

McDonald's CUEGIS Analysis

Change - Driving forces and restraining forces creates change in a business so that they can move forward and remain competitive.

Culture - the norms of an organisation, a country, or other social grouping. Culture shapes the values, beliefs, and customs of people. (Internal and External sections of the organisation)

Ethics - the socially accepted moral principles that guide decision making, based on the collective belief of what is right and what is wrong.

Globalisation - worldwide movement toward economic, financial, trade, and communications integration

Innovation - Innovation generally refers to changing or creating more effective processes, products and ideas, and can increase the likelihood of a business succeeding.

Strategy - devising plans to achieve the long-term goals of an organisation

Source: <http://ibnotesbyellie.weebly.com/cuegis-concept.html>

McDonalds

Type: Public Corporation

Industry: Restaurants

Founded: 1955

Website: <http://www.aboutmcdonalds.com>

Headquarters: 2915 Jorie Blvd Oak Brook, IL - Illinois 60523 United States

Source: <https://www.linkedin.com/company/mcdonald's-corporation>

Change – There is a change in consumer preference for food (*E.g. rise in consumption of organic foods, more preference for white meat etc*).

- How McDonalds responds to that – Nutritional values stated on packaging, relatively healthier products such as the Chicken McWrap

Culture – McDonald's organizational culture encourages learning, emphasizes human resource development and efficiency

- 4 main points :
 1. People-centricity
 2. Individual learning
 3. Organizational learning
 4. Diversity and inclusion

A possible improvement is for McDonald's to emphasize excellence and high quality output in its organizational culture.

Ethics – McDonalds has hire

Globalisation –

Innovation –

Strategy — McDonald's Generic Strategy (Porter's Model)

McDonald's primary generic strategy is cost leadership. This generic strategy involves minimizing costs to offer products at low prices. As a low-cost provider, McDonald's offers products that are relatively cheaper compared to competitors. However, the company also uses broad differentiation as a secondary or supporting generic strategy. (E.g. through McCafé products. Vertical integration is a strategic objective linked to McDonald's cost-leadership generic strategy. For example, McDonald's owns facilities that produce standardized mixtures of ingredients. Also, cost minimization is a financial strategic objective based on the cost leadership generic strategy. In addition, product innovation is related to McDonald's broad differentiation generic strategy.

Sources: <http://businesscasestudies.co.uk/mcdonalds-restaurants/staying-ahead-in-a-competitive-environment/consumer-trends.html#axzz41ezzfXCu>

<http://panmore.com/mcdonalds-organizational-culture-analysis>