

1. Executive Summary

Wilber Hardee opened Hardees in 1960 in Greenville, North Carolina. Hardees was a fast food chain which has now evolved into a restaurant and is famous for its charbroiled burgers, curly fries and biscuits. Its Thickburgers® has made waves in history. Today it's the 4th largest food chain in the world with 1909 outlets world over.

Pakistan is the 14th country to host Hardees. The Islamabad franchise was opened in July 2011 by MDS foods. The franchise is famous for its 5* service, quality food and sunny environment. Their organizational structure is work specialized, formalized and centralized. Span of control varies along the hierarchy and they follow both functional and process departmentalization. Their managerial levels include Restaurant Manager, Senior Assistant Manager, Assistant Manager, Shift Manager and Shift Leader.

Their strengths include a differentiated product, youthful attractive brand image, 5* service and hospitality. Their weaknesses are in not having enough parking spaces, no website and no breakfast options. They can find opportunities in expanding to other areas of Pakistan, giving out nutritional information with product and being cost leaders. They are threatened from political instability, economic slumps, Burger King and new entrants arrival with even cost.

Hardees Islamabad has still a long way to go and it lacks in some areas. It can improve by giving out more parking spaces, advertising its brand on Television, having more social interaction with customers, having efficient cleaning staff at their outlet and readily available sockets to plug in mobile phones and chargers.

A few suggestions for them are they should participate in CSR activities to spread good will. They should have a home delivery service and more take away franchises in the twin cities.

2. History of the Organization

Wilber Hardee opened his first namesake restaurant in Greenville, North Carolina in 1960. Five months later he had his first franchisee and over the years his burger chain has spread to become a favorite throughout the Midwestern and Southeastern United States. Although most folks knew Hardee's® for its biscuits, all that changed during the Revolution of 2003: Hardee's® decided to pare down its menu and focus on the hearty 1/3, 1/2 and 2/3 pound Thickburger® line. Made with 100% Angus beef, Thickburgers® established Hardee's® as a leader in the quick-service industry in both quality and taste. Today, Hardee's® forges ahead with a taste for edgy, memorable ads and delicious food-creating a fast-food experience that can't be topped this side of the Mississippi.

2.1 1960s:

- Wilber Hardee opened the first Hardee's® restaurant in Greenville, North Carolina and offered customers "charco-broiled" hamburgers, fast service and a drive-through window.
- Hardee's® gained immediate popularity and the chain grew rapidly. By the end of the decade, there were nearly 200 Hardee's® restaurants, including an international location in Heidelberg, Germany.

2.2 1970s:

- Hardee's® introduced fresh, Made from Scratch™ biscuits that soon became a hallmark of the brand and remained an immensely popular menu favorite.
- Hardee's® reached an impressive milestone by opening its 1,000th restaurant in just 15 years of business.

2.3 1980s:

- Hardee's® introduced Cinnamon 'N' Raisin™ biscuits with a little help from the California Raisins. One of many high-profile endorsements Hardee's® enjoys, the singing raisins went on to become national pop culture icons.
- Hardee's® acquired the 650-unit Burger Chef chain and later opened its 2,000th restaurant.

2.4 1990s:

- Patrons delight at the Frisco Burger™ – a tasty hamburger topped with sliced tomato, crispy bacon and melted cheese and served, of course, on sourdough toast.
- CKE Restaurants, Inc., a California-based restaurant company best known for its Hardee's® subsidiary, acquired the Hardee's® chain from Canadian company Imasco.
- Consumers rejoiced when Hardee's® launched the Revolution, which is marked by a new look and an innovative line of "Thickburgers®" – premium, 100 percent Black Angus beef burgers topped with quality ingredients.

2.5 2000s:

- The Monster Thickburger® made national headlines as "audacity on a bun" when it joined the now-popular line of Thickburgers®.
- Hardee's® put its restaurant-quality message to the test with the Fake Restaurant ad campaign, where real people pay upwards of \$14 for a Thickburger® on hidden camera.

3. Facts of the Organization

3.1 Hardees International:

3.1.1 Type:

- Wholly owned subsidiary

3.1.2 Industry:

- Restaurants

3.1.3 Genre:

- Fast Food

3.1.4 Founded:

- 1960

3.1.5 Headquarters:

- St. Louis. Missouri, US

3.1.6 Number of locations:

- 1909 (2011)

3.1.7 Founder:

- Wilbur Hardee

3.1.8 Products:

- Hamburgers, French fries and milkshakes

3.1.9 Parent:

- CKE Restaurants

3.1.10 Ranking:

- 4th largest food chain in the world

3.1.11 Website:

- www.hardees.com

3.2 Hardees Islamabad Franchise:

3.2.1 Launched:

- 9th July 2011

3.2.2 Location:

- Rana Market, Sector F-7/2, Islamabad, Pakistan

3.2.3 Famous for:

- Known for thick juice charbroiled burgers and curly fries

3.2.4 Slogans:

- Pleasure Beyond Measure
- Where the food's the star
- Hardee's. Come on Home

*Mmm. Thickburgers. So many Thickburgers. I'm just not sure which one I'll eat next. -
Happy Star*

3.2.5 Founded by:

- MDS Foods

MDS foods is a subsidiary of Super Asia Group and operates its food division. Super Asia Group was founded in 1975 by Mian Muhammad Din at a very small level. Today, it is a conglomerate of companies with diversified range of businesses mainly Home Appliances, Automobiles, Insulation and Packing Materials and Fast Food Burger Chain of "Hardees" (a brand name of CKE Int. USA), serving every sector of society.

3.2.6 Ranking:

- Pakistan is the 14th country to host brand

3.2.7 Rent of land:

- 100,000 per month

3.2.8 Investment to open the franchise:

- 900,000,00

3.3 Some Facts about Hardees Islamabad:

3.3.1 5* Service:

They are using five star (5*) strategy. Hardee's waiters (servers) serve the food (order) to the table of the customers, unlike other fast-food restaurants like KFC & McDonalds, where a concept of self-service is applied.

3.3.2 Drinks:

Their strategy behind giving a glass to the customer right after they place an order is because so that the customer gets busy drinking and doesn't feel like waiting much until the order arrives at the table.

3.3.3 8 steps to serve customers:

Every crew member once hired is trained on a particular set of 8 steps to serve customers as a result of which their service is very impressive.

3.3.4 Shifts:

Shift timings for the staff are 12:00 PM to 6:00 PM and 6:00 PM to 12:00 PM and two managers are available for each shift.

3.3.5 Extensive training:

Every crew member hired goes through thorough training where he is informed about the company policies, serving etiquettes, dealing with customers etc.

3.3.6 Communication skills:

The crew members are also trained in communication skills as they have to deal with foreigners who form a big portion of their customers in Islamabad

3.3.7 GRO (Guest Representative Officer):

Guest Representative Officers are hired just to roam around and check on guests, taking care of their requirements and comfort. This feature adds to Hardees hospitality.

3.3.8 Punctuality:

Hardees have very strict rules for their staff about punctuality. A staff member who is 5 minutes late has to stay back hours after his off time.

3.3.9 Pant Pockets:

The pant pockets of the crew members are stitched closed. This is done so that no attendant would stand with his hands in his pockets, looking inattentive and not alert.

3.3.10 Cellphone Usage:

Usage of cell phones for on duty staff members is strictly prohibited.

3.3.11 Lost & Found:

The crew members are strictly instructed to return all lost and found items to the management. Under one such incident, a crew member hid a cell phone a customer had left behind. The manager literally beat the crew member up to retrieve the cell phone.

4. Organizational Structure

4.1 Introduction:

An organizational structure consists of activities such as task allocation, coordination and supervision, which are directed towards the achievement of organizational aims. It can also be considered as the viewing glass or perspective through which individuals see their organization and its environment.

Organizations are a variant of clustered entities.

An organization can be structured in many different ways, depending on their objectives. The structure of an organization will determine the modes in which it operates and performs.

Organizational structure allows the expressed allocation of responsibilities for different functions and processes to different entities such as the branch, department, workgroup and individual.

Organizational structure affects organizational action in two big ways. First, it provides the foundation on which standard operating procedures and routines rest. Second, it

determines which individuals get to participate in which decision-making processes, and thus to what extent their views shape the organization's actions.

4.2 Organizational Structure of Hardees **Islamabad:**

4.2.1 Work specialization:

Hardees Islamabad is very much work specialized. They have specific crew members to do specific jobs. They have separate staff for cooking, taking orders, cleaning, serving, and guest representing, overall managing etc.

4.2.2 Departmentalization:

Hardees Islamabad follows **Functional Departmentalization**. Their management hierarchy comes into form by putting together similar specialties and people with common skills, knowledge, and orientations. Such as operations manager, supply chain manager, shift manager etc.

The kitchen staff follows **Process Departmentalization**. It allows more efficient flow of work activities. This means that they have designated individuals to cut, fry, assemble, pack etc.

4.2.3 Chain of command

Chain of command is the continuous line of authority that extends from upper levels of an organization to the lowest levels of the organization and clarifies who reports to whom

The chain of command flows from the higher officials to lower staff members such as restaurant manager instructs senior assistant manager who in turn orders his assistant. Assistant manager controls shift manager and shift leader. Crew members and GRO (guest representative officers) are answerable to shift leader.

4.2.4 Span of control

Span of control is the number of employees who can be effectively and efficiently supervised by a manager

Span of control varies from level to level in Hardees Islamabad. Senior officials have lesser people working under them and shift leader has maximum people working under him.

4.2.5 Centralization and decentralization

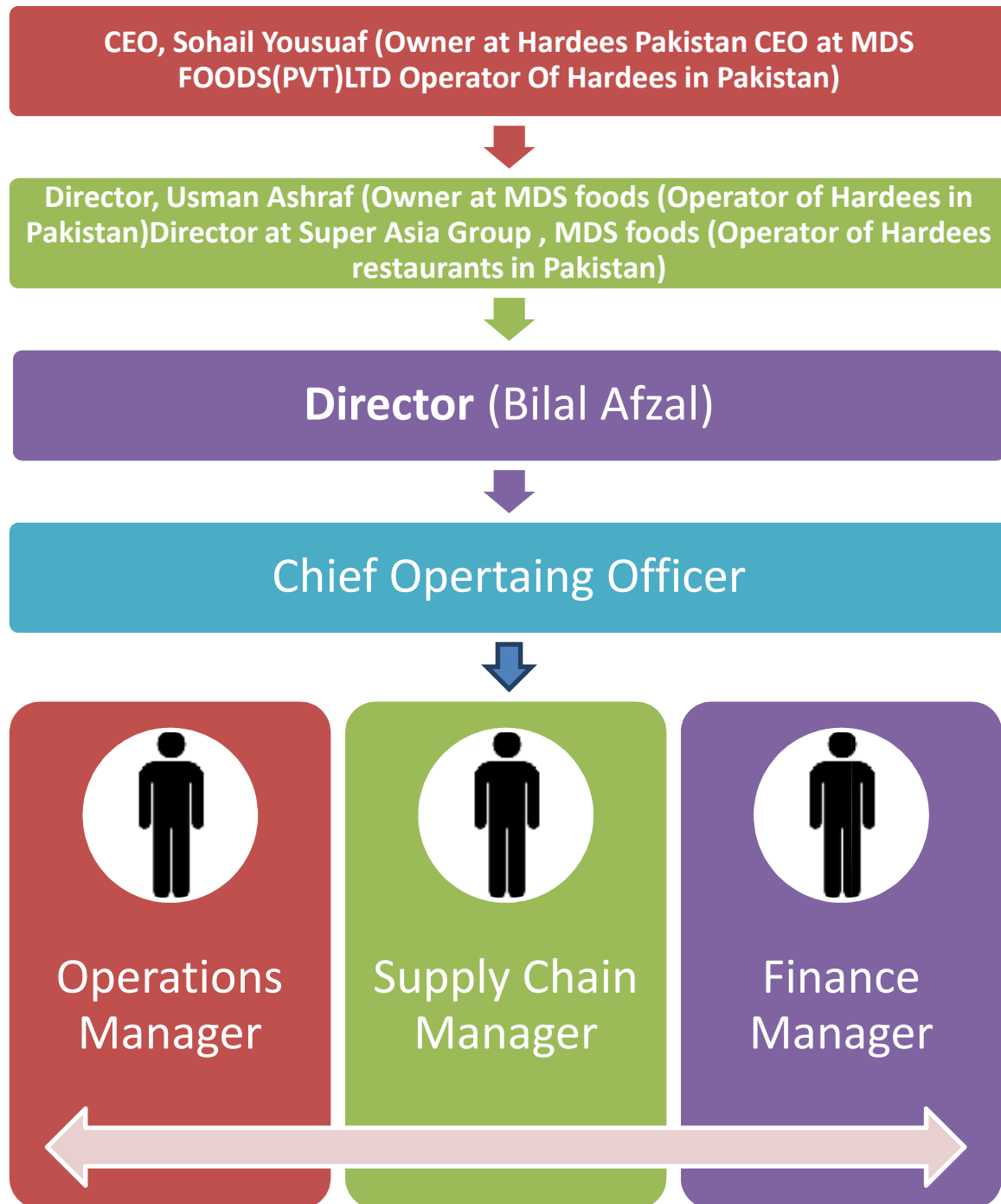
The degree to which decision making is concentrated at a single point in the organization is called centralization. Decision making at Hardees Islamabad is very much centralized. All final decision power lies with the Restaurant Manager.

4.2.6 Formalization

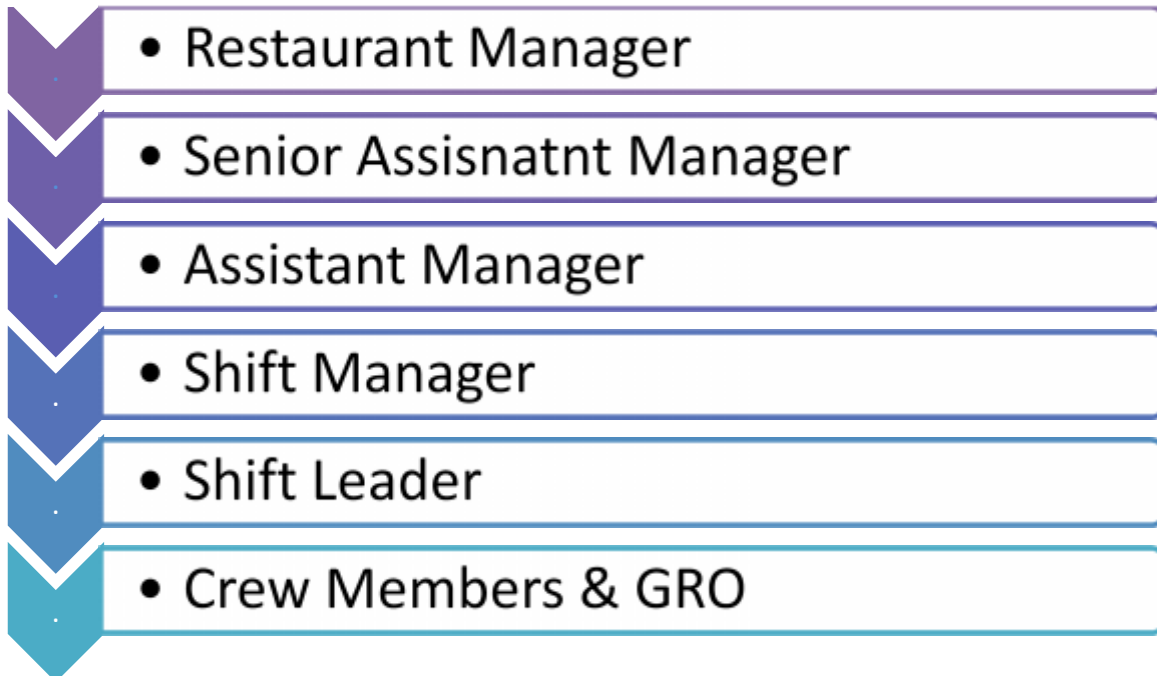
Formalization is the degree to which jobs within the organization are standardized and the extent to which employee behavior is guided by rules and procedures.

The job environment of Hardees Islamabad is very much formalized. All jobs have certain specifications which are mandatory to be fulfilled by the job person. There are strict, specific and pre-set rules for every action of the crew member from welcoming the customer to taking orders, serving, re-checking and departing. From cutting to cooking, cleaning etc.

5. Management Hierarchy/Managerial Levels



6. Managerial Flow Chart of Orders



7. Centralization and Decentralization Concept

7.1 Introduction:

Centralized organizational structures rely on one individual to make decisions and provide direction for the company. Small businesses often use this structure since the owner is responsible for the company's business operations.

Decentralized organizational structures often have several individuals responsible for making business decisions and running the business. Decentralized organizations rely on

a team environment at different levels in the business. Individuals at each level in the business may have some autonomy to make business decisions.

7.1.1 Advantages:

Centralized organizations can be extremely efficient regarding business decisions. Business owners typically develop the company's mission and vision, and set objectives for managers and employees to follow when achieving these goals. Decentralized organizations utilize individuals with a variety of expertise and knowledge for running various business operations. A broad-based management team helps to ensure the company has knowledgeable directors or managers to handle various types of business situations.

7.1.2 Disadvantages

Centralized organizations can suffer from the negative effects of several layers of bureaucracy. These businesses often have multiple management layers stretching from the owner down to frontline operations. Business owners responsible for making every decision in the company may require more time to accomplish these tasks, which can result in sluggish business operations. Decentralized organizations can struggle with multiple individuals having different opinions on a particular business decision. As such, these businesses can face difficulties trying to get everyone on the same page when making decisions.

7.1.3 Considerations

Business owners should carefully consider which type of organizational structure to use in their company. Small organizations typically benefit from centralized organizational structures because owners often remain at the forefront of business operations. Larger organizations usually require a more decentralized structure since such companies can have several divisions or departments. Business owners may need to consider changing the organizational structure depending on the growth and expansion of business operations.

7.1.4 Misconceptions

Organizational structures do not always require significant amounts of planning time. Many businesses have organizational structures that simply evolve during the business's lifetime. Business owners often set the tone based on how they manage employees. Employees will perceive how the owner handles different business situations and simply adjust their work style accordingly. This will create an organizational structure by default, with no serious planning involved.

7.2 Centralization in Hardees Islamabad:

Hardees Islamabad follows strict **centralized decision making**. They have preset procedures, rules and policies for everything. These rules regulations and policies are taught to each and every newly hired staff member in extensive training programs. He is then expected to follow what he has been taught. No staff member is allowed to deviate from the company's policies, rules and regulations.

- Procedure is a series of interrelated sequential steps that can be used to respond to a well-structured problem
- Rule is an explicit statement that tells the managers what they can or cannot do
- Policy is a guideline for making decisions

8. SWOT Analysis

8.1 Introduction:

SWOT analysis is a strategic planning method used to evaluate the Strengths, Weaknesses/Limitations, Opportunities, and Threats involved in a project or in a business venture. It involves specifying the objective of the business venture or project and identifying the internal and external factors that are favorable and unfavorable to achieve that objective

Setting the objective should be done after the SWOT analysis has been performed. This would allow achievable goals or objectives to be set for the organization.

8.1.1 Strengths:

Characteristics of the business, or project team that give it an advantage over others.

8.1.2 Weaknesses (or Limitations):

Weaknesses are characteristics that place the team at a disadvantage relative to others.

8.1.3 Opportunities:

Opportunities are external chances to improve performance (e.g. make greater profits) in the environment.

8.1.4 Threats:

Threats are external elements in the environment that could cause trouble for the business or project.

8.2 SWOT Analysis of Hardees Islamabad

STRENGTHS

Differentiated product-
Charbroiled burger

State-of-art
technology for
qulaity products

Youthful and
attractive brand
image

Premium 5*
Service

Extensive
hospitality (GRO)

WEAKNESSES

No breakfast
option

No website for
Hardees Pakistan

No price listings
on brochures

Insufficient
parking space

No home delivery
service

OPPORTUNITIES

Nutrition description within menus

Expansion in other areas of Islamabad and Rawalpindi

Diversification

Cost Leadership

Product/Development Expansion

THREATS

Political/legal instability

Economic slumps

Force Majeure

Burger Kings arrival

New entrants with even facilities, yet cost effective

9. Areas of Improvement

9.1 Islamabad specific Online Presence:

- Hardee's Lack in their Online Presence for Islamabad Customers. They have very few Facebook Fan following and no website.

9.2 Social Activities:

- Hardee's do not have much happening socially. Harde's is not running direct target campaigns for teenagers and working professionals.

9.3 Electricity Sockets:

- Hardee's have WiFi system for customers to use internet within the premises, but they don't have adequate switch sockets for customers to put their gadgets (laptops, cell phones, etc.) on charge.

9.4 Electricity Failure:

- At the time of load shedding, their electricity takes some time to switch over to UPS (about 10 seconds) which actually should be switched instantly. Due to this delay, customers at the refreshment section (drinks section) have to wait till the system converts on UPS and the machine starts working again.

9.5 Cleaning Efficiency:

- When customers from one table leaves, their cleaners responsibility to clean up the table immediately, but I saw one customer complaining and asking the cleaner to clean the table so that he can sit there.

9.6 Nutritional Details:

- Hardees don't give out the nutritional details on packaging of its products. It is a must for diet conscious customers to know what they are eating.

9.7 Advertisement:

- Hardee's do not do viral video Adverts.

9.8 Storage:

- Hardees should improve and increase their supply and storage of raw materials. They get their supply weekly which lead to the shortage of curly fries for a whole week and resulted in customer disappointment and decrease in revenues.

10. How to Improve

10.1 Islamabad specific Online Presence:

- Increase Online presence by making Islamabad specific Hardee's Page
- Register on Islamabad Yellow pages sites.
- Give "Visit us online", Join us on Facebook cards to customers
- Put Promotions on Facebook Pages to motivate customers to like it.

10.2 Social Activities:

- Go to Universities Interact with Students:
- Give Student Discounts
- Get working professionals to become members
- Offer them lunch time delivery to their offices

10.3 Electricity Sockets:

- Install sockets beside every table.

10.4 Electricity Failure:

- Install powerful and efficient generators and UPS to make up of their electricity shortage.

10.5 Cleaning Efficiency:

- Hire more staff if getting short hand. Manager should be alert and crew members should be instructed strictly to efficiently clean tables as soon as the customer leaves.

10.6 Nutritional Details:

- Start printing nutritional details on the packaging foil and packets.

10.7 Advertisement:

- Hardees should air promotional advertisements on television. They should also allow customers to submit their Hardee's videos and engage customers with promotions.

10.8 Storage:

- Hardees and plan out efficient and powerful methods of transportation with their suppliers. They should also allocate large storage areas for more storage of raw materials.

11. Conclusion

Concluding, Hardees Islamabad has found a good business opportunity and is flourishing rapidly. Making daily sales of PKR 900,000, it will be not long before it reaches its breakeven point. The product, service and ambiance of the franchise are its key popularity factors. It should work towards its product expansion and growth. At the moment the high response is draining the staff of Islamabad franchise. The management should plan out for future. They should work towards increasing the number of franchises/ take away and number of staff hired. A home delivery service would also take some customer load off the shoulders. All in all, it is good to have Hardees in Islamabad... premium service, premium product all the way!

12. Suggestions and Recommendations

12.1 Corporate Social Responsibility:

- CSR is mandatory to spread good will of a company in the society. Hardees should indulge in CSR activities to pay back the people and also to appear as a responsible component of this society.

12.2 Delivery Service:

- Hardees should start a free home delivery service. This will add to the ease of customers.

12.3 Take Away:

- Hardees should open take away outlets in other parts of the twin cities. This will reduce the pressure from the main franchise, be of ease to customers living far away from the main franchise and would help Hardees wide product spread.

12.4 Parking Space:

- Hardees should work on their parking space. Being a fastest growing restaurant, their parking space for customers is quite undersized. Customers have to park their cars on road sides, at times.
-