Swot Analysis Essay, Research Paper

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McDonald s vs. Burger King Organizational Diagnosis by Fastalk Consultants In diagnosing the McDonald’s organization, the first issue we will examine is their company goals. McDonald’s has a goal of one hundred percent total customer satisfaction. However, they do realize that this goal is not always attainable. Therefore, if for any reason they do not meet that goal, they will do whatever it takes to correct their mistake. McDonald’s has a second company goal that sets them apart from most of their competitors. McDonald’s was founded on the principle of giving back to the community, and that remains one of their primary goals today. Through their charities, Ronald McDonald s House and Ronald McDonald s Children’s Charities, McDonald’s has pumped millions of dollars back into the community over the years. McDonald’s customer service policy is laid out in the McDonald’s Guarantee. The McDonald’s Guarantee states, “Your food will be hot. Your service will be fast and friendly. And your drive-thru orders will be double-checked right. If you’re not satisfied, we’ll make it right. Or your next meal is on us. Guaranteed.” The customer service procedures of McDonald’s are centered on focusing on one customer at a time. They are more concerned with the quality of the service than the speed of the service. Employees usually take only one order at a time. They then prepare that order while the customers wait. After the present customer is satisfied, they move on to the next customer. This procedure allows great accuracy and quality, but lacks speed. McDonald’s climate was not very appealing. Everything appeared to be focused around the business instead of the customers. Employees were working at a rapid pace, but it seemed like they had no time for customers. They acted as if it was a burden for them to stop and answer a simple question or refill a drink. The atmosphere was also very noisy. There was constant beeping, banging, and yelling coming from the service area. They did not provide a pleasant ambiance for customers to dine in. McDonald’s communication and leadership were also lacking. The only communication between employees and customers was the placement of orders. The employees provided no feedback in terms of double-checking orders or communicating any delays that might occur. Communication between employees consisted of loud yelling throughout the kitchen. In terms of leadership, we did not see a manager present during our entire visit. Diagnosing Burger King was a little more difficult because they do not provide customers with literature (pamphlets) communicating goals and policies, as McDonald’s does. However, Burger King’s goals seemed quite clear. They want to individualize each customer’s order and provide the fastest service possible. Burger King’s policy is to give the customer many choices and to accurately and quickly provide whatever the customer chooses. This policy is reflected in their slogan, “Your way, right away.” Operating under this policy makes it very easy to achieve their goals. Through the many choices they provide it is easy to customize each order. Burger King’s procedures are also consistent with their goals. In order to individualize each order they provide customers with many options when ordering. Some options include fries or onion rings, cheese, bacon, mustard, ketchup, mayonnaise, lettuce, tomato, pickles, and onion. The customer can pick any combination of these options that they desire. To facilitate fast service Burger King takes customer orders on a continual basis. One employee takes the customer’s order, the customer then moves down the line where another employee is preparing the order. Meanwhile, the original employee is taking another customer’s order. Customers also get their own drinks while they are waiting for their meal. This makes service much faster in that employees do not have to prepare drinks or provide refills. The climate at Burger King was very pleasant. The employees conveyed the attitude that they were there to assist the customers in any way possible. The restaurant was very clean and there were no loud noises from the service area. They also provided relaxing music for customers to listen to while dining. Burger King possessed more than adequate communication and leadership. Employees gave the customers feedback on their orders. Each customer received a receipt, which enabled them to double-check their order. The employees also read the order back to the customer before handing them the order. In terms of leadership, there was a manager in plain sight throughout our visit. The manager showed involvement by taking orders and coaching employees. Our group compared and contrasted McDonald s and Burger King as follows: Comparison between McDonald’s and Burger King Analysis: I. Organizational Goals Both McDonald’s and Burger King share the same basic organizational goals of profitability, sales volume, fast and courteous service, and cleanliness. There are minor variations to these goals by both companies. II. Organizational Structure When observing McDonald’s and Burger king, the organizational structures of the two restaurants were very similar. There appeared to be a crew leader who was a non-managerial employee and, there was a manager who was present behind the counter. The managers of the restaurants seemed to be in control of every aspect of the entire food service process. He had keys to the store, and registers, and also was the only one to take phone calls. One might assume that because both restaurants are chains, there is a hierarchy of command. There is perhaps a regional manager, then a district manager, all the way up to a CEO of McDonald’s and Burger King. The distinction between the management and the staff was very clear and apparent by looking at their uniforms. III. Technology Both McDonald’s and Burger King are on the cutting edge of technology. They both employ state of the art cash registers and both have electric timers built into their cooking machines. Although the cooking styles vary between Burger King and McDonald’s, the method of production is the same. Large batches of food are cooked at once then placed under heat lamps or put in the microwave when an order is placed. Both stores have the same drive through technology with a speaker and a well-lit menu to relay the message to the cooks. Usually whoever takes the order is also the same person to collect the money; however, a different person usually puts the order together for the customer. IV. Employee Motivation The motivation of both stores for employees to perform well is hard to ascertain from just observing, but it appears somewhat obvious. The people working in these establishments appear to have a lower social economic status, and the fact that a paycheck is coming at the end of the week may be the only motivation they have. The stores do have an “employee of the month” plaque on the wall, but it is doubtful that this is motivation to strive day in and day out for. There is also the fear of potentially losing their jobs if they perform sub standard. V. Communication Both stores employed a very open communication policy. Employees were talking, sometimes shouting at one another to be heard. The management was openly involved in the employees routines and the employees felt no barriers to prevent their communication with the manager. Sometimes in both stores, there would be a break down in communication somewhere along the line and that would result in extended waiting times for customers and sometimes, screwed up orders. VI. Environment The environment at McDonald’s and Burger King seems to be a simple, yet unstable one. It is apparent that the majority of people who work there, are not choosing their employment as a career option. Therefore, the workforce is constantly changing and adapting to new employees and new situations. VII. Job Design The design of the job in both McDonald’s and Burger King ran smoothly at times. There was autonomy between the different positions. For example, the fry person would just make fries. If he ran into a problem, he could use his knowledge of the fry machine to fix the problem without having to go to management. There was a visual barrier between the different positions, however no position seemed more glorified than another one. VIII. Leadership Style There was similar leadership style employed by the management at both stores. Task orientation was essential to meeting the goal of fast food. Each person had to be focused on the task at hand, because during certain hours of the day, both stores were very busy. There seemed to be little flexibility from management if it meant compromising their goals. IX. Policies/Procedures/Rules/Standards Standardization seemed to be the key at both stores. One can walk into any McDonald’s in the country and find that a “Big Mac” is the same everywhere. Similarly, a “Whopper” will taste the same at every location. Therefore, the ingredients, and cooking methods must remain constant throughout. There can be no variation. Rules and procedures were posted on clear signs and made directly available to the employee. X. Organization Climate There seemed to be individual autonomy for the most part at both stores. However, the reward system was not easy to identify. They seemed expected to do their job consistently and accurately, perhaps in fear of punishment. They received cooperation from management as long as they were working diligently. Contrast between McDonald s and Burger King Analysis: I. Organizational Goals At first glance there are no posters on the wall that state the goals that McDonald s are trying to each. A customer can find a list of the McDonald s goals in what look to be children s flyers round the restaurant. The flyers stated that McDonald s goal is 100% total customer satisfaction. Also if you weren t completely happy with your meal that the restaurant would do whatever it took to make it right. This is not a very realistic goal for a fast food restaurant because with the amount of food that is served everyday there is no way that every customer will be satisfied. When I got to Burger King there were no pamphlets for the customer to read. There was nothing that let the consumer know what the company was all about. There was a large sign, which read the slogan Workin for You. This was what appeared to be the organization goal and it was interesting to see that the slogan was in improper English. Although this goal is much more realistic than the McDonald s counterpart. II. Organizational Structure Although the structure of the two organizations are basically the same there were two differences that I noticed. One difference is in the specific tasks of the employees working the front. In McDonald s there is one person who takes your order and gets your food. Only one person is helped at a time because the cashier has to wait for the food and then serve you. In Burger King there are two separate stations to order and then pick up your food. At the beginning of the line the customer orders and pays in exchange for a number. Then you move down the line to where the customer picks up the food in accordance with the number. This greatly speeds up the lines and reduces the waiting time. The other difference is in the management. At both restaurants there is one manager that handles all the employees working at the time. In McDonald s the manager was no where to be found but in Burger King the manager was at the front letting himself be seen and talking with the customers. He also wore a different colored uniform to signify his position in the organization. III. Technology The production level of the two restaurants is the main difference in their technology. McDonald s makes their food in mass production. The burgers are already made and waiting under a heat lamp for you when you order. They are separated into rows depending on what type of burger you order. In Burger King the burgers aren t already put together. The burger is cooking in the back but the toppings aren t added till the individual orders come. This gives the customer a better chance of getting a fresh meal. IV. Communication There wasn t much communication going on in McDonald s when we were there. The cashiers didn t smile and weren t that polite when taking my order. The communication between the cashiers and the cooks consisted of the cashiers screaming into the kitchen. The manager wasn t around so I wasn t able to see the manager s interactions with the staff. At Burger King I was welcomed by a smile. The cashiers were nice and even held a conversation with me. The manager was out in front conversing with the staff and the employees. The staff appeared to treat the manager as a friend instead of a superior. V. Environment McDonald s environment was neither customer nor employee friendly. Everything in the restaurant is colored brown which just isn t inviting to customers. The staff has pinstriped uniforms that resemble prison uniforms. The restaurant was also badly lighted which didn t help the color. In Burger King there were windows everywhere and the restaurant was extremely bright. The staff wore bright colored uniforms and there was music playing which was enjoyable for the customers as well as the staff. After our group observed the interactions between management, employees, and customers at both operations, we discovered a few areas where Burger King and McDonald s both needed improvement. To begin with, our McDonald s experience was overall enjoyable, yet a few small, but important, details should be considered. Most of the employees uniforms were worn properly and neatly, but the rest were just plain sloppy. Shirts should be tucked in and clean, and hats should be worn the way hats were meant to be worn. This would show that employees value their jobs, and take them seriously. While we were dining, we could not help but notice the loud, high pitched, constant beeping noises coming from the kitchen area. These extremely irritating noises did not stop the entire time. This prevents the guests from enjoying their meals in a soft, relaxing atmosphere. Quiet background music at McDonald s would probably help the ambiance a bit and offset some of the noises coming from the kitchen. We also noticed that even though it was not busy, there was not a manager in sight. In fact, we can not be sure that one was on duty at the time of our visit. At Burger King it was nice to see the manager working along with the employees by taking orders and preparing food. The major problem that we found with Burger King was the lack of menu consistency. The location that we visited did not offer salads, while most other Burger King s do. We feel that if a salad is available at one location, then a customer should expect to be able to enjoy the same salad at any Burger King. It is comforting to a customer to know that the food will be the same (in preparation and availability) at whichever store he or she chooses to visit. We did enjoy how they were willing to accommodate our personalized orders, but it is not appropriate to charge for one slice of tomato or lettuce. McDonald s did advertise quite a bit of community involvement and service. At Burger King we did not see signs of any type of contribution to the community. People may think that the company is greedy and only cares about profit. A charity would show that Burger King cares about the community. In addition, both of these restaurants desperately need to incorporate the fundamentals of great service into their game plans. It would make a tremendous difference if a cashier would very simply smile and say thank you after returning your change. From the expressions on the faces of some of the employees we felt as if we ruined their entire day just by walking through the door! Personality and attitude should be major considerations when hiring employees. Hire only those who will take pride in their jobs, be professional, and treat the guests very well. Our final recommendation for both operations is to adopt a Total Quality Management philosophy. Food should come out with the right ingredients and at the correct temperature. It is a waste of time and money to make an order over again if it is not perfect the first time. With better training and communication there should be no reason for orders to be less than perfect. The proper attention could be directed to the next customer waiting in line. If things are done correctly the first time, it will save aggravation for the guest, who, by the way, will remember that his order came out exactly how he wanted it. Basically, just take care of the customer. Give employees the power to do whatever it takes to make them happy. Exceed their expectations and, in return, you will have a life long patron. He will be back again, and again, increasing long run profitability. This concept should be applied to McDonald s as well as Burger King, to helpattain their corporate goals. References McDonald’s Corporation. (1992). We Guarantee It. Oak Brook, IL: Author. McDonald’s Corporation. (1992). Good Neighbors. Oak Brook, I