



Manpower and Employees' Attitudes Are Very Important in An Organisation

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ABSTRACT

KFC or also known as Kentucky Fried Chicken is one of the most leading fast food restaurants around the world. KFC that originally from America has thrived around the world including Malaysia and Kuwait. Although it is an advanced company, it still has some sensitive internal issues that will cause problems to the company. If this problem is not carefully and wisely deal with, it will drop the company name and bring a negative impact to everyone that involved in the company. In this research, we examine the issues in an organization and KFC is the subject of our study.

KFC has been in a bad mood for the past few years. Many of the customers complaint about the services and the attitudes of the employee in the restaurant. In Jan 2015, a case of brawl between KFC employees and customers was viral in social media and there also a case where KFC employees show pornographic signs to customers. This shows the attitude and the behavior of KFC employees who do not adhere to ethics and are not prudent will affect the good name of a company.

Employees issues in KFC is the best topic to be discuss in this study. There lot of problem that face by KFC in term of employees such as lack of manpower in their branches. If compare from our observation, there a huge difference between the number of workers in KFC and its competitor, Mc Donald. Therefore, we can see that Mc Donald is more efficient than KFC although KFC has lower cost for their human resource.

Chapter 1: Introduction of Company

Kentucky Fried Chicken or also known as KFC is a chain of American fast food restaurant which is specializes in fried chickens. The founder of the KFC was an entrepreneur called Colonel Harland Sanders. In 1952, he started his business in Corbin, Kentucky by selling fried chickens from his roadside restaurant. The headquartered of KFC is the world's second-largest – Louisville, Kentucky, with around 20,000 location around the world in 123 countries.

The vision of Kentucky Fried Chicken is to be the leading integrated food services group in Asia Pacific region based on consistent quality products and exceptional customer-focused service. The mission is to maximise the profitability, improve shareholder value and deliver sustainable food growth year after year.



KFC popularized the chicken in the fast food industry and became the great competitors with the hamburger. Colonel Harland Sanders branded himself as “Colonel Sanders” and became a prominent figure of American cultural history, and his image remains used in KFC’s advertisement until today.

Since 1997, KFC had termed a concept of Yum! Brand when the company was spun off from PepsiCo as Tricon Global Restaurant Inc. Primarily, KFC sells various kind of chicken pieces, wraps, salads, sandwiches and French fries. KFC main focus is on the fried chicken, but it also provides a line of roasted chicken products, baked chicken products, side dishes and desserts. In North America, the KFC provides various of products such as hamburgers, kebabs and port-based products as well.

In Malaysia, the first KFC restaurant was opened on Jalan Tunku Abdul Rahman in 1973. Currently, there are over 600 franchise of KFC restaurants around the Malaysia. They serve a great tasting chicken 365 days a year. The branded chicken retail chain operator in Malaysia is KFC Holdings (Malaysia) Bhd (KFCH), which handling about 600 KFC restaurants. KFCH is not only serving fast – foods to customers, but also involved in the production and processing of poultry and focus on ancillary businesses which are vegetables, baking and production of sauces.

In 1973, the first outlet of KFC in Kuwait was opened by the American Group. Following the years, American Group expanded the KFC branches across the area of Middle East and North Africa. KFC in Kuwait offers different kind of KFC compared to Malaysia. For example, in Kuwait, there are set of KFCs called Drizzled Strips and Big Filler Classic, but it does not exist in Malaysia. The price of each set is different between Kuwait and Malaysia.

The motivation of KFC is saving an effective and efficient employee are require more than a wage, benefits and some working terms. KFC employees is required to meet their work requirement and improve their relationship with the customers. Besides, KFC also offers some training to all KFC’s employees. They willing to incur high cost to provide training to them because KFC believe that a well-trained employee, effective employee can bring a bright future to the organization.

Chapter 2: Background of Idea

Product

Since Malaysia is made up of different mixes, so KFC have several types of option of food to suit local people’s tastes. Malaysian KFC often offers two types of fried chicken which are original and spicy. They also provide local food products such as chicken rice, gula melaka, teh Tarik and nasi lemak. KFC Cheesy Wedges is available domestically only in the country and it is one of the bestselling items in the Malaysian KFC. Since Malaysia is a Muslim-country, all the meats are slaughtered according to the Halal-method under the supervision of Shariah Advisory Council and the Department of Islamic Development Malaysia.

KFC also come out with different menu of food such as SUPER JIMAT BOX. It is one of the most bestselling packages with the price range of RM8.95 - RM13.45. All the set of food consists of french fries, drink, chicken meat and one fixed ala carte. Apart from providing individual meals, they also provide family meals with less than RM100 which is affordable to most all of the local people.

Market Opportunity Analysis

Porter’s Five Forces is a business analysis model to show how KFC can sustain different levels of profitability. This model can be used to analyse the market opportunity of KFC. There are 5 forces used to measure competition intensity, attractiveness and profitability of market which are

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- **Competition in the industry-High**

Fast food business is the most competitive business in this century as they need to compete for the time and the quality of services. Most all the products sold in fast food restaurants are common such as fries, soft drinks and coleslaw. As a result, competitors come up with many schemes to attract customers. For example, KFC introduce to pay with KADSIM and get discounted price in Malaysia.

- **Threat of new entrants-Medium**

Many new fast food restaurants had been set up in Malaysia for past few years. For example, 4Fingers launched in 2009 and Texas Chicken in 2013. However, the existing brands like KFC has their strong brand image and they built a large loyal customer base.

- **Bargaining power of supplies- Low**

The main raw materials for KFC are chicken, soft drinks and potatoes. These raw materials can be easily gotten in Malaysia. KFC have a large number of suppliers who are ready to the term of KFC and supply it with enough raw materials due to the frequent and bulk orders. Thus, the suppliers do not have any bargaining power over KFC.

- **Bargaining power of buyers-High**

Customers have many options to take meals such as PizzaHut and McDonald's. Therefore, KFC cannot simply increase their price of products. Thus, the bargaining power of customers against KFC is high.

- **Threat of substitutes-High**

There are many restaurants that offer products similar to KFC. One of them is McDonald's which provide better customer services. They have more manpower to take the order and prepare the food in Malaysia.

Political Environment

Political environment is the government actions which can affect the operations of the company. In Malaysia, we think that the political environment is quite stable as there is no war happen within the country and although there are many people come from different religious and races, we all can live together very well. So, this can make all of the business can operate very well including KFC. Besides that, KFC had been certified halal so it is safe for everyone to eat. As for Kuwait, the majority of population are muslims, therefore, all of KFC products are halal, and the meat they use is from Kuwait and other muslim countries.

Economic Environment

Economic environment is all the external factors that can affect the buying habit of the consumers and thus affect the performance of the company. For now, the price of the KFC food had been increased and we also noticed that the workers that they hired had been decrease or still remain the same even within the increase in the amount of the customers. This may cause by the dropping of the currency of Ringgit Malaysia. On the other hand, KFC in Kuwait has reasonable prices, therefore, most people living in Kuwait are capable of purchasing food from them.

Social Environment

Social environment refers to the social setting in which people live including culture. In Malaysia, the speciality of KFC is they provide the rice in the menu as most of the residents prefer to have rice during their lunch and dinner. Furthermore, the menu of KFC also come along with meat. Besides that, KFC operate for 24 hours so that everyone can eat KFC anytime. However, KFC do not provide 24 hours delivery service, most of the shop only provide delivery service until 11pm so maybe there is limited employees working during that time so there will be no delivery service at that time.

As for Kuwait, and just like Malaysia, to fit and adapt the region they are serving, KFC offers rice, that fits the taste of the Kuwaiti culture. Although KFC only offers chicken and meat, they do not offer other different options namely vegetarian, nor fish meals which limits their target customers. On the other hand, just like Malaysia KFC provides excellent customer services; they open 24/7. Furthermore, they provide a 24-hour fast delivery and food arrives within less than 60 minutes. In addition, KFC Kuwait offers a car service/drive thru. This makes ordering easy and effortless; since people can order while sitting in their cars, and not having to get out and stand in a queue.

Technology Environment

Technology environment refer to the changes in technology that will affect the business. To bring more convenient to the customers, all of the KFC had been equipped by credit card machine so that the customers can pay by cash and credit card. Beside that due to most of the people bring their smartphone and laptop when they go out, so KFC also prepare the plug for them to charge their phone and laptop when they dine in the restaurant.

As for Kuwait, KFC provides an online ordering and paying service through talabat website and mobile application which is available in both iOS and Android, which eases up the ordering, accessibility, and paying method for customers. Since a large amount of young people nowadays do not like carrying cash money, just like Malaysia, all branches of KFC in Kuwait are equipped by credit card machines.

Chapter 3: Justification of Idea

In Malaysia, we noticed that KFC is definitely lack of manpower especially in Penang. It is because during the peak hour, the number of working staffs are remaining the same and we can see that the queue is very long. Although they still manage to serve their customers very well but I believe that some of the customers are not patient enough and the working staffs will feel very tired as they had to work very hard so that they can served the customers in a short time. This may lead to lower job satisfaction of the employees towards the job and this can be the biggest problem that may arised in the organization. It is because if most of the employees have low job satisfaction then they will lose their interest in work, and their turnover rate will be high thus it will affect the services provided to the customer. In order to overcome this problem, the man power need to be increased and more incentives need to provide to the employees to make them more satisfied with their job and they will be more effective and efficient in providing the service to the customer.

Besides, KFC in Malaysia also fail to fix the delivery time. For example, the customer will only know whether the KFC nearby provide the delivery services when they want to order through the website or apps, the delivery time is not as same as mention in the website which is from 10.00 am – 10.30 pm. This can cause a lot of inconvenience to the customers and eventually their sales will be affected. So, we

believe that this problem is linked to the lack of manpower of KFC. It is because from what we can observe KFC use their man power from the shop to be the delivery man.

Furthermore, we also went to a website, ReviewsTalk to get more customer reviews about KFC in Malaysia. Most of them are complaining about the employee's attitudes and providing bad services. Based on Mr. Red, he had to que about 30 minutes to wait until his turn due to only one counter opened. This clearly show that KFC is lack of manpower as if KFC have enough staff then they can just open another counter so that the customer no need to wait for so long. Besides that, Wahida said that she made a delivery order and had to wait for 1 hour and 20 minutes for the delivery to be arrive at her office. This also another example of lack of manpower in KFC as we believe this may due to the KFC is in peak hour and most of the staffs are busy in store so they don't have time to do the delivery.

In Kuwait, KFC has more serious problem than in Malaysia. According to Ghalia Jamal, one of our team members, there are a lot of people get food poisoning after eating in KFC. According to the blog, there are 5 people went into a coma after eating KFC at Kuwait and they found worms inside the chicken. They believe that is the reason why they went into coma. We then made an assumption that this problem may cause by the lack of manpower. It is because if they have more stuffs then they will most probably discover these issues earlier and there will be no customer went into coma due to food poisoning. We also believe that KFC has its own policy and there are staffs who in charge of cleanliness. So, this situation happen may due to lack of manpower so they cut off their staffs who in charge of cleanliness.

Beside than lack of manpower, we believe that the employee's attitudes also play important roles in an organization. KFC is a company that provide food services so the employees attitudes are very important as most of the staffs need to serve the customers especially those who work as cashiers. They need to take the customer orders and accept the payment from the customers. In other word, they need to communicate with the customers so they need to be patient and speak to the customer politely all the time.

According to ReviewTalk, most of the customers complaint that the employees are rude and lazy. These problems are very serious as they had to provide the the best service to the customers so that the customers will willing to come back and eat in KFC. However, we believe that some of the employees' attitudes problems are arised from other factors such as low job satisfaction due to low incentives and rewards provided to the staffs.

Chapter 4: Idea Application

Increase Manpower

KFC can hire more employees whether full-time or part-time worker especially during peak season. Although this will increase the cost of the business, but the productivity within the organization can be improved. This is because the specialization of work within the organization is formed when the organization has enough employees to control certain department. Employees will also be more efficient in doing their job as they do it every day. In addition, customers that visiting the restaurant will also be satisfied with the services provided.

However, the specialization of work within an organization will cause the employee to feel bored of doing the same work every day. This will cause the workers not to last long in the organization. This problem can be overcome by practicing the job rotation in the organization so that the employees will not doing the same job every day. They will also know more about others department and the whole process in the organization.

Incentives

Employees' satisfaction is one of the main paths for an organization to success. For our case in KFC, we would like to suggest that giving incentives to employees may increase the satisfaction of the employees. Besides, it will also motivate the employees

to work harder to get the incentives. KFC may award those employees who get praise from customer with some bonus or promotion.

Increase Attitudes

KFC should increase the employees' attitudes by providing them a comfortable and convenient working environment. For example, KFC can offer a relaxing room for employees to chit chat with each other or sharing the opinion together. Besides, KFC may open a gym for employees to enjoy their healthy lifestyles as well. These will increase their attitudes towards their organization.

Promotion Opportunities

For those employees that achieve higher performance, KFC may give them chance to be promoted as a manager or others. By doing this, employees will feel that they are recognized by the organization and will be willing to contribute their efforts. Besides, KFC can also offer a higher salary for employees that have a good performance.

Rewards

For the online delivery problems, KFC may fix it by giving some rewards to employees that received good feedback from the customers. The rewards can be in term of money, vouchers or products. These rewards will motivate employees to do their works better and deliver the customer's order on time.

Chapter 5: Recommendation

From the above research it can be concluded that KFC is a successful company in term of business because the well development in marketing strategy. It managed to promote different food menu adjusted to different locations. However, the company need to improve the customer service quality through the delivery of applications and make sure it is on time to maintain the image of company. Company should help employees in their entrepreneur initiatives, training and education. Besides, KFC need to increase their manpower to avoid loss of opportunity. The company must satisfy the employees' and customers' needs and satisfaction. The strategies discussed above can be evaluated and wish to achieve success as the top of fast-food companies in the world.

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