ordering time people take at the till and making people wait behind. Even having 4 kiosks would be quicker than 4 tills as ordering time will be save, and the staff who was suppose to take an order, can actually assemble the order in the meantime customers are ordering by themselves.

The factors that would make this happened would be a high investment from McDonalds. Whereas there will the issue of staff retraining, time for customers getting used to it and more importantly, the McDonalds staff to be able to make this system possible in much quicker way compared to till system. - Online ordering This method is can work with conjunction with the 1st system discussed above. Customers can place an order online and they can spend as long as they wish in selecting the right food they wish to buy

and they can just bring the order number at the restaurant to pay for their order.

They only need to go to a counter or self-service kiosk to pay using the code. Yet again, customer do not need to queue for long as the decision time and ordering time no more exist at the restaurant. So the 2 minutes in line time will be eliminated. From ordering online, I have not recommended that people can the facility to pay for their food online and receive a code which can be presented at a counter of kiosk. Reason behind that would be, if customers pay online, McDonalds would not know what time the foods will be collected.

This will result into cold food being left waiting and as per the policy of McDonalds, the food should be wasted after 10 minutes holding time. This would also increase the food waste, thus increase cost. This can only happen if McDonalds adopt this process in all its outlets which in return will allow customers to see this as an standard and get used to it. Drive Thru - Fast lane and Online ordering Drive Thru at McDonalds is another main area of the restaurants from which McDonalds is making more than 50% of its sales per day.

The main problem in the drive thru is that more and more people are driving in the McDonalds drive thru per hour to buy their fast food. This is resulting in longer service time because every extra second a car has to wait for the next cars to get served; in return it is increasing the queuing time, thus creating a bottle neck. As suggested above for eat in customers that can order online and use their order number to pay at counters or use in a self-service kiosk, the same method could be applied for drive thru customers.

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Instead of ordering on the arrival to the drive thru, customers can present their order number and pay at the cashier on drive thru. This will certainly reduce the total experience time. Even customers have order online they will still need to wait in the queue together with those cars that have ordered place their order on drive thru. In this situation, to keep the online customers move quicker, a fast lane can be introduced. Actually in the all the new drives thru at McDonalds, there are two lanes which allow customers to place order in any lane of their choice.

But by introducing the fast lane, one of the lanes can be used for online customers, which would definitely make the process quicker. Kitchen Kitchen is one of the important parts of McDonalds that have a direct impact on the quality and speed. The longer kitchen takes to get a burger to service, the longer it takes a customer to get served. To have fresh food served all day long, it depends on the way dressing condiments and other raw food are used and stored. At McDonalds, the shelves lives of products are vital.

That's means, the holding time of raw products. For example, cheese is kept on the dressing table for only 2hours and fresh onions are kept for 1 hour. After the holding time of the condiments has elapse, kitchen staffs have to restock the kitchen with fresh stock. This process is a time consuming process and during busy time it become very difficult and complex. Kitchen staff could have used that time in producing burgers at the busy times. - Automated stocking up of dressing table

Our proposal to that situation would be to have automated stocking up of the dressing table by having the containers of condiments to automatically flip upside down discarding the out of holding time condiments under the <https://assignbuster.com/leading-global-foodservice-mcdonalds/>

dressing table bins. On the other hand fresh condiments could be automatically poured on dressing table containers. The condiments to go on the dressing table can be kept in a built-in cooler over the dressing table. This proposed system would eliminate the whole hourly stocking up; in fact just few heavy stock-up of the dressing table built cooler can maintain stock for the whole day. Automated dressing In the current situation, crew in McDonalds normally dress each burger manually even though a maximum of 8 burger buns can be toasted at the same time in one toaster. Here I would suggest special trays with 8 small holes that can keep the buns in one place until the final process. As the buns has been toasted, they should be taken out and place in an automated condiment dispenser, for example for a Ham Burger, the automated condiment dispenser will dispense ketchup, mustard, onion and pickle, all one by one.

This saves someone from dressing each and every burger manually. Moreover all the burgers will be dress to the same standard and with exact amount of condiments. Here the food coast can be easily managed and even labour cost. Factors that would make this happen would be a good planning from the McDonalds managements. This will cost very high as completely new equipment should be introduced. The factor that could hinder this project would be a high maintenance cost, as they should be calibrated regularly in order to have proper amount of condiment dispensed. Training cost would also be high.

And the most important would be to decrease the number of staff as work will be automated. References: http://www.mcdonalds.com/us/en/food/food_quality/trends_innovation.html <http://www.forbes.com>

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<http://foodbelfast.com/2011/05/mci-robot/#.UKVlpocz35S> <http://alison.com/topic/learn/1312/24838/operations-management-strategies/operations-management-strategies-facilities-layout-planning> <http://www.lifreepapers.com/print/McDonalds--Burger-King/3827.html> ----- Office
 Toaster For Ham Burger Buns Toaster QtrCheese Dressing Table Ham Burger
 /QtrChesse Grill Ham Burger Grill Quarter Cheese 1 2[pic] 3 Product Display
 Cabinet 4 Service DriveThru 5A 5B Dressing/ Assembling Table Toaster
 Chicken Buns Chicken Products Fryers 1B 2[pic] Cooked Chicken Holding
 Cabinet 3 4 1A Toaster 1 35 secs Dressing2 45 secs Display 4 10 secs Grill 3
 45 secs 1 35 Seconds 2+3 45 Seconds 4 10 Seconds