

Year	Production of Top 8 Burgers	Percentage Change	Labour Employed	Productivity/output per worker	Percentage Change
2007	46,241,971	%	7500	6166	%
2008	47,915,640	3.62%	8000	5989	-2.87%
2009	46,965,170	-1.98%	9000	5218	-12.87%

10

The national production graph shows us that the production of the top 8 burgers has decreased in 2009 by 1.98%. I believe that this is because of the recession that hit early in that year and people could not afford to eat out at McDonalds' restaurants or any restaurant at that point in time. The labour employed in that year has increased by 1000 jobs and productivity has decreased. I think that the main reason the labour has increased so much in two years was because the McDonalds franchising on a national level was increasing and making new stores in other parts of New Zealand (NZ) to have a wider market share. In 2009 McDonalds was also starting to make a new range of burgers such as the 'Angus' range and the 'Selections' range, these burgers may not have been in the top 8 at the end of the year resulting in them not being counted for this table. These new burgers may have also caused some problems for workers, slowing them down until they got used to making them and may have been another reason for lower productivity.

11

The producer decisions that may have played a part in these changes were made by entrepreneurial influences in the business. There was a big risk displayed in years 2007-2009 and this was because the business was being expanded. You can see that this was present in the graph as throughout those three years an extra 1500 staff was employed. Because most McDonalds' outlets in NZ have about 100 staff employed this shows that maybe another 15 restaurants were put in place around the country. This would be a longer term decision made by their entrepreneurial team as it will pay off in later years as they have gained a larger market share of the fast food industry, gaining more sales and maximising profits longer term. Another decision that McDonalds made to improve production and productivity was employing more capital goods in branches that takes over from some labour and assists workers making things more efficient and improving productivity by cutting costs of production longer term.

12

Example: In 2008 McDonalds had an increase in production of 3.62% of the top 8 burgers, but productivity decreased by 2.87% because 500 workers were employed. Many would be inexperienced and maybe there was a lack of training in some of the restaurants. Productivity decreased in 2009 from the previous year by 12.87%, because even though the number of burgers produced increased it was not as much of an increase percentage wise as between 2007 and 2008, and 1000 more people were employed...

13