

The political perspective of mcdonalds



The Political Perspective of McDonalds Business Administration Module 1 Basic Organization Theories Vaxjo University, Sweden Introduction The political perspective proposed by Lee Bolman and Terrence Deal in their 2008 book, ??? Reframing Organizations??? provides tools to analyze politics associated with a particular corporation. McDonald??™s is a fast food chain with nearly 32, 000 stores in almost 120 different countries.

Its revenues in 2008 were about 23. 5 billion dollars compared to a net income of 4. 3 billion dollars (McDonalds Annual Report). These numbers show the large size of this corporation and why it is seen as a frontier of globalization. All of these facts make McDonald??™s one of the most influential corporations in the world. Although there is constantly news coverage, interviews and articles about McDonald??™s, it is quite difficult to illuminate the company from the political frame. One is not able to take a look into the firm??™s policy because of the company??™s secrecy. Therefore the only chance to obtain information is to deduce knowledge and cognition relating to the political frame from the CEO??™s and manager??™s decisions of the last years.

Behavior reflects thinking, motivation and intention. Having said, the following pages are an analysis of the management??™s decisions basis. Organizations are coalitions of individuals and different interest groups (Bolman 194).

This applies to small local companies and multinational corporations as well. This assumption is even more likely to be true when there are many different interest groups involved all over the world. This is the case at McDonald??

™s. This can be seen as a large conglomerate of individuals and groups with different agendas and goals. The different interests create a stage for political games and wars in the ongoing struggle for control of the company??™s resources. To analyze the political processes of McDonald??™s properly, one would need to have knowledge of the corporation??™s internal affairs.

Not having that, one can only make assumptions looking at the visible signs of internal political activities. The political perspective is a point of view which is not a clear topic to discuss. Analyzing this perspective is not easy because there are not many sources that are directly about politics within the company. It is also a challenge to extract more than stock phrases from different articles. Thereby this paper is based on deducing information from CEO??™s decisions.

It is interesting in group work how variable understandings, opinions and interpretations are. It is exciting how conflicts such as having different opinions can influence the work in a positive way. As a result, being heterogeneous boosts the development of the paper. There are a number of different ways to see or to notice a situation or an environment.

Getting to know these different perspectives from other group members increases the own understanding of a given organization. Consequently you achieve aims that are hard to attain alone. Therefore, first a discussion of what was initially to be written took place, and afterwards there was a division of work to get the rough paper written. Every group member had single pieces of assessment which have been afterwards discussed to reflect

on. As a result new impressions line the quality of argumentations. It is an advantage to be multinational by comparison of the USA and Europe. Often there are differences and similarities, which was the beginning of new ideas for the paper.

Purpose of the paper The analysis of McDonald's™ from a political perspective should provide a distinct view on this exceptional corporation. Through this perspective one is able to finally form a holistic image of a corporation. Considering the managerial decisions of the last 20 years as politically motivated actions opens up new ways to understand why this company exists in the first place. As a machine-bureaucracy with a tight set of rules and regulations, one might think there is little room for development to happen at the headquarters. However, over the years there have been very different CEOs who all had a distinct political agenda. They each had a specific idea of what McDonald's™ should look like in order to be successful.

To achieve this goal, every CEO had to become an actor in the political arena the company represents. Together with the structural, human resource, and symbolic perspectives, proposed by the well known Authors Bolman and Deal in their book ??? Reframing Organizations,??? this paper can form a, not complete, but rather lifelike image of this very complex company. Political Perspective From the political perspective, organizations are viewed as ??? rolling arenas hosting ongoing contests of individual and group interests (Bolman 194). The perspective can be broken down into five different parts. The different parts are as follows: Organizations are associations of people with a common goal or interest. The people involved in the organization may <https://assignbuster.com/the-political-perspective-of-mcdonalds/>

have different ideas, concerns, and ways they view society. Important decisions revolve around the fact that resources are scarce.

Scarcity makes people fight for their position within the organization. Ambitions and conclusions come from a compromise made between individuals who are concerned about the well-being of themselves (Bolman 194-195). Organizations can be analyzed as political is because of the different parts of the political frame. Alliances form between individuals because they need each other to succeed. The two individuals may not have the same beliefs or ideas, but they each know they can benefit from the other individual. When these alliances are formed, both groups gain power. People want power because that means that they have more control over scarce resources.

The fact that all resources are limited and scarce means that during a time such as a recession, politics will be more extreme (Bolman 196-197). Every organization has goals set by the individuals with the most authority. In a business that goal is to make a profit. Therefore the individuals with the most authority will do everything in their power to make sure the business comes out ahead, so they make money. One could say that McDonald's™ does not care their food is unhealthy, because the company is making money on this unhealthy food. If McDonald's™ were to change their menu to all healthy choices they may not have as large of a profit. (Bolman 198-199) Despite popular belief, authority is not the only way to achieve power.

Bolman and Deal list alternative sources of power. ??? Control of rewards??? is the ability to provide jobs. McDonald's™ has this form of power because

they employ a lot of people from the people flipping burgers, all the way up to the CEO.

??? Coercive power??? is the ability to interfere. McDonald??™s interferes with other fast food restaurants plans and marketing techniques. If Burger King comes out with something McDonald??™s doesn??™t, McDonald??™s will in turn come out with something bigger and better. ??? Information and expertise??? is the ability to know how to solve important problems.

McDonald??™s has a secret lab located close to headquarters in Illinois where they devote every day to solving problems. ??? Reputation??? is how people outside of the business view it. McDonald??™s wants to have the reputation that their restaurant is clean and of good quality. ??? Personal power??? is how approachable an individual is. This is why McDonald??™s wants all of their employees to greet the guests with a smile. ??? Alliances and networks??? are important because they allow companies to specialize. McDonald??™s has an alliance with coke because coke specializes in making soft drinks. ??? Control of meaning and symbols??? makes it so McDonald??™s doesn??™t have other companies trying to associate themselves with McDonald??™s (Bolman 203-204).

Conflict is a necessary aspect of an organization when looking at something through the political perspective. It goes back to the fact that resources are scarce. When things are limited people are going to fight to gain control of them. ??? Horizontal conflict??? occurs between departments or divisions of an organization. ??? Vertical conflict??? occurs between different levels of an organization. ??? Cultural conflict??? occurs between groups with different

beliefs, values, and ideas (Bolman 206-207). Bargaining and negotiation are important aspects of decision making. Negotiation is necessary because when two or more groups of people are trying to come to a conclusion, their ideas, beliefs, and values are going to clash at some point.

Negotiating the situation will make it possible to come to an agreement where everyone is able to benefit from the conclusion. In a political discussion there is a lot of negotiation because of the fact that everyone has their own beliefs. Each person is going to believe that one thing is more important than another.

Bolman and Deal bring up the point that one can gain power through bargaining. ??? The more player A can control player B??™s level of uncertainty, the more powerful A is??? (Bolman 223). This is why McDonald??™s has a secret lab. The lab is so secretive that the workers are not allowed to tell anyone what goes on there. McDonald??™s doesn??™t even give out the location of the lab. This allows them to control their competitors??™ level of uncertainties. (Bolman 221-224).

It is crucial that managers set goals for the company, and then get other people in the company on the same page. The manager should want everyone to understand their goals. The managers need to create an agreement between the employees and themselves. This will ensure that the employees support the managers??™ goals. There are four steps for managers on how to tell employees their goals. ??? Tell them your vision, state your best understanding of their position, identify your contribution to the problem, and tell them what you plan to do without making demands???

(Bolman 225). Employees will appreciate being informed in such a way that doesn't demean them.

However, when resources are scarce this may not work because conflict will be more apparent and people will want power and control of the resources (Bolman 225). There are points in time when a revolution is necessary. This is called Bottom-Up Political Action. An example is the new green activism which focuses on conservation of resources and saving the environment.

Bolman and Deal say that this only happens when there is a need for a revolution a period of rising expectations followed by widespread disappointment (Bolman 233). This could be an issue for McDonald's currently, or in the future. If health experts keep saying that McDonald's is unhealthy, then people may refrain from eating it, and McDonald's will need to change. This has already happened, and can be seen in the way that McDonald's added apple slices and salads to their menu. Top-Down political action happens when the CEO in a company makes decisions and controls what happens. The one in charge thinks that their ideas and programs will be good for everyone involved; however, sometimes this is not the case (Bolman 235). Most people in control never think that their decisions will backfire, but as one can see McDonald's has gone through a number of CEOs over the past ten years, and one can pick out the good leaders from the bad ones by looking at the company's profits over the past ten years.

Description of Company Dick and Mac McDonald started a small barbecue in San Bernardino, California in 1940, called McDonald's™. In 1955 McDonald's™ was made a franchise by Ray Kroc, and has been a successful company for over 50 years. The corporate headquarters are located in Oak Brook, Illinois. The president and Chief Operating Officer is Ralph Alvarez, who is supported by Chief Executive Officer Jim Skinner and Chairman Andy McKenna (2008 Annual Report). McDonald's™ has been successful because of the company's™ structure. Over half of McDonalds's™ restaurants are operated as franchises.

The relationship between McDonald's™ and its franchises is very strong. In 2008 there were 31, 967 total McDonald's™ restaurants and 25465 of these restaurants were run by franchisees, while only 6, 502 were run by the company (2008 Annual Report). In 2008, McDonald's™ had a net income of 4.

3 billion dollars and revenues of 23. 5 billion dollars. The company divides its restaurants into distinct geographical segments. The largest segments are the United States, Europe, and Asia/Pacific, Middle East and Africa – also known as APMEA. Business in Canada, Latin America, and Corporate activities are known as – Other Countries and Corporate. The US was responsible for thirty four percent of total revenues, Europe forty two percent, and APMEA eighteen Percent. France, Germany, and the United Kingdom were responsible for over fifty percent of APMEA's™ revenues.

These markets are referred to as – major markets – and are responsible for over seventy percent of the company's™ total revenues (2008 Annual

Report). McDonald's™ does not stop with making a burger and fries. They own many other restaurant chains, such as Aroma Cafe, Pret A Manger, Donatos Pizza, Chipotle Mexican Grill, and Boston Market. The sales volume of the McDonald's™ Corporation includes the sales of all these various subsidiaries (2008 Annual Report). McDonald's™ also believes in giving back profits to its shareholders via dividends and share repurchases. In 2008, 5.8 billion dollars was returned to shareholders. 1.

8 billion dollars was in dividends and 4.0 billion dollars was in share repurchases. In 2008, the company opened 995 restaurants, and gave a new image to 1,450 locations. This was funded by using capital expenditures of 2.1 billion dollars. The company spent 703.

4 million dollars in advertising costs for the year 2008 (2008 Annual Report). On the surface franchise companies appear to be very uniform. A similar attitude can be seen with the product line. The company offers a number of dishes and beef and chicken, as well as salads and sandwiches, breakfast and desserts. The company also has its own drink menu with specialty coffees which are trademarked as McCafe. Furthermore, in every country, the menu consists of these standard dishes combined with new tasted and local flavors. McDonald's™ is proud to say, 58 million customers served on average each day (2008 Annual Report).

The employees work to satisfy the consumer by accurately serving hot, freshly prepared food with fast and friendly service in a clean and attractive restaurant (2008 Annual Report). McDonald's™ has done numerous things to make consumption easier and convenient. The drive-thru, cashless

payments, and extended or 24-hour service are a few of the main things the company has done to increase society's consumption. McDonald's is focused on quality, service, cleanliness and value. "Better, not just bigger" (2008 Annual Report) became its mantra, and the multiple tasks surrounding the five factors of exceptional customer experiences; people, products, place, price, and promotion (2008 Annual Report). Analysis One way to find out more about McDonald's political goals is to look at its relationships with alliances and competitors. McDonald's is known for its aggressive policy regarding its brands names, protecting the "Mc" preamble with pride. In mid 2000, McDonald's forced a tiny healthcare-company from Switzerland with about 45 employees to change its name.

Originally called McWellness, the owners renamed it at the prospect of ongoing lawsuits against the huge Burger chain (Today burgers). This politically motivated move shows that today's burger selling company may have plans to be more than that in the future. Logically, there are even more direct competitors for McDonald's than a tiny health care company. About two years ago, McDonald's experimented when it began to sell coffee called "McCafe".

The testing markets, such as Germany, seem to be profitable. The company lately started to sell coffee in about 14, 000 American stores as well. This lateral expansion of the product line shows the will of the management to compete at new markets. It also brings new competition in from the coffee-chain Starbucks. The attack on the coffee-market comes at a bad time for the traditional coffee-brewer.

McDonald's™ has an opportunity to gain customers as the financial crisis hits hard and people search for cheaper alternatives to a four dollar Starbucks latte. McDonald's™ is able to satisfy the need for fast and cheap coffees. Meanwhile, Starbucks started to sell grilled sandwiches in some of its stores and lowered the prices for coffee.

However, in a price war McDonald's™ seems to have better cards (Gregory). Although McDonald's™ does not want to be associated with any other companies using the "Mc" preamble, it has very close partnerships with Disney and Coca Cola. Since the three companies have similar target groups, they came together to form an alliance. The three companies strive to open new channels of distribution by working together. Coca Cola is the main provider of sugary soft drinks for McDonald's™ stores and Disney's™ adventure-parks (The science of alliance).

Coca Cola's™ brand name is the most often recognized one in the world and a sign for western lifestyle in many countries all over the world (Interbrand). Therefore it's important for McDonald's™ to be connected with Coca Cola and to sell its soft drinks. McDonald's™ and Disney on the other hand share a very tight bond as Disney provides McDonald's™ with giveaways for its most important target group, children. Many children urge their parents to go to McDonald's™ and to buy a happy meal just to get an action figure or toy from the latest Disney movie.

Through the same alliance, Disney is able to reach kids and young adults, even when they are eating their McDonald's™ meals (The science of alliance). McDonald's™ perfected these political alliances during the last

few years. The revenues it makes by these alliances are unknown, but undoubtedly vast.

McDonald's™ has not only to face internal, but also external political pressure. It has become the flagship of globalization, sporting more than 30,000 stores in over 120 countries. One cannot mention globalization without mentioning McDonald's™.

This has proven to be a growing image problem, as globalization has many opponents all over the world. It is widely seen by local farmers and entrepreneurs as responsible for huge numbers of lost jobs, the closedown of working companies and the loss of traditions and beliefs. The French local farmers, for example, are convinced about the drawbacks of globalization. They respect the anti globalization activist Jose Bove (The french farmers'™ anti-global hero). In 1999 he successfully boycotted the opening of a new McDonald's™ restaurant in Millau, France by taking the rubble from the newly erected store and dropping it in front of the town hall. The reason why he chose a McDonald's™ restaurant is that they sell beef that has been treated with hormones to make cows grow faster.

This beef was originally forbidden in the European Union. The US and the WTO forced the EU to change that law by imposing high tariffs on some European goods like Roquefort cheese. This was a very hard blow for local farmers, including those in Millau. Bove became a civil hero for the anti-globalization movement and was even treated very amicably by legal authorities (Jose Bove). Bolman and Deal would call such a development the '???' exercise of coercive power by partisans???. The local peasants can

therefore be seen as partisans, they are the targets of influence by the legal authorities (Bolman 202). As they lack authority, they have power through exercising coercion, meaning to block and interfere with developments such as the building of new McDonald's™ restaurants in the French countryside.

McDonald's™ is a leader when it comes to marketing new products. The company spends twice as much money on marketing as its rivals. At first glance, marketing might not look like it is part of the political perspective of a corporation, but through marketing, a corporation can gain power.

McDonald's™ marketing techniques do not stop with the advertisements, but carry into how the menu looks, how the restaurant is designed, and how good of an experience the customer had at the restaurant.

The better the customer's™ experience, the more likely they are to come back. Not only does McDonald's™ want to serve good food to customers, but they want them to have a good experience while ordering, and being in the restaurant. Both of these goals are accomplished through marketing. This is why employees taking orders are cheerful and smiling when patrons walk up to the counter to place an order. This makes every worker in the company important—from the person who takes the order all the way up to the CEO. As previously mentioned, McDonald's™ started a new ad campaign to promote pricey coffee drinks.

However, marketing expert Stephen Burnett does not agree with this campaign because he believes it will take away from the main products on the menu. ??? Everyone is advertising sandwiches under a dollar now, and I don't™ know if people are in the mood to hear about three dollar coffee???

(Sterrett). Although the coffee is going to be marketed as part of the breakfast marketing, Burnett does not believe that a burger chain will be successful in selling expensive coffee drinks. However, according to Steve West, ??? You can??™t underestimate McDonald??™s marketing power??? (Sterrett). West believes that the expensive drinks will be responsible for about half of the sales growth in the US for this year. McDonald??™s has the marketing power to sell almost anything. The fact that McDonald??™s is the leader in marketing is not always looked at as a good thing. Many middle class people seem to hate McDonald??™s.

This is due to the fact that they are afraid of obesity. Many people believe that McDonald??™s is responsible for the large number of obese people. There are people that believe that McDonald??™s should not be allowed to market their food to children, simply because the food is high in fat, salt, and sugar.

Children do not know that this food could be bad for them; they are just interested in the free toys they get in their HappyMeal (Smith). Within the last year, McDonald??™s used movies such as Kung Fu Panda and The Spiderwick Chronicles to promote their HappyMeals. The argument is that children are being tricked into eating this junk food because they are just interested in the toys they get for eating their HappyMeal (Junk-Food Giants). Children know that when they eat at McDonald??™s they will get a toy.

McDonald??™s uses this reputation to its advantage. They know that the toys in the HappyMeals keep the children coming back. ??? Reputation builds

on expertise??? (Bolman 203). McDonald??™ s is a marketing expert when it comes to selling food without actually advertising about food.

Although McDonald??™ s markets unhealthy food to children, they are starting to put healthier choices on their menus. Just a few years ago McDonald??™ s added chicken to its menu because there was a shift in the demand for white meat. According to Catriona Nobel, ??? It??™ s about giving consumers what they want, when they want it??? (Canning). This is for the health conscious adults. McDonalds??™ main target markets are children, teens, and mothers. McDonald??™ s targets these three groups because they want to get the children addicted so they are lifetime consumers. They know that teens want easy, quick snack foods, and they know that mothers will bring their children to the restaurant if they believe their children are getting something good out of the visit. So by adding salads to the menu, McDonald??™ s was able to target the health conscious mothers.

When McDonald??™ s came out with a salad, they gave the mothers an item they could order along with their children. In doing this McDonald??™ s was able to increase their sales when mothers brought their children to the restaurant (Did somebody say a loss). McDonald??™ s gained power when they came out with healthy choices because they made it possible for health conscious individuals to purchase their products. By coming out with better products than their competitors, McDonald??™ s increases their power.

A very important aspect of McDonald??™ s marketing division is that the pair of golden arches should represent more than a burger-selling-company. McDonald??™ s wants to lose the reputation of being the reason for obesity.

McDonald's™ wants to create the image of health, love, life, and modern spirit without disdaining their superior aims "improvement of quality, product, and service. This idea is intimately connected with the symbolic frame because the focus bases on the "golden arches" and the percipience of the company. Symbols represent special ideas, associations and thoughts, and McDonald's™ wants to effectively combine political and symbolical intentions to evoke positive associations for the company. Diversification is the way to advance and develop business units within the company's™ portfolio.

According to Entrepreneur. com, the definition of diversification is "a risk-reduction strategy that involves adding products, services, location, customers, and markets to your company's™ portfolio" (Diversification). McDonald's™ has already started to diversify on the horizontal level, but they aim for lateral diversification as well. Although globalization is about making things uniform, McDonald's™ still diversifies by slightly changing their menus for different areas of the world. For example, In France they have wine and beer on their menu, but in the US this is not the case. As already mentioned McDonald's™ has forced a tiny health-care company|calling itself McWellness to change its name. Perhaps, though, McDonald's™ has more ambitious plans.

The company admits that its future plans are not limited to food (Today's™ burgers). Therefore it is expected that McDonald's™ will enter new markets. This type of diversification is more risky because through acquisition or merging, a firm enters an entirely different market that has little or no synergy with its core business or technology (conglomerate

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diversification). This step can be necessary to set the beginning for reaching new market segments.

On one hand, the company takes a risk because entering into new departments can be costly, but on the other hand it has the opportunity to make more money. This is called the environmental analysis. McDonald's™ does not want to lose the power of the Mc sign. They want to have the control of the meaning and symbol (Bolman 204). According to Bolman and Deal, to have the control means to exploit one source of power. The combination of environmental and business analysis results in improvements which lead to advantages in competition. If identity, beliefs and values are viewed positively, this fosters meaning and hope (Bolman 204).

Therefore this point is as well combined with the symbolic frame. One can see that these frames cannot be seen separately in general. Often they clash together and are reflected in the same direction. In this case they function cumulatively and amplify each other. McDonald's™ sponsors sports such as the Olympics, football, and hockey. They are focused on unilateral mass communication (Sports Sponsorship). The advantage of indirect communication methods is cost cutting or rather transaction costs.

McDonald's™ identifies itself as a welfare supporter.

The company sponsors charities such as the Ronald McDonald House, a non-profit corporation that creates, finds, and supports programs that directly improve the health and well being of children. For 35 years. McDonald's™ has been the Ronald McDonald House's™ largest corporate donor as well as owner and operators who funded portions of the annual operating costs

for Ronald McDonald Houses. Today there are Ronald McDonald Houses located in 52 countries and regions (Ronald McDonald House). McDonald's™ uses the word "we" frequently. This indicates that the company identifies itself with the reader and that it wants the reader to identify with it. The group "we" is characterized by positive terms and by slogans which evoke positive associations in the reader.

As a result it creates an emotional accordance. Consequently the reader, who simultaneously is a consumer, gets another perception of the McDonald's™ company. It is no longer only the burger-selling company, instead a modern thinking concern who understand the consumers needs and wishes. Conclusion McDonald's™ develops constantly and evolves as company. During the last ten years there has been a clean line of change, induced by the headquarters in Oak Brook, Illinois. However, there have been difficult times for the firm. Around the year 2000, the former CEO, Jack Greenberg, was forced to loosen the strict rules and policies for the 20, 000 franchisees of McDonald's™. The franchisees used their political power over Greenberg, who did not want to disgruntle them.

The franchisees used their newly gained freedom to cut costs at important areas such as cleanliness and service-quality. The result was McDonald's™ first ever quarterly loss in January 2003. This had to be taken seriously. Greenberg became the victim of a politically and economically motivated board decision and was replaced by Jim Cantalupo, a McDonald's™ veteran that returned to approved values of customer satisfaction, shop cleanliness, fast service and a tight set of rules for the franchisees. Over the following years, McDonald's™ was able to reestablish its former growth rate and a

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positive net income (Did Somebody Say a Loss). These developments are typical for a troubled company, at least from a political perspective. Bolman and Deal see corporations, in their book ??? Reframing Organizations,??? as political arenas where the overall target is to make as much profit as possible.

At companies like McDonald??™s where the owner is not the leader, even the CEO is replaceable if he is not able to keep up constant growth and earnings. Depending on the political power of the CEO, he might be able to withstand the pressure to be successful for a certain time, but eventually the political climate will turn against him. If dismissal is imminent, he will probably lose even his best allies who do not want to be drawn into the vortex of leadership change. Common sense dictates that such political decisions are common in many, if not all companies. As a network of people, each striving for less or more power, it seems only natural that hidden agendas emerge and alliances and animosities build up, depending on how similar or different the goals of individuals or sub-groups are.

The very same happens in everyday life, maybe in a suburban neighborhood where people with the same interests form various clubs or BBQ-groups, inviting not all of the neighbors but only some of them. Another example is politics at party meetings, where supporters gather around more than one main candidate for the next poll. Life is political. Therefore, the political perspective is probably the most natural way to look at a company which, to a certain extent, can be seen as a modern day reincarnation of ancient tribal groups. Of course, there are other perspectives as well. In order to form an

image of something as complex as a firm, one needs to have different points of view.

Like a diamond, a company has facets and looks different, depending on how you look at it. Bolman and Deal state four important views, so called frames, to analyze a company. Those ??? frames??? form a basic set of tools to describe a corporation. This paper already described the political frame. The others are the structural frame, the human resource frame and the symbolic frame. In the chapters about the structural frame, Bolman and Deal describe companies by distinguishing their structure. They discuss Mintzberg??™s theory of five different company-types as well as newer approaches like the network-theory and Sally Helgesen??™s ??? Web of inclusion???. To analyze a company according to its structural organization is a very obvious and straight-forward approach to the problem.

A hierarchical structure can be mapped easily and drawn on a piece of paper. If restructuring seems necessary, most people think about a change in the organizational structure, but this view misses important facts. McDonald??™s with its tight structure and repeating hierarchical pattern in every restaurant has been analyzed at different universities quite thoroughly. It resembles best a so called machine-bureaucracy, a concept that is over 40 years old. Proven successful, the structure probably won??™t change soon. It is static and does not explain current losses or achievements of the corporation.

An organization is not only a set of roles and their relationships on a chart. The people that should have the authority for management and change

given by position are often not the people that really pull the strings. There are a lot of different forms of authority and power, given for example by knowledge or the control of resources (Bolman). Therefore, to analyze a company by its structure may work out fine, or it may show an entirely distorted picture of current reality.

The human resource-view depicts a company in a different light. It emphasizes the important role every employee plays at a company. At the first sight, this position may seem logical and even imminent. However, reality shows that only during the last years companies started to put more effort on gaining a motivated, involved and committed workforce.

Before, and at some corporations even now, most employees were seen as notoriously lazy and unreliable by their superiors. That assumption implicated that they had to be monitored, restricted and deprived of any possible distraction. Of course this managerial attitude led to the humiliation of the workforce. Employees fell back to all kinds of passive and active resistance such as absenteeism and even sabotage, making the superior??™s views of lazy workers a self fulfilling prophecy. This vicious cycle can be broken by a more employee-centered view of a company.

McDonald??™s for example does a good job by sporting such things as an own university, a special passport for McDonald??™s employees and promotion programs. The repetitive and boring low level jobs like burger grilling or cleaning however are hard to make more interesting. To counter these problems, McDonald??™s at least tries to satisfy employee??™s security needs with safe working places and possibilities for better jobs. The

credo of chapters in ??? Reframing Organizations,??? about human resource is, if the workforce is invested in and treated with respect, the return on this investment will be great.

They therefore propose a human-resource frame as another, probably rewarding way to analyze a company for vices and virtues. However important, this view has some serious drawbacks. Many other actors a company deals with are radically left aside, such as shareholders, customers and the public. It therefore can??™t be seen as the only satisfying choice for managers to consider if ??? Reframing the Organization??? becomes necessary.

Symbols and corporate-culture are what the last frame is about. They form a very important part of a company. To some extent, this view is hard to grasp for many people because it contains the understanding of very subtle things like employees and customers attitudes, fears and sense of belonging. It describes the psychological side of the company, something that??™s often quite vague. Nevertheless, to ignore it could be fatal. There are many examples for failed mergers where two incompatible corporate-cultures were forced to work together without proper preparing of either of the sides. Charismatic leaders use company cultures to bond their employees tightly, to enhance the mutual feeling of belonging.

This makes them work harder and better, because they believe in what they are doing. To tell something on this respect about the real inside culture of our case-corporation, McDonald??™s, would probably require a lot of insider knowledge we don??™t possess. The marketing-department of McDonald??

™s however is widely known as a hot spring of good ideas to form a ??? McCulture??? around the company. To the outside, Ronald McDonald, different charities and Happy Meals are well recognized USP??™s.

Despite its importance, the symbolic frame just emphasizes feelings of commonness but loses sight of personal agendas. As always, people might not be playing according to plan and the best culture does not help when there is economical turmoil accumulating on the companies??™ path. These frames, however, are just a few amongst many, though very popular and natural to common sense. There might be other views, for example a shareholder-view or a process-view that apply well for a certain company. Moreover, all these views can??™t even be separated entirely. They form a framework with many interconnections.

The political frame, for example, touches the symbolic frame when it comes to the necessary alignment of political goals of a company with its internal culture or the outside appearance in marketing and brands. A change of policy towards the most important target group of children at McDonald??™s would probably lead to a big shift in corporate culture. Considering the work of the other involved project-groups and our own research, it can be said that one frame alone certainly will not describe a corporation in a way that allows management to understand it fully. To strive for understanding is probably the most important task for the management, especially for a new one.

In order to change a firm for the better, one needs to understand fully what happens and why it happens. If this is not the case and the management

misses something as important as a distinct feature of corporate-culture or an unwritten policy, then important projects like a merge or an acquisition, a structural overhaul or the implementation of a new set of political goals might fail. Therefore it is vital to analyze a company from as many perspectives as possible and practical before there is any change. As said, the political perspective describes the relationships between the most important parts of a company, the employees.

Everybody has certain goals that seem important to achieve. Whether these goals are a cozy home and a nice car or power over others doesn't matter. What's important is that these goals make us political beings, if we like to admit it or not. In the case of McDonald's this view produced a quite up-to-date image of the company's latest struggles and achievements plus plausible reasons for them. Therefore the political perspective seems the one most natural view to apply when it comes to such complex groups as companies like McDonald's. Works Cited Best Global Brands. Interbrand.

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